



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

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 43RD ANNUAL GENERAL MEETING ("AGM") of the Company will be held at Ballroom 1, 1st Floor, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Friday, 10 May 2013 at 9.30 a.m. for the following purposes:

Ordinary Business:

1. To receive and adopt the Audited Financial Statements of the Company and of the Group for the year ended 31 December 2012 and Reports of the Directors and Auditors thereon. **Ordinary Resolution 1**
2. To declare the following:-
 - (i) A final dividend of 9% less 25% income tax for the financial year ended 31 December 2012; and **Ordinary Resolution 2**
 - (ii) A special dividend of 18% less 25% income tax for the financial year ended 31 December 2012. **Ordinary Resolution 3**
3. To approve payment of Directors' Fees amounting to RM560,000.00 for the financial year ended 31 December 2012. **Ordinary Resolution 4**
4. To re-elect the following Directors who retire in accordance with Article 86 of the Company's Articles of Association and who being eligible offer themselves for re-election:-
 - (i) Datuk Syed Zaid bin Syed Jaffar Albar **Ordinary Resolution 5**
 - (ii) Dato' Jasmy bin Ismail **Ordinary Resolution 6**
5. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to determine their remuneration. **Ordinary Resolution 7**

Special Business:

6. To consider and if thought fit, to pass the following resolution pursuant to Recommendation 3.3 of the Malaysian Code on Corporate Governance 2012 to retain the following director, who has served the Company as board member for a cumulative term of more than nine years, in the capacity as independent director:- **Ordinary Resolution 8**

Continuing in Office as Independent Non-Executive Director

- (i) That approval be and is hereby given for Datuk Syed Zaid bin Syed Jaffar Albar to continue to act as an Independent Non-Executive Director of the Company. **Ordinary Resolution 8**

7. To consider and if thought fit, to pass the following resolution:-

Proposed increase in the authorised share capital of MBSB

That the authorised share capital of the Company be and is hereby increased from RM2,800,000,000 comprising 2,800,000,000 MBSB Shares to RM10,000,000,000 comprising 10,000,000,000 MBSB Shares by the creation of an additional 7,200,000,000 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 Increase 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.

8. To consider and if thought fit, to pass the following resolution:-

Proposed amendments to the Memorandum and Articles of Association of MBSB ("Proposed Amendments")

Special Resolution 1

That, subject to the passing of Ordinary Resolution 9 above and the approvals of the relevant authorities (where required) being obtained, approval be and is hereby given for the Memorandum & Articles of Association 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 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.	The authorised capital of the Company is RM10,000,000,000 divided into 10,000,000,000 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 RM2,800,000,000 divided into 2,800,000,000 Ordinary Shares of RM1.00 each.	The authorised share capital of the Company is RM10,000,000,000 divided into 10,000,000,000 Ordinary Shares of RM1.00 each.

9. To transact any other ordinary business of which due notice shall have been given.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend this 43rd AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Article of the 58A(2) of the Company's Articles of Association and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991, to issue a General Meeting Record of Depositors as at 2 May 2013. Only a depositor whose name appears on the Record of Depositors as at 2 May 2013 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.

BY ORDER OF THE BOARD

KOH AI HOON (MAICSA 7006997)
TONG LEE MEE (MAICSA 7053445)

COMPANY SECRETARIES

Kuala Lumpur

18 April 2013

Explanatory Notes to Special Business:-

1. Item 6 (i) of the Agenda

The Nominating & Remuneration Committee has assessed the independence of Datuk Syed Zaid bin Syed Jaffar Albar, who served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years and recommended him to continue to act as an Independent Non-Executive Director of the Company based on the following justifications:-

 - i. He has fulfilled the criteria under definition of Independent Director as stated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and therefore would be able to function as a check and balance and bring an element of objectivity to the Board of Directors;
 - ii. He has vast experience in the legal field and is able to provide constructive and independent advice from the legal perspective of the business;
 - iii. He constantly challenges the Management in an effective and constructive manner;
 - iv. He actively participates in board discussion and provides an independent voice on the Board.
2. Item 7 of the Agenda

The Proposed Increase in Authorised Share Capital is to facilitate future corporate exercises involving the issuance of new MBSB Shares that may be undertaken by MBSB.
3. Item 8 of the Agenda

The Proposed Amendments is to accommodate the implementation of the Proposed Changes in Authorised Share Capital.

Notes:-

1. 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.
2. To be valid, the proxy 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.
3. 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.
4. 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.
5. 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.
6. 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.
7. If the appointer is a corporation, the proxy form must be executed under its common seal or under the hand of its attorney.