

**MALAYSIA BUILDING SOCIETY BERHAD**  
**(Company No. 9417-K)**  
**(Incorporated in Malaysia)**

**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**AUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014**

	<b>As at</b>	<b>As at</b>
	<b>31 December 2014</b>	<b>31 December 2013</b>
	<b>(RM'000)</b>	<b>(RM'000)</b>
<b>ASSETS</b>		
Cash and short term funds	5,683,939	4,576,711
Deposits and placements with financial institutions	83,418	6,953
Trade receivables	365	524
Other receivables	213,564	187,949
Inventories	103,233	28,906
Loans, advances and financing	31,032,148	30,296,222
Investment properties	-	446
Property, plant and equipment	137,773	98,850
Land use rights	5,908	6,068
Intangible assets	36,129	42,979
Deferred tax assets	369,426	3,426
	<b>37,665,903</b>	<b>35,249,034</b>
<b>TOTAL ASSETS</b>	<b>37,665,903</b>	<b>35,249,034</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Deposits from customers	27,530,858	28,192,669
Bank borrowings	1,415,844	1,440,319
Other borrowings	150,544	250,869
Trade payables	184	224
Other payables	313,753	323,982
Provision for taxation and zakat	33,867	79,448
Recourse obligation on loans sold to Cagamas Berhad	2,373,039	2,267,224
Sukuk - MBSB SC Murabahah	1,150,124	492,696
Deferred tax liabilities	15,277	15,393
	<b>32,983,490</b>	<b>33,062,824</b>
<b>TOTAL LIABILITIES</b>	<b>32,983,490</b>	<b>33,062,824</b>
Share capital	2,709,623	1,747,868
Share premium	1,278,873	631,189
Other reserve	36,810	36,670
Accumulated profit/(losses )	657,107	(229,517)
	<b>4,682,413</b>	<b>2,186,210</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>37,665,903</b>	<b>35,249,034</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	<b>8,138,212</b>	<b>5,014,098</b>
<b>Net assets per share attributable to shareholders (RM)</b>	<b>1.73</b>	<b>1.25</b>

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2013.

**MALAYSIA BUILDING SOCIETY BERHAD**  
**(Company No. 9417-K)**  
**(Incorporated in Malaysia)**

**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**AUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEAR**  
**ENDED 31 DECEMBER 2014**

	(Unaudited)		(Audited)	
	4th quarter ended		Twelve months ended	
	31 December		31 December	
	2014	2013	2014	2013
	RM'000	RM'000	RM'000	RM'000
Revenue	594,330	720,741	2,612,512	2,536,090
Interest income	125,218	136,487	519,387	465,771
Interest expenses	(68,717)	(156,088)	(274,898)	(367,902)
Net interest income	56,501	(19,601)	244,489	97,869
Net income from Islamic banking operations	187,224	415,410	1,027,404	1,264,864
Operating income	243,725	395,809	1,271,893	1,362,733
Other income	26,780	59,932	91,787	140,485
Total income	270,505	455,741	1,363,680	1,503,218
Other operating expenses	(83,127)	(114,146)	(304,949)	(295,296)
Operating profit	187,378	341,595	1,058,731	1,207,922
Allowance for impairment losses on loans, advances and financing	(100,096)	(90,180)	(126,175)	(275,573)
Profit before taxation and zakat	87,282	251,415	932,556	932,349
Taxation	310,520	(114,790)	87,818	(331,104)
Zakat	(4,730)	(3,077)	(5,345)	(3,677)
Profit for the year	393,072	133,548	1,015,029	597,568
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	393,072	133,548	1,015,029	597,568
Earnings per share (sen):				
Basic	14.56	7.66	39.15	37.07
Diluted	14.49	7.59	38.96	36.76

**The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2013.**

**MALAYSIA BUILDING SOCIETY BERHAD**  
**(Company No. 9417-K)**  
**(Incorporated in Malaysia)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014**

<----- Non Distributable ----->

	Ordinary Shares <i>RM'000</i>	Share Premium <i>RM'000</i>	Capital Reserve #1 <i>RM'000</i>	Share Option Reserve <i>RM'000</i>	Warrants Reserve <i>RM'000</i>	Capital Redemption Reserve #2 <i>RM'000</i>	Accumulated Profit/(Losses) <i>RM'000</i>	Total Equity <i>RM'000</i>
<b>At 1 January 2013</b>	1,240,361	514,098	17,838	2,799	98,207	12,486	(389,143)	1,496,646
Total comprehensive income for the year	-	-	-	-	-	-	597,568	597,568
Dividend	-	-	-	-	-	-	(438,127)	(438,127)
Share options granted under ESOS recognised in profit or loss	-	-	-	7,786	-	-	-	7,786
Issue of ordinary shares pursuant to exercise of ESOS	20,808	21,672	-	(6,842)	-	-	-	35,638
Issue of ordinary shares pursuant to exercise of warrants	486,699	95,419	-	-	(94,574)	-	(845)	486,699
Transfer of share option reserve to accumulated losses upon expiry of share options	-	-	-	(1,030)	-	-	1,030	-
<b>At 31 December 2013</b>	1,747,868	631,189	17,838	2,713	3,633	12,486	(229,517)	2,186,210
<b>At 1 January 2014</b>	1,747,868	631,189	17,838	2,713	3,633	12,486	(229,517)	2,186,210
Total comprehensive income for the year	-	-	-	-	-	-	1,015,029	1,015,029
Dividend	-	-	-	-	-	-	(131,240)	(131,240)
Share options granted under ESOS recognised in profit or loss	-	-	-	12,389	-	-	-	12,389
Issue of ordinary shares pursuant to rights issue	873,929	558,448	-	-	-	-	1,027	1,433,404
Issue of ordinary shares pursuant to ESOS	38,115	38,429	-	(10,441)	-	-	-	66,103
Issue of ordinary shares pursuant to warrants	384	-	-	-	-	-	-	384
Issue of ordinary shares pursuant to DRP	49,327	50,807	-	-	-	-	-	100,134
Transfer of share option reserve to accumulated losses upon expiry of share options	-	-	-	(1,808)	-	-	1,808	-
<b>At 31 December 2014</b>	2,709,623	1,278,873	17,838	2,853	3,633	12,486	657,107	4,682,413

#1 Capital reserve arose out of the transfer of the Malaya Borneo Building Society Limited as at 29 February 1972 to the Company on 1 March 1972 via a Scheme of Arrangement and is not distributable as cash dividends.

#2 Capital redemption reserve arose out of the redemption of redeemable cumulative preference shares and is not distributable as cash dividends.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2013.

**MALAYSIA BUILDING SOCIETY BERHAD**  
**(Company No. 9417-K)**  
**(Incorporated in Malaysia)**

**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>31 December 2014 RM'000</b>	<b>31 December 2013 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	932,556	932,349
Adjustments for :		
Depreciation		
- Investment properties	12	21
- Property, plant and equipment	14,497	13,159
Amortisation		
- land use rights	160	165
- Intangible assets	12,311	11,155
Gain on disposal of property, plant and equipment and land use rights	(3)	(6,154)
Gain on disposal of inventory	(20,379)	(15,001)
Gain on disposal of investment properties	(166)	-
Gain on disposal of foreclosed properties	(4,050)	-
Allowance for impairment of receivables	30,257	47,912
Allowance for impairment losses on loans and financing	126,175	275,573
Accruals made during the year	1,675	13,142
Interest/profit income adjustment on:		
- loans, advances and financing	266,809	168,844
- Sukuk - MBSB SC Murabahah	(23,110)	(431)
Operating profit before working capital changes	1,336,744	1,440,734
Increase in deposits with financial institutions	(76,465)	(1,599)
Increase in loans, advances and financing	(1,088,162)	(6,520,042)
Increase in inventories	(74,327)	-
Decrease/(Increase) in trade receivables	159	(117)
(Decrease)/Increase in other receivables	(75,726)	126,352
(Decrease)/Increase in deposits from customers	(661,811)	6,698,570
(Decrease)/Increase in trade payables	(40)	29
(Decrease)/Increase in other payables	(10,269)	34,651
Cash (used in)/generated from operations	(649,897)	1,778,578
Tax paid	(334,100)	(307,087)
Tax refund	103	5
Zakat paid	(3,487)	(1,708)
Net cash (used in)/generated from operating activities	(987,381)	1,469,788

(Contd.)

**MALAYSIA BUILDING SOCIETY BERHAD**  
**(Company No. 9417-K)**  
**(Incorporated in Malaysia)**

**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**AUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2014**

	<b>31 December 2014 RM'000</b>	<b>31 December 2013 RM'000</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(53,420)	(12,780)
Purchase of intangible assets	(5,461)	(12,766)
Proceeds from disposal of property, plant and equipment and land use rights	3	36,606
Proceeds from disposal of inventories	32,200	47,000
Proceeds from disposal of foreclosed properties	4,050	-
Proceeds from disposal of investment properties	600	-
Decrease in investment held-to maturity	-	200,000
Net cash (used in)/generated from investing activities	(22,028)	258,060
<b>Cash flows from financing activities</b>		
(Drawdown)/Proceeds from bank borrowings	(24,475)	1,090,102
Repayment of other borrowings	(100,325)	(100,334)
Repayment of recourse obligation on loans sold to Cagamas Berhad	105,815	(94,773)
Proceeds from Sukuk - MBSB SC Murabahah	657,428	491,966
Dividend paid - ordinary shares	(131,240)	(438,127)
Net proceeds from issuance of ordinary shares	1,609,434	624,598
Net cash generated from financing activities	2,116,637	1,573,432
Net increase in cash and cash equivalents	1,107,228	3,301,280
Cash and cash equivalents at beginning of financial year	4,576,711	1,275,431
Cash and cash equivalents at end of financial year	5,683,939	4,576,711
Cash and cash equivalents comprise :		
Cash and short term funds	5,683,939	4,576,711

**The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2013.**