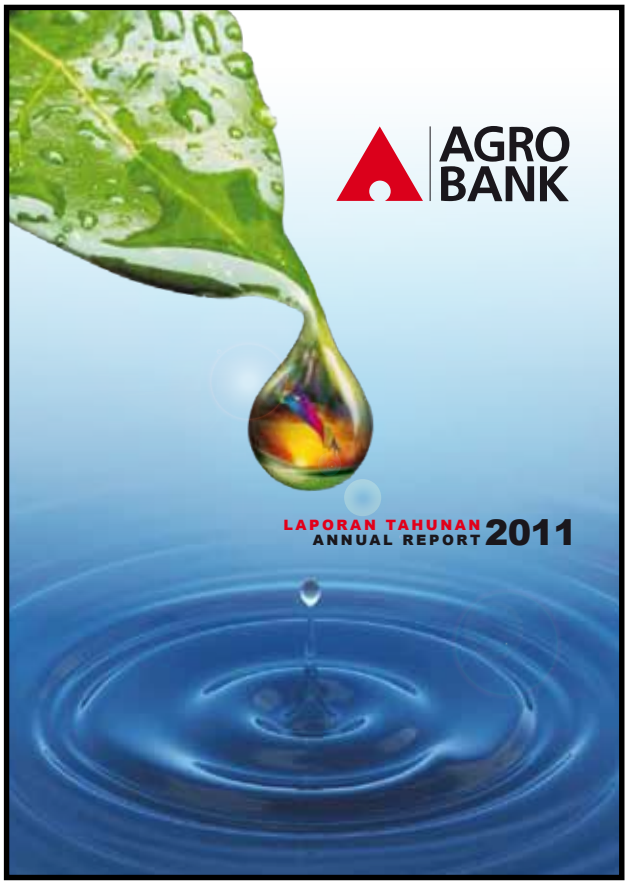
AGRO BANK

LAPORAN TAHUNAN
ANNUAL REPORT 2011



Mengimbangi keuntungan mapan dan peranan yang dimandatkan

Balancing profit sustainability and the mandated role

Konsep kulit hadapan Laporan Tahunan Agrobank 2011 menggambarkan keseimbangan alam semula jadi yang terdiri daripada tanah, air, angin dan api. Perihal ini mencerminkan keseimbangan Agrobank dalam menangani cabaran dunia dengan menyediakan produk dan perkhidmatan yang cemerlang, memaksimumkan dan mengekalkan keuntungan yang mapan, dan pada waktu yang sama mempertahankan peranan yang dimandatkan sebagai Bank peneraju dan pusat kepakaran pertanian.

Agrobank's 2011 Annual Report cover concept illustrates the balancing act of nature which consists of earth, water, wind and fire. This concept expresses the balance in Agrobank's way of addressing the world's challenges in order to provide excellent products and services, maximising and sustaining profit and at the same time, retaining its mandated role as a leading Bank and centre of agricultural expertise.

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Always by Your Side

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PERUTUSAN PENGERUSI
CHAIRMAN'S STATEMENT

Dengan nama Allah, yang Maha Penyayang, lagi Maha Mengasihani
In the name of Allah, the most Beneficent, the most Merciful

Bagi pihak Lembaga Pengarah Bank Pertanian Malaysia Berhad (Agrobank), dengan sukacitanya saya membentangkan Laporan Tahunan dan Penyata Kewangan Beraudit Agrobank bagi Tahun Kewangan Berakhir 31 Disember 2011.

On behalf of the Board of Directors of Bank Pertanian Malaysia Berhad (Agrobank), it is with great pleasure to present the Annual Report and the Audited Financial Statements of Agrobank for the Financial Year Ended 31 December 2011.

Ekonomi dunia pada tahun 2011 terjejas teruk akibat krisis hutang di Eropah, manakala Amerika Syarikat pula bergelut untuk memulihkan ekonominya yang meleset. Dalam dunia yang sangat integrasi, negara-negara yang bergantung kepada perdagangan seperti China turut merasai kesan kelembapan ekonomi. Pergolakan politik di Timur Tengah menambahkan ketidaktentuan yang berlanjutan dan meningkatkan harga minyak. Sebagai negara perdagangan, Malaysia juga tidak terkecuali daripada menerima kesan kelembapan ekonomi dunia. Ekonomi Malaysia yang didorong oleh permintaan domestik dan diperkukuhkan dengan perbelanjaan awam, meningkat sebanyak 5.1% pada tahun 2011, lebih sederhana daripada 7.2% pada tahun 2010. Dengan limpahan sumber aslinya, eksport komoditi Malaysia seperti petroleum dan gas telah menjadi sebahagian daripada penyumbang pertumbuhan.

Tahun 2012 akan menjadi satu lagi tahun yang mencabar kepada ekonomi global kerana pemulihan di Eropah adalah sukar dan memeritkan. Berasaskan sokongan permintaan domestik, ekonomi Malaysia dijangka berkembang di antara 3.5% hingga 4.5% pada tahun 2012 dalam suasana ekonomi global yang masih lembab. Pelaksanaan Program Transformasi Ekonomi (ETP) dijangka akan meningkatkan pertumbuhan dan mengurangkan kesan kelemahan luaran. Hala tuju sektor pertanian pula akan berpandukan kepada Dasar Agro-Makanan Negara dan Dasar Komoditi Negara dan Permulaan Projek (EPPs) dalam pertanian.

Kadar Dasar Semalaman (OPR) yang berada pada kadar 3.0% sejak Mei 2011, dijangka tidak berubah sepanjang tahun 2012 kerana keadaan ekonomi yang tidak menentu di Eropah dan Amerika Syarikat. Ketegangan yang berpunca daripada ancaman nuklear Iran telah menyebabkan kenaikan harga minyak yang tinggi dan boleh meningkatkan inflasi. OPR dijangka meningkat pada tahun 2013 iaitu bergantung kepada pemulihan ekonomi dan kesan tekanan inflasi.

Pada bulan Disember 2011, Bank Negara Malaysia telah melancarkan Pelan Induk Sektor Kewangan (2011-2020) yang menggariskan hala tuju masa depan sektor kewangan untuk tempoh 10 tahun yang akan datang dan mengubahnya kepada sektor yang lebih kompetitif dan dinamik dengan nilai tambah yang lebih tinggi. Antara penekanan Pelan Induk itu adalah menggalakkan perantaraan yang berkesan, rangkuman kewangan, kewangan Islam, pembayaran elektronik, memperkasakan pelanggan dan pembangunan bakat.

The world's economy in 2011 was deeply shaken by the European debt crisis, while the United States struggled to recover from its economic misery. In a highly integrated world, trade-dependent countries such as China also felt the heat of the global slowdown. The political uprising in the Middle East added further uncertainty and lifted oil prices higher. Being a trading nation, Malaysia was not spared from the global economic weakness. The Malaysian economy, primarily driven by domestic demand and reinforced by public expenditure, grew by 5.1% in 2011, moderating from a 7.2% recorded in 2010. Blessed with natural resources, Malaysia's exports of commodities such as petroleum and gas have partly supported the growth.

2012 will be another challenging year for the global economy as the recovery in Europe will be grueling and painful. Driven by domestic demand, the Malaysian economy is projected to grow between 3.5% and 4.5% in 2012 as the global economy remains sluggish. The implementation of the Economic Transformation Programmes (ETPs) will prop up growth and cushion the effects of the external weaknesses. The future direction of the agriculture sector will be guided by the plans from the National Agro-Food Policy, the National Commodity Policy and the Entry Point Projects (EPPs) in agriculture.

The Overnight Policy Rate (OPR), which has been at 3.0% since May 2011, is expected to remain unchanged for most of 2012 due to the uncertain economic conditions in Europe and the United States. The tensions over Iran's nuclear threat have seen oil prices higher and could push up inflation. The OPR is expected to move upwards in 2013 subject to improving economic conditions and the return of inflationary pressures.

In December 2011, Bank Negara Malaysia had released the Financial Sector Blueprint (2011-2020) to chart the future direction of the financial sector in the next 10 years and transform it into a more competitive and dynamic sector for a high value-added economy. Among the emphasis of the blueprint will be in promoting effective intermediation, financial inclusion, Islamic finance, electronic payments, empowering consumers and talent development.

Dalam situasi ini, Agrobank telah mencapai hasil yang memberansangkan pada tahun kewangan 2011. Keuntungan bersih tahun 2011 telah meningkat kepada RM409.5 juta, iaitu kenaikan 8.9% berbanding tahun sebelumnya dan yang tertinggi sejak pengkorporatan pada tahun 2008. Pencapaian ini disumbangkan oleh prestasi operasi dan perniagaan yang bertambah baik dan juga keupayaan memperbaiki kualiti asset pinjaman secara menyeluruh. Pulangan Atas Ekuiti (ROE) sebanyak 24.1% yang jauh melebihi kadar purata industri juga menyumbang kepada peningkatan dana pemegang saham daripada RM2,029 juta pada tahun 2010 kepada RM2,251 juta pada tahun 2011; pulangan sebanyak 10.9% iaitu kadar yang menggalakkan. Kedudukan modal Bank kekal kukuh selaras dengan Nisbah Modal Berwajaran Risiko (RCWR) yang kekal pada 21.2% iaitu melebihi nisbah ambang yang ditetapkan pada 16.0% oleh badan kawal selia.

Bagi operasi pinjaman, kelulusan pinjaman dan aset kasar pinjaman telah meningkat, masing-masing sebanyak 97.9% dan 8.7%. Peningkatan menyeluruh ini adalah hasil daripada perubahan model perniagaan yang memberikan tumpuan yang lebih kepada pertanian dan penambahbaikkan proses penyampaian. Pada masa yang sama, nisbah pinjamaan bersih telah menurun. Keupayaan Bank memulihkan pinjaman tidak berbayar dan dalam masa yang sama turut berjaya membendung kemerosotan kualiti aset pinjaman sedia ada telah menyumbang kepada peningkatan menyeluruh kualiti aset.

Dalam tempoh pelaporan ini, Bank telah melaksanakan beberapa inisiatif untuk mengukuhkan lagi urus tadbir dan prestasi keseluruhan. Struktur organisasi telah disusun semula untuk memberikan lebih tumpuan kepada usaha melaksanakan peranan yang dimandatkan dalam menyediakan pembiayaan kepada sektor pertanian. Amalan terbaik pengurusan kredit diterima pakai di mana pengasingan tugas yang lebih jelas di antara penilaian kredit dan penaja jamin kredit diwujudkan. Langkah ini bukan sahaja akan menyemai urus tadbir dan akauntabiliti yang lebih baik, tetapi juga akan menambahbaik proses penyampaian. Fungsi pengurusan risiko diperkukuhkan lagi dengan mengadakan pelbagai kawalan, polisi dan garis panduan untuk memantau risiko kredit, pasaran dan operasi.

Amidst these scenarios, Agrobank has achieved commendable results for the financial year under review. The net profit in 2011 increased to RM409.5 million; 8.9% higher compared to the previous corresponding period and the highest since the Bank's corporatisation in 2008. The achievement was attributed from the improved operational and business performance as well as the capability to improve the overall quality of the loan assets. The Return on Equity (ROE) of 24.1%, well above the industry average, contributed to the overall improvement of the shareholder's fund from RM2,029 million in 2010 to RM2,251 million in 2011; which was a respectable gain of 10.9%. The Bank's capital position had remained strong as the Risk Weighted Capital Ratio (RWCR) had remained at 21.2%, which is above the threshold ratio of 16.0% set by the regulator.

In terms of lending operation, the loan approval and the gross loan assets had grown by 97.9% and 8.7% respectively. The overall improvement could be attributed from the changes in the Bank's business model which is focused more towards agricultural sector and improvements in the delivery process. At the same time, the net impaired loan ratio had decreased. The Bank's ability to recover from impaired loans and at the same time contain the existing assets from deteriorating further had contributed towards the overall improvement of asset quality.

During the period under review, Agrobank had taken several initiatives to further strengthen its corporate governance and overall performance. The organisational structure was revised to focus more on the Bank's mandated role in the provision of financing to the agriculture sector. The best practice of credit management was adopted where clear separation of duties between the credit origination and credit underwriting was established. This will not only instill better governance and accountability, but also further improve the delivery process. The risk management function was further strengthened and various measures, policies and guidelines were introduced to mitigate the credit, market and operational risks.

Agrobank telah menyediakan Pelan Strategik 5 Tahun (2012-2016) selaras dengan inisiatif umum pelan tindakan kerajaan. Dalam usaha merealisasikan visi untuk menjadi sebuah Bank terkemuka dengan fokus kepada pertanian, Agrobank telah menetapkan 6 strategi utama, iaitu:

1. Agenda rangkuman kewangan.
2. Fokus kepada perusahaan mikro, kecil dan sederhana.
3. Memperkasakan modal insan.
4. Meningkatkan pakatan strategik.
5. Memanfaatkan kemajuan teknologi.
6. Meneroka perniagaan dan bidang pertumbuhan baru.

Agrobank telah lama aktif dalam menyediakan perkhidmatan kewangan di kawasan yang kekurangan kemudahan dengan membuka cawangan di kawasan luar bandar. Agrobank akan melaksanakan agenda rangkuman kewangan melalui penggunaan teknologi serta pakatan strategik dengan agensi yang berkaitan bagi membangunkan sektor pertanian. Bagi mencapai sasaran tersebut, kecekapan sistem penyampaian Bank akan terus dipertingkatkan, khususnya kepada pelanggan. Matlamat untuk menjalankan operasi Perbankan Islam sepenuhnya menjelang tahun 2015 telah menyumbang kepada pertumbuhan Perbankan Islam domestik, dan pada masa yang sama menggalakkan amalan perbankan yang beretika.

Landskap kewangan dijangka akan lebih kompetitif pada beberapa tahun akan datang selaras dengan proses liberalisasi kewangan yang sedang dilaksanakan secara beransur-ansur. Sehubungan dengan ini perkhidmatan Agrobank akan terus ditambahbaik secara berterusan untuk menghadapi cabaran di masa hadapan untuk kekal berdaya saing dan responsif kepada keperluan pelanggan yang sentiasa berubah. Dalam usaha melebarkan kedudukannya di seluruh negara melalui produk dan perkhidmatan yang lebih baik, Agrobank akan terus mendukung visi dan misinya dengan penuh komitmen untuk menunaikan peranan yang dimandatkan iaitu memberi tumpuan khusus kepada sektor pertanian.

Agrobank has developed its 5-year Strategic Plan (2012-2016), which is very much in line with the broad initiatives of the Government's blueprint. In realising the vision to be a leading Bank with a focus in the agriculture sector, Agrobank outlined 6 key strategic thrusts, as follows:

1. *Financial inclusion agenda.*
2. *Focus on micro, small and medium enterprises.*
3. *Rejuvenate human capital.*
4. *Improve strategic alliances.*
5. *Capitalise on technological advancement.*
6. *Explore new business/growth areas.*

Agrobank has been active in providing financial services to areas lacking in facilities by locating many of its branches in the rural areas. Agrobank will continue with the financial inclusion agenda through the application of technology as well as forging strategic alliances with relevant agencies in developing the agricultural sector. In achieving the target, Agrobank's delivery system will continuously be improved for greater efficiency particularly in customer service delivery. Agrobank's vision of operating under full-fledged Islamic operations by 2015 will contribute to the growth of domestic Islamic banking and at the same time promote ethical banking practices.

The financial landscape is going to be more competitive in years ahead as it is being liberalised gradually. Agrobank will constantly upgrade itself to meet future challenges by staying competitive and being responsive to the changing needs of its customers. Striving to establish greater footprints nationwide through better products and services, Agrobank will continue to uphold its vision and mission while remaining committed to fulfilling its mandated role of focusing on the agriculture sector.

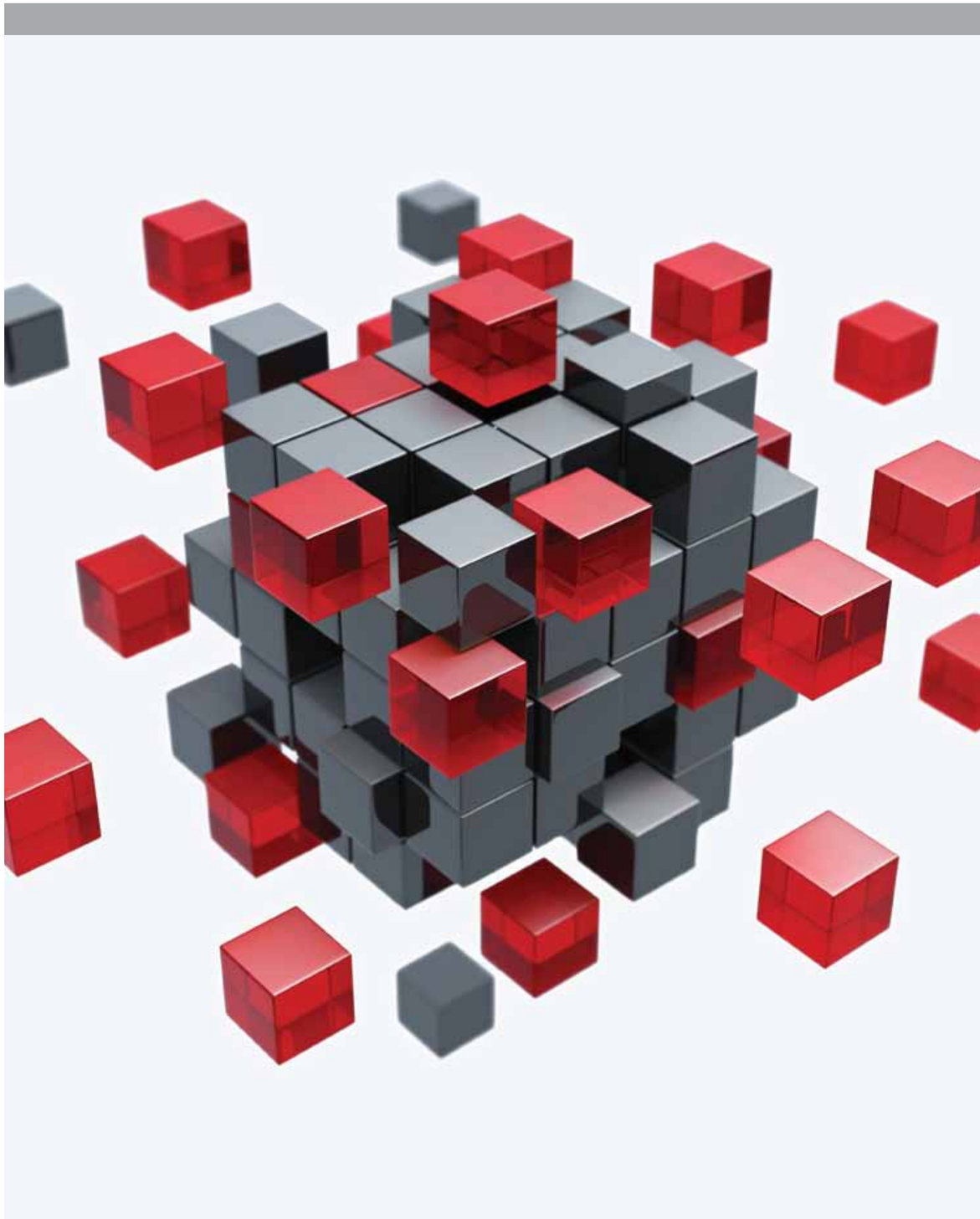
Saya amat berbesar hati kerana dapat berkhidmat dalam Lembaga Pengarah bersama-sama dengan ahli-ahli yang berdedikasi dan professional. Saya mengambil kesempatan ini juga untuk mengucapkan terima kasih kepada Ahli-Ahli Lembaga Pengarah atas sokongan, sumbangan dan komitmen yang mereka berikan sejak setahun yang lalu.

Bagi pihak Lembaga Pengarah, saya juga ingin merakamkan penghargaan kepada Kementerian Kewangan, Kementerian Pertanian dan Industri Asas Tani, Bank Negara Malaysia, Kementerian-Kementerian lain, Agensi-Agensi berkaitan, rakan-rakan, para pelanggan, pihak-pihak yang berkepentingan dan semua kakitangan Agrobank atas dedikasi, komitmen dan kesetiaan berterusan yang telah mereka berikan. Saya berkeyakinan bahawa kita mampu mencapai kejayaan yang lebih besar dan menyumbang ke arah pencapaian agenda pembangunan kerajaan. Tugas-tugas mendatang pasti lebih mencabar, tetapi kita akan berjaya jika kita bersatu.

TAN SRI FAIZAH MOHD TAHIR
Pengerusi Bebas Bukan Eksekutif
Independent Non-Executive Chairman

I am privileged to be able to serve the Board of Directors alongside dedicated and professional members. I wish to thank my fellow Board Members for their support, contributions, and commitment over the past one year.

On behalf of the Board of Directors, I would like to express our sincere gratitude to the Ministry of Finance, Ministry of Agriculture and Agro-Based Industry, Bank Negara Malaysia, other ministries and related agencies, partners, customers and other stakeholders for their continuous support and guidance. I also wish to express my sincere appreciation to the Management and staff of Agrobank for their unrelenting dedication, commitment and loyalty. I have every confidence that together, we can achieve greater success and contribute towards the Government's development agenda. The tasks that lie ahead will be demanding but we can succeed if we stand together.



PERUTUSAN PRESIDEN/ KETUA PEGAWAI EKSEKUTIF

PRESIDENT/ CEO'S STATEMENT

Dengan nama Allah, yang Maha Penyayang, lagi Maha Mengasihani
In the name of Allah, the most Beneficent, the most Merciful

"Saya percaya bahawa Agrobank berada di landasan yang betul dalam merealisasikan potensinya yang sebenar."

"I believe that Agrobank is on track in realising its true potential."

Ini adalah perutusan sulung saya sebagai Presiden/ Ketua Pegawai Eksekutif Agrobank semenjak dilantik pada Julai 2011. Jika dibandingkan dengan pengalaman selama 22 tahun berkhidmat di Bank Perdagangan, menguruskan Institusi Kewangan Pembangunan (DFI) merupakan proses pembelajaran yang mencabar bagi kebanyakan kami dalam Kumpulan Pengurusan untuk memahami keunikan pengurusannya berbanding entiti komersial.

Saya yakin bahawa Agrobank berada di landasan yang betul dalam merealisasikan potensinya yang sebenar. Agrobank mempunyai beberapa kelebihan untuk membawa Bank ke tahap yang lebih tinggi, seperti rangkaian cawangan yang meluas di luar bandar dan pelanggan dalam bidang pertanian serta modal insan yang berpengetahuan mendalam dalam pertanian. Dengan perancangan dan pendedahan yang betul, kelebihan ini boleh dimanfaatkan sebagai kemampuan daya saing untuk meningkatkan perniagaan dan mengekalkan tahap keberuntungan.

Hakikatnya masih banyak peluang dalam bidang pertanian yang belum diteroka. Syer pasaran semasa Agrobank secara relatifnya kecil, iaitu kurang daripada 15%. Berdasarkan laporan Bank Negara Malaysia (BNM), jumlah pembiayaan Pertanian Utama dari 2008 hingga tahun 2011 meningkat hampir dua kali ganda iaitu RM21.8 bilion daripada RM14.6 juta dalam tempoh 4 tahun.

Seiring dengan pertambahan penduduk, keperluan untuk komoditi berkaitan pertanian turut akan meningkat. Kesedaran mengenai potensi dan peluang ini akan membantu Bank dalam merangka pelan perniagaan dan mengatur inisiatif yang akan mengukuhkan syer pasaran Bank.

This marks my maiden statement as President/ CEO of Agrobank after helming the Bank since July 2011. Compared to the previous experiences I have gained in Commercial Banks for the past 22 years, managing a Development Financial Institution (DFI) has been quite a steep learning curve for most of us in the Management Team in understanding the uniqueness of managing a DFIs as against a purely commercial entity.

I believe that Agrobank is on track in realising its true potential. Agrobank has some of the critical ingredients that can bring the Bank to a much higher level, such as an extensive rural branch network and client base in agriculture and human capital capabilities with vast knowledge in agriculture. With proper planning and exposure, these capabilities could be harnessed even more into a competitive advantage to improve business which ultimately leads to self-sustaining bottom line.

There is still tremendous opportunity in the agricultural sector that has yet to be tapped. Agrobank's current market share is less than 15%, which is relatively small. Based on Bank Negara Malaysia's (BNM) report, from 2008 till year 2011, total financing for Primary Agriculture nearly doubled at RM21.8 billion from RM14.6 billion in just 4 years.

As the country's population grows, the need for agricultural-related commodities will continue to grow in tandem. Realising all these potentials and opportunities will help us to properly chart Agrobank's business plan and organise initiatives that would ultimately strengthen the Bank's market share.

Fokus Agrobank adalah menyediakan perkhidmatan kepada kumpulan sasar, terutamanya komuniti luar bandar dengan menambah bilangan cawangan di kawasan ini. Agrobank juga telah melaksanakan beberapa inisiatif untuk menjalin kerjasama dengan pelbagai agensi kerajaan dan organisasi bagi memastikan keberkesanan operasi di luar bandar, melibatkan:

- Lembaga Kemajuan Tanah Persekutuan (FELDA) bagi menambah perkhidmatan Agrobank di kawasan terpilih.
- Perkhidmatan Bergerak BNM (BNM MobileLINK) dengan mengambil bahagian dalam siri jelajah di seluruh negara.
- Gabungan Persatuan Pengguna Malaysia (FOMCA) melalui program kesedaran kewangan di kalangan penduduk luar bandar.

Pada tahun kewangan ini, Agrobank telah menyusun semula struktur organisasi di ibu pejabat, pejabat wilayah dan cawangannya di seluruh negara. Ia melibatkan penstrukturan semula peranan dan tanggungjawab di pelbagai peringkat, sekali gus memerlukan semua kakitangan menyesuaikan diri dengan rentak baru. Di samping itu, Agrobank juga menerima kemasukan beberapa muka baru dalam Kumpulan Pengurusan, menjadikan jumlah kakitangan sebanyak 3,181 pada 31 Disember 2011.

Alhamdulillah, tahun 2011 telah membuahkan kejayaan kepada Bank di mana keuntungan bersihnya melebihi pencapaian tahun 2010 sebanyak 8.9% kepada RM409.5 juta. Pendapatan perniagaan Perbankan Islam meningkat sebanyak RM65.6 juta kepada RM405.4 juta berbanding tahun 2010, iaitu sejajar dengan inisiatif Bank ke arah melaksanakan Perbankan Islam sepenuhnya menjelang tahun 2015.

Jumlah aset Bank meningkat sebanyak RM1.49 bilion atau 14.1% berbanding tahun 2010 dengan deposit jangka pendek yang lebih tinggi serta pinjaman, pembiayaan dan pendahuluan yang lebih baik. Bank juga berjaya mengutip sebanyak RM57.1 juta daripada cagaran pinjaman tidak berbayar yang bernilai RM91.8 juta hasil usaha pemantauan yang lebih baik.

Agrobank's focus is in providing services to target groups, especially rural communities, by increasing the number of branches in these areas. Agrobank have taken a few initiatives by working closely with numerous government agencies/organisations to ensure the effectiveness of the Bank's operations in rural areas involving:

- *Federal Land Development Authority (FELDA) to increase Agrobank's services in selected areas.*
- *BNM Mobile Link (BNM MobileLINK) by participating in their road show series around the country.*
- *The Federation of Malaysian Consumer Association (FOMCA) through financial awareness programme among rural customer base.*

During the financial year, Agrobank has completed the reorganisation structure at head quarters, regional offices and branches. These involved changes of roles and responsibilities at many levels, thus requiring all staff to adjust to the new pace. In addition, Agrobank welcomed a few new faces in its Management Team, bringing to a total of 3,181 staff under its employment as at 31 December 2011.

Alhamdulillah, 2011 has been a fruitful year for the Bank, surpassing 2010 net profit by 8.9% to RM409.5 million. Income from Islamic Banking business increased by RM65.6 million to RM405.4 million, as against to 2010 figures, in line with the Bank's initiatives to become a full-fledged Islamic Bank by 2015.

The Bank's total assets increased by RM1.49 billion or 14.1% compared to year 2010 with higher short term deposits and better loans, financing and advances. The Bank were able to record a net write back of RM57.1 million from net charge of RM91.8 million from impaired loans due to better loan monitoring initiatives.

Pinjaman/pembiayaan Agrobank telah meningkat kepada RM5.97 bilion, meningkat 8.65% berbanding tahun sebelumnya. Dari jumlah tersebut, RM2.75 bilion atau 46% disumbang oleh Perbankan Korporat, diikuti Perbankan Konsumer sebanyak RM2.06 bilion (35%) dan Perbankan Komersial sebanyak RM1.16 bilion (19%). Jumlah kelulusan pinjaman/pembiayaan pada tahun 2011 berjumlah RM3.69 bilion dengan pengeluaran sebanyak RM2.73 bilion.

Jabatan Pengurusan Aset Khas (SAMD) ditubuhkan pada 1 Jun 2011 untuk mengawasi, mengurus dan menyelia akaun tak berbayar dan akaun yang telah dihapuskira serta memantau operasi Pusat Pemulihan Kredit (CRC) di setiap wilayah. SAMD juga bertanggungjawab untuk menjalankan usaha kutipan secara maksima dan meminimakan kerugian Bank serta memastikan proses kutipan dan pemulihan pinjaman yang dibuat adalah selaras dengan garis panduan BNM serta polisi dan garis panduan Bank.

Jabatan Pemantau Awal (ECMD) juga telah ditubuhkan pada 17 November 2011 bagi bekerjasama dengan SAMD untuk meningkatkan usaha kutipan pinjaman. ECMD bertanggungjawab mengawasi, menguruskan kutipan pinjaman aktif dan tertunggak oleh pemilik akaun. ECMD juga bertanggungjawab menyediakan khidmat nasihat dan sokongan berkaitan urusan penyusunan/penjadualan semula pinjaman dan lain-lain perkara yang berkaitan dengan kutipan dan penyeliaan pinjaman.

Pada tahun ini juga sebanyak 2 cawangan baru telah dibuka di Kubang Kerian dan Gopeng, menjadikan jumlah cawangan di seluruh negara sebanyak 178 buah. Seiring dengan matlamat Agrobank ke arah melaksanakan Perbankan Islam sepenuhnya menjelang tahun 2015, beberapa inisiatif dan aktiviti berkaitan telah dilakukan sepanjang tahun kewangan ini. Agrobank berjaya melaksanakan fasa pertama penukaran melibatkan 1.1 juta akaun giro/simpanan konvensional (bernilai RM1.39 juta) kepada akaun giro/simpanan Islam secara automatik pada 26 November 2011.

Agrobank's loans/financing had increase to RM5.97 billion, an 8.65% increase compared to the previous year. Corporate Banking contributed RM2.75 billion or 46%, followed by Consumer Banking at RM2.06 billion (35%) and Commercial Banking with RM1.16 billion (19%). Total loans/financing approved in 2011 amounted to RM3.69 billion with RM2.73 billion disbursed.

Special Asset Management Department (SAMD) was set up on 1 June 2011 to oversee, manage and monitor closely impaired accounts and written off accounts/assets, supervise and monitor Credit Recovery Centres (CRCs) in every region on loan recovery activities. SAMD is also responsible in maximising recovery efforts and minimising potential losses to the Bank as well as ensure that recovery processes complied with the BNM guidelines and the Bank's policy and guidelines.

Working hand in hand with SAMD and as part of Agrobank's efforts to improve collection, the Early Care Monitoring Department (ECMD) was set up on 17 November 2011. ECMD is responsible in overseeing, managing loan collection and monitoring activities of pre-impaired loans (current and delinquent) performed by business owners. ECMD is also responsible in providing assistance/advisory services in restructuring/rescheduling and other related collection and monitoring activities to the business owners to improve their asset quality.

During the year, 2 new branches were set up in Kubang Kerian and Gopeng, thus bringing the Bank's network to 178 branches throughout Malaysia. As Agrobank progresses in achieving the goal to be a full-fledged Islamic Bank by year 2015, a few initiatives and activities were carried out during the financial period. Agrobank has successfully converted a total of 1.1 million accounts (RM1.39 billion) conventional giro/savings accounts to Islamic giro/savings accounts with the first phase done automatically on 26 November 2011.

Pada 24 October 2011, MYAGROSIS, iaitu Kelab Usahawan Tani Siswazah telah dirasmikan pelancarannya oleh YB Datuk Seri Noh bin Haji Omar, Menteri Pertanian dan Industri Asas Tani (MOA) di UiTM Merbok, Kedah. Peruntukkan sebanyak RM10 juta telah disediakan untuk pembiayaan di bawah inisiatif ini.

Manakala Kelab AgroKid telah dilancarkan pada 13 Disember 2011. Keahlian dibuka kepada pemegang akaun berumur di bawah 12 tahun. Setakat 31 Disember 2011 sebanyak 4,593 ahli telah didaftarkan.

"Kempen Berbaloi 2011" yang dilancarkan pada 1 Mei 2011 di Temerloh, Pahang telah mendapat sambutan yang positif daripada pelanggan Agrobank. Hadiah yang ditawarkan termasuklah barang kemas, wang tunai, sijil simpanan dan hadiah utamanya ialah sebuah kereta Mercedez Benz C200.

Sejak penubuhannya 42 tahun yang lalu dan 3 tahun selepas dikorporatkan, pencapaian Agrobank kini pastinya sukar dicapai tanpa sokongan padu daripada pihak-pihak berkepentingan iaitu Kementerian Kewangan, MOA, BNM, lain-lain badan kawal selia, badan-badan kerajaan, pelanggan dan lain-lain.

Bagi pihak Kumpulan Pengurusan dan kakitangan Agrobank, saya ingin mengucapkan setinggi-tinggi penghargaan kepada Pengerusi dan Ahli-ahli Lembaga Pengarah atas bimbingan dan nasihat yang diberikan sepanjang tahun lepas.

Saya yakin bahawa perjalanan Agrobank dalam sektor pertanian adalah panjang dan akan mencapai kejayaan. Dengan pelaksanaan yang betul dan komitmen serta dedikasi yang berterusan daripada rakan-rakan dalam Kumpulan Pengurusan dan kakitangan, Agrobank akan berjaya merealisasikan potensinya yang sebenar.

WAN MOHD FADZMI WAN OTHMAN
Presiden/Ketua Pegawai Eksekutif
President/Chief Executive Officer

On 24 October 2011, MYAGROSIS, an Agriculture Graduate Entrepreneurs Club, was officiated by the Minister of Agriculture and Agro-based Industry (MOA), YB Datuk Seri Noh bin Hj Omar in UiTM Merbok, Kedah. A total financing of RM10 million has been allocated by the Bank for this initiative.

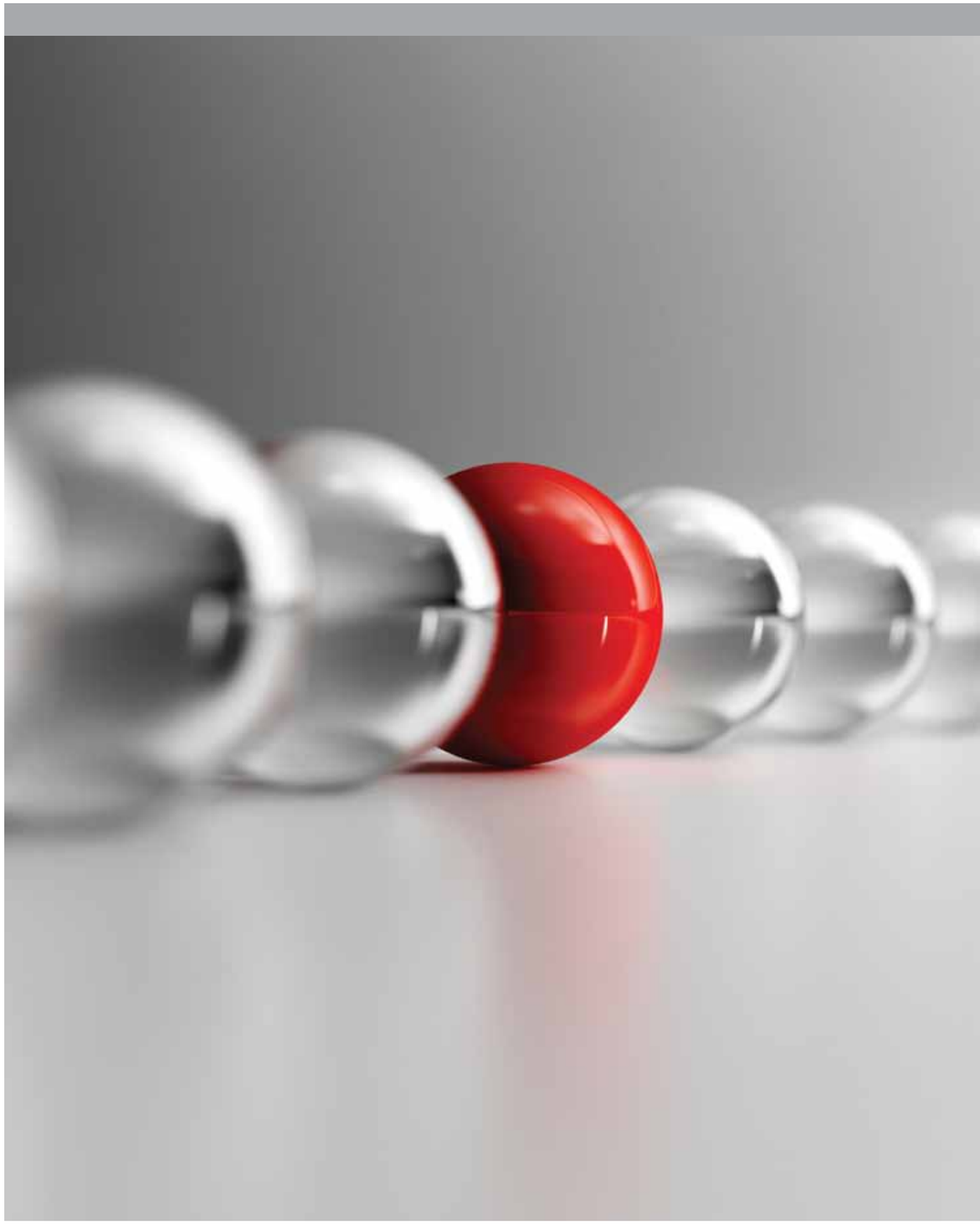
While the AgroKids Club was launched on 13 December 2011. Membership is opened to account holders below 12 years old. As at 31 December 2011, a total of 4,593 registered as members.

"Kempen Berbaloi 2011" which was launched on 1 May 2011 in Temerloh, Pahang received positive response from Agrobank's customers. Prizes given away include jewellery, cash, saving certificates and the grand prize of a new Mercedes Benz C200.

From beginning of its journey with 42 years in the market and 3 years after being corporatised, this could not have been achieved without the strong support received from Agrobank's stakeholders which includes, the Ministry of Finance, MOA, BNM, other regulators, government bodies, customers and others.

On behalf of the Management Team and staff of Agrobank, I would like to convey our deepest gratitude and appreciation to the Chairman and the Board of Directors for their guidance and advice provided for the past year.

I am convinced that Agrobank's journey in agricultural financing will be a long and successful one. With proper implementation as well as continuous commitment and dedication from my fellow Management Team and employees, Agrobank will truly realise its true potential.



WARGA AGROBANK
AGROBANKERS

VISI, MISI & OBJEKTIF
VISION, MISSION & OBJECTIVES

Visi
Vision

Untuk menjadi sebuah Bank yang menerajui bidang perbankan dengan memberi fokus kepada pertanian.

To be a leading bank with a focus on agriculture.

Misi
Mission

Menyediakan perkhidmatan kewangan yang lengkap mengikut kehendak pasaran dan pelanggan, dengan kewangan yang mapan untuk kumpulan sasar tertentu:

To provide market and client-driven financial services in a financially sustainable way with specific target groups such as:

- Usahawan Tani
  Agropreneurs
- Usahawan mikro, kecil dan sederhana
  Micro, small and medium entrepreneurs
- Individu persendirian
  Private individuals

Objektif*
*Objectives**

- Untuk menggalakkan pembangunan pertanian yang kukuh.
- Untuk menyelaras dan menyelia pemberian kredit daripada dana awam untuk tujuan pertanian oleh pelbagai orang atau kumpulan orang sama ada diperbadankan atau tidak.
- Menyediakan pinjaman, pendahuluan dan kemudahan kredit untuk pembangunan pertanian dan perniagaan berkaitan pertanian.
- Untuk menggerakkan simpanan dengan mengutamakan sektor pertanian dan demi memajukan objektif ini, menerima simpanan dan deposit masa.
- Meningkatkan kesejahteraan komuniti pertanian.
- Melaksanakan perniagaan am institusi perkhidmatan kewangan yang moden dan progresif yang menyediakan keperluan kewangan menyeluruh kepada pelanggan-pelanggannya.

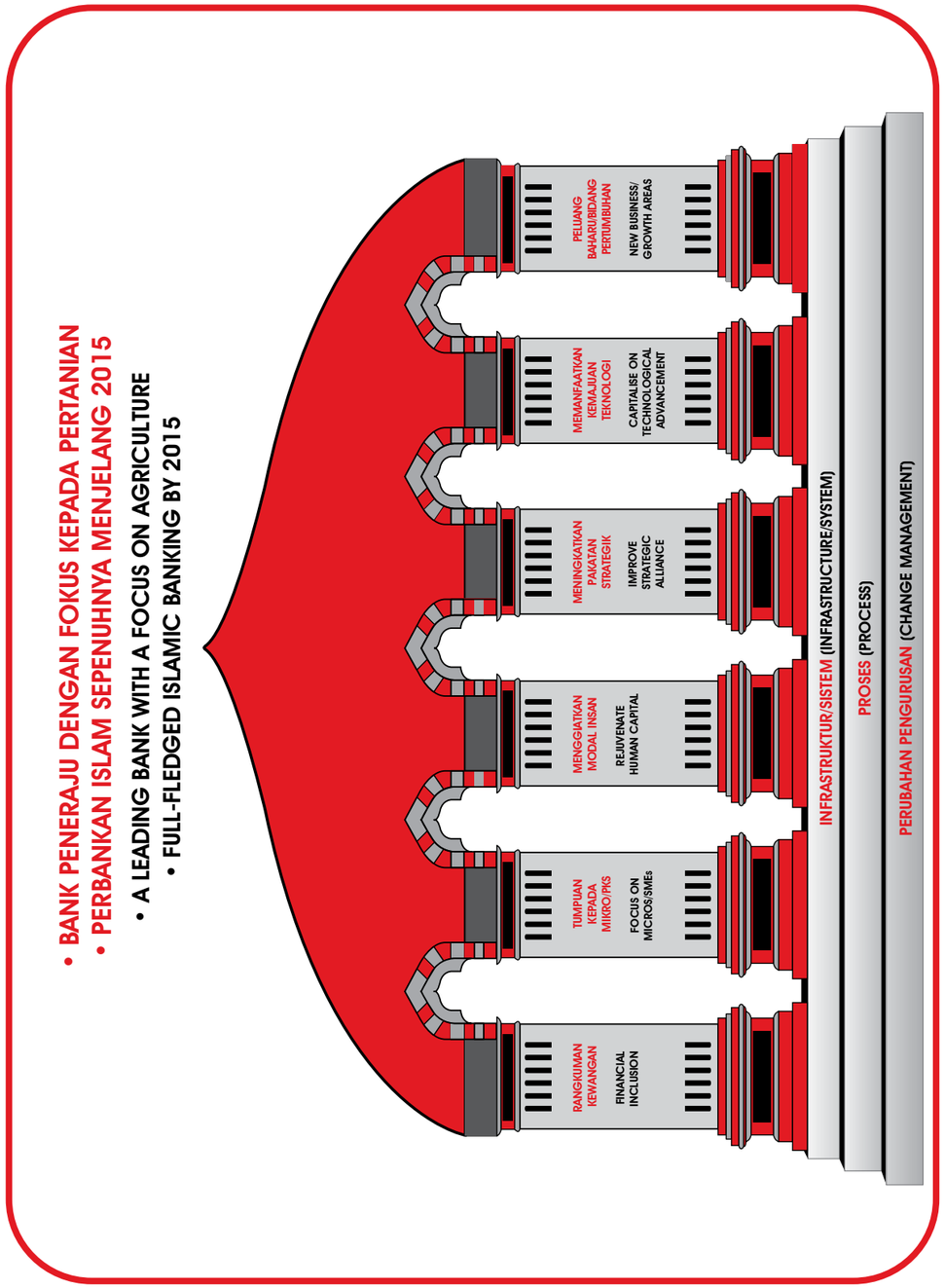
- *To promote Malaysia's sound agricultural development.*
- *To coordinate and supervise the grant of credit from public funds for agricultural purposes by the various persons or bodies of persons whether incorporated or unincorporated.*
- *To provide loans, advances and other credit facilities for the development of agriculture sector and agriculture related business.*
- *To mobilize savings with particular regard to the agricultural sector and in furtherance of this objective to accept savings and time deposits.*
- *To uplift the well-being of the agricultural community.*
- *To carry on the general business of a modern and progressive financial services institution catering for the total financial needs of its customers.*

*Bank Pertanian Malaysia Berhad 2008 (Akta 684), Bahagian IV
**Bank Pertanian Malaysia Berhad 2008 (Act 684), Part IV*

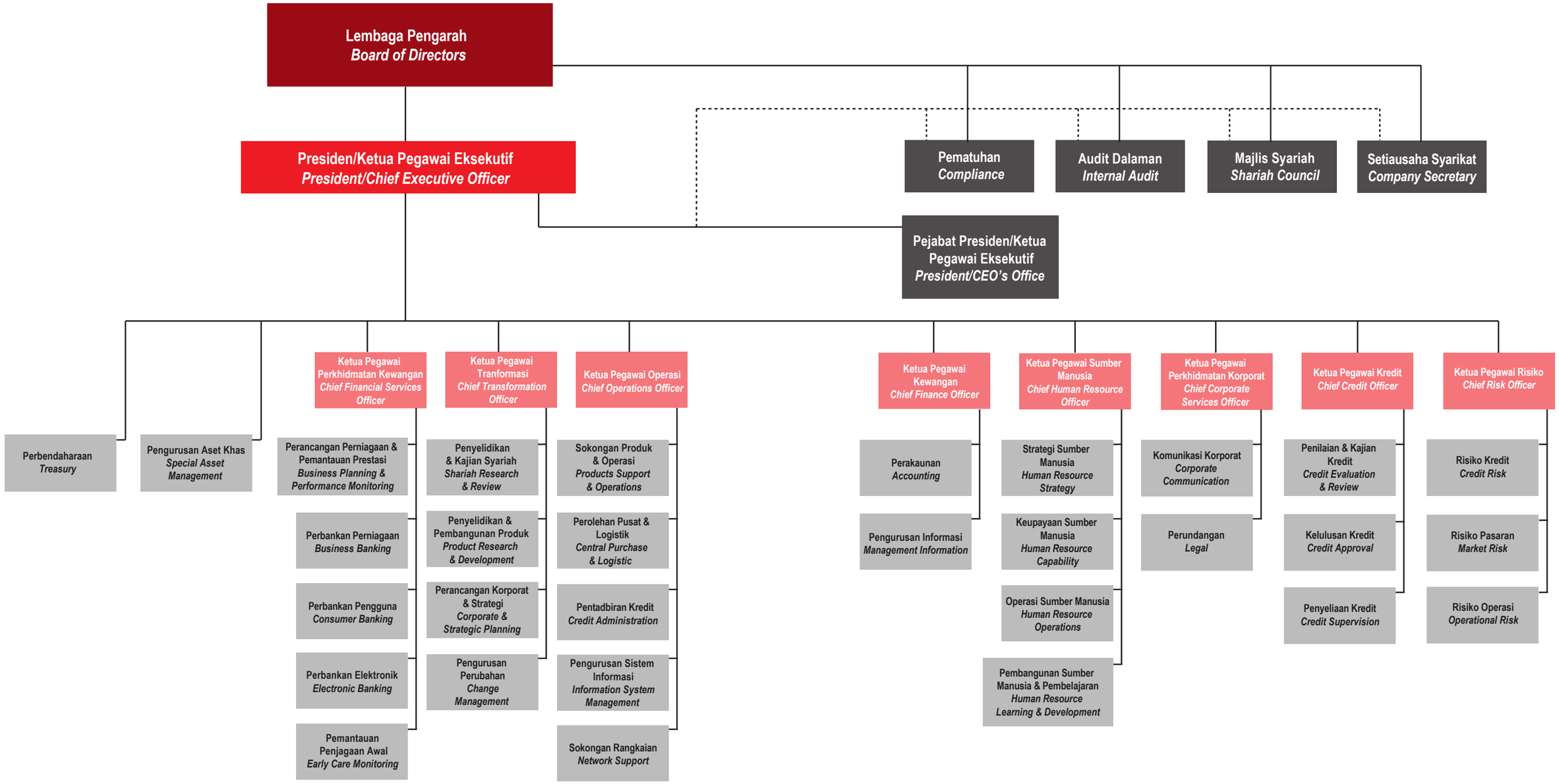
NILAI TERAS
CORE VALUES

Nilai Teras *Core Value*	Huraian *Description*	Nilai *Value*
P Profesionalisme *Professionalism*	Menjalankan aktiviti perniagaan dengan memberikan perkhidmatan yang berkualiti, berhemah dan berorientasikan perniagaan yang mapan. *Conduct business by being prudent and at the same time provide quality service, while being oriented in sustainable business.*	• Perkhidmatan Berkualiti *Quality Service* • Berhemah *Prudent* • Berorientasikan Perniagaan yang mapan *Oriented in sustainable business*
A Sikap Positif *Positive Attitude*	Berfikiran terbuka, optimis, berdisiplin dan bertanggungjawab. *Being open-minded, optimistic, disciplined and responsible.*	• Berfikiran Terbuka *Open-Minded* • Optimis *Optimistic* • Berdisiplin *Disciplined* • Bertanggungjawab *Responsible*
T Kerja Berpasukan *Team Work*	Komited dan bersatu dalam mencapai matlamat korporat menerusi semangat kerjasama. *Committed and united in achieving corporate goals through the spirit of cooperation.*	• Bersatu *United* • Kerjasama *Cooperation* • Komited *Committed*
R Hormat-Menghormati *Respect*	Melayani antara satu sama lain dengan perasaan hormat dan sama rata. *Treating each other with honour and equality.*	• Hormat *Honour* • Kesamarataan *Equality*
I Integriti *Integrity*	Sentiasa berlaku jujur dan amanah dalam semua urusan. *Always be honest and trustworthy in all dealings.*	• Kejujuran *Honest* • Amanah *Trustworthy*
O Komunikasi Terbuka *Open Communication*	Berinteraksi secara telus dan membina. *To interact in a transparent and constructive manner.*	• Telus *Transparent* • Membina *Constructive*
T Menepati Masa *Timeliness*	Mencapai kecemerlangan pengendalian melalui pelaksanaan kerja yang menepati masa di semua peringkat. *To achieve operational excellence through timely execution of work at all levels.*	• Pelaksanaan yang menepati masa *Timely execution*

PERNYATAAN MATLAMAT
DESTINATION STATEMENT



STRUKTUR KORPORAT
CORPORATE STRUCTURE



(sehingga 1 Ogos 2012 /*as at 1 August 2012*)

“ Usaha mengukuh penjenamaan di seluruh negara

Strive to establish greater footprints nationwide ”

PENCAPAIAN 2011
2011 ACHIEVEMENTS

SOROTAN MEDIA
MEDIA HIGHLIGHTS

AKTIVITI KORPORAT
CORPORATE ACTIVITIES

FEBRUARI / FEBRUARY 2011

Feb 7 | Majlis Perasmian – Kafetaria Agrobank
Opening Ceremony – Agrobank Cafeteria

Feb 18 | Program "Agro-Explorasi"
"Agro-Explorasi" Programme

MAC / MARCH 2011

Mac/ *Mar 4* | Pelawat – ICA Jepun
Visitors – ICA Japan

Mac/ *Mar 19* | Program "Kenduri Rakyat"
"Kenduri Rakyat" Programme

APRIL 2011

Apr 2 | Program "Kampung Angkat"
"Kampung Angkat" Programme

Apr 22 | Karnival Sukan Agrobank
Agrobank Sports Carnival

MEI / MAY 2011

Mei/ *May 7* | Kontinjen Agrobank untuk Sambutan "Hari Buruh"
Agrobank's Contingent for "Labour Day" Celebration

Mei/ *May 12* | Majlis MoU, Agrobank-Lembaga Pemasaran Pertanian Persekutuan (FAMA)
MoU Ceremony, Agrobank-Federal Agriculture Marketing Authority (FAMA)

JUN / JUNE 2011

Jun/ *June 22* | Ceramah sempena "Israk & Mikraj"
Talks in conjunction with "Israk & Mikraj"

Jun/ *June 27* | Majlis Perasmian – Perpustakaan Agrobank (Wajah Baru)
Opening Ceremony – Agrobank Library (New Look)

JULAI / JULY 2011

Julai/ *July 12* | Agihan Zakat – Wilayah Persekutuan Kuala Lumpur
Zakat Distribution – Kuala Lumpur Federal Territory

Julai/ *July 12* | Agihan Zakat – Negeri Johor
Zakat Distribution – Johor State

JULAI / JULY 2011

Julai/ *July* 28 | Sesi "Teh Tarik" Ketua-ketua Jabatan bersama Presiden/Ketua Pegawai Eksekutif
Heads of Department "Teh Tarik" session with President/Chief Executive Officer

Julai/ *July* 29 | Program "Kampung Angkat"
"Kampung Angkat" Programme

Ogos/ *Aug* 3 | Agihan "Bubur Lambuk"
"Bubur Lambuk" Distribution

OGOS / AUGUST 2011

Ogos/ *Aug* 4 | Agihan Zakat – Negeri Kedah, diserahkan kepada KDYMM Tuanku Sultan Abdul Halim Mu'adzam Shah, YDPA Malaysia ke-14.
Zakat Distribution – Kedah State, handover to KDYMM Tuanku Sultan Abdul Halim Mu'adzam Shah, the 14th and current YDPA of Malaysia.

Ogos/ *Aug* 16 | Majlis MoU, Agrobank-ECERDC
MoU Ceremony, Agrobank-ECERDC

Ogos/ *Aug* 23 | Agihan Zakat – Negeri Selangor
Zakat Distribution – Selangor State

SEPTEMBER 2011

Sept 22 | "Rumah Terbuka" Korporat
Corporate "Open House"

Sept 29 | Agihan Zakat – Negeri Pulau Pinang
Zakat Distribution – Penang State

Sept 30 | Sumbangan – Yayasan Tuanku Syed Putra (YTSP), diserahkan kepada DYTM Tuanku Syed Faizuddin Putra, Raja Muda Perlis.
Contribution – Yayasan Tuanku Syed Putra (YTSP), handover to DYTM Tuanku Syed Faizuddin Putra, The Crown Prince of Perlis.

Okt/ *Oct* 20 | Agihan Zakat – Negeri Melaka
Zakat Distribution – Melacca State

OKTOBER / OCTOBER 2011

Okt/ *Oct* 17 | Sumbangan – Pusat Perubatan Universiti Kebangsaan Malaysia (PPUKM)
Contribution – PPUKM

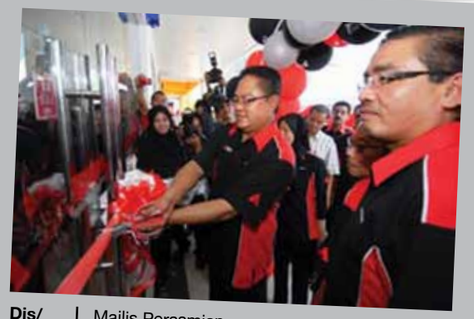
NOVEMBER 2011

Nov 26 | Agihan Zakat – Negeri Perak
Zakat Distribution – Perak State

DISEMBER / DECEMBER 2011

Dis/ Dec 4 | Agihan Zakat – Negeri Kelantan
Zakat Distribution – Kelantan State

Dis/ Dec 13 | Majlis Pelancaran – Agro Kids Club (AKC) & Kem "Bijak Wang"
Launching Event – Agro Kids Club (AKC) & "Bijak Wang" Camp



Dis/ Dec 7 | Majlis Perasmian – Cawangan Kuala Selangor
Opening Ceremony – Kuala Selangor Branch

DISEMBER / DECEMBER 2011

Dis/ Dec 14 | Agihan Zakat – Negeri Sembilan
Zakat Distribution – Negeri Sembilan State

Dis/ Dec 16 | Majlis pelancaran kelab 'MYAGROSIS' oleh YAB Dato' Sri Mohd Najib bin Tun Abdul Razak, Perdana Menteri Malaysia
Launching event of 'MYAGROSIS' club by YAB Dato' Sri Mohd Najib bin Tun Abdul Razak, The Prime Minister of Malaysia

ANUGERAH & PENGIKTIRAFAN
AWARDS & RECOGNITION

2011 - 2012

- **ANUGERAH BRANDLAUREATE 2011-2012, JENAMA KEWANGAN TERBAIK – PERBANKAN PERTANIAN *THE BRANDLAUREATE AWARDS 2011-2012, BEST BRANDS IN FINANCIAL – AGRICULTURE BANKING***

Agrobank membawa pulang Anugerah Brandlaureate 2011-2012, Jenama Kewangan Terbaik – Perbankan Pertanian, iaitu satu anugerah berprestij dari *The Asia Pacific Brands Foundation* (APBF).

Agrobank took home the prestigious award of The BrandLaureate Awards 2011-2012, Best Brands in Financial – Agriculture Banking from The Asia Pacific Brands Foundation (APBF).

2010

- **EMERGING BANK OF THE YEAR**

Agrobank telah menerima anugerah berprestij *'Emerging Bank of the Year'* dalam majlis *Malaysia Business Leadership Awards 2010*.

Agrobank has been awarded a prestige 'Emerging Bank of the Year' during the Malaysia Business Leadership Awards 2010 ceremony.

2009

- **NATIONAL SERVICE CHALLENGE 2009**

Agrobank membawa pulang tiga anugerah dalam pertandingan *National Service Challenge* anjuran Focus Learning.

Agrobank took home three awards in the National Service Challenge organised by Focus Learning.

- **LAWN BALL 2009**

Juara Kategori Lelaki – *Interclub Triples Open Championship 2009* anjuran Persatuan Boling Padang Selangor.

Champion in Men's Category – Interclub Triples Open Championship 2009 organised by Selangor Lawn Ball Assosication.

- **AMANAH RAYA BERHAD**

Agrobank membawa pulang Anugerah Perak – 'Jualan Wasiat Tertinggi Antara Bank' dari Amanah Raya Berhad.

Agrobank took home the Anugerah Perak – 'Jualan Wasiat Tertinggi Antara Bank' from Amanah Raya Berhad.

2008

- **ANUGERAH POHON PENGIDUP**

Agrobank telah dianugerahkan *'Top DFI 2008'* dari Credit Guarantee Corporation Malaysia Berhad (CGC) dalam majlis *Top SMI Supporter Awards 2008*.

Agrobank has been awarded 'Top DFI 2008' from Credit Guarantee Corporation Malaysia Berhad (CGC) during the Top SMI Supporter Awards 2008.

*(sehingga 31 Mei 2012 /*as at 31 May 2012*)

PRESTASI PERNIAGAAN 2011
2011 BUSINESS PERFORMANCE

April 2011 merupakan bulan yang bertuah buat Agrobank kerana merayakan ulang tahun ketiga pengkorporatannya. Walaupun dikorporatkan, peranan dan tanggungjawab untuk terus membangun dan memajukan sektor pertanian dan industri asas tani dengan menyediakan kemudahan pembiayaan kepada bidang berkaitan pertanian tidak pernah diabaikan. Oleh itu, visi, misi dan objektif Agrobank telah perkemaskan untuk merealisasikan peranannya bagi menggalakkan kemajuan sektor pertanian dalam negara.

Kemudahan kredit yang disediakan Agrobank terbahagi kepada segmen perbankan seperti berikut:

In April 2011, Agrobank was fortunate to celebrate its third anniversary of corporatisation. Nevertheless, the role and responsibility to further develop and improve the agricultural sector and agro-based industry through provision of financial facilities for Agricultural-related fields have never been neglected. Therefore, the vision, mission, and objectives of Agrobank was revised to realise Agrobank's role in stimulating the national progress in the agricultural sector.

The credit facilities provided by Agrobank can be divided into several banking segments as follows:

Segmen Perbankan/*Banking Segments*			
Perbankan Konsumer/ *Consumer Banking*	**Perbankan Komersial/ *Commercial Banking***	**Perbankan Korporat/ *Corporate Banking***	**Deposit & Perkhidmatan/ *Deposit & Services***
• Pinjaman/ Pembiayaan Peribadi *Personal Loans/ Financing* • Kemudahan-kemudahan Lain *Other Services*	• Dana Khas Kerajaan *Government Special Funding* • Dana Komersial *Commercial Funding* • Pembiayaan Mikro *Micro Financing* • Skim Jaminan Kredit *Credit Guarantee Scheme*	• Dana Khas Kerajaan *Government Special Funding* • Dana Komersial *Commercial Funding* • Skim Jaminan Kredit *Credit Guarantee Scheme*	• Deposit Islamik/ Konvensional *Islamic/Conventional Deposit* - Simpanan *Saving* - Simpanan Tetap *Fixed Deposit* - Pelaburan *Investment* - Perkhidmatan GIRO *GIRO Services* • Kemudahan-kemudahan Lain *Other Services* - Pengiriman Wang *Money Order* - Insurans/Takaful *Insurance/Takaful* - Pembayaran Bil *Bill Payments*

Skop pinjaman yang ditawarkan Agrobank meliputi pengeluaran hasil pertanian, aktiviti pemerosesan, pembuatan, pengedaran, pembungkusan, penyimpanan, pemasaran dan perkhidmatan.

The scope of loan offered by Agrobank covers production of actual agricultural products, processing activities, manufacturing, distribution, packaging, storing, marketing and services.

Kemudahan pembiayaan dalam bentuk pembiayaan berjangka, kemudahan berulang dan pembiayaan kredit mikro kini ditawarkan secara Perbankan Islam sejajar dengan usaha Agrobank ke arah melaksanakan Perbankan Islam sepenuhnya menjelang tahun 2015. Pembiayaan ini dibiayai oleh dana Kerajaan dan dana Agrobank sendiri.

Financing facilities in the form of term financing, revolving financing, business financing and micro credit financing have now been offered by Agrobank through Islamic Banking in its effort to achieve the goal of becoming a full-fledged Islamic Banking by 2015. The sources of those financing schemes are from Government Funds and Agrobank itself.

DANA KERAJAAN
GOVERNMENT FUNDING

Pembiayaan Dana Kerajaan menawarkan kadar faedah yang sangat kompetitif. Agrobank bertindak sebagai penyalur dana ini kepada kumpulan sasar bagi memastikan kemajuan sektor pertanian sebagai sektor ketiga terpenting dalam pertumbuhan ekonomi Negara. Produk di bawah Dana Kerajaan adalah:

The funds provided by the Governments offer a very competitive interest rate. Agrobank functions as a channel to distribute the funds to target groups to ensure the progress of the agriculture sector which is the third most important sector in national economic growth. The products under Government Funds are as follows:

Bil. ***No.***	**Produk** ***Product***
1	Tabung Untuk Makanan ("3F") *Fund For Food ("3F")*
2	Masyarakat Perdagangan dan Perindustrian Bumiputera ("MPPB") *Bumiputera Trade and Industrial Community ("BTIC")*
3	Skim Pertanian Bukan Makanan ("SPBM") *Non-food Agriculture Scheme ("SPBM")*
4	Skim Pembiayaan Bot Perikanan ("SPBP") *Fishing Boat Financing Scheme ("SPBP")*
5	Skim Perusahaan Kecil dan Sederhana ("PKS/IKS") *Small and Medium Enterprises Scheme ("SMEs/SMIs")*
6	Skim Pinjaman Kredit Pertanian ("SPKP") *Agriculture Credit Loan Scheme ("SPKP")*
7	Skim Kredit Padi ("SKP") *Paddy Credit Scheme ("SKP")*
8	Skim Usahawan Tani Komersial Siswazah ("SUTKS") *Agriculture Entrepreneurs Scheme for Graduates ("SUTKS")*
9	Skim Belia Tani/Niaga ("SBT/SBN") *Youths Agricultural Scheme/Youths Entrepreneurship Scheme ("SBT/SBN")*
10	Tanaman Semula Kelapa Sawit ("TASKS") *Oil Palm Replanting ("TASKS")*

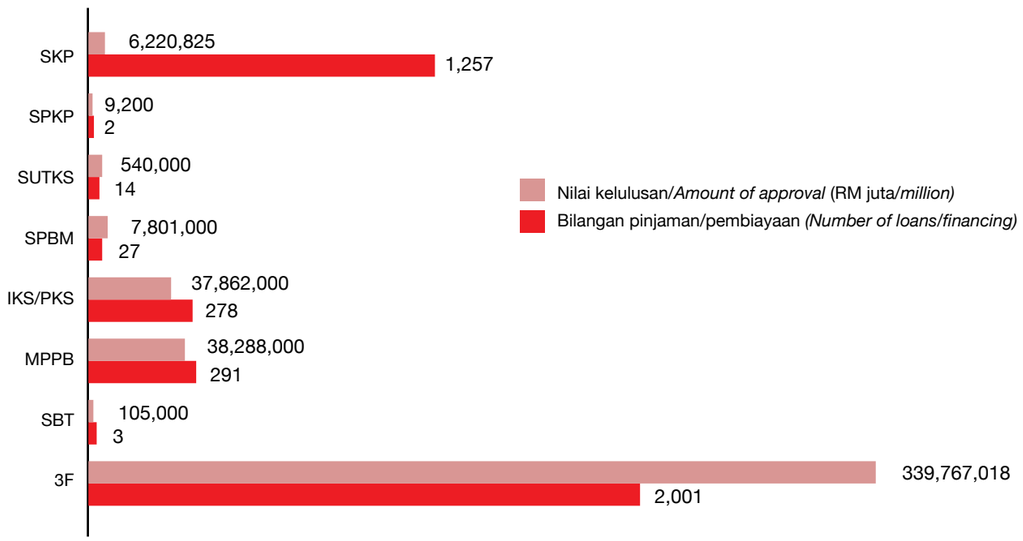
Prestasi Pinjaman/Pembiayaan

Keseluruhan kelulusan pinjaman/pembiayaan Dana Kerajaan ialah sebanyak RM440.12 juta dengan 3,708 peminjam. Carta di bawah menunjukkan pecahan jumlah kelulusan mengikut produk di bawah Dana Kerajaan.

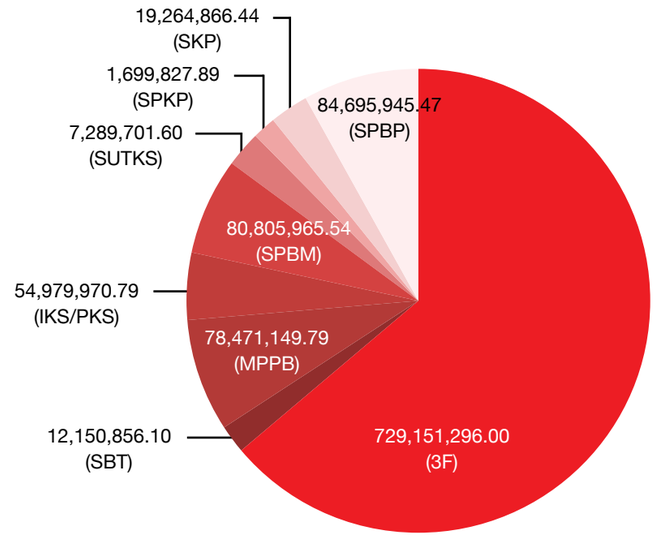
Loan/Financing Performance

A total loan/financing of RM440.12 million were distributed to 3,708 approved borrowers under Government Funding. The following bar chart shows the distribution of approved loans based on products under Government Funding.

Bilangan Pinjaman/Pembiayaan dan Nilai Kelulusan mengikut Produk sehingga 31 Disember 2011
Number of Loans/Financing and Amount of Approval by Product as at 31 December 2011



Baki Pinjaman mengikut Produk sehingga 31 Disember 2011 (RM juta)
Loan Balance based on Products as at 31 December 2011 (RM million)



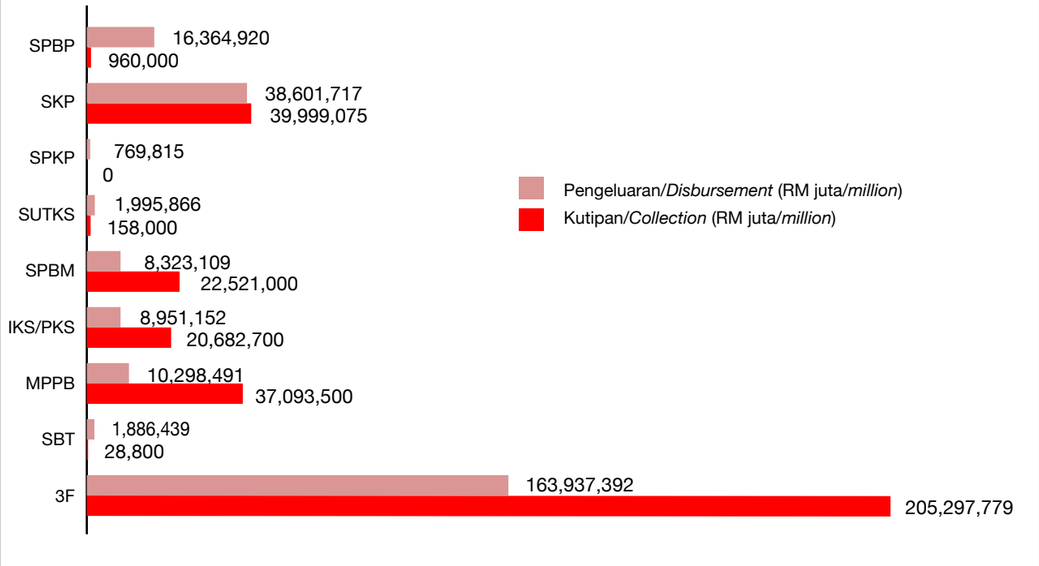
Pengeluaran dan Kutipan

Jumlah pengeluaran di bawah Dana Kerajaan ialah sebanyak RM327.05 juta, manakala kutipan keseluruhan adalah RM279.66 juta. Pecahan mengikut produk seperti berikut:

Disbursement and Collection

Total disbursement under Government Funding was RM327.05 million while the total collection was RM279.66 million. The following distribution of each product is as stated below:

Nilai Pengeluaran Pinjaman/Pembiayaan sehingga 31 Disember 2011
Loan/Financing Disbursement Value as at 31 December 2011



DANA KOMERSIAL
COMMERCIAL FUNDING

Produk-produk bagi Dana Komersial ialah seperti berikut:

The products under Commercial Funding were as follows:

Bil. *No.*	Produk *Product*
1	Pinjaman Projek *Project Loans*
2	Kemudahan Niagatani *Agricultural Enterprise Facility*
3	Kemudahan Kontraktani *Agricultural Contract Facility*
4	Pemfaktoran *Factoring*
5	Jaminan Bank *Bank Guarantee*
6	Kemudahan Modal Kerja-*i* *Working Capital Facility-i*
7	MUS1M/MUS1M-*i* (Pembiayaan Mikro/*Micro Financing*)

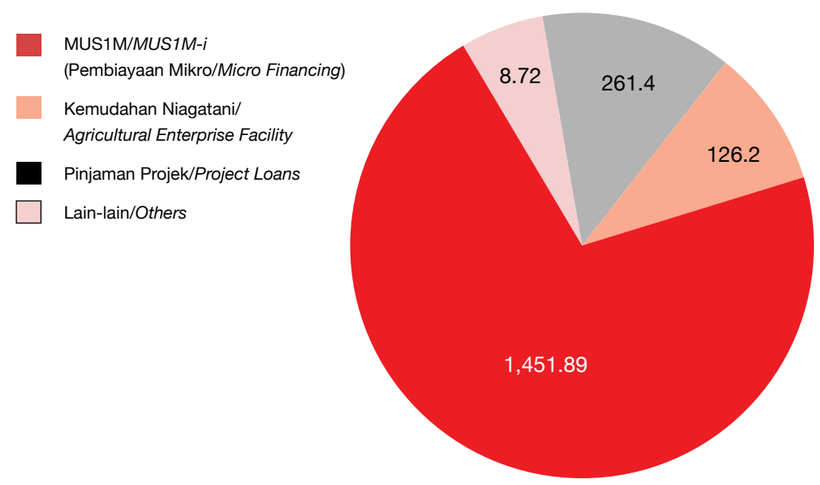
Prestasi Pinjaman/Pembiayaan

Pecahan baki pinjaman mengikut produk Dana Komersial adalah seperti berikut:

Loan/Financing Performance

The distributions of loan balance based on products under Commercial Funding were as follows:

Baki Pinjaman mengikut Produk (RM juta)
Loan Balances based on Products (RM million)



Sehingga bulan Disember 2011, Pinjaman Projek mencatatkan baki pinjaman sebanyak RM1,451.89 juta diikuti dengan pinjaman MUS1M sebanyak RM261.40 juta, Niagatani RM126.20 juta dan lain-lain sebanyak RM8.72 juta dengan jumlah peminjam seramai 38,732 peminjam.

Kelulusan mengikut Produk

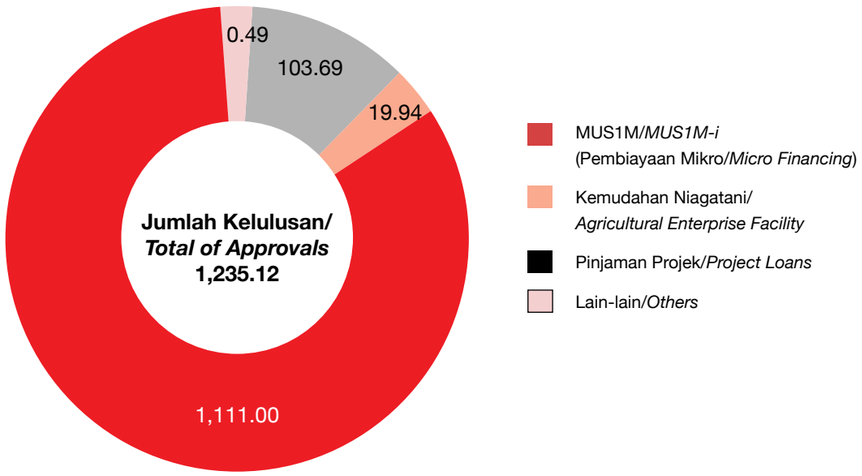
Sehingga bulan Disember 2011, Agrobank meluluskan sebanyak RM1,235.12 juta pinjaman/pembiayaan bagi produk-produk Dana Komersial dengan jumlah peminjam seramai 9,457 peminjam. Daripada jumlah tersebut, Pinjaman Projek mencatatkan jumlah tertinggi iaitu sebanyak RM1,111.00 juta diikuti oleh produk pinjaman MUS1M sebanyak RM103.69 juta dan Niagatani sebanyak RM19.94 juta.

As at December 2011, project loans recorded a total loan balance of RM1,451.89 million followed by MUS1M (RM261.40 million), Agricultural Enterprise (RM126.20 million) and others (RM8.72 million) involving 38,372 borrowers.

Approvals based on Products

For 2011, Agrobank had approved loan/financing amounting RM1,235.12 million for products under Commercial Funding involving 9,457 borrowers. Project Loans recorded the highest amount (RM1,111.00 million) followed by MUS1M (RM103.69 million) and Agricultural Enterprise (RM19.94 million).

Kelulusan mengikut Produk (RM juta)
Approvals based on Products (RM million)



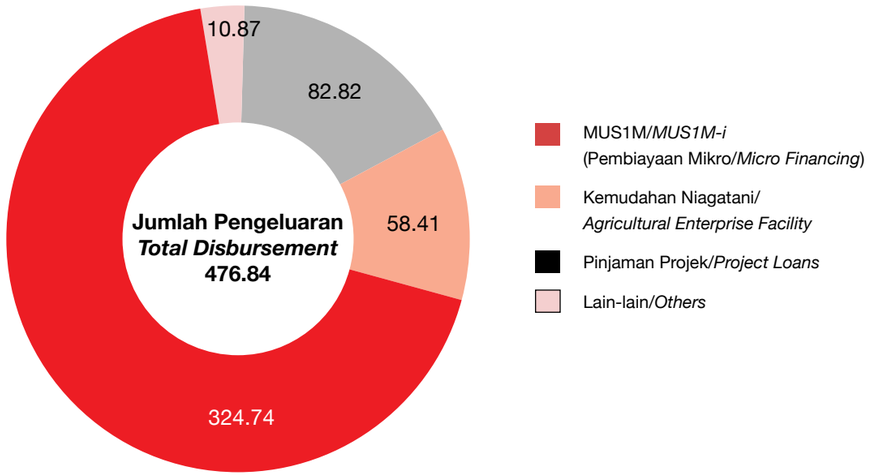
Pengeluaran

Bagi tahun 2011, jumlah pengeluaran pinjaman/pembiayaan produk-produk Dana Komersial adalah RM476.84 juta. Daripada jumlah tersebut, RM324.74 juta untuk Pinjaman Projek, RM82.82 juta adalah untuk pinjaman/pembiayaan MUS1M, sebanyak RM58.41 juta pinjaman/pembiayaan Niagatani dan bagi produk-produk pinjaman/pembiayaan yang lain adalah sebanyak RM10.87 juta.

Disbursement

For 2011, the total disbursement of loan/financing for products under Commercial Funding was RM476.84 million. Of that amount, RM324.74 million was for Project Loans, RM82.82 million for MUS1M loan/financing, RM58.41 million for Agricultural Enterprise loan/financing, and RM10.87 million for other products.

Pengeluaran mengikut Produk (RM juta)
Disbursement based on Products (RM million)



PERBANKAN KONSUMER
CONSUMER BANKING

Perbankan Konsumer telah merekodkan prestasi yang baik sepanjang 2011.

Skim Ar-Rahnu telah merekodkan perubahan yang baik iaitu meningkat sebanyak RM671 juta pada Disember 2011 berbanding 2010. Salah satu penyumbang utama adalah penubuhan kaunter Ar-Rahnu di seluruh negeri yang menawarkan perkhidmatan cemerlang kepada pelanggan dan memperluaskan pencapaian kepada pelanggan. Perniagaan Ar-Rahnu terus menjadi teras perniagaan yang menguntungkan serta berupaya memperkenal, mempromosi serta memasarkan produk Bank kepada komuniti tempatan bagi menarik minat pelanggan kepada Bank.

Bagi produk AgroCash-*i* pula, peningkatan jumlah kelulusan untuk pembiayaan peribadi juga amat menggalakkan. Kempen dan promosi yang secara tradisinya diadakan pada setiap suku ketiga tahunan menarik ramai pelanggan. Antara hadiah-hadiah menarik untuk penerima cabutan bertuah bagi kempen musim perayaan termasuklah sebuah kereta Myvi, dua (2) buah motosikal dan 24 unit TV LCD 32". Kempen promosi yang diadakan selama lima (5) bulan ini berjaya mencatatkan jumlah kelulusan sebanyak RM332.6 juta. Dengan pencapaian tersebut, produk ini berjaya melepasi sasaran yang ditetapkan.

Selain itu, produk-produk baru yang diperkenalkan terus memberi manfaat kepada orang ramai. Usaha mewujudkan kerjasama dengan rakan strategik turut menjadi agenda penting tahun 2011. Contohnya, kerjasama antara Agrobank dengan AirAsia Berhad yang memberi peluang kepada pelatih-pelatih (kadet) untuk melanjutkan pelajaran khususnya dalam program "Jurutera AirAsia" melalui pinjaman pendidikan Insani. Baki pembiayaan Insani sehingga 31 Disember 2011 ialah RM66.8 juta.

Consumer Banking continued to perform well throughout 2011.

The Bank's Ar-Rahnu Scheme had significantly grown, with RM671 million increase as at 31 December 2011 compared to the year 2010. One of the major contributions is the Bank's nationwide opening of Ar-Rahnu counters offering excellent services to the customers that has broadened its ability in outreaching customers. Ar-Rahnu business remains to be envisioned as a lucrative business that would introduce, promote and market the Bank's product to the local community in fostering better customer centricity.

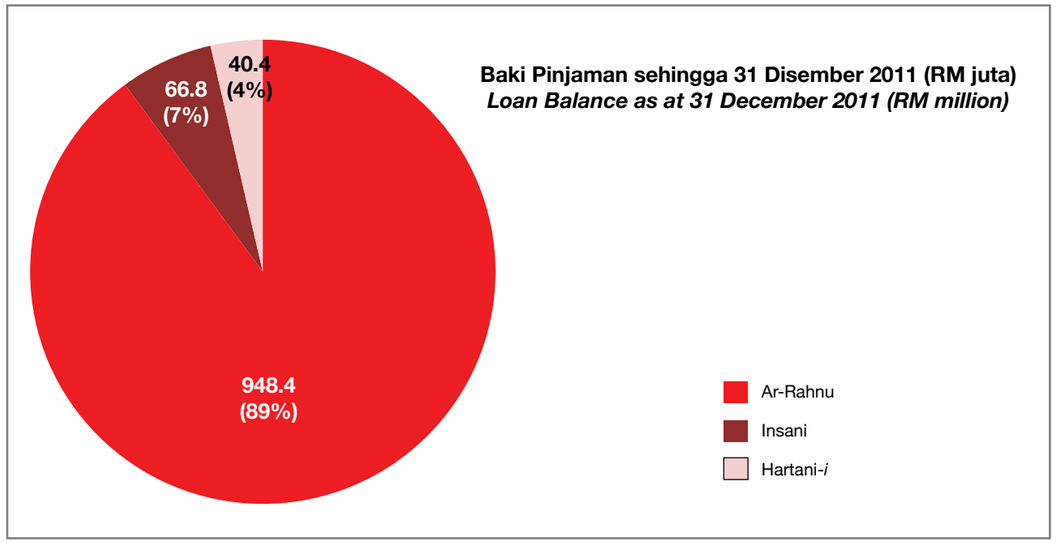
As for AgroCash-i product, there was an encouraging increase in total approvals for personal financing. Campaigns and promotions traditionally held in the third quarter of every year had attracted a great number of customers. The lucky draw prizes in this year's festive programme were a Myvi car and two (2) motorcycles for the first draw while the second draw gave out 24 units of 32" LCD TV. This 5-months promotional campaign successfully recorded total approvals of RM332.6 million. With such achievement, this product managed to exceed the targets set.

Furthermore, newly introduced products had continued to benefit the public. Establishing cooperation with strategic partners was one of the important agendas for 2011. For instance, collaboration between Agrobank and AirAsia Berhad had given opportunities for trainees (cadets) to pursue their studies especially in the "Jurutera AirAsia" programme through the Insani educational loan. Financing balance of Insani as at 31 December 2011 was RM66.8 million.

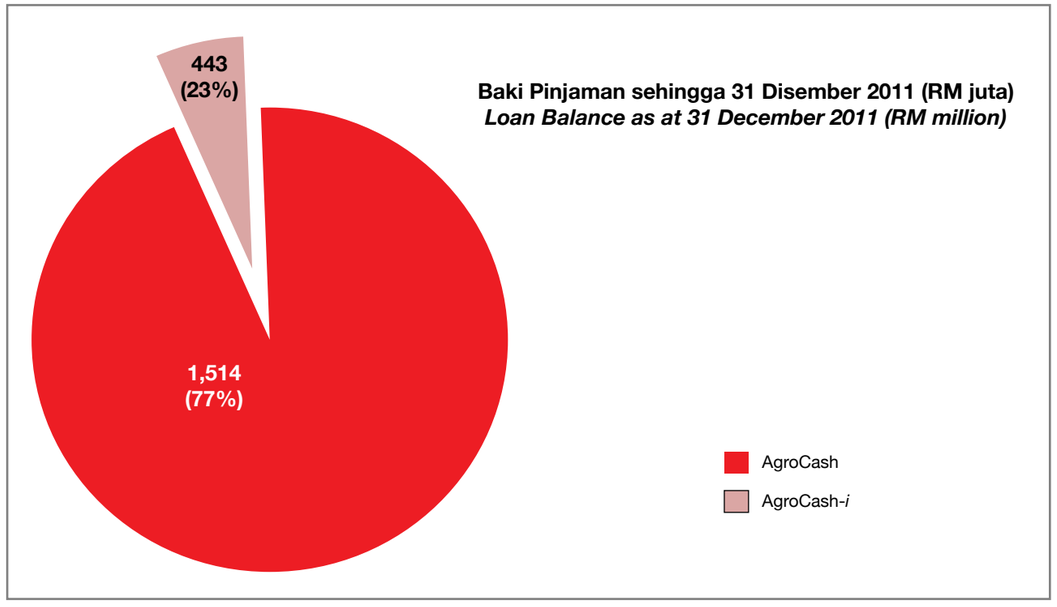
Selaras dengan moto "Sentiasa di Sisi Anda", Agrobank terus berusaha memastikan perkhidmatan yang lebih berkualiti diberikan kepada pelanggan. Kerjasama dalam rangkaian MEPS memberi peluang kepada pelanggan dan bukan pelanggan untuk membuat pilihan transaksi perbankan dengan mudah. Oleh itu, kemudahan mesin-mesin elektronik layan diri seperti mesin ATM, CDM dan FACQM diperluaskan ke seluruh negara dan melangkaui daerah-daerah terpencil bagi memastikan para pelanggan menikmati kemudahan perbankan yang disediakan.

In line with Agrobank's motto "Sentiasa di Sisi Anda", Agrobank continuously endeavoured to ensure quality services for customers. Collaboration in the MEPS network has given opportunities for customers and non-customers to make uncomplicated choices on banking transaction. Therefore, self-service electronic machines such as ATMs, CDMs, and FACQMs had been installed nationwide, even covering rural districts to ensure all customers can enjoy the Bank's facilities.

Berikut adalah pecahan bagi pembiayaan Ar-Rahnu, Insani dan Hartani-*i* sehingga 31 Disember 2011:
The following was the distribution of Ar-Rahnu, Insani and Hartani-i financing as at 31 December 2011:



Berikut adalah pecahan bagi pembiayaan Islamik (AgroCash-*i*) dan Konvensional (AgroCash) sehingga 31 Disember 2011:
The following was the distribution of Islamic financing (AgroCash-i) and Conventional (AgroCash) as at 31 December 2011:



Perancangan Tahun 2012

Salah satu aspek yang diberi perhatian dalam perancangan tahun 2012 adalah memastikan produk semasa dan baru memenuhi keperluan pelanggan di semua peringkat. Agrobank juga akan terus komited dalam menentukan semua produk berasaskan syariah selari dengan aspirasi Agrobank ke arah melaksanakan Perbankan Islam sepenuhnya menjelang tahun 2012.

Menambah saluran perkhidmatan elektronik bagi memberi kemudahan kepada pelanggan juga menjadi keutamaan tahun 2012. Mesin elektronik seperti ATM dan CDM akan ditempatkan di luar premis Agrobank, khasnya di tempat tumpuan ramai seperti kompleks membeli-belah, pasar besar, stesen minyak, institusi pengajian tinggi, terminal bas dan lain-lain tempat yang sesuai.

Selain itu, lebih banyak aktiviti promosi akan dijalankan untuk memasarkan produk Agrobank kepada komuniti dan merapatkan Agrobank dengan pelanggan. Kempen dan promosi dibuat secara berterusan bagi menghargai pelanggan kerana menjadikan Agrobank sebagai institusi kewangan pilihan mereka. Usaha meningkatkan kerjasama strategik dengan agensi kerajaan dan swasta juga diberi keutamaan pada tahun 2012 untuk memastikan masa depan yang lebih kompetitif dan komprehensif dalam menyediakan perkhidmatan kepada pelanggan dan menunaikan peranan yang dimandatkan.

2012 Plan

One of the aspects emphasised was to guarantee that the present and upcoming products meet the needs of customers at all levels. Agrobank continues to being committed in ensuring all Shariah-based products are consistent with Agrobank's aspiration being a full-fledged Islamic Banking by the year 2015.

Expanding network channels in electronic services for customer's convenience are also of priority in 2012. Electronic machines, e.g., ATMs and CDMs will be placed beyond Agrobank premises especially in focal points such as shopping complexes, hypermarkets, petrol stations, higher learning institutions, bus terminals and other suitable places.

In addition, more promotional activities are being conducted to market Agrobank products to local communities, hence bringing Agrobank closer to the customers. Campaigns and promotions are continuously being held to honour customers for choosing Agrobank as their favourite financial institution. Striving for more strategic cooperation with government and private agencies are also given priority in 2012 to ensure a more competitive and comprehensive future for Agrobank in serving customers and achieving its mandated role.

ULASAN OPERASI
OPERATIONS REVIEW

RANGKAIAN CAWANGAN
BRANCH NETWORK

Perubahan Organisasi Pejabat Negeri kepada Model Pusat Perniagaan dalam Tahun 2011

Kajian semula model organisasi Pejabat Negeri dan peralihan kepada model baru Pusat Perniagaan telah dimulakan pada Jun 2010 dengan Pejabat Negeri Sabah dan Sarawak menjadi dua (2) buah negeri yang terlibat pada peringkat awal. Manakala peralihan untuk lapan (8) buah negeri lain telah dibuat pada bulan September 2011.

Transformasi kepada Konsep Pusat Perniagaan

a. Meningkatkan aktiviti menyalurkan pembiayaan perniagaan dengan memberi fokus utama kepada keperluan pelanggan.

b. Memaksimumkan kepakaran sumber kakitangan melalui pengkhususan aktiviti di pusat perniagaan bagi meningkatkan produktiviti dan mempercepatkan masa menunggu.

c. Memperbaiki kualiti perkhidmatan pelanggan dengan memperkasakan pengetahuan produk serta kemahiran jualan kakitangan.

d. Meningkatkan kualiti aset pembiayaan dengan pengurusan risiko yang lebih efektif dan kawalan operasi dalaman yang lebih teratur.

State Office Organisation Change to Business Centre Model in 2011

The State Office revised organisation change and transformation to the new model, "Business Centre" began in June 2010 with Sabah and Sarawak State Offices being the first two (2) states involved in the preliminary stage of the transformation. Meanwhile, the transformation for the other eight (8) states were undertaken in September 2011.

Transformation to the Business Centre Concept

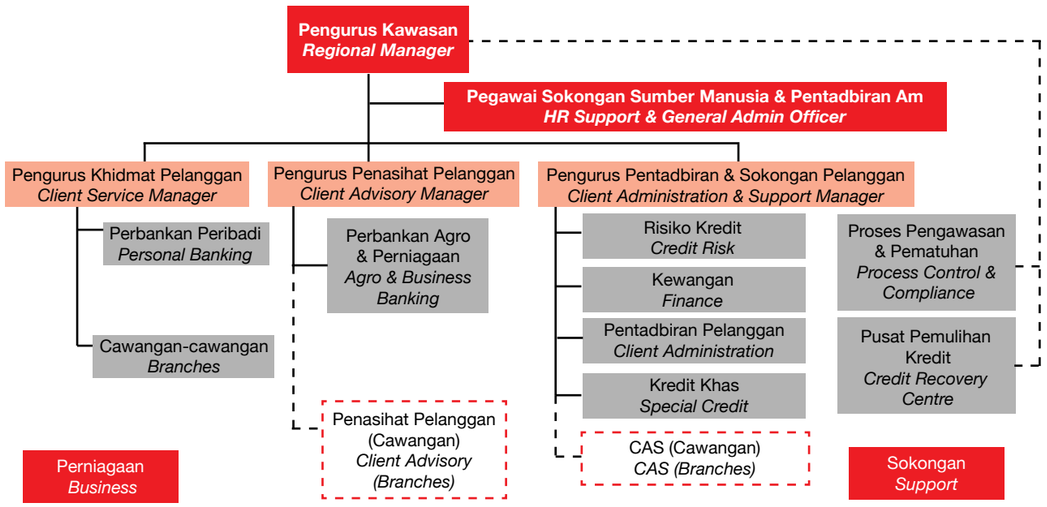
a. To enhance the activities of providing loans/ financing to businesses with focus mainly on the needs of customers.

b. To maximise the expertise of employees through specialisation of activities at the Business Centres to enhance productivity and reduce turnaround time.

c. To improve the quality of customer service by strengthening product knowledge as well as sales expertise of the staff.

d. To enhance the asset quality of loans/ financing through more effective risk management and systematic internal operations control.

Struktur Organisasi – Pusat Perniagaan/*Organizational Structure – Business Centre*



Pembukaan Rangkaian Baru Tahun 2011

Rangkaian cawangan Agrobank sentiasa berkembang demi menyediakan perkhidmatan perbankan yang komprehensif khusus untuk sektor pertanian. Sehingga penghujung 2011, Agrobank telah mempunyai sebanyak 178 buah rangkaian cawangan di seluruh Malaysia. Sepanjang tahun 2011, sebanyak 11 rangkaian baru dibuka seperti senarai berikut:

Opening of New Outlets in 2011

Agrobank branch network has been expanding to offer specialised and comprehensive banking services to the agricultural sector. As at the end of 2011, Agrobank had a total of 178 outlets nationwide. Throughout 2011, 11 new outlets were opened as follows:

Bil. *No.*	Lokasi *Location*	Status *Status*	Negeri *States*	Tarikh Operasi *Operational Date*
1	Bukit Payung	Cawangan/*Branch*	Terengganu	15/3/2011
2	Julau	Agro Corner	Sarawak	12/4/2011
3	Matu	Agro Corner	Sarawak	26/4/2011
4	Bukit Mertajam	Cawangan/*Branch*	Pulau Pinang	30/5/2011
5	Lanchang	Agro Corner	Pahang	30/5/2011
6	Pakan	Agro Corner	Sarawak	6/6/2011
7	Nabawan	Kiosk	Sabah	13/6/2011
8	Lubok Antu	Kiosk	Sarawak	20/6/2011
9	Penampang	Kiosk	Sabah	26/9/2011
10	Kubang Kerian	Cawangan/*Branch*	Kelantan	15/11/2011
11	RTC Gopeng	Kiosk	Perak	8/12/2011

SALURAN PENYAMPAIAN PERBANKAN ELEKTRONIK
ELECTRONIC BANKING DELIVERY CHANNELS

Agrobank tetap komited memperkasakan pelanggannya dengan menyediakan kemudahan perbankan elektronik yang memberikan keselesaan, nilai tambah dan perkhidmatan yang konsisten.

Perkhidmatan Terminal Layan Diri (SST) terus diperkemaskan dengan penukaran mesin jenis dinding kepada mesin jenis lobi yang menawarkan prestasi yang lebih baik dan melancarkan operasi. Sebagai sebahagian daripada transformasi untuk meningkatkan imej Bank, kebanyakan cawangan kini dilengkapi dengan Pusat Perbankan Elektronik (EBC) yang menempatkan mesin ATM, Mesin Deposit Tunai (CDM) dan Mesin Deposit Cek (FCQM-di lokasi terpilih sahaja). Sejumlah 212 buah ATM, 38 buah CDM dan 16 buah FCQM telah disediakan di seluruh negara. Seterusnya Agrobank menyediakan 17 SST di luar premis Bank untuk memperluaskan liputan dan perkhidmatan.

Agrobank telah memulakan projek Perbankan Internet pada Mei 2011 dan akan melancarkan perkhidmatan tersebut tahun depan. Perkhidmatan ini akan membolehkan pelanggan Agrobank melaksanakan pelbagai transaksi perbankan dalam talian dan pada masa yang sama dapat menikmati keselesaan menjalankan transaksi e-dagang seperti pembayaran bil dan membeli belah dalam talian.

Bagi tahun 2012, usaha akan ditumpukan kepada memperluaskan capaian yang mudah dan perkhidmatan pembayaran yang cekap kepada pelanggan. Oleh itu, Agrobank mensasarkan untuk memperkenalkan Proses Pertukaran Kewangan MyClear (FPX) dan model pembayaran Debit Terus kepada portfolio perkhidmatan Bank bagi melebarkan liputan Bank.

Agrobank remains committed to empower its customers by conducting banking transactions using electronic channels that offer convenience, value proposition and consistency of services.

Agrobank continues to strengthen its Self Service Terminal (SSTs) service offerings with initiatives such as machine upgrades and conversion of the wall-type ATM machine to the lobby-type ATM for better machine performance and ease of operation during this period. As part of the transformation programme designed to enhance the image of the Bank, most of the branches are now equipped with Electronic Banking Centre (EBC) to station all the SSTs comprising ATM, Cash Deposit Machine and Fast Cheque Deposit Machine (FCQM-for selected location only). A total of 212 ATMs, 38 CDMs and 16 FCQMs were deployed throughout branch network nationwide. Agrobank further expanded its network of SSTs for off-premise location in order to enhance presence and coverage of services, with a total of 17 SSTs deployed to date.

Agrobank had embarked on Internet Banking project on May 2011 and is gearing up to launch the service next year. This service would enable Agrobank's customers to perform a variety of banking transactions online and at the same time experience the convenience of conducting e-commerce transactions such as bill payment and online shopping.

For 2012, emphasis will be placed on building up greater accessibility and efficient payment services for customers.Thus, Agrobank is targeting to include MyClear's Financial Process Exchange (FPX) and Direct Debit collection models to the service portfolio to further expand the Bank's reach.

Bagi tahun laporan ini, tumpuan juga diberikan untuk membangunkan perniagaan kad debit. Agrobank melancarkan projek Kad Debit EMV pada bulan Disember 2011 dengan tujuan untuk menyediakan satu bentuk pembayaran elektronik; satu alternatif kepada kaedah pembayaran tradisional seperti cek dan tunai. Ia akan menggabungkan ATM Bankcard (PMPC) dengan cip EMV di bawah satu jenama kad dengan penerimaan di seluruh dunia dan membolehkan pembayaran debit secara langsung.

For the year under review, focus had also been given to developing the debit card business. Agrobank launched the EMV Debit Card project in December 2011 with an aim to serve as another form of electronic payment; an alternative to the traditional payment method such as cheques and cash payments. It will be a combination of ATM Bankcard (PMPC) and EMV chip under one card branding with a worldwide acceptance, enabling direct debit payments.

INISIATIF ICT & PELABURAN
ICT INITIATIVES & INVESTMENTS

Agrobank terus melaksanakan inisiatif dan pelaburan dalam teknologi maklumat dan komunikasi (ICT) bagi meningkatkan mutu perkhidmatan perbankan dan tahap kecekapan kakitangan dalam memberi perkhidmatan yang berkualiti kepada pelanggan.

Sepanjang tahun 2011, beberapa inisiatif ICT telah dilaksanakan dan diterokai bagi menyokong keperluan perbankan Agrobank. Inisiatif-inisiatif ICT yang dijalankan bertujuan memenuhi keperluan daripada pihak berkuasa seperti Bank Negara Malaysia (BNM), memberi kesan kewangan kepada kadar perolehan Bank, meningkatkan kecekapan operasi harian Bank dan juga bagi membolehkan operasi perbankan dapat dijalankan dengan berterusan.

Agrobank turut melaksanakan pelbagai inisiatif ICT lain sebagai langkah untuk mempelbagaikan saluran sistem penyampaian yang lebih efektif dan membolehkan Agrobank berinteraksi secara terus dengan pelanggan. Demi memenuhi tanggungjawab sosial, Agrobank juga telah melaksanakan operasi perbankannya di kawasan terpencil dengan memperkenalkan *BDS Mobile* dan pembukaan *Agro Corner* dengan menggunakan teknologi 3G. Walaupun kawasan berkenaan tidak mempunyai infrastruktur yang mencukupi, Agrobank bersedia untuk melaksanakan operasi perbankannya.

Untuk kekal kompetitif, Agrobank akan mengambil peluang memaksimumkan penggunaan teknologi bagi melebarkan akses perbankan dengan pengenalan perbankan Internet.

Selain Terminal Kewangan, kemudahan IBFT (Interbank Fund Transfer) dan Interbank GIRO (IBG) juga turut diperkenalkan. Inisiatif-inisiatif ini dilaksanakan bagi meningkatkan tahap keberkesanan dan mempelbagaikan sistem pembayaran serta pemindahan dana dengan selamat ke akaun-akaun bank lain dengan menggunakan rangkaian MEPS.

Dalam pembangunan modal insan, Agrobank dalam usaha untuk meningkatkan kecekapan dan produktiviti kakitangan, telah memulakan projek Sistem Pengurusan Sumber Manusia Elektronik (e-HRMS). Projek ini yang dimulakan pada tahun 2010 dan akan berterusan sehingga pertengahan tahun 2012, akan melibatkan pertukaran budaya kerja secara lebih sistematik dengan penerapan konsep tanpa kertas dalam persekitaran kerja Bank.

Agrobank continues to implement initiatives and investments in information and communication technology (ICT) to improve the quality and employees' efficiency in providing the best services to customers.

Throughout 2011, a number of ICT initiatives were developed to support Agrobank's banking needs. ICT initiatives were driven to fulfill the standard requirements from authorities such as Bank Negara Malaysia, providing a positive impact on the income of Agrobank, enhancing the Bank's efficiency in its daily banking operations and allowing business continuity.

Agrobank had also implemented various other ICT initiatives in an effort to create a more effective delivery system and to allow the Bank to interact directly with customers. In order to fulfill its social responsibility, Agrobank has also implemented its banking operations in remote areas with the introduction of BDS Mobile and Agro Corner's launching using 3G technology. The objective of this initiative is to allow Agrobank to be ready when performing its banking operations in areas that do not have adequate ICT infrastructure.

To remain competitive, Agrobank will take the opportunity to maximise the use of technology to widen its banking access by introducing its internet banking portal.

In addition to Financial Terminals, IBFT (Interbank Fund Transfer) and Interbank GIRO (IBG) facilities have also been introduced. These initiatives have been implemented to improve effectiveness and to diversify the payment system as well as to secure fund transfers to accounts at other banks by using the MEPS network.

In developing Agrobank's human capital to improve staff efficiency and productivity, Agrobank introduced the Electronic Human Resource Management System (e-HRMS). This project, which commenced in 2010 and would be continuing into 2012, is aimed at creating a more systematic working culture by instilling a paperless concept in the Bank's working environment.

Antara modul yang diperkenalkan dalam projek ini adalah seperti 'Layan Diri Pekerja' yang memerlukan penglibatan kakitangan Bank secara individu dalam proses pemohonan dan kelulusan termasuk urusan cuti serta tuntutan seperti tuntutan perjalanan dan kerja lebih masa.

Bagi meningkatkan kecekapan dan keberkesanan perkhidmatan antara pihak IT dengan perniagaan, projek Infrastruktur Teknologi Maklumat Perpustakaan (ITIL) telah dijalankan. Objektif inisiatif ini adalah untuk meningkatkan mutu kualiti perkhidmatan sokongan teknikal kepada pihak peniaga.

Antara modul yang dilaksanakan dalam projek ini termasuk Perkhidmatan Meja, Pengurusan Insiden, Pengurusan Masalah, Pengurusan Perubahan, Pengurusan Konfigurasi, Pengurusan Tahap Perkhidmatan dan Pengurusan Pembekal.

Bagi memastikan ketersediaan dan keupayaan perkhidmatan perbankan semasa berlakunya bencana, Pelan Pemulihan Bencana turut dijalankan secara berjadual. Sistem yang diuji adalah seperti Sistem Perbankan (Deposit dan Pinjaman), ATM/MEPS, RENTAS, Sistem Pengurusan Perbendaharaan, CCRIS, NLF dan sistem-sistem sokongan yang lain seperti E-mel dan Intranet.

Aktiviti pengujian dijalankan berdasarkan kepada pelbagai senario bencana. Jenis transaksi yang dilakukan ialah secara simulasi berdasarkan senario bencana atau dijalankan sebelum tarikh pengujian. Semasa pengujian, capaian pengguna kepada sistem dipindahkan dari Pusat Komputer Utama, Ibu Pejabat Agrobank ke Pusat Pemulihan Bencana (DRC). Pengujian ini dijalankan bagi memastikan sistem-sistem utama dan kritikal boleh beroperasi dan berjalan seperti biasa jika wujud masalah di Pusat Komputer Utama.

Among the modules introduced in this project was the 'Employee Self-Services' module whereby employees' involvement are required in the application and approval processes for procedures such as leave applications as well as mileage and overtime claims.

To improve service efficiency and effectiveness between the IT and business units, the Information Technology Infrastructure Library project was initiated. The objective of this initiative was to improve the quality of technical support to businesses.

The modules implemented in this project include Service Desk, Incident Management, Problem Management, Change Management, Configuration Management, Service Level Management and Supplier Management.

To ensure the Bank's readiness and capability in resuming banking services in the event of a disaster, the Disaster Recovery Plan (DRP) test exercise was prepared and executed based on the designated schedule. The tested systems were the banking modules (Deposit and Loan), ATM/MEPS, RENTAS, Treasury Management System, CCRIS, NLF and other support system such as email and intranet.

Test activities were executed based on various disaster scenarios. Types of transaction conducted were both the simulation to actual environment and parallel-run to production system. During the DR exercise, system access was redirected to the Disaster Recovery Centre (DRC) instead of the main Data Centre. These exercises will ensure that the critical core banking systems are able to function if disaster was declared to the main Data Centre site.

Perubahan sistem yang pesat memerlukan polisi keselamatan ICT dikaji secara tetap. Beberapa polisi tambahan disediakan bagi menambah baik polisi/prosedur sedia ada, yang juga untuk mematuhi keperluan pengatur dan audit semasa. Pindaan yang dilakukan melibatkan tambahan kepada sumber manusia, rangkaian kawasan setempat, senarai sistem/pemilik data, dan sistem pelaporan insiden keselamatan ICT.

Selain itu, inisiatif ujian keselamatan rangkaian dan perkakasan perumah juga turut diadakan secara berterusan. Inisiatif ini bertujuan menentukan dan memastikan jaminan keselamatan yang tinggi bagi sistem-sistem yang digunakan di dalam Bank. Aktiviti yang dijalankan ialah mengesan dan mengenal pasti tahap kelemahan, kecacatan teknikal pada sistem-sistem di dalam Bank. Hasil yang diperoleh daripada inisiatif ini dapat digunakan untuk menambah baik dan mengukuhkan tahap keselamatan.

Rapid technology changes require ICT security policy to be reviewed regularly. New policies were introduced to complement existing policies, which were also intended to comply with regulator and audit requirements. The amendments include the changes in human capital, improving the local area network, changes in system and data owners as well as a new ICT incident reporting system.

Network security and host system test exercise initiatives were also continuously conducted. These initiatives were intended to identify and ensure high security assurance for all systems used in Agrobank. The activities involved include the detection and identification of the vulnerability level as well as the technical weaknesses in the systems. The results will be useful in improving and strengthening security level.

PERBANKAN ISLAM
ISLAMIC BANKING

Jabatan Perbankan Islam (IBD)

Jabatan Perbankan Islam (IBD) terdiri daripada dua (2) bahagian utama; Kajian Syariah dan Transformasi & Penyelidikan Syariah dan dua (2) unit; Sekretariat Syariah dan Perbankan Islam Sepenuhnya (FFIB).

Pada asasnya, IBD menyediakan khidmat nasihat dan rundingan berkenaan hal-hal yang berkaitan dengan Syariah kepada mana-mana jabatan/bahagian/unit yang memerlukan. Selaras dengan kehendak Bank Negara Malaysia (BNM), IBD juga membuat semakan ke atas operasi perbankan Islam bagi memastikan setiap operasi yang dijalankan adalah patuh Syariah dan menjalankan tanggungjawab sebagai sekretariat kepada Jawatankuasa Syariah (SC).

Pencapaian 2011

IBD telah menjalankan beberapa siri program kesedaran perbankan Islam melalui Program Skim Perbankan Islam yang melibatkan sumbangan Ahli Majlis Syariah dan tenaga pengajar daripada Pusat Antarabangsa Pendidikan Kewangan Islam (INCEIF). Program ini telah direka khas bagi melahirkan kesedaran di kalangan kakitangan tentang isu-isu yang melibatkan perbankan Islam agar operasi perbankan Islam Agrobank adalah patuh Syariah.

IBD juga telah menyemak semula beberapa manual yang sedia ada termasuklah Manual Pembiayaan Al-Bai' 'Bithaman Ajil (BBA) (MO-74) untuk diguna pakai. Sebanyak tujuh (7) Mesyuarat Jawatankuasa Syariah telah diadakan. IBD juga dalam waktu yang sama telah mencadangkan kepada pihak Pengurusan untuk mengubah kaedah pengiraan zakat Agrobank yang tersedia ada yang menggunakan kaedah Untung Rugi kepada kaedah Aset Berkembang agar perkiraan dan pengagihan zakat dibuat berdasarkan amalan semasa di Malaysia.

Islamic Banking Department (IBD)

Islamic Banking Department (IBD) comprises of two (2) main sections; Shariah Review and Shariah Research & Transformation and two (2) units; Shariah Secretariat and Full-Fledged Islamic Banking (FFIB).

Basically, IBD provides day-to-day Shariah advice and consultancy to relevant parties. In accordance with the requirements of Bank Negara Malaysia (BNM), IBD also reviews business operations of the Bank on a regular basis in order to ensure Shariah compliance and serve as secretariat to the Shariah Council (SC).

Achievements for 2011

IBD started its Shariah Awareness Training programme through the Skim Perbankan Islam Training programme over several series which include the SC's involvement and International Center for Education Islamic Finance (INCEIF). This programme was designed to create a sense of Shariah awareness among the staff during performing their tasks in Islamic banking operations.

IBD had also reviewed a few existing manuals which include Manual Pembiayaan Al-Bai' Bithaman Ajil (BBA) (MO-74). IBD has managed to organise seven (7) SC'S meeting. IBD also proposed to the Management to change its method of zakat calculation from Profit and Loss method to Asset Growth method based on the current practice in Malaysia.

Seksyen Kajian Syariah (SRS)

SRS telah menjalankan beberapa aktiviti Program Kajian Syariah. Program ini bertujuan memastikan semua operasi dan juga aktiviti Bank selari dengan kehendak Syariah dan juga garis panduan Bank Negara Malaysia (BNM).

Antara program yang telah dilaksanakan adalah memantau dan menyemak pelaksanaan Fi dan Caj bagi produk deposit di ibu pejabat dan cawangan Kuala Lumpur bagi memastikan pengenaan Fi dan Caj tidak bercanggah dengan Syariah dan selari dengan arahan BNM.

SRS juga telah membuat kajian penambahbaikan Manual Skim Ar-Rahnu (M0-59) oleh Perbankan Konsumer untuk memastikan supaya penambahbaikan yang dilakukan adalah mematuhi Syariah.

Selain itu, SRS juga membuat kajian ke atas konsep Wakalah Bi al- Istithmar bagi pembangunan produk deposit untuk Pasaran Wang (Manual Pelaburan Khas-i).

Program ad-hoc juga telah dilakukan oleh pihak SRS terhadap isu-isu berbangkit, antaranya ialah memberi pandangan terhadap isu keperluan mendapatkan persetujuan pihak ketiga sebelum pelaksanaan kontrak Bai' Bithaman Ajil (BBA) dan memberi pandangan terhadap isu penggunaaan aset yang tidak patuh Syariah sebagai cagaran dalam pembiayaan Islamik.

Shariah Review Section (SRS)

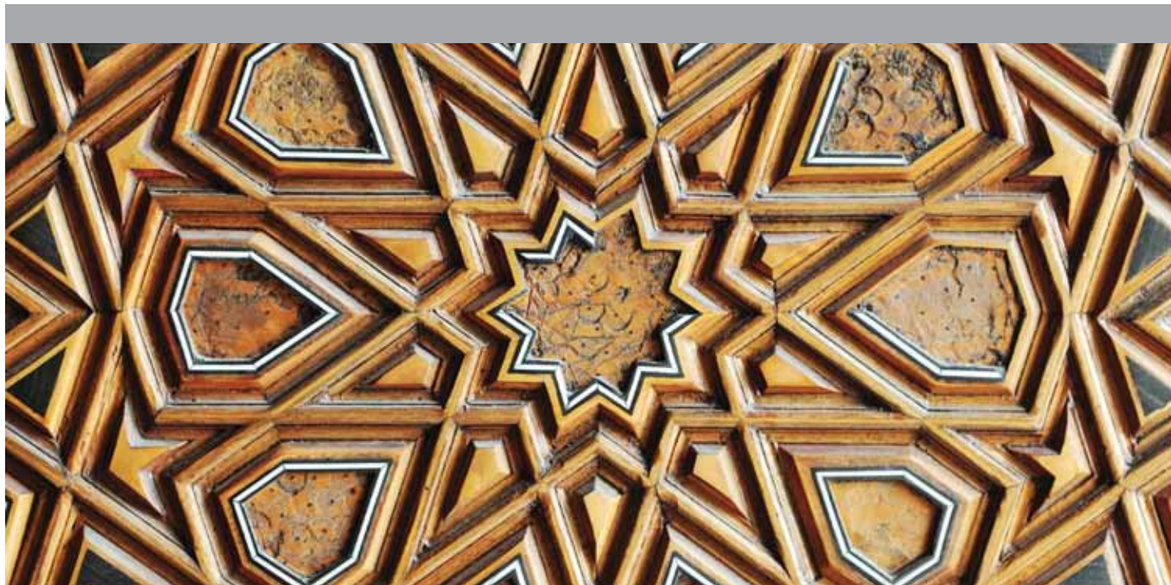
The SRS has conducted several Shariah Review Program. This is to ensure all operations and activities of the Bank are in line with Shariah requirements and guidelines of Bank Negara Malaysia (BNM).

Among the programmes implemented under the SRS were the monitoring and review of the implementation of Fees and Charges for deposit products at the head office and Kuala Lumpur branch to ensure the imposition of Fees and Charges do not conflict with Shariah and was in line with the directive of BNM.

SRS also reviewed the enhancement of Skim Manual Ar-Rahnu (M0-59) by Consumer Banking to ensure that the changes made to the manual operation complies with Shariah.

In addition, the SRS also reviewed the concept of Wakalah Bi al-Istithmar for product deposit developed for the Money Market (Manual Pelaburan Khas-i).

Ad-hoc programmes and reviews were carried out by the SRS such as resolving issues related to third-party consent requirements prior to execution of Bai'Bithaman Ajil (BBA) contracts and reviewing issues on the usage of non-compliant assets as collateral in Islamic financing.



Seksyen Perbankan Islam Sepenuhnya (FFIB)

Projek FFIB merupakan satu salah agenda utama Bank selaras dengan hasrat menjadi Perbankan Islam sepenuhnya pada tahun 2015 atau lebih awal. Perkara ini penting bagi memastikan seluruh operasi perbankan mematuhi prinsip Syariah.

Pasukan projek FFIB mengadakan mesyuarat berjadual setiap dua (2) minggu bagi memastikan aktiviti dilaksanakan mengikut jadual. Aktiviti yang telah dijalankan termasuklah pengenalan, perancangan dan pelaksanaan. Ia termasuklah aktiviti pemetaan produk untuk menyediakan produk alternatif bagi menggantikan produk deposit, pelaburan dan pinjaman konvensional.

Perancangan Jun-Disember 2012

Beberapa perancangan telah diatur oleh IBD bagi menyokong visi dan misi Agrobank menjadi Perbankan Islam sepenuhnya pada tahun 2015. Rancangan seterusnya yang akan dilaksanakan adalah:

- Memperkenalkan konsep Syariah yang lebih inovatif seperti 'Salam Muazi' dengan Padiberas Nasional Berhad (BERNAS) untuk Skim Kredit Padi.
- Meningkatkan penglibatan SC dalam aktiviti Agrobank melalui mesyuarat dan kajian serta pembentangan konsep-konsep Perbankan Islam secara khusus.
- Mengadakan lebih kerap program kesedaran patuhan Syariah dengan melaksanakan Kajian Syariah ke atas operasi Perbankan Islam untuk memastikan aktiviti dan operasi yang dijalankan oleh Agrobank tidak bercanggah dengan Syariah.

Full-Fledged Islamic Banking Section (FFIB)

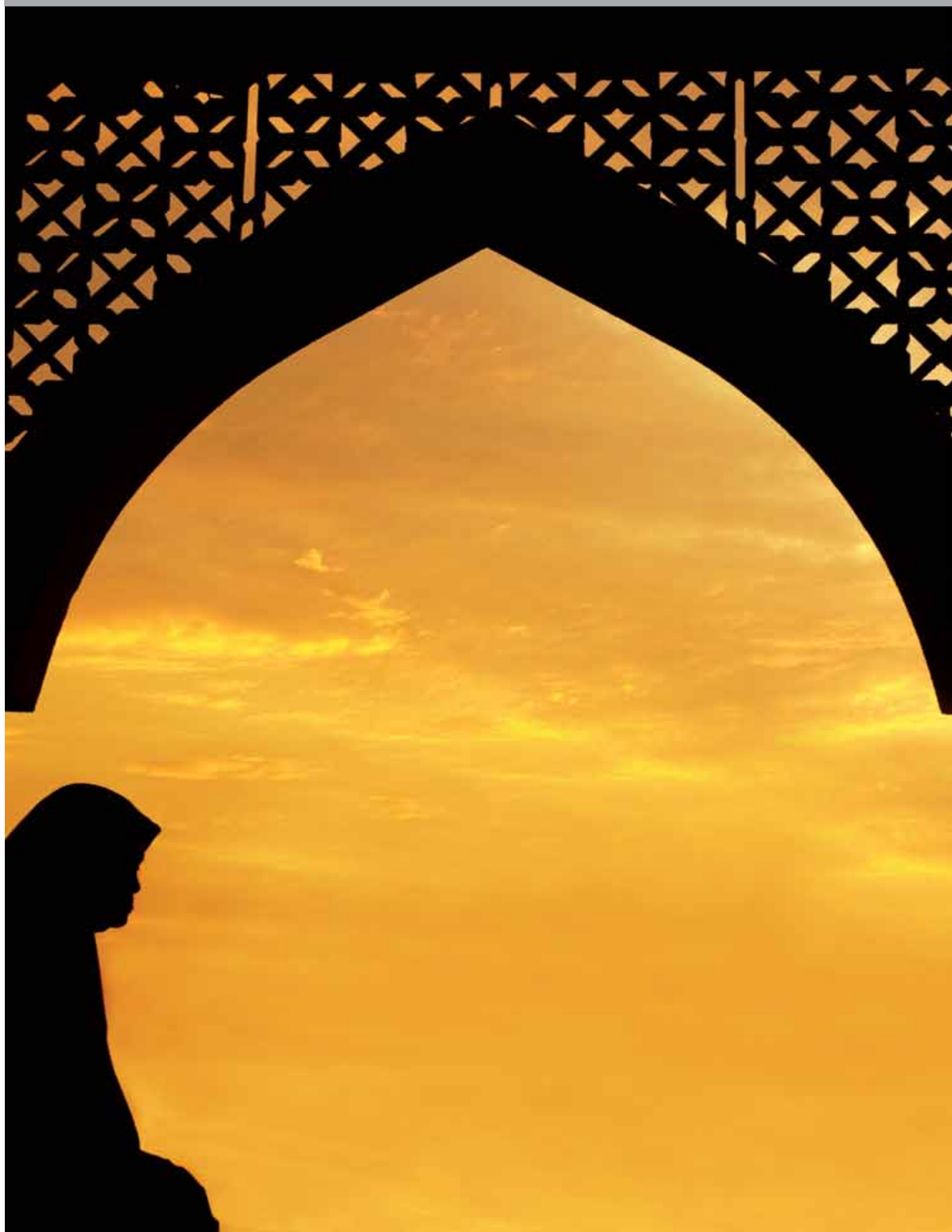
The FFIB project is one of the Bank's main agenda as the Bank aims to be a full-fledged Islamic Banking by 2015 or earlier. This to ensure the entire banking operations is in compliance with Shariah principles.

The FFIB project team will conduct frequent meetings as scheduled, once every two (2) weeks in order to ensure that activities and plans done as scheduled. The activities carried out included initiation, planning, and execution. For example, the activities involved product mapping in order to provide alternative products to replace conventional product of deposits, investments and loans.

Moving forward towards June-Dec 2012

Several plans have been arranged by IBD to support the Agrobank's vision and mission towards full-fledged Islamic Banking in 2015. Future plans to be implemented are:

- *Introduce more innovative Shariah concepts such as 'Salam Muazi' with Padiberas Nasional Berhad (BERNAS) for Paddy Credit Scheme.*
- *Increase the involvement of the SC in Agrobank activities through meetings and review as well as the presentation of the Islamic Banking concepts in particular.*
- *More frequent Shariah compliant awareness programs by implementing Shariah Review programmes on Islamic Banking operations to ensure that the activities and operations conducted by Agrobank do not contradict the Shariah.*



PENYATAAN JAWATANKUASA SYARIAH
SHARIAH COMMITTEE'S STATEMENT

Jawatankuasa Syariah (SC) berperanan untuk memantau dan memastikan operasi perniagaan Bank dijalankan selaras dengan Prinsip-prinsip Syariah dan arahan Bank Negara Malaysia (BNM) dari semasa ke semasa.

Pelantikan Ahli Jawankuasa Syariah

Berdasarkan garis panduan Bank Negara Malaysia (BNM) berkaitan dengan Rangka Kerja Tadbir Urus Shariah bagi Institusi Kewangan Islam, Ahli Lembaga Pengarah telah melantik lima (5) orang Ahli Jawatankuasa Syariah (SC) dan telahpun mendapat kelulusan dari BNM. Setiap lantikan adalah untuk tempoh tidak melebihi dua (2) tahun dan layak untuk lantikan semula atau bagi tempoh yang diluluskan oleh BNM.

Tugas dan Tanggungjawab Ahli SC

Ahli-ahli hendaklah memahami peranan dan tanggungjawab sebagai anggota SC. Mereka bertanggungjawab dan dipertanggungjawabkan ke atas semua keputusan, pandangan dan pendapat yang berkaitan dengan isu syariah.

Tugas dan tanggungjawab utama SC antara lain merangkumi perkara sepertimana berikut:

1. Menasihati Lembaga Pengarah berhubung hal-hal Syariah dalam operasi perniagaannya.

2. Meluluskan Manual Pematuhan Syariah yang menerangkan cara untuk mengemukakan atau meminta nasihat daripada SC, tatacara mesyuarat Syariah dan cara pematuhan terhadap keputusan Syariah.

3. Melulus dan mengesahkan dokumen-dokumen berkaitan bagi memastikan supaya produk-produk Bank mematuhi prinsip-prinsip Syariah dalam semua aspek.

4. Meluluskan dokumen-dokumen yang berkaitan dengan produk Bank termasuk:

   i. Terma dan syarat yang terkandung dalam borang cadangan, kontrak, perjanjian atau dokumen undang-undang lain yang digunakan dalam pelaksanaan urus niaga.

   ii. Manual produk, iklan pemasaran, ilustrasi jualan dan risalah yang digunakan untuk memberi penerangan berkaitan produk.

The main function of the Shariah Committee (SC) is to monitor and ensure that the Bank's business operations are conducted according to the Shariah principles and regulations imposed by Bank Negara Malaysia (BNM).

Appointment of SC

Based on Bank Negara Malaysia (BNM) guidelines on Shariah Governance Framework for Islamic Financial Institutions, Board of Directors had approved and verified the appointment of five (5) Shariah Committee (SC) members upon approval from BNM. Each appointment is to be not more than two (2) years and a member is eligible for re-election and subject to BNM's approval.

Duties and Responsibilities of SC

The Shariah Committee is expected to understand that in the course of discharging the duties and responsibilities as SC members, they are responsible and accountable for all Shariah decisions, opinions, and views provided by them.

Main responsibilities of the SC among others include the following:

1. *To advise the Board on Shariah matters in its business operations.*

2. *To approve Shariah Compliance Manuals that specify the manner in which a submission or request for advice be made to the SC, the conduct of the SC's meeting and the manner of compliance with any Shariah decision.*

3. *To approve and validate relevant documentations to ensure that the products of the Bank comply with Shariah principles in all aspects.*

4. *The SC must endorse the following:*

   i. The terms and conditions contained in the proposal form, contract, agreement or other legal documentation used in executing the transactions.

   ii. The product manual, marketing advertisements, sales illustrations and brochures used to describe the product.

5. Membantu pihak berkaitan seperti penasihat undang-undang, juruaudit dan juruperunding berhubung hal-hal Syariah apabila diminta.

6. Memberi nasihat berhubung hal-hal yang perlu dirujuk kepada Majlis Penasihat Syariah (SAC) BNM.

7. Menasihati Bank agar merujuk kepada SAC berhubung sebarang hal Syariah yang tidak dapat diselesai atau diluluskan oleh SC.

8. Menyediakan pandangan Syariah secara bertulis khususnya dalam keadaan berikut:

   i. Apabila Bank merujuk kepada SC untuk mendapatkan nasihat; atau

   ii. Apabila Bank mengemukakan permohonan kepada BNM bagi kelulusan produk baru. SC perlu menyediakan kelulusan dan keputusan berhubung pematuhan Syariah berkaitan konsep dan mekanisme serta struktur bagi setiap produk baru, rujukan fiqh yang berkaitan, bukti dan penerangan sokongan. Kertas Syariah tersebut akan dikemukakan kepada SAC.

9. Membantu SAC dalam sebarang perkara yang dirujuk oleh Bank. Apabila sebarang nasihat diperoleh daripada SAC, SC akan memastikan supaya semua keputusan Majlis dilaksanakan dengan sewajarnya oleh Bank.

10. SC juga dikehendaki membantu Majlis Penasihat Syariah BNM dalam sebarang perkara yang dirujuk oleh Bank. Apabila sebarang nasihat diperoleh daripada Majlis Penasihat Syariah BNM, SC akan memastikan supaya semua keputusan Majlis dilaksanakan dengan sewajarnya oleh Bank.

5. To assist related parties such as its legal counsel, auditor or consultant on Shariah matters for advice upon request.

6. To advise on matters to be referred to the Shariah Advisory Council (SAC) of BNM.

7. The SC must advise the Bank to consult the SAC on any Shariah matters which have not been resolved or endorsed by the SC.

8. To provide written Shariah opinions particularly in the following circumstances:

   i. Where the Bank makes reference to the SC for advice; or

   ii. Where the Bank submits applications to BNM for new product approval. The SC should provide the endorsement and decision with regard to the Shariah compliance on the concept and the mechanism and structure of every new product, furnishing the relevant fiqh literature, as well as supporting evidence and reasoning. The Shariah paper will then be presented to the SAC.

9. The SC is also expected to assist the SAC on any matter referred by the Bank. Upon obtaining any advice from the SAC, the SC shall ensure that all SAC's decisions are properly implemented by the Bank.

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Tugas dan Tanggungjawab Bank sebagai Institusi Kewangan Islam

Bagi memastikan kelancaran pengendalian SAC, Agrobank hendaklah:

1. Merujuk semua isu Syariah dalam operasi perniagaannya kepada SAC untuk mendapatkan nasihat.
2. Menerima pakai dan mengambil langkah-langkah yang perlu untuk melaksanakan nasihat SAC.
3. Memastikan supaya dokumen-dokumen berkaitan dengan produk mendapat pengesahan SAC bagi isu-isu yang melibatkan Syariah.
4. Menyediakan Manual Pematuhan Syariah dan memastikan agar Manual Pematuhan Syariah yang dirujuk tersebut telah disahkan oleh SC.
5. Memberikan akses kepada SC untuk mendapatkan dokumen-dokumen berkaitan Bank seperti rekod-rekod, urus niaga, manual atau maklumat berkaitan lain, sebagaimana yang diperlukan oleh SC untuk menjalankan tugas mereka.
6. Menyediakan sumber yang mencukupi kepada SC seperti peruntukan belanjawan, perundingan oleh pakar bebas, bahan-bahan rujukan dan latihan. Bank juga bertanggungjawab memberikan latihan dan pendedahan kepada SC dengan operasi dan perniagaannya.
7. Memberi imbuhan sewajarnya kepada SC di mana Lembaga Pengarah (melalui Jawatankuasa Pencalonan) akan menentukan pampasan yang sewajarnya bagi menggambarkan peranan dan fungsi SC.

Duties and Responsibilities of The Bank as an Islamic Financial Institution

To ensure the smooth running of the SAC, Agrobank is responsible:

1. *The Bank must refer all Shariah issues in its business operations to the SAC for advice.*
2. *The Bank is required to adopt and take necessary measures for implementation of the SAC's advice.*
3. *The Bank shall obtain validation of the SAC relating to Shariah issues in all product documentations.*
4. *To have a Shariah Compliance Manual. The Bank shall ensure that the Shariah Compliance Manual is endorsed by the SC.*
5. *The SC must be given access to relevant records, transactions, manual or other relevant information, as required by them to perform their duties.*
6. *To provide sufficient resources to SC such as budget allocation, independent expert consultation, reference materials and trainings. It is also the duty of the Bank to familiarise the SC on its operation and business.*
7. *To remunerate the members of the SC accordingly. The Board of Directors shall determine the remuneration of the SC members (through its Nomination & Remuneration Committee). The remuneration shall commensurate and reflect the roles and functions of the SC.*

Laporan Kehadiran SC 2011
Report of SC's Attendance 2011

SC telah bermesyuarat sebanyak tujuh (7) kali sepanjang tahun 2011. Kehadiran SC adalah seperti berikut:
The SC has met seven (7) times during the year 2011. The following is the attendance of each SC:

Jawatankuasa Syariah / *Shariah Committee*	Kehadiran / *Attendance**
Profesor Madya Datin Dr. Paizah Hj Ismail	7/7
Dr. Atikullah Hj Abdullah	7/7
Profesor Madya Dato' Dr. Hailani Muji Tahir	7/7
Profesor Dr. Saiful Azhar Rosly	6/7
Encik Mohd Zakhiri Md. Nor	4/4

* Menunjukkan bilangan mesyuarat yang diadakan sepanjang ahli berkenan memegang jawatan bagi tahun 2011.
** Reflects the number of meetings held during the time SC held the post during year 2011.*

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BANK PERTANIAN MALAYSIA BERHAD (811810-U)

AGENDA SUMBER MANUSIA
HUMAN RESOURCE AGENDA

Sejak Agrobank memulakan inisiatif transformasi seluruh Bank pada tahun 2011, agenda sumber manusia telah berada di hadapan transformasi. Memandu agenda sumber manusia ialah aspirasi strategik 'Budaya Berprestasi Tinggi' (HPC), yang memberi tumpuan kepada tiga (3) tema strategik: Pengurusan Bakat Bersepadu, Tempat Bagus untuk Bekerja dan Kerjaya yang Memuaskan dan Berganjaran.

Pengurusan Bakat Bersepadu

Untuk kejayaan semasa dan masa depan, adalah penting bagi Bank memberikan tumpuan untuk menarik, membangunkan dan mengekalkan bakat. Bank telah memperkenalkan Rangka Kerja Pengurusan Bakat Bersepadu Agrobank, menggariskan inisiatif, program dan langkah-langkah untuk memastikan bekalan mencukupi dan penglibatan optimum bakat di semua peringkat. Misi Jawatan Kritikal dan bakal pengganti telah dikenal pasti. Kedua-dua penjawat kini, dan pengganti dijadualkan untuk penilaian sebagai usaha mengenal pasti secara sistematik peluang untuk perkembangan lanjutan. Dalam masa yang sama, Bank telah memulakan pengambilan agresif, membawa bakat-bakat baru untuk menambah baik bakat yang sedia ada, termasuk siswazah baru di bawah Program Bakat Muda Agrobank.

Since Agrobank commenced its bank-wide transformation initiative in 2011, the human resource agenda has been at the forefront of the transformation. Driving the human resource agenda was the strategic aspiration of a 'High Performance Culture' (HPC), which basically focuses on 3 strategic themes: Integrated Talent Management, Great Place to Work, and Fulfilling and Rewarding Career.

Integrated Talent Management

For current and future success, it is critical for the Bank to focus on attracting, developing and retaining talent. The Bank has introduced the Agrobank Integrated Talent Management Framework, outlining initiatives, programmes and steps to ensure adequate supply and optimum engagement of talent at all levels. Mission Critical Positions and successors have been identified. Both incumbents and successors are scheduled for assessment in order to systematically identify opportunity for further development. At the same time, the Bank embarked on aggressive recruitment to bring new talents to complement existing talents, including fresh graduates under the Agrobank Young Talent Program.

Tempat Bagus untuk Bekerja

Bank mengiktiraf kepentingan mengekalkan perspektif sihat pada kerja dan tempat kerja. Untuk meningkatkan lagi penglibatan dan keseimbangan kerja-kehidupan, Bank telah menganjurkan pelbagai program berpusatkan pekerja seperti Dana Kebajikan Pekerja untuk membantu pekerja atau tanggungan yang menghadapi kesempitan kewangan yang disebabkan oleh penyakit, bencana, kemalangan dan kematian. Bank juga sangat aktif dalam pelbagai acara sukan dan pertandingan, menganjurkan banyak pertandingan melibatkan seluruh Bank serta mengambil bahagian dalam pertandingan anjuran pihak luaran. Di samping itu, Bank juga menganjurkan pelbagai aktiviti keagamaan seperti Maulidur Rasul, Maal Hijrah, Israk Mikraj dan Iftar.

Kerjaya yang Memuaskan dan Berganjaran

Dalam pada Bank berusaha menanamkan 'Budaya Berprestasi Tinggi' dalam kehidupan harian pekerja, adalah penting kepada Bank membangunkan infrastruktur sumber manusia yang memudahkan kemajuan kerjaya dalam memberikan kepuasan dan ganjaran. Bagi melancarkan perjalanan transformasi, Bank telah memperkenalkan Struktur Organisasi baru yang memberikan lebih fokus dan kejelasan peranan dan kebertanggungjawaban. Ia mengurangkan pertindihan dan menyediakan objektif perniagaan yang jelas. Hasilnya, pelaksanaan kenaikan pangkat meluas telah dijalankan untuk menyediakan kemajuan kerjaya kepada pekerja-pekerja yang layak. Daripada jumlah ini, beberapa pekerja cemerlang telah diberikan laluan pantas untuk merealisasikan potensi mereka.

Sebagai tambahan, Bank memperkenalkan Falsafah Ganjaran Menyeluruh, yang disokong oleh pasak berkembar iaitu Ganjaran Berasaskan Prestasi dan Sistem Pengurusan Prestasi yang teguh. Ganjaran kini berkait rapat dengan prestasi dan potensi serta tahap penglibatan. Sistem Pengurusan Prestasi semasa telah dipertingkatkan supaya mampu menyediakan pautan jelas ganjaran kepada prestasi dan untuk membolehkan pengurus peringkat pertama mengurus dengan baik prestasi pekerja. Ia menyediakan kejelasan dari segi petunjuk prestasi dan penetapan sasaran, justeru pengurus barisan pertama dapat mengenal pasti dan membezakan pekerja cemerlang dengan pekerja lemah. Fokus pembangunan juga telah diperkenalkan dalam Sistem Pengurusan Prestasi.

Great Place to Work

The Bank recognises the importance of maintaining healthy perspectives on work and the workplace. To further improve engagement and work-life balance, the Bank has organised various employee-centred programmes such as Employee Welfare Fund to assist employees or their dependents in facing financial hardship due to illness, disaster, accidents, and cases of death. The Bank is also very active in various sporting events and tournaments, organising many Bankwide competitions as well as participating in externally organised competitions. In addition, the Bank also organised various religious activities such as Maulidur rasul, Maal Hijrah, Israk Mikraj and Iftar.

Fulfilling and Rewarding Career

As Agrobank strives in embedding a 'High Performance Culture' in the employees daily life, it is critical that the Bank develops a HR infrastructure that facilitates a fulfilling and rewarding career progression. To kick-off the transformation journey, the Bank introduced a new Organisation Structure that provides more focus and clarity of role and accountability. It minimises duplication and provides clearer business objectives. As a result, an extensive promotion exercise was carried-out to provide career progression to deserving employees. Of these, a few high performers have been fast-tracked to realise their potential.

Complementing the above, the Bank introduced the Total Rewards Philosophy, which is supported by the twin pillars of Performance Based Rewards and a robust Performance Management System. Rewards are now closely linked to performance, potential and engagement levels. The current Performance Management System was enhanced to be able to provide a clear link of rewards to performance and to enable line managers to better manage employees' performance. It provides more clarity in terms of performance indicators and target setting, hence better opportunity for line managers to identify and differentiate between high performers and poor performers. Development focus has also been introduced in the Performance Management System.

Dengan pampasan ekuiti dalaman di trajektori yang betul, usaha berterusan untuk menentukur ekuiti pampasan luaran terhadap pasaran, terutama bagi Misi Jawatan Kritikal dan pekerja berprestasi, sebagai sebahagian daripada pelan pengekalan. Objektif utama adalah untuk menawarkan ganjaran yang bernilai kepada pekerja dan berpatutan kepada majikan.

Latihan 2011

Inisiatif latihan dibentuk supaya sejajar dengan *tag line* pembangunan pengurusan "Melatih Pemimpin untuk Perniagaan Masa Hadapan" dengan objektifnya iaitu seperti berikut:

- Usaha yang teliti dan sistematik untuk membangunkan modal insan dalam Agrobank bagi menyokong atau mengisi jawatan-jawatan kritikal.
- Memastikan kesinambungan perniagaan dan operasi melalui perancangan penggantian yang berkesan.
- Membangunkan potensi manusia sepenuhnya supaya sejajar dengan matlamat individu dan organisasi.

With internal compensation equity in the right trajectory, efforts are on-going to calibrate external compensation equity against the market, especially for Mission Critical Positions and performing employees, as part of the retention plan. The main objective of these efforts is to offer rewards valued by employees and which are affordable to the employer.

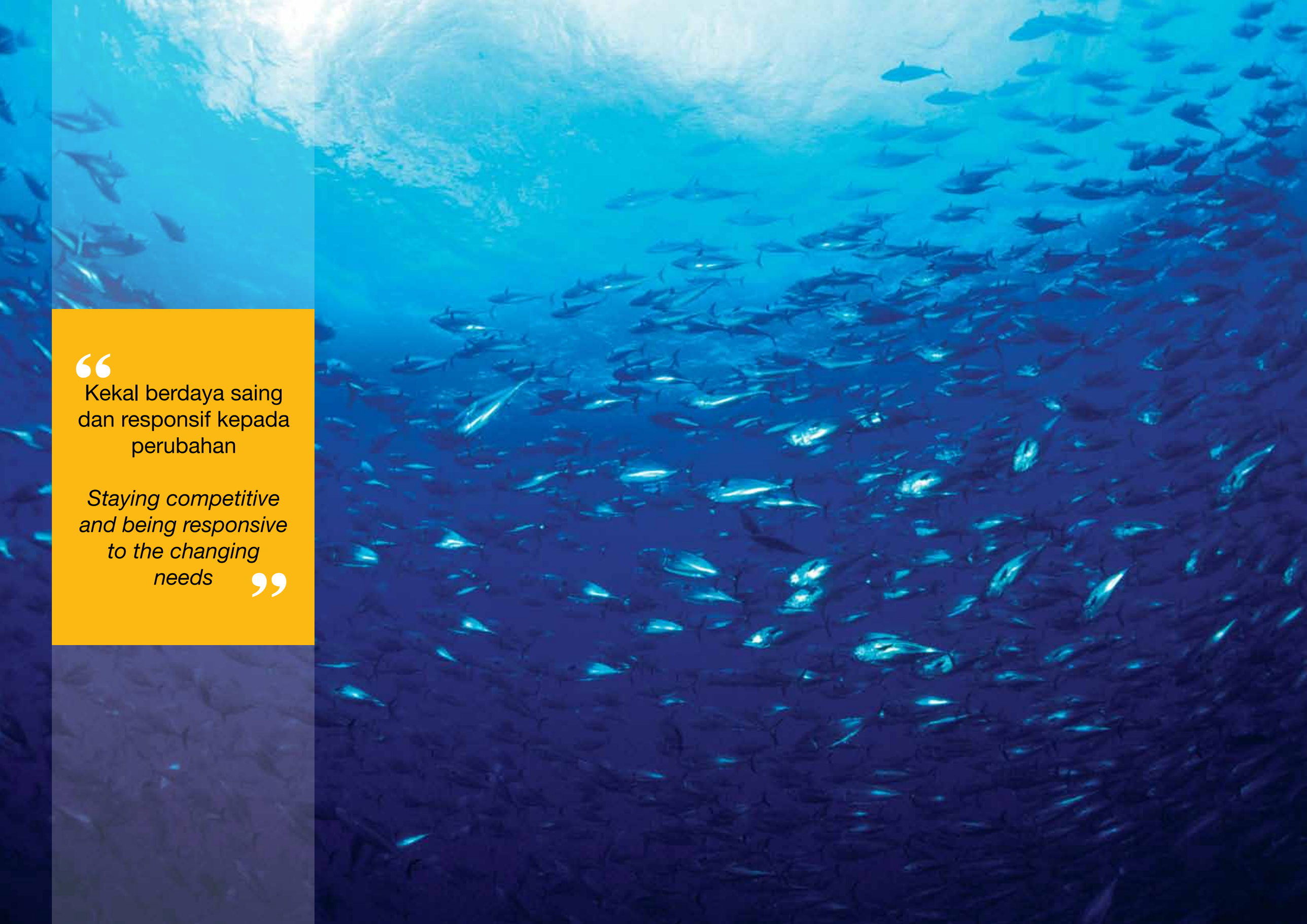
2011 Training

Training initiatives are structured in line with the management development tag line of "Grooming Leaders for Tomorrows' Businesses" with the objectives of:

- *Conscientious and systematic effort to develop human capital in Agrobank for support or fill critical positions.*
- *Ensure continuity of business and operations through effective succession planning.*
- *Develop people to their fullest potential in line with both individual and organisational goals.*

Sepanjang 2011, sebanyak 463 program melibatkan 6,888 peserta telah berjaya dilaksanakan berbanding 2010 yang mencatatkan sebanyak 282 program dengan senarai kehadiran sejumlah 5,028. Peningkatan bilangan kursus yang dianjurkan secara proaktif ini adalah untuk memenuhi keperluan kemahiran dan kecekapan keperluan pekerja berkhidmat di bawah Pusat Perniagaan, iaitu konsep organisasi cawangan baru. Program pada tahun 2011 ditumpukan pada empat (4) bidang teras: Kecekapan, Audit, Pengurusan Risiko dan Kemahiran Insaniah dengan 70% penumpuan kepada Kecekapan dan 10% bagi setiap yang lain. Petunjuk Prestasi Utama korporat (KPI) untuk Pembelajaran dan Pembangunan ialah Program Pensijilan Kredit Dalaman (ICCP) dan Kecekapan Kemahiran. Seramai 629 pegawai kredit telah menghadiri program ICCP dan 3,125 pegawai telah menghadiri kursus kredit berkaitan yang lain yang memberi tumpuan kepada jualan dan pemasaran, kecekapan kredit, kesedaran risiko, pematuhan, latihan pengurusan dan program sokongan wajib bagi operasi perniagaan Agrobank. Indeks kecekapan kemahiran mencatat purata lebih daripada 80% untuk pembangunan peribadi dan aplikasi pembelajaran.

Throughout 2011, a total of 463 programmes involving a total of 6,888 attendees have been successfully conducted compared to 2010 which recorded a total of 282 programmes with 5,028 attendees. The number of the proactively organised courses were increased in order to meet the skills and competency requirements of employees to serve the new Business Center branch organisation concept. Programmes in 2011 were focused on four core areas namely Competency, Audit, Risk Management and Soft Skills with a concentration of 70% for Competency and 10% for each of the other three programmes. The Corporate Key Performance Indicator (CKPI) for Learning and Development is linked to conducting Internal Credit Certification Programs (ICCP) and Skill Competencies. A total of 629 credit officers attended the ICCP programmes and 3,125 officers attended other credit-related courses focusing on sales and marketing, credit efficiency, risk awareness, compliance, management training and mandatory support programmes for Agrobank business operations. The skill competency index averages more than 80% for personal development and learning applications.



“Kekal berdaya saing dan responsif kepada perubahan

Staying competitive and being responsive to the changing needs”

KEPIMPINAN
LEADERSHIP

AHLI LEMBAGA PENGARAH
BOARD OF DIRECTORS

Ahli-ahli Lembaga Pengarah Bank pada tarikh laporan yang terakhir dan sehingga tarikh laporan ini adalah seperti berikut:

The members of the Board of Directors from the previous to the current report are:

1. **TAN SRI FAIZAH MOHD TAHIR**
   Pengerusi Bebas Bukan Eksekutif
   Independent Non-Executive Chairman

2. **DATO' CHE MOHD HASHIM ABDULLAH**
   Pengarah Bukan Bebas Bukan Eksekutif
   (Dilantik mulai 2 Mei 2011)
   Non-Independent Non-Executive Director
   (Appointed effective 2 May 2011)

3. **PUAN RASHIDAH MOHD SIES**
   Pengarah Bukan Bebas Bukan Eksekutif
   Non-Independent Non-Executive Director

4. **DATUK DR. SAHARAN HAJI ANANG**
   Pengarah Bebas Bukan Eksekutif
   Independent Non-Executive Director

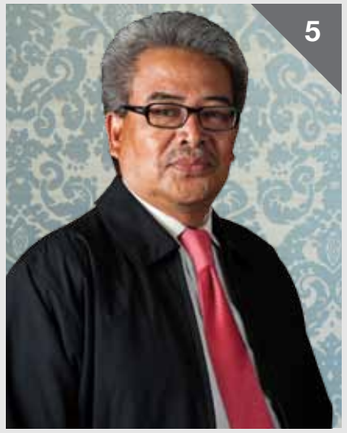
5. **DATUK JOHAR CHE MAT**
   Pengarah Bebas Bukan Eksekutif
   Independent Non-Executive Director

6. **ENCIK MD. HILMI DATUK HAJI MD. NOOR**
   Pengarah Bebas Bukan Eksekutif
   (Dilantik mulai 1 Mac 2011)
   Independent Non-Executive Director
   (Appointed effective 1 March 2011)

7. **ENCIK NG CHIH KAYE**
   Pengarah Bebas Bukan Eksekutif
   (Dilantik mulai 8 Februari 2011)
   Independent Non-Executive Director
   (Appointed effective 8 February 2011)

8. **DATIN RUZAINA WAN HANIFF**
   Pengarah Bebas Bukan Eksekutif
   (Dilantik mulai 1 Mac 2011)
   Independent Non-Executive Director
   (Appointed effective 1 March 2011)

9. **ENCIK WAN MOHD FADZMI WAN OTHMAN**
   Presiden/Ketua Pegawai Eksekutif
   (Dilantik mulai 1 Julai 2011)
   President/Chief Executive Officer
   (Appointed effective 1 July 2011)



PROFIL AHLI LEMBAGA PENGARAH
BOARD OF DIRECTORS' PROFILE

1

TAN SRI FAIZAH MOHD TAHIR
Pengerusi Bebas Bukan Eksekutif
Independent Non-Executive Chairman

Tan Sri Faizah Mohd Tahir telah dilantik sebagai Pengerusi Bebas Bukan Eksekutif Agrobank berkuat kuasa pada 5 Ogos 2010. Beliau juga berkhidmat sebagai Pengerusi Jawatankuasa Pencalonan dan Ahli Jawatankuasa Lembaga Tujuan Am Agrobank. Beliau memiliki Ijazah Sarjana (Pembangunan Ekonomi) daripada Williams College, Amerika Syarikat dan Ijazah Sarjana Muda (Ekonomi) daripada Universiti Malaya.

Beliau memulakan kerjayanya dalam perkhidmatan awam sebagai Penolong Pengarah di Unit Perancang Ekonomi (EPU), Jabatan Perdana Menteri pada tahun 1973. Beliau telah memegang beberapa jawatan utama antaranya Ketua Penolong Pengarah Perikanan dan Pembangunan Ternakan, EPU dan Seksyen Pembahagian sehingga tahun 1994. Beliau seterusnya dilantik sebagai Pengarah di Seksyen Sumber Tenaga Manusia dan Seksyen Perdagangan dalam EPU. Beliau dilantik sebagai Ketua Setiausaha Kementerian Pembangunan Wanita, Keluarga dan Masyarakat sehingga beliau bersara wajib pada bulan Disember 2009.

Beliau kini merupakan Ahli Lembaga Pengarah Bank Pembangunan Malaysia Berhad, Goodyear Malaysia Berhad, Goodyear Marketing & Sales Sdn Bhd dan Faith Acres Sdn Bhd.

***Tan Sri Faizah Mohd Tahir** was appointed as an Independent Non-Executive Chairman of Agrobank on 5 August 2010. She also serves as the Chairman of the Nominating Committee and Board General Purpose Committee of Agrobank. She holds a Masters Degree (Economic Development) from Williams College, United States of America and a Bachelor Degree (Economics) from University of Malaya.*

She began her career in the Malaysian government service as an Assistant Director at the Economics Planning Unit (EPU), Prime Minister's Department in 1973. She held several key positions such as the Principal Assistant Director of the Fishing and Livestock Development, EPU and Distribution Section until 1994. She was later promoted as Director at the Human Resources Section and the Industry and Commerce Section in the EPU. Prior to her retirement from Government service in December 2009, she was the Chief Secretary in the Ministry of Women, Family and Community Development.

She is currently a member of the Boards of Bank Pembangunan Malaysia Berhad, Goodyear Malaysia Berhad, Goodyear Marketing & Sales Sdn Bhd and Faith Acres Sdn Bhd.

DATO' CHE MOHD HASHIM ABDULLAH
Pengarah Bukan Bebas Bukan Eksekutif
Non-Independent Non-Executive Director

2

Dato' Che Mohd Hashim Abdullah telah dilantik sebagai Pengarah Bukan Bebas Bukan Eksekutif Agrobank berkuat kuasa pada 2 Mei 2011. Beliau berkelulusan Ijazah Sarjana Sains Politik daripada Universiti Kebangsaan Malaysia, Ijazah Sarjana Muda (dengan Kepujian) Pengajian Asia Tenggara dari Universiti Malaya dan Diploma Pentadbiran Awam daripada Institut Tadbiran Awam Negara (INTAN).

Dato' Che Mohd Hashim memulakan kerjayanya dalam perkhidmatan awam pada tahun 1980. Antara jawatan yang pernah dipegang ialah Setiausaha Sulit Kanan kepada Menteri Belia dan Sukan dan Menteri Pembangunan Luar Bandar; Ketua Penolong Setiausaha di Bahagian Perancangan dan Penilaian; Setiausaha Bahagian Pembangunan Perniagaan, Kementerian Pembangunan Usahawan dan Koperasi; dan Timbalan Ketua Setiausaha di Kementerian Pertanian dan Industri Asas Tani. Beliau kini merupakan Ketua Setiausaha di Kementerian Pertanian dan Industri Asas Tani.

Dato' Che Mohd Hashim juga merupakan Ahli Lembaga Pemegang Amanah Tekun Malaysia (TEKUN), Ahli Lembaga Kemajuan Ikan Malaysia, Majlis Penasihat Peladang, Lembaga Pertubuhan Peladang (LPP) dan Ahli Lembaga Pengarah Suruhanjaya Koperasi Malaysia (SKM).

***Dato' Che Mohd Hashim Abdullah** was appointed as a Non-Independent Non-Executive Director of Agrobank on 2 May 2011. He holds a Masters in Political Science from Universiti Kebangsaan Malaysia, a Bachelor Degree (with Honours) in South East Asia Studies from Universiti of Malaya and a Diploma in Public Administration from the National Institute of Public Administration (INTAN).*

Dato' Che Mohd Hashim began his career in public service in 1980. Among the positions he held were Senior Private Secretary to the Minister of Youth and Sports and Minister of Rural Development; Principal Assistant Secretary in the Planning and Valuation Division; Secretary of the Business Development Division in the Ministry of Entrepreneur and Cooperatives Development; and Deputy Secretary General in the Ministry of Agriculture and Agro-based Industry. He is currently the Secretary General in the Ministry of Agriculture and Agro-based Industry.

Dato' Che Mohd Hashim is also a member of the Board Trustees of Tekun Malaysia (TEKUN), Board Member of the Fisheries Development Authority of Malaysia, Farmers' Advisory Council, Farmers' Organization Authority (LPP) and Malaysian Cooperative Commission (SKM).

3

PUAN RASHIDAH MOHD SIES

Pengarah Bukan Bebas Bukan Eksekutif

Non-Independent Non-Executive Director

Puan Rashidah Mohd Sies telah dilantik menjadi Pengarah Bukan Bebas Bukan Eksekutif Agrobank berkuat kuasa pada 8 Jun 2010. Beliau turut dilantik sebagai Ahli Jawatankuasa Audit, Ahli Jawatankuasa Kredit, dan Ahli Jawatankuasa Ganjaran Agrobank.

Berkelulusan Ijazah Sarjana Pentadbiran Perniagaan (MBA) dan Diploma Pentadbiran Awam, Puan Rashidah kini memegang jawatan sebagai Ketua Penolong Setiausaha Bahagian Pelaburan, MKD dan Penswastaan, Kementerian Kewangan Malaysia.

Puan Rashidah Mohd Sies *was appointed as a Non-Independent Non-Executive Director of Agrobank on 8 June 2010. She is also a member of the Board Audit Committee, Board Credit Committee, and Remuneration Committee of Agrobank.*

She holds a Masters Degree in Business Administration as well as a Diploma in Public Administration and currently serves as Principal Assistant Secretary in the Investment, MKD and Privatisation Division, Ministry of Finance.

DATUK DR. SAHARAN HAJI ANANG

Pengarah Bebas Bukan Eksekutif

Independent Non-Executive Director

4

Datuk Dr. Saharan Haji Anang telah dilantik sebagai Pengarah Bebas Bukan Eksekutif Agrobank berkuatkuasa pada 9 Jun 2008. Beliau turut dilantik sebagai Pengerusi Jawatankuasa Pengurusan Risiko serta Ahli Jawatankuasa Audit, Jawatankuasa Kredit, Jawatankuasa Pelaburan, Jawatankuasa Pencalonan dan Jawatankuasa Agrobank. Beliau berkelulusan Ijazah Kedoktoran (PhD) dari University of London, England dalam bidang 'Weed Science', Ijazah Sarjana Sains Pertanian dari State Agriculture Development University, Ghent, Belgium dan Ijazah Sarjana Muda Sains Pertanian dari Universiti Malaya.

Sepanjang kerjayanya, beliau pernah memegang pelbagai jawatan penting di dalam dan luar negara, antara institusi-institusi tersebut ialah Institut Penyelidikan dan Kemajuan Pertanian Malaysia (MARDI), Penyelidikan dan Kemajuan Sains Negara (MPKSN), Food and Agriculture Organisation of the United Nations (FAO) bagi negara-negara membangun kawasan Asia Pasifik ke Consultative Group on International Agriculture Research (CGIAR), "Asian Vegetable Research and Development Centre (AVRDC/AVNET)", Jawatankuasa Pemandu Projek Kawalan Serangga Bersepadu (IRRI/IPMNET). Beliau juga mengetuai Projek Kerjasama Dua Hala Malaysia - Malawi (MTCP) dan "1st Session of FAO Subgroup on Banana and Tropical Fruits in Thailand and Australia".

Datuk Dr. Saharan ialah Felo Akademik Sains Malaysia (F.A. Sc.) sejak tahun 2001. Beliau juga Pengerusi Paddytech Resources Sdn Bhd dan Mscape Management Sdn Bhd serta Ahli Lembaga Pengarah Marditec Corporation Sdn Bhd. Beliau pernah menjadi Ahli Lembaga Pengarah Lembaga Pemasaran Pertanian Persekutuan (FAMA), Pihak Berkuasa Kemajuan Pekebun Kecil Perusahaan Getah (RISDA), Lembaga Koko Malaysia, Pesticides Board of Malaysia, Malaysian Herbal Corporation Sdn Bhd, Chemical Company Malaysia Berhad dan Chemical Company Malaysia Fertilizer Berhad.

Datuk Dr. Saharan Haji Anang *was appointed as an Independent Non-Executive Director of Agrobank on 9 June 2008. He also serves as the Chairman of the Board Risk Management Committee and is a member of the Board Audit Committee, Board Credit Committee, Board Investment Committee, Nominating Committee and Board General Purpose Committee of Agrobank. He earned a PhD from the University of London, England in 'Weed Science', Masters in Agriculture Science from the State Agriculture Development University, Ghent, Belgium, and Bachelor of Agricultural Science from University of Malaya.*

In his career, he held various prominent positions locally and internationally, among the institutions were Malaysian Agricultural Research and Development Institute (MARDI), National Council for Scientific Research and Development (MPKSN), Food and Agriculture Organisation of The United Nations (FAO), Asia Pacific Developing Countries to Consultative Group of the International Agriculture Research (CGIAR), Asian Vegetable Research and Development Centre (AVRDC/AVNET), Steering Committee for Integrated Rice Pest Control (IRRI/ IPMNET). He also headed the Malaysia – Malawi Bilateral Cooperation (MTCP) and the 1st Session of FAO Subgroup on Banana and Tropical Fruits in Thailand and Australia.

Datuk Dr. Saharan is a Fellow of the Academy of Sciences Malaysia (F.A. Sc.) since 2001. He is currently the Chairman of Paddytech Resources Sdn Bhd and Mscape Management Sdn Bhd and on the Board of Marditec Corporation Sdn Bhd. He was previously a member of the Board Member of Federal Agriculture Marketing Authority (FAMA), Rubber Industry Smallholders Development Authority (RISDA), Malaysian Cocoa Board, Pesticides Board of Malaysia, Malaysian Herbal Corporation Sdn Bhd, Chemical Company Malaysia Berhad, and Chemical Company Malaysia Fertilizer Berhad.

5

DATUK JOHAR CHE MAT
Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director

Datuk Johar Che Mat telah dilantik sebagai Pengarah Bebas Bukan Eksekutif Agrobank berkuat kuasa pada 1 Julai 2010. Beliau turut dilantik sebagai Pengerusi Jawatankuasa Kredit dan Jawatankuasa Ganjaran serta Ahli Jawatankuasa Audit Lembaga, Jawatankuasa Pengurusan Risiko, Jawatankuasa Teknologi Maklumat, Jawatankuasa Pelaburan dan Jawatankuasa Pencalonan Agrobank. Beliau berkelulusan Ijazah Sarjana Muda (Ekonomi).

Datuk Johar mempunyai pengalaman yang luas selama 34 tahun dalam industri perbankan dan pernah menjadi Ahli Lembaga Pengarah Mayban Trustee Berhad, Maybank Islamic Berhad, Mayban Life Assurance Berhad, Maybank Takaful Berhad, Mayfin Bhd (Mayban Finance Bhd), Aseamlease Berhad, Aseam Credit Sdn Bhd dan Mayban Allied Credit & Leasing Berhad. Datuk Johar merupakan mantan Ketua Pegawai Operasi Maybank Berhad.

Datuk Johar kini merupakan Ahli Lembaga Pengarah Amanah Raya Berhad.

Datuk Johar Che Mat *was appointed as an Independent Non-Executive Director of Agrobank on 1 July 2010. He also serves as the Chairman of the Board Credit Committee and Remuneration Committee of Agrobank. He is also a member of the Board Audit Committee, Board Risk Management Committee, Board Information Technology Committee, Board Investment Committee and Nomination Committee of Agrobank. He holds a Bachelor Degree in Economics.*

Datuk Johar Che Mat has 34 years of vast experience in the banking industry and was a Board Member of Mayban Trustee Berhad, Maybank Islamic Berhad, Mayban Life Assurance Berhad, Maybank Takaful Berhad, Mayfin Bhd (Mayban Finance Bhd), Aseamlease Berhad, Aseam Credit Sdn Bhd and Mayban Allied Credit & Leasing Berhad. Datuk Johar was the former Chief Operating Officer of Maybank Berhad.

Datuk Johar is currently a Board Member of Amanah Raya Berhad.

ENCIK MD. HILMI DATUK HAJI MD. NOOR
Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director

6

Encik Md. Hilmi Datuk Haji Md. Noor telah dilantik sebagai Pengarah Bebas Bukan Eksekutif Agrobank berkuat kuasa pada 1 Mac 2011. Beliau dilantik sebagai Pengerusi Jawatankuasa Audit dan juga merupakan Ahli Jawatankuasa Pelaburan dan Jawatankuasa Pencalonan. Beliau merupakan Felo Persatuan Akauntan Bertauliah Berkanun (ACCA) dan ialah seorang Akauntan Bertauliah Institut Akauntan Malaysia (MIA).

Encik Md. Hilmi pernah menyandang beberapa jawatan di Syarikat-syarikat awam tersenarai dan juga syarikat-syarikat persendirian. Beliau mempunyai pengalaman di dalam bidang pengauditan, pembinaan, borong dan runcit, pembangunan hartanah dan penswastaan bagi lebuhraya bertol di dalam dan juga luar negara.

Encik Md. Hilmi merupakan penasihat korporat sebuah syarikat pembinaan dan dagangan bagi sebuah kumpulan perniagaan yang berjaya di Timur Tengah dan pernah menjadi Penyelaras Kewangan bagi sebuah konsortium pembinaan di Malaysia yang terlibat dalam penswastaan Projek Lebuhraya di India.

Mr. Md. Hilmi Datuk Haji Md. Noor *was appointed as an Independent Non-Executive Director on 1 March 2011. He is the Chairman of the Board Audit Committee and is also a member of the Nominating Committee and Board Investment Committee. He is a Fellow of the Association of Chartered Certified Accountants (ACCA) and a Chartered Accountant of the Malaysian Institute of Accountants (MIA).*

Mr. Md. Hilmi held several positions in various public listed and private companies. His working experience includes auditing, construction, wholesaling and retailing, property development and privatisation of tolled highways locally and overseas.

Mr. Md. Hilmi is currently the corporate advisor of a construction and trading company to a successful business group in the Middle East and was also the Financial Coordinator to a construction consortium in Malaysia involved with the Highway Project privatisation in India.

7

ENCIK NG CHIH KAYE
Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director

Encik Ng Chih Kaye telah dilantik sebagai Pengarah Bebas Bukan Eksekutif Agrobank berkuat kuasa pada 8 Februari 2011. Beliau turut dilantik sebagai Pengerusi Jawatankuasa Pelaburan dan merupakan Ahli Jawatankuasa Kredit, Jawatankuasa Tujuan Am, Jawatankuasa Teknologi Maklumat, Jawatankuasa Pengurusan Risiko dan Jawatankuasa Ganjaran. Beliau merupakan seorang Felo Persatuan Akauntan Bertauliah Berkanun (ACCA) dan Akauntan Bertauliah, Institut Akauntan Malaysia (MIA).

Encik Ng Chih Kaye memulakan kerjaya beliau di Blinkhorn, Lyon & Golding, Chartered Accountants, London dan kemudian di KPMG, Kuala Lumpur. Beliau seterusnya berkhidmat dengan Maybank selama 25 tahun dengan jawatan terakhirnya sebagai Naib Presiden Eksekutif dan pernah menjadi Ahli Lembaga Pengarah Mayban Allied Credit & Leasing Berhad.

Encik Ng Chih Kaye juga merupakan Pengarah Bebas Bukan Eksekutif bagi CapitaMalls Malaysia REIT Management Sdn Bhd.

Mr. Ng Chih Kaye *was appointed as the Independent Non-Executive Director of Agrobank on 8 February 2011. He also serves as the Chairman of the Board Investment Committee and is a member of the Board Credit Committee, Board General Purpose Committee, Board Information Technology Committee, Board Risk Management Committee and Remuneration Committee. He is a Fellow of the Association of Chartered Certified Accountants (ACCA) and a Chartered Accountant of the Malaysian Institute of Accountants (MIA).*

Mr. Ng Chih Kaye began his career at Blinkhorn, Lyon & Golding, Chartered Accountants, London and later at KPMG, Kuala Lumpur. He then served for Maybank for 25 years with his last position as Executive Vice President and a Board Member of Mayban Allied Credit & Leasing Berhad.

Mr. Ng Chih Kaye is also an Independent Non-Executive Director of CapitaMalls Malaysia REIT Management Sdn Bhd.

8

DATIN RUZAINA WAN HANIFF
Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director

Datin Ruzaina Wan Haniff telah dilantik sebagai Pengarah Bebas Bukan Eksekutif Agrobank berkuat kuasa pada 1 Mac 2011. Beliau ialah Pengerusi Jawatankuasa Teknologi Maklumat dan Ahli Jawatankuasa Tujuan Am, Jawatankuasa Pengurusan Risiko dan Jawatankuasa Pencalonan Agrobank. Beliau berkelulusan Ijazah Sarjana Perhubungan Antarabangsa (Undang-undang Antarabangsa) dari Universiti Waseda, Tokyo, Jepun dan Ijazah Sarjana Muda Undang-undang (Kepujian) dari Universiti Malaya, Kuala Lumpur.

Beliau memulakan kerjaya dalam Perkhidmatan Kehakiman dan Perundangan pada tahun 1985. Semasa berkhidmat dengan kerajaan, Datin Ruzaina pernah menyandang jawatan Penolong Penasihat Undang-undang di Kementerian Pertahanan, Timbalan Peguam Cara Perbendaharaan Malaysia, Timbalan Pendakwa Raya (Unit Jenayah Perdagangan), Penasihat Undang-undang di Kementerian Penerangan dan Kementerian Pertanian, serta Penolong Kanan Penggubal Undang-undang Parlimen/Ketua Unit Bahagian Gubalan di Jabatan Peguam Negara.

Datin Ruzaina Wan Haniff *was appointed as an Independent Non-Executive Director of Agrobank on 1 March 2011. She serves as the Chairman of the Board Information Technology Committee and at the same time a member of the Board General Purpose Committee, Board Risk Management Committee and Nominating Committee of Agrobank. She holds a Masters Degree in International Relations (International Law) from Waseda University, Tokyo, Japan and a Degree in Law (Hons) from University of Malaya, Kuala Lumpur.*

She began her career in the Judicial and Legal Service in 1985. While working for the Government, Datin Ruzaina held several positions such as Assistant Legal Advisor of Defence Ministry, Deputy Treasury Solicitor of Treasury Malaysia, Deputy Public Prosecutor (Commercial Crime Unit), Legal Advisor of Ministry of Information and Ministry of Agriculture, and Senior Assistant Parliamentary Draftsman/Head of the Drafting Division of the Attorney General's Chambers.

9

ENCIK WAN MOHD FADZMI WAN OTHMAN

Presiden/Ketua Pegawai Eksekutif

President/Chief Executive Officer

Encik Wan Mohd Fadzmi Wan Othman telah dilantik sebagai Presiden/Ketua Pegawai Eksekutif Agrobank berkuat kuasa pada 1 Julai 2011. Beliau turut dilantik sebagai Pengerusi Jawatankuasa Pengurusan, Jawatankuasa Kredit, Jawatankuasa Aset dan Liabiliti, Jawatankuasa Teknologi Maklumat dan Jawatankuasa Pengurusan Risiko. Beliau memegang Ijazah Sarjana Muda Ekonomi Binaan dari Royal Melbourne Institute of Technology, Australia. Beliau juga telah menghadiri Program Pengurusan Lanjutan di Wharton Business School, University of Pennsylvania, Amerika Syarikat.

Sebelum menyertai Agrobank, beliau ialah Pengarah Perbankan Kewangan Global kepada Kumpulan RHB dan pernah berkhidmat dengan Kumpulan Maybank selama 22 tahun. Encik Wan Mohd Fadzmi memegang pelbagai jawatan pengurusan kanan termasuk mengetuai cawangan Maybank di London, New York dan Hong Kong.

Encik Wan Mohd Fadzmi juga merupakan Ahli Lembaga Pengarah bagi Lembaga Pertubuhan Peladang (LPP).

Mr. Wan Mohd Fadzmi Wan Othman *was appointed as the President/Chief Executive Officer of Agrobank on 1 July 2011. He also serves as the Chairman of the Management Committee, Management Credit Committee, Asset Liability Committee, Management Information Technology Committee and Management Risk Committee. He holds a Bachelor of Construction Economics from the Royal Melbourne Institute of Technology, Australia. He also attended the Advanced Management Program (AMP) at Wharton Business School, University of Pennsylvania, USA.*

Prior to joining Agrobank, he was the Director of Global Financial Banking to RHB Banking Group and attached to Maybank Group for 22 years. Mr. Wan Mohd Fadzmi held several senior management positions including County Heads for Maybank's branches in London, New York and Hong Kong.

Mr. Wan Mohd Fadzmi is also a Board Member to Farmers' Organization Authority Malaysia (LPP).

8th May 2012 marked another wonderful milestone for Agrobank as we were awarded with **The BrandLaureate Awards 2011-2012, The Best Brands in Financial Services – Agriculture Banking from THE ASIA PACIFIC BRANDS FOUNDATIONS (APBF).**

With over 42 years of experience in agriculture banking, it is a testimony of the brand's success, an endorsement of being with the best and acknowledgement of the brand's value, strength and character. Located at almost every nook and corner of the nation, Agrobank's **182 branches** are always by your side, wherever you are.

Dear Valued Customers, thank you for your commitment and perseverance in making sure Agrobank is always ahead in providing financing facilities for **agriculture sector, and beyond...**

Contact Centre: **1-300-88-2476**

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Sentiasa di Sisi Anda

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BANK PERTANIAN MALAYSIA BERHAD (811810-U)

KUMPULAN PENGURUSAN
MANAGEMENT TEAM

Ahli-ahli Kumpulan Pengurusan pada tarikh laporan yang terakhir dan sehingga tarikh laporan ini adalah seperti berikut:

The members of the Management Team from the previous to the current report are:

1. **WAN MOHD FADZMI WAN OTHMAN**
   Presiden/Ketua Pegawai Eksekutif
   President/Chief Executive Officer
   (Dilantik berkuat kuasa 1 Julai 2011)
   (Appointed effective 1 July 2011)

2. **NIK ABDULLAH SHUKRI BIN NIK MUSTAPHA**
   Ketua Pegawai Transformasi
   Chief Transformation Officer
   (Dilantik berkuat kuasa pada 5 September 2011)
   (Appointed effective 5 September 2011)

3. **KRISHNA KUMAR**
   Ketua Pegawai Perkhidmatan Kewangan
   Chief Financial Services Officer
   (Dilantik berkuat kuasa pada 9 Ogos 2011)
   (Appointed effective 9 August 2011)

4. **ASMUNI BIN SUDIN**
   Ketua Pegawai Operasi
   Chief Operations Officer
   (Dilantik berkuat kuasa 3 Oktober 2011)
   (Appointed effective 3 October 2011)

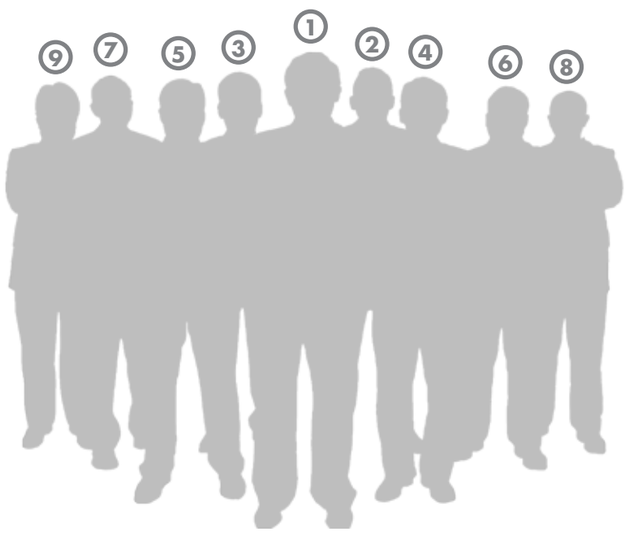
5. **MOHD AZIZUL BIN AZMI**
   Ketua Pegawai Perkhidmatan Korporat/ Setiausaha Syarikat
   Chief Corporate Services Officer/ Company Secretary
   (Dilantik berkuat kuasa 3 Oktober 2011)
   (Appointed effective 3 October 2011)

6. **MUSLIM BIN HUSSAIN**
   Ketua Pegawai Risiko
   Chief Risk Officer
   (Dilantik berkuat kuasa pada 1 April 2011)
   (Appointed effective 1 April 2011)

7. **SYED NAUFAL SHAHABUDIN BIN SYED ABDUL JABBAR SHAHABUDIN**
   Ketua Pegawai Kewangan
   Chief Finance Officer
   (Dilantik berkuat kuasa pada 16 April 2012)
   (Appointed effective 16 April 2012)

8. **NORHISHAM BIN AHMAD**
   Ketua Pegawai Sumber Manusia
   Chief Human Resource Officer
   (Dilantik berkuat kuasa pada 18 Oktober 2011)
   (Appointed effective 18 October 2011)

9. **AZIZAN BIN AHMAD**
   Ketua Pegawai Kredit
   Chief Credit Officer
   (Dilantik berkuat kuasa pada 15 Disember 2010)
   (Appointed effective 15 December 2010)



1

WAN MOHD FADZMI WAN OTHMAN

Presiden/Ketua Pegawai Eksekutif

President/Chief Executive Officer

Wan Mohd Fadzmi Wan Othman telah dilantik sebagai Presiden/Ketua Pegawai Eksekutif Agrobank berkuat kuasa pada 1 Julai 2011. Beliau turut dilantik sebagai Pengerusi Jawatankuasa Pengurusan, Jawatankuasa Kredit, Jawatankuasa Aset dan Liabiliti, Jawatankuasa Teknologi Maklumat dan Jawatankuasa Pengurusan Risiko. Beliau memegang Ijazah Sarjana Muda Ekonomi Binaan dari Royal Melbourne Institute of Technology, Australia. Beliau juga telah menghadiri Program Pengurusan Lanjutan di Wharton Business School, University of Pennsylvania, Amerika Syarikat.

Sebelum menyertai Agrobank, beliau ialah Pengarah Perbankan Kewangan Global kepada Kumpulan RHB dan pernah berkhidmat dengan Kumpulan Maybank selama 22 tahun. Wan Mohd Fadzmi memegang pelbagai jawatan pengurusan kanan termasuk mengetuai cawangan Maybank di London, New York dan Hong Kong.

Wan Mohd Fadzmi juga merupakan Ahli Lembaga Pengarah bagi Lembaga Pertubuhan Peladang (LPP).

Wan Mohd Fadzmi Wan Othman *was appointed as the President/Chief Executive Officer of Agrobank on 1 July 2011. He also serves as the Chairman of the Management Committee, Management Credit Committee, Asset Liability Committee, Management Information Technology Committee and Management Risk Committee. He holds a Bachelor of Construction Economics from the Royal Melbourne Institute of Technology, Australia. He also attended the Advanced Management Program (AMP) at Wharton Business School, University of Pennsylvania, USA.*

Prior to joining Agrobank, he was the Director of Global Financial Banking to RHB Banking Group and attached to Maybank Group for 22 years. Wan Mohd Fadzmi held several senior management positions including County Heads for Maybank's branches in London, New York and Hong Kong.

Wan Mohd Fadzmi is also a Board Member to Farmers' Organization Authority Malaysia (LPP).

NIK ABDULLAH SHUKRI NIK MUSTAPHA

Ketua Pegawai Transformasi

Chief Transformation Officer

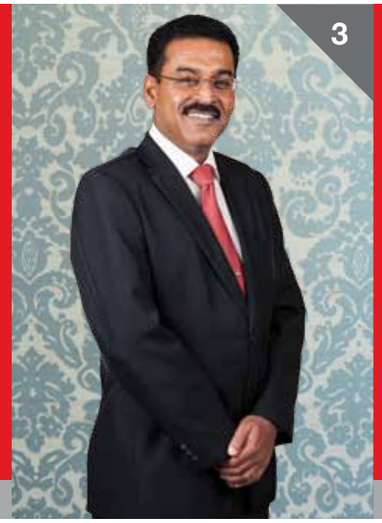
2

Nik Abdullah Shukri Nik Mustapha ialah Ketua Pegawai Transformasi Agrobank di mana antara tugas utama beliau ialah menyelia perancangan strategik dan perubahan fungsi pengurusan Bank. Sebelum menyertai Agrobank, beliau merupakan Ketua Pengurusan Pejabat Transformasi RHB Banking Group. Beliau juga Ketua Pengurusan Strategi & Prestasi Kumpulan Bank Pembangunan dan Kumpulan Bank Industri, dua Institusi Kewangan Pembangunan Utama di Malaysia pada masa itu. Beliau merupakan salah seorang tokoh penting yang bertanggungjawab dalam penubuhan SME Bank melalui rasionalisasi Kumpulan Bank Pembangunan dan Bank Industri pada tahun 2006. Sepanjang tempoh kerjayanya, beliau mempunyai pengalaman di dalam bidang pengurusan risiko, operasi cawangan, kredit pengguna dan akaun. Beliau merupakan ahli bagi beberapa jawatankuasa pengurusan di Agrobank.

Beliau mengikuti pengajian ijazah di Universiti Louisiana, Amerika Syarikat (Pengkhususan dalam Kewangan) dan memegang MBA dalam Pengajian Kewangan dari University of Nottingham, UK.

Nik Abdullah Shukri Nik Mustapha *is the Chief Transformation Officer. Among his main duties is to oversee the strategic planning and change management function of the Bank. Prior to joining Agrobank, he was the Head of Transformation Management Office of RHB Banking Group. He was also the Head of Group Strategy & Performance Management of Bank Pembangunan and Bank Industry Group which were then two of the leading Development Financial Institutions in Malaysia. He was one of the key persons responsible to implement the rationalisation of Bank Pembangunan and Bank Industry Group in 2006 resulting in the birth of SME Bank. Over the course of his career, he had experience in heading several functions such as risk management, branch operation, accounts and consumer credit. He is a member of various management committees in Agrobank.*

He attended his undergraduate studies in University of Louisiana, United States of America (Majoring in Finance) and holds an MBA in Financial Studies from University of Nottingham, United Kingdom.



3

KRISHNA KUMAR
Ketua Pegawai Perkhidmatan Kewangan
Chief Financial Services Officer

Krishna Kumar ialah Ketua Pegawai Perkhidmatan Kewangan Agrobank.

Antara tugas utama beliau ialah pengurusan dan prestasi jualan dan pengedaran bagi Bahagian Perkhidmatan Kewangan yang terdiri daripada Perbankan Perniagaan, Perbankan Pengguna, Perbankan Elektronik, Pemantauan Penjagaan Awal, dan Perancangan Perniagaan dan Pemantauan Prestasi.

Krishna Kumar berpengalaman luas dalam perbankan komersial, dan pernah memegang pelbagai jawatan pengurusan seperti Pengurus Pusat Perdagangan Kewangan Petaling Jaya, Melaka dan Johor; Ketua Pembangunan Kewangan Institusi Perbankan Antarabangsa; Ketua Projek Khas Operasi Luar Negara, Perbankan Antarabangsa; dan Ketua Pengurusan Aset Antarabangsa. Beliau juga telah berjaya menjalankan pelbagai tugas untuk membawa organisasi ke tahap yang seterusnya, antara lain, dengan memperkenalkan model perniagaan baru untuk perniagaan Perdagangan Kewangan dan pemusatan pemprosesan melalui konsep *hub and spoke*. Sebelum menyertai Agrobank, beliau ialah Ketua Kewangan Perdagangan di Bank Al Rajhi. Bagi menyokong visi Agrobank untuk menjadi Bank pertanian terkemuka, beliau telah memanfaatkan pengalaman perbankan dan kemahiran yang diperoleh selama 29 tahun dalam bidang kredit, pembiayaan perdagangan dan pengurusan risiko.

Beliau memiliki Ijazah Sarjana Pentadbiran Perniagaan dari Universiti Southern Cross, Australia.

Krishna Kumar *is the Chief Financial Services Officer of Agrobank.*

His main duties involve among others the management and performance of sales and distribution for the Financial Services Division which consists of Business Banking, Consumer Banking, Electronic Banking, Early Care Monitoring, Business Planning and Performance Monitoring.

Krishna Kumar is armed with extensive experience in commercial banking, having held various managerial positions such as Centre Manager in Petaling Jaya Trade Finance, Melaka and Johor; Head Development Financial Institutions International Banking; Head Special Projects Overseas Operations, International Banking; and Head International Asset Management. He also accomplished various tasks to bring his organisation to the next level, one of them by introducing a new business model for Trade Finance business and centralisation of processing via the hub and spoke concept. Prior to joining Agrobank, he was the Head of Commercial Finance in Al Rajhi Bank. Supporting Agrobank's vision to be the leading agricultural Bank, he leverages on his 29 years of banking experiences and skills gained in the areas of credit, trade finance, and risk management.

He holds a Masters of Business Administration from the Southern Cross University, Australia.

4

ASMUNI SUDIN
Ketua Pegawai Operasi
Chief Operations Officer

Asmuni Sudin dilantik sebagai Ketua Pegawai Operasi pada 3 Oktober 2011.

Beliau telah berkecimpung di dalam bidang perbankan selama 30 tahun dan mempunyai pengalaman yang luas serta kepakaran dalam operasi perbankan dan kredit yang meliputi runcit, Industri Kecil dan Sederhana (IKS) dan perniagaan komersial. Beliau menyertai Maybank sejak tahun 1981 dan telah menyandang pelbagai jawatan bermula sebagai Ketua Pegawai Operasi dan Penolong Pengurus Cawangan pada tahun 1986. Beliau kemudiannya dilantik sebagai Pengurus Cawangan pada tahun 1989 dan Ketua Pusat Perniagaan pada tahun 2001. Bermula pada tahun 2005, beliau telah memegang beberapa jawatan pengurusan kanan termasuk Ketua Serantau (Penang/Perak/Kedah/Perlis/Wilayah Persekutuan KL) dan Pengurus Besar Operasi Brunei.

Sebelum menyertai Agrobank, beliau ialah Pengarah Serantau bagi Maybank kawasan Selangor/Negeri Sembilan.

Beliau mempunyai Ijazah Sarjana Muda dalam bidang Ekonomi dari Universiti Malaya.

Asmuni Sudin *was appointed as the Chief Operating Officer on 3 October 2011.*

He has 30 years of vast experience in the banking sector, expertise in banking operations and credit covering retail, Small and Medium Enterprises (SMEs) and commercial business. He was attached with Maybank since 1981 with various positions starting as Operation Officer and Assistant Branch Manager in 1986. He was later appointed as Branch Manager in 1989 and Head of Business Centre in 2001. From 2005 onwards, he held several senior management positions including Regional Head (Penang/Perak/Kedah/Perlis/Federal Territory KL) and General Manager for Brunei Operations.

Prior to joining Agrobank, he was a Regional Director for Selangor/Negeri Sembilan Region of Maybank.

He holds a Bachelor Degree in Economics from University of Malaya.

5

MOHD AZIZUL AZMI

Ketua Pegawai Perkhidmatan Korporat/ Setiausaha Syarikat

Chief Corporate Services Officer/Company Secretary

Mohd Azizul Azmi telah dilantik sebagai Ketua Pegawai Perkhidmatan Korporat dan Setiausaha Syarikat pada 3 Oktober 2011.

Beliau bertanggungjawab dalam perkhidmatan kesetiausahaan korporat dan undang-undang, pengiklanan dan promosi, serta komunikasi korporat dan perhubungan awam untuk Agrobank. Mohd Azizul mempunyai lebih 15 tahun pengalaman dalam pengurusan kesetiausahaan korporat dan telah berkhidmat dengan beberapa syarikat dan Institusi Kewangan termasuk RHB Bank Berhad, Valuecap Sdn Bhd, Prokhas Sdn Bhd dan Maybank Investment Bank Berhad.

Beliau ialah ahli Panel Perundingan Pertanian bagi Perbadanan Produktiviti Malaysia (MPC) di bawah Kementerian Perdagangan Antarabangsa dan Industri (MITI).

Beliau memegang kelayakan professional dari *The Institute of Chartered Secretaries and Administrators*, *(UK)* dan diterima sebagai Ahli Bersekutu kepada *The Malaysian Association of Institute of Chartered Secretaries and Administrators (MAICSA)*. Beliau juga memegang Ijazah Sarjana dalam Undang-undang (Perniagaan) dari Universiti Islam Antarabangsa Malaysia (UIAM).

Mohd Azizul Azmi *was appointed as the Chief Corporate Services Officer and Company Secretary on 3 October 2011.*

His areas of responsibility comprise of corporate secretarial and legal services, advertising and promotions, as well as corporate communications and public relations for Agrobank. Mohd Azizul has over 15 years of experience in corporate secretarial and corporate management, having served several companies and Financial Institutions including RHB Bank Berhad, Valuecap Sdn Bhd, Prokhas Sdn Bhd and Maybank Investment Bank Berhad.

He is a member of the Malaysian Productivity Corporation's (MPC) Consultative Panel on Agriculture under the Ministry of International Trade & Industry (MITI).

He holds professional qualification from The Institute of Chartered Secretaries and Administrators, (UK) and was elected as an Associate Member of The Malaysian Association of Institute of Chartered Secretaries and Administrators (MAICSA). He also holds a Masters in Law (Business) from The International Islamic University of Malaysia (IIUM).

ENCIK MUSLIM HUSSAIN

Ketua Pegawai Risiko

Chief Risk Officer

6

Muslim Hussain dilantik sebagai Ketua Pegawai Risiko pada bulan April 2011.

Muslim pernah berkhidmat dengan Maybank selama 25 tahun sebelum menyertai Agrobank. Beliau telah memegang beberapa jawatan di Maybank termasuklah Pegawai Kanan Polisi Kredit, Ketua Kawalan Portfolio, Ketua Dasar Portfolio, Ketua Polisi Kredit dan Pengurusan Portfolio dan Ketua Operasi Risiko.

Beliau mempunyai pengalaman luas dalam pengurusan risiko dan pernah terlibat dalam menjalankan usaha wajar bagi penggabungan dan pengambilalihan Pacific Bank, Mayban Finance, Lippo Bank Indonesia, Bank Permata Indonesia, Bank International Indonesia, ABB Bank Vietnam dan MCB Pakistan.

Beliau telah menyertai pelbagai kursus berkaitan dengan pengurusan risiko dan derivatif di peringkat tempatan dan antarabangsa. Beliau juga pernah memberi ucapan mengenai risiko di forum antarabangsa.

Beliau memegang Ijazah dalam Pentadbiran Perniagaan daripada Universiti Malaya.

Muslim Hussain *was appointed as the Chief Risk Officer of Agrobank in April 2011.*

Muslim had served Maybank for 25 years before joining Agrobank. He held several positions in Maybank including Senior Officer in Credit Policy, Head of Portfolio Control, Head of Portfolio Policy, Head of Credit Policy & Portfolio Management and Head of Operational Risk.

He has vast experience in risk management and was involved in the due diligence exercise for the merger and acquisition of Pacific Bank, Mayban Finance, Lippo Bank Indonesia, Bank Permata Indonesia, Bank International Indonesia, ABB Bank Vietnam and MCB Pakistan.

He has attended numerous courses locally and internationally on risk management and derivatives. He has also given speeches on risk at international forums.

He holds a Degree in Business Administration from University of Malaya.

7

SYED NAUFAL SHAHABUDIN SYED ABDUL JABBAR SHAHABUDIN

Ketua Pegawai Kewangan

Chief Finance Officer

Syed Naufal Shahabudin Syed Abdul Jabbar Shahabudin telah dilantik sebagai Ketua Pegawai Kewangan pada 16 April 2012.

Beliau mempunyai pengalaman kira-kira 20 tahun dalam sektor perkhidmatan kewangan dan telah berkhidmat Bank Muamalat (M) Bhd, Bank Negara Malaysia, Ernst & Young, KPMG dan Uni.Asia General Insurance Bhd.

Beliau memegang Ijazah Sarjana Muda Sains, Ekonomi dalam Ekonomi Monetari daripada London School of Economics and Political Science of London. Beliau juga memegang Ijazah Sarjana Pentadbiran Perniagaan dalam Pengurusan Strategik daripada Universiti Islam Antarabangsa Malaysia. Beliau ialah seorang Akauntan Awam Bertauliah (CPA), ahli Institut Akauntan Awam Bertauliah Malaysia (MICPA) dan ahli Institut Akauntan Malaysia (MIA).

Syed Naufal Shahabudin Syed Abdul Jabbar Shahabudin *was appointed as the Chief Finance Officer of Agrobank on 16 April 2012.*

He has approximately 20 years of experience in the financial services sector and has served various companies and financial institutions such as Bank Muamalat (M) Bhd, Bank Negara Malaysia, Ernst & Young, KPMG and Uni.Asia General Insurance Bhd.

He holds a Bachelor of Science, Economics in Monetary Economics from the London School of Economics and Political Science of London. He also holds a Masters of Business Administration in Strategic Management from the International Islamic University of Malaysia. He is a Certified Public Accountant (CPA), a member of the Malaysian Institute of Certified Public Accountants (MICPA) and a member of the Malaysian Institute of Accountants (MIA).

NORHISHAM AHMAD

Ketua Pegawai Sumber Manusia

Chief Human Resource Officer

8

Norhisham Ahmad telah dilantik sebagai Ketua Pegawai Sumber Manusia Agrobank pada bulan Oktober 2011.

Norhisham memulakan kerjayanya sebagai Jurutera Proses. Sebelum menyertai sektor perbankan, beliau menumpukan kerjaya dalam bidang penambahbaikan proses, pengurusan kualiti dan proses kejuruteraan semula dalam syarikat pembuatan dan Syarikat Berkaitan Kerajaan. Kerjayanya di bidang Sumber Manusia bermula apabila beliau dilantik sebagai Ketua Pembangunan Organisasi dan Pembelajaran/ Pusat Pakar di CIMB Bank dan juga Ketua Sumber Manusia Perbankan Runcit AmBank (M) Bhd. Beliau mempunyai pengalaman yang luas dalam Sumber Manusia meliputi pembangunkan budaya berprestasi tinggi, melaksanakan Pengurusan Bakat dan Perancangan Penggantian, meningkatkan Sistem Pengurusan Prestasi dan pelbagai bidang Sumber Manusia yang lain.

Beliau memegang Ijazah dalam Kejuruteraan Elektrik dari Universiti Tri-State, Indiana.

Norhisham Ahmad *was appointed as the Chief Human Resource Officer of Agrobank in October 2011.*

Norhisham started his career as a Process Engineer. Prior to joining the banking sectors, he spent his career in process improvement, quality management, and process reengineering in manufacturing companies and Government-Linked Companies. His career in Human Resource started when he was appointed as the Head of Organizational and Learning Development/Specialist Centre at CIMB Bank and also the Head of Human Resource for Retail Banking in AmBank (M) Bhd. He has vast experiences in Human Resource ranging from developing high performance culture, implementing Talent Management and Succession Planning, enhancing the Performance Management System and many other areas in Human Resource.

He holds a Degree in Electrical Engineering from Tri-State University, Indiana.

9

AZIZAN AHMAD
Ketua Pegawai Kredit
Chief Credit Officer

Azizan Ahmad telah berkhidmat sebagai Ketua Pegawai Kredit sejak tahun 2010.

Antara tugas utama beliau adalah untuk memantau penilaian, kelulusan dan penyeliaan kredit.

Beliau memulakan kerjayanya dalam sektor perbankan pada tahun 1975 sebagai Pegawai Kredit di Maybank. Beliau telah memegang pelbagai jawatan di Maybank, bermula daripada Pengurus Kredit pada tahun 1984, Pengurus Serantau pada tahun 1993 dan kemudiannya sebagai Pengurus Besar Bahagian Kawalan Kredit 1996 dan Bahagian Sumber Manusia 1998.

Beliau menyertai Bank Muamalat pada bulan Mac 2005 sebagai Naib Presiden Kanan Pengurusan Kredit dan kemudian dilantik sebagai Naib Presiden Eksekutif di Bahagian Pengurusan Kredit.

Beliau mengikuti pengajian ijazahnya di Universiti Pertanian Malaysia.

***Azizan Ahmad** has served as the Chief Credit Officer of Agrobank since 2010.*

Among his main duties are to oversee the credit evaluation, approval and credit supervision functions of the Bank.

He started his career in the banking sector in 1975 as a Credit Officer at Maybank. He held various positions in Maybank, moving up the ranks from Credit Manager in 1984, Regional Manager in 1993 and thereafter as General Manager of the Credit Control Division and Human Resource Division in 1996 and 1998 respectively.

He joined Bank Muamalat in March 2005 as a Senior Vice President of Credit Management and later was appointed as the Executive Vice President, Credit Management Division.

He attended his undergraduate studies at Universiti Pertanian Malaysia.

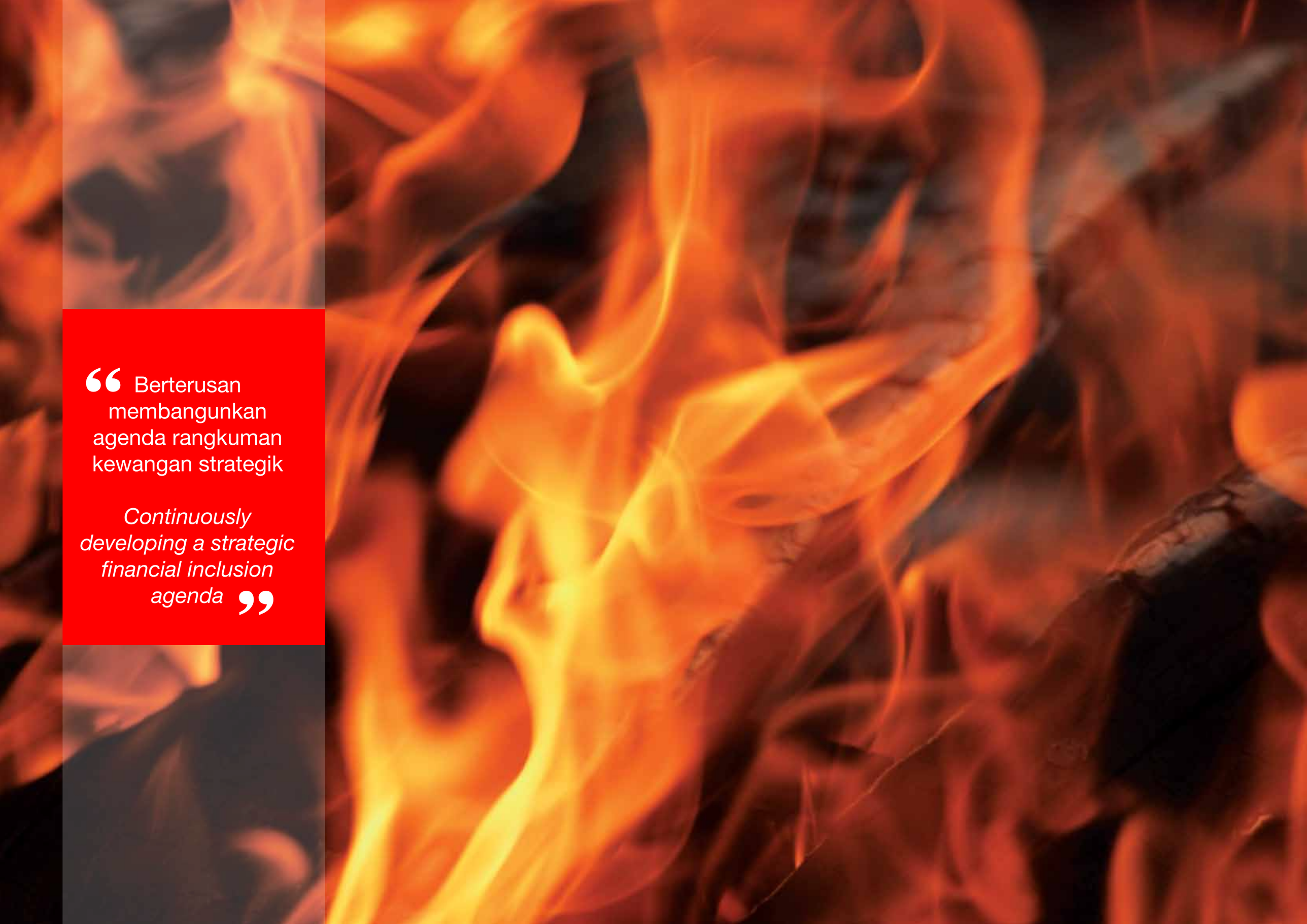
JAWATANKUASA SYARIAH
SHARIAH COMMITTEE

Ahli Jawatankuasa Syariah
Shariah Committee Members

Ahli-ahli Jawatankuasa Syariah (SC) sehingga tarikh 31 Mei 2012 adalah seperti berikut:

The members of the Shariah Committee (SC) as at 31 Mei 2012 were:

1. **Profesor Madya Datin Dr. Paizah Hj. Ismail**
   Pengerusi/*Chairman*
2. **Dr. Muhammad Yamin Ismail**
   Ahli/*Member*
3. **Profesor Madya Dr. Atikullah Hj. Abdullah**
   Ahli/*Member*
4. **Profesor Dr. Saiful Azhar Rosly**
   Ahli/*Member*
5. **Encik Mohd Zakhiri Md. Nor**
   Ahli/*Member*
6. **Profesor Madya Dato' Dr. Hailani Muji Tahir**
   Ahli/*Member*
   (Dalam perkhidmatan sehingga 31 Mac 2012)
   (*In service until 31 March 2012*)



“ Berterusan membangunkan agenda rangkuman kewangan strategik

Continuously developing a strategic financial inclusion agenda ”

TADBIR URUS KORPORAT
CORPORATE GOVERNANCE

PENYATAAN TADBIR URUS KORPORAT
STATEMENT ON CORPORATE GOVERNANCE

Bank Pertanian Malaysia Berhad (Agrobank) komited untuk terus mengamalkan amalan terbaik tadbir urus korporat untuk pengarahan mengikut Garis Panduan Tadbir Urus Korporat Institusi Kewangan Pembangunan (BNM/DFI/GP4) yang dikeluarkan oleh Bank Negara Malaysia dan Akta Bank Pertanian Malaysia Berhad 2008 yang diamalkan sejak pengkorporatannya. Berkuatkuasa 1 Januari 2012, Bank Negara Malaysia (BNM) telah mengeluarkan Garis Panduan Tadbir Urus Korporat bagi Institusi Kewangan Pembangunan bagi menggantikan Institusi Kewangan Pembangunan (BNM/DFI/GP4). Garis Panduan Tadbir Urus Korporat ini telah dirangka berdasarkan konsep asas tanggungjawab, kebertanggungjawaban dan ketelusan, dan menetapkan empat belas (14) prinsip dalam menguruskan hal-hal yang berkaitan dengan Lembaga Pengarah, penyeliaan pengurusan, kebertanggungjawaban dan audit serta ketelusan.

Kenyataan berikut menerangkan pemakaian peruntukan-peruntukan tadbir urus korporat dan tahap pematuhan Agrobank kepada peruntukan-peruntukan tersebut.

Tugas dan Tanggungjawab Lembaga Pengarah

Peranan dan tanggungjawab Ahli Lembaga Pengarah ditadbir oleh Akta Institusi Kewangan Pembangunan 2002, Akta Bank Pertanian Malaysia Berhad 2008, Akta Syarikat 1965 serta Tataujud dan Tataurus Syarikat termasuk garis panduan yang dikeluarkan oleh pihak-pihak berkuasa dari semasa ke semasa. Khususnya, peranan dan tanggungjawab Lembaga Pengarah adalah seperti berikut:

1. Hala tuju Perniagaan

i. Mengkaji dan meluluskan strategi, pelan perniagaan dan dasar-dasar yang selaras dengan peranan yang telah dimandatkan terhadap Bank dan memantau prestasi Pengurusan dalam pelaksanaannya.

ii. Mengkaji dan meluluskan bajet tahunan.

iii. Meluluskan pelaburan baru, pelupusan, pencantuman dan pengambil alihan, termasuk penubuhan subsidiari, syarikat usahasama, pengambil alihan ekuiti atau pakatan strategik di dalam dan luar negara.

Bank Pertanian Malaysia Berhad (Agrobank) remains committed in ensuring good corporate governance and continue to implement it in accordance with the Bank Negara Malaysia's Guidelines on Corporate Governance Standards on Directorship for Development Financial Institutions (BNM/DFI/GP4) as well as the Bank Pertanian Malaysia 2008 Act since its corporatisation. Bank Negara Malaysia (BNM) had issued Guidelines on Corporate Governance for Development Financial Institutions which superseded the Guidelines on Corporate Governance Standards on Directorship for Development Financial Institutions (BNM/DFI/GP4) effective 1 January 2012. The new guidelines were formulated based on the fundamental concepts of responsibility, accountability and transparency and prescribe the following fourteen (14) principles in dealing with Board matters, management oversight, accountability and audit & transparency.

The statement below explains how the Bank adopts the corporate governance provisions and the compliance levels of those provisions.

Board of Directors Tasks and Responsibilities

The roles and responsibilities of the Board of Directors shall be governed by the Development Financial Institutions Act 2002, Bank Pertanian Malaysia Berhad Act 2008, Companies Act 1965 and the Memorandum and Articles of Association of the Bank, including guidelines as may be issued by the relevant authorities from time to time. In particular, the roles and responsibilities are as follows:

1. Business Direction

i. To review and approve strategies, business plans, and significant policies that are in line with the Bank's mandated role and to monitor Management's performance in implementing them.

ii. To review and approve annual budgets.

iii. To approve new investment, divestments, mergers and acquisitions, including the establishment of subsidiaries, joint ventures, equity acquisition or strategic alliances both locally and abroad.

iv. Meluluskan dasar kredit dan dasar pelaburan dalam sekuriti (ekuiti dan pendapatan tetap).

v. Menetapkan nilai korporat dan panduan yang jelas tentang tanggungjawab dan kebertanggungjawaban untuk disampaikan ke seluruh warga Bank.

vi. Mendapatkan nasihat profesional yang bebas dan memastikan kehadiran pihak luar yang mempunyai pengalaman dan kepakaran yang berkaitan semasa mesyuarat Lembaga Pengarah, jika difikirkan perlu.

2. Pengurusan Risiko dan Kawalan Dalaman

i. Meluluskan polisi, proses dan infrastruktur yang komprehensif untuk pengurusan semua kategori risiko (termasuk tetapi tidak terhad kepada kredit, pasaran, kecairan, operasi, perundangan dan reputasi).

ii. Mengkaji dan memastikan sistem kawalan dalaman dan sistem pengurusan maklumat Bank yang memadai dan berintegriti termasuk sistem bagi pematuhan kepada undang-undang, peraturan, syarat dan garis panduan.

iii. Meluluskan dan mengkaji semula secara berkala keupayaan pengurusan risiko Bank untuk memastikan ia mampu menyokong perkembangan perniagaan.

3. Operasi Perniagaan

i. Meluluskan kemudahan kredit dan pinjaman polisi (selain daripada yang dipertanggungjawabkan) dan kemudahan yang berkaitan dengan Pengarah.

ii. Memantau urusan perniagaan Bank, untuk menilai sama ada perniagaan diuruskan secara berkesan dan untuk memastikan bahawa operasi perniagaan dijalankan berdasarkan rangka kerja undang-undang dan dasar-dasar yang berkaitan.

iii. Menimbang dan meluluskan penyata kewangan dan dividen interim dan mencadangkan dividen akhir kepada pemegang saham.

iv. To approve policies on credit and investment in securities (both equities and fixed income).

v. To set corporate values and clear lines of responsibilities and accountability that are to be communicated throughout the Bank.

vi. To obtain independent professional advice and to secure outsiders' assistance at the Board meeting with relevant experience and expertise if necessary.

2. Risk Management and Internal Control

i. To approve comprehensive policies, processes and infrastructure with respect to the management of all risk categories (including but not limited to credit, market, liquidity, operational, legal and reputation risks).

ii. To review and ensure the adequacy and integrity of the Bank's internal control system and management information system, including systems for compliance with applicable laws, regulations, rules and guidelines.

iii. To approve and periodically review the risk management capabilities of the Bank to ensure that they are able to support business expansion.

3. Business Operations

i. To approve credit facilities and category of policy loans (other than those delegated) and director-related facilities.

ii. To oversee the conduct of the Bank's business and evaluate whether the business is effectively managed and to ensure that the operation of the business are conducted within the framework of relevant laws and policies.

iii. To consider and approve the financial statements and interim dividend and recommend the final dividend to shareholders.

4. Tanggungjawab berkaitan dengan AMLATFA

Mengekalkan pengawasan yang mencukupi terhadap langkah-langkah yang diambil berkaitan dengan Pencegahan Pengubahan Wang Haram dan Pencegahan Pembiayaan Keganasan (AML/CFT) dan komited dalam mewujudkan satu sistem kawalan dalaman yang berkesan, termasuk tetapi tidak terhad kepada yang berikut:

i. Memastikan terdapatnya langkah-langkah berkaitan AML/CFT.

ii. Menetapkan standard yang minimum dan meluluskan dasar, prosedur dan kawalan berkaitan AML/CFT.

iii. Melantik Pegawai Pematuhan di peringkat Pengurusan Kanan dengan bidang kuasa yang secukupnya.

iv. Memastikan audit yang bebas kerap dilakukan ke atas langkah-langkah dalaman berkaitan dengan tindakan AML/CFT bagi menentukan keberkesanan langkah-langkah tersebut dan pematuhan terhadap AMLATFA.

v. Memastikan bahawa program-program latihan tentang AML/CFT untuk pekerja dijalankan dengan sewajarnya.

Akta Pencegahan Pengubahan Wang Haram dan Pencegahan Pembiayaan Keganasan, 2001 ("AMLATFA").

4. Responsibilities in relation to AMLATFA

To maintain adequate oversight of the overall Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) and measures undertaken and be fully committed in establishing an effective internal control system, including but not limited to the following:

i. To ensure that the required action in handling AML/CFT are implemented.

ii. To set minimum standards and approve the AML/CFT policies, procedures, and controls.

iii. To designate Compliance Officers at Senior Management level with sufficient authority.

iv. To regularly review and assess the measures adopted and implemented for AML/CFT.

v. To ensure regular independent audit of the internal AML/CFT measures to determine their effectiveness and compliance with AMLATFA.

vi. To ensure that proper training programmes on AML/CFT practices and measures for its employees are sufficient and appropriately conducted.

 # Anti Money Laundering and Anti Terrorism Financing Act 2001 ("AMLATFA").

5. Pengawasan Pengurusan

i. Memastikan bahawa terdapat satu proses yang terurus dan berkesan untuk memilih dan melantik Pegawai-pegawai Kanan Utama* yang kompeten.

ii. Mencadangkan kepada Kementerian Kewangan perihal pelantikan/pelantikan semula, penyingkiran, penamatan, dan terma dan syarat perkhidmatan Ketua Pegawai Eksekutif Bank.

iii. Meluluskan hal-hal berkaitan sumber manusia termasuk pemilihan, pengambilan, penamatan, dan kenaikan pangkat Pegawai-pegawai Kanan Utama; dan meluluskan semua cadangan yang dibuat oleh Jawatankuasa Penamaan.

iv. Meluluskan pakej pampasan dan polisi sumber manusia yang berkaitan dengan Pengurusan dan kakitangan Bank.

v. Meluluskan perubahan kepada struktur organisasi korporat Bank.

vi. Meluluskan dasar perancangan penggantian dan memantau prestasi Ketua Pegawai Eksekutif dan Pegawai-Pegawai Kanan Utama secara berterusan.

* Ketua-ketua Bahagian, Ketua Audit Dalaman dan Ketua Pematuhan.

5. Management Oversight

i. To ensure that the process to select and appoint competent Key Senior Officers is managed and efficient.*

ii. To recommend to the Ministry of Finance the appointment/reappointment, removal, termination & terms and conditions of service of the Chief Executive Officer of the Bank.

iii. To approve human resource matters including selection, recruitment, termination and promotion of Key Senior Officers; and to approve all recommendations by the Nominating Committee.

iv. To approve compensation package and human resource policies pertaining to Management and staff of the Bank.

v. To approve changes to the corporate organisation structure of the Bank.

vi. To approve succession planning policy and continuously monitor CEO's and key senior officers' performance.

** Head of Divisions, Head of Internal Audit and Head of Compliance.*

6. Keahlian Lembaga dan Jawatankuasa Lembaga

i. Meluluskan pelantikan dan peletakan jawatan Pengarah dalam Lembaga Pengarah Subsidiari serta syarikat-syarikat lain di mana Bank mempunyai kepentingan.

ii. Mencadangkan emolumen dan faedah bagi Pengarah Bank kepada Kementerian Kewangan.

iii. Melantik Jawatankuasa-jawatankuasa Lembaga Pengarah dan mewakilkan mana-mana kuasanya yang dianggap sesuai kepada Jawatankuasa itu, tetapi kekal bertanggungjawab terhadap keputusan yang diambil oleh Jawatankuasa yang dilantik.

iv. Memastikan keberkesanan fungsi Jawatankuasa.

v. Melakukan penilaian tahunan dan menaksir prestasi Ketua Pegawai Eksekutif dan keberkesanan Lembaga Pengarah secara keseluruhan.

vi. Menetapkan parameter bagi Jawatankuasa Audit Lembaga Pengarah untuk meluluskan perkhidmatan bukan audit yang akan disediakan oleh Juruaudit Luar.

6. Board Membership and Board Committees

i. To approve the appointment and resignation of Directors on the Board of Subsidiaries as well as other companies where the Bank is of interest.

ii. To recommend to the Ministry of Finance emoluments and benefits for the Directors of the Bank.

iii. To appoint Committees of the Board and to delegate any of its powers to such Committees as deemed fit, but remains responsible for the decisions of the Committees.

iv. To ensure effective functioning of the Committees.

v. To annually evaluate and assess the performance of CEO and the effectiveness of the Board as a whole.

vi. To set the parameters for the Audit Committee of the Board to approve non-audit services to be provided by the External Auditors.

7. Tadbir Urus Korporat

i. Memastikan dasar dan amalan Bank yang kukuh dan berhemat dengan menyediakan penyemakan dan imbangan yang berkesan.

ii. Mewujudkan dasar dan prosedur bagi mengelakkan amalan mementingkan diri sendiri dan konflik kepentingan termasuk apa-apa bentuk urusan dengan entiti berkaitan.

8. Audit Dalaman

Menubuhkan Jabatan Audit Dalaman yang berkesan, dikendalikan oleh kakitangan audit dalaman yang berkelayakan untuk melaksanakan fungsi audit dalaman, meliputi audit kewangan dan pengurusan.

9. Pentadbiran

i. Meluluskan pelantikan/pembatalan Peguam Bank dan untuk mewakilkan mana-mana kuasanya kepada Ketua Pegawai Eksekutif atau orang lain yang difikirkan wajar oleh Lembaga Pengarah.

ii. Meluluskan pembukaan/penutupan akaun-akaun perbankan dan penandatangan untuk mengendalikan akaun-akaun tersebut.

7. Corporate Governance

i. To ensure sound and prudent policies on the Bank by providing effective check and balance.

ii. To establish policies and procedure to avoid self-serving practices and conflict of interest including dealings of any form with related entities.

8. Internal Audit

To establish an effective internal audit department with qualified internal audit personnel to perform internal audit functions, covering the financial and management audit.

9. Administration

i. To approve the appointment/revocation of Attorneys for the Bank and to delegate any of its powers to the CEO or other person deems fit by the Board.

ii. To approve the opening/closing of banking accounts and the signatories to operate the accounts.

Keahlian Lembaga Pengarah Bank terdiri daripada:
The Members of the Board of Directors are:

Ahli Lembaga Pengarah/*Board Members*	Jawatan/*Position*
Tan Sri Faizah Mohd Tahir	Pengerusi/*Chairman*
Dato' Che Mohd Hashim Abdullah (Dilantik mulai 2 Mei 2011/*Appointed effective 2 May 2011*)	Ahli/*Member*
Puan Rashidah Mohd Sies	Ahli/*Member*
Datuk Dr. Saharan Haji Anang	Ahli/*Member*
Datuk Johar Che Mat	Ahli/*Member*
Datin Ruzaina Wan Haniff (Dilantik mulai 1 Mac 2011/*Appointed effective 1 March 2011*)	Ahli/*Member*
Encik Ng Chih Kaye (Dilantik mulai 8 Februari 2011/*Appointed effective 8 February 2011*)	Ahli/*Member*
Encik Md. Hilmi Datuk Haji Md. Noor (Dilantik mulai 1 Mac 2011/*Appointed effective 1 March 2011*)	Ahli/*Member*
Encik Wan Mohd Fadzmi Wan Othman Fadzilah (Dilantik mulai 1 Julai 2011/*Appointed effective 1 July 2011*)	Ahli/*Member*

Keahlian Lembaga Pengarah

Sehingga 31 Disember 2011, Lembaga Pengarah Bank terdiri daripada lapan (8) orang ahli bukan eksekutif (termasuk Pengerusi) dan seorang ahli eksekutif iaitu Presiden/Ketua Pegawai Eksekutif. Lembaga Pengarah terdiri daripada ahli-ahli yang mempunyai kemahiran dan pengalaman luas dalam pelbagai bidang seperti perniagaan, kewangan, perakaunan, ekonomi dan pertanian. Dua (2) daripada Ahli-ahli Lembaga Pengarah mewakili Kementerian Kewangan dan Kementerian Pertanian dan Industri Asas Tani. Lembaga Pengarah Bank terdiri daripada individu yang mewakili pelbagai kepentingan yang dapat bersama-sama mempertingkatkan prestasi Bank di samping berupaya untuk membuat pertimbangan dan keputusan yang wajar berhubung isu-isu yang melibatkan strategi, pelaksanaan dan prestasi Bank.

Pelantikan Lembaga Pengarah

Pelantikan setiap Ahli Lembaga Pengarah tertakluk kepada Akta Bank Pertanian Malaysia Berhad 2008 dan Tataurus Syarikat serta pengesahan daripada Bank Negara Malaysia dan ditetapkan di bawah subseksyen 6 (1), Akta Institusi Kewangan Pembangunan 2002. Tempoh pelantikan pertama Lembaga Pengarah adalah tidak melebihi dua (2) tahun, manakala bagi pelantikan semula, tempohnya ialah satu (1) tahun.

Board of Directors Membership

As at 31 December 2011, the Board of Directors consisted of eight (8) non-executive members (including the Chairman) with the exception of the President/Chief Executive Officer. The Board consists of skilled members with vast experiences in various fields such as business, law, banking, accounting, economics and agriculture. Two (2) of the Board members represent the Ministry of Finance and Ministry of Agriculture and Agro-based Industry. It is sufficient to say that the Board of Directors consists of members that represent various interests and cooperated to improve the Bank's performance with the ability to make sound judgements and decisions on issues involving the Bank's strategy, implementation and performance.

Appointment of Board of Directors

Appointment of each Member of the Board of Directors is subject to the Bank Pertanian Malaysia Berhad 2008 Act and the Company's Article of Association as well as verification from Bank Negara Malaysia and is prescribed under subsection 6 (1), Development Financial Institutions Act 2002. The first appointment period of Board of Directors does not exceed two (2) years, whereas for re-appointment, the tenure is one (1) year.

Kehadiran Ahli-Ahli Lembaga Pengarah pada tahun 2011 seperti berikut:
Board of Directors' Attendance in 2011 is as follows:

Ahli Lembaga Pengarah/*Board Members*	Kehadiran/*Attendance**
Tan Sri Faizah Mohd Tahir	15/15
Datuk Dr. Saharan Haji Anang	15/15
Datuk Johar Che Mat	15/15
Dato' Che Mohd Hashim Abdullah	6/10
Datin Ruzaina Wan Haniff	8/13
Puan Rashidah Mohd Sies	14/15
Encik Md. Hilmi Datuk Haji Md. Noor	13/13
Encik Ng Chih Kaye	14/14
Encik Wan Mohd Fadzmi Wan Othman	7/7

* Menunjukkan bilangan mesyuarat yang diadakan sepanjang Pengarah berkenaan memegang jawatan.
** Reflects the number of meetings held during the time the Directors held office.*

Mesyuarat Lembaga Pengarah dan Pembekalan Maklumat kepada Lembaga Pengarah

Lembaga Pengarah bermesyuarat sekurang-kurangnya sebulan sekali dan mesyuarat khas akan diadakan sekiranya perlu.

Sepanjang tahun 2011, Lembaga Pengarah telah bermesyuarat sebanyak lima belas (15) kali termasuk tiga (3) mesyuarat khas Lembaga Pengarah.

Pihak Pengurusan bertanggungjawab menyediakan laporan terperinci, kertas cadangan dan dokumen-dokumen sokongan kepada Lembaga Pengarah sebelum mesyuarat diadakan. Ini membolehkan Lembaga Pengarah meneliti dan mengkaji perkara yang akan dibincangkan dalam mesyuarat Lembaga Pengarah dan membolehkan mereka untuk membuat pertimbangan dan keputusan yang wajar.

Lembaga Pengarah diberi notis pemberitahuan berkenaan mesyuarat Lembaga Pengarah, dengan agenda tetap untuk perbincangan antaranya ialah perkara-perkara dasar, kewangan, perbankan, pinjaman dan hala tuju strategik Bank. Lembaga Pengarah juga bertanggungjawab memantau prestasi Bank dan menyediakan bimbingan keseluruhan serta memastikan kawalan dalaman Bank adalah memuaskan. Agenda dan kertas-kertas mesyuarat dikemukakan kepada ahli Lembaga Pengarah sekurang-kurangnya tujuh (7) hari sebelum Mesyuarat Lembaga Pengarah diadakan.

Semua Pengarah mempunyai akses kepada semua maklumat dan rekod Bank serta nasihat dan perkhidmatan Setiausaha Syarikat, yang juga setiausaha kepada Jawatankuasa-jawatankuasa daripada Lembaga Pengarah.

Board Meetings and Supply of Information to the Board of Directors

The Board of Directors must conduct meetings at least once a month while Special Board Meetings are held as required.

In 2011, the Board of Directors met fifteen (15) times which include three (3) special meetings.

Management is responsible in providing the Board with detailed reports, proposals and supporting documents before the meetings. This enables the Board to examine and review the matters to be discussed at the Board meetings and enable them to make sound judgments and decisions.

The Board is given prior notice of the Board meetings, with a fixed agenda for discussion among others are matters of policy, finance, banking, lending and the Bank's strategic direction. The Board is also responsible for monitoring the performance of the Bank and providing the overall guidance as well as ensuring that the Bank's internal controls are satisfactory. The agenda and meeting papers are forwarded to the Board of Directors at least seven (7) days before the Board of Directors Meetings are held.

All Directors have access to all information and records of the Bank as well as the advice and services of the Company Secretary, who is also the secretary to the Board Committees.

Jawatankuasa Lembaga Pengarah

Jawatankuasa Lembaga Pengarah berikut telah ditubuhkan selaras dengan Garis Panduan Tadbir Urus Korporat bagi Institusi Kewangan Pembangunan (GP4) untuk membantu Lembaga Pengarah dalam menjalankan tugas dan tanggungjawab dengan cekap dan berkesan:

- Jawatankuasa Audit dan Pemeriksaan.
- Jawatankuasa Pengurusan Risiko.
- Jawatankuasa Pencalonan dan Ganjaran.

Bagi memantau Jawatankuasa-jawatankuasa ini, semua minit mesyuarat dibentangkan dalam mesyuarat Lembaga Pengarah untuk makluman dan tindakan lanjut sekiranya perlu.

Board of Directors' Committee

The following Board of Directors Committees were established in line with Bank Negara Malaysia's guideline of Corporate Governance Standards on Directorship for Development Financial Institutions (GP4) to assist the Board of Directors in carrying out its duties and responsibilities efficiently and effectively:

- *Audit and Examination Committee.*
- *Risk Management Committee.*
- *Nomination and Remuneration Committee.*

To monitor these committees, all minutes of meetings are presented to the Board for notification and further action if necessary.

Jawatankuasa Audit dan Pemeriksaan (AEC)
Audit and Examination Committee (AEC)

Keahlian Jawatankuasa Audit dan Pemeriksaan pada tahun 2011 adalah seperti berikut:
The Members of the Audit and Examination Committee in 2011 were:

Ahli Jawatankuasa/*Committee Members*	Jawatan/*Position*
Encik Md. Hilmi Datuk Haji Md. Noor	Pengerusi/*Chairman*
Datuk Dr. Saharan Haji Anang	Ahli/*Member*
Puan Rashidah Mohd Sies	Ahli/*Member*
Datuk Johar Che Mat	Ahli/*Member*

Fungsi & Tanggungjawab

1. Pelaporan Kewangan

a. Jawatankuasa hendaklah memantau integriti penyata kewangan Bank, termasuk laporan tahunan dan interim, pengumuman keputusan awal dan apa-apa pengumuman rasmi yang lain yang berkaitan dengan prestasi kewangan, mengkaji isu-isu laporan kewangan dan pertimbangan yang penting yang terkandung di dalamnya. Jawatankuasa hendaklah mengkaji ringkasan penyata kewangan, pulangan kewangan yang penting kepada pengawal selia dan apa-apa maklumat kewangan yang terkandung di dalam dokumen-dokumen tertentu lain.

b. Jawatankuasa hendaklah mengkaji semula dan mencabar di mana perlu:

- Ketekalan terhadap, dan apa-apa perubahan kepada, dasar perakaunan.
- Kaedah yang digunakan dengan mengambil kira urus niaga yang signifikan atau luar biasa di mana pendekatan yang berbeza boleh digunakan.
- Sama ada Bank telah mengikuti standard perakaunan yang sesuai dan membuat anggaran serta pertimbangan yang sesuai, dengan mengambil kira pandangan juruaudit luar.
- Kejelasan pendedahan dalam laporan penyata kewangan Bank serta konteks bagi kenyataan-kenyataan yang dibuat.

Functions & Responsibilities

1. Financial Reporting

a. The Committee shall monitor the integrity of the financial statements of the Bank, including its annual and interim reports, preliminary results announcements and any other formal announcement relating to its financial performance, reviewing significant financial reporting issues and judgments which they contain. The Committee shall review summary of financial statement, significant financial returns to regulators and any financial information contained in certain other documents.

b. The Committee shall review and dispute where necessary:

- *The consistency of, and any changes to accounting policies.*
- *The methods used to account for significant or unusual transactions where different approaches are possible.*
- *Whether the Bank followed appropriate accounting standards and made appropriate estimates and judgments, taking into account the views of the external auditor.*
- *The clarity of disclosure in the Bank's financial statement reports and the context in which statements are made.*

c. Jawatankuasa hendaklah memastikan bahawa akaun disediakan tepat pada masa dan caranya dengan ulasan yang kerap bahawa peruntukan yang cukup telah dibuat bagi menangani kontingensi, hutang lapuk dan hutang ragu.

d. Jawatankuasa bertanggungjawab untuk mengkaji kunci kira-kira dan penyata untung rugi untuk dikemukakan kepada Lembaga Pengarah dan memastikan akaun tahunan dikeluarkan tepat pada masanya.

e. Untuk mengkaji kawalan dalaman, termasuk skop bagi program audit dalaman, penemuan audit dalaman dan mencadangkan tindakan yang perlu diambil oleh pihak Pengurusan. Laporan juruaudit dalaman dan Jawatankuasa tidak harus tertakluk kepada kelulusan Presiden atau Pengarah Eksekutif.

2. Kawalan Dalaman dan Pengurusan Risiko

a. Memantau dan mengkaji keberkesanan kawalan dalaman dan pengurusan risiko Bank.

b. Menyemak dan meluluskan penyataan berkaitan kawalan dalaman dan pengurusan risiko yang dimasukkan dalam laporan tahunan.

c. Mengkaji semua transaksi pihak ketiga/ transaksi pihak yang berkait dan memaklumkannya kepada Lembaga Pengarah.

3. Memberi Maklumat

Jawatankuasa hendaklah mengkaji peraturan Bank bagi kakitangannya menyalurkan pandangan dengan yakin mengenai kemungkinan salah laku dalam laporan kewangan atau perkara-perkara lain. Jawatankuasa juga hendaklah memastikan peraturan ini membenarkan siasatan yang bebas dan wajar serta tindakan susulan dijalankan.

c. The Committee should ensure that the accounts are prepared in a timely and accurate manner with frequent reviews of the adequacy of provisions against contingencies, bad and doubtful debts.

d. The Committee is responsible to review the balance sheet and profit and loss statements for submission to the Board and ensure the annual accounts are published promptly.

e. To review internal controls, including the scope of the internal audit programmes and the internal audit findings as well as recommend action to be taken by Management. The reports of internal auditors and the Committee should not be subjected to the clearance of the President or Executive Directors.

2. Internal Control and Risk Management

a. Review the effectiveness of the company's internal controls and risk management systems.

b. Review and approve the statements to be included in the annual report concerning internal controls and risk management.

c. Review all third/related party transactions and keep the Board informed of such transactions.

3. Providing Information

The Committee shall review the company's arrangements for its employees to raise concerns in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow-up action.

4. Audit Dalaman

a. Memantau dan mengkaji keberkesanan fungsi audit dalaman Bank dalam konteks keseluruhan sistem pengurusan risiko Bank dan memastikan kepatuhan garis panduan BNM/RH/GL/013-4.

b. Meluluskan pelantikan, menetapkan pampasan, menilai prestasi dan meluluskan penyingkiran Ketua Juruaudit Dalaman. Jawatankuasa hendaklah menilai prestasi dan memutuskan pakej imbuhan bagi juruaudit dalaman.

c. Menimbangkan dan meluluskan bidang kuasa fungsi audit dalaman dan memastikan ia mempunyai sumber yang mencukupi serta akses yang sewajarnya kepada maklumat bagi membolehkannya melaksanakan fungsi dengan berkesan dan selaras dengan piawaian profesional yang berkaitan.

d. Mengkaji, menilai dan meluluskan skop audit dan pelan tahunan audit dalaman.

e. Mengkaji aktiviti audit dalaman, penemuan dan cadangan, serta memantau tindak balas pihak Pengurusan terhadap penemuan dan cadangan juruaudit dalaman.

f. Sentiasa mengkaji prosedur secara tetap bagi mengesan dan mencegah penipuan/ penyelewengan.

5. Juruaudit Luar

a. Menimbang dan membuat saranan kepada Lembaga untuk dikemukakan kepada para pemegang saham untuk kelulusan dalam Mesyuarat Agung Tahunan berkaitan dengan pelantikan, pelantikan semula dan penyingkiran Juruaudit Luar Bank.

b. Mengawasi proses pemilihan Juruaudit baru dan jika Juruaudit meletak jawatan, Jawatankuasa hendaklah menyiasat isu-isu yang menyebabkan perletakan jawatan tersebut dan menetapkan sama ada sebarang tindakan perlu diambil.

4. Internal Audit

a. Monitor and review the effectiveness of the Bank's internal audit function in the context of the Bank's overall risk management system and ensure compliance of BNM/RH/GL/013-4 requirement.

b. Approve the appointment, set compensation and evaluate performance as well as the removal of the Chief Internal Auditor. The Committee should evaluate performance and decide on the remuneration package of the internal auditors.

c. Consider and approve the remit of the internal audit function and ensure it has adequate resources and appropriate access to information to enable it to perform its function effectively as well as in accordance with the relevant professional standards.

d. Review, assess, and approve the audit scope and annual internal audit plan.

e. Review internal audit activities, findings and recommendations, and monitor Management's responsiveness to the findings and recommendations of the internal auditors.

f. Review procedures regularly in detecting and preventing fraud.

5. External Auditors

a. Consider and make recommendations to the Board, and present it to shareholders for approval at the Annual General Meeting in relation to the appointment, re-appointment and removal of the Bank's External Auditor.

b. Oversee the selection process for new Auditors and in the event that an Auditor resigns, the Committee has to investigate the causes of resignation and decide whether actions are necessary.

c. Menyelia hubungan dengan Juruaudit Luar termasuk (tetapi tidak terhad kepada):

- Kelulusan imbuhan mereka, sama ada fi untuk audit atau perkhidmatan bukan audit dan bahawa tahap fi adalah bersesuaian untuk membolehkan audit yang sewajarnya dapat dijalankan.
- Kelulusan bagi terma penglibatan mereka, termasuk surat penglibatan yang dikeluarkan pada permulaan setiap audit dan skop audit.
- Memastikan bahawa tidak ada hubungan (seperti keluarga, pekerjaan, pelaburan, kewangan atau perniagaan) antara Juruaudit dan Bank (selain daripada urusan biasa perjalanan perniagaan).
- Meluluskan peruntukan bagi perkhidmatan bukan audit oleh Juruaudit Luar.

d. Kerap mengadakan mesyuarat dengan Juruaudit Luar, termasuk sekali pada peringkat perancangan sebelum audit dan sekali selepas audit di peringkat pelaporan. Jawatankuasa hendaklah bermesyuarat dengan Juruaudit Luar sekurang-kurangnya sekali setahun, tanpa kehadiran pihak Pengurusan untuk membincangkan remit mereka dan apa-apa isu audit yang timbul.

e. Menyemak dan meluluskan pelan audit tahunan dan memastikan bahawa ia adalah selaras dengan skop penglibatan audit.

f. Mengkaji penemuan audit dengan Juruaudit Luar. Ini termasuk tetapi tidak terhad kepada, yang berikut:

- Perbincangan mengenai apa-apa isu-isu utama yang timbul semasa audit.
- Mana-mana pertimbangan perakaunan dan audit.
- Tahap kesilapan yang dikenal pasti semasa audit.

c. Oversee the relationship with the External Auditors including (but not limited to):

- *Approval of their remuneration, whether fees for audit or non-audit services and that the level of fees is appropriate to enable an adequate audit to be conducted.*
- *Approval of their terms of engagement, including issuance of the engagement letter issued at the start of each audit and the scope of the audit.*
- *To ensure that there is no relationship (such as family, employment, investment, financial or business) between the Auditors and the Bank (other than in the ordinary course of business).*
- *Approve provision of the non-audit services by External Auditors.*

d. Meet regularly with the External Auditors, including once at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the External Auditors at least once a year without Management being present to discuss their remit and any issues arising from the audit.

e. Review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement.

f. Review the findings of the audit with the External Auditors. This shall include but not limited to, the following:

- *A discussion of any major issues which arose during the audit.*
- *Any accounting and audit judgments.*
- *Levels of errors identified during the audit.*

6. Menjemput mana-mana pakar bebas untuk menasihati Pengurusan atau Jawatankuasa mengenai perkara-perkara teknikal yang tertentu sebagaimana dan apabila dikehendaki.

7. Menjalankan tugas-tugas lain seperti yang diarahkan oleh Lembaga Pengarah dari semasa ke semasa.

8. Membentangkan minit dan menyediakan laporan ringkas mengenai keputusan yang telah dibuat oleh Jawatankuasa kepada Lembaga Pengarah.

6. To invite any independent expert to advise Management or the Committee on certain technical matters as and when required.

7. To undertake other duties as directed by the Board from time to time.

8. To present the minutes and provide brief reports on the decision made by the Committee to the Board.

Kehadiran Mesyuarat
Meeting Attendance

Jawatankuasa Audit dan Pemeriksaan telah bermesyuarat sebanyak sembilan (9) kali pada tahun 2011 dengan kehadiran ahli adalah seperti berikut:
The Audit and Examiners Committee have had nine (9) meetings in 2011 with the following attendance:

Ahli Jawatankuasa/*Committee Members*	Kehadiran/*Attendance**
Encik Md. Hilmi Datuk Haji Md. Noor	8/8
Datuk Dr. Saharan Haji Anang	9/9
Puan Rashidah Mohd Sies	9/9
Datuk Johar Che Mat	9/9

* Menunjukkan bilangan mesyuarat yang diadakan sepanjang Pengarah berkenaan memegang jawatan.
** Reflects the number of meetings held during the time the Directors held office.*

Jawatankuasa Pengurusan Risiko
Risk Management Committee

Keahlian Jawatankuasa Pengurusan Risiko pada tahun 2011 terdiri daripada:
The Members of the Risk Management Committee in 2011 were:

Ahli Jawatankuasa/*Committee Members*	Jawatan/*Position*
Datuk Dr. Saharan Haji Anang	Pengerusi/*Chairman*
Datuk Johar Che Mat	Ahli/*Member*
Datin Ruzaina Wan Haniff	Ahli/*Member*
Encik Ng Chih Kaye	Ahli/*Member*

Fungsi dan Tanggungjawab

1. Mengkaji dan mencadangkan visi dan objektif pengurusan risiko, strategi, dasar dan toleransi risiko untuk kelulusan Lembaga Pengarah.

2. Meluluskan rangka kerja risiko yang sesuai, dasar pengurusan risiko, prosedur dan proses dalam bidang risiko utama seperti risiko pasaran, risiko kredit, risiko penajajaminan, risiko pelaburan dan risiko operasi dan sebagainya.

3. Meluluskan strategi pengurusan risiko yang dicadangkan oleh Pengurusan melalui Jawatankuasa Pengurusan Risiko, termasuk toleransi risiko dan had risiko serta dasar-dasar yang mengenal pasti bidang kuasa yang jelas dan tanggungjawab untuk mengurus pendedahan terhadap risiko.

4. Mengkaji dan menilai agar dasar dan rangka kerja pengurusan risiko adalah mencukupi dalam mengenal pasti, mengukur, memantau dan mengawal risiko dan had operasi dengan cekap.

5. Memastikan bahawa infrastruktur, sumber dan sistem sudah tersedia untuk pengurusan risiko, memastikan bahawa kakitangan yang bertanggungjawab dalam melaksanakan sistem pengurusan risiko dapat melaksanakan tugas bebas dari aktiviti pengambilan risiko institusi kewangan.

Functions and Responsibilities

1. To review and recommend risk management vision and objectives, strategies, policies and risk tolerance for Board's approval.

2. To approve the appropriate risk frameworks, risk management policies, procedures and processes in key risk areas such as market risk, credit risk, underwriting risk, investment risk and operational risk and variations to it.

3. To approve risk management strategies recommended by the Management Risk Committee, including risk tolerance and risk appetite limits as well as policies that identify clear lines of authority and responsibility for managing risk exposures.

4. To review and assess adequacy of risk management policies and framework in identifying, measuring, monitoring, and controlling risk and the extent of effectiveness in operation.

5. To ensure that the infrastructure, resources, and systems are in place for risk management, and ensuring that the personnel responsible for implementing risk management system perform those duties independently of the financial institution's risk taking activities.

6. Tempat rujukan tertinggi bagi isu-isu utama pengurusan risiko.

7. Mengkaji laporan berkala Pengurusan mengenai pendedahan risiko, komposisi portfolio risiko dan aktiviti pengurusan risiko dan memastikan bahawa pihak Pengurusan mengambil langkah-langkah yang perlu untuk mengenal pasti, mengukur, memantau dan mengawal risiko.

8. Mengkaji kesan risiko proses Penilaian Kecukupan Modal Dalaman (ICAAP), tahap modal kawal selia dan dalaman untuk Bank terhadap profil risiko.

9. Meluluskan pelantikan, termasuk pertimbangan kewangan bagi perunding dan penasihat luar ke atas sistem pengurusan risiko, infrastruktur dan nasihat teknikal.

10. Meluluskan Had Pelanggan Tunggal dan Garis Panduan Pinjaman.

11. Mengkaji semula dan mencadangkan tindakan strategik yang berpandukan Garis Panduan BASEL, Bank Negara Malaysia (BNM) dan kehendak pematuhan badan-badan kawal selia yang lain.

12. Meluluskan produk dan perkhidmatan baru dan memastikan pematuhan kepada garis panduan semasa Bank Negara Malaysia atau badan-badan kawal selia yang lain.

6. To be the final point of escalation for key risk management issues.

7. To review the Management's periodic reports on risk exposure, risk portfolio composition and risk management activities and ensuring that the Management takes the necessary steps to identify, measure, monitor and control the risks.

8. To review the impact of risk on internal capital adequacy assessment process (ICAAP), levels of regulatory and internal capital for the Bank against its risk profile.

9. To approve the appointment, including financial considerations of external consultants and advisors on risk management systems, infrastructure and technical advice.

10. To approve Single Customer Limits and Lending Guidelines.

11. To review and recommend strategic actions arising from BASEL, Bank Negara Malaysia (BNM) and other regulatory bodies' compliance requirements.

12. To approve new products and services and ensuring compliance with prevailing BNM guidelines or other regulatory bodies.

Kehadiran Mesyuarat
Meeting Attendance

Jawatankuasa Pengurusan Risiko telah bermesyuarat sebanyak tujuh (7) kali pada tahun 2011 dan kehadiran ahli seperti mana berikut:
The Risk Management Committee had seven (7) meetings in 2011 and the attendance is as follows:

Ahli Jawatankuasa/*Committee Members*	Kehadiran/*Attendance**
Datuk Dr. Saharan Haji Anang	5/7
Datuk Johar Che Mat	7/7
Encik Md. Hilmi Datuk Haji Md. Noor	2/2
Datin Ruzaina Wan Haniff	5/6
Encik Ng Chih Kaye	4/4

* Menunjukkan bilangan mesyuarat yang diadakan sepanjang Pengarah berkenaan memegang jawatan.
** Reflects the number of meetings held during the time the Directors held office.*

Jawatankuasa Pencalonan dan Ganjaran
Nomination and Remuneration Committee

Keahlian Jawatankuasa Pencalonan dan Ganjaran pada tahun 2011 terdiri daripada:
The Members of the Nomination and Remuneration Committee in 2011 were:

Ahli Jawatankuasa/*Committee Members*	Jawatan/*Position*
Tan Sri Faizah Mohd Tahir	Pengerusi/*Chairman*
Datuk Johar Che Mat	Ahli/*Member*
Datuk Dr. Saharan Haji Anang	Ahli/*Member*
Datin Ruzaina Wan Haniff	Ahli/*Member*
Encik Md. Hilmi Datuk Haji Md. Noor	Ahli/*Member*

Fungsi dan Tanggungjawab

1. Mewujudkan keperluan minimum bagi kepakaran yang perlu ada pada Lembaga Pengarah dan Ketua Pegawai Eksekutif dalam melaksanakan tanggungjawab dengan berkesan. Ia juga bertanggungjawab untuk mengawasi komposisi keseluruhan Lembaga Pengarah, kemahiran yang sesuai, keseimbangan di antara eksekutif, bukan eksekutif dan pengarah bebas, dan kepelbagaian kemahiran serta kecekapan teras lain yang diperlukan melalui penilaian tahunan.

2. Mencadang dan mengkaji calon-calon Pengarah untuk Jawatankuasa Lembaga Pengarah, Jawatankuasa Syariah dan calon-calon untuk jawatan Ketua Pegawai Eksekutif.

3. Mewujudkan mekanisme penilaian rasmi dan menilai keberkesanan keseluruhan Lembaga Pengarah, sumbangan setiap ahli Lembaga Pengarah, sumbangan Jawatankuasa-Jawatankuasa Lembaga Pengarah, Jawatankuasa Syariah dan prestasi Ketua Pegawai Eksekutif.

4. Mencadangkan kepada Lembaga Pengarah tentang tindakan sesuai yang perlu diambil ke atas Pengarah/Ketua Pegawai Eksekutif jika beliau tidak efektif, menyeleweng dan cuai dalam menunaikan tanggungjawab.

Functions and Responsibilities

1. Establish minimum requirements for the expertise of the Board and Chief Executive Officer in discharging its responsibilities effectively. It is also responsible for overseeing the overall composition of the Board, the appropriate skills, the balance between executive, non-executive and independent directors and the skills required as well as other core competencies through annual review.

2. Propose and review the Directorial candidates for the Board of Directors Committee, Shariah Committee as well as candidates for the position of Chief Executive Officer.

3. Create an official evaluation mechanism and evaluate the effectiveness of the entire Board, contribution of all the Boards, and the performance of BC, SC, and CEO.

4. To recommend to the Board appropriate actions for the Director/Chief Executive Officer if he/she is ineffective, errant, and negligent in discharging his/her responsibilities.

5. Memastikan bahawa setiap Pengarah menerima latihan berterusan melalui program induksi yang berkaitan.

6. Menyelia perlantikan, pemindahan, kenaikan pangkat, pengurusan perancangan penggantian dan penilaian prestasi Pegawai-pegawai Kanan, dan mencadangkan penyingkiran Pegawai Kanan Utama yang tidak cekap, terlibat dalam salah laku atau cuai dalam menjalankan tanggungjawab mereka.

7. Menarik dan mengekalkan Pengarah yang berkaliber, namun tidak berlebih-lebihan sehingga menggunakan dana Bank untuk menanggung lebihan pakej imbuhan Pengarah termasuk fi, gaji, elaun, bonus, pilihan saham dan faedah seumpamanya.

8. Mengkaji perkhidmatan yang dirancang oleh Agrobank dari semasa ke semasa dan membuat cadangan kepada Lembaga Pengarah.

9. Mengkaji dan mencadangkan kepada Lembaga Pengarah imbuhan bagi Jawatankuasa Syariah berdasarkan peranan dan tanggungjawab Jawatankuasa Syariah.

10. Mencadangkan rangka kerja imbuhan para Pengarah, Ketua Pegawai Eksekutif dan Pegawai-pegawai Kanan Utama. Dasar imbuhan hendaklah:

    - Didokumenkan dan diluluskan sepenuhnya oleh Lembaga Pengarah dan apa-apa tambahan atau perubahan adalah tertakluk kepada pengesahan penuh oleh Lembaga Pengarah.

    - Mencerminkan pengalaman dan tahap tanggungjawab yang dijalankan oleh setiap Pengarah, Ketua Pegawai Eksekutif dan Pegawai-pegawai Kanan Utama.

    - Mampu menarik dan mengekalkan para Pengarah, Ketua Pegawai Eksekutif dan Pegawai-pegawai Kanan Utama yang berkaliber untuk menguruskan Bank dengan jayanya.

    - Mengimbangi keperluan untuk memastikan dana Bank tidak digunakan untuk menanggung imbuhan yang berlebihan.

5. Ensure that every Director receives continuous training through relevant induction programmes.

6. To oversee the appointment, transfer, promotion, management succession planning, and performance evaluation of senior officers and also recommend the removal of key senior officials who are ineffective, commit misconduct or negligent in carrying out their responsibilities.

7. Be sufficient to attract and retain Directors of calibre, and yet not excessive to the extent the Bank's funds are used to subsidise excessive remuneration packages, including the Directors' fees, salaries, allowances, bonuses, share options and benefits-in-kind.

8. To review the services that the Agrobank plans from time to time and recommend it to the Board of Directors.

9. To review and recommend to the Board of Directors, remuneration for the Shariah Committee based on roles and responsibilities of the Shariah Committee.

10. Propose a framework for the remuneration of Directors, Chief Executive Officer and key senior officers. The remuneration policy should be:

    - *Documented and fully approved by the Board and any additional changes are subject to full confirmation by the Board.*

    - *Reflect the experience and level of responsibility undertaken by individual Directors, the Chief Executive Officer and key senior officers.*

    - *Sufficient to attract and retain Directors, Chief Executive Officer and key senior officers of the calibre to manage successfully the Development Financial Institution.*

    - *Balancing the needs to ensure the Development Financial Institutions fund is not used to subsidised excessive remuneration.*

11. Mencadangkan pakej imbuhan khusus untuk para Pengarah, Ketua Pegawai Eksekutif dan Pegawai-pegawai Kanan Utama. Dasar imbuhan seharusnya:

    - Berdasarkan objektif dan diluluskan sepenuhnya oleh Lembaga Pengarah.

    - Menimbangkan penilaian dari Jawatankuasa Pencalonan tentang keberkesanan dan sumbangan Pengarah-pengarah, Ketua Pegawai Eksekutif dan Pegawai-pegawai Kanan Utama yang berkenaan.

    - Tidak diputuskan berdasarkan pertimbangan tunggal dari mana-mana individu atau kumpulan tertentu.

    - Kompetetif dan selaras dengan budaya, objektif dan strategi Institusi Kewangan Pembangunan.

11. Propose specific remuneration packages for Directors, Chief Executive Officer and Key Senior Officers. Remuneration policy should be:

    - *Based on the objectives and fully approved by the Board.*

    - *Consider the assessment from the Nominating Committee on the effectiveness and the contribution of Directors, Chief Executive Officer and Key Senior Officers concerned.*

    - *Not decided by single consideration of any one individual or specific group of individuals.*

    - *Competitive and is in line with the culture, objectives and strategies of the Development Financial Institution.*

Kehadiran Mesyuarat
Meeting Attendance

Jawatankuasa Pencalonan dan Ganjaran telah bermesyuarat sebanyak lima (5) kali pada tahun 2011 dan kehadiran ahli adalah seperti berikut:
Nomination and Remuneration Committee had five (5) meetings on 2011 and the following is the attendance list:

Ahli Jawatankuasa/*Committee Members*	Kehadiran/*Attendance**
Tan Sri Faizah Mohd Tahir	5/5
Datuk Johar Che Mat	5/5
Datuk Dr. Saharan Haji Anang	2/2
Datin Ruzaina Wan Haniff	4/4
Encik Md. Hilmi Datuk Haji Md. Noor	4/4

* Menunjukkan bilangan mesyuarat yang diadakan sepanjang Pengarah berkenaan memegang jawatan.
** Reflects the number of meetings held during the time the Directors held office.*

Sebagai tambahan kepada Jawatankuasa-jawatankuasa Lembaga Pengarah tersebut, Lembaga Pengarah juga telah menubuhkan Jawatankuasa-jawatankuasa Lembaga Pengarah yang lain mengikut keperluan bagi melaksanakan fungsi-fungsi yang spesifik mengikut terma rujukan masing-masing iaitu:

- Jawatankuasa Lembaga Kredit.
- Jawatankuasa Tujuan Am.
- Jawatankuasa Pelaburan.
- Jawatankuasa Teknologi Maklumat.

In addition to the above Committees, the Board also established other Board Committees based on the necessity to perform specific functions in accordance with their respective terms of reference, namely:

- *Board Credit Committee.*
- *General Purpose Committee.*
- *Investment Committee.*
- *Board Information Technology Committee.*

Jawatankuasa Lembaga Kredit
Board Credit Committee

Keahlian Jawatankuasa Lembaga Kredit pada tahun 2011 terdiri daripada:
The Members of the Board Credit Committee in 2011 were:

Ahli Jawatankuasa/*Committee Members*	Jawatan/*Position*
Datuk Johar Che Mat	Pengerusi/*Chairman*
Datuk Dr. Saharan Haji Anang	Ahli/*Member*
Puan Rashidah Mohd Sies	Ahli/*Member*
Encik Ng Chih Kaye	Ahli/*Member*

Fungsi dan Tanggungjawab

1. Mempertimbang dan meluluskan pinjaman sebagaimana yang dibenarkan.
2. Membincangkan dan mengemukakan cadangan kepada Lembaga Pengarah mengenai cadangan pinjaman yang melebihi kelulusan Jawatankuasa.
3. Membincangkan hal-hal mengenai pemberian pinjaman, pemantauan pinjaman dan isu-isu lain yang berkaitan dengan kredit yang akan dilaksanakan oleh Bank atau untuk sokongan Lembaga Pengarah.
4. Membincangkan perkara-perkara lain yang berkaitan dengan pembiayaan pinjaman atau kemudahan kredit yang ditawarkan oleh Bank.
5. Mengkaji cadangan pinjaman strategik dan langkah-langkah bagi mendapatkan keuntungan mapan untuk disokong oleh Lembaga Pengarah.

Functions and Responsibilities

1. *To deliberate and approve loans as authorised.*
2. *To deliberate and give recommendations to the Board of Directors on loan proposals which exceed the Committee's approving authority.*
3. *To deliberate matters concerning loan delivery, loan monitoring and other credit-related issues to be implemented by the Bank or for endorsement by the Board of Directors.*
4. *To discuss other matters relating to loan financing or credit facilities offered by the Bank.*
5. *To review strategic loan proposals and measures for sustained profitability for the Board of Directors' endorsement.*

6. Mengundang mana-mana pakar yang bebas untuk menasihati Pengurusan atau Jawatankuasa mengenai perkara-perkara teknikal tertentu, sebagaimana dan apabila dikehendaki.
7. Menjalankan tugas-tugas lain seperti yang diarahkan oleh Lembaga Pengarah dari semasa ke semasa.
8. Membentangkan minit dan menyediakan laporan ringkas mengenai keputusan yang dibuat kepada Lembaga.

6. To invite any independent expert to advise Management or the Committee on certain technical matters as and when required.

7. To undertake other duties as directed by the Board from time to time.

8. To present the minutes and provide brief reports on the decision made to the Board.

Kehadiran Mesyuarat
Meeting Attendance

Jawatankuasa Lembaga Kredit telah bermesyuarat sebanyak dua puluh (20) kali pada tahun 2011 dan kehadiran ahli adalah seperti berikut:
The Board Credit Committee had twenty (20) meetings in 2011 and the attendance was as follows:

Ahli Jawatankuasa/*Committee Members*	Kehadiran/*Attendance**
Datuk Johar Che Mat	20/20
Datuk Dr. Saharan Haji Anang	20/20
Puan Rashidah Mohd Sies	20/20
Encik Ng Chih Kaye	18/18

* Menunjukkan bilangan mesyuarat yang diadakan semasa Pengarah memegang jawatan.
** Reflects the number of meetings held during the time the Directors held office.*

Jawatankuasa Tujuan Am
General Purpose Committee

Keahlian Jawatankuasa Tujuan Am pada tahun 2011 terdiri daripada:
The Members of the General Purpose Committee in 2011 were:

Ahli Jawatankuasa/*Committee Members*	Jawatan/*Position*
Tan Sri Faizah Mohd Tahir	Pengerusi/*Chairman*
Datuk Dr. Saharan Haji Anang	Ahli/*Member*
Datuk Johar Che Mat	Ahli/*Member*
Datin Ruzaina Wan Haniff	Ahli/*Member*
Encik Ng Chih Kaye	Ahli/*Member*

Fungsi dan Tanggungjawab

1. Meluluskan perolehan kerja, bekalan dan perkhidmatan yang bernilai di antara RM2.0 juta hingga RM20.0 juta bagi:

   i. Pelantikan kontraktor atau vendor;

   ii. Kerja atau arahan pengubahan yang berdasarkan nilai variasi;

   iii. Pembaharuan kontrak bagi penyelenggaraan bangunan dan peralatan bangunan;

   iv. Kerja-kerja pengubahsuaian dan penyelenggaraan hartanah Bank yang dimiliki dan disewa; atau

   v. Tawaran tender jualan bangunan kepada penawar yang berjaya.

2. Memantau inisiatif perhubungan awam dan promosi Bank.

3. Memantau inisiatif pemasaran Bank.

Functions and Responsibilities

1. To approve the procurement of works, supplies and services where the value is between RM2.0 million to RM20.0 million on:

   i. Appointment of contractor or vendor;

   ii. Variation works or order based on value of variation;

   iii. Renewal of contracts for maintenance of building and building's equipment;

   iv. Renovation work and maintenance of the Bank's owned and rented properties; or

   v. Tender offer on sale of building and the successful bidder.

2. To monitor public relations and promotional initiatives of the Bank.

3. To monitor the marketing initiatives of the Bank.

Kehadiran Mesyuarat
Meeting Attendance

Jawatankuasa Tujuan Am telah bermesyuarat sebanyak lima (5) kali pada tahun 2011 dan kehadiran ahli adalah seperti berikut:
The General Purpose Committee had five (5) meetings in 2011 and the attendance was as follows:

Ahli Jawatankuasa/*Committee Members*	Kehadiran/*Attendance**
Tan Sri Faizah Mohd Tahir	5/5
Datuk Dr. Saharan Haji Anang	5/5
Datuk Johar Che Mat	1/1
Datin Ruzaina Wan Haniff	4/4
Encik Ng Chih Kaye	4/4

* Menunjukkan bilangan mesyuarat yang diadakan sepanjang Pengarah berkenaan memegang jawatan.
** Reflects the number of meetings held during the time the Directors held office.*

Jawatankuasa Pelaburan
Investment Committee

Keahlian Jawatankuasa Pelaburan pada tahun 2011 terdiri daripada:
The Members of the Investment Committee in 2011 were:

Ahli Jawatankuasa/*Committee Members*	Jawatan/*Position*
Encik Ng Chih Kaye	Pengerusi/*Chairman*
Datuk Dr. Saharan Haji Anang	Ahli/*Member*
Datuk Johar Che Mat	Ahli/*Member*
Encik Md. Hilmi Datuk Haji Md. Noor	Ahli/*Member*

Fungsi dan Tanggungjawab

1. Menganalisis dan mencadangkan dasar-dasar, misi, strategi dan garis panduan berhubung dengan aktiviti pelaburan Bank.

2. Meluluskan pelaburan hutang sekuriti di mana tempohnya melebihi satu (1) tahun dan jumlahnya adalah di antara RM10.0 juta hingga RM50.0 juta.

3. Menganalisis, menilai dan mencadangkan pengambilalihan ekuiti Bank dalam syarikat-syarikat lain.

4. Mengenal pasti, menilai, memantau dan mengkaji prestasi portfolio pelaburan yang sedia ada secara berkala dan mengambil tindakan sewajarnya untuk meningkatkan prestasi.

5. Melantik, menamatkan dan menilai prestasi pengurus dana, broker dan wakil-wakil lain.

Functions and Responsibilities

1. To analyse and propose the policies, mission, strategies and guidelines in relation to the Bank's investment activities.

2. To approve debt security investment with more than one (1) year tenure where the amount is between RM10.0 million to RM50.0 million.

3. To analyse, evaluate and propose the Bank's equity acquisition in other companies.

4. To periodically identify, evaluate, monitor and review performance of the existing investment portfolio and take appropriate action to improve the performance.

5. To appoint, terminate and assess the performance of fund managers, brokers and other representatives.

Kehadiran Mesyuarat
Meeting Attendance

Jawatankuasa Pelaburan telah bermesyuarat sebanyak tujuh (7) kali pada tahun 2011 dan kehadiran ahli adalah seperti berikut:
The Investment Committee had seven (7) meetings in 2011 and the attendance was as follows:

Ahli Jawatankuasa/*Committee Members*	Kehadiran/*Attendance**
Encik Ng Chih Kaye	7/7
Datuk Dr. Saharan Haji Anang	7/7
Datuk Johar Che Mat	6/7
Encik Md. Hilmi Datuk Haji Md. Noor	7/7

* Menunjukkan bilangan mesyuarat yang diadakan sepanjang Pengarah berkenaan memegang jawatan.
** Reflects the number of meetings held during the time the Directors held office.*

Jawatankuasa Teknologi Maklumat
Information Technology Committee

Keahlian Jawatankuasa Teknologi Maklumat pada tahun 2011 terdiri daripada:
The Members of the Information Technology Committee in 2011 were:

Ahli Jawatankuasa/*Committee Members*	Jawatan/*Position*
Datin Ruzaina Wan Haniff	Pengerusi/*Chairman*
Datuk Johar Che Mat	Ahli/*Member*
Encik Ng Chih Kaye	Ahli/*Member*

Fungsi dan Tanggungjawab

1. Menyediakan hala tuju strategik berkaitan Pengurusan IT dan untuk memastikan bahawa pelan strategik IT menyokong pelan perniagaan strategik Bank.
2. Meluluskan laporan pengurusan berkala dan jika perlu, mencadangkan penyelesaian strategik yang sesuai untuk mengatasi sebarang kelemahan yang berkaitan dengan IT.
3. Membincangkan, mengkaji dan mencadangkan kepada Lembaga Pengarah mengenai dasar utama dan prosedur ICT untuk memastikan keberkesanan sistem kawalan dalaman dan kebolehpercayaan sistem pengurusan maklumat.
4. Mengamalkan pematuhan kepada dasar, prosedur dan garis panduan IT yang kukuh serta pekeliling yang dikeluarkan oleh Bank Negara Malaysia (BNM).
5. Menilai dan memantau prestasi inisiatif utama dan rancangan berkaitan dengan IT.
6. Memastikan Pengurusan Bank telah menerima pakai dasar-dasar yang berkesan dan berhemat serta prosedur untuk mengenal pasti, mengukur, memantau dan mengawal atau mengurangkan risiko IT.
7. Memantau prestasi vendor/pembekal bagi perkhidmatan IT yang diberikan kepada Bank.
8. Memantau langkah-langkah yang diambil untuk memperbaiki kelemahan yang dikesan melalui laporan audit dalaman dan luaran IT atau laporan pemeriksaan BNM.

Functions and Responsibilities

1. *To provide strategic direction with regard to IT Management and to ensure the IT strategic plan supports the Bank's strategic business plan.*
2. *To approve periodic management reports and where necessary, recommend appropriate strategic solutions on key IT weaknesses.*
3. *To discuss, review, and recommend to the Board of Directors the Bank's key ICT policies and procedures to ensure the effectiveness of internal control systems and the reliability of the management information system.*
4. *To adopt compliance with established IT policies and procedures and guidelines as well as circulars issued by Bank Negara Malaysia (BNM).*
5. *To evaluate and monitor the performance of major IT initiatives and plans.*
6. *To ensure the Bank's Management is prudent and adopts effective policies and procedures to identify, measure, monitor and control or mitigate IT risks.*
7. *To monitor the performance of IT vendors/ suppliers on IT services delivered to the Bank.*
8. *To monitor the measures taken to correct weaknesses noted in the internal and external IT audit reports or BNM's examination reports.*

9. Meluluskan pelantikan perunding luar untuk memberi khidmat nasihat kepada Pengurusan atau Jawatankuasa mengenai perkara-perkara teknikal yang tertentu, bila difikirkan perlu.

10. Membincangkan dan menyokong semua kos projek ICT mengikut had kelulusan Jawatankuasa bagi mendapatkan kelulusan pihak berkuasa.

9. To approve the appointment of external consultant(s) to advise the Management or the Committee on certain technical matters as and when required.

10. To deliberate and endorse, for the approval of the relevant authorities within the limit of approval, all ICT project costs.

Kehadiran Mesyuarat
Meeting Attendance

Jawatankuasa Teknologi Maklumat telah bermesyuarat sebanyak tujuh (7) kali pada tahun 2011 dan kehadiran ahli adalah seperti berikut:
The Information Technology Committee had seven (7) meetings in 2011 and the attendance is as follows:

Ahli Jawatankuasa/*Committee Members*	Kehadiran/*Attendance**
Datin Ruzaina Wan Haniff	7/7
Datuk Johar Che Mat	7/7
Encik Ng Chih Kaye	7/7

* Menunjukkan bilangan mesyuarat yang diadakan semasa Pengarah memegang jawatan.
** Reflects the number of meetings held during the time the Directors held office.*

Keperluan Latihan/Kursus

Ahli Lembaga Pengarah yang baru dilantik dibekalkan dengan dokumen/bahan-bahan yang berkaitan dengan Bank termasuk prestasi kewangan Bank, seperti penyata pendapatan, kunci kira-kira dan penyata aliran tunai untuk membantu Ahli Lembaga Pengarah tersebut dalam memahami operasi dan latar belakang Bank.

Ahli Lembaga Pengarah yang baru dilantik juga dikehendaki menghadiri Program Latihan Pengarah Korporat yang dianjurkan oleh Suruhanjaya Syarikat Malaysia dalam tempoh enam (6) bulan selepas pelantikan. Dari semasa ke semasa, Ahli Lembaga Pengarah digalakkan untuk menghadiri mana-mana seminar/persidangan/kursus yang dianjurkan oleh BNM atau mana-mana pihak luar yang lain untuk meningkatkan pengetahuan mereka khususnya dalam industri perbankan dan untuk mengetahui perkembangan terkini industri perbankan juga perniagaan.

Requirement for Training/Courses

Newly-appointed Board members are provided with the Bank's respective documents/materials including the Bank's financial performance, such as income statements, balance sheets and cash-flow statements to understand the operations and background of the Bank.

The newly-appointed Board Members are also required to attend the Corporate Directors Training Programme organised by the Companies Commission of Malaysia within six (6) months of the appointment. From time to time, Board Members are encouraged to attend any seminars/conferences/courses organised by the BNM or any other outside parties to increase their knowledge particularly in the banking industry and to be updated on the latest developments in the business.

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BANK PERTANIAN MALAYSIA BERHAD (811810-U)

PENYATAAN KAWALAN DALAMAN
STATEMENT OF INTERNAL CONTROL

Kawalan Dalaman

Lembaga Pengarah bertanggungjawab ke atas sistem kawalan dalaman Bank termasuk penubuhan rangka kerja persekitaran kawalan dalaman yang bersesuaian serta menyemak kecukupan dan integriti sistem tersebut. Sistem kawalan dalaman ini mengemukakan keperluan bagi operasi perniagaan yang efisien dan efektif, pelaporan kewangan dan prosedur kawalan yang lengkap serta mematuhi undang-undang dan peraturan berkanun yang berkaitan dengan operasi Bank. Sistem tersebut juga direka bentuk bagi mengurus risiko Bank dalam profail risiko yang bolehterima dan bukan untuk menghapuskan risiko kegagalan dalam memenuhi dasar dan objektif perniagaan Bank. Sistem kawalan dalaman Bank juga memberi jaminan yang munasabah bagi mengekang salah penyataan dan salah pengurusan yang signifikan.

Proses Kawalan Dalaman Utama

Jabatan Audit Dalaman

Jabatan Audit Dalaman (IAD) bertanggungjawab ke atas entiti audit di dalam Bank berasaskan Pelan Audit Tahunan yang diluluskan oleh Jawatankuasa Audit (BAC). Pelan Audit berkenaan yang mengguna pakai pendekatan berasaskan risiko untuk tujuan pengauditan merangkumi penilaian ke atas kecukupan pengurusan risiko dan kawalan dalaman operasi, pematuhan ke atas undang-undang dan peraturan, kualiti aset serta kecekapan pengurusan. Audit dalaman mengguna pakai kerangka kerja *Committee of Sponsoring Organisation* (COSO) sebagai kaedah untuk menilai keberkesanan risiko dan kawalan ke atas entiti yang diaudit dan menekankan juga kelemahan proses serta memberi cadangan penambahbaikan kepada pihak Pengurusan.

Kuasa IAD diperjelaskan dalam Piagam Audit yang menerangkan peranan, tugas dan tanggungjawab IAD serta hubungannya dengan Lembaga Pengarah, BAC, Pengurusan, audit luar dan pihak berkuasa.

IAD komited untuk memantapkan proses pengauditan dengan mengguna pakai teknik pengauditan berasaskan risiko, meningkatkan kompentensi pegawai audit dan ditanda aras setanding dengan amalan terbaik industri pengauditan dalaman. Pada keseluruhannya, IAD membantu Bank dalam mengekalkan persekitaran kawalan dalaman yang mantap serta menggalakkan budaya pematuhan dan risiko di dalam Bank.

Internal Controls

The Board is responsible for the Bank's internal control system, including the establishment of a framework of appropriate internal control environment and review of the adequacy and integrity of the system. The internal control system accommodates the needs for efficient and effective business operations, financial reporting and comprehensive control procedures which comply with the regulatory and statutory requirements relating to banking operations. The system is also designed to contain the Bank's risks within the tolerable risk profile and not to eliminate the risk of failure in fulfilling the Bank's policy and business objectives. The Bank's internal control system also provides reasonable assurance of deterring misstatements and significant mismanagement.

Main Internal Control Process

Internal Audit Department

The Internal Audit Department (IAD) is responsible for audit entities in the Bank based on the Annual Audit Plan approved by the Board Audit Committee (BAC). The Audit Plan adopts a risk-based approach and audit universe concept for auditing purposes which includes the assessment of the adequacy of risk management and internal operational controls, compliance with the laws and regulations, asset quality and management efficiency. Internal audit adopts the Committee of Sponsoring Organisation (COSO) *framework as means to assess materiality of the risks and the controls over the audit entity and at the same time highlights the weaknesses in the process and provides recommendations for improvement to the Management.*

IAD's jurisdiction is articulated in its Audit Charter, which describes the roles, duties, and responsibilities of IAD and its relationship with the Board, BAC, Management, external auditors, and the regulators.

IAD is continuously strengthening the audit process by adopting risk-based audit techniques, enhancing the competency of auditors and benchmarking it against the best industry practices in internal auditing. Overall, IAD facilitates the Bank in preserving a sound internal control environment and promotes compliance and risk culture within the Bank.

IAD juga telah melaksanakan penilaian bebas jaminan kualiti sebagai sebahagian daripada syarat *The International Standards for the Professional Practice of Internal Auditing* (IPPF) untuk mengadakan penilaian yang bebas dari pihak luar ke atas jabatan sekurang-kurangnya sekali dalam setiap lima (5) tahun. Penilaian ini menumpukan kepada fungsi serta aktiviti audit dalaman dalam mematuhi peraturan IPPF dan di mana-mana yang sesuai akan memberikan saranan untuk penambahbaikan.

Memberi Maklumat

Polisi Pengurusan Penyelewengan dan *Whistleblowing* telah diluluskan oleh Lembaga Pengarah sebagai langkah pencegahan, pembetulan dan pengesanan awal terhadap ketidakpatuhan dan pelanggaran polisi serta prosedur operasi.

Dengan adanya polisi ini, warga kerja dan pelanggan mempunyai saluran secara langsung untuk mengemukakan isu-isu berkaitan ketidakpatuhan, salah laku atau pelanggaran polisi serta prosedur kepada Ketua Juruaudit Dalaman tanpa melalui karenah atau tapisan birokrasi. Hasil siasatan akan dibentangkan oleh Ketua Juruaudit Dalaman dalam mesyuarat BAC untuk keputusan selanjutnya.

Fungsi dan Tanggungjawab Audit

Pelaporan Kewangan

BAC akan memantau kewibawaan penyata kewangan Bank, termasuk laporan tahunan dan interim, pengumuman keputusan awal serta apa-apa pengumuman rasmi yang berkaitan dengan prestasi kewangannya, mengkaji isu dan pertimbangan pelaporan kewangan yang signifikan yang terkandung di dalamnya. BAC akan mengkaji ringkasan penyata kewangan, pelaporan kewangan yang signifikan kepada pihak berkuasa dan apa-apa maklumat kewangan yang terkandung di dalam dokumen lain yang berkaitan.

IAD has also embarked on an independent quality assurance engagement as part of the requirement of The International Standards for the Professional Practice of Internal Auditing (IPPF) to have an independent external assessment conducted on the department at least once in every five (5) years. The assessment conducted focuses on the internal audit functions and activities in compliance with IPPF and as appropriate, includes recommendations for improvement.

Providing Information

The Fraud Management and whistleblowing Policy were approved by the Board as a measure for prevention, rectification and early detection of the misconduct and breach of policy and operational procedures.

By this policy, the employees and customers have an avenue to escalate issues relating to non-compliance, misconduct or violation against the policies and procedures directly to the Chief Internal Auditor without going through an elaborate process. Outcome of the investigation is to be presented by the Chief Internal Auditor in the BAC meetings for subsequent decisions.

Audit Functions and Responsibilities

Financial Reporting

BAC shall monitor the integrity of the Bank's financial statements, including annual and interim reports, preliminary results announcements and any formal announcements relating to its financial performance, review the issues and judgment of significant financial reporting contained therein. BAC shall review the summary of financial statements, financial reporting relevant to the regulators and any financial information contained in other related documents.

Jika perlu, BAC akan mengkaji dan mencabar:

- Ketekalan terhadap, dan apa-apa perubahan kepada, dasar perakaunan.
- Kaedah yang digunakan dalam mengambil kira urus niaga yang signifikan atau luar biasa di mana kemungkinan terdapat pendekatan yang berbeza.
- Sama ada Bank telah mengikuti piawaian perakaunan yang wajar dan membuat anggaran serta pertimbangan yang sesuai dengan mengambil kira pandangan juruaudit luar.
- Kejelasan pendedahan dalam laporan penyata kewangan Bank serta di dalam lingkungan kenyataan itu dibuat.

BAC akan memastikan bahawa akaun disediakan mengikut tempoh dan dalam bentuk yang tepat dengan semakan yang kerap berkaitan kecukupan peruntukan berbanding kontingensi serta hutang lapuk dan hutang ragu. BAC bertanggungjawab mengkaji penyata kewangan untuk diserahkan kepada Lembaga Pengarah dan memastikan penerbitan akaun tahunan tepat pada masanya.

BAC akan mengkaji kawalan dalaman termasuk skop ke atas program audit dalaman dan penemuan yang disorotkan, serta mencadangkan tindakan pembetulan yang perlu diambil oleh pihak Pengurusan. Laporan Ketua Juruaudit Dalaman dan BAC tidak tertakluk kepada kelulusan Presiden/ Ketua Pegawai Eksekutif.

Kawalan Dalaman dan Pengurusan Risiko

BAC akan:

- Memantau semakan ke atas keberkesanan kawalan dalaman dan pengurusan risiko Bank.
- Mengkaji dan meluluskan penyata yang disertakan dalam laporan tahunan berkenaan kawalan dalaman dan pengurusan risiko.

Where appropriate, the BAC will analyse and challenge:

- *Consistency and any changes to accounting policies.*
- *Methods used to account for significant or unusual transactions where a different approach is probable.*
- *Whether the Bank has adhered to the appropriate accounting standards and made appropriate estimation and judgment, taking into account the external auditors' opinion.*
- *Clarity of disclosures in the Bank's financial statements and the context within which the statement is made.*

The BAC must ensure that the accounts are prepared timely and in a proper form with a regular review regarding adequacy of provisions against the contingency as well as bad and doubtful debts. The BAC is responsible for analysing the financial statements for presentation to the Board and ensuring valid and timely published annual accounts.

The BAC shall review the internal controls which include the scope of internal audit programmes and the findings highlighted, and recommend the required remedial actions for the Management. Reports of the Chief Internal Auditor and the BAC are not subject to the approval of the President/Chief Executive Officer.

Internal Control and Risk Management

The BAC shall:

- *Monitor the review on the effectiveness of the Bank's internal controls and risk management.*
- *Review and approve the statements contained in the annual report on the internal controls and risk management.*

Memberi Maklumat

BAC hendaklah mengkaji peraturan Bank bagi kakitangannya menyalurkan pandangan dengan yakin, secara sulit, mengenai kemungkinan salah laku dalam laporan kewangan atau perkara-perkara lain. BAC juga hendaklah memastikan peraturan ini membenarkan siasatan dan tindakan susulan yang sesuai dijalankan dengan telus dan bebas.

Audit Dalaman

BAC akan:

- Memantau dan mengkaji keberkesanan fungsi audit dalaman Bank dalam konteks keseluruhan sistem pengurusan risiko Bank.
- Mengkaji, menilai dan meluluskan skop pelan audit, program audit, proses dan pelan tahunan audit dalaman.
- Menimbang dan meluluskan bidang kuasa fungsi audit dalaman dan memastikan ia mempunyai sumber teknikal yang kompeten dan mencukupi serta akses yang sewajarnya kepada maklumat bagi membolehkannya melaksanakan fungsinya dengan berkesan dan menurut piawaian profesional yang berkaitan.
- Mengkaji keberkesanan prasarana untuk memastikan pematuhan prinsip-prinsip Syariah.
- Mengkaji aktiviti audit dalaman, penemuan dan cadangan, serta memantau maklum balas dan memastikan tindakan telah diambil oleh pihak Pengurusan ke atas penemuan dan cadangan juruaudit dalaman.
- Meluluskan pelantikan, penilaian dan penyingkiran Ketua Juruaudit Dalaman. BAC akan menilai prestasi dan memutuskan tentang pakej imbuhan bagi juruaudit dalaman.
- Mengkaji secara tetap prosedur bagi mengesan dan mencegah penipuan.
- Memastikan fungsi audit dalaman mampu dan boleh menjalankan siasatan bagi pihak BAC.

Providing Information

BAC shall review the Bank's regulations relating to its employees in highlighting concerns, with confidentiality, on the possible misconduct of financial reporting or other matters. The BAC shall ensure that this arrangement provides an appropriate examination with follow-up actions, and is transparent, and independent on such matter.

Internal Audit

The BAC shall:

- *Monitor and analyse the effectiveness of the Bank's internal audit within the overall context of the Bank's risk management system.*
- *Analyse, evaluate, and approve the scope of the audit plan, audit programmes, processes and the annual internal audit plan.*
- *Consider and approve the authority of the internal audit functions and ensure that it has competent and adequate technical resources and the appropriate access to information which enables performance of its functions effectively and in accordance to the relevant professional standards.*
- *Review the effectiveness of the infrastructure to ensure compliance with Shariah principles.*
- *Analyse internal audit activities, findings and recommendations, as well as monitor the responses and ensure actions have been taken by the Management on the audit findings and recommendations.*
- *Approve the appointment, assessment and dismissal of the Chief Internal Auditor. BAC shall assess the performance and decide on the remuneration package for the internal auditors.*
- *Regularly analyse the procedures to detect and prevent fraud.*
- *Ensure that the internal audit function is capable of conducting examinations for the BAC.*

Juruaudit Luar

- Menimbang dan membuat saranan kepada Lembaga untuk dikemukan kepada para pemegang saham untuk kelulusan daripada Mesyuarat Agung Tahunan berkenaan pelantikan, pelantikan semula dan penyingkiran juruaudit luaran Bank.
- Mengawasi proses pemilihan juruaudit baru dan jika juruaudit meletak jawatan. BAC akan menyiasat isu-isu yang membawa kepada perletakan jawatan tersebut dan menetapkan sama ada apa-apa tindakan adalah diperlukan.
- Menyelia hubungan dengan juruaudit luar termasuk (tetapi tidak terhad kepada):

  a. Kelulusan imbuhan mereka, sama ada fi untuk pengauditan atau perkhidmatan bukan auditan dan bahawa tahap fi adalah bersesuaian bagi membolehkan audit yang secukupnya dilaksanakan.

  b. Kelulusan bagi terma penglibatan mereka, termasuk surat perlantikan yang dikeluarkan pada permulaan setiap audit dan skop audit.

  c. Berpuas hati bahawa tidak ada hubungan (seperti keluarga, pekerjaan, pelaburan, kewangan atau perniagaan) antara juruaudit dan Bank (selain daripada perjalanan biasa urusan perniagaan).
- Mengkaji dan meluluskan pelan audit tahunan dan memastikan bahawa ia konsisten dengan skop keterlibatan audit.
- Mengkaji penemuan audit dengan Juruaudit Luar. Ini termasuk tetapi tidak terhad kepada:

  a. Perbincangan tentang apa-apa isu besar yang timbul sewaktu auditan.

  b. Apa-apa pertimbangan perakaunan dan pengauditan.

  c. Tahap kesilapan yang dikenal pasti sewaktu pengauditan.

External Auditors

- *Evaluate and make recommendations to the Board for presentation to the shareholders for the approval of the AGM on the appointment, reappointment and removal of the external auditors of the Bank.*
- *Oversee the process of hiring new auditors and when an auditor resigns. The BAC shall investigate the cost of the issue and determine on whether any action is required.*
- *Coordinate the relationship with the external auditors, including (but not limited to):*

  a. Approval of the remuneration, either fees for audit or non-audit services and that the level of fee is appropriate enabling an adequate audit to be performed.

  b. Approval of the terms of the engagement, including the engagement letter issued at the commencement of each audit and the audit scope.

  c. Satisfy themselves that there are no relationship (such as family, employment, investment, financial or business) between auditors and Bank (other than the ordinary course of business dealings).
- *Review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement.*
- *Review audit findings with the External Auditors. This includes but not limited to:*

  a. Discussion on any major issues arising during the audit.

  b. Any accounting and auditing judgments.

  c. The level of error identified during the audit.

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BANK PERTANIAN MALAYSIA BERHAD (811810-U)

PEMATUHAN
COMPLIANCE

Ahli Lembaga Pengarah secara berterusan menumpukan kepada aspek pematuhan bagi mencapai jangkaan tinggi dari pihak berkepentingan berhubung amalan kejujuran, akauntabiliti, ketelusan dan profesionalisme.

Pematuhan adalah penerapan budaya pematuhan secara berterusan bagi menggalakkan kelakuan yang beretika dengan mematuhi undang-undang, peraturan-peraturan dan polisi-polisi yang berkaitan dengan aktiviti-aktiviti perniagaan Bank serta melindungi aset-aset Bank.

Jabatan Pematuhan bertanggungjawab untuk memastikan langkah-langkah yang wajar diperkenalkan, diguna pakai dan diterapkan dalam budaya pematuhan dan budaya risiko pada semua peringkat kakitangan. Langkah-langkah yang dilaksanakan termasuk pemantauan, pelaporan, latihan, memberi nasihat dan penyebaran maklumat.

Bagi tadbir urus korporat yang baik, Jabatan Pematuhan dipertanggungjawabkan terus kepada Lembaga Pengarah agar Jabatan Pematuhan berfungsi secara bebas, objektif dan telus.

Di ibu pejabat dan peringkat cawangan, wakil pematuhan dilantik untuk menjalankan fungsi pematuhan dan tadbir urus korporat yang sesuai dengan melapor kepada Ketua Pematuhan, di samping melapor terus ke unit masing-masing. Untuk pemantauan dan pelaporan, unit-unit perniagaan menjalankan swataksir tetap manakala laporan bulanan, suku tahunan, laporan setengah tahun dan pengecualian dijalankan untuk mengawasi pematuhan mereka terhadap undang-undang dan peraturan-peraturan.

Program kesedaran pematuhan adalah untuk mengukuhkan kesedaran kakitangan terhadap tanggungjawab Bank, terhadap kewajaran Pencegahan Pengubahan Wang Haram dan Pembanterasan Pembiayaan Keganasan, dan terhadap aktiviti-aktiviti berkaitan pengubahan wang haram atau pembiayaan keganasan dan tingkah laku yang perlu dititikberatkan oleh kakitangan. Program latihan kesedaran anti-pengubahan wang haram merupakan sebahagian daripada program latihan am dan merupakan latihan berterusan yang mengambil kira perubahan peraturan dan prosedur.

In order to achieve a high level of stakeholder expectation in practice of honesty, accountability, integrity and professionalism, the Board of Directors constantly focus on compliance to achieve that expectation.

Compliance is to promote compliant cultures that encourage ethical conduct and continuous compliance with laws, regulations and policies relating to the Bank's business activities as well as to safeguard the Bank's assets.

Compliance is responsible to ensure that appropriate measures are introduced and applied as well as to inculcate a compliant and risk culture across all levels of staff. Measures taken include monitoring and reporting, training, providing advice and disseminating information.

For good corporate governance, Compliance Department has an independent reporting line to the Board of Directors to allow Compliance Department to act independently, objectively and transparently.

At head office and branch level, Compliance representatives are appointed to carry out compliance functions and appropriate corporate governance with reporting line by the various compliance representatives to Head of Compliance, in addition to their direct reporting line to their respective units. For the monitoring and reporting, businesses conduct regular self-assessment and the monthly, quarterly, half yearly and exception reporting are carried out to monitor their compliance with rules and regulations.

Compliance awareness programmes were conducted to strengthen staff awareness on the Bank's obligations, the rationale of Anti Money Laundering and Counter Financing Terrorism Act, of activities with regard to money laundering or terrorist financing and of the behaviour the staff should adopt. The anti-money laundering awareness training programme was part of a general and continuous training programme which takes into account the changes of regulations and procedures.

Selain daripada polisi dan tatacara yang ditentukan berkaitan dengan perniagaan Bank, semua kakitangan juga terikat dengan peraturan-peraturan etika yang berikut:

- Polisi pemberi maklumat.
- Manual Pencegahan Pengubahan Wang Haram dan Pembanterasan Pembiayaan Keganasan.
- Manual Pematuhan.
- Manual Pengurusan Penyelewengan.
- Piawaian Pematuhan Ahli Lembaga Pengarah.

Jabatan Pematuhan sentiasa memberi bimbingan berkaitan peraturan dan undang-undang bagi meningkatkan persefahaman dan memastikan kemudahan penyebaran maklumat dilaksanakan.

Besides the specific policies and procedures relating to the Bank's business, all staffs are subject to the ethical regulations and general behaviour as follows:

- *Whistleblower Policy.*
- *Manual on Anti-Money Laundering and Counter Terrorism Financing.*
- *Compliance Manual.*
- *Fraud Management Manual.*
- *Compliance Standard for Board of Directors.*

Compliance provides guidance on rules and regulations to further enhance and promote better understanding and facilitates information dissemination.

PENGURUSAN RISIKO
RISK MANAGEMENT

Pengenalan

Wawasan Agrobank dalam pengurusan risiko adalah bagi mengoptimumkan nilai pelanggan Bank untuk mencapai Garis Panduan Basel.

Misinya adalah seperti berikut:

- Melindungi kekukuhan kewangan Agrobank dengan menjajarkan risiko Bank kepada tahap modal risiko yang tersedia dan yang dikehendaki.
- Melindungi reputasi Agrobank dengan memelihara integriti perniagaan bank.
- Mewujudkan ketelusan risiko dengan mengenal pasti sewajarnya kesemua risiko penting dan melihat risiko sebagai komponen penting dan bersepadu dalam membuat keputusan komersial yang wajar.
- Mengendalikan kawalan risiko bebas dengan meletakkan operasi kawalan risiko dijalankan berasingan daripada semua aktiviti komersial.

Introduction

Agrobank's vision in risk management is to optimise the Bank's client value and chart towards achieving Basel Guidelines.

The mission is:

- *To protect Agrobank's financial soundness by aligning the Bank's risk appetite with the available and desired risk capital levels.*
- *To protect Agrobank's reputation by preserving the integrity of the bank's business.*
- *To create risk transparency by proper identification of all significant risks and considering risk as an essential and integral component in making sound commercial decisions.*
- *To organise independent risk control where risk control is operated independently from all commercial activities.*

Tujuh (7) Prinsip Menyeluruh Pengurusan Risiko

Rangka Kerja Pengurusan Risiko Agrobank adalah berdasarkan kepada tujuh (7) prinsip umum seperti berikut:

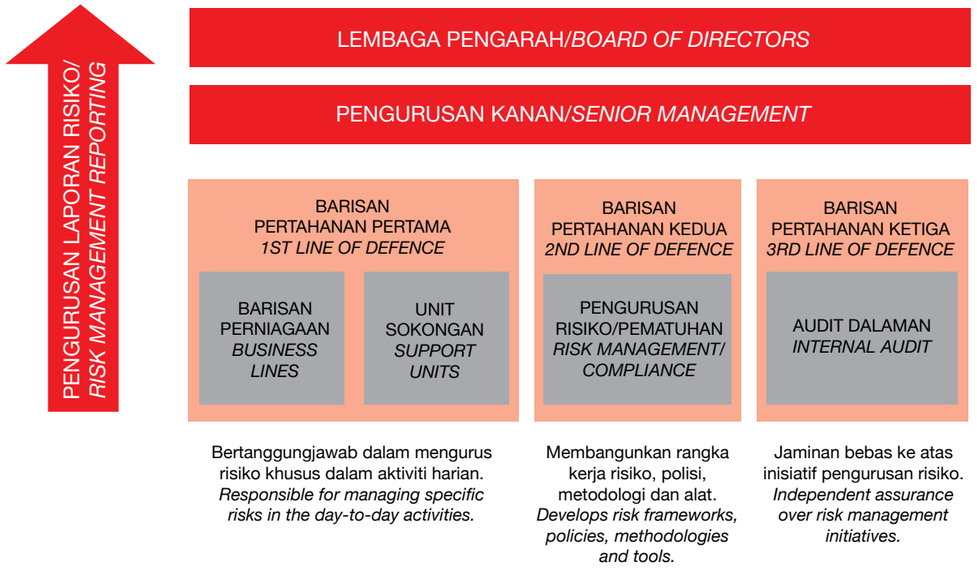
1. Pendekatan pengurusan risiko disandarkan kepada tiga (3) barisan pertahanan iaitu, unit pengambilan risiko, unit kawalan risiko dan audit dalaman.
2. Unit pengambilan risiko bertanggungjawab bagi pengurusan risiko hari ke hari yang wujud dalam aktiviti perniagaan mereka manakala unit kawalan risiko bertanggungjawab menetapkan rangka kerja pengurusan risiko dan membangunkan alat dan kaedah bagi pengenalpastian, pengukuran, pemantauan, kawalan dan harga risiko. Audit Dalaman melengkapi tanggungjawab ini dengan cara menyediakan jaminan bebas terhadap keberkesanan pendekatan pengurusan risiko.
3. Pengurusan risiko menyediakan pengawasan risiko bagi kategori risiko utama termasuk risiko kredit, risiko pasaran, risiko kecairan, risiko operasi dan risiko-risiko industri khusus yang lain.

Seven (7) Broad Risk Management Principles

Agrobank's Risk Management Framework is premised on seven (7) broad principles as follow:

1. *The risk management approach is premised on three (3) lines of defence namely, risk taking units, risk control units and internal audit.*
2. *The risk taking units are responsible for the day-to-day management of risks inherent in their business activities while the risk control units are responsible for setting the risk management frameworks and developing tools and methodologies for the identification, measurement, monitoring, control and pricing of risk. Internal Audit complements this by providing independent assurance of the effectiveness of the risk management approach.*
3. *Risk management provides risk oversight for the major risk categories including credit risk, market risk, liquidity risk, operational risk and other industry-specific risks.*

Konsep Tiga (3) Barisan Pertahanan dalam Menguruskan Risiko
Three (3) Lines of Defence Concept in Managing Risk



4. Pengurusan risiko memastikan bahawa polisi teras risiko Bank adalah konsisten, menetapkan tahap toleransi risiko dan memudahkan pelaksanaan rangka kerja pengukuran bersepadu risiko terlaras.

5. Fungsi dan pengendalian pengurusan risiko tidak bergantung kepada pelbagai unit perniagaan dan unit pengambilan risiko di dalam Bank.

6. Lembaga Pengarah, melalui Jawatankuasa Pengurusan Risiko, menyenggara tanggungjawab keseluruhan bagi pengawasan risiko di dalam Bank.

7. Pengurusan risiko bertanggungjawab bagi pelaksanaan pelbagai dasar risiko dan keputusan Lembaga Pengarah yang berkaitan.

Risiko Struktur Tadbir Urus

Bank telah mewujudkan Rangka Kerja Pengurusan Risiko (RMF) yang jelas yang menggariskan sempadan operasi dan pengurangan risiko Agrobank. Di bawah RMF, telah ditubuhkan rangka kerja, dan struktur tadbir urus risiko serta pengawasan risiko Lembaga Pengarah dan Pengurusan Kanan.

Tadbir Urus Risiko di Bahagian Pengurusan Risiko

Pengurusan Risiko berfungsi secara bebas daripada sektor perniagaan dan unit-unit pengambilan risiko lain di dalam Bank. Berkuat kuasa Ogos 2011, struktur Pengurusan Risiko disusun semula untuk mencerminkan garis panduan Basel II dan amalan terbaik industri bagi menyediakan satu platform yang lebih mantap dan sejajar dengan peningkatan keupayaan untuk mengukuhkan lagi fungsi pengurusan risiko.

4. *Risk management ensures that the core risk policies of the Bank are consistent, sets the risk tolerance level and facilitates the implementation of an integrated risk-adjusted measurement framework.*

5. *Risk management is functionally and organisationally independent of the business units and other risk taking units within the Bank.*

6. *The Board, through the Risk Management Committee, maintains overall responsibility for risk oversight within the Bank.*

7. *Risk management is responsible for the execution of various risk policies and related decisions of the Board.*

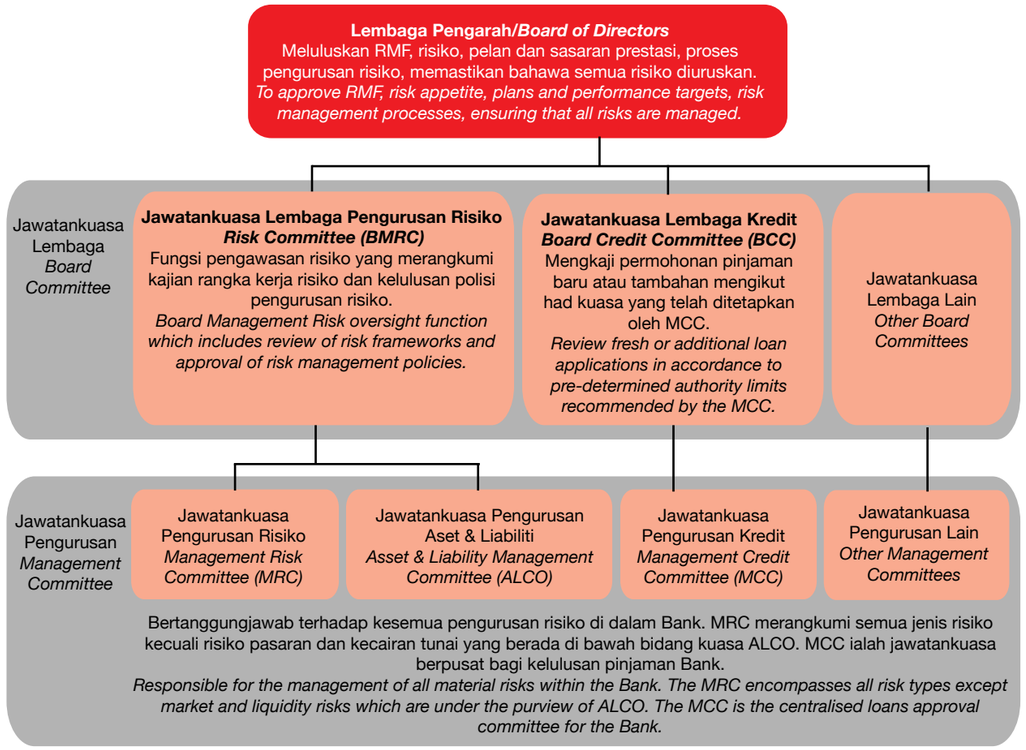
Risk Governance Structures

The Bank has established a clearly defined Risk Management Framework (RMF) which sets the boundaries within which Agrobank operates and mitigates its risks. Under the RMF, risk frameworks and governance structures as well as Board and Senior Management risk oversight have been established.

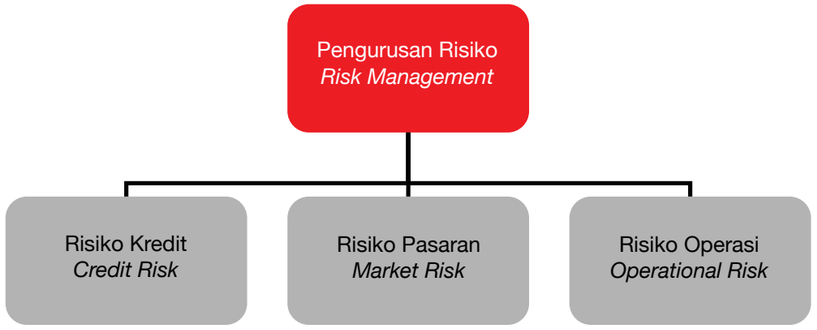
Enhanced Risk Governance at Risk Management Division

Risk management is functionally independent of the business sectors and other risk taking units within the Bank. Effective August 2011, the Risk Management structure was re-organised to reflect Basel II guidelines and industry best practices in order to provide a more robust and aligned platform with enhanced capabilities to further strengthen the risk management functions.

Struktur Tadbir Urus Risiko Agrobank
Agrobank Risk Governance Structure



Carta Organisasi Bahagian Pengurusan Risiko
Risk Management Division Organisation Chart



Proses Pengurusan Risiko Agrobank

Proses pengurusan risiko Bank bertujuan mengenal pasti, mengukur, memantau dan mengawal risiko dalam usaha untuk mengoptimumkan pulangan bagi aktiviti pembiayaan dan pengambilan risiko. Proses ini diamalkan apabila menguruskan risiko kredit, risiko operasi dan risiko pasaran dalam Bank.

Agrobank's Risk Management Process

The risk management process within the Bank seeks to identify, measure, monitor and control risk in order to optimise returns for Agrobank's financing and risk-taking activities. This process is practised when managing credit risk, operational risk and market risk within the Bank.

Proses Pengurusan Risiko Agrobank
Agrobank Risk Management Process

Pengasalan Risiko oleh unit-unit perniagaan *Risk origination by business units*	Pengenalpastian Risiko *Risk identification*	Penilaian & pengukuran risiko *Risk assessment & measurement*	Kawalan & pengurangan risiko *Risk control & mitigation*	Pengawasan risiko *Risk monitoring*
Jenis Risiko *Type of Risks*	**Mengenal pasti, memahami dan menganalisis risiko *Identify, understand and analyse risks***	**Mengukur dan menilai kesan risiko *Quantity and assess risk impact***	**Mencadangkan langkah-langkah untuk mengawal dan mengurangkan risiko *Recommend measures to control and mitigate risks***	**Mengawasi dan melaporkan mengenai kemajuan dan pematuhan *Monitor and report on progress and compliance***
RISIKO KREDIT *CREDIT RISK*	Penumpuan risiko, penandaarasan, "red flag", ulasan post-mortem. *Concentration risk, benchmarking, "red flags", post-mortem review.*	Penarafan risiko kredit, ujian tekanan, mewujudkan proses penilaian kredit bagi memastikan ketepatan masa dan ketekalan. *Credit risk rating, stress testing, establishing process to ensure timeliness and consistency of credit assessment.*	Polisi dan prosedur, pemilihan kakitangan kredit, ulasan kredit bebas, ulasan selepas penilaian dan had kredit. *Policies and procedures, selection of credit personal independent credit review and credit limits.*	Analisis portfolio, pemantauan pemulihan/NPL, ulasan bebas kredit. *Portfolio Analysis rehabilitation/ NPL monitoring, independent credit review.*
RISIKO PASARAN *MARKET RISK*	Mengkaji turun naik pasaran/prospek, analisis dan unjuran kematangan kecairan. *Review on market volatility/outlook, analysis and projections of liquidity maturity.*	Penilaian, ujian tekanan, pemantauan, simulasi kepekaan Pendapatan Faedah Bersih. *Valuation, stress testing, monitoring, sensitivity simulation on net Interest Income.*	Polisi dan prosedur, kecairan dan had kadar faedah, pengasingan tugas, kepelbagaian. *Policies and procedures, liquidity and interest rate limits, segregation of duties, diversification.*	Semakan dasar berkala, prosedur dan had kedua-dua pematuhan dalaman dan pengawalseliaan. *Periodic review of policies, procedures and limits both internal and regulatory compliance.*
RISIKO OPERASI *OPERATIONAL RISK*	Kajian dan penilaian produk baru, mengenal pasti pelaporan insiden RCSA dan KRI. *Review and assessment of new products, identify RCSA and KRIs, incident reporting.*	Semakan yang kerap kepada kecukupan dan keberkesanan kawalan yang luas di peringkat proses, perniagaan dan Bank. *Regular review of control adequacy and effectiveness at process, business and Bank wide level.*	Kawalan dalaman yang menyeluruh termasuk pengasingan fungsi, proses pengesahan bersegmen/pelbagai tingkat, ujian tetap BCM dan DRP. *Comprehensive internal control including segregation of functions, segmented/ multi-tier authorisation process, regular testing of BCM and DRP.*	Memantau Risiko Petunjuk Utama, prestasi laporan kakitangan, proses-proses, sistem-sistem dan peristiwa. *Monitor Key Risk Indicators, performance reports for people, processes, systems and other external events.*

Pengurusan Risiko Kredit

Risiko kredit ialah risiko potensi kerugian sekiranya pelanggan atau rakan niaga gagal untuk menunaikan tanggungjawab berkontrak beliau.

Matlamat pengurusan risiko kredit adalah untuk memaksimumkan kadar pulangan terlaras Bank dengan mengekalkan pendedahan risiko kredit dalam parameter yang boleh diterima. Pendedahan risiko kredit Bank timbul terutamanya daripada pinjaman dan aktiviti pelaburan. Melalui Bahagian Pengurusan Risiko, Bank menguruskan risiko kredit yang wujud dalam portfolio keseluruhan dan juga risiko kredit atau transaksi individu.

Rangka Kerja Pengurusan Risiko Kredit (CRMF) menyediakan polisi dan garis panduan program pemberian kredit, produk dan proses kredit yang diguna pakai oleh unit pengambilan risiko. Dasar-dasar ini mengkehendaki Bank supaya menaja jamin risiko dalam lingkungan risikonya. Pengurusan risiko kredit diperkukuhkan melalui sistem pemantauan dan kawalan pinjaman yang berkesan manakala ulasan kredit yang tetap dan tepat pada masanya berupaya memberi isyarat dan amaran, memastikan pengesanan awal masalah yang berpotensi, sekali gus meningkatkan peluang untuk melakukan tindakan pembetulan atau pemulihan.

Pengurusan Risiko Kredit Bank meliputi antara lain peranan dan fungsi berikut dalam menguruskan risiko kredit:

- Merangka polisi risiko kredit keseluruhan Bank.
- Menggubal had kawalan risiko.
- Pengurusan portfolio risiko dan kawalan.
- Membangunkan metodologi ujian tekanan.
- Melaksanakan analisis dan ulasan sektor.
- Melaksanakan pasca kelulusan ulasan kredit.
- Meningkatkan pemarkahan kredit dan alat penarafan.
- Pemantauan dan pelaporan risiko.

Credit Risk Management

Credit risk is the risk of potential losses in the event of a customer or counterparty fails to discharge his or her contractual obligations.

The goal of credit risk management is to maximise the Bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters. The Bank's credit risk exposures arise primarily from its lending and investment activities. The Bank through Risk Management Division manages the credit risk inherent in the entire portfolio as well as the risk in individual credits or transactions.

The Credit Risk Management Framework (CRMF) provides policies and guidelines to be adopted by risk taking units in the credit granting programmes, products and credit processes. These policies require that the Bank underwrites risks within its risk appetite. Credit risk management is strengthened through an effective loan monitoring system and controls whilst regular and timely credit reviews provide alerts and warning signals, ensuring early detection of potential problems, thus improving chances of remedial actions or recovery.

The Bank's Credit Risk Management entails among others the following roles and functions in managing credit risk:

- *Formulate Bank-wide credit risk policies.*
- *Formulate risk control limits.*
- *Portfolio risk management and control.*
- *Develop stress test methodologies.*
- *Perform sector analysis and reviews.*
- *Perform post-approval reviews on credit.*
- *Enhancing the credit scoring and rating tools.*
- *Risk monitoring and reporting.*

Pengurusan Risiko Pasaran

Pengurusan Risiko Pasaran terdiri daripada dua (2) komponen utama, iaitu harga/risiko kadar faedah dan risiko kecairan. Kadar faedah harga/risiko merujuk kepada kehilangan pendapatan yang berlaku akibat perubahan harga dan kadar pasaran; termasuk kadar faedah/keuntungan, harga ekuiti, harga komoditi dan kadar pertukaran asing. Risiko Kecairan ialah risiko yang tidak dapat memenuhi komitmen pembayaran apabila tiba masanya, tanpa mengakibatkan kos atau kerugian yang tidak boleh diterima (Pembiayaan Risiko Kecairan) atau ketidakupayaan untuk menguraikan/mengimbangi kedudukannya di pasaran dalam tempoh masa yang singkat atau menyamai harga pasaran sebelumnya (Pasaran Risiko Kecairan).

Objektif pengurusan risiko pasaran adalah untuk mengurangkan sebarang potensi kerugian daripada pergerakan harga pasaran/kadar faedah yang tidak diduga yang kemudiannya menjejaskan keuntungan Bank yang diwakili oleh Pendapatan Faedah Bersih (NII) atau Margin Faedah Bersih (NIM) dan dana pemegang sahamnya, serta untuk memastikan bahawa Bank mempunyai kecairan yang mencukupi untuk menghadapi sebarang potensi kerugian yang mungkin timbul akibat ketidakpadanan antara aliran masuk dengan aliran keluar yang tidak dijangka.

Pengurusan Risiko Pasaran dalam Bank melibatkan pengenalpastian pelbagai faktor risiko, memantau dan mengukur pendedahan kepada faktor-faktor yang menggunakan alat-alat dan model yang dipilih dan menilai keupayaan Bank untuk menguruskan risiko secara berkesan. Had yang sepadan dengan risiko Bank telah ditetapkan di pelbagai peringkat dan dipantau secara berterusan oleh Jawatankuasa Aset Liabiliti (ALCO) dan Jawatankuasa Pengurusan Risiko (BRMC). ALCO bertanggungjawab untuk menyelia operasi Bank berkaitan dengan kecairan dan risiko kadar faedah bagi **Perbankan Konvensional dan Islam** manakala peranan BRMC adalah untuk meluluskan had yang ditetapkan dan memastikan Pengurusan mematuhi had berkenaan.

Market Risk Management

Market Risk Management comprises of two (2) major components, namely price/interest rate risk and liquidity risk. Price/Interest rate risk refers to the loss of earnings arising from changes in market prices and rates; including interest/profit rates, equity prices, commodity prices and foreign exchange rates. Liquidity Risk is associated with the risk of not being able to fulfil payment commitment as they fall due, without incurring unacceptable cost or losses (Funding Liquidity Risk) or the inability to unwind/ offset its position in the market within a short span of time or near to previous market price (Market Liquidity Risk).

The objective of market risk management is to mitigate any potential loss from unexpected movements in market prices/interest rates which significantly affect the profitability of the Bank represented by Net Interest Income (NII) or Net Interest Margin (NIM) and its shareholders' fund, as well as to ensure that the Bank has sufficient liquidity to withstand any unexpected potential loss which may arise due to a mismatch between the bucketed inflows and the unexpected outflow of funds.

Market Risk Management in the Bank involves the identification of various risk factors, monitoring, and measuring exposures to those factors using selected tools and models and assessing the Bank's ability to effectively manage the risks. Limits commensurate with the Bank's risk appetite are set at various levels and monitored continuously by Asset Liability Committee (ALCO) and Risk Management Committee (BRMC). ALCO is responsible to oversee the operations of the Bank relating to liquidity and interest rate risks for ***Conventional and Islamic Banking*** *while BRMC's role is to approve prescribed limits and to ensure those comply with the Management.*

Operasi hari ke hari dan pengurusan risiko itu dilakukan oleh Jabatan Pengurusan Risiko Pasaran (MRMD). MRMD menjalankan peranan sokongan berikut:

- Merangka dan mengkaji pasaran Bank dan rangka kerja risiko kecairan dan dasar, dasar pengurusan aset liabiliti (ALM), Pelaburan dan Perbendaharaan yang berkaitan dengan dasar/ had yang selaras dengan hala tuju perniagaan bank dan keperluan pengawalseliaan yang telah disemak semula. Ini termasuk membangunkan langkah-langkah risiko yang sesuai dan mengaitkan had risiko untuk pengurusan pasaran dan risiko kecairan yang berkesan.

- Memantau aktiviti harian perbendaharaan secara bebas termasuk pelaporan dan peningkatan pengecualian dan laporan berkala pasaran dan pendedahan risiko kecairan kepada ALCO dan BRMC.

- Mengkaji kertas cadangan produk baru dan menandatangani dokumen (bersama-sama dengan unit pengurusan risiko lain) untuk menilai dan memberi nasihat mengenai risiko pasaran dan kecairan sebelum dibawa ke tahap pengurusan yang lebih tinggi atau kelulusan Bank Negara Malaysia.

- Menyediakan aktiviti sokongan pengurusan risiko yang bersepadu bersama-sama dengan fungsi pengurusan risiko lain dan menyertai jabatan-jabatan lain yang terlibat dalam risiko pasaran, risiko kecairan, ALM, pelan kontingensi pembiayaan (CFP), pelaksanaan garis panduan Bank Negara Malaysia dan analisis latihan ujian tekanan/senario.

The day-to-day operational and management of those risks are done by Market Risk Management Department (MRMD). The MRMD undertakes the following support roles:

- *Formulating and reviewing the Bank's market and liquidity risk framework and policies, asset liability management (ALM) policy, Investment and Treasury related policies/limits in accordance with the bank's business direction and revised regulatory requirements. This includes developing appropriate risk measures and associated risk limits to effectively manage market and liquidity risks.*

- *Carrying out independent monitoring of treasury activities on a daily basis including reporting and escalation of exceptions and regular reporting of its market and liquidity risk exposures to ALCO and BRMC.*

- *Reviewing new product proposal papers and sign-off documents (in conjunction with other risk management units) to assess and advise the market and liquidity risks prior to escalation to higher levels or Bank Negara Malaysia for approval.*

- *Providing integrated risk management support activities in conjunction with other risk management functions and participating with other departments involving market risk, liquidity risk, ALM, contingency funding plan (CFP), Bank Negara Malaysia's guidelines implementation and stress testing/scenario analysis exercises.*

Pengurusan Operasi Risiko (ORM)

Risiko operasi ialah risiko kerugian yang diakibatkan daripada kekurangan atau kegagalan proses dalaman, manusia dan sistem atau peristiwa luaran. Definisi ini meliputi risiko perundangan tetapi tidak meliputi risiko strategik dan reputasi. Risiko operasi wujud dalam operasi perniagaan Bank dan tidak dapat dielakkan. Objektif pengurusan risiko operasi adalah untuk mengambil tindakan yang sewajarnya untuk menguruskan risiko operasi dan memastikan ia berada pada tahap yang boleh diterima.

Pada bulan Ogos 2011, Jabatan Pengurusan Risiko Operasi (ORMD) telah ditubuhkan untuk mengukuhkan pengurusan operasi risiko. Risiko ini diuruskan melalui fungsi utama seperti berikut:

- Rangka Kerja dan dasar Pengurusan Operasi Risiko yang wajar.
- Pelaksanaan alat dan sistem ORM.
- Menyediakan Pelan Kesinambungan Pengurusan Perniagaan yang mantap dan boleh dilaksanakan.

Operational Risk Management (ORM)

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk but excludes strategic and reputational risk. Operational risk is inherent in the Banks business operations and therefore unavoidable. The objective of operational risk management is to take appropriate action to manage its operational risk and keep it within an acceptable level.

In August 2011, the Operational Risk Management Department (ORMD) was established to strengthen the management of operational risk. These risks are managed through the following key functions:

- *Sound Operational Risk Management Framework and policies.*
- *Implementation of ORM tools and ORM system.*
- *Having in place a robust and executable Business Continuity Management plan.*

Rangka Kerja dan Dasar Pengurusan Risiko Operasi

Pengurusan operasi risiko merupakan kaedah mengenal pasti punca kegagalan secara sistematik dalam operasi hari ke hari organisasi, menilai potensi kerugian dan mengambil tindakan yang sewajarnya untuk meminimumkan impak kerugian tersebut.

Misi Jabatan Operasi Risiko adalah untuk mengurangkan pendedahan Bank kepada kerugian yang tidak dijangka dan untuk mengoptimumkan tahap modal bagi operasi risiko.

Selaras dengan ini, Bank telah memulakan pengukuhan operasi risiko dengan menguruskannya melalui dasar rangka kerja, teknik dan prosedur untuk mengurangkan risiko operasi akibat daripada kekurangan atau kegagalan proses dalaman, orang, sistem atau daripada peristiwa-peristiwa luaran. Laporan pengurusan risiko berkala dikaji semula oleh Jawatankuasa Pengurusan Risiko dan Lembaga Pengarah (BRMC). Rangka kerja teknik dan prosedur merangkumi yang berikut:

- Mengkaji Rangka Kerja Pengurusan Operasi Risiko.
- Membangunkan dasar untuk mengurangkan risiko yang wujud dalam pembangunan produk-produk baru.

Pada bulan November 2011, KPMG telah dilantik untuk menyediakan khidmat nasihat mengenai pengurusan operasi risiko termasuk kajian diagnostik Rangka Kerja Pengurusan Operasi Risiko Bank.

Polisi Kelulusan Produk telah diluluskan untuk memastikan penempatan amalan pengurusan risiko yang mantap dalam pembangunan produk baru.

Operational Risk Management Framework and Policies

Operational risk management is the discipline of systematically identifying the causes of failures in the organisation's day-to-day operations, assessing the potential loss and taking appropriate action to minimise the impact of such loss.

The mission of Operational Risk Department is to reduce the Bank's exposure to unexpected losses and to optimise the level of capital for operational risk.

In line with this, the Bank has embarked on strengthening its operational risk by managing it through a framework of policies, techniques and procedures to minimise operational risks that result from inadequate or failed internal processes, people, systems or from external events. Periodic risk management reports are reviewed by the Board Risk Management Committees (BRMC). The framework of techniques and procedures encompasses the following:

- *Reviewing the Operational Risk Management Framework.*
- *Developing policies to mitigate inherent risks in developing new products.*

In November 2011, KPMG was appointed to provide advisory services on operational risk management including a diagnostic review of the Bank's Operational Risk Management Framework.

A New Product Sign-off Policy was approved to ensure the emplacement of sound risk management practices in the development of new products.

Kaedah dan Sistem Pengurusan Risiko Operasi

ORMD sedang dalam proses membangunkan dan meningkatkan Kaedah Pengurusan Risiko:

- Pengurusan Insiden dan Pengumpulan Maklumat (IMDC).
- Risiko dan Penilaian Swataksir (RCSA).
- Petunjuk Risiko Utama (KRI).

Pengurusan Insiden dan Pengumpulan Maklumat (IMDC) digunakan untuk membina repositori data berkaitan risiko untuk menyokong laporan insiden dan kerugian Risiko Operasi yang mantap dan berbutir. Pengesanan yang tepat pada masanya dan pemantauan risiko akan membantu mengurangkan kerugian yang disebabkan oleh peristiwa risiko. Data yang dikumpul akan digunakan untuk meramal, mengukur, memantau, dan melapor potensi pendedahan Operasi Risiko di dalam Bank dan untuk menyediakan asas pengurusan data, analisis, laporan dan pemantauan dalam pematuhan kepada Basel II.

Risiko dan Kawalan Swataksir (RCSA) merupakan proses menilai risiko operasi dan kawalan yang wujud untuk membangunkan pelan tindakan bagi mengurangkan sisa risiko daripada proses perniagaan kritikal.

Petunjuk Utama Risiko (RCSA) memberikan isyarat amaran awal tentang peningkatan risiko dan/atau kegagalan kawalan.

Pada tahun 2011, laporan bulanan papan pemuka insiden operasi risiko kepada Jawatankuasa Pengurusan Risiko (MRC) telah dimulakan. Bank merancang untuk mengukuhkan infrastruktur dengan pembangunan terjadual dan pelancaran sistem ORM pada tahun 2012 yang akan menggabungkan IMDC, RCSA dan KRI.

Operational Risk Management Tools and System

The ORMD is in the process of developing and enhancing the following Risk Management Tools:

- *Incident Management and Data Collection (IMDC).*
- *Risk and Control Self-Assessment (RCSA).*
- *Key Risk Indicators (KRIs).*

Incident Management and Data Collection (IMDC) is used to build a repository of risk-related data to support robust and granular reporting of Operational Risk incidents and losses. The timely detection and monitoring of risks will help to reduce losses due to risk events. The data collected will be used to forecast, measure, monitor and report on potential Operational Risk exposure in the Bank and to prepare the groundwork for data management, analysis, reporting and monitoring issues for Basel II compliance.

Risk and Control Self-Assessment (RCSA) is a process where inherent operational risks and controls are assessed to develop action plans to reduce the residual risk of critical business processes.

Key Risk Indicators (KRIs) provide early warning signals of increasing risk and/or control failures.

In 2011, a monthly dashboard reporting of operational risk incidents to the Management Risk Committee (MRC) was initiated. The bank plans to strengthen its infrastructure with the scheduled development and launch of an ORM system in 2012 which will incorporate IMDC, RCSA and KRIs.

Pengurusan Kesinambungan Perniagaan (BCM)

Sebagai sebahagian daripada rangka kerja risiko menyeluruh operasi Bank dan selaras dengan Garis Panduan BCM Bank Negara Malaysia yang telah disemak, Pengurusan Kesinambungan Perniagaan dan strategi dan rancangan Pengurusan Krisis telah dikaji semula mengikut struktur organisasi yang baru yang berkuatkuasa pada 15 Ogos 2011 untuk mengurangkan potensi kesan ke atas perniagaan utama dan/atau gangguan sistem.

BCM meliputi perkara-perkara berikut:

- Pelan BCM bagi Ibu Pejabat, Pusat Perniagaan dan Cawangan.
- Pelan Persediaan Pandemik.
- Pelan Pemulihan Bencana.
- Pasukan Pengurusan Krisis.

Pelan BCM menekankan keselamatan orang ramai dan bertujuan memastikan kesinambungan perniagaan sekiranya berlaku gangguan dan bencana. Bank telah membangunkan strategi pemulihan untuk unit-unit perniagaan sebagai langkah mewujudkan masa henti yang munasabah kepada fungsi perniagaan yang kritikal.

Business Continuity Management (BCM)

As part of the Bank's comprehensive operational risk framework and in line with Bank Negara Malaysia's revised BCM Guidelines, Business Continuity Management and Crisis Management strategies and plans have been reviewed in accordance with the new organisation structure that took effect on 15 August 2011 to mitigate the potential impact of major business and/or system disruptions.

The BCM covers the following:

- *BCM plan for Head Office, Business Centres and Branches.*
- *Pandemic Preparedness Plan.*
- *Disaster Recovery Plan.*
- *Crisis Management Team.*

The BCM plan emphasises people's safety and aims to ensure business continuity in the event of disruptions and disaster. The Bank has developed a recovery strategy for the business units to establish maximum tolerable downtime for critical business functions.

Kesedaran Risiko

Inisiatif telah diambil untuk membangunkan dan meningkatkan budaya kesedaran risiko di Bank. Ini termasuk latihan dan sesi taklimat kepada unit perniagaan dan unit sokongan mengenai kesedaran risiko dan pengurusan kesinambungan perniagaan (BCM). Kesedaran risiko dan BCM juga merupakan sebahagian daripada modul latihan untuk pekerja baru.

Portal Risiko dan Portal BCM juga telah ditubuhkan untuk menyediakan maklumat mengenai pengurusan risiko dan pengurusan kesinambungan perniagaan sebagai sebahagian daripada alat kesedaran yang berterusan.

Risk Awareness

Initiatives have been undertaken to develop and enhance the risk-awareness culture in the Bank. These include training and briefing sessions on risk awareness and business continuity management (BCM) to business and support units. Risk awareness and BCM are also part of the training module for new recruits.

Risk Portal and BCM Portal have also been established to provide information on risk management and business continuity management as a part of the continual awareness tool.

Contact Centre: 1-300-88-2476
www.facebook.com/Agrobank agrobank_Msia

AGRO BANK
Sentiasa di Sisi Anda

www.agrobank.com.my

BANK PERTANIAN MALAYSIA BERHAD (811810-U)

MAKLUMAT LAIN
OTHER INFORMATION

MAKLUMAT KORPORAT
CORPORATE INFORMATION

Pejabat Berdaftar
Registered Office

Level 3, Bangunan Agrobank
Leboh Pasar Besar
50726 Kuala Lumpur.

Ibu Pejabat
Headquarters

Bank Pertanian Malaysia Berhad
Bangunan Agrobank
Leboh Pasar Besar
50726 Kuala Lumpur.

Ejen Kesetiausahaan Korporat
Corporate Secretarial Agent

Prokhas Sdn Bhd
(perkhidmatan ditamatkan bermula 30 September 2011)
(*services terminated effective from 30 September 2011*)

Juruaudit
Auditors

Tetuan *(Messrs)* Ernst & Young
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel. : (603)-7495 8000
Faks/*Fax* : (603)-2095 5332

Tarikh Diperbadankan
Date of Incorporation

31 Mac 2008 di bawah Akta Syarikat 1965
31 March 2008 under the Companies Act 1965

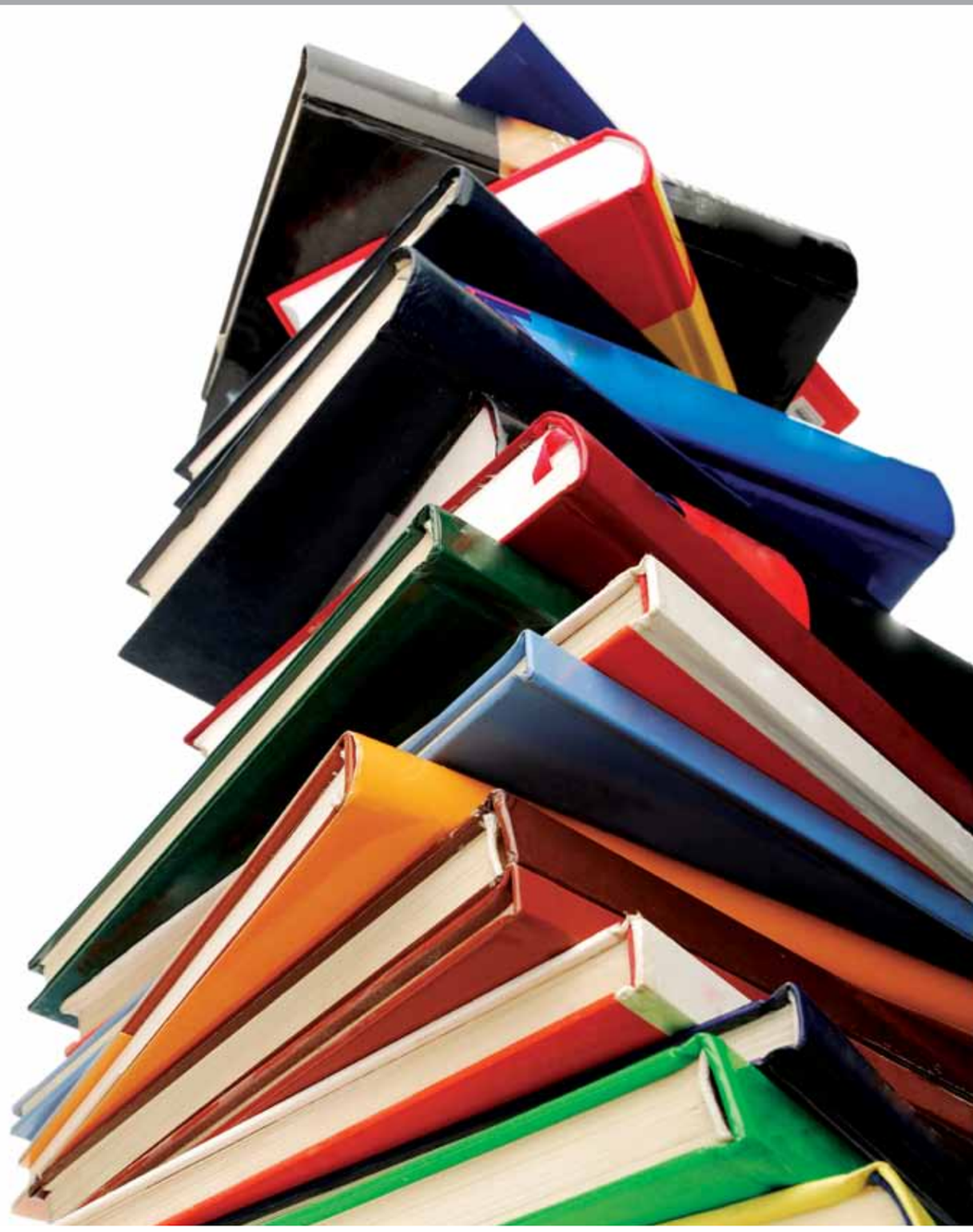
Laman Web
Website

http://www.agrobank.com.my

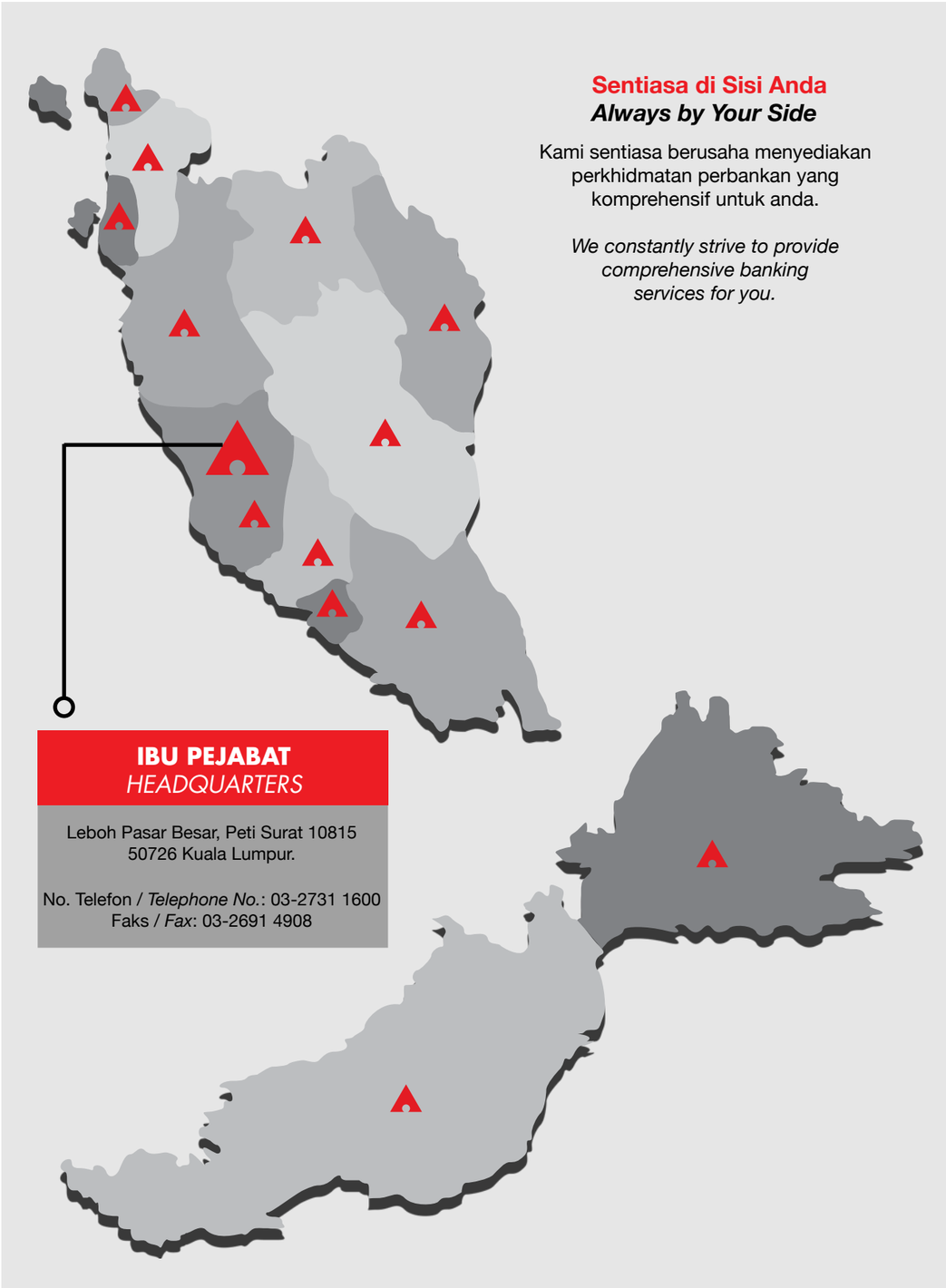
STATUS KORPORAT
CORPORATE STATUS

Bank Pertanian Malaysia Berhad (BPMB) telah didaftarkan dan diperbadankan pada 31 Mac 2008 di bawah Akta Syarikat 1965. BPMB yang secara komersialnya dikenali sebagai Agrobank, ialah Syarikat Berkaitan Kerajaan (GLC) di bawah Kementerian Kewangan Diperbadankan (MKD). Walau bagaimanapun, pembiayaan sektor pertanian dipandu oleh polisi-polisi yang ditetapkan oleh Kementerian Pertanian dan Industri Asas Tani.

Bank Pertanian Malaysia Berhad (BPMB) was registered and incorporated on 31 March 2008 under the Companies Act, 1965. BPMB which is also commercially known as Agrobank, is a Government-Linked Company (GLC) under the Ministry of Finance Incorporated (MKD). However, funding for the agricultural sector is guided by policies set by the Ministry of Agriculture and the Agro-Based Industry.



DIREKTORI KORPORAT
CORPORATE DIRECTORY



SELANGOR/W.P KUALA LUMPUR

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
IBU PEJABAT	Leboh Pasar Besar, Peti Surat 10815 50726 Kuala Lumpur.	03-2731 1600	03-2691 4908
AGROBANK DEVELOPMENT INSTITUTE (ABADI)	Lot 7, Persiaran Institusi 43000 Kajang, Selangor.	03-8925 9042 / 8925 9043 / 8925 9045 / 8925 9355	03-8925 5228
LOGISTIC AGROBANK	Lot 7, Persiaran Institusi 43000 Kajang, Selangor.	03-8925 5033 / 8925 5037 / 8925 4982	03-8925 5378
BUSINESS CENTRE SELANGOR / W.P KUALA LUMPUR	No. 3-5, Pusat Dagangan UMNO Shah Alam, Persiaran Damai, Seksyen 11 40000 Shah Alam, Selangor.	03-5510 4268 / 5510 4286 / 5519 3537 / 5512 4667	03-5510 6740 / 5513 4519
SHAH ALAM	No. 3-1, Pusat Dagangan UMNO Shah Alam, Persiaran Damai, Seksyen 11 40000 Shah Alam, Selangor.	03-5519 8250 / 5519 8433 / 5519 8409	03-5519 9017 / 5510 5173
TANJUNG KARANG	Lot 131, Jalan Bomba 45500 Tanjung Karang, Selangor.	03-3269 8084 / 3269 8052 / 3269 8064	03-3269 8100
BANTING	123 & 125 Jalan Sultan Abdul Samad 42700 Banting, Selangor.	03-3187 2552 / 3187 1558 / 3181 7099	03-3187 3080
KUALA KUBU BARU	38, Jalan Dato' Hj. Kamaruddin 44000 Kuala Kubu Baru, Selangor.	03-6064 1775 / 6064 1779	03-6064 1815
SUNGAI BESAR	Lot 4746 & 4747, Jalan Sungai Limau 45300 Sungai Besar, Selangor.	03-3224 2522 / 3224 2902 / 3224 3192	03-3224 1717
KLANG	No. 7, Lorong Batu 3, Kawasan 18 41300 Klang, Selangor.	03-3342 8212 / 3341 0662 / 3343 6584	03-3342 8203
KAJANG	No. 2-G & 2-1, Reko Sentral Jalan Reko Sentral 4, Off Jalan Reko 43000 Kajang, Selangor.	03-8736 6337 / 8736 6364 / 8736 9425	03-8736 6471 / 8133 1503
SEKINCHAN	No. 50 & 50A, Jalan Menteri Besar Sekinchan Business Centre 45400 Sekinchan, Selangor.	03-3241 0326 / 3241 3796	03-3241 0307
SUNGAI BULOH	Lot 2380 Jalan 1A/1, Bandar Baru Sungai Buloh, 47000 Sungai Buloh Selangor.	03-6156 7207 / 6156 7208	03-6156 7209
SALAK TINGGI	No. E 061 & E 071, Block No. E Phase 1B Cosmoplex Salak Tinggi 43900 Sepang, Selangor.	03-8706 2153 / 8706 2154	03-8706 3032
TELUK PANGLIMA GARANG	168, Jalan Utama 2, Taman Jaya Utama 42500 Teluk Panglima Garang, Selangor.	03-3122 0980 / 3122 0982	03-3122 0984
KUALA SELANGOR	No. 23 & 25, Jalan Yu 1, Taman Yu Sungai Buloh, 45800 Jeram Kuala Selangor, Selangor.	03-3264 8620 / 3264 7704	03-3264 8096

SELANGOR/W.P KUALA LUMPUR

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
SUBANG JAYA (KIOSK)	No. 79, Jalan SS 19/6 47500 Subang Jaya, Selangor.	03-5632 9578 / 5632 9579	03-5632 0856
SABAK BERNAM (KIOSK)	No. 82A & 83A, Jalan Menteri 45200 Sabak Bernam, Selangor.	03-3216 2673 / 3216 2488	03-3216 2566
KOTA DAMANSARA (KIOSK)	No. 11-1, Tingkat Bawah, Jalan PJU 5/6 Dataran Sunway Kota Damansara 47810 Petaling Jaya, Selangor.	03-6140 8615 / 6140 7615	03-6141 6651
KUALA LUMPUR	Tingkat 1 Leboh Pasar Besar Peti Surat 13013 50796 Kuala Lumpur.	03-2691 2754 / 2692 2660	03-2691 4599 / 2692 0513
SELAYANG	No. 141 & 143, Jalan 2/3A Pusat Bandar Utara 68100 Batu Caves, Kuala Lumpur.	03-6136 9469 / 6136 8453	03-6136 0410
PANDAN INDAH	No. 14, ACD/1, Menara A, Persiaran MPAJ Jalan Pandan Utama, Pandan Indah 55100 Kuala Lumpur.	03-4295 9466 / 296 1419	03-4295 5229
BANDAR TASIK SELATAN	No. 27 & 29G, Jalan 8/146 Bandar Tasik Selatan 57100 Kuala Lumpur.	03-9056 5700 / 9056 5900	03-9056 1200
AMPANG POINT	92, Jalan Memanda 2, Ampang Point 68000 Ampang, Selangor.	03-4252 2960 / 4252 3827	03-4252 5185
SEPUTEH	No. 40, Tingkat Bawah, Wisma Belia Jalan Syed Putra, 50460 Kuala Lumpur.	03-2274 5681 / 2274 5685	03-2274 5717
JALAN TUANKU ABDUL RAHMAN	No. 498 Jalan Tuanku Abdul Rahman 50100 Kuala Lumpur.	03-4042 5046 / 4042 6079	03-4041 3873
CHERAS	No. 65 & 65-1, Dataran Dwi Tasik Jalan Sri Tasik 1, Bandar Sri Permaisuri 56000 Kuala Lumpur.	03-9173 2389 / 9173 2387	03-9173 2385 / 9171 0644
WANGSA MAJU (KIOSK)	No. 12A-G, Jalan Wangsa Delima 10 Wangsa Link, Pusat Bandar Wangsa Maju 53300 Kuala Lumpur.	03-4142 0116 / 4142 0117	03-4142 0124
GREENWOOD (KIOSK)	SH 25 Jalan 7, Taman Greenwood 68100 Batu Caves, Selangor.	03-6186 8613 / 6186 8614	03-6186 8615
KEPONG (KIOSK)	No. 25, Jalan Metro Perdana 7 Taman Usahawan Kepong 52100 Kuala Lumpur.	03-6251 7397 / 6251 7416	03-6257 7422

PAHANG

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
BUSINESS CENTRE PAHANG	Tingkat 1, No. 57, Jalan Tun Ismail 25000 Kuantan, Pahang.	09-5156 842 / 5156 933 / 5150 243	09-515 7524 / 5157 195
KUANTAN	No. 57, Jalan Tun Ismail 25000 Kuantan, Pahang.	09-5158 164 / 5156 853 / 5156 344	09-5156 768 / 5146 768
KUALA ROMPIN	No. 20 Bandar Baru 26800 Kuala Rompin, Pahang.	09-4145 343 / 4145 122	09-4145 192
RAUB	No. 43, Jalan Dato Abdullah 27600 Raub, Pahang.	09-3551 750 / 3553 780 / 3559 453	09-3555 099 / 3562 153
TEMERLOH	F-58, Jalan Tok Muda Awang Ngah Bandar Baru 28000 Temerloh, Pahang.	09-2961 877 / 2961 231 / 2960 361	09-2963 851
KUALA LIPIS	No. 95A & 95B, Lot 95 Bandar Baru Seberang Jelai, 27200 Kuala Lipis, Pahang.	09-3126 694 / 3126 695	09-3126 790
TRIANG	No. 36, Jalan Dagangan 7 Pusat Dagangan Triang 28300 Triang, Pahang.	09-2558 570 / 2557 696 / 255 7699	09-2551 114
MARAN	No. 48, Bangunan LKNP Jalan Bandar Baru 26500 Maran, Pahang.	09-4771 591 / 4771 743	09-4771 066
BANDAR TUN RAZAK	KTR-007 & 008 Kedai Dara 26900 Bandar Tun Razak, Pahang.	09-4458 398 / 4458 738	09-4458 399
BENTONG	No. 49 Jalan Loke Yew 28700 Bentong, Pahang.	09-2221 178	09-2226 086

PAHANG

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
JERANTUT	Lot 1 Seksyen 1, Bangunan Yayasan Pahang 27000 Jerantut, Pahang.	09-2662 966 / 2668 053	09-2662 554
PEKAN	No. 1, Lorong Perdagangan 1 Pusat Perdagangan Jalan Engku Muda Mansor 26600 Pekan, Pahang.	09-4222 722 / 4222 922	09-4222 022
JENGKA	Lot 8 & 9, Lorong Baiduri, Nadi Kota 26400 Bandar Jengka, Pahang.	09-4663 942 / 4664 259	09-4663 941
SUNGAI RUAN (KIOSK)	No. 573, Jalan Besar 27500 Sungai Ruan, Raub, Pahang.	09-3689 062	09-3686 312
SRI JAYA (KIOSK)	No. 11, Taman Mas Pekan Sri Jaya 26500 Maran, Pahang.	09-4789 859	09-4789 859
KUALA KRAU (KIOSK)	No. 14 Jalan Besar Kuala Krau 28050 Temerloh, Pahang.	09-2861 588 / 2861 129	09-2861 309
MENTAKAB (KIOSK)	No. 129 Jalan Temerloh 28400 Mentakab, Pahang.	09-2779 740	09-2779 742
CHEROH (AGRO CORNER)	No. 2, Gerai Majlis Daerah, Cheroh 27620 Raub, Pahang.	09-3697 820	09-3697 185
TRAS (AGRO CORNER)	No. 27, Jalan Besar, 27600 Raub, Pahang.	09-3615 590	09-3615 700
LANCHANG (AGRO CORNER)	No. 32, Jalan Dato' Syed Abdullah Satu (1) 28500 Lanchang, Pahang.	09- 2803 167	09-2803 168

NEGERI SEMBILAN/MELAKA/JOHOR

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
BUSINESS CENTRE NEGERI SEMBILAN / MELAKA / JOHOR	Blok 13-2, Seremban City Centre Jalan Pasar 70000 Seremban, Negeri Sembilan.	06-7625 476 / 7615 218 / 7610 528	06-7620 744
SEREMBAN	Blok 13-1, Seremban City Centre Jalan Pasar 70000 Seremban, Negeri Sembilan.	06-7639 541 / 7624 875 / 7611 172 /	06-7628 152 / 7610 277
PORT DICKSON	No. 925, Jalan Lama 71000 Port Dickson, Negeri Sembilan.	06-6473 427 / 647 4107/ 6474 854	06-6475 324
KUALA PILAH	Lot 3 & 4, Jalan Hospital 72000 Kuala Pilah, Negeri Sembilan.	06-4811 251 / 4814 251	06-4814 727
KUALA KLAWANG	No. 204, Jalan Pertang 71600 Kuala Klawang, Negeri Sembilan.	06-6136 433 / 6137 375	06-6137 595
NILAI	PT 4697 & 4698, Jalan TS 1/1 Taman Semarak 78100 Nilai, Negeri Sembilan.	06-7993 455 / 7993 473	06-7993 480
BAHAU	No. 18 & 19, Jalan Kiara 1 Pusat Perniagaan Kiara 72100 Bahau, Negeri Sembilan.	06-4543 352 / 4546 508 / 4549 518 / 4549 513	06-4544 690
MELAKA	Wisma Dato' Haji Mohamad Jalan Hang Tuah 75300 Melaka.	06-2844 537 / 2844 519 / 2811 495	06-2839 754
ALOR GAJAH	No. 1, Kompleks Perniagaan 78000 Alor Gajah, Melaka.	06-5562 600 / 5562 719	06-5565 327
JASIN	JA 1763, Bandar Baru Jasin 77000 Jasin, Melaka.	06-5295 324 / 5293 413 / 5296 091	06-5295 325
PASIR PANJANG (AGRO CORNER)	No. 54, Jalan Besar, Pasir Panjang 71250 Port Dickson, Negeri Sembilan.	06-6619 920 / 6610 379	06-6610 360
SIMPANG DURIAN (AGRO CORNER)	No. 15, Pekan Desa Permai 72400 Simpang Durian, Negeri Sembilan.	06-4914 633	06-4914 009
JOHOR BAHRU	No. 30 & 32, Jalan Padi Emas 6/1 Bandar Baru Uda 81200 Johor Bahru, Johor.	07-2344 761 / 2344 762	07-2344 751 / 07-2344 759
MUAR	No. 63-1, Jalan Ali, 84000 Muar, Johor.	06-9523 446 / 9515 625	06-9511 400
PAGOH	No. 163-3, Jalan Sekolah, Pekan Pagoh 84600 Muar, Johor.	06-9746 322 / 9746 351	06-9746 412

NEGERI SEMBILAN/MELAKA/JOHOR

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
BUKIT GAMBIR	No.1, Jln Gambir 5, Bandar Baru Gambir 84800 Ledang, Johor.	06-9762 305 / 9762 315	06-9762 084
BATU PAHAT	No. 4 & 5, Jalan Mengkudu Taman Makmur 83000 Batu Pahat, Johor.	07-4342 182 / 4348 281 / 4331 516	07-4310 202
SEGAMAT	No. 52, Jalan Susur Genuang, Kg. Abdullah, 85000 Segamat, Johor.	07-9312 346 / 9312 327	07-9321 046
PONTIAN	No. 660-1, Jalan Taib Wisma Rokijah 82000 Pontian, Johor.	07-6871 955 / 6871 958	07-6874 290
RENGIT	No. 13 & 13A, Jalan Besar 83100 Rengit, Johor.	07-4241 304 / 4242 523	07-4242 367
KOTA TINGGI	No. 16 & 18, Jalan Niaga 2 Pusat Perdagangan 81900 Kota Tinggi, Johor.	07-8832 042 / 8833 471 / 8828 313	07-8831 050
MERSING	No. 74, Jalan Ismail, 86800 Mersing, Johor.	07-7991 434 / 7992 988	07-7994 022
KLUANG	No. 60 Jalan Duku, 86000 Kluang, Johor.	07-7722 436 / 7721 800	07-7736 170 / 7711 057
LABIS	No. 92 & 94, Jalan Segamat 85300 Labis, Johor.	07-9254 417 / 9254 418	07-9254 416
KULAI (KIOSK)	No. 34, Jalan Susur Kulai 2, Kulai Besar 81000 Kulai, Johor.	07-6639 863	07-6639 866
YONG PENG (KIOSK)	No. 3 Jalan Besar 83700 Yong Peng, Johor.	07-4674 858/4677 300	07-4675 654
SIMPANG RENGGAM (KIOSK)	No. 5, Jalan Kijang, Taman Mohd Yassin 86200 Simpang Renggam, Johor.	07-7559 890 / 7558 600	07-7558 304
TANGKAK (KIOSK)	No. 14, Tingkat Bawah, Jalan Muar 84900 Tangkak, Johor.	06-9786 401 / 9786 402	06-9786 400
PARIT YUSOF (KIOSK)	12, Jalan Parit Yusof 83600 Batu Pahat, Johor.	07-4163 479	07-4161 588
TENGGAROH (KIOSK)	No. 1A, Bangunan IKS Bangunan Tenggaroh 2 86810 Mersing, Johor.	07-7911 045 / 7911 090	07-7911 043

PERAK

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
BUSINESS CENTRE PERAK	No. 15 & 17, Tingkat 2 & 3 Persiaran Greentown 5 Pusat Perdagangan Greentown 30450 Ipoh, Perak.	05-2559 380 / 2559 394 / 2559 964	05-2423 518
IPOH	No. 15 & 17, Tingkat Bawah & 1 Persiaran Greentown 5 Pusat Perdagangan Greentown 30450 Ipoh, Perak.	05-2548 742 / 2540 840 / 2556 094	05-2424 715
TELUK INTAN	No. 42, Medan Mahkota, Jalan Pasar 36000 Teluk Intan, Perak.	05-6222 644 / 6226 816/ 6218 400	05-6215 986
BAGAN SERAI	No. 106 & 108, Jalan Besar 34300 Bagan Serai, Perak.	05-7215 377 / 7215 376 / 721 2376	05-7212 414
PANTAI REMIS	No. 2190, Jalan Besar 34900 Pantai Remis, Perak.	05-6771 725 / 6772 352	05-6771 892
KUALA KANGSAR	No. K6 & K7, Jalan Bendahara, Bandar Baru 33000 Kuala Kangsar, Perak.	05-7761 155 / 7763 149 / 7766 682	05-7762 922 / 7765 819
SITIAWAN	No. 109 & 110, Taman Sejati 2, Jalan Lumut 32000 Sitiawan, Perak.	05-6917 490 / 6917 487 / 6924 540	05-6917 061 / 6918 053
TAIPING	No. 37, Tingkat Bawah dan Satu Market Square 34000 Taiping, Perak.	05-8089 834 / 8089 835	05-8089 837 / 8082 093
SRI ISKANDAR	No. 8, 8A, 8B Persiaran Dataran 1 Sri Iskandar 32600 Sri Iskandar, Perak.	05-3712 743 / 3712 745	05-3712 744
KAMPAR	No. 46, Jalan Balai 31900 Kampar, Perak.	05-4666 009 / 4666 010	05-4666 016
GERIK	No. 109, Jalan Takong Datok 33300 Gerik, Perak.	05-7913 640 / 7913 655	05-7913 641
TAPAH	No. 53-B, Jalan Besar 35000 Tapah, Perak.	05-4014 600 / 4014 601	05-4014 602

PERAK

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
CAMERON HIGHLANDS	No. 54A & B, Persiaran Camelia 3 Bandar Baru Tanah Rata 39000 Tanah Rata Cameron Highlands, Pahang.	05-4912 500 / 4912 563	05-4912 863
SEBERANG PERAK	Tingkat Bawah, Bangunan FELCRA Berhad Bandar Seberang Perak 36800 Kampung Gajah, Perak.	05-6551 089 / 6551 469	05-6551 090
SLIM RIVER	No. 10, Jalan Ahmad Boestaman 35800 Slim River, Perak.	05-4528 074 / 4528 067	05-4520 090
SELAMA	No. 69, Jalan Besar 34100 Selama, Perak.	05-8395 250 / 8395 251	05-8395 252
TANJUNG MALIM	No. 60, Jalan Besar 35900 Tanjung Malim, Perak.	05-4598 800 / 4598 801	05-4598 804
PARIT (KIOSK)	Lot 779, Jalan Kelab 32800 Parit, Perak.	05-3771 306 /3772 503	05-3773 392
LENGGONG (KIOSK)	No. A-4, Plaza Lenggong 33400 Lenggong, Perak.	05-7678 828	05-7678 849
KAMPUNG GAJAH (KIOSK)	No. 13 & 14, Bangunan UMNO Jalan Besar 36800 Kampung Gajah, Perak.	05-6311 788 / 6311 570 / 6312 658	05-6312 403
PARIT BUNTAR (KIOSK)	No. 1, Jalan Shah Bandar, Pusat Bandar 34200 Parit Buntar, Perak.	05-7164 121	05-7164 457
GOPENG (KIOSK)	Lot E08-E10 Pasar Utama Komplek Terminal Agribisnes Negara (TEMAN) Kawasan Perindustrian Gopeng 2 KM16, Jalan Gopeng 31600 Gopeng, Perak.	05-3571 972 / 3572 548	05-3572 553
PULAU PANGKOR (AGRO CORNER)	No. 9, Jalan Besar 32300 Pulau Pangkor, Perak.	05-6852 281	05-6852 318
CHANGKAT KRUING (AGRO CORNER)	No. 248, Jalan Besar 32500 Changkat Kruing, Perak.	05-6752 104	05-6752 105

PULAU PINANG/KEDAH/PERLIS

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
BUSINESS CENTRE PULAU PINANG / KEDAH / PERLIS	No. 51, Jalan Selat, Taman Selat 12000 Butterworth, Pulau Pinang.	04-3328 032 / 3328 059 / 3328 064	04-3331 026
BUTTERWORTH	No. 47 & 49, Jalan Selat, Taman Selat 12000 Butterworth, Pulau Pinang.	04-3314 539 / 3314 540	04-3316 923
KEPALA BATAS	No. 1 & 3, Jalan Bertam 13200 Kepala Batas, Seberang Perai (U) Pulau Pinang.	04-5751 422 / 5755 906 / 5741 126	04-5755 232
BAYAN BARU	No. 16 & 18, Jalan Tengah, Taman Sri Tunas 11900 Bayan Baru, Pulau Pinang.	04-6443 604 / 6452 395 / 6464 579	04-6446 052
NIBONG TEBAL	No. 1695 & 1696, Jalan Besar 14300 Nibong Tebal, Pulau Pinang.	04-5931 144 / 5933 451	04-5933 992
BALIK PULAU	No. 858-E, Jalan Besar, Taman Seri Indah 11000 Balik Pulau, Pulau Pinang.	04-8660 912 / 8666 021	04-8660 686
KULIM	No. 4, Kompleks PKNK Jalan Tengku Mohd Asaad 09000 Kulim, Kedah.	04-4908 015 / 4908 017	04-4908 016
BUKIT MERTAJAM	No. 3341 & 3342, Jalan Pusat Perniagaan 1 Pusat Perniagaan Alma 14000 Bukit Mertajam, Pulau Pinang.	04-5512 300 / 5512 301	04-5512 302
TASEK GELUGOR (KIOSK)	Lot 7, No. 3025, Jalan Hashim Awang Taman Gelugor Indah 13300 Tasek Gelugor, Pulau Pinang.	04-5733 832 / 5732 775	04-5731 981
BATU MAUNG (KIOSK)	No. 21-1, Lintang Batu Maung 1 11960 Bayan Lepas, Pulau Pinang.	04-6264 150 / 6262 767	04-6262 517
PENANTI (KIOSK)	No. 15, Jalan Penanti 1, Taman Penanti 14000 Bukit Mertajam, Pulau Pinang.	04-5213 651	04-5212 258
TELUK BAHANG (KIOSK)	48-0-6, Jalan Hassan Abas 11050 Teluk Bahang, Pulau Pinang.	04-8852 657	04-8851 640
SERDANG	No. 20, Tingkat Bawah Bangunan Rumah Kedai MDBB Jalan Bekas Lombong 09800 Serdang, Kedah.	04-4078 909	04-4078 909

PULAU PINANG/KEDAH/PERLIS

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
ALOR STAR	1518-A, Bangunan Agrobank Jalan Tunku Ibrahim 05000 Alor Star, Kedah.	04-7332 545 / 7332 558 / 7310 952	04-7307 813 / 7355 171
KODIANG	No. 81 E, Jalan Jitra 06100 Kodiang, Kedah.	04-9255 137 / 9255 166 / 9252 604	04-9255 896
GUAR CHEMPEDAK	Lot 318, Jalan Yan Pekan Guar Cempedak 08800 Guar Cernpedak, Kedah.	04-4686 280 / 4687 281	04-4687 986
BALING	Blok B, Kompleks IADP, Daerah Baling 09100 Baling, Kedah.	04-4701 342 / 4701 722 / 4704 628	04-4702 333
LANGKAWI	No. 20 & 22, Jalan Pandak Mayah 4 Pusat Bandar Kuah 07000 Langkawi, Kedah.	04-9666 931/ 9668 076 / 9660 779 / 966 2900	04-9666 830
SUNGAI PETANI	No. 12 & 12A dan 13 & 13A, Jalan PPZ 1 Pusat Perniagaan Zamrud 08000 Sungai Petani, Kedah.	04-4218 608 / 4215 780	04-4426 310
JITRA	No. 95A & B, Jalan PJ 3 Kompleks Pekan Jitra 2 06000 Jitra, Kedah.	04-9170 120 / 9170 121	04-9170 411
PENDANG	Tingkat Bawah Kompleks Perniagaan Majlis Daerah Pendang 06700 Pendang, Kedah.	04-7596 163 / 7596 446	04-7596 458
SIK	No. 438, Jalan Tunku Ibrahim 08200 Sik, Kedah.	04-4695 282 /4695 059	04-4695 775 / 4693 825
KUALA NERANG	No. 4, Mukim Belimbing, Padang Terap 06300 Kuala Nerang, Kedah.	04-7866 433 / 7868 334	04-7866 390
SIMPANG EMPAT	Lot 1658, Mukim Kayang 02700 Simpang Empat, Perlis.	04-9807 234 / 9807 763	04-9807 807
KANGAR	No. 25, Jalan Indera Kayangan 01000 Kangar, Perlis.	04-9768 479 / 9768 477	04-9768 482 / 9775 361
KUALA PERLIS (KIOSK)	No. 24, Jalan Besar 02000 Kuala Perlis, Perlis.	04-9855 550 / 9851 215	04-9855 778

TERENGGANU/KELANTAN

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
BUSINESS CENTRE TERENGGANU / KELANTAN	No. 106, Jalan Sultan Ismail 20200 Kuala Terengganu, Terengganu.	09-6222 408 / 6222 508 / 6244 727 / 6222 084 / 6261 064	09-6224 139
KUALA TERENGGANU	No. 106, Jalan Sultan Ismail 20200 Kuala Terengganu, Terengganu.	09-6222 044 / 6222 126 / 6220 139	09-6220 479
DUNGUN	K-42, Jalan Haji Zainal Abidin 23000 Dungun, Terengganu.	09-8481 146 / 8482 127	09-8483 698
JERTEH	Lot 182, Jalan Tuan Hitam 22000 Jerteh, Terengganu.	09-6971 261 / 6971 443 / 6972 400 / 6972 406	09-6972 196
KEMAMAN	No. KCP 55, Jalan Sulaimani Business Centre Point 24000 Kemaman, Terengganu.	09-8593 455 / 8593 254	09-8595 757
KUALA BERANG	No. 344, Jalan Besar 21700 Kuala Berang, Terengganu.	09-6811 434 / 6811 433 / 6813 419	09-6811 806
CENEH BARU	K2 & K3, Bandar Baru Ceneh 24000 Kemaman, Terengganu.	09-8730 454 / 8730 578	09-8730 461
BUKIT PAYONG	PT92, Perkedaian Bukit Payong Fasa 2 21400 Marang, Terengganu.	09-6191 006 / 6191925	09-6190 934 / 6191 811
BANDAR PERMAISURI (KIOSK)	No. 3, Tingkat Bawah, Bangunan MDS 22100 Setiu, Terengganu.	09-6099 735	09-6099 162
MARANG (KIOSK)	Lot No. 2, Tingkat Bawah Rumah Kedai MARA 21600 Marang, Terengganu.	09-6182 771 / 6183 477	09-6182 809
KUALA BESUT (KIOSK)	PT 2833, Rumah Kedai, Jalan Semarak 22300 Kuala Besut, Terengganu.	09-6974 885	09-6904 936
KOTA BHARU	Seksyen 12, Jalan Padang Garong 15000 Kota Bharu, Kelantan.	09-7481 211 /7440 134 / 7462 616	09-7462 143 / 7480 411
KUALA KRAI	Lot 1519, Jalan Tengku Zainal Abidin 18000 Kuala Krai, Kelantan.	09-9666 116 / 9663 436	09-9660 634 / 9663 349

TERENGGANU/KELANTAN

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
PASIR PUTEH	2988-B, Lot 471, Jalan Sekolah Keb. Lelaki 16800 Pasir Puteh, Kelantan.	09-7867 311 / 7866 258	09-7867 130
BACHOK	Lot 294 & 295, Bandar Bachok 16300 Bachok, Kelantan.	09-7788 393 / 7788 804	09-7789 977 / 7788 807
PASIR MAS	Lot 308, 128 & 129, Jalan Pasir Pekan 17000 Pasir Mas, Kelantan.	09-7909 098 / 7900 544	09-7900 688
TANAH MERAH	Lot 219 & 220, Jalan Hospital 17500 Tanah Merah, Kelantan.	09-9556 100 / 9557 287	09-9556 169
JELI	Lot PT 1527, Jalan Kuala Balah 17600 Bandar Baru Jeli, Kelantan.	09-9440 252 / 9440 886	09-9440 469
GUA MUSANG	PT 8288 & 8289, Wisma Sri Galas Bandar Baru Gua Musang 18300 Gua Musang, Kelantan.	09-9122 542 / 9122 244	09-9122 949
KUBANG KERIAN	PT 1662 & PT 1663, Bangunan Yakin Jalan Raja Perempuan Zainab II Kenali, Kubang Kerian 16150 Kota Bharu, Kelantan.	09-7640 532 / 7640 533	09-7640 529
TUMPAT (KIOSK)	No. 127, Jalan Hulu Pasar 16200 Tumpat, Kelantan.	09-7258 279	09-7258 278
RANTAU PANJANG (KIOSK)	PT 199 Kompleks Perkedaian Baru 17200 Rantau Panjang, Kelantan.	09-7950 520 / 7950 877	09-7950 160
MACHANG (KIOSK)	Lot PT(B) 145, Jalan Pasir Puteh Bandar Baru 18500 Machang, Kelantan.	09-9753 391	09-9751 480
PEKAN JELAWAT (KIOSK)	PT 94, Pekan Jelawat 16370 Bachok, Kelantan.	09-7783 075	09-7783 075
PASAR SITI KHADIJAH (AGRO CORNER)	Tingkat 1, Pasar Besar Siti Khadijah Buluh Kubu 15000 Kota Bharu, Kelantan.	09-7461 198	09-7461 198
RTC KOTA BHARU	Atas G Pejabat Pentadbiran TEMAN Lot 3309, Batu 4 Lebuhraya Raya Pasir Mas-Salor 15150 Kota Bharu, Kelantan.	09-7433 067 / 7433 271 / 7444 303	09-7433 354

SABAH

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
BUSINESS CENTRE SABAH	Tingkat 2, No. 135, Jalan Gaya Beg Berkunci 145 88994 Kota Kinabalu, Sabah.	088-288 237 / 288 228 / 288 211 / 267 071	088-288222 / 288 239
KOTA KINABALU	No. 135, Jalan Gaya, Beg Berkunci 145 88994 Kota Kinabalu, Sabah.	088-288 288 / 288 283 / 288 200 / 288 286	088-288 280
TAWAU	No. 7, Block N, Jalan Dunlop Bandar Sabindo, Peti Surat 60157 91011 Tawau, Sabah.	089-773 222 / 773 291 / 773 294 / 770 202	089-765 677
SANDAKAN	Tingkat Bawah & Tingkat 1 Blok Y, Lot 3 & 4, Jalan Laila Bandar Ramai-Ramai 90000 Sandakan, Sabah.	089-275 958 / 275 524 / 215 946	089-216 705
KENINGAU	Lot 1, Block D, Keningau Plaza Peti Surat 2065 89009 Keningau, Sabah.	087-334 353 / 333 373 / 331 353	087-332 487
LAHAD DATU	Lot 58, MDLD 4155, Jalan Bunga Raya Bandar Wilayah 91100 Lahad Datu, Sabah.	089-882 561 / 888 562	089-882 291
KOTA BELUD	Blok E, Lot 3 & 4, Pekan Baru 89150 Kota Belud, Sabah.	088-977 141 / 975 125 / 975 137 / 975 145	088-977 152
BEAUFORT	Lot 13 & 13A, Ground & First Floor, Blok B New Beaufort Jaya, Peti Surat 506 89800 Beaufort, Sabah.	087-201 301 / 201 305 / 201 303/ 201 306 / 201 304	087-201 302
KOTA MARUDU	Lot 22 Blok D, Pekan Baru Goshen Peti Surat 460 89100 Kota Marudu, Sabah.	088-661 793 / 663 021 / 661 794	088-662 325
KOTA KINABATANGAN	Block A, Lot 1 & 2, Kota Kinabatangan New Township 90200 Kota Kinabatangan, Sabah.	089-562 087 / 562 088 / 562 089 / 562 091	089-562 093
W.P. LABUAN	No. U0374, Jln. Anggerik 87008 WP Labuan, Sabah.	087-408 988 / 408 200 / 413 223	087-408 222
TUARAN	Lot 5 & 6, Bangunan Sung Burongoh Tuaran Point, Peti Surat 429 89208 Tuaran, Sabah.	088-787 216 / 792 906	088-791 499
PAPAR	Lot 9, Taman OKK Hj. Mahali 89608 Papar, Sabah.	088-914 384 / 916 208	088-915 449
NABAWAN (KIOSK)	Majlis Daerah Nabawan, Peti Surat 27 89957 Nabawan, Sabah.	087-366 136 / 366 163	087-366 133
PENAMPANG (KIOSK)	Blok D, Lot 3, Donggongon New Township Phase II Penampang 89507 Kota Kinabalu, Sabah.	088-729 380 / 729 381	088-729 390
KUALA PENYU (AGRO CORNER)	Pintu No. GF001, Ruang Lobi Hospital Kuala Penyu W.D.T 35 89747 Kuala Penyu, Sabah.	087-884 753	087-884 753

SARAWAK

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
BUSINESS CENTRE SARAWAK	Tingkat 2 & 3, Sub Lot 9, Lot 518 Jalan Kulas Tengah 93400 Kuching, Sarawak.	082-424 577 / 429 077 / 252 722	082-243 368 / 253 796
KUCHING	Tingkat Bawah & Tingkat 1 Sub Lot 9, Lot 518 Jalan Kulas 93400 Kuching, Sarawak.	082-410 126 / 410 827 / 410 671 / 410 419	082-253 796 / 235 368
SARIKEI	No. 39, Lot 74, Jln. Haji Karim Peti Surat 429 96107 Sarikei, Sarawak.	084-654 334 / 654 326	084-653 677
LAWAS	Lot 323 (Tingkat Bawah) Jalan Trusan Peti Surat 197 98857 Lawas, Sarawak.	085-285 762 / 285 064	085-285 055
SIBU	No. 10D & 10E, Jalan Kampung Datu 96000 Sibu, Sarawak.	084-325 199 / 323 188 / 327 648	084-323 777
SRI AMAN	Sub Lot No. 8, Lot 1530 Blok 3 Jalan Sabu, Peti Surat 354 95008 Sri Aman, Sarawak.	083-321 788 / 320 839 / 327 944 / 327 946	083-320 923
MIRI	Lot 1305, Ground & First Floor Centre Point Commercial Centre Jalan Melayu 98000 Miri, Sarawak.	085-411 801 / 411 818 / 411 802	085-420 986
BINTULU	No. Lot 227, Sub Lot 31 Parkcity Commerce Square Phase 3 Jalan Tun Ahmad Zaidi 97000 Bintulu, Sarawak.	086-330 015 / 330 016 / 313 546	086-330 017
LIMBANG	Lot 1405, Jalan Buangsiol, Peti Surat 495 98700 Limbang, Sarawak	085-213 076 / 213 077 / 215 224	085-213 487
MUKAH	Sub Lot 59, Medan Setia Raja 96400 Mukah, Sarawak.	084-874 048 / 874 049	084-874 050
KAPIT	Lot 346, Jalan Tiong Ung Hong Peti Surat 355 96807 Kapit, Sarawak.	084-797 144 / 799 972	084-797 006

SARAWAK

Pusat Perniagaan / Cawangan / Kiosk / Agro Corner *Business Centres / Branch / Kiosks / Agro Corners*	Alamat *Address*	No. Telefon *Telephone No.*	Faks *Fax*
SERIAN	Lot 291, Serian Bazaar, Off Serian By Pass Serian Town District 94700 Serian, Sarawak.	082-876 823 / 876 824	082-876 825
SARATOK	No. 20, Lot 636, Peti Surat 22 Pekan Saratok 95400 Saratok, Sarawak.	083-437 328 / 437 337	083-437 326
SIMUNJAN (KIOSK)	Lot 139, Jalan Nanas 94800 Simunjan, Sarawak.	082-803 812 / 803 629	082-803 695
SELANGAU (KIOSK)	Lot 95, Block 14 Selangau New Town Phase 2 96008 Sibu, Sarawak.	084-891 189	084-891 142
PUSA (KIOSK)	Sub Lot 5, Lot 1031, Block 6 Sablor Land District 94950 Pusa, Sarawak.	083-465 326 / 465 327	083-465 328
DARO (KIOSK)	Sub Lot No. 35 Lot 158, Jalan Bazaar 96200 Daro, Sarawak.	084-823 819	084-823 820
LUBOK ANTU (KIOSK)	Lot 163, Lubok Antu Town District 95900 Lubok Antu, Sarawak.	083-584 042 / 584 043 / 584 044	083-584 016
JULAU (AGRO CORNER)	Tingkat 1, Majlis Daerah Maradong & Bintangor (Julau), Pejabat Cawangan Julau 96600 Julau, Sarawak.	084-734 045 / 737 046	084-734 013
MATU (AGRO CORNER)	Pejabat Tingkat Bawah Majlis Daerah Matu-Daro Bangunan Datuk Pengiran Hipni Jalan Datuk Pengiran Hipni 96250 Matu, Bahagian Mukah, Sarawak.	084-832 166	084-832 136
PAKAN (AGRO CORNER)	Pejabat Daerah Pakan 96510 Pakan, Sarawak.	084-719 211	084-719 200

"Komited dalam memenuhi peranan yang dimandatkan

Remains committed to fulfill mandated roles"

PENYATA KEWANGAN BERAUDIT 2011

Laporan Pengarah

Penyata Pengarah-pengarah

Akuan Berkanun

Laporan Jawatankuasa Syariah

Laporan Juruaudit Bebas

Penyata Pendapatan Komprehensif

Penyata Kedudukan Kewangan

Penyata Perubahan dalam Ekuiti

Penyata Aliran Tunai

Nota bagi Penyata Kewangan

LAPORAN PENGARAH

Pengarah-pengarah dengan sukacitanya membentangkan laporan mereka berserta dengan penyata kewangan Bank yang beraudit kepada ahli-ahli bagi tahun kewangan berakhir 31 Disember 2011.

AKTIVITI UTAMA

Kegiatan utama Bank ialah menjalankan aktiviti-aktiviti perbankan, pembiayaan, pelaburan dan perkhidmatan seperti yang diperuntukkan di bawah Akta Bank Pertanian Malaysia Berhad, 2008.

Tiada sebarang perubahan ketara dalam aktiviti utama Bank sepanjang tahun kewangan.

KEPUTUSAN KEWANGAN

	RM
Keuntungan sebelum cukai dan zakat	385,237,261
Cukai	28,570,690
Zakat	(4,271,592)
Keuntungan bersih bagi tahun	409,536,359

Tiada pindaan penting kepada atau daripada rizab atau peruntukan sepanjang tahun kewangan selain daripada yang dinyatakan di dalam penyata kewangan.

Pada pendapat para Pengarah, keputusan operasi Bank sepanjang tahun kewangan tidak terjejas dengan ketara oleh sebarang perkara, urus niaga atau peristiwa yang penting dan luar biasa keadaannya.

DIVIDEN

Tiada dividen telah dibayar atau diisytiharkan oleh Bank sejak tahun akhir kewangan sebelumnya.

Para Pengarah mencadangkan dividen akhir sebanyak 3%, ditolak cukai 25% berjumlah RM22.5 juta pada tahun kewangan semasa. Dividen ini tertakluk kepada kelulusan oleh pemegang saham pada Mesyuarat Agung Tahunan Bank dan BNM. Sehubungan itu, dividen yang dicadangkan tidak dimasukkan sebagai liabiliti dalam penyata kewangan.

TERBITAN SAHAM DAN DEBENTUR

Bank tidak menerbitkan sebarang saham baru atau debentur sepanjang tahun kewangan.

OPSYEN SAHAM

Tiada opsyen diberikan oleh Bank kepada sesiapa untuk melanggani saham-saham Bank yang belum diterbitkan sepanjang tahun kewangan.

Tiada saham yang telah diterbitkan sepanjang tahun kewangan yang disebabkan oleh pelaksanaan sebarang opsyen untuk melanggani saham-saham Bank yang belum diterbitkan. Pada akhir tahun kewangan tiada saham Bank yang belum diterbitkan di bawah opsyen.

PENGARAH-PENGARAH BANK

Pengarah-pengarah yang berkhidmat di Bank sejak dari tarikh laporan yang lepas adalah:

YBhg Tan Sri Faizah Mohd Tahir (Pengerusi)

Encik Wan Mohd Fadzmi Wan Othman (Presiden/Ketua Pegawai Eksekutif)
(Dilantik pada 1 Julai 2011)

YBhg Datuk Dr. Saharan Haji Anang

Puan Rashidah Mohd Sies

YBhg Datuk Johar Che Mat

Encik Ng Chih Kaye
(Dilantik pada 8 Februari 2011)

YBhg Datin Ruzaina Wan Haniff
(Dilantik pada 1 Mac 2011)

Encik Md. Hilmi Datuk Haji Md. Noor
(Dilantik pada 1 Mac 2011)

YBhg Dato' Che Mohd Hashim Abdullah
(Dilantik pada 2 Mei 2011)

YBhg Datuk Ahmad Said (Presiden/Pengarah Urusan)
(Meletak jawatan pada 30 Jun 2011)

KEPENTINGAN PENGARAH

Tiada seorang pun Pengarah yang memegang saham pada akhir tahun kewangan atau mempunyai apa-apa kepentingan dalam saham Bank sepanjang dan pada akhir tahun kewangan. Para pengarah tidak dikehendaki memegang sebarang saham di dalam Bank di bawah Artikel Syarikat.

FAEDAH PENGARAH

Sepanjang dan pada akhir tahun kewangan, Bank tidak terbabit dalam apa-apa urusan yang bertujuan untuk membolehkan Pengarah-pengarah Bank memperoleh faedah menerusi pengambilalihan saham atau debentur Bank atau mana-mana badan korporat lain.

Sejak akhir tempoh tahun kewangan yang lepas, tiada Pengarah Bank telah menerima atau menjadi layak untuk menerima apa-apa faedah (selain daripada faedah yang termasuk dalam amaun agregat emolumen yang diterima atau yang akan diterima oleh Pengarah-pengarah atau gaji tetap sebagai seorang kakitangan Bank sepenuh masa sebagaimana yang dinyatakan dalam Nota 48 kepada penyata kewangan) disebabkan kontrak yang dibuat oleh Bank atau sebuah perbadanan yang berkaitan dengan Pengarah atau dengan sebuah firma yang mana beliau adalah seorang ahli atau dengan syarikat yang mana beliau mempunyai kepentingan kewangan yang kukuh.

MAKLUMAT BERKANUN LAIN

(a) Sebelum penyata kedudukan kewangan dan penyata pendapatan komprehensif Bank disediakan, para pengarah telah mengambil langkah-langkah yang sewajarnya:

(i) untuk memastikan bahawa tindakan telah diambil berkaitan dengan menghapuskira hutang serta pembiayaan lapuk dan membuat peruntukan bagi pinjaman dan pembiayaan terjejas, dan mereka berpuas hati bahawa semua hutang dan pembiayaan lapuk yang diketahui telah dihapuskira dan peruntukan yang secukupnya telah dibuat bagi pinjaman dan pembiayaan terjejas; dan

(ii) untuk memastikan bahawa aset-aset semasa, selain daripada hutang dan pembiayaan, yang tidak mungkin direalisasikan melalui urusan perniagaan biasa pada nilainya seperti yang ditunjukkan dalam rekod perakaunan Bank telah dikurangkan nilainya kepada amaun yang dijangka boleh direalisasikan.

(b) Pada tarikh laporan ini, Pengarah-pengarah tidak mengetahui akan apa-apa keadaan yang timbul dalam laporan ini atau penyata kewangan Bank yang boleh menyebabkan:

(i) jumlah yang dihapuskira untuk hutang dan pembiayaan lapuk, atau jumlah peruntukan bagi pinjaman dan pembiayaan terjejas dalam penyata kewangan Bank, tidak mencukupi sehingga ke peringkat yang menjejaskan.

(ii) nilai berkaitan aset-aset semasa dalam penyata kewangan Bank mengelirukan.

(c) Pada tarikh laporan ini, Pengarah-pengarah tidak mengetahui akan apa-apa keadaan yang timbul yang menyebabkan pematuhan kepada kaedah sedia ada bagi penilaian aset dan liabiliti di dalam penyata kewangan Bank mengelirukan atau tidak sesuai.

(d) Pada tarikh laporan ini, pengarah-pengarah tidak mengetahui akan ada apa-apa keadaan jika tidak di ambil kira dalam laporan ini atau penyata kewangan Bank, yang akan menyebabkan mana-mana amaun yang dinyatakan dalam penyata kewangan ini mengelirukan.

(e) Pada tarikh laporan ini, tidak wujud:

(i) apa-apa cagaran ke atas aset-aset Bank yang telah timbul sejak akhir tahun kewangan yang menjamin liabiliti mana-mana orang lain; atau

(ii) apa-apa liabiliti luar jangka berkaitan dengan Bank yang telah timbul sejak akhir tahun kewangan selain daripada yang ditanggung dalam urusan perniagaan biasa seperti yang dinyatakan dalam Nota 46 kepada penyata kewangan.

(f) Pada pendapat para pengarah:

(i) tiada liabiliti luar jangka atau liabiliti lain yang telah dikuatkuasakan atau berkemungkinan dikuatkuasakan dalam tempoh dua belas bulan selepas berakhirnya tahun kewangan yang akan atau mungkin menjejaskan keupayaan Bank untuk memenuhi kewajipan mereka apabila tiba masanya seperti yang dinyatakan dalam Nota 46 kepada penyata kewangan; dan

(ii) tidak timbul apa-apa butiran, urus niaga atau peristiwa penting dan luar biasa keadaannya telah timbul dalam tempoh antara akhir tahun kewangan dan tarikh laporan ini yang berkemungkinan akan menjejaskan dengan ketara keputusan operasi Bank bagi tahun kewangan berturut-turut yang dilaporkan.

SYARIKAT INDUK

Bank Pertanian Malaysia Berhad ("Agrobank") dimiliki sepenuhnya oleh kerajaan Malaysia.

JURUAUDIT

Juruaudit, Tetuan Ernst & Young, telah menyatakan kesediaan mereka untuk menerima perlantikan semula.

Ditandatangani bagi pihak Lembaga Pengarah menurut resolusi Pengarah-pengarah bertarikh 23 Mac 2012.

TAN SRI FAIZAH MOHD TAHIR

WAN MOHD FADZMI WAN OTHMAN

PENYATA PENGARAH-PENGARAH

KENYATAAN OLEH PENGARAH

Selaras dengan Seksyen 169(15) Akta Syarikat, 1965

Kami, **TAN SRI FAIZAH MOHD TAHIR** dan **WAN MOHD FADZMI WAN OTHMAN** merupakan dua daripada pengarah **BANK PERTANIAN MALAYSIA BERHAD**, dengan ini menyatakan bahawa, pada pendapat para pengarah, penyata kewangan yang dibentangkan di muka surat 178 hingga 273, telah disediakan selaras dengan peruntukan-peruntukan Akta Syarikat, 1965 dan Piawaian Pelaporan Kewangan di Malaysia seperti yang diubahsuai oleh Garis Panduan Bank Negara Malaysia untuk memberi pandangan yang benar dan saksama mengenai kedudukan kewangan Bank pada 31 Disember 2011 dan keputusan kendalian perniagaan serta aliran tunai Bank bagi keewangan yang sama.

Ditandatangani bagi pihak Lembaga Pengarah menurut resolusi Pengarah-pengarah bertarikh 23 Mac 2012.

TAN SRI FAIZAH MOHD TAHIR

WAN MOHD FADZMI WAN OTHMAN

AKUAN BERKANUN

Selaras dengan Seksyen 169(16) Akta Syarikat, 1965 dan Seksyen 73(1)(e) daripada Akta Institusi Kewangan Pembangunan, 2002

Kami, **MD. HILMI DATUK HAJI MD. NOOR** dan **WAN MOHD FADZMI WAN OTHMAN**, merupakan Pengarah dan Presiden/Ketua Pegawai Eksekutif Bank, yang bertanggungjawab terhadap pengurusan kewangan **BANK PERTANIAN MALAYSIA BERHAD**, dengan sesungguhnya dan seikhlasnya mengaku bahawa penyata kewangan yang dibentangkan di muka surat 178 hingga 273 pada pendapat kami adalah betul, dan kami membuat pengakuan ini dengan penuh kepercayaan bahawa ia adalah benar dan menurut peruntukan Akta Akuan Berkanun, 1960.

MD. HILMI DATUK HAJI MD. NOOR

WAN MOHD FADZMI WAN OTHMAN

Ditandatangani dan diakui dengan sesungguhnya oleh penama di atas **MD. HILMI DATUK HAJI MD. NOOR** dan **WAN MOHD FADZMI WAN OTHMAN** di **KUALA LUMPUR** dalam Wilayah Persekutuan pada 23 Mac 2012.

Di hadapan saya,

PESURUHJAYA SUMPAH
No W533
Nama TENGKU FARIDDUDIN
BIN TENGKU SULAIMAN
MALAYSIA

PESURUHJAYA SUMPAH

205, Bangunan Loke Yew
4, Jln Mahkamah Persekutuan
50050 Kuala Lumpur

LAPORAN JAWATANKUASA SYARIAH

Dengan nama Allah, yang Maha Penyayang, lagi Maha Mengasihani.

Segala puji bagi Allah, Tuhan yang Memelihara Dunia, dan Keamanan dan salam ke atas junjungan besar Rasulullah SAW, ahli keluarga dan sahabat-sahabat baginda.

Kepada pemegang saham, pendeposit dan pelanggan Bank Pertanian Malaysia Berhad:

Kami, ahli-ahli Jawatankuasa Syariah Bank Pertanian Malaysia Berhad ("Jawatankuasa"), dengan ini mengesahkan bahawa kami telah meneliti prinsip-prinsip dan kontrak-kontrak yang berkaitan dengan transaksi dan aplikasi yang telah diperkenalkan oleh Bank dari Januari 2011 sehingga Disember 2011. Jawatankuasa telah mengadakan 7 (tujuh) mesyuarat untuk mengkaji semula dan meluluskan pelbagai produk, urus niaga dan proses.

Kami telah menyediakan khidmat nasihat Syariah kepada Bank untuk memastikan pematuhan kepada prinsip-prinsip Syariah yang diguna pakai, resolusi dan keputusan yang dibuat oleh Majlis Penasihat Syariah daripada badan-badan kawal selia yang berkaitan.

Bank telah menjalankan audit Syariah yang dilakukan oleh Bahagian Audit Dalaman dan kajian Syariah yang dijalankan oleh Bahagian Syariah di seluruh organisasi dan laporan itu telah dibentangkan dalam mesyuarat Jawatankuasa. Jawatankuasa dengan ini mengesahkan bahawa usaha yang sewajarnya telah diambil untuk membetulkan jurang Syariah, dan Bank juga telah melaksanakan beberapa mekanisme untuk mengelakkan jurang Syariah yang sama daripada berulang. Selain itu, Bank telah menganjurkan "Program Kesedaran Syariah" (SAP) di seluruh kawasan untuk menyebarkan budaya kesedaran pematuhan Syariah diseluruh organisasi.

Pihak Pengurusan Bank bertanggungjawab untuk memastikan Bank menjalankan perniagaan selaras dengan peraturan dan prinsip-prinsip Syariah. Berdasarkan kajian operasi Bank, kami bertanggungjawab membentuk pendapat bebas dan melaporkan kepada anda.

Kami berpendapat bahawa:

(a) Semakan terhadap produk baru, inisiatif perniagaan dan proses-proses peningkatan yang diperkenalkan oleh bank semasa tahun berakhir 31 Disember 2011, telah mematuhi peraturan dan prinsip-prinsip Syariah;

(b) Transaksi dan urusan yang dilakukan oleh pihak bank semasa tahun berakhir 31 Disember 2011, kesemuanya mematuhi peraturan dan prinsip-prinsip Syariah berdasarkan kajian semula yang dijalankan;

(c) Sumber-sumber pembiayaan dan pelaburan utama bank yang didedahkan kepada kami telah mematuhi dasar yang telah diluluskan oleh kami selaras dengan peraturan dan prinsip-prinsip Syariah;

(d) Pengiraan zakat didedahkan kepada kami telah mematuhi peraturan dan prinsip-prinsip Syariah.

Kami memohon Allah SWT kepada kita semua Kejayaan dan Petunjuk yang Lurus dan Allah Maha Mengetahui.

Prof. Madya Datin Dr. Paizah Hj. Ismail
Pengerusi Jawatankuasa

Prof. Madya Dr. Atikullah Hj. Abdullah
Ahli Jawatankuasa

Prof. Dr. Saiful Azhar Rosly
Ahli Jawatankuasa

Mohd. Zakhiri Md. Nor
Ahli Jawatankuasa

Kuala Lumpur, Malaysia

LAPORAN JURUAUDIT BEBAS

Laporan ke atas penyata kewangan

Kami telah mengaudit penyata kewangan Bank Pertanian Malaysia Berhad yang merangkumi penyata kedudukan kewangan Bank pada 31 Disember 2011 dan penyata pendapatan komprehensif, penyata perubahan dalam ekuiti dan penyata aliran tunai Bank untuk tahun berakhir pada tarikh tersebut, dan ringkasan dasar perakaunan yang penting dan nota-nota lain, seperti yang dibentangkan pada muka surat 178 hingga 273.

Tanggungjawab Pengarah ke atas penyata kewangan

Anggota Lembaga Bank bertanggungjawap dalam penyediaan penyata kewangan yang benar dan saksama menurut Akta Syarikat 1965 dan Piawaian Pelaporan Kewangan yang diubahsuai menurut Garis Panduan Bank Negara dan kawalan dalaman yang bersesuaian dalam penyedian penyata kewangan yang bebas daripada salah nyata yang ketara, sama ada disebabkan oleh penipuan atau kesilapan.

Tanggungjawab Juruaudit

Tanggungjawab kami adalah untuk menyatakan pendapat mengenai penyata kewangan ini berdasarkan audit yang dilaksanakan. Kami telah menjalankan audit kami selaras dengan piawaian audit di Malaysia yang diluluskan. Piawaian-piawaian tersebut memerlukan kami mematuhi keperluan etika disamping merancang dan melaksanakan audit untuk mendapatkan keyakinan yang munasabah sama ada penyata kewangan adalah bebas daripada salah nyata yang ketara.

Proses audit melibatkan pelaksanaan prosedur untuk mendapatkan bukti audit mengenai amaun dan pendedahan dalam penyata kewangan. Prosedur yang dipilih bergantung kepada pertimbangan juruaudit, termasuk penilaian risiko salah nyata yang ketara pada penyata kewangan, sama ada disebabkan oleh penipuan atau kesilapan. Dalam membuat penilaian risiko tersebut, juruaudit mengambil kira kawalan dalaman yang relevan kepada penyediaan Bank dan penyediaan penyata kewangan yang saksama bagi tujuan merangka prosedur audit yang bersesuaian, tetapi bukan bertujuan menyatakan pendapat mengenai keberkesanan kawalan dalaman Bank. Sesuatu audit juga termasuk penilaian polisi perakaunan yang diguna pakai dan kemunasabahan anggaran perakaunan yang dibuat oleh para Pengarah, serta penilaian pembentangan keseluruhan penyata kewangan.

Kami percaya bahawa bukti audit yang telah kami peroleh adalah mencukupi dan bersesuaian untuk memberikan asas yang munasabah untuk pendapat kami.

Pendapat

Pada pendapat kami, penyata kewangan telah disediakan selaras dengan Akta Syarikat, 1965 dan Piawaian Pelaporan Kewangan di Malaysia yang diubah suai menurut Garis Panduan Bank Negara Malaysia supaya memberi suatu gambaran yang benar dan saksama mengenai kedudukan kewangan Bank pada 31 Disember 2011 dan prestasi kewangan dan aliran tunai bagi tahun kewangan berakhir pada tarikh tersebut.

Laporan mengenai keperluan perundangan dan badan pengawasan lain

Selaras dengan keperluan Akta Syarikat, 1965 di Malaysia, kami juga melaporkan bahawa pada pendapat kami, rekod perakaunan dan rekod lain Bank telah disimpan dengan sempurna selaras dengan peruntukan Akta tersebut.

Perkara-perkara lain

Laporan ini dibuat untuk ahli Bank, sebagai satu badan, selaras dengan Seksyen 174 Akta Syarikat, 1965 di Malaysia dan bukan untuk tujuan lain. Kami tidak bertanggungjawab kepada mana-mana pihak lain bagi kandungan laporan ini.

Ernst & Young
AF: 0039
Juruaudit Berkanun

Nik Rahmat Kamarulzaman bin Nik Ab. Rahman
No. 1759/02/14(J)
Juruaudit Berkanun

Kuala Lumpur, Malaysia
23 Mac 2012

PENYATA PENDAPATAN KOMPREHENSIF BAGI TAHUN KEWANGAN BERAKHIR 31 DISEMBER 2011

	Nota	2011 RM	2010 RM (Dinyatakan Semula)
Pendapatan faedah	5	230,473,221	228,300,791
Perbelanjaan faedah	6	(83,335,298)	(69,102,132)
Pendapatan faedah bersih		**147,137,923**	**159,198,659**
Pendapatan perbankan Islam	51(a)	405,410,176	339,802,567
		552,548,099	**499,001,226**
Pendapatan bukan faedah			
Pendapatan fi dan lain-lain operasi	7(a)	43,939,760	8,508,947
Keuntungan dan kerugian bersih instrumen kewangan	7(b)	18,831,004	231,066,702
Pendapatan bersih		**615,318,863**	**738,576,875**
Perbelanjaan overhed	8	(301,354,889)	(289,130,918)
Keuntungan operasi		**313,963,974**	**449,445,957**
Geran kerajaan	9	15,057,064	19,154,784
Keuntungan operasi bersih		**329,021,038**	**468,600,741**
Pembalikan/(caj) penjejasan pinjaman	10	57,100,943	(91,816,779)
Penjejasan pelaburan kewangan	11	(884,720)	-
Keuntungan sebelum cukai dan zakat		**385,237,261**	**376,783,962**
Cukai	12	28,570,690	(617,468)
Zakat	13	(4,271,592)	(281,194)
Keuntungan bersih bagi tahun		**409,536,359**	**375,885,300**
Pendapatan komprehensif lain			
(Kerugian)/keuntungan tidak direalisasi atas perubahan nilai saksama sekuriti pelaburan tersedia untuk dijual		(59,003,181)	197,594,031
Pindahan kepada keuntungan dan kerugian		(11,380,109)	(208,542,279)
Cukai pendapatan berkaitan dengan komponen lain-lain pendapatan komprehensif		(117,308,570)	-
Lain-lain kerugian komprehensif bagi tahun selepas cukai		**(187,691,860)**	**(10,948,2248)**
Jumlah pendapatan komprehensif bagi tahun		**221,844,499**	**364,937,052**

Nota-nota yang disertakan merupakan sebahagian daripada penyata kewangan.

PENYATA KEDUDUKAN KEWANGAN PADA 31 DISEMBER 2011

	Nota	2011 RM	2010 RM (Dinyatakan Semula)
ASET			
Tunai dan dana jangka pendek	14	3,413,040,341	2,756,301,035
Simpanan dengan institusi-institusi kewangan	15	20,000,000	-
Sekuriti pelaburan	16	2,883,828,191	2,694,879,074
Pinjaman, pembiayaan dan pendahuluan	17	5,405,352,117	4,804,635,100
Lain-lain aset	18	116,245,547	97,452,746
Pajakan prabayar	19	5,701,924	5,776,482
Hartanah, loji dan peralatan	20	191,228,293	188,104,272
Aset tidak ketara	21	23,555,920	22,760,983
JUMLAH ASET		**12,058,952,333**	**10,569,909,692**
LIABILITI DAN EKUITI			
Liabiliti			
Deposit dan simpanan pelanggan	23	7,723,069,442	6,452,753,638
Lain-lain liabiliti			
Pelbagai si piutang dan akruan	24(a)	120,066,511	109,093,051
Tabung Pampasan Kredit Padi	24(b)	2,248,817	2,171,297
Liabiliti cukai tertunda	22	89,021,715	-
		211,337,043	111,264,348
Pinjaman Kerajaan dan Penghutangan			
Pinjaman dari OECF	25	46,498,531	63,982,727
Tabung Untuk Makanan ('3F')	26	1,076,541,041	1,154,452,512
Peruntukan MPPB	27	70,310,685	70,135,685
Tabung Industri Kecil dan Sederhana ("TIKS")	28	2,257,480	2,284,552
Pinjaman Tanam Semula Kelapa Sawit ("TASKS")	29	15,000,000	15,000,000
Skim Kredit Padi	30	105,452,842	105,190,342
Skim LITS ('Low Intensity Tapping Systems')	31	-	1,026,965
Skim Kredit Pengeluaran Makanan ("SKPM")	32	100,493,767	100,243,767
Skim Pembiayaan Bot Perikanan ("SPBP")	33	140,000,000	140,000,000
Skim Usahawan Komersil Tani Siswazah ("SUTKS –Pinjaman")	34	10,000,000	10,000,000
Pembiayaan Industri Kecil dan Sederhana ("PKS")	35	100,480,377	100,230,377
Skim Kredit Pengeluaran Bukan Makanan ("SKPBM")	36	27,545,675	30,012,534
Dana Enterpris Mikro	37	80,822,708	63,673,965
		1,775,403,106	1,856,233,426

	Nota	2011 RM	2010 RM (Dinyatakan Semula)
Geran Kerajaan – Belanja Modal dan Pembangunan	38	54,877,397	67,723,644
Geran Pelancaran	39	26,016,225	28,227,042
Geran Kerajaan - Dana			
Program Pembangunan Rakyat Termiskin ("PPRT")	40	2,559,925	2,559,925
Skim Usahawan Tani Komersil Siswazah ("SUTKS")	41	560,430	1,985,118
Dana Khas Sektor Perikanan Terengganu ("DKSP")	42	2,056,878	3,338,140
Dana Kementerian Belia dan Sukan ("DKBS")	43	12,303,735	16,900,758
		17,480,968	24,783,941
Jumlah Liabiliti		**9,808,184,181**	**8,540,986,039**
Ekuiti			
Modal saham	44	1,000,000,000	1,000,000,000
Rizab	45	1,250,768,152	1,028,923,653
Jumlah Ekuiti		**2, 250,768,152**	**2,028,923,653**
JUMLAH LIABILITI DAN EKUITI		**12,058,952,333**	**10,569,909,692**
Komitmen dan luar jangka	46	**199,517,646**	**56,722,373**

Nota-nota yang disertakan merupakan sebahagian daripada penyata kewangan.

PENYATA PERUBAHAN DALAM EKUITI BAGI TAHUN KEWANGAN BERAKHIR 31 DISEMBER 2011

		Rizab tidak boleh diagihkan		Rizab boleh diagihkan	
	Modal saham RM	Rizab berkanun RM	Rizab penilaian semula pelaburan RM	Pendapatan tertahan RM	Jumlah RM
Baki pada 1 Januari 2011	1,000,000,000	349,810,136	539,617,569	139,495,948	2,028,923,653
Keuntungan bersih bagi tahun	-	-	-	409,536,359	409,536,359
Lain-lain pendapatan komprehensif bagi tahun	-	-	(187,691,860)	-	(187,691,860)
Jumlah pendapatan komprehensif bagi tahun	-	-	(187,691,860)	549,032,307	310,866,214
Pindahan daripada pendapatan tertahan	-	204,768,180	-	204,768,180)	-
Baki pada 31 Disember 2011	**1,000,000,000**	**554,578,316**	**351,925,709**	**344,264,127**	**2,250,768,152**
Baki pada 1 Januari 2010	1,000,000,000	161,867,486	550,565,817	(25,946,702)	1,686,486,601
Keuntungan bersih bagi tahun	-	-	-	375,885,300	375,885,300
Lain-lain Pendapatan komprehensif bagi tahun	-	-	(10,948,248)	-	(10,948,248)
Jumlah pendapatan komprehensif bagi tahun	-	-	(10,948,248)	375,885,300	364,937,052
Pindahan daripada pendapatan tertahan	-	187,942,650	-	(187,942,650)	-
Pembayaran dividen	-	-	-	(22,500,000)	(22,500,000)
Baki pada 31 Disember 2010	**1,000,000,000**	**349,810,136**	**539,617,569**	**139,495,948**	**2,028,923,653**

Nota-nota yang disertakan merupakan sebahagian daripada penyata kewangan.

PENYATA ALIRAN TUNAI BAGI TAHUN BERAKHIR 31 DISEMBER 2011

	2011 RM	2010 RM
ALIRAN TUNAI DARIPADA AKTIVITI OPERASI		
Keuntungan sebelum cukai dan zakat	385,237,261	376,783,962
Pelarasan bagi:		
Caj penjejasan pinjaman	30,890,897	139,784,441
Hapuskira hutang lapuk dan pembiayaan	3,987,401	-
Susutnilai hartanah, loji dan peralatan	25,758,812	23,810,746
Pelunasan perisian komputer	10,537,304	9,553,726
Perbelanjaan faedah atas pinjaman daripada Kerajaan dan OECF	6,083,741	5,073,333
Hapuskira hartanah, loji dan peralatan	495,514	2,451,849
Pelunasan pajakan prabayar	56,887	76,767
Hapuskira perisian komputer	620	37,236
Keuntungan atas jualan sekuriti pelaburan	(8,886,879)	(215,378,711)
Dividen daripada sekuriti pelaburan	(14,836,171)	(20,996,157)
Pelunasan bagi:		
Geran Kerajaan - Belanja Modal	(12,651,391)	(13,195,089)
Geran Pelancaran - Belanja Modal	(2,140,275)	(2,468,167)
Keuntungan atas jualan hartanah, loji dan peralatan	(375,000)	(1,259,330)
Peruntukan lain-lain aset yang tidak lagi diperlukan	-	(1,000,000)
Keuntungan atas jualan pajakan prabayar	-	(8,667)
Keuntungan Operasi sebelum Perubahan Modal Kerja	**424,158,721**	**303,265,939**
Perubahan dalam pinjaman, pembiayaan dan pendahuluan	(641,811,913)	136,548,768
Perubahan dalam lain-lain aset	(18,786,621)	27,647,107
Perubahan dalam deposit dengan institusi kewangan	(20,000,000)	-
Perubahan dalam deposit dan simpanan pelanggan	1,270,315,804	485,332,362
Perubahan dalam pelbagai sipiutang	8,114,285	(76,724,472)
Perubahan dalam Skim Ganjaran Kredit Padi	77,520	125,172
Tunai daripada Aktiviti Operasi	**1,022,067,796**	**876,194,876**
Bayaran cukai	246,644	(341,077)
Bayaran zakat	(1,381,406)	(1,275,282)
Tunai Bersih daripada Aktiviti Operasi	**1,020,933,034**	**874,578,517**

(Dibawa ke hadapan)

	2011 RM	2010 RM
ALIRAN TUNAI YANG DIGUNAKAN DALAM AKTIVITI PELABURAN		
Pertambahan dalam sekuriti pelaburan	(902,067,792)	(963,436,180)
Pembelian hartanah, loji dan peralatan	(29,515,676)	(33,445,654)
Pembelian perisian komputer	(11,332,861)	(5,862,514)
Pendapatan daripada jualan sekuriti pelaburan	651,622,264	880,525,728
Penerimaan dividen daripada sekuriti pelaburan	14,836,171	20,996,157
Pendapatan daripada jualan hartanah, loji dan peralatan	530,000	3,106,880
Pendapatan daripada jualan pajakan prabayar	-	114,652
Tunai Bersih Digunakan dalam Aktiviti Pelaburan	**(275,927,894)**	**(98,000,931)**
ALIRAN TUNAI DARIPADA/(DIGUNAKAN DALAM) AKTIVITI PEMBIAYAAN		
Pembiayaan faedah atas pinjaman daripada kerajaan dan OECF	(3,344,773)	(2,546,252)
Pertambahan dalam:		
Tabung Untuk Makanan (“3F”)	-	295,000,000
Peruntukan MPPB	-	20,000,000
Skim Kredit Padi	-	35,000,000
Skim Kredit Pengeluaran Makanan (“SKPM”)	-	10,000,000
Pembiayaan Industri Kecil dan Sederhana (“PKS”)	-	15,000,000
Dana Enterpris Mikro	28,329,000	48,614,000
Dana Khas Sektor Perikanan Terengganu (“DKSP”)	(1,086,375)	(1,032,603)
Pembayaran Pinjaman Kerajaan dan Perhutangan	(106,618,971)	(50,087,009)
Perbezaan tukaran asing	(5,279,317)	(7,047,120)
Penggunaan geran pelancaran	(70,542)	(2,928,736)
Penerimaan geran pelancaran	-	1,000,000
Penggunaan geran pelancaran	(194,856)	(562,792)
Pembayaran dividen	-	(22,500,000)
Tunai Bersih (Digunakan dalam)/daripada Aktiviti Pembiayaan	**(88,265,834)**	**337,909,488**
PERTAMBAHAN TUNAI BERSIH DALAM SETARA	**656,739,306**	**1,114,487,074**
TUNAI DAN TUNAI SETARA PADA AWAL TAHUN	**2,756,301,035**	**1,641,813,961**
TUNAI DAN TUNAI SETARA PADA AKHIR TAHUN	**3,413,040,341**	**2,756,301,035**
TUNAI DAN TUNAI SETARA TERDIRI DARIPADA:		
Tunai dan dana jangka pendek (Nota 14)	3,413,040,341	2,756,301,035
	3,413,040,341	**2,756,301,035**

Nota-nota yang disertakan merupakan sebahagian daripada penyata kewangan.

NOTA BAGI PENYATA KEWANGAN BAGI TAHUN BERAKHIR 31 DISEMBER 2011

1. MAKLUMAT AM

Bank merupakan sebuah syarikat awam liabiliti terhad, diperbadankan dan bermastautin di Malaysia.

Kegiatan utama Bank adalah menjalankan aktiviti-aktiviti perbankan, pembiayaan, pelaburan dan perkhidmatan yang diperuntukkan di bawah Akta Bank Pertanian Malaysia Berhad, 2008.

Tiada sebarang perubahan ketara dalam aktiviti-aktiviti utama Bank sepanjang tahun kewangan semasa.

Pejabat berdaftar terletak di Aras 3, Bangunan Agrobank, Leboh Pasar Besar, 50726 Kuala Lumpur, Malaysia.

Tempat utama perniagaan Bank terletak di Agrobank, Leboh Pasar Besar, PO Box 10815, 50726 Kuala Lumpur, Malaysia.

Penyata kewangan Bank telah diluluskan dan dibenarkan untuk diterbitkan oleh Lembaga Pengarah melalui resolusi Lembaga Pengarah bertarikh 27 Februari 2012.

2. ASAS PENYEDIAAN PENYATA KEWANGAN

Penyata kewangan Bank telah disediakan selaras dengan peruntukan-peruntukan Akta Bank Pertanian Malaysia Berhad 2008, Akta Institusi Kewangan Pembangunan 2002 - Akta 618 (DFIA), Akta Syarikat, 1965 dan Piawaian Pelaporan Kewangan ("FRS") sebagaimana yang diubah suai oleh Garis Panduan Bank Negara Malaysia.

Penyata kewangan juga meliputi semua aktiviti yang berkaitan dengan perniagaan perbankan Islam yang telah dijalankan oleh Bank seperti yang didedahkan dalam Nota 51 kepada penyata kewangan. Perniagaan perbankan Islam secara amnya merujuk kepada penerimaan deposit dan pemberian pembiayaan di bawah prinsip-prinsip Syariah.

Penyata kewangan dibentangkan dalam Ringgit Malaysia (RM), yang juga merupakan mata wang fungsian Bank.

3. DASAR-DASAR PERAKAUNAN PENTING

3.1 Perubahan dalam dasar perakaunan

Dasar-dasar perakaunan yang diterima pakai adalah konsisten dengan tahun kewangan sebelumnya kecuali seperti berikut:

Pada 1 Januari 2011, Bank telah menerima pakai FRS baru dan pindaan FRS dan Tafsiran IC ("Int IC.") mandatori bagi tempoh kewangan tahunan bermula pada atau selepas 1 Januari 2011.

FRS 3 Kombinasi bisnes (semakan)
Pindaan kepada FRS
FRS 2 Pembayaran Berasaskan Saham
FRS 5 Aset Bukan Semasa Dipegang Untuk Dijual dan Pemberhentian Operasi
FRS 7 Meningkatkan Pendedahan mengenai Instrumen Kewangan
FRS 127 Penyatuan dan Pengasingan Penyata Kewangan
FRS 132 Instrumen Kewangan: Pembentangan (Pengelasan Terbitan Hak)
FRS 138 Aset Tidak Ketara
Penambahbaikan kepada FRS (2010)
Int IC. 4 Menentukan sama ada sesuatu aturan mengandungi Pajakan
Int IC. 12 Aturan Perkhidmatan Konsesi
Int IC. 16 '*Hedges*' ke atas Pelaburan Bersih dalam Operasi Luar
Int IC. 17 Pemberian Aset Bukan Tunai kepada Pemilik
Int IC. 18 Pemindahan Aset daripada Pelanggan
Pindaan kepada Tafsiran IC
Int IC. 9 Penilaian Semula Derivatif Tersembunyi

3.1.1 Implikasi kepada penerimaan pakai FRS baru dan disemak semula

Penggunaan piawaian dan tafsiran di atas seperti yang dinyatakan di Nota 3.1 tidak memberi implikasi kepada prestasi kewangan atau kedudukan Bank kecuali seperti di bawah:

Pindaan kepada FRS 7 – Meningkatkan Pendedahan mengenai Instrumen Kewangan

Sebelum 1 Januari 2011, maklumat mengenai instrumen kewangan telah didedahkan selaras dengan ketetapan FRS 132 Instrumen Kewangan: Pendedahan dan Pembentangan. FRS 7 memperkenalkan pendedahan baru untuk memperbaiki maklumat mengenai instrumen kewangan. Ia memerlukan pendedahan maklumat kualitatif mengenai risiko berpunca daripada instrumen kewangan, termasuk pendedahan minimum khusus mengenai risiko kredit, risiko kecairan dan risiko pasaran, termasuk analisis sensitiviti kepada risiko pasaran.

Bank telah mengguna pakai FRS 7 secara prospektif selaras dengan peruntukan peralihan. Oleh itu, pendedahan baru tidak diguna pakai kepada perbandingan. Pendedahan baru termasuk seluruh penyata kewangan Bank bagi tahun berakhir 31 Disember 2011 dan dinyatakan dalam Nota 48.

3.2 Piawaian dan Interpretasi IC Yang Telah Diterbitkan Tetapi Belum Efektif

Bank belum menerima pakai piawaian dan tafsiran berikut yang telah dikeluarkan tetapi belum berkuat kuasa:

FRS dan Tafsiran

FRS 124 Pendedahan Pihak Berkaitan

Pindaan kepada FRS
FRS 1 Pengecualian Terhad daripada Perbandingan FRS 7 Pendedahan untuk Pengguna Kali Pertama
FRS 1 Pengecualian Tambahan untuk Pengguna Kali Pertama
FRS 2 Kumpulan Tunai-Penjelasan Saham Berasaskan Transaksi Bayaran

Penambahbaikan kepada FRS (2010)

Int IC. 19 Pelupusan Liabiliti Kewangan dengan Instrumen Ekuiti
Pindaan kepada Tafsiran IC
Int IC. 13 Program Kesetiaan Pelanggan
Int IC. 14 Prabayar Keperluan Minimum Pembiayaan
TR i-4 Pematuhan Syariah bagi Kontrak Jualan

Pengarah menjangkakan bahawa penggunaan piawaian lain dan tafsiran di atas tidak akan memberi kesan ketara ke atas penyata kewangan dalam tempoh penggunaan awal. Perubahan dalam dasar perakaunan yang berpunca daripada penggunaan pakai pindaan kepada FRS 1, FRS 124, pindaan kepada Int IC 13, pindaan kepada Int IC 14 dan Pindaan kepada Int IC 19.

3.3 Perubahan dalam rangka kerja perakaunan

Pada 19 November 2011, Lembaga Piawaian Perakaunan Malaysia (MASB) telah mengeluarkan rangka kerja perakaunan (MASB) yang baru, Piawaian Laporan Kewangan Malaysia ('Rangka kerja MFRS').

Rangka Kerja MFRS perlu diguna pakai oleh semua Entiti selain daripada Entiti persendirian untuk tempoh tahunan bermula pada atau selepas 1 Januari 2012, kecuali Entiti yang termasuk didalam skop MFRS 141 Pertanian ('MFRS 141') dan Int IC 15 Perjanjian untuk Pembinaan Hartanah (IC 15), termasuk syarikat induk, pelabur yang signifikan dan pengusaha (juga dikenali 'Entiti Peralihan').

Bank akan dikehendaki untuk menyediakan penyata kewangan menggunakan Rangka MFRS dalam penyata kewangan pertama bagi tahun berakhir 31 Disember 2012. Dalam membentangkan penyata kewangan MFRS pertama, Bank akan diperlukan untuk menyatakan semula penyata kewangan perbandingan kepada jumlah yang mencerminkan permohonan Rangka Kerja MFRS. Majoriti pelarasan yang diperlukan pada peralihan akan dibuat, secara retrospektif, terhadap baki awal keuntungan terkumpul.

Bank telah menubuhkan satu pasukan projek untuk merancang dan menguruskan penggunaan pakai Rangka Kerja MFRS. Projek ini terdiri daripada fasa berikut:

(a) Fasa penilaian dan perancangan

Fasa ini melibatkan perkara-perkara berikut:

(i) Mengenal pasti tahap tertinggi: terhadap perbezaan utama antara Piawaian Pelaporan Kewangan dengan piawaian perakaunan di bawah Rangka Kerja MFRS dan pendedahan yang dijangka wujud daripada penggunaan pakai Rangka Kerja MFRS;

(ii) Penilaian sebarang keperluan latihan; dan

(iii) Penyediaan rancangan peralihan.

Bank menganggap fasa penilaian dan perancangan ini akan selesai dilaksanakan pada tarikh penyata kewangan ini.

(b) Fasa pelaksanaan dan kajian semula

Fasa ini bertujuan untuk:

(i) menggubal/atau menyemak dasar perakaunan baru dan tatacara supaya mematuhi Rangka Kerja MFRS;

(ii) mengenal pasti potensi kesan kewangan pada tarikh peralihan, yang wujud daripada penggunaan pakai Rangka Kerja MFRS;

(iii) membangunkan pendedahan yang diperlukan oleh Rangka Kerja MFRS; dan

(iv) membangunkan program-program latihan untuk kakitangan.

Bank masih diperingkat penilaian kesan kewangan akibat perbezaan antara Piawaian Pelaporan Kewangan dengan piawaian perakaunan di bawah Rangka Kerja MFRS. Sehubungan dengan itu, prestasi kewangan dan kedudukan kewangan seperti yang didedahkan di dalam penyata kewangan bagi tahun berakhir 31 Disember 2011 berkemungkinan berbeza jika disediakan di bawah Rangka Kerja MFRS.

Bank berpendapat bahawa jadual yang dirancang dapat dicapai dan menjangkakan peruntukan Rangka Kerja MFRS dapat dipatuhi sepenuhnya bagi tahun kewangan berakhir 31 Disember 2012.

3.4 Ringkasan dasar perakaunan penting

(a) Asas Perakaunan

Penyata kewangan Bank telah disediakan berdasarkan konvensyen kos sejarah, kecuali seperti yang didedahkan dalam dasar-dasar perakaunan yang penting di bawah.

(b) Pengiktirafan Pendapatan

Pengiktirafan faedah dalam pendapatan faedah dan perbelanjaan faedah dalam penyata pendapatan komprehensif bagi semua faedah instrumen kewangan yang diklasifikasikan sebagai dipegang sehingga matang, tersedia untuk dijual atau pinjaman dan penerimaan menggunakan kaedah faedah efektif.

Kaedah faedah efektif adalah kaedah pengiraan kos pelunasan aset kewangan atau liabiliti (atau kumpulan aset dan liabiliti) dan mengagihkan pendapatan faedah atau perbelanjaan faedah sepanjang tempoh berkenaan. Kadar faedah efektif ialah kadar yang digunakan untuk diskaun masa depan yang dijangka bagi bayaran dan penerimaan tunai melalui jangka hayat instrumen kewangan, atau jumlah pembawa bersih instrumen untuk tempoh yang lebih singkat, mengikut kesesuaian. Aplikasi kaedah tersebut mempunyai kesan pada pendapatan diiktiraf yang diterima (atau pembayaran dibayar) keatas instrumen mengiku kadar yang sama rata pada jumlah tertunggak sepanjang tempoh matang atau bayaran balik.

Dalam pengiraan faedah efektif, Bank menganggarkan aliran tunai mengambil kira semua terma kontrak instrumen kewangan tetapi tidak termasuk kerugian kredit masa depan. Pendapatan yuran, termasuk penebusan awal, dimasukkan dalam pengiraan setakat yang boleh dikira dan dianggap sebagai sebahagian daripada kadar faedah efektif. Aliran tunai yang timbul daripada kos langsung dan kos tambahan instrumen kewangan juga diambil kira dalam pengiraan. Jika anggaran aliran tunai yang dijangka daripada instrumen kewangan tidak dapat dilaksanakan, faedah efektif dikira dengan merujuk kepada bayaran atau penerimaan yang dinyatakan dalam kontrak dan tempoh penuh kontrak.

Pendapatan yuran dan komisen diiktiraf apabila perkhidmatan diberikan kepada pelanggan, melainkan ianya termasuk dalam pengiraan faedah efektif.

Pendapatan dividen diiktiraf apabila hak untuk menerima bayaran dikenal pasti. Dalam penyata kewangan ini, pendapatan dividen diiktiraf apabila ianya diterima atau pasti diterima.

Pendapatan sewaan diiktiraf apabila hak untuk menerima bayaran berkenaan matang mengikut perjanjian.

(c) Geran Kerajaan

Geran Kerajaan diiktiraf pada nilai saksama di mana terdapat jaminan munasabah bahawa geran tersebut akan diterima dan semua syarat yang dilampirkan akan dipenuhi. Jika geran berkaitan dengan aset, nilai saksama adalah diiktiraf sebagai geran modal tertunda dalam penyata kedudukan kewangan dan dilunaskan kepada keuntungan atau kerugian berdasarkan anggaran tempoh hayat bergunanya sesuatu aset tetap.

Geran daripada Kerajaan Malaysia terdiri daripada geran belanja modal, geran pembangunan dan geran pelancaran. Geran belanja modal dan geran pembangunan yang belum digunakan ditunjukkan secara berasingan daripada sumber dana Bank. Geran belanja modal dilunaskan ke penyata pendapatan komprehensif berdasarkan anggaran tempoh hayat bergunanya sesuatu aset tetap. Perbelanjaan pembangunan dikurangkan daripada Geran Kerajaan apabila digunakan.

Geran pelancaran yang diterima untuk perbelanjaan modal dilunaskan ke penyata pendapatan komprehensif berdasarkan anggaran tempoh hayat bergunanya sesuatu aset tersebut manakala geran pelancaran untuk perbelanjaan pembangunan ditolak daripada geran pelancaran apabila digunakan.

(d) Aset dan Liabiliti Kewangan

1) Pengiktirafan Awal dan Pengukuran Berikutnya

Instrumen kewangan dikelaskan dalam kategori berikut – pinjaman dan penerimaan, pelaburan kewangan yang dipegang sehingga matang dan pelaburan kewangan tersedia untuk dijual.

Pihak pengurusan menentukan klasifikasi instrumen kewangan pada pengiktirafan awal.

Bank mengklasifikasikan aset kewangannya dalam kategori berikut: pinjaman dan penerimaan, pelaburan dipegang sehingga matang dan aset kewangan tersedia untuk dijual. Pihak pengurusan menentukan klasifikasi aset dan liabiliti kewangan pada pengiktirafan awal.

(i) Pinjaman dan penerimaan

Pinjaman dan penerimaan ialah aset kewangan bukan derivatif dengan pembayaran tetap atau pembayaran yang ditentukan dalam pasaran aktif tidak disebut harga. Aset kewangan yang dikelaskan dalam kategori ini meliputi tunai dan baki di bank dan pinjaman, pendahuluan dan pembiayaan. Aset-aset kewangan pada mulanya diiktiraf pada nilai saksama, termasuk kos transaksi langsung dan tambahan, dan kemudiannya diukur pada kos pelunasan menggunakan kaedah faedah efektif. Pendapatan faedah atas pinjaman dan penerimaan diiktiraf sebagai “Pendapatan faedah” dalam keuntungan atau kerugian. Kerugian penjejasan ke atas pinjaman, pendahuluan dan pembiayaan diiktiraf dalam keuntungan atau kerugian sebagai “Peruntukan penjejasan pinjaman, pendahuluan dan pembiayaan”.

(ii) Dipegang sehingga matang

Pelaburan kewangan dipegang sehingga matang ialah aset kewangan bukan derivatif dengan pembayaran tetap atau pembayaran yang ditentukan di mana pihak pengurusan berhasrat dan berupaya memegang sehingga matang. Aset-aset kewangan pada mulanya diiktiraf pada nilai saksama termasuk kos transaksi langsung dan kos transaksi tambahan, dan kemudiannya diukur pada kos pelunasan menggunakan kaedah faedah efektif. Faedah ke atas pelaburan yang dipegang sehingga matang termasuk dalam "Pendapatan faedah" dalam untung atau rugi. Kerugian penjejasan, jika ada, diiktiraf dalam keuntungan atau kerugian sebagai "penjejasan pelaburan". Kebiasaannya, pembelian dan penjualan pelaburan kewangan dipegang sehingga matang diiktiraf pada tarikh penyelesaian. Jika Bank menjual atau mengkelaskan semula pelaburan kewangan dipegang sehingga matang sebelum matang melebihi jumlah signifikan, semua kategori yang akan terlibat, akan dikelaskan semula sebagai tersedia untuk dijual. Bank tidak dibenarkan untuk mengklasifikasikan mana-mana aset kewangan sebagai dipegang sehingga matang untuk dua tahun berikutnya.

(iii) Tersedia untuk dijual

Pelaburan kewangan tersedia untuk dijual adalah aset kewangan bukan derivatif yang ditetapkan sebagai tersedia untuk dijual dan tidak dikategorikan kepada mana-mana kategori lain di atas. Pelaburan kewangan tersedia untuk dijual termasuk dalam aset kewangan yang bertujuan dipegang untuk tempoh yang tidak ditentukan masa, yang boleh dijual bagi memenuhi keperluan kecairan atau perubahan dalam keadaan pasaran. Aset-aset kewangan pada mulanya diiktiraf pada nilai saksama termasuk kos transaksi langsung dan kos transaksi tambahan dan kemudiannya diukur pada nilai saksama.

Keuntungan dan kerugian yang timbul daripada perubahan dalam nilai saksama diiktiraf dalam penyata pendapatan komprehensif di bawah pendapatan komprehensif lain, kecuali untuk kerugian penjejasan, di mana ianya diiktiraf dalam keuntungan atau kerugian. Jika pelaburan tersedia untuk dijual terjejas, keuntungan atau kerugian terkumpul yang sebelumnya diiktiraf dalam ekuiti, diiktiraf dalam keuntungan atau kerugian. Sepertimana penjejasan, keuntungan atau kerugian nilai saksama terkumpul dari penjualan pelaburan tersedia untuk dijual yang diiktiraf dalam ekuiti juga dipindahkan ke keuntungan atau kerugian. Pendapatan faedah pelaburan kewangan tersedia untuk dijual termasuk dalam "Pendapatan faedah" dan pendapatan dividen adalah diiktiraf sebagai "keuntungan dan kerugian bersih atas instrumen kewangan" dalam keuntungan atau kerugian. Kebiasaannya, pembelian dan penjualan pelaburan kewangan tersedia untuk dijual diiktiraf pada tarikh penyelesaian.

Pelaburan dalam instrumen ekuiti tidak disebut harga yang dikelaskan sebagai tersedia untuk dijual yang mana nilai saksamanya tidak boleh diukur, diukur pada kos. Pelaburan ini dinilai untuk penjejasan pada setiap tempoh pelaporan.

(iv) Liabiliti kewangan

Liabiliti kewangan pada awalnya diiktiraf pada nilai saksama setelah penerimaan ditolak kos urus niaga secara langsung. Selepas pengiktirafan awal, liabiliti kewangan diukur pada kos terlunas. Liabiliti kewangan yang diukur pada kos terlunas adalah termasuk deposit daripada pelanggan.

2) Penyahiktirafan

Aset kewangan tidak lagi diiktiraf apabila hak kontrak untuk menerima aliran tunai daripada aset-aset ini tidak lagi wujud atau apabila hak untuk menerima aliran tunai terus daripada aset telah dipindahkan kepada pihak ketiga dan sebahagian besar risiko dan ganjaran pemilikan aset juga dipindahkan. Liabiliti kewangan tidak lagi diiktiraf apabila mereka ditebus atau dihapuskan.

3) Penentuan Nilai Saksama

Bagi instrumen kewangan yang diukur pada nilai saksama, nilai saksama ditentukan dengan merujuk kepada harga pasaran yang disebut. Untuk instrumen kewangan dengan harga pasaran disebut harga yang diniagakan dalam pasaran aktif, nilai saksama berdasarkan harga pasaran disebut harga atau sebut harga peniaga. Ini termasuk sekuriti ekuiti tersenarai dan penilaian broker daripada Bloomberg dan Reuters.

Pelaburan dalam instrumen ekuiti tidak disebut harga yang tidak boleh diukur pada kos, dan dinilai untuk penjejasan pada setiap tempoh pelaporan.

4) Penjejasan Aset Kewangan

(i) Pinjaman, Pendahuluan dan Pembiayaan

Pinjaman, pendahuluan dan pembiayaan ("pinjaman") Bank dikelaskan sebagai terjejas apabila mereka memenuhi salah satu daripada kriteria berikut:

(1) pokok atau faedah atau kedua-duanya tertunggak selama tiga (3) bulan atau lebih;

(2) di mana pinjaman tertunggak kurang daripada tiga (3) bulan, pinjaman menunjukkan tanda-tanda kelemahan kredit; atau

(3) di mana pinjaman terjejas telah dijadualkan semula atau disusun semula, pinjaman akan terus dikelaskan dan terjejas sehingga bayaran balik berdasarkan semakan dan/atau disusun semula dan syarat-syarat telah dipatuhi secara berterusan bagi tempoh enam (6) bulan bagi pinjaman bukan runcit dan tiga (3) bulan bagi pinjaman runcit.

Bagi menentukan penjejasan pinjaman, Bank menilai pada setiap tempoh pelaporan sama ada terdapat sebarang bukti objektif bahawa pinjaman atau sekumpulan pinjaman adalah terjejas. Pinjaman atau sekumpulan pinjaman terjejas dan kerugian penjejasan diiktiraf hanya jika terdapat bukti objektif penjejasan hasil daripada satu atau lebih peristiwa yang telah berlaku selepas pengiktirafan awal sesuatu aset (contoh satu "peristiwa kerugian") mempunyai kesan ke atas anggaran aliran tunai masa hadapan pinjaman atau kumpulan pinjaman yang boleh dianggarkan.

Kriteria Bank yang menentukan bahawa terdapat bukti objektif penjejasan adalah termasuk:

(1) sebarang kesukaran kewangan yang signifikan dialami penanggung;

(2) pelanggaran kontrak, seperti lalai dalam pembayaran faedah atau bayaran pokok;

(3) kebarangkalian tinggi muflis atau penyusunan semula kewangan oleh penanggung;

(4) kebimbangan terhadap daya maju operasi perniagaan penanggung dan keupayaan untuk keluar daripada masalah kewangan serta menjana aliran tunai yang mencukupi untuk menangani obligasi hutangnya; dan

(5) sebarang berita buruk atau perkembangan yang mempengaruhi keadaan ekonomi tempatan atau persekitaran perniagaan yang akan menjejaskan keupayaan pembayaran balik peminjam.

Bank akan menilai secara individu sama ada bukti objektif penjejasan yang wujud bagi pinjaman individu yang signifikan, atau kolektif bagi pinjaman terjejas tidak signifikan secara individu. Jika tiada bukti objektif penjejasan pinjaman yang dinilai secara individu, pinjaman kemudian dimasukkan dalam kumpulan pinjaman dengan ciri-ciri risiko kredit yang sama dan dinilai secara kolektif untuk penjejasan. Pinjaman yang dinilai secara individu yang mana kerugian penjejasan adalah tidak termasuk dalam penjejasan penilaian kolektif.

Jika terdapat bukti objektif bahawa kerugian penjejasan telah berlaku, jumlah kerugian diukur sebagai perbezaan antara amaun pinjaman dan nilai semasa anggaran aliran tunai masa depan. Nilai pembawa bagi pinjaman dikurangkan melalui penggunaan akaun peruntukan dan jumlah kerugian diiktiraf dalam keuntungan atau kerugian. Jika perlu, pengiraan nilai semasa anggaran aliran tunai masa depan pinjaman bercagar mengakibatkan aliran tunai yang mungkin terhasil daripada lelongan ditolak kos untuk mendapatkan dan menjual cagaran, sama ada atau tidak berlaku kebarangkalian lelongan.

Untuk penilaian kolektif, pinjaman tidak terjejas dan pinjaman yang terjejas yang tidak signifikan secara individu dikumpulkan berdasarkan ciri-ciri risiko seragam yang menunjukkan keupayaan peminjam untuk membayar semua jumlah tunggakan mengikut jangka masa kontrak peminjam. Penjejasan kolektif dikira dengan mendarabkan pendedahan *Probability of Default ("PD")* dan *Lost Given Default ("LGD")*. PD berdasarkan analisis migrasi atau analisis regresi manakala LGD ditentukan dengan menggunakan kaedah penurunan nilai cagaran. Jika pinjaman tidak dapat dikutip, ia dihapus kira daripada peruntukan penjejasan pinjaman. Pinjaman tersebut dihapus kira selepas prosedur yang ditetapkan dan jumlah kerugian telah ditentukan.

Jumlah pemulihan berikut yang dahulunya telah dihapus kira, diiktiraf dalam keuntungan atau kerugian.

(ii) Pelaburan Kewangan Tersedia untuk Dijual

Bank membuat penilaian pada setiap tempoh pelaporan sama ada terdapat bukti objektif bahawa pelaburan kewangan yang diklasifikasikan sebagai tersedia untuk dijual adalah terjejas. Dalam kes pelaburan ekuiti disebut harga, penurunan ketara atau berpanjangan dalam nilai saksama sekuriti di bawah kosnya juga dipertimbangkan dalam menentukan sama ada wujud bukti objektif penjejasan.Jika wujud sebarang bukti sedemikian, kerugian terkumpul (diukur sebagai perbezaan antara kos pembelian dengan nilai saksama semasa, ditolak sebarang kerugian penjejasan diiktiraf) dikeluarkan daripada ekuiti dan diiktiraf dalam keuntungan atau kerugian. Bagi pelaburan ekuiti tidak tidak disebut harga yang diukur pada kos, amaun kerugian penjejasan diukur sebagai perbezaan antara nilai pembawa aset dan nilai semasa anggaran tunai masa hadapan yang dikurangkan pada kadar pulangan pasaran semasa bagi aset kewangan yang serupa.

(iii) Pelaburan Kewangan Dipegang sehingga Matang

Bank membuat penilaian pada setiap tempoh pelaporan sama ada bukti objektif penjejasan pelaburan kewangan dipegang sehingga matang wujud sebagai hasil daripada satu atau lebih peristiwa kerugian dan kerugian peristiwa yang mempunyai kesan ke atas aliran tunai masa hadapan pelaburan kewangan atau kumpulan pelaburan kewangan yang dapat dianggarkan dengan pasti. Jika terdapat bukti objektif penjejasan, kerugian penjejasan diiktiraf sebagai perbezaan antara kos pembelian dengan nilai semasa anggaran aliran tunai masa hadapan, ditolak sebarang kerugian penjejasan yang diiktiraf sebelumnya.

(iv) Penjadualan dan Penyusunan Semula Pinjaman

Jika pinjaman menunjukkan bukti kelemahan kredit, Bank boleh berusaha untuk merundingkan semula pinjaman selain daripada mengambil alih hak milik cagaran. Ini mungkin melibatkan penambahan tempoh pembayaran melalui penjadualan semula atau rundingan semula terma dan syarat-syarat baharu pinjaman melalui penyusunan semula. Pihak pengurusan memantau pinjaman rundingan semula untuk memastikan semua syarat yang dikaji semula dipenuhi dan pembayaran balik dibuat dengan segera bagi tempoh yang berterusan. Jika sesuatu pinjaman terjejas dirundingkan, peminjam perlu mematuhi syarat-syarat pembayaran balik yang disemak dan/atau disusun semula untuk tempoh berterusan selama enam bulan bagi pinjaman tidak runcit dan 3 bulan bagi pinjaman runcit sebelum pinjaman diklasifikasikan sebagai tidak terjejas. Pinjaman ini tertakluk kepada penilaian penjejasan individu atau kolektif.

e) Mata Wang Asing

i. Mata Wang Fungsian

Butiran yang dimasukkan dalam penyata kewangan Bank diukur menggunakan mata wang persekitaran ekonomi utama di mana Bank beroperasi, iaitu mata wang fungsian. Penyata kewangan Bank dibentangkan dalam Ringgit Malaysia (RM), yang merupakan mata wang fungsian dan pembentangan Bank.

ii. Urus Niaga dalam Matawang Asing

Dalam penyediaan penyata kewangan Bank, urus niaga dalam mata wang selain daripada mata wang fungsian iaitu mata wang asing, ditukarkan ke dalam mata wang fungsian pada kadar pertukaran yang terdapat pada tarikh-tarikh urus niaga. Aset dan liabiliti kewangan yang didenominasikan dalam mata wang asing ditukarkan kepada kadar pertukaran pada tarikh pelaporan apabila nilai ditentukan. Butiran bukan kewangan diukur pada nilai saksama dalam mata wang asing ditukarkan pada kadar pertukaran pada tarikh apabila nilai ditentukan. Butiran bukan kewangan yang diukur pada kos sejarah dalam mata wang asing ditukarkan pada kadar pertukaran semasa pada tarikh urus niaga permulaan.

Perbezaan pertukaran yang timbul daripada butiran bukan kewangan yang dibawa pada nilai saksama adalah termasuk dalam untung atau rugi bagi tempoh tersebut, kecuali perbezaan yang timbul daripada butiran bukan kewangan yang mana keuntungan atau kerugian diiktiraf terus dalam ekuiti. Perbezaan pertukaran yang timbul daripada butiran bukan kewangan yang serupa juga diiktiraf terus dalam ekuiti.

f) Cukai Pendapatan

i) Cukai semasa

Aset cukai semasa dan liabiliti diukur pada jumlah yang dijangka boleh diperoleh semula atau dibayar kepada pihak berkuasa cukai. Kadar cukai dan undang-undang cukai yang digunakan untuk mengira amaun adalah yang digubal atau digubal secara substantif pada tarikh pelaporan.

Cukai semasa diiktiraf dalam keuntungan atau kerugian kecuali setakat mana cukai yang berkaitan dengan perkara-perkara yang diiktiraf di luar untung atau rugi, sama ada dalam pendapatan komprehensif lain atau secara langsung dalam ekuiti.

ii) Cukai tertunda

Cukai tertunda diperuntukkan dengan menggunakan kaedah “liabiliti”, ke atas perbezaan sementara pada tarikh pelaporan antara asas cukai dan amaun pembawa bagi aset dan liabiliti dalam penyata kewangan. Secara prinsipnya, liabiliti cukai diiktiraf bagi kesemua perbezaan sementara dan aset cukai diiktiraf untuk semua perbezaan sementara boleh ditolak, kerugian cukai belum digunakan dan kredit cukai belum digunakan setakat tahap di mana keuntungan boleh cukai diramalkan boleh menyerap perbezaan sementara boleh ditolak, kerugian cukai belum digunakan dan kredit cukai belum digunakan.

Cukai tertunda tidak akan diiktiraf jika perbezaan sementara berpunca daripada muhibah atau daripada permulaan pengambilalihan aset atau liabiliti dalam urus niaga yang bukan kombinasi perniagaan dan dalam pada masa urus niaga itu, tidak mempengaruhi keuntungan perakaunan dan pendapatan bercukai.

Amaun pembawa bagi aset cukai sekiranya ada akan diukur pada setiap tarikh pelaporan dan akan berkurangan setakat tahap di mana keuntungan boleh cukai tidak boleh diramalkan untuk membolehkan keseluruhan atau sebahagian aset untuk dibaik pulih. Cukai tertunda diukur dengan menggunakan kadar cukai yang dijangka digunakan dalam jangka masa aset direalisasikan atau liabiliti telah dibuat bayaran.

Cukai tertunda diiktiraf dalam keuntungan atau kerugian, kecuali cukai itu wujud daripada urus niaga yang diiktiraf terus dalam ekuiti. Aset dan liabiliti cukai tertunda dimansuhkan apabila terdapat arahan undang-undang yang sah untuk menghapuskan aset cukai semasa dengan liabiliti cukai semasa dan apabila ia berkaitan dengan cukai pendapatan yang dikenakan oleh pihak berkuasa cukai di mana Bank berniat untuk menyelesaikan aset dan liabiliti cukai semasa berdasarkan asas bersih.

Aset dan liabiliti cukai tertunda dimansuhkan apabila terdapat arahan undang-undang yang sah untuk menghapuskan aset cukai semasa dengan liabiliti cukai semasa dan apabila ia berkaitan dengan cukai pendapatan yang dikenakan oleh pihak berkuasa cukai di mana Bank berniat untuk menyelesaikan aset dan liabiliti cukai semasa berdasarkan asas bersih.

Kementerian Kewangan melalui pemberitahuan dalam Warta Malaysia P.U.(A) 95/2008 mengeluarkan suatu perintah pada 1 April 2008 peletakhakan semua harta, hak dan liabiliti BPM kepada Bank tanpa apa-apa pemindahhakan, penyerahhakan atau pemindahan. Berdasarkan perintah itu, Kementerian Kewangan dalam surat bertarikh 25 Jun 2008 telah membuat keputusan untuk melanjutkan hak untuk pengecualian cukai ke atas semua pendapatan bagi tahun taksiran 2002 hingga 2012 kecuali cukai ke atas pendapatan dividen. Di samping itu, Bank adalah dibenarkan membawa ke hadapan kerugian cukai elaun modal yang tidak diserap untuk berkata tempoh dikecualikan.

(g) Manfaat Pekerja

(i) Manfaat Jangka Pendek

Upah, gaji, pelbagai imbuhan tetap dan bonus diiktiraf sebagai perbelanjaan dalam tahun di mana perkhidmatan dilaksanakan oleh kakitangan. Cuti jangka pendek berbayar terkumpul terhad kepada maksimum 120 hari sepanjang tempoh perkhidmatan terbit daripada cuti tahunan berbayar yang tidak habis digunakan dan dibenarkan dikumpulkan, diiktiraf apabila perkhidmatan dilaksanakan oleh kakitangan. Atas persetujuan dan kelulusan ketua jabatannya, pegawai boleh membawa ke hadapan cutinya untuk tempoh dua (2) tahun sahaja. Cuti ini akan dikira luput sekiranya tidak diambil pada tahun berkenaan dan tidak boleh digantikan dengan gantian tunai. Cuti sakit diiktiraf apabila ketidakhadiran berlaku atas sebab kesihatan.

(ii) Pelan Caruman Tertakrif

Bank dikehendaki oleh undang-undang untuk membuat caruman bulanan kepada Kumpulan Wang Simpanan Pekerja ("KWSP") pada kadar tertentu yang ditetapkan berdasarkan gaji pekerja. Caruman sedemikian diiktiraf sebagai perbelanjaan dalam untung atau rugi apabila ia berlaku.

(h) Penjejasan Aset

Amaun pembawa hartanah, loji dan peralatan akan disemak bagi tujuan penjejasan nilai apabila terdapatnya petunjuk bahawa nilai aset mungkin terjejas. Penjejasan nilai dikira dengan membandingkan amaun pembawa aset dengan amaun boleh pulih aset tersebut.

Jumlah pemulihan ialah nilai saksama melebihi kos jualan dan nilai terpakai. Dalam menilai nilai terpakai, anggaran aliran tunai masa hadapan telah didiskaun ke nilai semasa menggunakan kadar diskaun cukai terdahulu yang menunjukkan nilai pasaran semasa bagi nilai semasa wang dan risiko kepada aset yang belum diselaras anggaran aliran tunai masa hadapan.

Sekiranya jumlah pemulihan aset dianggar kurang daripada jumlah pembawa, jumlah pembawaaset dikurangkan ke jumlah pemulihan. Kerugian penjejasan akan diiktiraf ke penyata untung dan rugi.

Kenaikan seterusnya ke atas amaun boleh pulih aset tersebut akan diambil kira sebagai pembalikan terhadap penjejasan nilai sebelum ini dan diiktiraf setakat nilai pembawa aset tersebut telah ditentukan, bersih daripada pelunasan dan susutnilai sebelum sebarang penjejasan nilai diiktirafkan. Pembalikan ini akan diiktiraf ke untung atau rugi dengan serta merta.

(i) Hartanah, Loji dan Peralatan

Hartanah, loji dan peralatan dinyatakan pada kos ditolak susutnilai terkumpul dan sebarang penjejasan kerugian terkumpul, sekiranya ada.

Tanah milik bebas dan kerja dalam binaan tidak disusutnilaikan.

Hartanah, loji dan peralatan disusutnilai pada kadar yang dikira mengikut kaedah garis lurus untuk menghapuskira kos aset-aset tersebut sepanjang anggaran tempoh hayat bergunanya. Kadar susutnilai tahunan utama yang dipakai adalah seperti berikut:

Bangunan milik bebas	2%
Bangunan pegang pajak	2%
Kenderaan bermotor	20%
Perabot dan kelengkapan	10%
Peralatan dan mesin pejabat	10%
Perkakasan komputer	20%
Ubah suai pejabat yang disewa	10%
Ubah suai bangunan sendiri	10%

Sekiranya peralatan atau bahagian item-item hartanah, loji dan peralatan mempunyai jangka hayat guna berbeza, kos atau penilaian item-item tersebut diperuntukkan berdasarkan asas yang munasabah antara peralatan-peralatan dengan setiap bahagian peralatan yang disusutnilai secara berasingan.

Pada setiap tarikh pelaporan, nilai sisa dan jangka hayat guna akan disemak semula. Sebarang kesan terhadap perubahan akan diiktiraf sebagai prospektif. Keuntungan atau kerugian atas jualan ditentukan melalui perbandingan antara pendapatan dengan amaun pembawa aset di mana perbezaannya akan diambil kira dalam untung atau rugi.

Kesemua kos baik pulih dan penyelenggaraan dicajkan kepada untung atau rugi dalam tempoh di mana ia dilibatkan.

(j) Aset Tidak Ketara

Aset tidak ketara terdiri daripada perisian komputer yang pada mulanya dicatatkan pada kos. Selepas pengiktirafan, perisian komputer diukur pada kos ditolak pelunasan terkumpul. Pelunasan dikira menggunakan kaedah garis lurus untuk memperuntukkan kos perisian komputer sepanjang anggaran temph hayat bergunanya selama 3 tahun. Keuntungan atau kerugian yang timbul daripada pelupusan aset ditentukan sebagai perbezaan antara hasil pelupusan bersih dengan amaun pembawa aset dan diambil kira dalam keuntungan atau kerugian.

Perbelanjaan seterusnya ke atas aset tidak ketara selepas pembelian atau pelupusan diiktiraf sebagai perbelanjaan apabila ia berlaku, melainkan jika ia adalah berkemungkinan bahawa perbelanjaan ini akan membolehkan aset untuk menjana manfaat ekonomi masa depan melebihi prestasi standard asalnya yang dinilai dan perbelanjaan akan diukur dan dikaitkan kepada aset pasti.

(k) Pajakan

Pajakan terdiri daripada pajakan kewangan dan pajakan kendalian. Pajakan diklasifikasi sebagai pajakan kewangan sekiranya Bank memikul sebahagian besar risiko dan manfaat pemilikan aset. Aset di bawah pajakan kendalian adalah tidak diiktiraf di dalam penyata kedudukan kewangan yang mana semua risiko dan manfaat pemilikan dikekalkan oleh pemajak.

Sewa belum bayar, di bawah pajakan kendalian dicaj kepada untung atau rugi sepanjang tempoh pajakan berdasarkan kaedah garis lurus. Insentif yang telah diterima dan belum diterima semasa pajakan kendalian dilaksanakan, juga diiktiraf sepanjang tempoh pajakan berdasarkan kaedah garis-lurus. Walau bagaimanapun, sewa kontigensi hasil daripada pajakan kendalian diiktiraf sebagai belanja selaras dengan asas yang mana telah ditetapkan.

(l) Pembayaran Pajakan Prabayar

Tanah pajakan biasanya mempunyai jangka hayat ekonomi tidak melebihi 99 tahun yang mana risiko dan ganjaran berkaitan dengan aset tersebut tidak dipindahkan kepada pemajak. Bayaranyang dibuat semasa perjanjian ditandatangani atau pengambil alihan tanah pegangan pajak diambil kira sebagai bayaran pajakan prabayar pada tarikh pelaporan. Bagi pajakan tanah dan bangunan, bayaran pajakan prabayar adalah diperuntukkan, apabila perlu, antara elemen tanah dan elemen bangunan pajakan tersebut pada permulaan pajakan setara dengan nilai saksama relatifnya. Bayaran pajakan prabayar dilunaskan sepanjang tempoh pajakan mengikut faedah yang diperoleh.

(m) Hartanah Dihalang Tebus

Hartanah dihalang tebus ialah hartanah yang diperoleh bagi menyelesaikan hutang, dinyatakan pada kos dan nilai saksama, yang mana lebih rendah.

(n) Peruntukan

Peruntukan diiktiraf apabila terdapatnya obligasi di bawah undang-undang atau obligasi konstruktif berikutan peristiwa lepas, di mana kemungkinan terdapat aliran keluar sumber yang mengandungi faedah ekonomi, diperlukan untuk menyelesaikan obligasi masa kini dan anggaran yang boleh diyakini dapat dibuat mengenai amaun obligasi berkenaan.

Peruntukan dikaji semula pada setiap tarikh pelaporan dan sekiranya tiada lagi kemungkinan bahawa aliran keluar sumber yang mengandungi manfaat ekonomi diperlukan untuk menyelesaikan obligasi tersebut, peruntukan tersebut akan diterbalikkan.

Apabila kesan nilai mata wang adalah penting, peruntukan didiskaun menggunakan kadar pracukai semasa yang menunjukkan risiko yang khusus kepada liabiliti tersebut, sekiranya wajar.

(o) Modal Saham

Saham biasa dikelaskan sebagai ekuiti apabila tiada obligasi berkontrak untuk memindahkan tunai atau aset kewangan lain. Kos langsung daripada penerbitan saham ekuiti baru dibawa kepada ekuiti sebagai pengurangan daripada hasil.

(p) Penyata Aliran Tunai

Bank menggunakan kaedah tidak langsung dalam penyediaan penyata aliran tunai.

(q) Tunai dan Tunai Setara

Bagi tujuan penyata aliran tunai, tunai terdiri daripada tunai di tangan dan deposit permintaan dan setara tunai terdiri daripada pelaburan berkecairan tinggi yang boleh ditukar kepada tunai dengan risiko tidak ketara bagi perubahan dalam nilai dengan kematangan asal kurang daripada tiga bulan.

4. ANGGARAN DAN PERTIMBANGAN PERAKAUNAN PENTING

Sumber utama ketidakpastian anggaran

(a) Peruntukan untuk kerugian ke atas pinjaman, pendahuluan dan pembiayaan

Bank mengkaji pinjaman, pendahuluan dan pembiayaan ragu pada setiap tarikh pelaporan untuk menilai sama ada peruntukan untuk penjejasan patut direkodkan dalam penyata kewangan. Khususnya, pertimbangan diperlukan dalam pengenalan pinjaman pinjaman, pendengaran dan anggaran amaun terealisasi daripada pinjaman terjejas apabila menentukan tahap peruntukan yang diperlukan.

Sebelum penerimaan pakai FRS 139, elaun untuk pinjaman dan pendahuluan terjejas dikira selaras dengan BNM/DFI/GP3 Garis Panduan Klasifikasi Pinjaman Tidak Berbayar dan Peruntukan bagi Hutang Substandard, Lapuk dan Ragu.Selepas penerimaan pakai FRS 139, Bank menilai pada akhir setiap tempoh pelaporan sama ada terdapat bukti bahawa objektif pinjaman terjejas. Pinjaman dan pendahuluan yang signifikan secara individu dinilai secara individu. Mereka yang tidak signifikan secara individu dikumpulkan bersama berdasarkan risiko kredit yang serupa dan ditaksir sebagai portfolio.

(b) Penjejasan pelaburan kewangan tersedia untuk dijual

Bank merekodkan caj penjejasan atas pelaburan ekuiti tersedia untuk dijual apabila terdapat penurunan yang ketara atau berpanjangan dalam nilai saksama di bawah kos mereka. Penentuan apakah 'penting' atau 'berpanjangan' memerlukan pertimbangan. Dalam membuat pertimbangan ini, Bank menilai, antara faktor-faktor lain, sejarah pergerakan harga saham dan tempoh dan setakat mana nilai saksama pelaburan adalah kurang daripada kosnya.

(c) Anggaran nilai saksama pelaburan kewangan sedia untuk dijual

Nilai saksama sekuriti yang tidak diniagakan dalam pasaran aktif ditentukan menggunakan teknik penilaian berdasarkan andaian keadaan pasaran yang wujud pada tarikh pelaporan, termasuk rujukan kepada sebut harga pasaran dan petikan peniaga bebas bagi sekuriti yang sama dan kaedah aliran tunai yang didiskaunkan.

(d) Penjejasan portfolio sekuriti

Bank mengkaji portfolio sekuriti dan menilai pada setiap tarikh pelaporan sama ada terdapat sebarang bukti objektif bahawa pelaburan terjejas, jika terdapat petunjuk atau bukti objektif, aset adalah tertakluk kepada kajian penjejasan.

Kajian penjejasan terdiri penghakiman berikut yang dibuat oleh pihak pengurusan:

(i) Penentuan sama ada pelaburannya merosot berikutan petunjuk tertentu atau pencetus seperti, antara lain, penurunan berpanjangan dalam nilai saksama, kesukaran ketara penerbit atau obligors kewangan, kehilangan pasaran perdagangan yang aktif dan kemerosotan kualiti kredit penerbit obligors.

(ii) Penentuan "signifikan" atau "berpanjangan" memerlukan pertimbangan dan pengurusan menilai pelbagai faktor, seperti pergerakan nilai sejarah yang adil dan pengurangan ketara pada nilai saksama.

5. PENDAPATAN FAEDAH

	2011 RM	2010 RM
Pinjaman, pembiayaan dan pendahuluan	138,838,358	160,094,327
Sekuriti pelaburan:		
Dipegang hingga matang (HTM)	6,966,928	5,149,237
Tersedia untuk dijual (AFS)	50,871,001	48,115,463
Deposit dengan institusi kewangan	33,796,934	14,941,764
	230,473,221	**228,300,791**
Di mana:		
Pendapatan faedah diperoleh daripada penjejasan pinjaman dan pendahuluan	**11,749,486**	**18,063,384**

6. PERBELANJAAN FAEDAH

	2011 RM	2010 RM
Deposit simpanan dan Agro Perdana	52,442,725	44,180,733
Deposit tetap/khas	28,045,401	22,183,581
Pinjaman daripada Kerajaan dan OECF	2,847,172	2,741,586
Cukai pegangan	-	(3,768)
	83,335,298	**69,102,132**

7. PENDAPATAN BUKAN FAEDAH

	2011 RM	2010 RM
(a) Pendapatan Fi dan Lain-lain Operasi		
Pendapatan Fi		
Fi dan caj perkhidmatan	10,124,660	17,470,102
Fi pemprosesan pinjaman	4,090,731	4,769,275
	14,215,391	**22,239,377**
Pendapatan lain		
Pembayaran balik/(Pembalikan) kos gapping	21,304,079	(22,094,854)
Pendapatan daripada Projek Ladang Sungai Tasan	2,978,978	492,702
Pendapatan daripada pinjaman dan pembiayaan kakitangan	1,320,608	1,533,175
Keuntungan atas jualan hartanah, loji dan peralatan	375,000	1,259,330
Pendapatan sewa	296,564	327,942
Imbuhan Skim Kredit Mikro	-	3,017,998
Peruntukan aset-aset yang tidak lagi diperlukan (Nota 18)	-	1,000,000
Keuntungan atas jualan pajakan prabayar	-	8,667
Pendapatan bukan operasi	3,449,140	724,610
	29,724,369	**(13,730,430)**
	43,939,760	**8,508,947**

	2011 RM	2010 RM
(b) Keuntungan dan Kerugian Bersih Instrumen Kewangan		
Keuntungan bersih daripada pelaburan kewangan tersedia untuk dijual:		
Keuntungan bersih daripada jualan	3,994,833	209,546,742
Pendapatan dividen	14,836,171	20,996,157
	18,831,004	**230,542,899**
Keuntungan bersih daripada pelaburan kewangan dipegang sehingga matang:		
Keuntungan bersih daripada jualan	-	523,803
	-	**523,803**
	18,831,004	**231,066,702**

8. PERBELANJAAN OVERHED

	2011 RM	2010 RM
Kos kakitangan		
Gaji, elaun dan bonus	146,766,954	140,869,678
Caruman KWSP	14,188,798	1 3,463,828
Sumbangan PERKESO	1,477,716	1,426,087
Kebajikan kakitangan	8,731,185	7,420,720
Latihan kakitangan	3,391,381	3,712,167
Fi perekrutan	2,927,976	7,508
Ganjaran kakitangan	906,619	631,888
Lain-lain	1,168,679	925,550
	179,559,308	**168,457,426**
Kos penyelenggaraan		
Susutnilai hartanah, loji dan peralatan (Nota 20)	25,758,812	23,810,746
Pelunasan perisian komputer (Nota 21)	10,537,304	9,553,726
Insurans ke atas hartanah, loji dan peralatan	2,333,627	3,585,327
Sewa premis	7,128,050	6,462,431
Percetakan, alat tulis dan bekalan pejabat	8,001,882	7,752,880
Air dan elektrik	6,906,721	6,505,859
Pelunasan pajakan prabayar (Nota 19)	56,887	76,767
Penyelenggaraan komputer	6,785,586	4,363,876
Penyelenggaraan bangunan	2,990,286	3,753,128
Penyelenggaraan pejabat	2,783,591	2,490,064
Bekalan komputer	1,773,674	1,939,383
Lain-lain	2,908,108	3,189,732
	77,964,528	**73,483,919**
Perbelanjaan pemasaran		
Pengiklanan dan promosi	5,801,429	4,774,272
Lain-lain	607,621	189,994
	6,409,050	**4,964,266**
Perbelanjaan pentadbiran am		
Perbelanjaan komunikasi	15,783,748	15,335,137
Geran pelancaran (Nota 9 dan 39)	70,542	2,928,736
Geran kerajaan (Nota 9 dan 38)	194,856	562,792
Perbelanjaan pemulihan bencana	-	2,205,500
Yuran guaman	11,880,782	12,781,578
Caj keselamatan	6,704,685	5,772,346
Lain-lain	2,787,390	2,639,218
	37,422,003	**42,225,307**
	301,354,889	**289,130,918**

	2011 RM	2010 RM
Termasuk dalam perbelanjaan overhed adalah pendedahan berkanun seperti berikut:		
Hartanah, loji dan peralatan hapus kira	496,134	2,489,085
Fi pengarah	423,951	226,499
Ganjaran Pengarah (Nota 48):		
- Gaji dan emolumen	558,000	482,862
- Caruman KWSP	84,660	70,170
Fi audit	380,000	350,000

9. GERAN KERAJAAN

	2011 RM	2010 RM
Geran Pelancaran		
Perbelanjaan pembangunan (Nota 8 dan 39)	70,542	2,928,736
Pelunasan belanja modal (Nota 39)	2,140,275	2,468,167
Geran Kerajaan		
Perbelanjaan pembangunan (Nota 8 dan 38)	194,856	562,792
Pelunasan belanja modal (Nota 38)	12,651,391	13,195,089
	15,057,064	**19,154,784**

10. CAJ/(PEMBALIKAN) PENJEJASAN PINJAMAN

	2011 RM	2010 RM
Pinjaman, pembiayaan dan pendahuluan:		
Peruntukan pada tahun	100,035,406	173,687,459
Jumlah dimasuk selepas pemungutan semula dan pembalikan peruntukan	(190,781,682)	(88,983,121)
Kerugian penjejasan individu - bersih	(90,746,276)	84,704,338
Kerugian penjejasan kolektif	121,637,173	55,080,103
Hutang lapuk dan pembiayaan:		
Hapus kira	3,987,401	-
Dipulihkan	(91,979,241)	(47,967,662)
	(57,100,943)	**91,816,779**

11. PENJEJASAN PELABURAN KEWANGAN

	2011 RM	2010 RM
Peruntukan penjejasan:		
Tersedia untuk dijual (AFS):		
Bon korporat	**884,720**	**-**

12. BELANJA CUKAI

	2011 RM	2010 RM
Cukai pendapatan:		
Cukai pendapatan Malaysia	210,848	372,088
Kurangan/(Lebihan) peruntukan yang dibuat pada tahun lepas	(494,683)	245,380
	(283,835)	**617,468**
Cukai tertunda:		
Berkaitan dengan asal dan pembalikan perbezaan sementara	(28,286,855)	-
Belanja cukai bagi tahun	**(28,570,690)**	**617,468**

Anggaran peruntukan cukai semasa bagi tahun kewangan semasa disediakan untuk pendapatan dividen daripada sekuriti pelaburan.

Kementerian Kewangan melalui Warta Kerajaan Malaysia P.U.(A) 95/2008 telah mengeluarkan suatu perintah pada 1 April 2008 peletakhakan segala harta, hak dan liabiliti BPM kepada Bank tanpa apa-apa pemindahhakan, penyerahhakan atau pemindahan. Berdasarkan perintah itu, Kementerian Kewangan dalam surat bertarikh 25 Jun 2008 telah membuat keputusan untuk melanjutkan hak untuk pengecualian cukai ke atas semua pendapatan bagi tahun taksiran 2002 hingga 2012 kecuali cukai ke atas pendapatan dividen. Disamping itu, Bank adalah dibenarkan membawa ke hadapan elaun modal tidak diserap dan kerugian terkumpul pada tempoh pengecualian tersebut.

Belanja cukai berbeza daripada jumlah Belanja cukai yang ditentukan dengan menggunakan kadar cukai pendapatan terpakai kepada keuntungan sebelum belanja cukai dan zakat seperti mana perbezaan berikut:

	2011 RM	2010 RM
Keuntungan sebelum cukai dan zakat	385,237,261	376,783,962
Cukai pada kadar berkanun 25% (2010:25%)	96,309,316	94,195,991
Kesan cukai ke atas:		
Belanja tidak dibenarkan untuk percukaian	9,827,586	15,040,900
Pendapatan yang tidak dikenakan cukai	(105,926,054)	(122,267,303)
Cukai aset tertunda diiktiraf	(28,286,855)	-
Cukai aset tertunda tidak diiktiraf	-	13,402,500
Kurangan/(Lebihan) peruntukan yang dibuat pada tahun lepas	(494,683)	245,380
Belanja cukai	**(28,570,690)**	**617,468**

Anggaran jumlah potongan perbezaan sementara yang tidak diiktiraf dalam penyata kewangan kerana ketidaktentuan realisasinya adalah seperti berikut:

	2011 RM	2010 RM
Perbezaan sementara disebabkan oleh:		
Hartanah, loji dan peralatan	-	(75,023,000)
Pinjaman, pembiayaan dan pendahuluan	-	241,315,000
Sekuriti pelaburan	-	9,938,000
Aset-aset lain	-	11,956,000
	-	**188,186,000**

13. ZAKAT

	2011 RM	2010 RM
Zakat semasa	4,271,592	1,857,128
Lebihan peruntukan zakat pada tahun lepas	-	(1,575,934)
	4,271,592	**281,194**

Ini merupakan jumlah yang akan dibayar oleh Bank selaras dengan prinsip Syariah dan diluluskan oleh Majlis Syariah.

14. TUNAI DAN DANA JANGKA PENDEK

	2011 RM	2010 RM
Tunai di tangan	66,058,387	55,765,758
Tunai di bank	85,912,595	77,617,667
Deposit jangka pendek yang matang dalam tempoh tiga bulan:		
Bank-bank berlesen	1,854,034,705	1,404,139,329
Institusi-institusi kewangan lain	1,407,034,654	1,218,778,281
	3,413,040,341	**2,756,301,035**

15. SIMPANAN DENGAN INSTITUSI KEWANGAN

	2011 RM	2010 RM
Institusi-institusi kewangan lain	**20,000,000**	**-**
Struktur kematangan simpanan dan institusi kewangan adalah seperti berikut:		**-**
Enam bulan hingga sembilan bulan	**20,000,000**	

16. SEKURITI PELABURAN

	2011 RM	2010 RM
Sekuriti Hutang		
Tersedia Untuk Dijual – pada nilai saksama		
Bon Korporat	1,308,141,734	1,253,838,660
Sekuriti Kerajaan Malaysia	774,512,850	402,708,000
	2,082,654,584	**1,656,546,660**
Dipegang Sehingga Matang – pada kos pelunasan		
Bon Korporat	127,560,726	226,056,688
Kertas Komersial	56,774,921	214,215,770
Sekuriti Kerajaan Malaysia	112,163,314	20,215,078
	296,498,961	**460,487,536**
	2,379,153,545	**2,117,034,196**
Sekuriti Ekuiti		
Tersedia Untuk Dijual – pada nilai saksama		
Saham Disebut Harga di Malaysia	514,308,366	586,593,878
Saham Tidak Disebut Harga di Malaysia	-	1,188,934
	514,308,366	**587,782,812**
Jumlah sebelum peruntukan	**2,893,461,911**	**2,704,817,008**
Peruntukan kerugian penjejasan		
Saham Disebut Harga di Malaysia	(9,633,720)	(8,749,000)
Saham Tidak Disebut Harga di Malaysia	-	(1,188,934)
	(9,633,720)	**(9,937,934)**
Baki bersih	**2,883,828,191**	**2,694,879,074**
Struktur kematangan pelaburan dipegang sehingga matang adalah seperti berikut:		
Matang dalam tempoh enam bulan	96,768,881	314,215,770
Enam bulan hingga satu tahun	25,116,560	25,049,965
Satu tahun hingga tiga tahun	138,734,416	59,944,369
Tiga tahun hingga lima tahun	15,215,968	25,432,418
Lebih daripada lima tahun	20,663,136	35,845,014
	296,498,961	**460,487,536**

Nilai pasaran yang dipegang untuk pelaburan matang adalah seperti berikut:

	2011 RM	2010 RM
Nilai Pasaran		
Bon Korporat	128,972,568	226,912,260
Kertas Komersil	56,354,638	214,215,770
Sekuriti Kerajaan Malaysia	112,310,000	20,420,000
	297,637,206	**461,548,030**

	Saham Disebut RM	Saham Tidak Disebut RM	Jumlah RM
Peruntukan kerugian penjejasan			
Pada 1 Januari 2011	8,749,000	1,188,934	9,937,934
Peruntukan tahun semasa	884,720	-	884,720
Hapus kira	-	(1,188,934)	(1,188,934)
Pada 31 Disember 2011	**9,633,720**	**-**	**9,633,720**

17. PINJAMAN, PEMBIAYAAN DAN PENDAHULUAN

	2011 RM	2010 RM
Pada kos pelunasan:		
Pembiayaan (Nota 51(g))	4,629,982,241	3,840,861,793
Pinjaman Wawasan Tani	443,755,734	629,828,279
Pinjaman Projek dan Jentera	445,831,357	498,417,625
Modal Usahawan Tani (“MUST”)	164,803,945	182,427,712
Pinjaman Niagatani	129,544,310	142,950,458
Tabung Untuk Makanan (“3F”)	54,696,893	86,635,845
Pinjaman Pendidikan Insani	66,879,261	72,198,822
Skim Kredit Padi	19,264,866	19,207,946
Pinjaman MAP dan MPPB	5,257,953	7,635,658
Tabung Industri Kecil dan Sederhana (“TIKS)	2,169,111	3,664,562
Pinjaman Kontrak Tani	2,385,318	3,117,902
Skim Pinjaman Khas Pertanian (“SPKP”)	1,699,828	2,415,735
Pendahuluan Khas melalui Simpanan Tetap Masa	521,959	1,164,701
Skim Tembakau	590,601	968,289
Tabung Pertanian Asean-Jepun (“AJDF”)	534,230	827,590
Kemudahan Pemfaktoran	79,119	193,148
Pinjaman Mengenang Budi	739	3,133
Skim Kredit Mikro	400	531
Lain-lain Pinjaman	2,212,127	2,286,443
	5,970,209,992	**5,494,806,172**
Pinjaman dan pendahuluan kepada kakitangan	72,689,703	73,273,489
	6,042,899,695	**5,568,079,661**
Tolak:		
Kerugian penjejasan individu	(268,378,800)	(522,129,554)
Kerugian penjejasan kolektif	(369,168,778)	(241,315,007)
Bersih	**5,405,352,117**	**4,804,635,100**
Struktur kematangan pinjaman, pembiayaan dan pendahuluan adalah seperti berikut:		
Matang dalam tempoh enam bulan	1,143,746,829	490,072,347
Enam bulan hingga satu tahun	87,020,925	72,331,866
Satu tahun hingga tiga tahun	431,693,419	457,661,944
Tiga tahun hingga lima tahun	1,038,020,632	890,617,398
Lebih daripada lima tahun	3,342,417,890	3,657,396,106
	6,042,899,695	**5,568,079,661**

	2011 RM	2010 RM
Pinjaman kasar, pembiayaan dan pendahuluan yang dianalisis mengikut sektor adalah seperti berikut:		
Asas tani	3,362,813,845	2,998,111,875
Perkhidmatan sokongan	2,680,085,850	2,569,967,786
	6,042,899,695	**5,568,079,661**
Pinjaman kasar, pembiayaan dan pendahuluan yang diklasifikasikan adalah seperti berikut:		
Tidak tertunggak dan tidak terjejas	4,731,600,177	3,909,114,100
Tertunggak tetapi tidak terjejas	476,592,259	426,787,172
Terjejas	834,707,259	1,232,178,389
	6,042,899,695	**5,568,079,661**

Pinjaman tertunggak tetapi tidak terjejas terjadi apabila pelanggan gagal membayar pinjaman pokok atau faedah pada tarikh tuntutan dan termasuk pinjaman yang tertunggak satu hari atau lebih selepas tarikh tuntutan tetapi tidak melebihi tiga (3) bulan.

Pergerakan dalam pinjaman kasar, pembiayaan dan pendahuluan yang terjejas adalah seperti berikut:		
Pada awal tahun	1,232,178,389	681,768,558
Penambahan pada tahun semasa	484,894,970	884,149,264
Pengkelasan semula sebagai pinjaman tidak terjejas pada tahun semasa	(707,235,917)	(327,094,968)
Jumlah hapus kira	(175,130,183)	(6,644,465)
Pada akhir tahun	**834,707,259**	**1,232,178,389**
Peratusan pinjaman terjejas kasar daripada pinjaman, pembiayaan dan pendahuluan	13.81%	22.13%
Pinjaman, pembiayaan dan pendahuluan kasar yang terjejas dianalisis mengikut sektor adalah seperti berikut:		
Asas tani	529,650,264	934,735,638
Perkhidmatan sokongan	305,056,995	297,442,751
	834,707,259	**1,232,178,389**

Pergerakan dalam peruntukan penjejasan ke atas pinjaman, pendahuluan dan pembiayaan adalah seperti berikut:

	2011 RM	2010 RM
Peruntukan penjejasan individu		
Pada awal tahun	522,129,554	437,425,216
Peruntukan pada tahun	100,035,406	173,687,459
Jumlah dimasuk selepas pemungutan semula dan peruntukan	(190,781,682)	(88,983,121)
Peruntukan bersih pada tahun	(90,746,276)	84,704,338
Jumlah dihapus kira	(163,004,478)	-
Pada akhir tahun	**268,378,800**	**522,129,554**
Peruntukan penjejasan kolektif		
Pada awal tahun	241,315,007	181,351,936
Peruntukan pada tahun	152,813,257	73,776,391
Jumlah dimasuk	(31,176,084)	(18,696,288)
Peruntukan bersih pada tahun	121,637,173	55,080,103
Peruntukan diselaraskan dalam:		
Dana Kementerian Belia dan Sukan (“DKBS”) (Nota 43)	4,597,023	3,099,242
Skim Usahawan Tani Komersil Siswazah (“SUTKS”) (Nota 41)	1,424,688	1,869,461
Dana Khas Sektor Perikanan Terengganu (“DKSP”) (Nota 42)	194,887	(85,735)
Pada akhir tahun	**369,168,778**	**241,315,007**
Peratusan peruntukan penjejasan kolektif daripada pinjaman kasar, pembiayaan dan pendahuluan kasar ditolak peruntukan penjejasan	6.39%	4.78%

Jumlah peruntukan terjejas kolektif termasuk peruntukan kolektif bagi pinjaman tidak terjejas RM100,730,299 (2010: RM50,678,555).

18. LAIN-LAIN ASET

	2011 RM	2010 RM
Lain-lain belum terima	52,386,072	65,887,741
Faedah dan pendapatan belum terima	64,463,157	31,936,412
Tanah dihalang tebus	7,969,928	8,387,217
Projek Ladang BPM – Sg Tasan	3,376,254	3,197,420
Cukai boleh pulih	6,180	-
	128,201,591	**109,408,790**
Tolak: peruntukan hutang ragu dan lapuk khusus	(11,956,044)	(11,956,044)
Baki bersih	**116,245,547**	**97,452,746**
Peruntukan hutang ragu dan lapuk khusus		
Pada awal tahun	11,956,044	13,576,054
Elaun tidak lagi diperlukan	-	(1,000,000)
Dipindahkan ke pinjaman dan pendahuluan kepada kakitangan	-	(620,010)
Pada akhir tahun	**11,956,044**	**11,956,044**

19. PAJAKAN PRABAYAR

	2011 RM	2010 RM
Kos		
Pada awal tahun	7,320,004	7,696,033
Jualan	-	(176,400)
Dipindahkan ke bangunan atas tanah pajak	-	(199,629)
	7,320,004	**7,320,004**
Pelunasan terkumpul		
Pada awal tahun	1,543,522	1,542,495
Pelunasan pada hujung tahun	56,887	76,767
Dipindahkan daripada tanah pajak	17,671	-
Jualan	-	(70,415)
Dipindahkan ke bangunan atas tanah pajak	-	(5,325)
Pada akhir tahun	**1,618,080**	**1,543,522**
Nilai buku bersih	**5,701,924**	**5,776,482**

Baki tahun yang belum luput untuk tanah-tanah ini adalah antara 25 tahun ke 33 tahun (2010: 26 tahun ke 34 tahun).

20. HARTANAH, LOJI DAN PERALATAN

KOS	Tanah milik bebas RM	Bangunan atas tanah milik bebas RM	Tanah pajak (>99 tahun) RM	Bangunan atas tanah pajak RM	Bangunan dalam binaan tanah bebas RM	Bangunan dalam binaan tanah pajak RM	Kenderaan bermotor RM	Perabot dan kelengkapan RM	Peralatan dan mesin pejabat RM	Perkakasan komputer RM	Ubah suai pejabat yang disewa RM	Ubah suai bangunan sendiri RM	Jumlah RM
Pada 1 Januari 2010	4,610,087	12,050,989	778,525	63,322,848	603,150	12,502,021	20,015,096	29,216,830	37,047,963	63,185,828	19,659,077	46,953,987	309,946,401
Penambahan	-	-	-	-	-	6,847,989	-	4,178,252	6,706,797	4,369,691	4,303,244	7,039,681	33,445,654
Jualan	(864,137)	(318,649)	-	(708,747)	-	-	(4,920,032)	-	-	-	-	-	(6,811,565)
Hapus kira	-	-	-	(172,459)	-	(665,900)	(1,193,657)	(1,596,735)	(1,965,221)	(6,989,867)	(496,103)	(578,323)	(13,658,265)
Pengkelasan semula	-	-	-	603,150	(603,150)	-	-	-	-	15,367,793	-	-	15,367,793
Dipindahkan daripada pajakan prabayar	-	-	-	199,629	-	-	-	-	-	-	-	-	199,629
Pada 31 Disember 2010	3,745,950	11,732,340	778,525	63,244,421	-	18,684,110	13,901,407	31,798,347	41,789,539	75,933,445	23,466,218	53,415,345	338,489,647
Penambahan	-	-	-	-	-	2,725,630	-	3,766,557	6,448,031	4,181,708	6,197,623	6,196,127	29,515,676
Jualan	(155,000)	-	-	-	-	-	-	-	-	-	-	-	(155,000)
Hapus kira	-	(430)	-	-	-	-	-	(1,731,499)	(1,850,433)	(9,899,888)	(703,009)	(3,069,583)	(17,254,842)
Pada 31 Disember 2011	3,590,950	11,731,910	778,525	63,244,421	-	21,409,740	13,901,407	33,833,405	46,387,137	70,215,265	28,960,832	56,541,889	350,595,481
SUSUTNILAI TERKUMPUL													
Pada 1 Januari 2010	-	2,289,060	35,928	15,886,564	-	-	14,721,846	15,772,411	15,116,507	45,543,209	9,890,621	23,483,589	142,739,735
Caj pada tahun	-	313,183	765	1,495,247	-	-	1,522,745	2,661,512	3,393,968	9,352,881	9,890,621	3,525,047	23,810,746
Jualan	-	(102,062)	-	(206,911)	-	-	(4,655,042)	-	-	-	-	-	(4,964,015)
Hapus kira	-	-	-	(34,918)	-	-	(939,673)	(1,553,955)	(631,623)	(6,981,385)	(496,079)	(568,783)	(11,206,416)
Dipindahkan daripada pajakan prabayar	-	-	-	5,325	-	-	-	-	-	-	-	-	5,325
Pengkelasan semula	-	281,121	-	(281,121)	-	-	-	-	-	-	-	-	-
Pada 31 Disember 2010	-	2,781,302	36,693	16,864,186	-	-	10,649,876	16,879,968	17,878,852	47,914,705	10,939,940	26,439,853	150,385,375
Caj pada tahun	-	304,155	994	1,665,748	-	-	682,308	3,313,059	3,841,534	9,653,716	2,055,045	4,242,253	25,758,812
Jualan	-	-	-	-	-	-	-	-	-	-	-	-	-
Hapus kira	-	-	-	-	-	-	-	(1,528,288)	(1,727,511)	(9,891,980)	(597,417)	(3,014,132)	(16,759,328)
Dipindahkan daripada pajakan prabayar	-	-	(17,671)	-	-	-	-	-	-	-	-	-	(17,671)
Pengkelasan semula	-	(38)	-	-	-	-	36	265	(263)	-	-	-	-
Pada 31 Disember 2011	-	3,085,419	20,016	18,529,934	-	-	11,332,220	18,665,004	19,992,612	47,676,441	12,397,568	27,667,974	159,367,188
NILAI BUKU BERSIH													
Pada 31 Disember 2011	3,590,950	8,646,491	758,509	44,714,487	-	21,409,740	2,569,187	15,168,401	26,394,525	22,538,824	16,563,264	28,873,915	191,228,293
Pada 31 Disember 2010	3,745,950	8,951,038	741,832	46,380,235	-	18,684,110	3,251,531	14,918,379	23,910,687	28,018,740	12,526,278	26,975,492	188,104,272

Terdapat:

(i) aset yang habis disusutnilai tetapi masih digunakan, nilai kos keseluruhan aset berjumlah RM79,909,907 (2010: RM122,320,318); dan

(ii) terdapat sesetengah tanah pajakan dan bangunan pegang pajak jangka panjang Bank dengan nilai buku bersih sebanyak RM6,460,432 (2010: RM6,817,273), yang mana pembayaran pajakan antara tanah dan bangunan tidak dapat diasingkan. Sehubungan itu, seperti yang dibenarkan oleh Pajakan FRS 117, harta tersebut telah dikelaskan sebagai hartanah, loji dan peralatan.

(iii) Harta, loji dan peralatan yang diperoleh daripada geran pelancaran dengan nilai buku bersih berjumlah RM9,626,639 (2010: RM11,562,225). Butiran mengikut kelas ditunjukkan seperti berikut:

	Kenderaan bermotor RM	Perabot dan kelengkapan RM	Peralatan dan mesin pejabat RM	Perkakasan komputer RM	Ubah suai pejabat yang disewa RM	Jumlah RM
2011						
Kos	695,630	2,588,364	1,682,311	1,547,813	9,446,923	15,961,041
Susutnilai terkumpul	(572,267)	(860,350)	(538,399)	(1,076,463)	(3,286,923)	(6,334,402)
NILAI BUKU BERSIH	**123,363**	**1,728,014**	**1,143,912**	**471,350**	**6,160,000**	**9,626,639**
2010						
Kos	505,788	2,588,364	1,682,311	1,547,813	9,446,923	15,771,199
Susutnilai terkumpul	(272,840)	(579,949)	(356,151)	(741,111)	(2,258,923)	(4,208,974)
NILAI BUKU BERSIH	**232,948**	**2,008,415**	**1,326,160**	**806,702**	**7,188,000**	**11,562,225**

(iv) hartanah, loji dan peralatan yang diperoleh daripada geran kerajaan di bawah Rancangan Malaysia Ke-9 ("RMK 9") dengan nilai buku bersih berjumlah RM29,550,890 (2010: RM34,548,293). Butiran mengikut kelas ditunjukkan seperti berikut:

	Bangunan RM	Kenderaan bermotor RM	Perabot dan kelengkapan RM	Peralatan dan mesin pejabat RM	Perkakasan komputer RM	Ubah suai pejabat yang disewa RM	Ubah suai bangunan sendiri RM	Jumlah RM
2011								
Kos	13,100,325	1,709,412	6,895,431	4,000,000	23,974,817	7,176,555	14,115,632	70,972,172
Susutnilai terkumpul	(3,595,078)	(1,559,412)	(4,391,271)	(1,238,486)	(12,776,803)	(5,023,383)	(12,836,849)	(41,421,282)
NILAI BUKU BERSIH	**9,505,247**	**150,000**	**2,504,160**	**2,761,514**	**11,198,014**	**2,153,172**	**1,278,783**	**29,550,890**
2010								
Kos	13,100,325	1,709,412	6,895,431	4,000,000	23,368,147	7,176,555	14,115,632	70,365,502
Susutnilai terkumpul	(3,464,075)	(1,359,412)	(4,003,276)	(838,486)	(8,791,728)	(4,709,924)	(12,650,308)	(35,817,209)
NILAI BUKU BERSIH	**9,636,250**	**350,000**	**2,892,155**	**3,161,514**	**14,576,419**	**2,466,631**	**1,465,324**	**34,548,293**

21. ASET TIDAK KETARA

	Perisian komputer RM	Perisian dalam binaan RM	Jumlah RM
Kos			
Pada 1 Januari 2010	73,164,020	18,713,943	91,877,963
Penambahan	1,120,990	4,741,524	5,862,514
Hapus kira	(299,149)	(1,116)	(300,265)
Pengkelasan semula	2,867,538	(18,235,331)	(15,367,793)
Pada 1 Disember 2010	**76,853,399**	**5,219,020**	**82,072,419**
Penambahan	11,332,861	-	11,332,861
Hapus kira	(40,624,061)	-	(40,624,061)
Pada1 Disember 2011	**47,562,199**	**5,219,020**	**52,781,219**
Pelunasan terkumpul			
Pada 1 Januari 2010	50,020,739	-	50,020,739
Caj pada tahun	9,553,726	-	9,553,726
Hapus kira	(263,029)	-	(263,029)
Pada 31 Disember 2010	**59,311,436**	**-**	**59,311,436**
Caj pada tahun	10,537,304	-	10,537,304
Hapus kira	(40,623,441)	-	(40,623,441)
Pada 31 Disember 2011	**29,225,299**	**-**	**29,225,299**
Nilai buku bersih			
Pada 31 Disember 2011	**18,336,900**	**5,219,020**	**23,555,920**
Pada 31 Disember 2010	**17,541,963**	**5,219,020**	**22,760,983**

Perisian komputer yang diperoleh daripada geran pelancaran dengan nilai buku bersih berjumlah RM1 (2010: RM317,525).

Perisian komputer	Kos RM	Pelunasan terkumpul RM	Nilai buku bersih RM
2011	1,904,200	1,904,199	1
2010	1,904,200	1,586,675	317,525

Perisian komputer yang diperoleh daripada geran kerajaan di bawah Rancangan Malaysia Ke-9 (“RMK 9”) dengan nilai buku bersih berjumlah RM7,276,771 (2010: RM13,859,629).

Perisian komputer	Kos RM	Pelunasan terkumpul RM	Nilai buku bersih RM
2011	21,414,275	14,137,504	7,276,771
2010	20,941,900	7,082,271	13,859,629

22. CUKAI ASET TERTUNDA/(LIABILITI)

	2011 RM	2010 RM
Diiktiraf dalam penyata pendapatan	28,286,855	-
Diiktiraf dalam ekuiti	(117,308,570)	-
	(89,021,715)	**-**
Dibentangkan selepas pemasuhan wajar seperti berikut:		
Cukai aset tertunda	28,286,855	-
Cukai liabiliti tertunda	(117,308,570)	-
	(89,021,715)	**-**

Aset dan liabiliti cukai tertunda dimansuhkan apabila terdapat arahan undang-undang yang sah untuk menghapuskan asset cukai semasa dan apabila cukai pendapatan tertunda berkait dengan kuasa fiskal yang sama.

Komponen dan pergerakan aset dan liabiliti cukai tertunda sepanjang tahun kewangan sebelum dimansuhkan adalah seperti berikut:

	Kerugian pinjaman dan peruntukan RM	Kehilangan penjejasan kewangan RM	Hartanah, loji dan peralatan RM	Perbezaan sementara lain RM	Jumlah RM
Cukai aset tertunda Bank:					
Pada 1 Januari 2011	-	-	-	-	-
Diiktiraf dalam penyata pendapatan	31,963,443	2,408,430	(9,074,029)	2,989,011	28,286,855
Pada 31 Disember 2011	**31,963,443**	**2,408,430**	**(9,074,029)**	**2,989,011**	**28,286,855**

	Pegangan rizab tidak direalisasi RM	Perbezaan sementara lain RM	Jumlah RM
Cukai aset tertunda Bank:			
Pada 1 Januari 2011	-	-	-
Diiktiraf dalam ekuiti	(117,308,570)	-	(117,308,570)
Pada 31 Disember 2011	**(117,308,570)**	**-**	**(117,308,570)**

	2011 RM	2010 RM
Aset cukai tertunda tidak diiktiraf berkaitan perkara berikut:		
Elaun modal terkumpul	**23,985,408**	**-**

23. DEPOSIT DARIPADA PELANGGAN

	2011 RM	2010 RM
Pada kos pelunasan:		
Deposit tetap/khas	4,748,348,167	3,948,608,781
Deposit simpanan	1,540,077,701	1,405,910,067
Agro Perdana	1,434,643,574	1,098,234,790
	7,723,069,442	**6,452,753,638**
Struktur kematangan simpanan adalah seperti berikut:		
Matang dalam tempoh enam bulan	3,506,932,040	2,747,389,714
Enam bulan hingga satu tahun	1,165,152,772	1,141,555,701
Satu tahun hingga tiga tahun	26,603,523	33,573,279
Tiga tahun hingga lima tahun	49,655,571	26,090,087
Lebih daripada lima tahun	4,261	-
	4,748,348,167	**3,948,608,781**
Jenis-jenis pelanggan yang menyumbang kepada deposit adalah seperti berikut:		
Kerajaan	3,581,678,221	2,916,496,051
Individu	2,411,941,082	2,355,309,558
Perniagaan Perusahaan Tempatan	1,165,961,186	663,161,281
Entiti-entiti Tempatan Lain	429,266,366	412,217,166
Institusi Bukan Perbankan Tempatan	134,222,587	105,569,582
	7,723,069,442	**6,452,753,638**

24. LAIN-LAIN LIABILITI

(a) Pelbagai Sipiutang dan Akruan

	2011 RM	2010 RM
Perbelanjaan terakru	57,347,778	48,280,863
Lain-lain belum bayar	57,872,469	58,825,099
Peruntukan zakat	4,846,264	1,956,078
Peruntukan bagi perbelanjaan cukai	-	31,011
	120,066,511	**109,093,051**

(b) Skim Ganjaran Kredit Padi

	2011 RM	2010 RM
Pada awal tahun	2,171,297	2,046,125
Penambahan	215,540	243,070
Pengeluaran	(138,020)	(117,898)
Pada akhir tahun	**2,248,817**	**2,171,297**

Skim ini membantu Bank dalam menguruskan tanggungan pampasan kepada penanam padi. Dana di bawah skim ini dikutip semasa pengeluaran padi sebagai faedah kematian penanam padi. Sejumlah pampasan akan dibayar kepada waris penanam padi yang meninggal dunia melalui skim ini.

25. PINJAMAN DARIPADA OECF

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2010	83,161,218	55,992	83,217,210
Faedah	-	1,574,038	1,574,038
Pembayaran semula	(12,165,032)	(1,596,369)	(13,761,401)
Perbezaan pertukaran asing	(7,047,120)	-	(7,047,120)
Pada 31 Disember 2010	**63,949,066**	**33,661**	**63,982,727**
Faedah	-	1,130,745	1,130,745
Pembayaran semula	(12,171,218)	(1,164,406)	(13,335,624)
Perbezaan pertukaran asing	(5,279,317)	-	(5,279,317)
Pada 31 Disember 2011	**46,498,531**	**-**	**46,498,531**

	2011 RM	2010 RM
Struktur kematangan pinjaman daripada OECF adalah seperti berikut:		
Matang dalam tempoh satu tahun	23,246,155	21,350,000
Satu tahun hingga tiga tahun	23,252,376	42,632,727
	46,498,531	**63,982,727**

Pinjaman ini diperoleh daripada Tabung Kerjasama Ekonomi Luar Negeri ("OECF") pada tahun 1988 pada kadar faedah 3.5% setahun untuk tempoh 25 tahun dan tempoh bayaran balik bermula pada tahun 1995. Tempoh matang pinjaman ini ialah pada tahun 2013.

Pinjaman ini diberi dalam nilai mata wang Yen Jepun dan dinyatakan pada nilai tukaran kos sejarah. Pinjaman ini tidak ditukar pada kadar tukaran wang asing pada akhir tahun kerana Kementerian Kewangan akan menampung segala kerugian kadar pertukaran wang asing.

Pinjaman ini diwujudkan di bawah Tabung Pembangunan Asean-Jepun ("AJDF") dan tujuan dana tersebut adalah untuk menggalakkan pembangunan dalam sektor pertanian bagi negara-negara ahli di bawah Persatuan Negara-negara Asia Tenggara.

Pinjaman ini ditawarkan kepada peminjam pada kadar faedah 6.5% setahun dengan tempoh maksimum selama 15 tahun.

26. TABUNG UNTUK MAKANAN ("3F")

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2010	891,573,056	917,808	892,490,864
Penambahan	295,000,000	-	295,000,000
Faedah	-	2,060,185	2,060,185
Pembayaran semula	(34,788,813)	(309,724)	(35,098,537)
Pada 31 Disember 2010	**1,151,784,243**	**2,668,269**	**1,154,452,512**
Faedah	-	2,775,549	2,775,549
Pembayaran semula	(79,733,894)	(953,126)	(80,687,020)
Pada 31 Disember 2011	**1,072,050,349**	**4,490,692**	**1,076,541,041**

Kerajaan bersetuju untuk menyalurkan peruntukan sebanyak RM300 juta setiap tahun di bawah Rancangan Malaysia Ke-9 ("RMK 9") untuk tempoh 15 tahun (3 tahun tempoh tangguh) pada kadar keuntungan 0.25% setahun. Dana ini adalah untuk meningkatkan pengeluaran makanan dan untuk mengurangkan import makanan.

Pinjaman yang dikeluarkan pada kadar keuntungan 3.75% setahun untuk RM5 juta yang pertama dan 5% setahun bagi baki untuk tempoh maksimum 10 tahun.

27. PERUNTUKAN MPPB

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2010	50,000,000	-	50,000,000
Penambahan	20,000,000	-	20,000,000
Faedah	-	135,685	135,685
Pada 31 Disember 2010	**70,000,000**	**135,685**	**70,135,685**
Faedah	-	175,000	175,000
Pada 31 Disember 2011	**70,000,000**	**310,685**	**70, 310,685**

Skim Pembiayaan Masyarakat Perdagangan dan Perindustrian Bumiputera ("MPPB")

Kerajaan bersetuju untuk menyalurkan peruntukan skim ini berjumlah RM100.0 juta untuk di bawah Rancangan Malaysia Ke-9 ("RMK 9"), tempoh 15 tahun (3 tahun tempoh tangguh) pada kadar faedah 0.25% setahun dikira dan terakru pada hari pertama selepas akhir tempoh tangguh.

Objektif skim ini adalah untuk menyediakan kemudahan pembiayaan kepada institusi usahawan Bumiputera, petani dan nelayan bagi membolehkan mereka meningkatkan pengeluaran, pemprosesan dan pemasaran dalam perniagaan industri asas tani pada kadar faedah 3.75% setahun untuk tempoh maksimum 10 tahun.

28. TABUNG INDUSTRI KECIL DAN SEDERHANA ("TIKS)

	Pokok RM	Faedah RM	Total RM
Pada 1 Januari 2010	2,463,160	-	2,463,160
Keuntungan	-	35,670	35,670
Pembayaran semula	(178,612)	(35,666)	(214,278)
Pada 31 Disember 2010	**2,284,548**	**4**	**2,284,552**
Keuntungan	-	33,970	33,970
Pembayaran semula	(27,068)	(33,974)	(61,042)
Pada 31 Disember 2011	**2,257,480**	**-**	**2,257,480**

Tujuan Skim TIKS adalah untuk merangsang pelaburan baru dalam industri pembuatan, industri berasaskan pertanian dan perkhidmatan tertentu untuk menggalakkan industri berasaskan eksport, penggantian import serta pertumbuhan industri baru (termasuk industri berteknologi tinggi) dan juga perkhidmatan yang dapat memberi sumbangan kepada pertumbuhan ekonomi walaupun keluarannya adalah untuk pasaran tempatan. Dana pembiayaan disediakan Bank Negara Malaysia pada kadar faedah pinjaman yang tidak tetap berdasarkan Kadar Dasar Semalaman ("OPR"). Bank dibenar mengenakan pelanggan kadar margin 2% di atas kos dana tersebut.

Dana ini diterima daripada BNM pada kadar faedah sebanyak 1.5% setahun untuk tempoh 5 tahun.

29. PINJAMAN TANAM SEMULA KELAPA SAWIT ("TASKS")

	RM
Pada 31 Disember 2010 dan 31 Disember 2011	**15,000,000**

Pinjaman ini disalurkan kerajaan kepada Bank melalui Kementerian Perusahaan Perladangan dan Komoditi (KPPK) bagi tujuan membiayai pekebun kecil individu untuk tanaman semula kelapa sawit yang telah melebihi tahap ekonomi dan membantu petani meningkatkan hasil pendapatan dengan menghasilkan produk yang bermutu tinggi melalui penggunaan anak benih yang bermutu, amalan agronomik terkini, merapatkan jurang hasil di antara pekebun kecil dan ladang swasta dan memastikan industri kelapa sawit Malaysia terus lestari dan berdaya saing.

Had pembiayaan adalah tidak melebihi RM6,000 bagi setiap hektar dan tidak melebihi tempoh 10 tahun dari pengeluran pertama. Pinjaman ini dikeluarkan sebagai pembiayaan Al-Bai' Bithaman Ajil (BBA). Bank dibenarkan mengenakan faedah kepada pelanggan pada kadar keuntungan tidak melebihi 4% setahun setiap 100 hektar.

Kerajaan bersetuju menyalurkan Bank satu pinjaman baru berjumlah RM83.97 juta tanpa faedah di bawah Rancangan Malaysia ke-9 ("RMK 9"), untuk tempoh 20 tahun (5 tahun penangguhan). Tujuannya adalah untuk pembiayaan projek penanaman semula kelapa sawit pekebun kecil individu berasaskan nisbah 70% (pekebun kecil dengan keluasan tanah 10 ekar ke bawah) dan nisbah 30% (pekebun kecil dengan keluasan tanah melebihi 10 ekar).

30. SKIM KREDIT PADI

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2010	70,000,000	-	70,000,000
Penambahan	35,000,000	-	35,000,000
Faedah	-	190,342	190,342
Pada 31 Disember 2010	**105,000,000**	**190,342**	**105,190,342**
Faedah	-	262,500	262,500
Pada 31 Disember 2011	**105,000,000**	**452,842**	**105,452,842**

Pinjaman disediakan Kementerian Pertanian kepada Bank sejumlah RM20.6 juta dalam tahun 2001/2002 bagi tujuan membiayai Skim Kredit Padi di kawasan jelapang padi negara seperti MADA, KADA, Seberang Perak dan Sabak Bernam. Pinjaman adalah untuk tempoh 10 tahun (3 tahun penangguhan) pada kadar faedah 1.5% setahun diakru mulai hari pertama selepas tamat tempoh penangguhan. Bank mengenakan bayaran perkhidmatan tidak melebihi 4% semusim secara upfront kepada petani.

Kerajaan bersetuju menyalurkan Bank tambahan pinjaman berjumlah RM150.0 juta di bawah Rancangan Malaysia Ke-9 ("RMK9") untuk tempoh 15 tahun (3 tahun penangguhan) pada kadar faedah 0.25% setahun diakru mulai hari pertama selepas tamat tempoh penangguhan.

Tujuannya untuk menyediakan modal pusingan pembiayaan mudah, cepat dan berkos rendah kepada pengusaha pengeluaran padi di kawasan yang diwartakan sebagai tanaman padi dua musim setahun. Setiap pengusaha layak diberi pembiayaan maksimum RM15,000 semusim. Bank mengenakan bayaran perkhidmatan tidak melebihi 4% semusim secara upfront kepada pengusaha.

31. SKIM LITS

	2011 Pokok RM	2010 Faedah RM
Pada awal tahun	1,026,965	1,757,703
Pembayaran semula	(1,026,965)	(730,738)
Pada akhir tahun	-	**1,026,965**

Kadar keuntungan percuma diberikan untuk dana berjumlah RM46.1 juta yang disalurkan melalui Kementerian Perusahaan Perladangan dan Komoditi ("KPPK") melalui pembiayaan Al-Bai' Bithaman Ajil pada tahun 2001.

32. SKIM KREDIT PENGELUARAN MAKANAN ("SKPM")

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2010	90,000,000	-	90,000,000
Penambahan	10,000,000	-	10,000,000
Caj keuntungan	-	243,767	243,767
Pada 31 Disember 2010	**100,000,000**	**243,767**	**100, 243,767**
Caj keuntungan	-	250,000	250,000
Pada 31 Disember 2011	**100,000,000**	**493,767**	**100, 493,767**

Kerajaan bersetuju menyalurkan Bank satu lagi pinjaman baru berjumlah RM100.0 juta di bawah Rancangan Malaysia Ke-9 ("RMK9") untuk tempoh 15 tahun (3 tahun penangguhan) pada kadar faedah 0.25% setahun diakru mulai hari pertama selepas tamat tempoh penangguhan.

Bank dibenar mengenakan kadar keuntungan 3.75% setahun dan tempoh bayaran balik 8 tahun kepada pengusahapengusaha yang mendapat pembiayaan di bawah skim ini.

33. SKIM PEMBIAYAAN BOT PERIKANAN ("SPBP")

	Pokok RM
Pada 31 Disember 2010 dan 31 Disember 2011	**140,000,000**

Kerajaan telah bersetuju menyalurkan Bank dengan pinjaman berjumlah RM240.0 juta pada kadar faedah 0.25% di bawah Rancangan Malaysia ke-9 ("RMK9") untuk tempoh 15 tahun (10 tahun penangguhan).

Tujuannya untuk memodenkan industri perikanan dengan kemudahan moden, menggalakkan industri penangkapan ikan laut dalam dan laut lepas di samping meningkatkan pendapatan pengusaha-pengusaha penangkapan laut.

Bank menawarkan pembiayaan maksimum RM10.0 juta pada kadar keuntungan 5.0% setahun dan tempoh bayaran balik 10 tahun kepada pengusaha-pengusaha yang mendapat pembiayaan dibawah skim ini.

34. SKIM USAHAWAN TANI KOMERSIL SISWAZAH ("SUTKS – PINJAMAN")

	Jumlah RM
Pada 31 Disember 2010 dan 31 Disember 2011	**10,000,000**

Kerajaan bersetuju menyalurkan Bank dengan pinjaman sebanyak RM10.0 juta di bawah Rancangan Malaysia Ke-9 ("RMK9") pada kadar faedah 0.25% setahun untuk tempoh 10 tahun (5 tahun penangguhan).

Tujuannya untuk mengurangkan kadar pengangguran di kalangan siswazah di negara ini melalui kerjaya dalam sector pertanian.

Skim ini menawarkan kemudahan pembiayaan tidak melebihi RM100,000 setiap pinjaman pada kadar keuntungan 5% setahun untuk tempoh 6 tahun.

35. PEMBIAYAAN INDUSTRI KECIL DAN SEDERHANA ("PKS")

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2010	85,000,000	-	85,000,000
Penambahan	15,000,000	-	15,000,000
Caj keuntungan	-	230,377	230,377
Pada 31 Disember 2010	**100,000,000**	**230,377**	**100,230,377**
Caj keuntungan	-	250,000	250,000
Pada 31 Disember 2011	**100,000,000**	**480,377**	**100, 480,377**

Kerajaan telah bersetuju menyalurkan Bank dengan pinjaman berjumlah RM100.0 juta di bawah Rancangan Malaysia Ke-9 ("RMK9") untuk merangsang pelaburan bagi industri asas tani dalam sektor pemprosesan, pembuatan dan perkhidmatan (komoditi makanan dan komoditi bukan makanan). Pinjaman bertempoh 15 tahun (3 tahun penangguhan) pada kadar keuntungan 0.25% setahun.

Pengusaha-pengusaha kecil dan sederhana dalam sektor berkenaan yang layak mendapat pembiayaan ini dikenakan kadar keuntungan 3.75% setahun dan 10 tahun tempoh bayaran balik.

36. SKIM KREDIT PENGELUARAN BUKAN MAKANAN ("SKPBM")

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2010	30,000,000	-	30,000,000
Caj keuntungan	-	12,534	12,534
Pada 31 Disember 2010	**30,000,000**	**12,534**	**30,012,534**
Caj keuntungan	-	73,952	73,952
Pembayaran semula	(2,465,811)	(75,000)	(2,540,811)
Pada 31 Disember 2011	**27,534,189**	**11,486**	**27,545,675**

Kerajaan telah bersetuju menyalurkan Bank dengan pinjaman berjumlah RM30.0 juta pada kadar faedah 0.25% setahun untuk tempoh 15 tahun (3 tahun penangguhan) di bawah Rancangan Malaysia Ke-9 ("RMK9") untuk meningkatkan aktiviti pertanian yang bercorak bukan makanan bagi aktiviti huluan dan pengeluaran.

Skim ini menawarkan pembiayaan maksimum RM5.0 juta dan minimum RM10,000 pada kadar keuntungan 3.75% untuk tempoh bayaran balik tidak melebihi 10 tahun.

37. DANA ENTERPRIS MIKRO

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2010	17,297,537	-	17,297,537
Tambahan	48,614,000	-	48,614,000
Faedah	-	590,735	590,735
Pembayaran semula	(2,223,814)	(604,493)	(2,828,307)
Pada 31 Disember 2010	**63,687,723**	**(13,758)**	**63,673,965**
Tambahan	28,329,000	-	28,329,000
Faedah	-	1,132,025	1,132,025
Pembayaran semula	(11,194,015)	(1,118,267)	(12,312,282)
Pada 31 Disember 2011	**80,822,708**	**-**	**80,822,708**

Dana ini telah dilancarkan oleh Bank Negara Malaysia ("BNM") pada 4 November 2008 sebanyak RM200.0 juta. Tujuannya untuk meningkatkan akses pembiayaan mikro kepada mana-mana perniagaan mikro yang berdaya maju. Dana pinjaman ini ditawarkan kepada semua institusi kewangan yang menawarkan skim pinjaman mikro pada kadar konsesi. Kadar faedah bagi dana ini adalah 1.5% setahun untuk tempoh 5 tahun.

Skim ini menawarkan pinjaman bertempoh 5 tahun pada kadar faedah 14% setahun (1.16% sebulan) dikira atas baki bulanan. Pembiayaan maksimum bagi pinjaman ini adalah sehingga RM50,000.

38. GERAN KERAJAAN – BELANJA MODAL DAN PEMBANGUNAN

	Belanja Modal RM	Belanja Pembangunan RM	Jumlah RM
Pada 1 Januari 2010	80,429,131	52,394	80,481,525
Pelunasan pada tahun semasa	(13,195,089)	-	(13,195,089)
Penerimaan pada tahun semasa	-	1,000,000	1,000,000
Penggunaan pada tahun semasa	-	(562,792)	(562,792)
Pada 31 Disember 2010	**67,234,042**	**489,602**	**67,723,644**
Pelunasan pada tahun semasa	(12,651,391)	-	(12,651,391)
Penggunaan pada tahun semasa	-	(194,856)	(194,856)
Pada 31 Disember 2011	**54,582,651**	**294,746**	**54,877,397**

Belanja Modal

Geran belanja modal adalah untuk membiayai perolehan hartanah, loji dan peralatan. Geran belanja modal dilunaskan kepada untung atau rugi berdasarkan anggaran tempoh hayat bergunanya sesuatu aset yang diperolehi menggunakan geran ini.

Belanja Pembangunan

Geran belanja pembangunan adalah untuk membiayai kursus-kursus latihan untuk kakitangan Bank dan perbelanjaan ini diiktiraf dalam untung atau rugi berdasarkan perbelanjaan sebenar yang ditanggung pada tahun semasa.

39. GERAN PELANCARAN

	Belanja Modal RM	Belanja Pembangunan RM	Jumlah RM
Pada 1 Januari 2010	15,405,184	18,218,761	33,623,945
Penggunaan pada tahun semasa:			
Belanja pembangunan	-	(2,928,736)	(2,928,736)
Pelunasan pada tahun semasa	(2,468,167)	-	(2,468,167)
Pada 31 Disember 2010	**12,937,017**	**15,290,025**	**28,227,042**
Pengkelasan semula	(1,202,928)	1,202,928	-
Penggunaan pada tahun semasa:			
Belanja pembangunan	-	(70,542)	(70,542)
Pelunasan pada tahun semasa	(2,140,275)	-	(2,140,275)
Pada 31 Disember 2011	**9,593,814**	**16,422,411**	**26,016,225**

Berdasarkan surat bertarikh 17 September 2007, Kementerian Kewangan meluluskan peruntukan sebanyak RM100.0 juta dalam bentuk geran pelancaran kepada Bank bagi tujuan pengkorporatan Bank Pertanian Malaysia.

40. PROGRAM PEMBANGUNAN RAKYAT TERMISKIN ("PPRT")

	RM
Pada 31 Disember 2010 dan 31 Disember 2011	**2,559,925**

Program ini merupakan pembiayaan tanpa faedah daripada Kerajaan kepada rakyat miskin.

41. SKIM USAHAWAN TANI KOMERSIL SISWAZAH ("SUTKS")

	2011 RM	2010 RM
Pada awal tahun	1,985,118	3,854,579
Peruntukan penjejasan kolektif (Nota 17)	(1,424,688)	(1,869,461)
Pada akhir tahun	**560,430**	**1,985,118**

Program ini merupakan sebahagian daripada pakej rangsangan ekonomi yang diumumkan oleh Kerajaan. Sejumlah RM10.0 juta telah diperuntukkan kepada Bank. Daripada jumlah itu, sebanyak RM9.0 juta adalah untuk membiayai graduan yang telah berjaya menamatkan latihan yang ditetapkan di bawah syarat-syarat pinjaman. Baki RM1.0 juta lagi adalah untuk menampung kos pentadbiran, termasuk elaun peserta.

Objektif program ini adalah untuk mengurangkan kadar pengangguran dalam kalangan siswazah dengan mewujudkan peluang pekerjaan dalam sektor pertanian. Di bawah program ini, graduan yang berjaya akan diberikan pembiayaan daripada Bank untuk membangunkan projek-projek pertanian setelah tamat latihan sambil bekerja dengan peminjam Bank yang terpilih.Pembiayaan ini ditawarkan di bawah Al-Bai' Bithaman Ajil yang mengenakan kadar keuntungan 3% setahun.

42. DANA KHAS SEKTOR PERIKANAN TERENGGANU ("DKSP")

	2011 RM	2010 RM
Pada awal tahun	3,338,140	4,285,008
Pendapatan DKSP (Nota 51(a))	(1,086,375)	(1,032,603)
Peruntukan penjejasan kolektif (Note 17)	(194,887)	85,735
Pada akhir tahun	**2,056,878**	**3,338,140**

Di bawah Wang Ehsan Petroleum, Kerajaan memperuntukkan kepada negeri Terengganu geran RM30.0 juta untuk pembangunan sektor perikanan. RM20.0 juta telah disalurkan kepada Bank pada bulan Mac 2001 dan RM10.0 juta selebihnya pada November 2002 untuk membiayai pelbagai projek perikanan di negeri Terengganu.

Objektif dana ini adalah untuk meningkatkan status sosio-ekonomi nelayan, penternak ikan dan usahawan akuakultur. Untuk memastikan program ini berjaya, Bank bekerjasama rapat dengan Jabatan Perikanan dan Lembaga Kemajuan Ikan Malaysia dalam mengenal pasti calon dan projek-projek yang sesuai untuk menerima faedah daripada dana.

Pembiayaan ini ditawarkan di bawah Al-Bai' Bithaman Ajil sehingga 100% daripada keseluruhan kos projek dan ia merupakan pembiayaan tanpa faedah. Pembiayaan minimum ialah RM5,000 dan maksimum ialah RM50,000. Tempoh pembiayaan bergantung kepada jangka masa projek dan tempoh bayaran balik tidak melebihi 10 tahun.

43. DANA KEMENTERIAN BELIA DAN SUKAN ("DKBS")

	2011 RM	2010 RM
Pada awal tahun	16,900,758	20,000,000
Peruntukan penjejasan kolektif (Nota 17)	(4,597,023)	(3,099,242)
Pada akhir tahun	**12,303,735**	**16,900,758**

Dana ini disalurkan oleh Kementerian Belia dan Sukan kepada Bank secara berperingkat bertujuan untuk membantu membangunkan belia individu atau berkumpulan dalam projek pertanian atau perniagaan asas tani di bawah Skim Belia Tani.

Peringkat pertama sejumlah RM20.0 juta telah diterima oleh Bank pada Disember 2006. Kemudahan pembiayaan di bawah skim ini adalah dalam julat RM5,000–RM50,000 pada kadar keuntungan 4% setahun untuk tempoh 7 tahun. Bayaran balik pembiayaan yang diterima akan dimasukkan ke tabung dana dan digunakan semula untuk pemberian pembiayaan.

44. MODAL SAHAM

	2011 RM	2010 RM
Dibenarkan:		
Saham biasa RM1 setiap satu	2,000,000,000	2,000,000,000
Diterbitkan dan dibayar penuh:		
Saham biasa RM1 setiap satu	**1,000,000,000**	**1,000,000,000**

45. RIZAB

	2011 RM	2010 RM
Rizab tidak boleh diagih:		
Rizab berkanun	554,578,316	349,810,136
Rizab penilaian semula pelaburan	351,925,709	539,617,569
Rizab boleh diagih:		
Pendapatan tertahan	344,264,127	139,495,948
	1,250,768,152	**1,028,923,653**

(a) Rizab berkanun

Rizab berkanun diperuntukkan sebagai mematuhi Para IV Obligasi dan Sumber Dana Seksyen 39 (1B)(i) Akta Institusi Kewangan Pembangunan, 2002 ("DFIA") mengenai rizab berkanun yang menyatakan bahawa Bank dikehendaki memperuntukkan rizab berkanun sekurang-kurangnya 50% daripada keuntungan bersih selepas cukai bagi tempoh semasa sebelum pengagihan sebarang dividen.

(b) Rizab penilaian semula pelaburan

Rizab penilaian semula pelaburan adalah berkaitan laba dan kerugian nilai saksama belum terealisasi pada pelaburan kewangan tersedia untuk dijual.

(c) Pendapatan tertahan

Menurut Akta Kewangan 2007, sistem pentaksiran cukai pendapatan syarikat setingkat telah berkuatkuasa mulai tahun taksiran 2008. Di bawah sistem ini, cukai ke atas pendapatan syarikat adalah mutakhir dan dividen yang diberi kepada pemegang saham adalah dikecualikan cukai. Tidak seperti sistem pentaksiran dividen penuh yang lalu, penerima dividen tidak lagi dibenarkan menuntut sebarang kredit cukai.

Syarikat yang mempunyai kredit cukai diberi pilihan tidak boleh batalkan untuk memilih sistem cukai pendapatan satu peringkat dan mengenetepikan kredit cukai atau terus menggunakan kredit cukai di bawah akaun Seksyen 108 Akta Cukai Pendapatan 1967 ("Seksyen 108") untuk memfranki pembayaran dividen tunai atas saham biasa bagi tempoh 6 tahun berakhir 31 Disember 2013 atau sehingga kredit cukai digunakan sepenuhnya, yang mana terdahulu. Dalam tempoh peralihan, sebarang cukai yang dibayar tidak akan dimasukkan ke dalam akaun Seksyen 108 dan sebarang kredit cukai yang digunakan akan mengurangkan baki kredit cukai. Semua syarikat akan menggunakan sistem baru pada 1 Januari 2014.

Sehingga 31 Disember 2011, Bank masih belum memilih opsyen tidak boleh batal untuk mengabaikan kredit cukai Seksyen 108. Oleh itu, tertakluk kepada persetujuan daripada Lembaga Hasil Dalam Negeri dan berdasarkan kadar cukai yang lazim terpakai kepada dividen, Bank mempunyai kredit cukai Seksyen 108 yang mencukupi untuk mengagihkan dividen daripada keseluruhan pendapatan tertahan pada 31 Disember 2011.

46. KOMITMEN DAN LUAR JANGKAAN

	2011 RM	2010 RM
Jaminan:		
Surat jaminan telah dikeluarkan kepada pelanggan Bank	19,239,922	20,986,050
Tuntutan ganti rugi:		
Beberapa tindakan undang-undang terhadap Bank dengan tuntutan ganti rugi	180,277,724	1,965,999
Dana Pertanian Komersil (GLC)	-	33,770,324
	199,517,646	**56,722,373**

Pihak pengurusan Bank berpendapat bahawa peruntukan ganti rugi tidak perlu dinyatakan dalam penyata kewangan untuk tindakan-tindakan di atas kerana kemungkinan keputusan tidak menyebelahi pihak Bank adalah rendah.

Butiran liabiliti luar jangka tidak didedahkan atas alasan bahawa ia boleh dijangka menjejaskan hasil litigasi.

Termasuk dalam tuntutan pampasan di atas ialah tindakan undang-undang terhadap Bank di mana Bank adalah dalam proses merayu keputusan itu kepada mahkamah yang lebih tinggi. Maklumat yang biasanya diperlukan oleh Peruntukan FRS 137, Liabiliti Luar Jangka dan Aset Luar Jangka tidak didedahkan atas alasan bahawa ia akan menjejaskan hasil tindakan undang-undang yang berkenaan. Pengarah Bank berpendapat bahawa tiada peruntukan untuk tuntutan berkenaan dan tindakan undang-undang lain yang diambil terhadap Bank perlu dinyatakan dalam penyata kewangan, seperti yang dinasihatkan oleh pasukan undang-undang Bank bahawa tuntutan itu boleh dimenangi oleh Bank.

47. KOMITMEN MODAL

	2011 RM	2010 RM
Diluluskan dan dikontrakkan:		
Belanja modal	622,454	3,465,181
Komitmen pinjaman, pembiayaan dan pendahuluan	201,126,333	309,544,024
	201,748,787	313,009,205
Diluluskan dan belum dikontrakkan:		
Belanja modal	227,235	3,968,936
Komitmen pinjaman, pembiayaan dan pendahuluan	16,690,008	21,763,400
	16,917,243	25,732,336
	218,666,030	**338,741,541**

48. PEMBENTANGAN PIHAK BERKAITAN

Pihak-pihak dianggap berkaitan jika satu pihak mempunyai keupayaan untuk mengawal pihak yang satu lagi atau melaksanakan pengaruh besar terhadap pihak yang satu lagi dalam membuat keputusan kewangan atau operasi, atau mana-mana pihak mengawal kedua-duanya. Pihak berkaitan Bank adalah kakitangan pengurusan utama.

Kakitangan pengurusan utama ditakrifkan sebagai mereka yang mempunyai kuasa dan tanggungjawab untuk merancang, mengarah dan mengawal aktiviti-aktiviti Bank sama ada secara langsung atau tidak langsung. Kakitangan pengurusan utama Bank termasuk Pengarah-pengarah Eksekutif dan Pengarah-pengarah Bukan Eksekutif Bank dan ahli pengurusan kanan Bank yang tertentu.

Tiada pemberian pinjaman kepada pengarah-pengarah Bank. Pinjaman yang diberi kepada kakitangan pengurusan utama Bank adalah berdasarkan terma dan syarat-syarat yang serupa yang biasanya disediakan kepada kakitangan lain dalam Bank.

Tiada peruntukan telah diiktiraf berkenaan dengan pinjaman yang diberi kepada kakitangan pengurusan utama.

Imbuhan pengarah-pengarah dan ahli-ahli pengurusan kanan Bank pada tahun kewangan semasa adalah seperti berikut:

	2011 RM	2010 RM
Pengarah Eksekutif:		
Gaji dan emolumen (Nota 8)	558,000	482,862
Caruman KWSP (Nota 8)	84,660	70,170
Pengarah-pengarah Bukan Eksekutif:		
Fi	423,951	101,299
Bekas Pengarah:		
Fi	-	125,200
Pengurusan Utama:		
Gaji dan emolumen	1,655,307	1,195,709
Caruman KWSP	227,736	121,768
	2,949,654	**2,097,008**

49. INSTRUMEN KEWANGAN

A. PENGURUSAN RISIKO KEWANGAN

(a) Pengenalan dan Gambaran Keseluruhan

Bank terdedah kepada risiko-risiko instrumen kewangan seperti berikut:

- Risiko kredit
- Risiko kecairan
- Risiko pasaran
- Risiko operasi

Nota ini memaparkan maklumat mengenai pendedahan Bank kepada setiap risiko di atas, objektif Bank, polisi dan proses untuk mengukur dan mengurus risiko, dan pengurusan modal Bank.

Rangka kerja pengurusan risiko

Lembaga Pengarah mempunyai tanggungjawab keseluruhan bagi menubuh dan mengawas rangka kerja pengurusan risiko Bank. Lembaga Pengarah telah menubuhkan Jawatankuasa Pengurusan Risiko, yang bertanggungjawab untuk membangun dan memantau dasar-dasar pengurusan risiko di dalam bidang-bidang tertentu. Semua Jawatankuasa Lembaga Pengarah mempunyai ahli eksekutif dan bukan eksekutif dan melapor berkala kepada Lembaga Pengarah dari masa ke semasa mengenai aktiviti-aktiviti mereka.

Dasar pengurusan risiko diwujudkan untuk mengenal pasti dan menganalisis risiko yang dihadapi oleh Bank, untuk menetapkan kawalan dan had risiko yang sesuai, dan memantau risiko dan mematuhi had yang ditentukan. Polisi pengurusan risiko dan sistem dikaji sentiasa semula untuk mencerminkan perubahan dalam keadaan pasaran, produk dan perkhidmatan yang ditawarkan.

Jawatankuasa Audit ("BAC") bertanggungjawab untuk memantau pematuhan terhadap dasar-dasar pengurusan risiko dan prosedur Bank, dan mengkaji semula kecukupan rangka kerja pengurusan risiko. Jawatankuasa Audit dibantu dalam fungsi ini oleh Audit Dalaman yang menjalankan kajian semula secara tetap dan ad hoc, prosedur dan kawalan pengurusan risiko.

(b) Risiko Kredit

Risiko kredit menerangkan tentang pendedahan kepada kerugian sebenar atau kos melepas akibat kemungkiran (atau kegagalan lain untuk melaksanakan) oleh sesuatu entiti ekonomi atau undang-undang (penghutang atau penanggung obligasi) yang menjalankan perniagaan dengan Bank. Risiko kredit adalah risiko kerugian akibat pihak-pihak yang berkenaan gagal memenuhi obligasi kontrak mereka.

Pengurusan risiko kredit

Matlamat pengurusan risiko kredit adalah untuk mengoptimumkan kadar pulangan berdasarkan risiko Bank yang diselaraskan dengan mengekalkan pendedahan risiko kredit ke tahap yang boleh diterima. Bank, melalui Bahagian Pengurusan Risiko ("RMD") menguruskan risiko kredit yang wujud dalam keseluruhan portfolio serta risiko kredit individu. Bank juga mengambilkira hubungan di antara risiko kredit dan risiko-risiko yang lain.

Bagi mewujudkan pengurusan risiko kredit yang efektif, garis panduan dan had pengurusan risiko diwujudkan untuk menyediakan rangka kerja bagi menguruskan pendedahan risiko harian Bank. Garis panduan dan had-had ini dapat memaparkan dengan tepat objektif polisi dan risiko keutamaan-keutamaan risiko Bank.

Bank telah mewujudkan Rangka Kerja Pengurusan Risiko Kredit di mana terdapat tujuh modul utama risiko strategik yang menyediakan garis panduan, proses dan sistem yang komprehensif untuk mengurus risiko kredit dalam operasi pinjaman. Fokus adalah kepada:

- Kredit dan Polisi-Polisi Risiko Kredit
- Model Pemarkahan Kredit dan Pengadaran
- Pengekodan Sektor dan Maklumat Sektor
- Proses Kredit
- Manual Operasi Kredit
- Model Pengurusan Kredit
- Program Sijil Latihan Dalaman

Penilaian risiko kredit

Risiko kredit adalah sebahagian daripada risiko yang ditanggung oleh mana-mana institusi kewangan. Risiko kredit boleh berlaku dalam pelbagai aktiviti dalam operasi Bank, seperti kemudahan pinjaman (di mana risiko kredit merupakan risiko terbesar dan paling ketara), pembelian ekuiti dan bon dan lain-lain sekuriti boleh dipasarkan, mutual funds, pinjaman kepada pasaran antara bank, kemudahan pembiayaan lain, urus niaga derivatif, dagangan instrumen kewangan dan aktiviti-aktiviti perbankan yang lain, sama ada ia ditadbir sebagai buku perbankan atau buku perdagangan.

Bank perlu mengenal pasti, menganalisa dan menguruskan risiko kredit yang wujud dalam semua produk dan aktivitinya. Pengenalpastian ini dijana daripada penilaian berhemah atas ciri-ciri risiko kredit dan apa-apa potensi risiko produk/aktiviti tertentu. Risiko kredit adalah ditentukan sebahagian besarnya oleh empat parameter seperti yang ditakrifkan di bawah.

- **Penentu Risiko Kredit**

  - Risiko peminjam yang disumbangkan oleh *Probability of Default ("PD")*
  - Risiko fasiliti yang disumbang oleh *Loss Given Default ("LGD")*
  - Pendedahan kredit sebenar disumbangkan oleh *Exposure at Default ("EAD")*
  - Dimensi waktu yang ditentukan oleh risiko kematangan
  - Kepelbagaian portfolio kredit yang ditentukan oleh risiko konsentrasi.

- ***Probability of Default ("PD")***

  Kebarangkalian berlakunya kemungkiran adalah fungsi kestabilan operasi/pendapatan peminjam dan risiko yang wujud dalam struktur modal/pendapatannya. Peminjam yang mempunyai prestasi operasi/kestabilan pendapatan yang lebih rendah dan tanggungan kewangan yang lebih tinggi mempunyai kebarangkalian lebih besar untuk berlaku kemungkiran. PD dianggarkan dengan menganalisis dan mengaitkan pengalaman kerugian sebenar kepada gred kredit yang dijana daripada model risiko kredit berdasarkan penarafan dalaman atau pendekatan penggredan atau mengikut penarafan awam luaran.

- ***Loss Given Default ("LGD")***

  LGD adalah peratusan daripada jumlah yang akan rugi sekiranya berlaku kemungkiran atau, lebih tepat ditakrifkan sebagai peratusan baki hutang yang mungkin akan dapat dipulihkan oleh Bank daripada peminjam yang mungkir. Ia adalah fungsi jenis kemudahan, tempoh dan cagaran serta kos pentadbiran untuk memulihkan kemudahan yang terjejas.

- ***Exposure at Default ("EAD")***

  EAD adalah jumlah kemudahan yang mungkin telah dikeluarkan atau belum dijelaskan ketika kemungkiran berlaku.

- ***Expected Loss ("EL")***

  EL ditakrifkan sebagai hasil daripada PD, LGD dan EAD. Peruntukan penjejasan untuk jangkaan kerugian pinjaman (digariskan oleh FRS 139) dikira di peringkat akaun individu dan di peringkat portfolio (secara kolektif bagi pinjaman-pinjaman yang mempunyai risiko kredit yang seragam). Pada masa ini, pengiraan dilakukan secara manual.

Pendedahan risiko kredit dalam sektor pinjaman

Pinjaman yang diberikan kepada pelanggan-pelanggan runcit, perusahaan kecil dan sederhana (PKS), serta korporat. Pihak berkuasa meluluskan pinjaman dan pegawaipegawai kredit mempunyai tanggungjawab untuk memastikan risiko kredit dinilai dengan betul dan semua maklumat penting kredit pelanggan dimasukkan di dalam permohonan pinjaman.

Pemberian kredit kepada pelanggan runcit dinilai berdasarkan kepada rekod bayaran balik dan rekod keupayaan semasa pelanggan melunaskan bayaran balik pinjaman. Pembayaran balik bagi pinjaman-pinjaman ini secara amnya dibuat melalui potongan Biro Angkasa.

Pemberian kredit kepada pelanggan-pelanggan PKS dan korporat pula dinilai berdasarkan faktor kewangan dan bukan kewangan, melalui penggunaan instrumen pemarkahan kredit dalaman. Selain daripada itu, pegawai kredit akan mengenalpasti dan menilai risiko kredit dengan mengambil kira profil kewangan dan perniagaan mereka, keupayaan pengurusan, faktor-faktor industri dan ekonomi, cagaran dan sokongan kredit lain seperti jaminan bank. Penilaian bebas risiko kredit oleh RMD juga dijalankan kepada PKS dan pelanggan-pelanggan korporat.

Konsentrasi risiko kredit di dalam sektor pembiayaan

Konsentrasi risiko kredit dipantau mengikut sektor ekonomi. Analisis konsentrasi risiko kredit daripada pinjaman dan pendahuluan pada akhir tarikh pelaporan ditunjukkan di bawah:

	2011 RM	2010 RM
Sektor:		
Sokongan	2,607,396,147	2,255,148,288
Tanaman	2,015,619,471	1,797,436,000
Ternakan	699,072,513	684,179,003
Perikanan	384,821,816	397,522,587
Perhutanan	83,898,563	118,974,286
Proses asas tani lain	179,401,482	241,546,008
	5,970,209,992	**5,494,806,172**

Kedudukan cagaran dalam sektor pembiayaan

Bank memegang cagaran bagi pinjaman dan pendahuluan yang diberikan kepada pelanggan-pelanggan di dalam bentuk kepentingan gadai janji ke atas harta, lain-lain sekuriti yang didaftarkan ke atas aset dan jaminan. Anggaran nilai saksama adalah berdasarkan kepada nilai cagaran pada masa pinjaman dibuat dan dinilai semula setiap dua tahun sekali atau apabila pinjaman terjejas.

Jenis-jenis cagaran utama yang dipegang oleh Bank untuk mengurangkan risiko kredit adalah seperti berikut:

i) Pinjaman Projek – gadaian ke atas tanah, bangunan, loji dan jentera, bot penangkapan ikan, tuntutan hak milik ke atas kenderaan, deposit tetap masa dan sandaran ke atas saham dan sekuriti.

ii) Pinjaman-pinjaman Runcit – gadaian ke atas tanah dan deposit tetap masa untuk jenis-jenis pinjaman tertentu.

	Bercagar RM	Tidak Bercagar RM	Jumlah RM	Nilai Saksama Cagaran RM
2011				
Semasa	900,072,000	3,701,370,000	4,601,442,000	1,128,205,000
Tidak tertunggak dan juga tidak terjejas	113,132,000	420,943,000	534,075,000	143,310,000
Terjejas	72,671,000	762,004,000	834,675,000	75,898,000
	1,085,875,000	4,884,317,000	5,970,192,000	1,347,413,000
2010				
Semasa	596,650,000	3,249,636,000	3,846,286,000	805,944,000
Tidak tertunggak dan juga tidak terjejas	203,140,000	551,475,000	754,615,000	190,268,000
Terjejas	64,999,000	828,884,000	893,883,000	51,672,000
	864,789,000	4,629,995,000	5,494,784,000	1,047,884,000

Kualiti kredit pinjaman, pembiayaan dan pendahuluan kasar

Pinjaman terjejas

Pecahan jumlah kasar pinjaman, pembiayaan dan pendahuluan yang dinilai secara individu sebagai terjejas, mengikut sektor, bersama-sama dengan nilai saksama cagaran yang dipegang oleh Bank sebagai jaminan adalah seperti berikut:

	Jumlah Kasar Pinjaman Terjejas Individu RM	Peruntukan Penilaian Individu RM	Nilai Saksama Cagaran RM
2011			
Sektor:			
Tanaman – jangka panjang	101,843,050	40,147,214	61,695,836
Tanaman – jangka pendek	19,197,358	12,086,892	7,110,466
Perikanan	43,250,235	36,343,201	6,907,034
Nilai tambah	1,460,578	721,339	739,239
Perhutanan	77,220,343	54,519,193	22,701,150
Ternakan – selain ternakan ayam itik	52,898,088	43,562,489	9,335,599
Ternakan – ternakan ayam itik	33,967,737	23,418,271	10,549,466
Sokongan – '*Supplementry*'	34,691,052	21,225,828	13,465,224
Sokongan – Lain-lain	42,240,823	36,354,373	12,059,914
	406,769,264	**268,378,800**	**144,563,928**
2010			
Sektor:			
Tanaman – jangka panjang	305,063,467	162,274,475	152,952,960
Tanaman – jangka pendek	22,180,539	9,399,758	15,318,988
Perikanan	79,558,089	64,799,821	15,654,289
Nilai tambah	1,458,006	745,486	712,520
Perhutanan	113,497,356	87,690,629	25,806,727
Ternakan – selain ternakan ayam itik	75,538,954	51,123,052	24,953,162
Ternakan – ternakan ayam itik	128,150,093	90,014,689	38,876,801
Sokongan – '*Supplementry*'	33,214,202	19,865,918	13,617,063
Sokongan – Lain-lain	49,770,774	36,215,726	13,555,048
	808,431,480	**522,129,554**	**301,447,558**

Pecahan peruntukan bagi pinjaman, pembiayaan dan pendahuluan terjejas secara individu dan secara kolektif adalah seperti berikut:

	2011 RM	2010 RM
Aset pada kos pelunasan		
Peruntukan Penjejasan atas Dasar Individu:		
Tanaman	52,234,106	171,674,234
Perikanan	36,343,201	64,799,821
Nilai tambah	721,339	745,485
Perhutanan	54,519,193	87,690,629
Ternakan	66,980,760	141,137,741
Sokongan – '*Supplimentary*'	21,225,828	19,865,918
Sokongan – Lain-lain	36,354,373	36,215,726
Peruntukan untuk penjejasan individu	**268,378,800**	**522,129,554**
Peruntukan Penjejasan atas Dasar Kolektif:		
Tanaman	14,605,251	20,252,282
Perikanan	24,741,435	21,451,668
Nilai tambah	345,596	423,940
Perhutanan	522,228	12,492
Ternakan	30,861,442	18,323,081
Kredit Mikro – MUST	100,242,689	53,951,476
Kredit mikro – SKM	239	6
Sokongan – Ar Rahnu	3,427,309	486,734
Sokongan – '*Supplimentary*'	39,317,004	18,473,607
Sokongan – '*Supplimentary*' (Bai Al-Innah)	106,857,744	82,650,196
Sokongan – '*Supplimentary*' (Wawasan Tani)	8,519,324	4,573,399
Sokongan – Lain-lain	34,382,485	13,433,537
	363,822,746	**234,032,418**
Peruntukan Penjejasan Individu atas Dasar Kolektif:		
Tanaman	2,829,141	4,059,520
Perikanan	382,245	1,476,558
Nilai tambah	4,080	-
Perhutanan	208,284	-
Ternakan	1,922,282	1,572,646
Sokongan – '*Supplimentary*'	-	173,865
	5,346,032	**7,282,589**
Peruntukan penjejasan kolektif	**369,168,778**	**241,315,007**

Risiko Kredit dalam Aktiviti-Aktiviti Pelaburan

Pendekatan pengurusan risiko kredit bagi aktiviti pelaburan secara keutamaannya ditentukan oleh Lembaga Jawatankuasa Pelaburan ("BIC") dan Jawatankuasa Pengurusan Risiko ("RMC"). Bagi sesuatu sekuriti pelaburan, penetapan had kredit penerbit adalah dicadangkan melalui Jawatankuasa Pengurusan Aset Liabiliti ("ALCO") dan diluluskan oleh BIC serta disahkan oleh RMC. Di samping itu, dasar pelaburan Bank juga menetapkan gred pelaburan minimum bagi sekuriti hutang dan jenis-jenis transaksi yang dibenarkan.

Profil Pelaburan dan Tumpuan Portfolio

Profil portfolio adalah seperti berikut:

	RM	Komposisi (%)
Deposit dengan Institusi Kewangan	20,000,000	0.69
Bon Korporat	1,435,702,460	49.44
Sekuriti Ekuiti	504,674,646	17.38
Sekuriti Kerajaan Malaysia	886,676,164	30.53
Kertas Komersil	56,774,921	1.96
Nilai Pembawa pada of 31 Disember 2011	**2,903,828,191**	**100.00**
Bon Korporat	1,479,895,348	54.92
Sekuriti Ekuiti	577,844,878	21.44
Sekuriti Kerajaan Malaysia	422,923,078	15.69
Kertas Komersil	214,215,770	7.95
Nilai Pembawa pada of 31 Disember 2010	**2,694,879,074**	**100.00**

Kualiti Kredit Pelaburan Kewangan

Jadual berikut membentangkan pendedahan Bank kepada risiko kredit instrumen kewangan – analisis sekuriti hutang oleh agensi-agensi penarafan kredit luar:

Pelaburan Kewangan Tersedia untuk Dijual

Penarafan	2011		2010	
	Instrumen Bukan Pasaran Wang – Sekuriti Hutang		Instrumen Bukan Pasaran Wang – Sekuriti Hutang	
	Penarafan Domestik RM	Jumlah RM	Penarafan Domestik RM	Jumlah RM
Penarafan PDS				
GG	141,278,811	141,278,811	28,679,091	28,679,091
Quasi-Govt/AAAbg	259,245,793	259,245,793	151,609,043	151,609,043
AAA/AAbg	438,125,394	438,125,394	501,880,732	501,880,732
AA/Abg	421,126,502	421,126,502	526,105,744	526,105,744
A	48,365,234	48,365,234	45,564,050	45,564,050
JUMLAH	**1,308,141,734**	**1,308,141,734**	**1,253,838,660**	**1,253,838,660**

Jadual berikut membentangkan pendedahan Bank kepada risiko kredit instrumen kewangan – sekuriti hutang yang dianalisis oleh agensi penarafan kredit luar:

Pelaburan Kewangan Dipegang Sehingga Matang

Penarafan	2011				2010			
	Instrumen Pasaran Wang		Instrumen Bukan Pasaran Wang – Sekuriti Hutang		Instrumen Pasaran Wang		Instrumen Bukan Pasaran Wang – Sekuriti Hutang	
	Penarafan Domestik RM	Jumlah RM	Penarafan Domestik RM	Jumlah RM	Penarafan Domestik RM	Jumlah RM	Penarafan Domestik RM	Jumlah RM
Penarafan PDS								
GG	-	-	47,354,091	47,354,091	-	-	45,845,015	45,845,015
Quasi-Govt/AAAbg	-	-	45,220,074	45,220,074	-	-	135,356,857	135,356,857
AAA/AAbg	-	-	29,985,628	29,985,628	-	-	39,850,605	39,850,605
AA/Abg	-	-	5,000,933	5,000,933	-	-	5,004,211	5,004,211
Penarafan CP								
P1/M1	56,774,921	56,774,921	-	-	214,215,770	214,215,770	-	-
JUMLAH	**56,774,921**	**56,774,921**	**127,560,726**	**127,560,726**	**214,215,770**	**214,215,770**	**226,056,688**	**226,056,688**

(c) Risiko Kecairan

Sifat Risiko Kecairan

Risiko kecairan adalah berkaitan dengan keupayaan untuk mengekalkan aset cair yang mencukupi untuk memenuhi komitmen kewangan dan obligasi semasa dan yang akan datang (yang dijangka atau tidak dijangka) apabila tiba masanya tanpa menanggung kerugian yang tidak boleh diterima.

Risiko kecairan mungkin timbul apabila terdapat ketidakseimbangan antara pembiayaan terhadap pinjaman mengikut masa bucket yang ditetapkan. Ketidakseimbangan boleh mengakibatkan kegagalan Bank untuk memenuhi obligasi yang dipersetujui apabila tiba masanya. Oleh itu Bank perlu mengekalkan sebahagian aset cair dalam bentuk tunai dan setara tunai serta sekuriti boleh dipasarkan untuk memadankannya dengan bucket tempoh matang.

Pengurusan Risiko Kecairan

Risiko kecairan diuruskan melalui dasar-dasar yang diluluskan oleh Kumpulan Pengurusan Eksekutif ("EMT") dan Lembaga Pengarah. Jawatankuasa Pengurusan Risiko akan menyelia ketidakpatuhan dasar-dasar tersebut.

Pengurusan Aset Liabiliti adalah bertanggungjawab untuk memantau pendedahan risiko kecairan manakala Perbendaharaan bertanggungjawab dalam menguruskan keperluan kecairan dan pematuhan setiap hari. Had setiap tempoh bucket dipantau setiap hari dan apa-apa berlaku kekurangan atau pertambahan yang ketara akan ditangani untuk mengurangkan pendedahan risiko kecairan oleh Bank.

Bank mengawasi kenyataan mengenai kedudukan kewangan dan mengambil langkah-langkah kawalan, dalam tahap yang berhemat, untuk mengurus risiko yang timbul daripada ketidakpadanan tempoh matang di seluruh penyata kewangan dan daripada pendedahan komitmen yang belum dikeluarkan serta lain-lain obligasi luar jangka. Struktur penyata kedudukan kewangan akan ditangani untuk mengekalkan kepelbagaian dan untuk mengurangkan tumpuan pembiayaan serta mengekalkan aset cair yang berkualiti tinggi. Ketidakpadanan dalam penyata kedudukan kewangan, terutamanya dalam portfolio pinjaman terhadap kedudukan pembiayaan dilaporkan setiap bulan kepada EMT. EMT merumus dan menentukan strategi untuk mengurangkan ketidakpadanan di antara operasi Konvensional dan Islam serta Bank secara keseluruhan.

Bank mengekalkan isyarat amaran awal melalui sistem pengurusan maklumat dan kini dalam proses membangunkan pelan pembiayaan kontigensi yang komprehensif untuk menangani krisis kecairan disebabkan oleh perkembangan pasaran yang negatif serta kedudukan risiko khusus Bank yang turut negatif. Sebagai langkah kontigensi, Bank kini diberikan kemudahan overdraf dan intraday oleh bank-bank komersil untuk menangani masalah kecairan sementara.

Pengukuran Risiko Kecairan

Bank mengekalkan aset cair yang mencukupi (sekurang-kurangnya 5% daripada jumlah deposit) untuk memenuhi kematangan kontrak dan behavioural serta komitmen sehingga satu seminggu. Bank mengekalkan aset cair pada sekurangkurangnya 7% daripada jumlah deposit sehingga satu bulan untuk memenuhi kematangan kontrak dan behavioural serta komitmen.

Sebagai sebahagian daripada pengurusan liabiliti, pendedahan risiko kecairan juga diukur melalui tumpuan pembiayaan, nisbah pinjaman deposit dan pelan kontingensi pembiayaan. Ujian tekanan kecairan disediakan untuk memastikan Bank dapat memenuhi obligasi dengan mengekalkan penampan kecairan yang mencukupi dan memastikan terdapat batas kredit atau kemudahan kredit atau lain-lain kemudahan.

Bank menekankan pentingnya menggunakan deposit berkos rendah dan stabil sebagai sumber utama dana untuk membiayai aktiviti pinjamannya. Pengukuran risiko kecairan juga dilakukan melalui profil penyata kedudukan kewangan dalam tempoh bucket yang ditetapkan, seperti Rangka Kerja Kecairan Baru (NLF). Had pendedahan setiap tempoh bucket, khususnya dalam jalur satu tahun dianalisis untuk menentukan punca dan cara untuk mengurangkan jurang.

Liabiliti Bank pada 31 Disember 2011 berdasarkan kepada obligasi dan komitmen kontrak tanpa diskaun

Butiran	< 1 bulan RM	1 – 3 bulan RM	3 – 6 bulan RM	6 – 12 bulan RM	1 – 5 tahun RM	> 5 tahun RM	Jumlah RM
Simpanan Pelanggan							
Simpanan Giro	2,974,721,275	-	-	-	-	-	2,974,721,275
Simpanan Tetap	1,924,753,564	922,434,344	659,744,132	1,165,152,772	76,259,094	4,261	4,748,348,167
Pinjaman Kerajaan dan Perhutangan							
Kerajaan	-	-	-	63,846,957	632,725,834	896,394,192	1,592,966,983
BNM	-	-	-	-	-	135,937,592	135,937,592
Lain-lain	-	-	-	23,246,155	23,252,376	-	46,498,531
Liabiliti-liabiliti Lain							
Lain-lain Belum Bayar	24,314,505	17,839,464	12,708,059	7,565,720	290,985	-	62,718,733
Skim Ganjaran Kredit Padi	11,244	22,488	89,953	224,882	1,900,250	-	2,248,817
Jumlah Liabiliti Kewangan	**4,923,800,588**	**940,296,296**	**672,542,144**	**1,260,036,486**	**734,428,539**	**1,032,336,045**	**9,563,440,098**
Butiran Luar Penyata Kedudukan Kewangan							
Pinjaman Belum Dikeluarkan	43,563,266	34,850,615	34,850,615	34,850,615	34,850,615	34,850,615	217,816,341
Belanja Modal	849,689	-	-	-	-	-	849,689
Jumlah Butiran Luar Penyata Kedudukan Kewangan	**44,412,955**	**34,850,615**	**34,850,615**	**34,850,615**	**34,850,615**	**34,850,615**	**218,666,030**
Jumlah Liabiliti Kewangan dan Butiran Luar Penyata Kedudukan Kewangan	**4,968,213,543**	**975,146,911**	**707,392,759**	**1,294,887,101**	**769,279,154**	**1,067,186,660**	**9,782,106,128**

Liabiliti Bank pada 31 Disember 2010 berdasarkan obligasi dan komitmen kontrak tanpa diskaun

Butiran	< 1 bulan RM	1 – 3 bulan RM	3 – 6 bulan RM	6 – 12 bulan RM	1 – 5 tahun RM	> 5 tahun RM	Jumlah RM
Deposit dan Simpanan Pelangggan							
Simpanan Giro	2,504,144,857	-	-	-	-	-	2,504,144,857
Simpanan Tetap	1,306,542,102	952,518,052	488,329,560	1,141,555,701	59,663,366	-	3,948,608,781
Pinjaman Kerajaan dan Perhutangan							
Kerajaan	-	-	-	64,577,694	633,022,062	920,762,451	1,618,362,207
BNM	-	-	-	-	-	173,888,492	173,888,492
Lain-lain	-	-	-	21,350,000	42,632,727	-	63,982,727
Liabiliti-liabiliti Lain							
Lain-lain Belum Bayar	32,976,181	7,406,472	2,118,871	18,279,653	-	-	60,781,177
Skim Ganjaran Kredit Padi	10,856	21,713	86,852	217,130	1,900,250	-	2,171,297
Jumlah Liabiliti Kewangan	**3,843,673,996**	**959,946,237**	**490,535,283**	**1,245,980,178**	**737,152,901**	**1,094,650,943**	**8,371,939,538**
Butiran Luar Penyata Kedudukan Kewangan							
Pinjaman Belum Dikeluarkan	66,261,484	53,009,188	53,009,188	53,009,188	53,009,188	53,009,188	331,307,424
Belanja Modal	7,434,117	-	-	-	-	-	7,434,117
Jumlah Butiran Luar Penyata Kedudukan Kewangan	**73,695,601**	**53,009,188**	**53,009,188**	**53,009,188**	**53,009,188**	**53,009,188**	**338,741,541**
Jumlah Liabiliti Kewangan dan Butiran Luar Penyata kedudukan Kewangan	**3,917,369,597**	**1,012,955,425**	**543,544,471**	**1,298,989,366**	**790,162,089**	**1,147,660,131**	**8,710,681,079**

(d) Risiko Pasaran

Risiko pasaran umumnya dikenalpasti sebagai risiko kerugian yang timbul daripada turun naik kadar faedah, harga ekuiti, harga komoditi, tebaran kredit dan kadar pertukaran asing yang wujud dalam portfolio pelaburan. Dalam konteks yang lebih luas Bank, risiko pasaran merangkumi semua aset dan liabiliti kewangan yang dipegang oleh Bank bagi tujuan dagangan dan pelaburan. Memandangkan portfolio pelaburan Bank adalah antara 40 hingga 50 peratus daripada portfolio aset keseluruhan, risiko pasaran dan risiko kecairan adalah risiko utama yang ketara.

Tadbir Urus

RMC dan BIC melaksanakan pengawasan pengurusan risiko pasaran. ALCO memantau pasaran pengurusan risiko melaksanakan keputusan, strategi perniagaan dan tugas-tugas berdasarkan panduan yang diberikan oleh RMC, BIC dan EMT. BIC menentukan hala tuju dasar, strategi dan pendekatan dalam pelaburan Bank sebagai aktiviti perniagaan yang berisiko.

Pengurusan Risiko Pasaran

Rangka Kerja Risiko Pasaran dan Kecairan (MLRF) menetapkan garis sempadan yang ditetapkan oleh garis panduan Bank Negara dan menyediakan garis panduan dasar yang luas dalam menguruskan risiko pasaran. “Manual Pelaburan”, “Polisi Buku Perdagangan” dan “Polisi Tumpuan Sektor”, menyediakan rangka kerja operasi dan menetapkan had kuasa dan risiko. Pendekatan ini adalah sangat terbatas dan hanya terhad kepada instrumen pelaburan dan sekuriti yang diberi penarafan berkualiti tinggi.

Perbendaharaan dan Pengurusan Aset Liabiliti melaporkan semua aktiviti yang berkaitan operasi kepada ALCO yang merupakan jawatankuasa utama yang menentukan strategi perniagaan, pergerakan kadar faedah dan menyediakan langkah-langkah risiko-pulangan dalam menguruskan risiko pasaran. RMD menyediakan laporan penilaian bebas dan pandangan mengenai risiko pasaran berkaitan aktiviti pelaburan kepada ALCO dan mencadangkan dasar-dasar risiko kepada RMC untuk kelulusan dan pengesahan oleh Lembaga Pengarah (“BOD”).

Risiko Tukaran Asing

Bank tidak tertakluk kepada keuntungan atau kerugian pertukaran asing pada kadar pertukaran turun naik Yen Jepun (“JPY”) oleh keuntungan pertukaran asing atau kerugian disebabkan oleh pampasan penyelesaian pinjaman jangka panjang JPY Kerajaan Malaysia.

Berikut ialah liabiliti kewangan Bank yang tidak didenominasikan dalam mata wang fungsian dan dijamin oleh Kerajaan Malaysia:

	Liabiliti kewangan berfungsi yang tidak dipegang	
	2011 RM	2010 RM
Matawang Fungsian Bank		
Pinjaman berjangka – Japanese Yen (JPY)	**46,498,531**	**63,982,727**

Pengukuran Risiko Kadar Faedah

Terdapat tiga pendekatan untuk mengukur risiko kadar faedah iaitu:

i) Analisis Ujian Tekanan/Analisis Senario

Senario tekanan adalah berdasarkan pembolehubah makro ekonomi terutamanya “nilai kadar faedah ke atas bon” dan “pengukuran beta ke atas ekuiti”. Ujian tekanan menggunakan pelbagai simulasi senario ke atas portfolio pelaburan Bank untuk mengkaji kesan ke atas nilai pelaburan, keuntungan dan modal.

Pada masa ini, metodologi nilai-pada-risiko (VaR) tidak digunakan kerana model berkenaan memerlukan pendekatan berasaskan sistem untuk ketepatan dan ramalan potensi kerugiannya yang terhad memerlukan andaian mengenai taburan kebarangkalian dan tahap keyakinan. Selain itu, perdagangan dalam bon dan ekuiti adalah sangat terhad dan oleh itu risiko diuruskan melalui pelaburan dalam bon bertaraf “AAA” dan paling minimum “A”. Pada masa ini, transaksi pelaburan ekuiti yang dipegang oleh Bank hanyalah terhad kepada penjualan sahaja.

ii) Analisis Sensitiviti

Teknik ini digunakan untuk menentukan bagaimana nilai-nilai yang berbeza bagi pembolehubah bebas akan memberi kesan kepada pembolehubah tertentu berdasarkan set andaian yang diberikan. Teknik ini digunakan di dalam sempadan tertentu yang bergantung kepada satu atau lebih input pembolehubah, seperti kesan perubahan dalam kadar faedah ke atas harga bon.

Analisis sensitiviti adalah cara untuk meramalkan hasil keputusan sekiranya keadaan sebenar berbeza dengan ramalan-ramalan utama. Analisis simulasi menilai kesan perubahan risiko faedah terhadap pendapatan atau nilai ekonomi melalui model arah potensi kadar faedah dan kesannya terhadap aliran tunai.

Risiko Pasaran Pelaburan pada 31 Disember 2011

	KEDUDUKAN SEMASA PADA 31/12/2011			SENARIO 1 *Kejatuhan 5 mata asas di pasaran*		SENARIO 2 *Kejatuhan 10 mata asas di pasaran*		SENARIO 3 *Kejatuhan 15 mata asas di pasaran*	
	Nilai Buku Bersih (RM Juta)	Nilai Pasaran (RM Juta)	Perbezaan (RM Juta)	Luar Biasa Tetapi Munasabah (RM Juta)	Peruntukan Potensi Kerugian (RM Juta)	Luar Biasa Tetapi Munasabah (RM Juta)	Peruntukan Potensi Kerugian (RM Juta)	Luar Biasa Tetapi Munasabah (RM Juta)	Peruntukan Potensi Kerugian (RM Juta)
PDS	1,418.28	1,435.70	17.42	1,434.98	16.70	1434.26	15.98	1433.55	15.27
Sekuriti Kerajaan Malaysian	881.18	886.68	5.50	886.24	5.06	885.79	4.61	885.35	4.17
Saham Disebut Harga	58.63	504.67	446.04	504.42	444.91	504.17	444.66	503.91	444.40
	2,358.09	**2,827.05**	**468.96**	**2,825.64**	**466.67**	**2,824.22**	**465.25**	**2,822.81**	**463.84**

Risiko Pasaran Pelaburan pada 31 Disember 2010

	KEDUDUKAN SEMASA PADA 31/12/2010			SENARIO 1 *Kejatuhan 5 mata asas di pasaran*		SENARIO 2 *Kejatuhan 10 mata asas di pasaran*		SENARIO 3 *Kejatuhan 15 mata asas di pasaran*	
	Nilai Buku Bersih (RM Juta)	Nilai Pasaran (RM Juta)	Perbezaan (RM Juta)	Luar Biasa Tetapi Munasabah (RM Juta)	Peruntukan Potensi Kerugian (RM Juta)	Luar Biasa Tetapi Munasabah (RM Juta)	Peruntukan Potensi Kerugian (RM Juta)	Luar Biasa Tetapi Munasabah (RM Juta)	Peruntukan Potensi Kerugian (RM Juta)
PDS	1,461.65	1,479.90	18.25	1,479.16	17.51	1,478.42	16.77	1,477.68	16.03
Sekuriti Kerajaan Malaysian	423.88	422.92	(0.96)	532.70	(1.17)	422.50	(1.38)	422.29	(1.59)
Saham Disebut Harga	55.08	587.78	532.70	549.99	532.41	587.19	532.11	586.90	531.82
	1,940.61	**2,490.60**	**549.99**	**2,489.36**	**548.75**	**2,488.11**	**547.50**	**2,486.87**	**546.26**

Di bawah senario tekanan 1, di mana andaian penurunan 5 mata asas daripada nilai pasaran semasa bagi bulan berakhir Disember 2011, jumlah pelaburan masih kekal positif. Penurunan nilai untuk senario 1 adalah daripada PDS,MGS dan Saham Disebut harga yang mencatatkan penurunan masing-masing sebanyak RM16.70 juta, RM5.06 juta dan RM444.90 juta.

Di bawah senario stress 2, (andaian tambahan kejatuhan 10 mata asas) tebaran positif daripada pelaburan akan semakin berkurangan kepada RM465.25 juta.

Di bawah senario stress 3, (andaian peralihan nilai pasaran yang semakin menurun sebanyak 15 mata asas), Bank masih kekal positif dengan margin berkurangan sebanyak RM463.84 juta.

iii) Analisis Jurang dan Tempoh

Analisis jurang melalui penentuan semula harga dilaksanakan untuk menentukan jurang antara aset dan liabiliti yang sensitif kepada kadar faedah bagi sebarang tempoh masa yang diberikan. Aset dan liabiliti yang kurang berlaku perletakan semula harga yang pasti diperuntukkan tempoh pengamatan mengikut pertimbangan dan pengalaman lepas Bank.

Analisis tempoh adalah masa matang purata wajaran nilai semasa aliran tunai daripada aset, liabiliti dan butiran di luar penyata kedudukan kewangan. Ia mengukur sensitiviti relatif nilai instrumen kepada kadar faedah yang berubah-ubah (tempoh purata untuk penentuan semula harga), dan dengan itu mencerminkan bagaimana perubahan di dalam kadar faedah memberi kesan kepada nilai ekonomi Bank, iaitu, nilai semasa ekuiti.

Pendedahan Risiko Kadar Faedah

Jadual di bawah secara ringkas menunjukkan pendedahan Bank kepada risiko kadar faedah.

Risiko Kadar Faedah – 2011

	< 1 tahun RM	>1 - 3 tahun RM	>3 - 5 tahun RM	> 5 tahun RM	Jumlah RM	Purata Kadar Faedah
Aset Kewangan						
Tunai dan dana jangka pendek	3,413,040,341	-	-	-	3,413,040,341	3.17%
Simpanan dalam institusi kewangan	20,000,000	-	-	-	20,000,000	3.27%
Pinjaman, pembiayaan dan pendahuluan	1,230,767,754	431,693,419	1,038,020,632	3,342,417,890	6,042,899,695	7.91%
Sekuriti pelaburan	‘311,691,173	1,081,045,544	776,339,464	714,752,010	2,883,828,191	4.08%
Liabiliti Kewangan						
Deposit dan simpanan pelanggan	7,646,806,087	26,603,523	49,655,571	4,261	7,723,069,442	2.60%
Pinjaman dari OECF	23,246,155	23,252,376	-	-	46,498,531	3.50%
Dana skim pembiayaan	63,846,957	376,430,690	256,295,144	1,032,331,784	1,728,904,575	0.31%

Risiko Kadar Faedah – 2010

	< 1 tahun RM	>1 - 3 tahun RM	>3 - 5 tahun RM	> 5 tahun RM	Jumlah RM	Purata Kadar Faedah
Aset kewangan						
Tunai dan Dana Jangka Pendek	2,756,301,035	-	-	-	2,756,301,035	2.97%
Pinjaman, pembiayaan dan pendahuluan	562,404,213	457,661,944	890,617,398	3,657,396,106	5,568,079,661	8.14%
Sekuriti pelaburan	2,514,879,074	60,000,000	25,000,000	50,000,000	2,694,879,074	4.11%
Liabiliti Kewangan						
Deposit dan simpanan pelanggan	6,396,707,864	32,337,203	23,708,571	-	6,452,753,638	1.84%
Pinjaman dari OECF	21,350,000	42,632,727	-	-	63,982,727	3.50%
Dana skim pembiayaan	64,577,694	376,726,918	256,295,144	1,094,650,943	1,792,250,699	0.29%

(e) Risiko Operasi

Rangka Kerja Pengurusan Risiko Operasi Bank (ORMF) menyediakan satu proses yang berstruktur dan berdisiplin ditakrif dan berpandukan kepada garis panduan regulatori yang ditetapkan oleh Bank of International Settlements (BIS) Basel Accords dan amalan terbaik industri.

Bank sedang menuju ke arah Basel II dalam tempoh 5 tahun. Ini adalah selaras dengan visi ke arah pematuhan menuju kepada Pendekatan yang Seragam dalam tempoh 5 tahun. Walau bagaimanapun, sebagai permulaan, Bank akan bekerja menggunakan Pendekatan Petunjuk Asas (BIA) dalam pengiraan peruntukan modal bagi Risiko Operasi.

Pendekatan pengurusan risiko operasi

Bank dicadangkan supaya sepatutnya menerima pakai lima komponen teras berikut sebagai prinsip panduan untuk pengurusan yang berkesan dan cekap bagi risiko operasinya.

- **Tadbir Urus**

Lembaga Pengarah menentukan objektif utama untuk menguruskan risiko operasi Bank dan memantau kemajuan ke arah mencapai objektif tersebut. Lembaga Pengarah menentukan budaya risiko operasi secara keseluruhan dan menetapkan bagaimana Bank melaksanakan strategi pengurusan risiko operasinya.

Pihak Pengurusan bertanggungjawab mengurus risiko perniagaan, tanggungjawab mutlak untuk mewujud dan mengekalkan proses pengurusan risiko yang sesuai, menjadikan pengurusan risiko sebahagian daripada tunjang operasi Bank, menyelaraskan pengurusan risiko bagi dasar dan prosedur dalaman serta memastikan semua had-had berasaskan risiko dipatuhi oleh bahagian perniagaan, jabatan-jabatan dan unit yang terletak di bawah Jawatankuasa Pengurusan Risiko dan Lembaga Pengarah.

- **Struktur pengawasan dan *lines of defence***

Interaksi pengurusan risiko antara pemilik risiko, Bahagian Pengurusan Risiko dengan Audit Dalam membentuk rangka kerja bagi "tiga garisan pertahanan" Bank terhadap sebarang risiko.

Barisan Pertama *Lines of Defence* ialah pemilik risiko Perniagaan, yang bertanggungjawab bagi pengurusan risiko operasi setiap hari di mana Petunjuk Prestasi Utama (KPI), Petunjuk Risiko Utama (KRI) dan Petunjuk Kawalan Utama (KCIs), Peta Risiko, Risiko Kawalan Utama Penilaian Diri disediakan selaras dengan objektif-objektif perniagaan.

Barisan Kedua Pertahanan ialah RMD, yang bertanggungjawab untuk mengawasi pengurusan risiko operasi.

Barisan Pertahanan Ketiga ialah Audit Dalam, yang diamanahkan untuk melakukan penilaian bebas ke atas keberkesanan inisiatif pengurusan risiko operasi oleh RMD dan Unit Perniagaan.

- **Proses pengurusan risiko**

Pengurusan Risiko Operasi ("PRO") merujuk kepada proses hujung ke hujung yang memastikan risiko operasi diurus secara berkesan bermula daripada masa ia dikenal pasti hinggalah ke suatu masa risiko dikurangkan sehingga berada dalam tahap cita rasa risiko yang diinginkan oleh Bank. Ini adalah tanggungjawab setiap individu di dalam Bank. Proses generik ini digunakan untuk menguruskan risiko operasi di semua peringkat daripada unit ke Ibu pejabat. Proses pengurusan risiko operasi terdiri daripada 4 langkah iaitu:

i) Mengenal Pasti Risiko
ii) Menilai Risiko
iii) Mengurus dan Mengawal Risiko
iv) Memantau dan Melapor Risiko

- **Garis panduan laporan dan komunikasi**

Bagi mewujudkan ORM yang kukuh, saluran-saluran pelaporan dan komunikasi adalah amat penting. Memandangkan risiko operasi boleh berlaku di mana-mana dalam organisasi dan pelbagai jenis kejadian yang sangat luas, daripada penipuan kepada kegagalan produk dan sistem serta daripada kesilapan di hadapan hingga ke belakang pejabat, adalah penting untuk mempunyai perkongsian maklumat yang baik oleh pelbagai lapisan pegawai/jabatan.

Perkongsian maklumat sebahagiannya perlu melalui saluran laporan rasmi dan sebahagiannya pula melalui komunikasi bersemuka.

- **Budaya**

Budaya risiko operasi merangkumi kesedaran umum, sikap, kelakuan pekerja hinggalah kepada risiko operasi dan pengurusan risiko operasi.

Ketua Unit, Pengurus dan Penyelia di semua peringkat mestilah memastikan wujudnya kesedaran yang mencukupi dalam kalangan kakitangan mengenai Risiko Operasi. Pihak Pengurusan perlu memastikan peranan dan tanggungjawab dalam menguruskan risiko operasi adalah jelas. Proses pengurusan prestasi mestilah mendorong kakitangan untuk menjalankan tugas dan berkelakuan selaras dengan objektif pengurusan risiko operasi Bank. Semua Ketua Unit mesti memastikan kursus yang mencukupi diberikan kepada kakitangan untuk memastikan mereka memperoleh tahap pengetahuan dan kemahiran yang mencukupi untuk melaksanakan tugas dan tanggungjawab mereka dalam menguruskan risiko operasi.

Inisiatif oleh Bahagian Pengurusan Risiko (RMD)

Beberapa inisiatif telah digunakan oleh RMD dengan bantuan perunding luar dan pakar industri dalam mewujudkan Rangka Kerja *Business Continuity Management ("BCM")* yang menggabungkan beberapa modul seperti Program Pemulihan Bencana ("DRP") dan Program Simulasi Krisis.

Rangka Kerja Pengurusan Risiko IT yang diwujudkan pada tahun 2004 dikemas kini oleh juru runding luar pada suku ke-4 2010 setelah penilaian risiko ke atas Infrastruktur dan Aplikasi IT menggunakan versi dikemas kini metodologi KSPRINT dan ITRIMA dilaksanakan oleh juru runding.

Manual Pengurusan Penyelewengan terdiri daripada *Anti-Fraud Policy, Whistle Blowing Policy* dan *Response Plan,* telah dibangunkan oleh RMD.

Mara ke Hadapan dengan ORMF

Dengan adanya ORMF, pendekatan yang lebih teratur akan diwujudkan di dalam menguruskan risiko operasi Bank. Risiko operasi yang dikenalpasti boleh diuruskan secara aktif dan tindakan diambil untuk menangani pendedahan tertentu. Dengan adanya kesedaran dan pemahaman yang lebih baik mengenai profil risiko operasi, Bank akan berada di kedudukan yang lebih baik untuk mengurangkan risiko dengan menggunakan kaedah-kaedah dan teknik-teknik yang relevan.

Dengan unit-unit perniagaan Bank dipancarkan melalui rangkaian cawangannya yang luas berjumlah kira-kira 178 cawangan (2010: 167), pengurusan risiko operasi di peringkat unit perniagaan memainkan peranan yang penting dalam toleransi cita rasa dan toleransi risiko yang diinginkan oleh Bank. Selain itu, keseimbangan antara kos dan faedah dalam meletakkan kawalan untuk menguruskan risiko operasi juga perlu sentiasa dipertimbangkan.

Fokus Pelaksanaan Awal

Fokus awal adalah untuk mewujudkan struktur dan proses untuk menguruskan risiko operasi di peringkat unit perniagaan melalui beberapa langkah utama:

i. Pelantikan pegawai Risiko Operasi di peringkat Unit-unit Perniagaan.
ii. Mewujudkan kesedaran melalui RMD, pakar-pakar luar dan perkongsian pengetahuan.
iii. Mewujudkan KRI dan KCI berdasarkan KPI dan bagaimana ia berkait dengan risiko operasi.
iv. Bengkel Kawalan Risiko Taksir Sendiri ("CRSA"), dengan bantuan panel nasihat pakar dan soal selidik.
v. Pemetaan risiko utama dalam operasi di Jabatan dan Unit-unit Perniagaan.
vi. Melaksanakan penguasaan data kerugian operasi.
vii. Mengira peruntukan Modal Ekonomi melalui metodologi Pendekatan Petunjuk Asas ("BIA").

(f) Pengurusan Modal

Modal Regulatori

Secara keseluruhannya Bank Negara Malaysia menetapkan dan memantau keperluan modal Bank.

Modal regulatori bank dianalisis dalam dua peringkat:

- Modal Kumpulan 1, termasuk modal saham biasa, premium saham, bon kekal (yang diklasifikasikan sebagai sekuriti inovatif peringkat 1), pendapatan tertahan, rizab pertukaran dan kepentingan bukan kawalan selepas potongan untuk 'goodwill' dan aset tidak ketara, serta lain-lain pelarasan pengawalan seliaan berkaitan dengan butiran yang dimasukkan di dalam ekuiti tetapi diperlakukan berbeza-beza bagi tujuan kecukupan modal.

- Modal Kumpulan 2, termasuk liabiliti subordinat yang layak dan peruntukan penjejasan kolektif bagi pinjaman tidak terjejas.

Pelbagai had digunakan untuk elemen-elemen asas modal. Jumlah sekuriti inovatif kumpulan 1 tidak boleh melebihi 15 peratus daripada jumlah modal kumpulan 1; kumpulan 2 modal yang layak tidak boleh melebihi modal kumpulan 1; dan modal pinjaman subordinat tidak boleh melebihi 50 peratus daripada modal kumpulan 1. Terdapat juga sekatan kepada jumlah peruntukan penjejasan kolektif yang boleh dimasukkan sebagai sebahagian daripada modal kumpulan 2.

Dasar Bank adalah untuk mempertahankan asas modal yang kukuh bagi mempertahankan keyakinan pelabur, pemiutang dan pasaran serta mempertahankan pembangunan masa depan perniagaan. Kesan tahap modal kepada pulangan pemegang saham juga diiktiraf dan Bank mengiktiraf keperluan mempertahankan keseimbangan di antara pulangan lebih tinggi yang boleh dicapai dengan gearing lebih tinggi dan kelebihan serta keselamatan yang diberikan oleh kedudukan modal yang kukuh.

Bank dan operasinya yang dikawal selia secara individu telah mematuhi semua keperluan modal yang dikenakan oleh pihak luar sepanjang tempoh tersebut. Pihak Pengurusan menggunakan regulatori nisbah modal bagi memantau asas modal dan nisbah modal ini kekal sebagai piawaian antarabangsa untuk mengukur kecukupan modal.

Peruntukan Modal

Peruntukan modal di antara operasi dan aktiviti tertentu, adalah didorong olehpeningkatan optimum pulangan yang dicapai berdasarkan modal yang diperuntukkan. Jumlah modal yang diperuntukkan kepada setiap operasi atau aktiviti biasanya adalah berdasarkan kepada modal regulatori, tetapi dalam beberapa kes keperluan regulatori tidak menggambarkan sepenuhnya tahap risiko yang dikaitkan dengan aktiviti yang berbeza. Dalam kes-kes seperti ini, keperluan modal boleh diubah bagi mencerminkan profil risiko yang berbeza, dengan syarat tahap keseluruhan modal untuk menampung operasi atau aktiviti yang tertentu tidak jatuh di bawah nilai minimum yang diperlukan untuk tujuan regulatori. Proses memperuntukkan modal untuk operasi dan aktiviti-aktiviti tertentu adalah tertakluk kepada kajian semula oleh ALCO mengikut kesesuaian.

Kecukupan Modal

Nisbah kecukupan modal Bank pada akhir tarikh pelaporan adalah seperti berikut:

	2011 %	2010 %
Sebelum menolak dividen yang dicadangkan:		
Nisbah modal teras	23.89	19.65
Nisbah modal berwajaran risiko	26.39	21.91

Nisbah kecukupan modal Bank pada 31 Disember 2011 telah mengambil kira risiko pasaran menurut Rangka Kerja Kecukupan Modal Risiko Pasaran Bank Negara Malaysia yang berkuat kuasa pada 1 April 2005.

	2011 RM	2010 RM
Komponen Modal Kumpulan I dan Kumpulan II		
Modal Kumpulan I		
Modal saham	1,000,000,000	1,000,000,000
Rizab berkanun	554,578,316	349,810,136
Pendapatan tertahan	344,264,127	139,495,948
Jumlah Modal Kumpulan I	**1,898,842,443**	**1,489,306,084**
Modal Kumpulan II		
Peruntukan penjejasan kolektif	100,730,299	50,678,555
Geran Kerajaan - Belanja Modal dan Pembangunan	54,877,397	67,723,644
Geran Pelancaran	26,016,225	28,227,042
Geran Kerajaan - Dana	17,480,968	24,783,941
Jumlah Modal Kumpulan II	**199,104,889**	**171,413,182**
Jumlah Modal Teras	**2,097,947,332**	**1,660,719,266**

Pecahan aset berwajaran risiko dalam pelbagai kategori wajaran risiko adalah seperti berikut:

	Nosional RM	Wajaran Risiko RM
0%	1,272,617,844	-
10%	-	-
20%	3,693,075,099	738,615,020
50%	55,161,276	27,580,638
100%	7,066,384,969	7,066,384,969
Aset berwajaran risiko luar penyata kedudukan kewangan	-	117,020,154
Jumlah aset berwajaran risiko pada 31 Disember 2011	**12,087,239,188**	**7,949,600,781**
0%	666,107,832	-
10%	-	-
20%	3,088,948,421	617,789,684
50%	56,450,886	28,225,443
100%	6,758,402,553	6,758,402,553
Aset berwajaran risiko luar penyata kedudukan kewangan	-	174,292,014
Jumlah aset berwajaran risiko pada 31 Disember 2010	**10,569,909,692**	**7,578,709,694**

B. NILAI SAKSAMA ASET DAN LIABILITI KEWANGAN

Nilai saksama ialah jumlah apabila aset kewangan boleh ditukar atau liabiliti kewangan boleh dilunaskan antara pihak-pihak yang berpengetahuan dan bersedia berbuat sedemikian pada harga yang munasabah. Maklumat yang ditunjukkan merupakan anggaran nilai saksama yang terbaik pada tarikh pelaporan.

Agregat nilai saksama instrumen kewangan yang dibawa pada kos pelunasan dalam penyata kewangan pada tarikh pelaporan dianggarkan seperti berikut:

	Nilai Pembawa 2011 RM	Nilai Saksama 2011 RM	Nilai Pembawa 2010 RM	Nilai Saksama 2010 RM
Aset Kewangan				
Tunai dan dana jangka pendek	3,413,040,341	3,413,040,341	2,756,301,035	2,756,301,035
Simpanan dengan institusi kewangan	20,000,000	20,000,000	-	-
Sekuriti pelaburan	2,883,828,191	2,884,966,436	2,694,879,074	2,695,939,568
Pinjaman, pembiayaan dan pendahuluan	6,042,899,695	3,919,950,064	5,568,079,661	3,413,525,545
Liabiliti Kewangan				
Deposit dan simpanan pelanggan	7,723,069,442	7,493,253,153	6,452,753,638	6,324,253,135
Pinjaman dari OECF	46,498,531	42,722,556	63,982,727	57,778,529
Skim Dana Pembiayaan	1,728,904,575	1,651,026,162	1,792,250,699	1,710,747,522

Kaedah dan andaian yang diguna pakai dalam menganggarkan nilai saksama instrumen kewangan adalah seperti berikut:

(i) Tunai dan dana jangka pendek

Amaun dibawa merupakan anggaran yang munasabah bagi nilai saksama disebabkan sifat jangka pendeknya.

(ii) Simpanan dengan institusi kewangan

Anggaran nilai saksama simpanan dengan institusi kewangan yang lazimnya dalam jangka pendek adalah menghampiri nilai pembawa.

(iii) Sekuriti Pelaburan – Dipegang sehingga Matang

Anggaran nilai saksama bagi bon korporat dan Sekuriti Kerajaan Malaysia adalah berdasarkan kepada nilai pasaran pada akhir tarikh pelaporan.

Bagi kertas komersil yang merupakan simpanan jangka pendek amnya, nilai saksama adalah menghampiri nilai pembawa.

(iv) Pinjaman, pembiayaan dan pendahuluan

Bagi pinjaman, pembiayaan dan pendahuluan berkadar tetap dengan kematangan dalam tempoh satu tahun dan pinjaman, pembiayaan dan pendahuluan pada kadar bolehubah, nilai saksama dianggarkan menghampiri nilai pembawa.

Bagi pinjaman, pembiayaan dan pendahuluan berkadar tetap dengan kematangan melebihi satu tahun, nilai saksama dianggar berdasarkan jangkaan aliran tunai masa hadapan bagi bayaran ansuran berkontrak dan terdiskaun pada kadar semasa pada akhir tarikh pelaporan yang ditawarkan pada pinjaman, pembiayaan dan pendahuluan yang serupa kepada pelanggan baru dengan profil kredit yang hampir sama, yang mana berkenaan.

(v) Deposit dan simpanan pelanggan

Nilai saksama deposit dan simpanan pelanggan dengan kematangan kurang daripada satu tahun adalah dianggarkan menghampiri nilai pembawa. Nilai saksama deposit dengan kematangan melebihi satu tahun diangga menggunakan aliran tunai terdiskaun berdasarkan kadar pasaran bagi deposit yang sama. Nilai saksama deposit perbankan Islam menghampiri nilai pembawa memandangkan kadar keuntungan ditentukan pada akhir tempoh pegangan berdasarkan keuntungan yang dijana daripada pelaburan aset.

(vi) Pinjaman daripada OECF

Pinjaman daripada OECF, anggaran nilai saksama adalah berdasarkan jangkaan aliran tunai masa hadapan bagi bayaran ansuran berkontrak dengan baki kematangan dijangka 3 tahun (2010: 4 tahun) dan terdiskaun pada kadar semasa pada akhir tarikh pelaporan mengikut perjanjian.

(vii) Skim Dana Pembiayaan

Anggaran nilai saksama bagi pinjaman Kerajaan dan perhutangan adalah berdasarkan jangkaan aliran tunai masa hadapan terdiskaun mengikut kadar semasa pada akhir tarikh pelaporan.

Penentuan Nilai Saksama

Penentuan nilai saksana and hierarki nilai saksama

Bank menggunakan hierarki berikut untuk menentukan dan mendedahkan nilai saksama instrumen kewangan dengan teknik penilaian:

Aras 1: dipetik (imbangan duga) harga dalam pasaran aktif aset atau liabiliti yang serupa;

Aras 2: menggunakan teknik-teknik lain yang semua inputnya mempunyai kesan yang besar terhadap nilai saksama yang direkodkan, akan diperhatikan sama ada secara langsung atau tidak langsung;

Aras 3: teknik yang menggunakan input yang mempunyai kesan yang besar ke atas nilai saksama yang tidak berdasarkan data pasaran yang diperhatikan.

Pelaburan kewangan – tersedia untuk dijual

Aset kewangan sedia untuk dijual dinilai dengan menggunakan teknik-teknik penilaian atau model penetapan harga terutamanya terdiri daripada ekuiti tidak disebut harga dan sekuriti hutang.

Aset-aset ini dinilai menggunakan kedua-dua model iaitu data yang boleh diperhatikan dan data yang tidak boleh diperhatikan. Model input data yang tidak boleh diperhatikan termasuk andaian mengenai prestasi kewangan masa hadapan yang dilabur, profil risiko, dan andaian ekonomi mengenai bidang kuasa industri dan geografi di mana pelaburan beroperasi.

Dagangan aset-aset lain

Dagangan aset-aset lain dinilai menggunakan teknik penilaian yang terdiri daripada sekuriti hutang tertentu dan sekuriti bersandarkan aset. Bank menilai sekuriti menggunakan model aliran tunai yang didiskaunkan yang menggabungkan data yang boleh diperhatikan dan data yang tidak boleh diperhatikan. Input data yang boleh diperhatikan termasuk andaian mengenai kadar semasa penyata faedah dan broker. Input data yang tidak boleh diperhatikan termasuk andaian mengenai kadar masa depan lalai yang dijangka, kadar bayaran dan diskaun kecairan pasaran.

Pinjaman dan penghutang yang ditetapkan pada nilai saksama melalui keuntungan atau kerugian

Bagi pinjaman dan penghutang yang ditetapkan pada nilai saksama melalui untung atau rugi, model aliran tunai yang didiskaunkan digunakan berdasarkan andaian yang pelbagai, termasuk kerugian kredit semasa dan jangkaan masa depan, pasaran diberi nilai faedah, kadar bayaran dan andaian mengenai kecairan pasaran, yang mana relevan.

Liabiliti-liabiliti lain yang ditetapkan pada nilai saksama melalui keuntungan atau kerugian

Untuk mengeluarkan nota yang tidak disebut harga, model aliran tunai yang didiskaunkan digunakan berdasarkan keluk hasil kadar faedah semasa yang sesuai untuk tempoh baki kematangan dilaraskan bagi kecairan pasaran dan tebaran kredit.

Jadual di bawah meringkaskan instrumen kewangan Bank diukur pada nilai saksama:

	Jumlah RM	Aras 1 RM	Aras 2 RM	Aras 3 RM
2011				
Aset-aset Kewangan				
Sekuriti Pelaburan:				
Sedia Dijual				
Sekuriti Hutang Swasta	1,308,141,734	-	1,308,141,734	-
Sekuriti Kerajaan Malaysia	774,512,850	774,512,850	-	-
Saham Disebut Harga	514,308,366	514,308,366	-	-
	2,596,962,950	**1,288,821,216**	**1,308,141,734**	**-**

	Jumlah RM	Aras 1 RM	Aras 2 RM	Aras 3 RM
2010				
Aset-aset Kewangan				
Sekuriti Pelaburan:				
Sedia Dijual				
Sekuriti Hutang Swasta	1,253,838,660	-	1,253,838,660	-
Sekuriti Kerajaan Malaysia	402,708,000	402,708,000	-	-
Saham Disebut Harga	586,593,878	586,593,878	-	-
Saham Tidak Disebut Harga	1,188,934	1,188,934		
	2,244,329,472	**990,490,812**	**1,253,838,660**	**-**

C. ANALISIS ASET DAN LIABILITI KEWANGAN MENGIKUT ASAS PENGUKURAN

	Sekuriti dipegang sehingga matang RM	Pinjaman dan Penerimaan RM	Sekuriti tersedia untuk dijual RM	Aset kewangan dan liabiliti pada kos pelunasan RM	Jumlah RM
2011					
Aset Kewangan					
Tunai dan dana jangka pendek	-	3,413,040,341	-	-	3,413,040,341
Simpanan dengan institusi kewangan	-	20,000,000	-	-	20,000,000
Sekuriti pelaburan	296,498,961	-	2,587,329,230	-	2,883,828,191
Pinjaman, pembiayaan dan pendahuluan	-	6,042,899,695	-	-	6,042,899,695
	296,498,961	**9,475,940,036**	**2,587,329,230**	**-**	**12,359,768,227**
Liabiliti Kewangan					
Deposit dan simpanan pelanggan	-	-	-	7,723,069,442	7,723,069,442
Pinjaman dari OECF	-	-	-	46,498,531	46,498,531
Dana Skim Pembiayaan	-	-	-	1,728,904,575	1,728,904,575
	-	**-**	**-**	**9,498,472,548**	**9,498,472,548**

	Sekuriti dipegang sehingga matang RM	Pinjaman dan Penerimaan RM	Sekuriti tersedia untuk dijual RM	Aset kewangan dan liabiliti pada kos pelunasan RM	Jumlah RM
2010					
Aset Kewangan					
Tunai dan dana jangka pendek	-	2,756,301,035	-	-	2,756,301,035
Sekuriti pelaburan	460,487,536	-	2,234,391,538	-	2,694,879,074
Pinjaman, pembiayaan dan pendahuluan	-	5,568,079,661	-	-	5,568,079,661
	460,487,536	**8,324,380,696**	**2,234,391,538**	**-**	**11,019,259,770**
Liabiliti Kewangan					
Deposit dan simpanan pelanggan	-	-	-	6,452,753,638	6,452,753,638
Pinjaman dari OECF	-	-	-	63,982,727	63,982,727
Dana Skim Pembiayaan	-	-	-	1,792,250,699	1,792,250,699
	-	**-**	**-**	**8,308,987,064**	**8,308,987,064**

50. PELARASAN DAN PERBANDINGAN TAHUN LEPAS

(a) Pelarasan tahun sebelum

Butiran pelarasan tahun terdahulu kepada Bank dan perniagaan perbankan Islam Bank adalah seperti berikut:

(i) Pinjaman berjangka Bank seperti pada 31 Disember 2010 dan 1 Januari 2010 telah dinyatakan semula untuk mengiktiraf kesan terjemahan semula Yen Jepun ("JPY") pinjaman jangka panjang daripada Kumpulan Wang Overseas Kerjasama Ekonomi ("OECF") berdasarkan pertukaran kadar pada tarikh pelaporan. Pada tahun kewangan sebelumnya, pinjaman ini telah tidak diterjemahkan selaras dengan keperluan FRS 121 Kesan Perubahan Kadar Pertukaran Asing. Tiada kesan kepada baki pembukaan kerugian terkumpul Bank pada 1 Januari 2010 dan dalam penyata pendapatan komprehensif Bank bagi tahun berakhir 31 Disember 2010 sebagai kerugian pertukaran asing atas penyelesaian pinjaman panjang JPY yang diimbangi oleh Kerajaan Malaysia.

(ii) Perisian komputer keseluruhan dan perisian di bawah pembangunan dalam hartanah, loji dan peralatan Bank telah dikelaskan semula kepada aset tidak ketara selaras dengan keperluan FRS 138 Aset Tidak Ketara. Kesan ke atas baki pembukaan pada aset tidak ketara dan hartanah, loji dan peralatan dalam tahun terdahulu dan semasa adalah seperti yang dinyatakan dalam Nota 50(b).

(iii) Keseluruhan pembiayaan hutang lapuk yang dipulihkan dalam yuran dan pendapatan operasi lain dan pendapatan daripada pembiayaan Bank telah dikelaskan semula dalam caj/(pembalikan) penjejasan pinjaman yang dibayar kepada perubahan dalam format persembahan.

(iv) Tabung Kementerian Belia dan Sukan ("DKBS") telah diklasifikasikan semula daripada Skim Pinjaman Dana untuk Geran Kerajaan - Dana selaras dengan terma-terma dana.

(b) Perbandingan

Kesan pelarasan tahun-tahun sebelumnya seperti yang diterangkan dalam Nota 49 di atas adalah seperti berikut:

		Pada Disember 2010		
	Nota	Seperti yang dinyatakan sebelumnya RM	Pelarasan tahun sebelumnya RM	Seperti dinyatakan semula RM
Penyata Kedudukan Kewangan				
Aset				
Lain-lain belum terima	49(a)(i)	69,998,776	27,453,970	97,452,746
Hartanah, loji dan kelengkapan	49(a)(ii)	210,865,255	(22,760,983)	188,104,272
Aset-aset tidak ketara	49(a)(ii)	-	22,760,983	22,760,983
Liabiliti				
Pinjaman OECF	49(a)(i)	36,528,757	27,453,970	63,982,727
Penyata Pendapatan Komprehensif				
Pendapatan Fi dan lain-lain operasi	49(a)(iii)	52,984,633	(44,475,686)	8,508,947
Pendapatan pembiayaan	49(a)(iii)	343,294,543	(3,491,976)	339,802,567
Penjejasan pinjaman (pembalikan)/caj	49(a)(iii)	139,784,441	(47,967,662)	91,816,779
Caj penjejasan pembiayaan	49(a)(iii)	121,320,702	(3,491,976)	117,828,726

51. PERBANKAN ISLAM

Kedudukan dan keputusan Operasi Perbankan Islam di bawah Bahagian Perbankan Islam yang dimasukkan ke dalam penyata kewangan adalah diringkaskan seperti berikut:

PENYATA PENDAPATAN KOMPREHENSIF BAGI TAHUN KEWANGAN BERAKHIR 31 DISEMBER 2011

	Nota	2011 RM	2010 RM
Pendapatan Perbankan Islam	a	405,410,176	339,802,567
Caj penjejasan pembiayaan	b	(44,799,128)	(117,828,726)
Pendapatan bersih		360,611,048	221,973,841
Perbelanjaan overhed	c	(121,884,974)	(3,284,564)
Keuntungan sebelum Zakat		**238,726,074**	**218,689,277**
Zakat		(4,271,592)	(281,194)
Keuntungan selepas Zakat		**234,454,482**	**218,408,083**
Lain-lain pendapatan komprehensif			
Nilai keuntungan bersih atas aset kewangan tersedia untuk dijual		14,414,608	7,177,677
Penyahiktirafan rizab penilaian semula pelaburan – jualan AFS		(7,111,020)	(5,172,100)
Lain-lain pendapatan komprehensif bagi tahun, selepas cukai		**7,303,588**	**2,005,577**
Jumlah pendapatan komprehensif bagi tahun		**241,758,070**	**220,413,660**

PENYATA KEDUDUKAN KEWANGAN PADA 31 DISEMBER 2011

	Nota	2011 RM	2010 RM
ASET			
Tunai dan dana jangka pendek	d	1,564,541,091	1,495,080,897
Simpanan daripada institusi kewangan	e	20,000,000	-
Sekuriti pelaburan	f	1,102,164,439	878,914,610
Pembiayaan dan pendahuluan	g	4,263,858,597	3,355,791,755
Hartanah, loji dan peralatan		2,850,660	2,049,957
Lain-lain aset	h	45,950,272	16,908,323
JUMLAH ASET		**6,999,365,059**	**5,748,745,542**
LIABILITI DAN EKUITI			
Liabiliti			
Deposit dan simpanan pelanggan	i	5,020,901,122	2,977,901,968
Keuntungan belum bayar dan lain-lain	j	81,035,463	49,741,870
Pinjaman Kerajaan dan skim dana pembiayaan	k	1,430,226,622	1,467,005,179
Geran Kerajaan - dana	l	14,921,043	22,224,016
Jumlah Liabiliti		**6,547,084,250**	**4,516,873,033**
Ekuiti			
Dana Perbankan Islam	m	**452,280,809**	**1,231,872,509**
Jumlah Ekuiti		**452,280,809**	**1,231,872,509**
JUMLAH LIABILITI DAN EKUITI		**6,999,365,059**	**5,748,745,542**

PENYATA ALIRAN TUNAI BAGI TAHUN KEWANGAN BERAKHIR 31 DISEMBER 2011

	2011 RM	2010 RM
ALIRAN TUNAI DARI/(DIGUNAKAN DALAM) AKTIVITI OPERASI		
Keuntungan sebelum zakat	238,726,074	218,689,277
Pelarasan untuk:		
Caj penjejasan pembiayaan	44,289,346	121,320,702
Perbelanjaan faedah atas pinjaman daripada Kerajaan dan skim dana pembiayaan	3,236,569	2,331,747
Susut nilai hartanah, loji dan peralatan	493,577	413,650
Pelunasan hartanah, loji dan kelengkapan	10,548	-
Keuntungan Operasi Sebelum Perubahan Modal Kerja	**286,756,114**	**342,755,376**
Pertambahan dalam:		
Pembiayaan dan pendahuluan	(958,572,786)	(265,410,842)
Lain-lain aset	(29,041,949)	(9,007,093)
Simpanan daripada institusi kewangan	(20,000,000)	-
Pertambahan/(Penurunan) dalam:		
Deposit dan simpanan pelanggan	2,042,999,154	275,140,522
Keuntungan belum bayar dan lain-lain	28,403,407	(89,141,842)
Bayaran balik kepada sistem konvensional	(1,021,349,770)	(12,953,549)
Tunai Dari Aktiviti Operasi	**329,194,170**	**241,382,572**
Bayaran zakat	(1,381,406)	(1,275,282)
Tunai Bersih Dari Aktiviti Operasi	**327,812,764**	**240,107,290**

	2011 RM	2010 RM
ALIRAN TUNAI DIGUNAKAN DALAM AKTIVITI PELABURAN		
Pertambahan dalam sekuriti pelaburan	(215,946,241)	(486,487,782)
Pembelian hartanah, loji dan peralatan	(1,304,828)	(451,129)
Tunai Bersih Digunakan Dalam Aktiviti Pembiayaan	**(217,251,069)**	**(486,938,911)**
ALIRAN TUNAI DARI/(DIGUNAKAN DALAM) AKTIVITI PEMBIAYAAN		
Pembayaran faedah atas pinjaman Kerajaan dan skim dana pembiayaan	(907,577)	(96,019)
Pertambahan dalam:		
Tabung Untuk Makanan (“3F”)	-	295,000,000
Skim Kredit Pengeluaran Makanan (“SKPM”)	-	10,000,000
Pembiayaan Industri Kecil dan Sederhana (“PKS”)	-	15,000,000
Dana Khas Sektor Perikanan Terengganu (“DKSP”)	(1,086,375)	(1,032,603)
Pembayaran pinjaman Kerajaan dan skim dana pembiayaan	(39,107,549)	(6,355,665)
Tunai Bersih (Digunakan dalam)/dari Aktiviti Pembiayaan	**(41,101,501)**	**312,515,713**
PERTAMBAHAN BERSIH TUNAI DAN TUNAI SETARA	**69,460,194**	**65,684,092**
TUNAI DAN TUNAI SETARA PADA AWAL TAHUN	**1,495,080,897**	**1,429,396,805**
TUNAI DAN TUNAI SETARA PADA AKHIR TAHUN	**1,564,541,091**	**1,495,080,897**
TUNAI DAN TUNAI SETARA TERDIRI DARIPADA:		
Tunai dan dana jangka pendek	1,564,541,091	1,495,080,897
	1,564,541,091	**1,495,080,897**

Nota a: Pendapatan dari pembiayaan

	2011 RM	2010 RM
Pendapatan operasi Perbankan Islam		
Pembiayaan	268,051,185	264,495,479
Pendapatan dari institusi kewangan		
Faedah daripada deposit daripada institusi kewangan	43,389,944	37,210,272
Faedah dari sekuriti pelaburan:		
Dipegang sehingga matang (HTM)	5,659,076	7,738,143
Tersedia untuk dijual (AFS)	29,674,566	12,684,383
Keuntungan dari jualan sekuriti pelaburan:		
Tersedia untuk dijual (AFS)	4,892,046	5,308,166
Pendapatan Fi		
Fi pemprosesan pembiayaan	26,090,795	28,012,260
Fi perkhidmatan perbankan	18,837,515	15,383,458
Upah simpan Ar-Rahnu	75,600,668	17,033,257
	472,195,795	387,865,418
Tolak: Pengagihan keuntungan kepada pelanggan		
Deposit Al-Mudharabah	55,656,432	41,117,964
Simpanan Al-Mudharabah	3,039,204	2,858,847
Agro Perdana-*i*	2,967,673	2,002,156
Simpanan Agro-*i*	3,331,908	1,647,216
Simpanan Al-Wadiah	552,656	565,319
Agro Muda-*i*	731,526	158,319
Agro Tetangga-*i*	48,392	13,726
	66,327,791	48,363,547
Tabung Untuk Makanan (“3F”)	2,628,647	1,809,399
Skim Kredit Pengeluaran Makanan (“SKPM”)	250,000	243,767
Pinjaman Industri Kecil dan Sederhana (“PKS”)	250,000	230,377
Tabung Industri Kecil dan Sederhana (“TIKS”)	33,970	35,670
Skim Kredit Pengeluaran Bukan Makanan (“SKPBM”)	73,952	12,534
	69,564,360	50,695,294
Dana Khas Sektor Perikanan Terengganu (“DKSP”) (Nota 41)	1,086,375	1,032,603
Pembiayaan kakitangan	997,801	1,003,797
Imbuhan *Special Relief Grant for Flood (“SRGF”)*	399,698	523,797
Lain-lain Pendapatan	294,867	72,246
	405,410,176	**339,802,567**

Di mana:

	2011 RM	2010 RM
Keuntungan pendapatan yang diperoleh daripada penjejasan dan pendahuluan	**28,996,839**	**26,317,557**

Terdapat caj pinjaman intra Perbankan Konvensional kepada Perbankan Islam bagi penggunaan dana berjumlah RM23,066,962 (2010: RM15,849,082).

Nota b: Caj penjejasan pembiayaan

	2011 RM	2010 RM
Pembiayaan dan pendahuluan:		
Peruntukan pada tahun	79,390,673	116,848,045
Jumlah dimasuk selepas pemungutan semula dan pembalikan peruntukan	(94,533,746)	(49,864,013)
Kerugian penjejasan individu - bersih	(15,143,073)	66,984,032
Kerugian penjejasan kolektif	59,432,419	54,336,670
Hutang lapuk dan pembiayaan:		
Hapus kira	4,307,173	-
Pemulihan pembiayaan	(3,797,391)	(3,491,976)
	44,799,128	**117,828,726**

Nota c: Perbelanjaan overhed

	2011 RM	2010 RM
Kos kakitangan		
Gaji, elaun dan bonus	102,412,974	669,017
Caruman KWSP	11,939,697	58,105
Caruman SOCSO	1,242,336	3,256
Kebajikan kakitangan	115,286	38,983
Lain-lain	151,480	77,581
	115,861,773	**846,942**
Kos senggaraan		
Pencetakan, peralatan dan bekalan pejabat	866,851	689,820
Insurans	250,170	561,439
Susut nilai hartanah, loji dan peralatan	493,577	413,650
Air dan elektrik	376,675	49,886
Sewa bangunan	290,350	50,780
Lain-lain	92,877	20,119
	2,370,500	**1,785,694**
Perbelanjaan pemasaran	88,219	317,979
Pengiklanan dan promosi	-	500
Lain-lain		
	88,219	**318,479**
Perbelanjaan pentadbiran am	1,516,773	99,205
Perbelanjaan komunikasi	234,316	66,792
Caj keselamatan	64,392	64,803
Fi guaman	1,749,001	102,649
Lain-lain		
	3,564,482	**333,449**
	121,884,974	**3,284,564**

Nota d: Tunai dan Dana Jangka Pendek

	2011 RM	2010 RM
Tunai di tangan dan bank	92,221,732	50,463,049
Deposit jangka pendek yang matang dalam tempoh tiga bulan:		
Bank-bank berlesen	811,784,705	813,994,620
Institusi-institusi kewangan lain	660,534,654	630,623,228
	1,564,541,091	**1,495,080,897**

Nota e: Simpanan dengan institusi kewangan

	2011 RM	2010 RM
Institusi-institusi kewangan lain	**20,000,000**	**-**

Nota f: Sekuriti pelaburan

	2011 RM	2010 RM
Sekuriti Hutang		
Tersedia Untuk Dijual – pada nilai saksama		
Bon Korporat	470,212,129	303,483,296
Sekuriti Kerajaan Malaysia	462,462,850	300,034,000
	932,674,979	**603,517,296**
Dipegang Sehingga Matang – pada kos pelunasan		
Bon Korporat	47,354,091	150,845,014
Kertas Komersial	9,972,055	114,385,003
Sekuriti Kerajaan Malaysia	112,163,314	10,167,297
	169,489,460	**275,397,314**
Bersih	**1,102,164,439**	**878,914,610**
Struktur kematangan pembiayaan adalah seperti berikut:		
Matang dalam tempoh enam bulan	9,972,055	214,385,003
Enam bulan hingga satu tahun	20,115,627	5,000,000
Satu tahun hingga tiga tahun	118,738,642	10,000,000
Tiga tahun hingga lima tahun	-	10,167,297
Lebih daripada lima tahun	20,663,136	35,845,014
	169,489,460	**275,397,314**

Nota g: Pembiayaan dan pendahuluan

	2011 RM	2010 RM
Bai-Al-Inah	2,484,967,885	2,289,613,212
Pembiayaan Projek dan Jentera BBA	1,389,131,994	1,436,425,217
Tabung Untuk Makanan (“3F”)	814,110,099	682,882,821
Ar-Rahnu	913,854,028	242,739,537
Skim Pembiayaan Bot Perikanan (“SPBP”)	92,845,247	117,302,877
MUST-*i*	117,005,296	86,639,901
Pinjaman Tanam Semula Kelapa Sawit (“TASK”)	45,163,413	59,429,431
Peruntukan MAP dan MPPB	104,097,774	60,322,835
Pembiayaan Industri Kecil dan Sederhana (“PKS”)	66,786,389	49,628,381
Skim Kredit Pengeluaran Bukan Makanan (“SKPBM”)	107,040,655	88,477,961
Skim Kredit Pengeluaran Makanan (“SKPM”)	20,833,800	32,968,843
Skim Belia Tani	12,892,279	15,266,571
Skim Usahawan Tani Komersil Siswazah (“SUTKS – Pinjaman”)	7,449,250	11,419,860
Dana Khas Sektor Perikanan Terengganu (“DKSP”)	1,878,619	2,627,134
Tabung Industri Kecil dan Sederhana (“TIKS”)	2,557,483	2,684,225
Modal Pusingan-*i*	4,411,754	986,130
Simpanan Ar-Rahnu	1,242	-
	6,185,027,207	**5,179,414,936**
Tolak: Keuntungan belum diperolehi	(1,555,044,966)	(1,338,553,143)
	4,629,982,241	**3,840,861,793**
Tolak:		
Kerugian penjejasan individu	(179,489,777)	(363,400,049)
Kerugian penjejasan kolektif	(223,988,127)	(155,799,963)
	4,226,504,337	**3,321,661,781**
Pembiayaan kakitangan	37,354,260	34,129,974
Baki bersih	**4,263,858,597**	**3,355,791,755**
Struktur kematangan pembiayaan adalah seperti berikut:		
Matang dalam tempoh enam bulan	940,478,630	282,788,814
Enam bulan hingga satu tahun	34,021,758	18,801,025
Satu tahun hingga tiga tahun	305,575,470	280,609,609
Tiga tahun hingga lima tahun	757,521,765	640,252,812
Lebih daripada lima tahun	2,592,384,618	2,618,409,533
	4,629,982,241	**3,840,861,793**

Nota h: Lain-lain aset

	2011 RM	2010 RM
Keuntungan belum terima sekuriti pelaburan	11,264,340	9,543,613
Pendapatan belum terima Ar-Rahnu	34,647,856	7,322,962
Pertaruhan dan bayaran terdahulu	38,076	41,466
Lain-lain aset	-	282
	45,950,272	**16,908,323**

Nota i: Deposit dan simpanan pelanggan

	2011 RM	2010 RM
Simpanan Al-Wadiah	71,536,116	69,133,645
Simpanan Al-Mudharabah	274,789,612	275,116,213
Deposit am Al-Mudharabah	2,047,673,194	1,535,829,179
Agro Perdana-*i*	2,563,838,504	1,038,794,944
Sekuriti deposit	63,061,812	59,027,987
Akaun Simpanan Asas	1,884	-
	5,020,901,122	**2,977,901,968**
Struktur kematangan deposit am Al-Mudharabah adalah seperti berikut:		
Dalam temph enam bulan	1,168,739,109	1,216,462,347
Enam bulan hingga satu tahun	831,962,349	283,191,495
Satu tahun hingga tiga tahun	10,474,246	17,232,913
Tiga tahun hingga lima tahun	36,497490	18,942,424
	2,047,673,194	**1,535,829,179**

Nota j: Keuntungan belum bayar dan lain-lain

	2011 RM	2010 RM
Deposit am Al-Mudharabah	24,045,014	20,991,219
Lain-lain liabiliti	52,144,185	26,794,573
Zakat	4,846,264	1,956,078
	81,035,463	**49,741,870**

Nota k: Pinjaman Kerajaan dan skim dana pembiayaan

	2011 RM	2010 RM
Tabung Untuk Makanan (“3F”)	1,034,449,323	1,068,206,984
Pinjaman Tanam Semula Kelapa Sawit (“TASKS”)	15,000,000	15,000,000
Skim LITS (“*Low Intensity Tapping Systems*”)	-	1,026,965
Tabung Industri Kecil dan Sederhana (“TIKS”)	2,257,480	2,284,552
Skim Kredit Pengeluaran Makanan (“SKPM”)	100,493,767	100,243,767
Skim Pembiayaan Bot Perikanan (“SPBP”)	140,000,000	140,000,000
Skim Usahawan Tani Komersil Siswazah (“SUTKS-Pinjaman”)	10,000,000	10,000,000
Skim Kredit Pengeluaran Bukan Makanan (“SKPBM”)	27,545,675	30,012,534
Pinjaman Industri Kecil dan Sederhana (“PKS”)	100,480,377	100,230,377
	1,430,226,622	**1,467,005,179**

Nota l: Geran Kerajaan - dana

	2011 RM	2010 RM
Skim Usahawan Tani Komersil Siswazah (“SUTKS”)	560,430	1,985,118
Dana Khas Sektor Perikanan Terengganu (“DKSP”)	2,056,878	3,338,140
Tabung untuk Kementerian Belia dan Sukan (“DKBS”)	12,303,735	16,900,758
	14,921,043	**22,224,016**

Nota m: Dana Perbankan Islam

	2011 RM	2010 RM
Pendapatan tertahan	624,518,257	390,063,775
Rizab am	849,741,880	849,741,880
Bayaran balik kepada sistem konvensional	(1,032,171,256)	(10,821,486)
Rizab penilaian semula pelaburan	10,191,928	2,888,340
	452,280,809	**1,231,872,509**
Pendapatan tertahan		
Pada awal tahun	390,063,775	300,720,339
Untung selepas zakat	234,454,482	89,343,436
Pada akhir tahun	624,518,257	390,063,775
Bayaran balik kepada sistem konvensional		
Pada awal tahun	(10,821,486)	2,132,063
Bayaran balik bersih	(1,021,349,770)	(12,953,549)
Pada akhir tahun	(1,032,171,256)	(10,821,486)
Rizab penilaian semula pelaburan		
Pada awal tahun	2,888,340	882,763
Lain-lain pendapatan komprehensif dalam tahun	7,303,588	2,005,577
Pada akhir tahun	10,191,928	2,888,340

Nota n: Kecukupan modal

	2011 %	2010 %
Sebelum menolak dividen yang dicadangkan:		
Nisbah modal teras	9.12	30.47
Nisbah modal berwajaran risiko	10.59	31.54

	2011 RM	2010 RM
Komponen Modal Kumpulan I dan Kumpulan II		
Modal Kumpulan I		
Rizab am	849,741,880	849,741,880
Pendahuluan dari sistem konvensional	(1,032,171,256)	(10,821,486)
Pendapatan tertahan	624,518,257	390,063,775
Jumlah Modal Kumpulan I	**442,088,881**	**1,228,984,169**
Modal Kumpulan II		
Peruntukan penjejasan kolektif	68,646,559	37,834,369
Geran Kerajaan – dana	2,617,308	5,323,258
Jumlah Modal Kumpulan II	**71,263,867**	**43,157,627**
Jumlah Asas Modal	**513,352,748**	**1,272,141,796**

Pecahan aset berwajaran risiko dalam pelbagai kategori wajaran risiko adalah seperti berikut:

	Nosional RM	Wajaran risiko RM
0%	840,339,637	-
10%	-	-
20%	1,722,780,738	344,556,147
50%	24,816,643	12,408,321
100%	4,411,428,041	4,411,428,041
Aset berwajaran risiko di luar penyata kedudukan kewangan	-	80,805,306
Jumlah aset berwajaran risiko pada 31 Disember 2011	**7,029,365,059**	**4,849,197,815**
0%	420,074,199	-
10%	-	-
20%	1,744,538,196	348,907,639
50%	22,507,869	11,253,934
100%	3,561,625,278	3,561,625,278
Aset berwajaran risiko luar penyata kedudukan kewangan	-	111,936,278
Jumlah aset berwajaran risiko pada 31 Disember 2010	**5,748,745,542**	**4,033,723,129**

Pendedahan nisbah kecukupan modal perniagaan perbankan Islam Bank seperti yang dinyatakan di atas ialah menurut Pekeliling Bank Negara Malaysia bertarikh 19 November 2002 mengenai “Pematuhan Nisbah Modal Berwajaran Risiko Bagi Portfolio Perbankan Islam”. Dalam pekeliling ini, ditetapkan bahawa semua institusi kewangan yang mengambil bahagian dalam Skim Perbankan Islam dikehendaki mematuhi nisbah modal teras minimum sebanyak 4% dan nisbah modal berwajaran risiko minimum 8% berkuat kuasa dari 2 Januari 2002.

AUDITED FINANCIAL STATEMENTS 2011

Directors' Report

Statement by Directors

Statutory Declaration

Shariah Committee Declaration

Independent Auditors' Report

Statement of Comprehensive Income

Statement of Financial Position

Statement of Changes in Equity

Statement of Cash Flow

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DIRECTORS' REPORT

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Bank for the financial year ended 31 December 2011.

PRINCIPAL ACTIVITIES

The principal activities of the Bank are banking, financing, investment and servicing as provided under the Bank Pertanian Malaysia Berhad Act, 2008.

There have been no significant changes in the nature of principal activities of the Bank during the financial year.

RESULTS

	RM
Profit before tax expense and zakat	385,237,261
Tax expense	28,570,690
Zakat	(4,271,592)
Net profit for the year	409,536,359

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the Directors, the results of the operations of the Bank during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividend was paid or declared by the Bank since the end of the previous financial year.

The Directors propose a final dividend of 3%, less 25% tax amounting to RM22.5 million in respect of the current financial year. This dividend is subject to approval by the shareholder at the forthcoming Annual General Meeting of the Bank and BNM. Accordingly, the proposed dividend has not been included as liability in the financial statements.

ISSUE OF SHARES AND DEBENTURES

The Bank has not issued any new shares or debentures during the financial year.

SHARE OPTIONS

No options have been granted by the Bank to any parties during the financial year to take up unissued shares of the Bank.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Bank. As at the end of the financial year, there were no unissued shares of the Bank under options.

DIRECTORS

The following directors served on the Board of the Bank since the date of the last report:

YBhg Tan Sri Faizah Mohd Tahir (Chairman)

Encik Wan Mohd Fadzmi Wan Othman (President/Chief Executive Officer)
(Appointed on 1 July 2011)

YBhg Datuk Dr. Saharan Haji Anang

Puan Rashidah Mohd Sies

YBhg Datuk Johar Che Mat

Encik Ng Chih Kaye
(Appointed on 8 February 2011)

YBhg Datin Ruzaina Wan Haniff
(Appointed on 1 March 2011)

Encik Md. Hilmi Datuk Haji Md. Noor
(Appointed on 1 March 2011)

YBhg Dato' Che Mohd Hashim Abdullah
(Appointed on 2 May 2011)

YBhg Datuk Ahmad Said (President/Managing Director)
(Resigned on 30 June 2011)

DIRECTORS' INTERESTS

None of the directors in office at the end of the financial year held shares or had beneficial interest in the shares of the Bank during and at the end of the financial year. In accordance with the Articles of Association of the Bank, the directors are not required to hold any shares in the Bank.

DIRECTORS' BENEFITS

There were no arrangements during and at the end of the financial year which had the object of enabling directors of the Bank to acquire benefits by means of the acquisition of shares in, or debentures of the Bank or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the directors from the Bank and related corporations, or the fixed salary of a full time employee of the Bank as disclosed in Note 48 to the financial statements) by reason of a contract made by the Bank or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

OTHER STATUTORY INFORMATION

(a) Before the statement of financial position and statement of comprehensive income of the Bank were made out, the directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowances had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected to so realise.

(b) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Bank which would render:

(i) the amount written off for bad debts or the amount of the allowances for doubtful debts in the financial statements of the Bank inadequate to any substantial extent; and

(ii) the values attributed to current assets in the financial statements of the Bank misleading.

(c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Bank misleading or inappropriate.

(d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Bank which would render any amount stated in the financial statements misleading.

(e) As at the date of this report, there does not exist:

(i) any charge on the assets of the Bank which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Bank which has arisen since the end of the financial year other than those arising in the normal course of business of the Bank as disclosed in Note 46 to the financial statements.

(f) In the opinion of the directors:

(i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Bank to meet their obligations as and when they fall due other than as disclosed in Note 46 to the financial statements; and

(ii) no item or transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Bank for the financial year in which this report is made.

HOLDING COMPANY

Bank Pertanian Malaysia Berhad ("Agrobank") is wholly-owned by government of Malaysia.

AUDITORS

The auditor, Messrs. Ernst and Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors dated 23 March 2012.

TAN SRI FAIZAH MOHD TAHIR

WAN MOHD FADZMI WAN OTHMAN

STATEMENT BY DIRECTORS

STATEMENT BY DIRECTORS

Pursuant to Section 169(15) of the Companies Act, 1965

We, **TAN SRI FAIZAH MOHD TAHIR** and **WAN MOHD FADZMI WAN OTHMAN** being two of the directors of **BANK PERTANIAN MALAYSIA BERHAD**, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 284 to 379, are drawn up in accordance with the provisions of the Companies Act, 1965 and Financial Reporting Standards in Malaysia as modified by Bank Negara Malaysia Guidelines so as to give a true and fair view of the financial position of the Bank as at 31 December 2011 and of the results and cash flows of the Bank for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 23 March 2012.

TAN SRI FAIZAH MOHD TAHIR

WAN MOHD FADZMI WAN OTHMAN

STATUTORY DECLARATION

Pursuant to Section 169(16) of the Companies Act, 1965 and Section 73(1)(e) of the Development Financial Institutions Act, 2002

We, **MD. HILMI DATUK HAJI MD. NOOR** and **WAN MOHD FADZMI WAN OTHMAN**, the Director and President/Chief Executive Officer, respectively, of the Bank who are primarily responsible for the financial management of **BANK PERTANIAN MALAYSIA BERHAD**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 284 to 379 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations, Act 1960.

MD. HILMI DATUK HAJI MD. NOOR

WAN MOHD FADZMI WAN OTHMAN

Subscribed and solemnly declared by the abovenamed **MD. HILMI DATUK HAJI MD. NOOR** and **WAN MOHD FADZMI WAN OTHMAN** at **KUALA LUMPUR** in the Federal Territory on 23rd day of March, 2012.

Before me,

PESURUHJAYA SUMPAH
No W533
Nama TENGKU FARIDDUDIN
BIN TENGKU SULAIMAN
MALAYSIA

COMMISSIONER FOR OATHS

205, Bangunan Loke Yew
4, Jln Mahkamah Persekutuan
50050 Kuala Lumpur

SHARIAH COMMITTEE DECLARATION

In the Name of Allah, The Compassionate, The Most Merciful.

All Praise is due to Allah, the Cherisher of the World, and Peace and Blessing be upon the Prophet of Allah, on his Family and all his Companions.

To the shareholders, depositors and customers of Bank Pertanian Malaysia Berhad:

We, the members of the Shariah Committee of Bank Pertanian Malaysia Berhad (the "Committee"), do hereby confirm that we have reviewed the principles and the contracts relating to the transactions and applications introduced by the Bank from January 2011 until December 2011. The Committee held 7 (seven) meetings to review and approve various products, transactions and processes.

We have provided the Shariah advisory services on various aspects to the Bank in order to ensure compliance with applicable Shariah principles as well as the relevant resolutions and rulings made by the Shariah Advisory Councils of the regulatory bodies.

The Bank has carried out Shariah audit performed by Internal Audit Division and Shariah review by Shariah Division throughout the organisation and the reports were deliberated in the Committee meetings. The Committee hereby confirms that appropriate efforts have been taken to rectify the Shariah gaps, and the Bank has also implemented several mechanism(s) to prevent similar Shariah gaps from recurring. Moreover, the Bank has organised "Shariah Awareness Programs" (SAP) region wide to disseminate Shariah compliance awareness culture throughout the organisation.

The Bank's management is responsible for ensuring that the Bank conducts its business in accordance with Shariah rules and principles. It is our responsibility to form an independent opinion, based on our review of the operations of the Bank and to report to you.

We are of the opinion that:

(a) The new products, business initiative and enhanced processes introduced by the Bank during the year ended 31 December 2011, that we have reviewed are in compliance with the Shariah rules and principles;

(b) The contracts, transactions and dealings entered into by the Bank during the year ended 31 December 2011 that we have reviewed are in compliance with the Shariah rules and principles;

(c) The main funding sources and investments of the Bank disclosed to us conform to the basis that had been approved by us in accordance with the Shariah rules and principles;

(d) The calculation of Zakat disclosed to us is in compliance with the Shariah rules and principles.

We beg Allah the Almighty to Grant us all the Success and Straight-Forwardness and Allah Knows Best.

Prof. Madya Datin Dr. Paizah Hj. Ismail
Chairman of the Committee

Prof. Madya Dr. Atikullah Hj. Abdullah
Member of the Committee

Prof. Dr. Saiful Azhar Rosly
Member of the Committee

Mohd. Zakhiri Md. Nor
Member of the Committee

Kuala Lumpur, Malaysia

INDEPENDENT AUDITORS' REPORT

Report on the financial statements

We have audited the financial statements of Bank Pertanian Malaysia Berhad which comprise the statements of financial position as at 31 December 2011 of the Bank, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Bank for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 284 to 379.

Directors' responsibility for the financial statements

The directors of the Bank are responsible for the preparation of financial statements that give a true and fair view in accordance with the Companies Act, 1965 and the Financial Reporting Standards in Malaysia as modified by the Bank Negara Malaysia Guidelines, and for such internal control as the directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the Companies Act, 1965 and the Financial Reporting Standards in Malaysia as modified by the Bank Negara Malaysia Guidelines so as to give a true and fair view of the financial position of the Bank as at 31 December 2011 and of their financial performances and cash flows for the year ended then.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Bank have been properly kept in accordance with the provisions of the Act.

Other matters

This report is made solely to the member of the Bank, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young
AF: 0039
Chartered Accountants

Nik Rahmat Kamarulzaman bin Nik Ab. Rahman
No. 1759/02/14(J)
Chartered Accountant

Kuala Lumpur, Malaysia
23 March 2012

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

	Note	2011 RM	2010 RM (Restated)
Interest income	5	230,473,221	228,300,791
Interest expense	6	(83,335,298)	(69,102,132)
Net interest income		**147,137,923**	**159,198,659**
Income from Islamic banking business	51(a)	405,410,176	339,802,567
		552,548,099	**499,001,226**
Non-interest income			
Fee and other operating income	7(a)	43,939,760	8,508,947
Net gains and losses on financial instruments	7(b)	18,831,004	231,066,702
Net income		**615,318,863**	**738,576,875**
Overhead expenses	8	(301,354,889)	(289,130,918)
Operating profit		**313,963,974**	**449,445,957**
Government grants	9	15,057,064	19,154,784
Net operating profit		**329,021,038**	**468,600,741**
Loan impairment reversal/(charges)	10	57,100,943	(91,816,779)
Impairment of investment securities	11	(884,720)	-
Profit before tax expense and zakat		**385,237,261**	**376,783,962**
Tax expense	12	28,570,690	(617,468)
Zakat	13	(4,271,592)	(281,194)
Net profit for the year		**409,536,359**	**375,885,300**
Other comprehensive income			
Unrealised (loss)/gains on fair value changes on available for sale investment securities		(59,003,181)	197,594,031
Transfer to profit and loss		(11,380,109)	(208,542,279)
Income tax relating to components of other comprehensive income		(117,308,570)	-
Other comprehensive loss for the year, net of tax		**(187,691,860)**	**(10,948,2248)**
Total comprehensive income for the year		**221,844,499**	**364,937,052**

The accompanying notes form an integral part of the financial statements.

STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2011

	Note	2011 RM	2010 RM (Restated)
ASSETS			
Cash and short term funds	14	3,413,040,341	2,756,301,035
Deposits with financial institutions	15	20,000,000	-
Investment securities	16	2,883,828,191	2,694,879,074
Loans, financing and advances	17	5,405,352,117	4,804,635,100
Other assets	18	116,245,547	97,452,746
Prepaid lease payments	19	5,701,924	5,776,482
Property, plant and equipment	20	191,228,293	188,104,272
Intangible assets	21	23,555,920	22,760,983
TOTAL ASSETS		**12,058,952,333**	**10,569,909,692**
LIABILITIES AND EQUITY			
Liabilities			
Deposits from customers	23	7,723,069,442	6,452,753,638
Other liabilities			
Other payables and accruals	24(a)	120,066,511	109,093,051
Paddy Credit Gratuity Scheme	24(b)	2,248,817	2,171,297
Deferred tax liabilities	22	89,021,715	-
		211,337,043	111,264,348
Loan Scheme Funds			
Loan from OECF	25	46,498,531	63,982,727
Fund for Food (“3F”)	26	1,076,541,041	1,154,452,512
MPPB Funds	27	70,310,685	70,135,685
Fund for Small and Medium Size Industries (“TIKS”)	28	2,257,480	2,284,552
Oil Palm Replanting Scheme (“TASKS”)	29	15,000,000	15,000,000
Paddy Credit Scheme	30	105,452,842	105,190,342
Low Intensity Tapping Systems (“LITS Scheme”)	31	-	1,026,965
Food Production Credit Scheme (“SKPM”)	32	100,493,767	100,243,767
Fishery Boat Financing Scheme (“SPBP”)	33	140,000,000	140,000,000
Entrepreneur Scheme for Graduates (“SUTKS – Financing”)	34	10,000,000	10,000,000
Loan for Small and Medium Size Industries (“PKS”)	35	100,480,377	100,230,377
Non-Food Production Credit Scheme (“SKPBM”)	36	27,545,675	30,012,534
Micro Enterprise Fund	37	80,822,708	63,673,965
		1,775,403,106	1,856,233,426

	Note	2011 RM	2010 RM (Restated)
Government Grants – Capital and Development Expenditure	38	54,877,397	67,723,644
Launching Grants	39	26,016,225	28,227,042
Government Grant – Funds			
Development Programme for Hardcore Poor ("PPRT")	40	2,559,925	2,559,925
Entrepreneur Scheme for Graduates ("SUTKS")	41	560,430	1,985,118
Special Fund For Terengganu Fishery ("DKSP")	42	2,056,878	3,338,140
Fund for Ministry of Youth and Sports ("DKBS")	43	12,303,735	16,900,758
		17,480,968	24,783,941
Total Liabilities		**9,808,184,181**	**8,540,986,039**
Equity			
Share capital	44	1,000,000,000	1,000,000,000
Reserves	45	1,250,768,152	1,028,923,653
Total Equity		**2, 250,768,152**	**2,028,923,653**
TOTAL LIABILITIES AND EQUITY		**12,058,952,333**	**10,569,909,692**
Commitments and contingencies	46	**199,517,646**	**56,722,373**

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

		Non-distributable reserves		Distributable reserves	
	Share capital RM	Statutory reserves RM	Investment revaluation reserve RM	Retained earnings RM	Total RM
As of 1 January 2011	1,000,000,000	349,810,136	539,617,569	139,495,948	2,028,923,653
Net profit for the year	-	-	-	409,536,359	409,536,359
Other comprehensive income for the year	-	-	(187,691,860)	-	(187,691,860)
Total comprehensive income for the year	-	-	(187,691,860)	549,032,307	310,866,214
Transfer from retained earnings	-	204,768,180	-	204,768,180)	-
As of 31 December 2011	**1,000,000,000**	**554,578,316**	**351,925,709**	**344,264,127**	**2,250,768,152**
As of 1 January 2010	1,000,000,000	161,867,486	550,565,817	(25,946,702)	1,686,486,601
Net profit for the year	-	-	-	375,885,300	375,885,300
Other comprehensive income for the year	-	-	(10,948,248)	-	(10,948,248)
Total comprehensive income for the year	-	-	(10,948,248)	375,885,300	364,937,052
Transfer from retained earnings	-	187,942,650	-	(187,942,650)	-
Dividends paid	-	-	-	(22,500,000)	(22,500,000)
As of 31 December 2010	**1,000,000,000**	**349,810,136**	**539,617,569**	**139,495,948**	**2,028,923,653**

The accompanying notes form an integral part of the financial statements.

STATEMENT OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

	2011 RM	2010 RM
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and zakat	385,237,261	376,783,962
Adjustments for:		
Loan impairment charges	30,890,897	139,784,441
Written off of bad debts and financing	3,987,401	-
Depreciation of property, plant and equipment	25,758,812	23,810,746
Amortisation of computer software	10,537,304	9,553,726
Interest expense on Government loans and OECF	6,083,741	5,073,333
Write off of property, plant and equipment	495,514	2,451,849
Amortisation of prepaid lease payments	56,887	76,767
Write off of computer software	620	37,236
Gain on disposal of investment securities	(8,886,879)	(215,378,711)
Dividends from investment securities	(14,836,171)	(20,996,157)
Amortisation of:		
Government Grant – Capital Expenditure	(12,651,391)	(13,195,089)
Launching Grant – Capital Expenditure	(2,140,275)	(2,468,167)
Gain on disposal of property, plant and equipment	(375,000)	(1,259,330)
Allowance for other assets no longer required	-	(1,000,000)
Gain on disposal of prepaid lease payments	-	(8,667)
Operating Profit before Working Capital Changes	**424,158,721**	**303,265,939**
Change in loans, financing and advances	(641,811,913)	136,548,768
Change in other assets	(18,786,621)	27,647,107
Change in deposits with financial institutions	(20,000,000)	-
Change in deposits from customers	1,270,315,804	485,332,362
Change in other payables	8,114,285	(76,724,472)
Change in Paddy Credit Gratuity Fund	77,520	125,172
Cash Generated from Operations	**1,022,067,796**	**876,194,876**
Tax accrued/(paid)	246,644	(341,077)
Zakat paid	(1,381,406)	(1,275,282)
Net Cash from Operating Activities	**1,020,933,034**	**874,578,517**

	2011 RM	2010 RM
CASH FLOW USED IN INVESTMENT ACTIVITIES		
Increase in investment securities	(902,067,792)	(963,436,180)
Purchase of property, plant and equipment	(29,515,676)	(33,445,654)
Purchase of computer software	(11,332,861)	(5,862,514)
Proceeds from disposal of investment securities	651,622,264	880,525,728
Dividends received from investment securities	14,836,171	20,996,157
Proceeds from disposal of property, plant and equipment	530,000	3,106,880
Proceeds from disposal of prepaid lease payments	-	114,652
Net Cash Used in Investment Activities	**(275,927,894)**	**(98,000,931)**
CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		
Interest paid on government loans and OECF	(3,344,773)	(2,546,252)
Proceeds from:		
Fund For Food (“3F”)	-	295,000,000
MPPB Funds	-	20,000,000
Paddy Credit Scheme	-	35,000,000
Food Production Credit Scheme (“SKPM”)	-	10,000,000
Loan for Small and Medium Size Industries (“PKS”)	-	15,000,000
Micro Enterprise Funds	28,329,000	48,614,000
Special Fund for Terengganu Fishery (“DKSP”)	(1,086,375)	(1,032,603)
Repayments of Loan Scheme Funds	(106,618,971)	(50,087,009)
Foreign exchange differences	(5,279,317)	(7,047,120)
Launching grant utilised	(70,542)	(2,928,736)
Government grants received	-	1,000,000
Government grants utilised	(194,856)	(562,792)
Dividends paid	-	(22,500,000)
Net Cash (Used in)/from Financing Activities	**(88,265,834)**	**337,909,488**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**656,739,306**	**1,114,487,074**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**2,756,301,035**	**1,641,813,961**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**3,413,040,341**	**2,756,301,035**
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash and short term funds (Note 14)	3,413,040,341	2,756,301,035
	3,413,040,341	**2,756,301,035**

The accompanying notes form an integral part of the financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

1. GENERAL INFORMATION

The Bank is a public limited liability company, incorporated and domiciled in Malaysia.

The principal activities of the Bank are banking, financing, investment and related services as provided under the Bank Pertanian Malaysia Berhad Act, 2008.

There have been no significant changes in the nature of the principal activities of the Bank during the financial year.

The registered office is at Level 3, Bangunan Agrobank, Leboh Pasar Besar, 50726 Kuala Lumpur, Malaysia.

The principal place of business of the Bank is at Agrobank, Leboh Pasar Besar, P.O. Box 10815, 50726 Kuala Lumpur, Malaysia.

The financial statements have been approved and authorised for issuance by the Board of directors in accordance with a resolution dated 27 February 2012.

2. BASIS OF PREPARATION

The financial statements of the Bank have been prepared in accordance with the provisions of Bank Pertanian Malaysia Berhad Act 2008, Development Financial Institutions Act 2002 – Act 618 (DFIA), Companies Act, 1965 and Financial Reporting Standards ("FRSs") in Malaysia as modified by Bank Negara Malaysia Guidelines.

The financial statements incorporate all activities relating to Islamic banking business which have been undertaken by the Bank as disclosed on Note 51 to the financial statements. Islamic banking business refers generally to the acceptance of deposits and granting of financing under the principles of Shariah.

The financial statements are presented in Ringgit Malaysia (RM), which is also the functional currency of the Bank.

3. SIGNIFICANT AC COUNTING POLICIES

3.1 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2011, the Bank adopted the following new and amended FRSs and IC Interpretations ("IC Int.") mandatory for annual financial periods beginning on or after 1 January 2011.

FRS 3 Business Combination (revised)
Amendments to FRSs
FRS 2 Share-based Payment
FRS 5 Non-current Assets held for Sale and Discontinued Operation
FRS 7 Improving Disclosures about Financial Instruments
FRS 127 Consolidated and Separate Financial Statements
FRS 132 Financial Instruments: Presentation (Classification of Rights Issues)
FRS 138 Intangible Assets
Improvements to FRSs (2010)
IC Int. 4 Determining Whether an Arrangement Contains a Lease
IC Int. 12 Service Concession Arrangements
IC Int. 16 Hedges of Net Investments in a Foreign Operation
IC Int. 17 Distributions of Non-cash Assets to Owners
IC Int. 18 Transfer of Assets from Customers
Amendments to IC Interpretation
IC Int. 9 Reassessment of Embedded Derivatives

3.1.1 Effects arising from adoption of new and revised FRSs

Adoption of the above standards and interpretations as stated in Note 3.1 did not have any effect on the financial performance or position of the Bank except for those as discussed below:

Amendment to FRS 7 – Improving Disclosures about Financial Instruments

Prior to 1 January 2011, information about financial instruments was disclosed in accordance with the requirements of FRS 132 Financial Instruments: Disclosure and Presentation. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Bank has applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Bank's financial statements for the year ended 31 December 2011 and are disclosed in Note 48.

3.2 Standards issued but not yet effective

The Bank has not adopted the following standards and interpretations that have been issued but not yet effective:

FRSs and Interpretations

FRS 124 Related Party Disclosures

Amendments to FRSs
FRS 1 Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
FRS 1 Additional Exemptions for First-time Adopters
FRS 2 Group Cash-settled Share-based Payment Transactions

Improvements to FRSs (2010)

IC Int. 19 Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation
IC Int. 13 Customer Loyalty Programmes
IC Int. 14 Prepayments of a Minimum Funding Requirement
TR i-4 Shariah Compliant Sale Contracts

Except for the changes in accounting policies arising from the adoption of the amendments to FRS 1, FRS 124, amendment to IC Interpretation 13, amendment to IC Interpretation 14 and amendment to IC Interpretation 19, the Directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application.

3.3 Changes in accounting framework

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all entities other than private entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer.

The Bank will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2012. In presenting its first MFRS financial statements, the Bank will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Bank has established a project team to plan and manage the adoption of the MFRS Framework. This project consists of the following phases:

(a) Assessment and planning phase

This phase involves the following:

(i) High level identification of the key differences between Financial Reporting Standards and accounting standards under the MFRS Framework and disclosures that are expected to arise from the adoption of the MFRS Framework;

(ii) Evaluation of any training requirements; and

(iii) Preparation of a conversion plan.

The Bank considers the assessment and planning phase to be complete as at the date of these financial statements.

(b) Implementation and review phase

This phase aims to:

(i) formulate new and/or revised accounting policies and procedures for compliance with the MFRS Framework;

(ii) identify potential financial effects as at the date of transition, arising from the adoption of the MFRS Framework;

(iii) develop disclosures required by the MFRS Framework; and

(iv) develop training programs for the staff.

The Bank has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the financial performance and financial position as disclosed in these financial statements for the year ended 31 December 2011 could be different if prepared under the MFRS Framework.

The Bank considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2012.

3.4 Summary of significant accounting policies

(a) Basis of Accounting

The financial statements of the Bank have been prepared under the historical cost convention, except as disclosed in the significant accounting policies below.

(b) Revenue Recognition

Interest is recognised in interest income and interest expense in the statement of comprehensive income for all interest bearing financial instruments classified as held to maturity, available for sale or loans and receivables using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or liability (or group of assets and liabilities) and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that is used to discount the expected future cash payments or receipts through the expected life of the financial instrument, or when appropriate, a shorter period, to the net carrying amount of the instrument. The application of the method has the effect of recognising income (and expense) receivable (or payable) on the instrument evenly in proportion to the amount outstanding over the period to maturity or repayment.

In calculating effective interest, the Bank estimates cash flows considering all contractual terms of the financial instrument but excluding future credit losses. Fees, including those for early redemption, are included in the calculation to the extent that they can be measured and are considered to be an integral part of the effective interest rate. Cash flows arising from the direct and incremental costs of issuing financial instruments are also taken into account in the calculation. Where it is not possible to otherwise estimate reliably the cash flows or the expected life of a financial instrument, effective interest is calculated by reference to the payments or receipts specified in the contract, and the full contractual term.

Unless included in the effective interest calculation, fees and commissions are recognised based on an accruals basis upon rendering of services.

Dividends are recognised when the right to receive payment is established. In the financial statements, this is when the dividends are received or deemed received.

Income from rental is recognised on an accrual basis in accordance with the terms of the agreement.

(c) Government Grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all conditions attached will be met. Where the grant relates to an asset, the fair value is recognised as deferred capital grant in the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

Grants from the Government of Malaysia consist of capital grant, development grant and launching grant. The unutilised capital grant and development grant are shown separately from the Bank's other source of funds. Capital grants are recognised in the statement of comprehensive income based on a systematic basis over the useful life of the assets. Development expenditure is deducted from the Government grant upon utilisation.

Launching grant received for capital expenditure are recognised in the statement of comprehensive income based on a systematic basis over the useful life of the assets whereas the launching grant for development expenditure is deducted from the launching grant upon utilisation.

(d) Financial Assets and Liabilities

1) Initial Recognition and Subsequent Measurement

Financial instruments are classified in the following categories – loans and receivables, financial investments held-to maturity and financial investments available-for-sale.

Management determines the classification of financial instruments at initial recognition.

The Bank classifies its financial assets in the following categories: loans and receivables, held to maturity investments and available for sale financial assets. Management determines the classification of financial assets and liabilities at initial recognition.

(i) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets classified in this category include cash and balances with banks and loans, advances and financing. These financial assets are initially recognised at fair value, including direct and incremental transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest income on loans and receivables is recognised as "Interest income" in profit or loss. Impairment losses on loans, advances and financing are recognised in profit or loss as "Allowance for impairment on loans, advances and financing".

(ii) Held to maturity

Financial investments held-to-maturity are non-derivative financial assets with fixed or determinable payments that management has the intention and ability to hold to maturity. These financial assets are initially recognised at fair value including direct and incremental transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest on investments held-to-maturity is included in "Interest income" in profit or loss. Impairment losses, if any, are recognised in profit or loss as "Impairment on investment". Regular way purchases and sales of financial investments held-to-maturity are recognised at settlement date. If the Bank was to sell or reclassify more than an insignificant amount of financial investments held-to-maturity before maturity, the entire category would be tainted and be reclassified to available-for-sale. Furthermore, the Bank would be prohibited from classifying those financial assets as held-to-maturity for the following two years.

(iii) Available for sale

Financial investments available-for-sale are non-derivative financial assets that are designated as available for sale and are not categorised into any of the other categories above. Financial investments available-for-sale include financial assets that are intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in market conditions. These financial assets are initially recognised at fair value including direct and incremental transaction costs, and subsequently measured at fair value.

Gains and losses arising from changes in fair value are recognised in the statement of comprehensive income under other comprehensive income, except for impairment losses, which are recognised in profit or loss. If an investment available-for-sale is determined to be impaired, the cumulative gain or loss previously recognised in equity is recognised in profit or loss. Likewise, upon disposal of investments available-for-sale, the cumulative fair value gain or loss recognised in equity is also transferred to profit or loss. Interest income on financial investments available-for-sale is included as interest income in profit or loss. Dividend on available-for-sale equity instrument recognised in profit or loss when the Bank's right to receive payment is established. Regular way purchases and sales of financial investments available-for-sale are recognised at settlement date.

Investments in unquoted equity instruments which are classified as available-for-sale and whose fair value cannot be reliably measured are measured at cost. These investments are assessed for impairment at each reporting period.

(iv) Financial liabilities

Financial liabilities are initially recognised at the fair value of consideration received less directly attributable transaction costs. Subsequent to initial recognition, financial liabilities are measured at amortised cost. Financial liabilities measured at amortised cost include deposits from customers.

2) Derecognition

Financial assets are derecognised when the contractual rights to receive the cash flows from these assets have ceased to exist or when the rights to receive further cash flows from the assets have been transferred to a third party and substantially all the risks and rewards of ownership of the assets are also transferred. Financial liabilities are derecognised when they are redeemed or extinguished.

3) Determination of Fair Value

For financial instruments measured at fair value, the fair value is determined by reference to quoted market prices. For financial instruments with observable market prices which are traded in active markets, the fair values are based on their quoted market price or dealer price quotations. These include listed equity securities and broker quotes from Bloomberg and Reuters.

Investments in unquoted equity instruments whose fair value cannot be reliably measured are measured at cost, and assessed for impairment at each reporting period.

4) Impairment of Financial Assets

(i) Loans, Advances and Financing

Loans, advances and financing ("loan(s)") of the Bank are classified as impaired when they fulfill either of the following criteria:

(1) principal or interest or both are past due for three (3) months or more;

(2) where a loan is in arrears for less than three (3) months, the loan exhibits indications of credit weaknesses; or

(3) where an impaired loan has been rescheduled or restructured, the loan will continue to be classified and impaired until repayments based on the revised and/or restructured terms have been observed continuously for a period of six (6) months for non retail loans and three (3) months for retail loans.

For the determination of impairment on loans, the Bank assesses at each reporting period whether there is any objective evidence that a loan or a group of loans is impaired. A loan or a group of loans is impaired and impairment losses are recognised only if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (i.e. An "incurred loss event") and that loss event has an impact on the estimated future cash flows of the loan or group of loans that can be reliably estimated.

The criteria that the Bank uses to determine that there is objective evidence of impairment include:

(1) any significant financial difficulty of the obligor;

(2) a breach of contract, such as a default or delinquency in interest or principal payments;

(3) a high probability of bankruptcy or other financial reorganisation of the obligor;

(4) concerns over the viability of the obligor's business operations and its capacity to trade successfully out of financial difficulties and to generate sufficient cash flows to service its debt obligations; and

(5) any adverse news or developments affecting the local economic conditions or business environment which will adversely affect the repayment capacity of the borrower.

The Bank first assesses individually whether objective evidence of impairment exists individually for loans which are individually significant, or collectively for loans which are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed loan, the loan is then included in a group of loans with similar credit risk characteristics and collectively assessed for impairment. Loans that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in collective assessment for impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of loss is measured as the difference between the loan's carrying amount and the present value of the estimated future cash flows. The carrying amount of the loan is reduced through the use of an allowance account and the amount of loss is recognised in profit or loss. Where appropriate, the calculation of the present value of estimated future cash flows of a collateralised loan reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

For collective assessment, the non-impaired loans and impaired loans which are not individually significant are grouped on the basis of homogenous risk characteristics that are indicative of the borrowers' ability to pay all amounts due according to the contractual terms. The collective impairment is computed by multiplying the exposure with the Probability of Default ("PD") and Loss Given Default ("LGD"). The PD is based on migration or regression analysis and the LGD is determined by using the collateral shortfall method. Where a loan is uncollectible, it is written off against the related allowance for loan impairment. Such loans are written off after the necessary procedures have been completed and the amount of the loss has been determined.

Subsequent recoveries of the amounts previously writte n off are recognised in profit or loss.

(ii) Financial Investments Available-for-Sale

The Bank assesses at each reporting period whether there is objective evidence that a financial investment classified as available-for-sale is impaired. In the case of quoted equity investments, a significant or prolonged decline in the fair value of the security below its cost is also considered in determining whether objective evidence of impairment exists. Where such evidence exists, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised) is removed from equity and recognised in profit or loss. For unquoted equity investments which are measured at cost, the amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

(iii) Financial Investments Held-to-Maturity

The Bank assesses at each reporting period whether objective evidence of impairment of financial investments held-to-maturity exists as a result of one or more loss events and that loss event has an impact on the estimated future cash flows of the financial investment or group of financial investments that can be reliably estimated. Where there is objective evidence of impairment, an impairment loss is recognised as the difference between the acquisition cost and the present value of the estimated future cash flows, less any impairment loss previously recognised.

(iv) Rescheduled and Restructured Loans

Where a loan shows evidence of credit weaknesses, the Bank may seek to renegotiate the loan rather than to take possession of collateral. This may involve an extension of the payment arrangements via rescheduling or the renegotiation of new loan terms and conditions via restructuring. Management monitors the renegotiated loan to ensure that all the revised terms are met and that the repayments are made promptly for a continuous period. Where an impaired loan is renegotiated, the borrower must adhere to the revised and/or restructured repayment terms for a continuous period of six months for non retail loans and 3 months for retail loans before the loan is classified as non impaired. These loans continue to be subjected to individual or collective impairment assessment.

e) Foreign Currency

i. Functional Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Bank operates i.e. the functional currency. The financial statements of the Bank are presented in Ringgit Malaysia (RM) which is the Bank's functional and presentation currency.

ii. Foreign Currency Transactions

In preparing the financial statements of the Bank, transactions in currencies other than the Bank's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains or losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

f) Income Tax

i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

ii) Deferred tax

Deferred tax is provided for, using the "liability" method, on temporary differences as of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences while deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax is not recognised if the temporary differences arising from goodwill or from the initial recognition of an asset or a liability in a transaction which is not a business combination and at the time of the transaction, affects neither the accounting profit nor taxable profit.

The carrying amount of deferred tax assets, if any, is reviewed at each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the reporting period. Deferred tax is recognised in profit or loss, except when it arises from a transaction which is recognised directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Bank intends to settle its current tax assets and liabilities on a net basis.

The Ministry of Finance by notification in the Malaysian Gazette P.U.(A) 95/2008 issued an order on 1 April 2008 vesting all properties, rights and liabilities of BPM to the Bank without any conveyance, assignment or transfer. Based on the order, the Ministry of Finance in a letter dated 25 June 2008 made the decision to extend the right for tax exemption on all income for years of assessment 2002 to 2012 except for tax on dividend income. In addition, the Bank is allowed to carry forward the unabsorbed capital allowances and unabsorbed tax losses for the said exempt period.

(g) Employees' Benefit

(i) Short-Term Benefits

Wages, salaries, other fixed remuneration and bonuses are recognised as expenses in the year that services have been rendered by the employees. Short term accumulated compensated annual leave is limited to 120 days throughout the service tenure and is recognised when service has been rendered. With the approval of the head of department, the annual leave is allowed to be carried forward for a maximum period of two (2) years after which it will be forfeited and no compensation will be paid. Medical leave is recognised when the absences occur.

(ii) Defined Contribution Plan

The Bank is required by law to make monthly contributions to the Employees Provident Fund ("EPF") at certain prescribed rates based on the employees' salaries. Such contributions are recognised as expense in profit or loss as incurred.

(h) Impairment of Non-financial Assets

The carrying amount of property, plant and equipment is reviewed to determine whether there is any indication of impairment. An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the higher of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset for which the estimates of future cash flow have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

An impairment loss is only reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortisation or depreciation, if no impairment loss had been recognised. A reversal of impairment loss is recognised in profit or loss immediately.

(i) Property, Plant and Equipment

Property and equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Freehold land and work in progress are not depreciated.

Property, plant and equipment are depreciated on a straight-line method at rates calculated to write off the cost less residual value of the assets over their estimated useful lives. The annual depreciation rates used are as follows:

Freehold buildings	2%
Leasehold buildings	2%
Motor vehicles	20%
Furniture and fixtures	10%
Equipment and office machines	10%
Computer hardware	20%
Renovation on rented office	10%
Renovation on own building	10%

Where parts of items of property, plant and equipment have different useful lives, the cost of the items is allocated on a reasonable basis and is depreciated separately. Leasehold land more than 99 years is depreciated over the leasehold year.

At each reporting period, the residual values and useful lives of the property, plant and equipment are reviewed, and the effect of any changes is recognised propectively. Gain and loss arising from the disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognised in profit or loss.

Cost of repair and maintenance are charged to profit or loss in the year in which the costs are incurred.

(j) Intangible Asset

The intangible asset consists mainly computer software which is initially recorded at cost. Subsequent to the recognition, the computer software is measured at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of computer software over their estimated useful lives of 3 years. Gain or loss arising from the disposal of the asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset, and is recognised in the profit or loss.

Subsequent expenditure on an intangible asset after its purchase or completion is recognised as an expense when it is incurred, unless it is probable that this expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and the expenditure can be measured and attributed to the asset reliably.

(k) Leases

Leases are classified as finance lease or operating lease. Leases are classified as finance leases where the Bank assumes substantially all the risks and rewards of ownership of the assets. Assets under operating leases are not recognised in the statement of financial position as the risks and rewards rest with the lessor.

Lease rental is charged to profit or loss on the straight-line basis over the lease term. Benefit received or receivable as an incentive to enter into an operating lease are recognised on the straight-line basis over the lease term. However, contingent rentals arising from operating leases are recognised as an expense in a manner consistent with the basis on which they are determined.

(l) Prepaid Lease Payments

Leasehold land normally has economic life not exceeding 99 years where the risk and reward associated with the asset are not transferred to the lessee. The upfront payments made on entering into or acquiring a leasehold land is accounted for as prepaid lease payments at the reporting date. In the case of a lease of land and buildings, the prepaid lease payments are allocated, as appropriate, between the land element and the buildings element of the lease at the inception of the lease in proportion to their relative fair value. The prepaid lease payments are amortised over the lease term in accordance with the pattern of benefits provided.

(m) Foreclosed Properties

Foreclosed properties are those acquired in order to settle the debts and are stated at the lower of cost and net realisable value.

(n) Provisions

Provisions are recognised when there is a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at the end of each reporting period and if it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provisions are reversed.

Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risk specific to the liability.

(o) Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Costs directly attributable to the issuance of new equity shares are taken to equity as a deduction from the proceeds.

(p) Cash Flow Statement

The Bank adopts the indirect method in the preparation of cash flow statement.

(q) Cash and Cash Equivalents

For the purposes of the cash flow statement, cash comprises cash on hand and demand, deposits and cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of less than three months.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENT

Key sources of estimation uncertainty

(a) Allowance for losses on loans, advances and financing

The Bank reviews the doubtful loans, advances and financing at each reporting date to assess whether allowances for impairment should be recorded in the financial statements. In particular, judgement is required in the identification of impaired, loans and the estimation of realisable amount from impaired loans when determining the level of allowance required.

Prior to the adoption of FRS 139, allowances for impaired loans and advances were computed in conformity with the BNM/DFI/GP3 Guidelines on Classification of Non-Performing Loans and Provision for Substandard, Bad and Doubtful debts. Upon the adoption of FRS 139, the Bank assesses at the end of each reporting period whether there is objective evidence that a loan is impaired. Loans and advances that are individually significant are assessed individually. Those not individually significant are grouped together based on similar credit risks and assessed as a portfolio.

(b) Impaired assessment of available-for-sale investment

The Bank records impairment charges on available-for-sale equity investments when there has been a significant or prolonged decline in the fair value below their cost. The determination of what is 'significant' or 'prolonged' requires judgement. In making this judgement, the Bank evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost.

(c) Fair value estimation of available-for-sale financial investments

The fair value of securities that are not traded in an active market are determined using valuation techniques based on assumptions of market conditions existing at the reporting date, including reference to quoted market prices and independent dealer quotes for similar securities and discounted cash flow method.

(d) Impairment of securities portfolio

The Bank reviews the securities portfolio and assesses at each reporting date whether there is any objective evidence that the investment is impaired, if there are indicators or objective evidence, the assets are subject to impairment review.

The impairment review comprises the following judgement made by management:

(i) Determination whether its investment is impaired following certain indicators or triggers such as, amongst others, prolonged decline in fair value, significant financial difficulties of the issuer or obligors, the disappearance of an active trading market and deterioration of the credit quality of the issuers of obligors.

(ii) Determination of "significant" or "prolonged" requires judgement and management evaluates various factors, such as historical fair value movement and the significant reduction in fair value.

5. INTEREST INCOME

	2011 RM	2010 RM
Loans, financing and advances	138,838,358	160,094,327
Investment securities:		
Held to maturity (HTM)	6,966,928	5,149,237
Available for sale (AFS)	50,871,001	48,115,463
Deposits with financial institutions	33,796,934	14,941,764
	230,473,221	**228,300,791**
Of which:		
Interest income earned on impaired loans and advances	**11,749,486**	**18,063,384**

6. INTEREST EXPENSE

	2011 RM	2010 RM
Saving deposits and Agro Perdana	52,442,725	44,180,733
Fixed/special deposits	28,045,401	22,183,581
Loans from Government and OECF	2,847,172	2,741,586
Withholding tax	-	(3,768)
	83,335,298	**69,102,132**

7. NON-INTEREST INCOME

	2011 RM	2010 RM
(a) Fee and Other Operating Income		
Fee Income		
Service charges and fees	10,124,660	17,470,102
Loan processing fees	4,090,731	4,769,275
	14,215,391	**22,239,377**
Other income		
Reimbursement/(Reversal) of gapping cost	21,304,079	(22,094,854)
Income from Project Ladang Sungai Tasan	2,978,978	492,702
Income from staff loans and financing	1,320,608	1,533,175
Gain on disposal of property, plant and equipment	375,000	1,259,330
Rental	296,564	327,942
Reimbursement of Micro Credit Scheme	-	3,017,998
Allowance for other assets no longer required (Note 18)	-	1,000,000
Gain on disposal of prepaid lease payments	-	8,667
Non operational income	3,449,140	724,610
	29,724,369	**(13,730,430)**
	43,939,760	**8,508,947**

	2011 RM	2010 RM
(b) Net Gains and Losses on Financial Instruments		
Net gain arising on financial investments available-for-sale:	3,994,833	209,546,742
Net gain on disposal	14,836,171	20,996,157
Dividend income		
	18,831,004	**230,542,899**
Net gain arising on financial investments held-to-maturity:		
Net gain on disposal	-	523,803
	-	**523,803**
	18,831,004	**231,066,702**

8. OVERHEAD EXPENSES

	2011 RM	2010 RM
Personnel cost		
Salary, allowances and bonus	146,766,954	140,869,678
EPF contributions	14,188,798	1 3,463,828
SOCSO contributions	1,477,716	1,426,087
Staff welfare	8,731,185	7,420,720
Staff training	3,391,381	3,712,167
Recruitment fees	2,927,976	7,508
Staff gratuity	906,619	631,888
Others	1,168,679	925,550
	179,559,308	**168,457,426**
Maintenance cost		
Depreciation of property, plant and equipment (Note 20)	25,758,812	23,810,746
Amortisation of computer software (Note 21)	10,537,304	9,553,726
Insurance on property, plant and equipment	2,333,627	3,585,327
Rental of premises	7,128,050	6,462,431
Printing, stationery and office supply	8,001,882	7,752,880
Water and electricity	6,906,721	6,505,859
Amortisation of prepaid lease payments (Note 19)	56,887	76,767
Computer maintenance	6,785,586	4,363,876
Building maintenance	2,990,286	3,753,128
Office maintenance	2,783,591	2,490,064
Computer supply	1,773,674	1,939,383
Others	2,908,108	3,189,732
	77,964,528	**73,483,919**
Marketing expenses		
Advertising and promotions	5,801,429	4,774,272
Others	607,621	189,994
	6,409,050	**4,964,266**
General administrative expenses		
Communication expenses	15,783,748	15,335,137
Launching grants (Notes 9 and 39)	70,542	2,928,736
Government grant (Note 9 and 38)	194,856	562,792
Disaster recovery expenses	-	2,205,500
Legal fees	11,880,782	12,781,578
Security charges	6,704,685	5,772,346
Others	2,787,390	2,639,218
	37,422,003	**42,225,307**
	301,354,889	**289,130,918**

	2011 RM	2010 RM
Included in the overhead expenses are the following statutory disclosure:		
Property, plant and equipment written off	496,134	2,489,085
Directors' fee	423,951	226,499
Director's remuneration (Note 48):		
- Salaries and emoluments	558,000	482,862
- EPF contributions	84,660	70,170
Audit fee	380,000	350,000

9. GOVERNMENT GRANTS

	2011 RM	2010 RM
Launching Grant		
Development expenditure (Notes 8 and 39)	70,542	2,928,736
Amortisation of capital expenditure (Note 39)	2,140,275	2,468,167
Government Grant		
Development expenditure (Note 8 and 38)	194,856	562,792
Amortisation of capital expenditure (Note 38)	12,651,391	13,195,089
	15,057,064	**19,154,784**

10. LOAN IMPAIRMENT (REVERSAL)/CHARGES

	2011 RM	2010 RM
Loans, financing and advances:		
Allowance for the year	100,035,406	173,687,459
Amount written back upon recoveries and reversal of allowance	(190,781,682)	(88,983,121)
Individual impairment loss - net	(90,746,276)	84,704,338
Collective impairment loss	121,637,173	55,080,103
Bad debts and financing:		
Written off	3,987,401	-
Recovered	(91,979,241)	(47,967,662)
	(57,100,943)	**91,816,779**

11. IMPAIRMENT OF INVESTMENT SECURITIES

	2011 RM	2010 RM
Allowance for impairment:		
Available for sale (AFS):		
Quoted shares	**884,720**	**-**

12. TAX EXPENSE

	2011 RM	2010 RM
Income tax:		
Malaysian income tax	210,848	372,088
(Over)/Under provision of tax in prior years	(494,683)	245,380
	(283,835)	**617,468**
Deferred tax:		
Relating to original and reversal of temporary differences	(28,286,855)	-
Tax expense of the year	**(28,570,690)**	**617,468**

Current estimated tax payable for the current financial year is provided for dividend income from investment securities.

The Ministry of Finance by notification in the Malaysian Gazette P.U.(A) 95/2008 issued an order on 1 April 2008 vesting all properties, rights and liabilities of BPM to the Bank without any conveyance, assignment or transfer. Based on the order, the Ministry of Finance in a letter dated 25 June 2008 made the decision to extend the right for tax exemption on all income for years of assessment 2002 to 2012 except for tax on dividend income. In addition, the Bank is allowed to carry forward the unabsorbed capital allowances and unutilised tax losses for the said exempt period.

The tax expense varied from the amount of tax expense determined by applying the applicable income tax rate to profit before tax expense and zakat as a result of the following differences:

	2011 RM	2010 RM
Profit before tax expense and zakat	385,237,261	376,783,962
Tax at the applicable statutory tax rate of 25% (2010: 25%)	96,309,316	94,195,991
Tax effects of:		
Non-deductible expenses	9,827,586	15,040,900
Non-taxable income	(105,926,054)	(122,267,303)
Deferred tax asset recognised	(28,286,855)	-
Deferred tax asset not recognised	-	13,402,500
Under/(Over) provision of tax in prior years	(494,683)	245,380
Tax expense	**(28,570,690)**	**617,468**

The estimated amount of deductible temporary differences which is not recognised in the financial statements due to uncertainty of its realisation is as follows:

	2011 RM	2010 RM
Temporary differences arising from:	-	(75,023,000)
Property, plant and equipment	-	241,315,000
Loans, financing and advances	-	9,938,000
Investment securities	-	11,956,000
Other receivables		
	-	**188,186,000**

13. ZAKAT

	2011 RM	2010 RM
Zakat for the year	4,271,592	1,857,128
Overprovision of zakat in prior years	-	(1,575,934)
	4,271,592	**281,194**

This represents amount to be paid by the Bank in accordance with Shariah principles and approved by Shariah Council.

14. CASH AND SHORT TERM FUNDS

	2011 RM	2010 RM
Cash in hand	66,058,387	55,765,758
Cash at banks	85,912,595	77,617,667
Short term deposits maturing within three months:		
Licensed banks	1,854,034,705	1,404,139,329
Other financial institutions	1,407,034,654	1,218,778,281
	3,413,040,341	**2,756,301,035**

15. DEPOSITS WITH FINANCIAL INSTITUTIONS

	2011 RM	2010 RM
Other financial institutions	**20,000,000**	**-**
Maturity structure of deposits and financial institutions is as follows:		
Six months to nine months	**20,000,000**	**-**

16. INVESTMENT SECURITIES

	2011 RM	2010 RM
Debt Securities		
Available For Sale – at fair value		
Corporate Bonds	1,308,141,734	1,253,838,660
Malaysian Goverment Securities	774,512,850	402,708,000
	2,082,654,584	**1,656,546,660**
Held To Maturity – at amortised cost		
Corporate Bonds	127,560,726	226,056,688
Commercial Papers	56,774,921	214,215,770
Malaysian Goverment Securities	112,163,314	20,215,078
	296,498,961	**460,487,536**
	2,379,153,545	**2,117,034,196**
Equity Securities		
Available For Sale – at fair value		
Quoted Shares in Malaysia	514,308,366	586,593,878
Unquoted Shares in Malaysia	-	1,188,934
	514,308,366	**587,782,812**
Total before allowances	**2,893,461,911**	**2,704,817,008**
Allowance for impairment losses		
Quoted Shares in Malaysia	(9,633,720)	(8,749,000)
Unquoted Shares in Malaysia	-	(1,188,934)
	(9,633,720)	**(9,937,934)**
Net	**2,883,828,191**	**2,694,879,074**
Maturity structure for investments held to maturity is as follows:		
Maturity within six months	96,768,881	314,215,770
Between six months to one year	25,116,560	25,049,965
Between one year to three years	138,734,416	59,944,369
Between three years to five years	15,215,968	25,432,418
More than five years	20,663,136	35,845,014
	296,498,961	**460,487,536**

	2011 RM	2010 RM
Market values of held to maturity investments are as follows:		
Market Value		
Corporate Bonds	128,972,568	226,912,260
Commercial Papers	56,354,638	214,215,770
Malaysian Government Securities	112,310,000	20,420,000
	297,637,206	**461,548,030**

	Quoted Shares RM	Unquoted Shares RM	Total RM
Allowance for impairment losses			
As of 1 January 2011	8,749,000	1,188,934	9,937,934
Allowance during the year	884,720	-	884,720
Write off	-	(1,188,934)	(1,188,934)
As of 31 December 2011	**9,633,720**	**-**	**9,633,720**

17. LOANS, FINANCING AND ADVANCES

	2011 RM	2010 RM
At amortised cost:		
Financing (Note 51(g))	4,629,982,241	3,840,861,793
Wawasan Tani Loans	443,755,734	629,828,279
Project and Equipment Loans	445,831,357	498,417,625
Capital Entreprenuer Tani ("MUST")	164,803,945	182,427,712
Agribusiness Loans	129,544,310	142,950,458
Fund For Food ("3F")	54,696,893	86,635,845
Insani Education Loans	66,879261	72,198,822
Paddy Credit Scheme	19,264,866	19,207,946
MAP and MPPB Loans	5,257,953	7,635,658
Fund for Small and Medium Size Industries ("TIKS")	2,169,111	3,664,562
Contract Tani Loans	2,385,318	3,117,902
Agriculture Special Credit Scheme ("SPKP")	1,699,828	2,415,735
Special Advances on Fixed Deposit	521,959	1,164,701
Tobacco Scheme	590,601	968,289
Asean-Japan Developement Fund ("AJDF")	534,230	827,590
Banking Facilities	79,119	193,148
Mengenang Budi Loans	739	3,133
Micro Credit Scheme	400	531
Other Loans	2,212,127	2,286,443
	5,970,209,992	**5,494,806,172**
Loans and advances to employees	72,689,703	73,273,489
	6,042,899,695	**5,568,079,661**
Less:		
Individual impairment loss	(268,378,800)	(522,129,554)
Collective impairment loss	(369,168,778)	(241,315,007)
Net	**5,405,352,117**	**4,804,635,100**
Maturity structure of loans, financing and advances is as follows:		
Maturity within six months	1,143,746,829	490,072,347
Between six months to one year	87,020,925	72,331,866
Between one year to three years	431,693,419	457,661,944
Between three years to five years	1,038,020,632	890,617,398
More than five years	3,342,417,890	3,657,396,106
	6,042,899,695	**5,568,079,661**

	2011 RM	2010 RM
Gross loans, financing and advances analysed by sectors are as follows:		
Agricultural based	3,362,813,845	2,998,111,875
Support services	2,680,085,850	2,569,967,786
	6,042,899,695	**5,568,079,661**
Gross loans, financing and advances analysed by classifications are as follows:		
Neither past due nor impaired	4,731,600,177	3,909,114,100
Past due but not impaired	476,592,259	426,787,172
Impaired	834,707,259	1,232,178,389
	6,042,899,695	**5,568,079,661**

Past due but not impaired loans are loans where the customer has failed to make a principal or interest payment when contractually due and includes loans which are due more than one day after the contractual due date but less than three (3) months.

Movements in impaired gross loans, financing and advances are as follows:		
At the beginning of the year	1,232,178,389	681,768,558
Additions during the year	484,894,970	884,149,264
Reclassified as non impaired during the year	(707,235,917)	(327,094,968)
Amount written off	(175,130,183)	(6,644,465)
At the end of year	**834,707,259**	**1,232,178,389**
Gross impaired loans as a percentage of gross loans, financing and advances	13.81%	22.13%
Impaired gross loans, financing and advances analysed by sectors are as follows:		
Agricultural based	529,650,264	934,735,638
Support services	305,056,995	297,442,751
	834,707,259	**1,232,178,389**

Movements in the impairment allowances on loans, financing and advances are as follows:

	2011 RM	2010 RM
Individual impairment allowance		
At the beginning of the year	522,129,554	437,425,216
Allowance for the year	100,035,406	173,687,459
Amount written back upon recoveries and reversal of allowance	(190,781,682)	(88,983,121)
Net allowance for the year	(90,746,276)	84,704,338
Amount written off	(163,004,478)	-
At the end of year	**268,378,800**	**522,129,554**
Collective impairment allowance		
At the beginning of the year	241,315,007	181,351,936
Allowance for the year	152,813,257	73,776,391
Amount written back	(31,176,084)	(18,696,288)
Net allowance for the year	121,637,173	55,080,103
Allowance adjusted to:		
Fund for Ministry of Youth and Sports ("DKBS") (Note 43)	4,597,023	3,099,242
Entrepreneur Scheme for Graduates ("SUTKS") (Note 41)	1,424,688	1,869,461
Special Fund for Terengganu Fishery ("DKSP") (Note 42)	194,887	(85,735)
At the end of year	**369,168,778**	**241,315,007**
Collective impairment allowance as a percentage of gross loans, financing and advances less individual impairment allowance	6.39%	4.78%

The total amount of collective impairment allowance includes collective allowances for non impaired loans of RM100,730,299 (2010: RM50,678,555).

18. OTHER ASSETS

	2011 RM	2010 RM
Other receivables	52,386,072	65,887,741
Interest and income receivable	64,463,157	31,936,412
Foreclosed properties	7,969,928	8,387,217
Project Ladang BPM – Sg Tasan	3,376,254	3,197,420
Tax recoverable	6,180	-
	128,201,591	**109,408,790**
Less: specific allowance for bad and doubtful debts	(11,956,044)	(11,956,044)
Net	**116,245,547**	**97,452,746**
Specific allowance for bad and doubtful debts		
At beginning of the year	11,956,044	13,576,054
Allowance no longer required	-	(1,000,000)
Transferred to loans and advances to employee	-	(620,010)
At the end of year	**11,956,044**	**11,956,044**

19. PREPAID LEASE PAYMENTS

	2011 RM	2010 RM
Cost		
At beginning of the year	7,320,004	7,696,033
Disposals	-	(176,400)
Transfer to leasehold buildings	-	(199,629)
	7,320,004	**7,320,004**
Accumulated amortisation		
At beginning of the year	1,543,522	1,542,495
Amortisation during the year	56,887	76,767
Transfer from leasehold land	17,671	-
Disposals	-	(70,415)
Transfer to leasehold buildings	-	(5,325)
At the end of year	**1,618,080**	**1,543,522**
Net book value	**5,701,924**	**5,776,482**

The unexpired portion of the leasehold land ranges from 25 years to 33 years (2010: 26 years to 34 years).

20. PROPERTY, PLANT AND EQUIPMENT

COST	Freehold land RM	Freehold buildings RM	Leasehold land (>99 years) RM	Leasehold buildings RM	Freehold buildings in progress RM	Leasehold buildings in progress RM	Motor vehicles RM	Furniture and fixtures RM	Equipment and office machines RM	Computer hardware RM	Renovation on rented office RM	Renovation on own building RM	Total RM
As of 1 January 2010	4,610,087	12,050,989	778,525	63,322,848	603,150	12,502,021	20,015,096	29,216,830	37,047,963	63,185,828	19,659,077	46,953,987	309,946,401
Additions	-	-	-	-	-	6,847,989	-	4,178,252	6,706,797	4,369,691	4,303,244	7,039,681	33,445,654
Disposals	(864,137)	(318,649)	-	(708,747)	-	-	(4,920,032)	-	-	-	-	-	(6,811,565)
Write off	-	-	-	(172,459)	-	(665,900)	(1,193,657)	(1,596,735)	(1,965,221)	(6,989,867)	(496,103)	(578,323)	(13,658,265)
Reclassifications	-	-	-	603,150	(603,150)	-	-	-	-	15,367,793	-	-	15,367,793
Transfer from prepaid lease payments	-	-	-	199,629	-	-	-	-	-	-	-	-	199,629
As of 31 December 2010	3,745,950	11,732,340	778,525	63,244,421	-	18,684,110	13,901,407	31,798,347	41,789,539	75,933,445	23,466,218	53,415,345	338,489,647
Additions	-	-	-	-	-	2,725,630	-	3,766,557	6,448,031	4,181,708	6,197,623	6,196,127	29,515,676
Disposals	(155,000)	-	-	-	-	-	-	-	-	-	-	-	(155,000)
Write off	-	(430)	-	-	-	-	-	(1,731,499)	(1,850,433)	(9,899,888)	(703,009)	(3,069,583)	(17,254,842)
As of 31 December 2011	3,590,950	11,731,910	778,525	63,244,421	-	21,409,740	13,901,407	33,833,405	46,387,137	70,215,265	28,960,832	56,541,889	350,595,481
ACCUMULATED DEPRECIATION													
As of 1 January 2010	-	2,289,060	35,928	15,886,564	-	-	14,721,846	15,772,411	15,116,507	45,543,209	9,890,621	23,483,589	142,739,735
Charge for the year	-	313,183	765	1,495,247	-	-	1,522,745	2,661,512	3,393,968	9,352,881	9,890,621	3,525,047	23,810,746
Disposals	-	(102,062)	-	(206,911)	-	-	(4,655,042)	-	-	-	-	-	(4,964,015)
Write off	-	-	-	(34,918)	-	-	(939,673)	(1,553,955)	(631,623)	(6,981,385)	(496,079)	(568,783)	(11,206,416)
Transfer from prepaid lease payments	-	-	-	5,325	-	-	-	-	-	-	-	-	5,325
Reclassification	-	281,121	-	(281,121)	-	-	-	-	-	-	-	-	-
As of 31 December 2010	-	2,781,302	36,693	16,864,186	-	-	10,649,876	16,879,968	17,878,852	47,914,705	10,939,940	26,439,853	150,385,375
Charge for the year	-	304,155	994	1,665,748	-	-	682,308	3,313,059	3,841,534	9,653,716	2,055,045	4,242,253	25,758,812
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Write off	-	-	-	-	-	-	-	(1,528,288)	(1,727,511)	(9,891,980)	(597,417)	(3,014,132)	(16,759,328)
Transfer to prepaid lease payments	-	-	(17,671)	-	-	-	-	-	-	-	-	-	(17,671)
Reclassification	-	(38)	-	-	-	-	36	265	(263)	-	-	-	-
As of 31 December 2011	-	3,085,419	20,016	18,529,934	-	-	11,332,220	18,665,004	19,992,612	47,676,441	12,397,568	27,667,974	159,367,188
NET BOOK VALUE													
As of 31 December 2011	3,590,950	8,646,491	758,509	44,714,487	-	21,409,740	2,569,187	15,168,401	26,394,525	22,538,824	16,563,264	28,873,915	191,228,293
As of 31 December 2010	3,745,950	8,951,038	741,832	46,380,235	-	18,684,110	3,251,531	14,918,379	23,910,687	28,018,740	12,526,278	26,975,492	188,104,272

There are:

(i) fully depreciated assets costing RM79,909,907 (2010: RM122,320,318), which are still in use; and

(ii) certain long leasehold land and buildings of the Bank with net book value amounting to RM6,460,432 (2010: RM6,817,273), for which management was unable to allocate the lease payments between the land and building. Accordingly, as permitted by FRS 117 Leases, such properties have been classified as property, plant and equipment.

(iii) the property, plant and equipment acquired from the launching grant with net book value amounting to RM9,626,639 (2010: RM11,562,225). Details by class are shown as follows:

	Motor vehicles RM	Furniture and fixtures RM	Equipment and office machines RM	Computer hardware RM	Renovation on own building RM	Total RM
2011						
Cost	695,630	2,588,364	1,682,311	1,547,813	9,446,923	15,961,041
Accumulated depreciation	(572,267)	(860,350)	(538,399)	(1,076,463)	(3,286,923)	(6,334,402)
NET BOOK VALUE	**123,363**	**1,728,014**	**1,143,912**	**471,350**	**6,160,000**	**9,626,639**
2010						
Cost	505,788	2,588,364	1,682,311	1,547,813	9,446,923	15,771,199
Accumulated depreciation	(272,840)	(579,949)	(356,151)	(741,111)	(2,258,923)	(4,208,974)
NET BOOK VALUE	**232,948**	**2,008,415**	**1,326,160**	**806,702**	**7,188,000**	**11,562,225**

(iv) the property, plant and equipment acquired from the government grant under the 9th Malaysian Plan ("RMK 9") with net book value amounting to RM29,550,890 (2010: RM34,548,293). Details by class are shown as follows:

	Buildings RM	Motor vehicles RM	Furniture and fixtures RM	Equipment and office machines RM	Computer hardware RM	Renovation on rented building RM	Renovation on own building RM	Total RM
2011								
Cost	13,100,325	1,709,412	6,895,431	4,000,000	23,974,817	7,176,555	14,115,632	70,972,172
Accumulated depreciation	(3,595,078)	(1,559,412)	(4,391,271)	(1,238,486)	(12,776,803)	(5,023,383)	(12,836,849)	(41,421,282)
NET BOOK VALUE	**9,505,247**	**150,000**	**2,504,160**	**2,761,514**	**11,198,014**	**2,153,172**	**1,278,783**	**29,550,890**
2010								
Cost	13,100,325	1,709,412	6,895,431	4,000,000	23,368,147	7,176,555	14,115,632	70,365,502
Accumulated depreciation	(3,464,075)	(1,359,412)	(4,003,276)	(838,486)	(8,791,728)	(4,709,924)	(12,650,308)	(35,817,209)
NET BOOK VALUE	**9,636,250**	**350,000**	**2,892,155**	**3,161,514**	**14,576,419**	**2,466,631**	**1,465,324**	**34,548,293**

21. INTANGIBLE ASSETS

	Computer software RM	Software under development RM	Total RM
Cost			
As of 1 January 2010	73,164,020	18,713,943	91,877,963
Additions	1,120,990	4,741,524	5,862,514
Write off	(299,149)	(1,116)	(300,265)
Reclassifications	2,867,538	(18,235,331)	(15,367,793)
As of 31 December 2010	**76,853,399**	**5,219,020**	**82,072,419**
Additions	11,332,861	-	11,332,861
Write off	(40,624,061)	-	(40,624,061)
As of 31 December 2011	**47,562,199**	**5,219,020**	**52,781,219**
Accumulated amortisation			
As of 1 January 2010	50,020,739	-	50,020,739
Charge for the year	9,553,726	-	9,553,726
Write off	(263,029)	-	(263,029)
As of 31 December 2010	**59,311,436**	**-**	**59,311,436**
Charge for the year	10,537,304	-	10,537,304
Write off	(40,623,441)	-	(40,623,441)
As of 31 December 2011	**29,225,299**	**-**	**29,225,299**
Net book value			
As of 31 December 2011	**18,336,900**	**5,219,020**	**23,555,920**
As of 31 December 2010	**17,541,963**	**5,219,020**	**22,760,983**

The computer software acquired from the launching grant with net book value amounting to RM1 (2010: RM317,525).

Computer software	Cost RM	Accumulated depreciation RM	Net book value RM
2011	1,904,200	1,904,199	1
2010	1,904,200	1,586,675	317,525

The computer software acquired from the government grant under the 9th Malaysian Plan ("RMK 9") with net book value amounting to RM7,276,771 (2010: RM13,859,629).

Computer software	Cost RM	Accumulated depreciation RM	Net book value RM
2011	21,414,275	14,137,504	7,276,771
2010	20,941,900	7,082,271	13,859,629

22. DEFERRED TAX ASSETS/(LIABILITIES)

	2011 RM	2010 RM
Recognised in income statement	28,286,855	-
Recognised in equity	(117,308,570)	-
	(89,021,715)	**-**
Presented after appropriate offsetting as follows:		
Deferred tax assets	28,286,855	-
Deferred tax liabilities	(117,308,570)	-
	(89,021,715)	**-**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when the deferred income taxes relates to the same fiscal authority.

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

	Loan loss and allowance RM	Impairment loss on securities RM	Property, plant and equipment RM	Other temporary differences RM	Total RM
Deferred tax assets of the Bank:					
As of 1 January 2011	-	-	-	-	-
Recognised in income statement	31,963,443	2,408,430	(9,074,029)	2,989,011	28,286,855
As of 31 December 2011	**31,963,443**	**2,408,430**	**(9,074,029)**	**2,989,011**	**28,286,855**

	Unrealised holding reserve RM	Other temporary differences RM	Total RM
Deferred tax liabilities of the Bank:			
As of 1 January 2011	-	-	-
Recognised in equity	(117,308,570)	-	(117,308,570)
As of 31 December 2011	**(117,308,570)**	**-**	**(117,308,570)**

	2011 RM	2010 RM
Deferred tax assets have not been recognised in respect of the following item:		
Unabsorbed capital allowances	**23,985,408**	**-**

23. DEPOSITS FROM CUSTOMERS

	2011 RM	2010 RM
At amortised cost:		
Fixed/special deposits	4,748,348,167	3,948,608,781
Saving deposits	1,540,077,701	1,405,910,067
Agro Perdana	1,434,643,574	1,098,234,790
	7,723,069,442	**6,452,753,638**
Maturity structure of fixed/special deposits from customers is as follows:		
Within six months	3,506,932,040	2,747,389,714
Between six months to one year	1,165,152,772	1,141,555,701
Between one year to three years	26,603,523	33,573,279
Between three years to five years	49,655,571	26,090,087
More than five years	4,261	-
	4,748,348,167	**3,948,608,781**
The deposits are sourced from the following types of customers:		
Governments	3,581,678,221	2,916,496,051
Individuals	2,411,941,082	2,355,309,558
Domestic Business Enterprise	1,165,961,186	663,161,281
Domestic Other Entities	429,266,366	412,217,166
Domestic Non-Banking Institution	134,222,587	105,569,582
	7,723,069,442	**6,452,753,638**

24. OTHER LIABILITIES

(a) Other Payables and Accruals

	2011 RM	2010 RM
Accrued expenses	57,347,778	48,280,863
Sundry creditors	57,872,469	58,825,099
Zakat payable	4,846,264	1,956,078
Provision for tax expense	-	31,011
	120,066,511	**109,093,051**

(b) Paddy Credit Gratuity Scheme

	2011 RM	2010 RM
At beginning of the year	2,171,297	2,046,125
Additions	215,540	243,070
Disbursement	(138,020)	(117,898)
At the end of year	**2,248,817**	**2,171,297**

The Bank sets up this scheme to manage the gratuity liability to the paddy credit scheme loanees. The fund under this scheme is contributed through withholding an amount from the loans disbursed to the loanees for payment of future death benefits to the legal heir of the loanees upon their demise.

25. LOAN FROM OECF

	Principal RM	Interest RM	Total RM
As of 1 January 2010	83,161,218	55,992	83,217,210
Interest charged	-	1,574,038	1,574,038
Repayment	(12,165,032)	(1,596,369)	(13,761,401)
Foreign exchange differences	(7,047,120)	-	(7,047,120)
As of 31 December 2010	**63,949,066**	**33,661**	**63,982,727**
Interest charged	-	1,130,745	1,130,745
Repayment	(12,171,218)	(1,164,406)	(13,335,624)
Foreign exchange differences	(5,279,317)	-	(5,279,317)
As of 31 December 2011	**46,498,531**	**-**	**46,498,531**

	2011 RM	2010 RM
Maturity structure of loan from OECF is as follows:		
Within one year	23,246,155	21,350,000
Between one year to three years	23,252,376	42,632,727
	46,498,531	**63,982,727**

The loan was obtained from the Overseas Economic Cooperation Fund ("OECF") in year 1988 at an interest rate of 3.5% per annum for 25 years and its repayment period commenced in year 1995. The said loan will mature in year 2013.

The loan is denominated in Japanese Yen and has been translated at the exchange rate prevailing at year end to reflect foreign exchange movement in Yen – RM. Nonetheless, all losses arising from foreign exchange translation will be borne by the Ministry of Finance.

The fund is established under the Asian-Japanese Development Fund ("AJDF") and the purpose of the fund is to encourage the development of the agricultural sector of the Member Countries of the Association of South East Asian Nations.

The loan is offerred to customers at an interest rate of 6.5% per annum for a maximum period of 15 years.

26. FUND FOR FOOD ("3F")

	Principal RM	Interest RM	Total RM
As of 1 January 2010	891,573,056	917,808	892,490,864
Additions	295,000,000	-	295,000,000
Interest charged	-	2,060,185	2,060,185
Repayments	(34,788,813)	(309,724)	(35,098,537)
As of 31 December 2010	**1,151,784,243**	**2,668,269**	**1,154,452,512**
Interest charged	-	2,775,549	2,775,549
Repayments	(79,733,894)	(953,126)	(80,687,020)
As of 31 December 2011	**1,072,050,349**	**4,490,692**	**1,076,541,041**

Under the 9th Malaysian Plan ("RMK 9"), the Government agreed to channel an allocation of RM300 million every year for a tenure of 15 years (3 years grace period) at a profit rate of 0.25% per annum. This fund is to enhance the food production and to reduce food import.

The loan is disbursed at a profit rate of 3.75% per annum for first RM5 million and 5% per annum for the balance for a tenure of maximum of 10 years.

27. MPPB FUNDS

	Principal RM	Interest RM	Total RM
As of 1 January 2010	50,000,000	-	50,000,000
Additions	20,000,000	-	20,000,000
Interest charged	-	135,685	135,685
As of 31 December 2010	**70,000,000**	**135,685**	**70,135,685**
Interest charged	-	175,000	175,000
As of 31 December 2011	**70,000,000**	**310,685**	**70, 310,685**

Bumiputera Commercial and Industrial Community Scheme ("MPPB")

Under the 9th Malaysian Plan ("RMK 9"), the Government agreed to channel the allocation of this scheme amounting to RM100.0 million for the tenure of 15 years (3 years grace period) at an interest rate of 0.25% per annum calculated and accrued from the first day after the end of the grace period.

The objective of this scheme is to provide financing facilities to Bumiputera entrepreneurs, farmers and fishermen institutions in order to enable them to enhance their agro-base businesses in production, processing and marketing at an interest rate of 3.75% per annum for maximum tenure of 10 years.

28. FUND FOR SMALL AND MEDIUM SIZE INDUSTRIES ("TIKS")

	Principal RM	Interest RM	Total RM
As of 1 January 2010	2,463,160	-	2,463,160
Profit charged	-	35,670	35,670
Repayments	(178,612)	(35,666)	(214,278)
As of 31 December 2010	**2,284,548**	**4**	**2,284,552**
Profit charged	-	33,970	33,970
Repayments	(27,068)	(33,974)	(61,042)
As of 31 December 2011	**2,257,480**	**-**	**2,257,480**

The purpose of TIKS fund is to encourage new investments in manufacturing, agro-based industry and services sector to promote export-based industries, import substitution, new growth industries (including technology-based industries) and other services that may contribute to economic growth even if production is geared for the domestic market. The fund is financed by Bank Negara Malaysia ("BNM") on a floating interest rate based on Overnight Policy Rate ("OPR"). The Bank is allowed to impose a margin of 2% per annum above the prescribed rate by BNM.

This fund was received from BNM at an interest rate of 1.5% per annum for a tenure of 5 years.

29. OIL PALM REPLANTING SCHEME ("TASKS")

	RM
As of 31 December 2010 and 31 December 2011	**15,000,000**

The fund is channelled through the Ministry of Plantation Industries and Commodities to finance individual smallholders to replant oil palm that have exceeded the economic life. The fund is to enable the smallholders to increase their income by improving the quality of the product using the superior quality seeds and best agronomic practices, narrowing the gap of production between smallholders and private estates. This ensures that Malaysia's oil palm industry continues to grow and remain competitive.

Under this scheme, the Bank is allowed to provide financing not exceeding RM6,000 per hectare for a maximum of 10 years from date of first drawdown based on Al-Bai' Bithaman Ajil (BBA) instrument under Islamic Banking. The Bank is allowed to charge the customers at a profit rate not exceeding 4% per annum per 100 hectare.

Under the 9th Malaysian Plan ("RMK 9"), the Government agreed to channel an additional allocation to the Bank under this scheme amounting of RM83.97 million without interest for tenure of 20 years (5 years grace period). This fund is to finance replanting of palm oil project to individual smallholders at a ratio of 70% (for smallholders with 10 acres and below) and 30% (for smallholders with more than 10 acres of land).

30. PADDY CREDIT SCHEME

	Principal RM	Interest RM	Total RM
As of 1 January 2010	70,000,000	-	70,000,000
Additions	35,000,000	-	35,000,000
Interest charged	-	190,342	190,342
As of 31 December 2010	**105,000,000**	**190,342**	**105,190,342**
Interest charged	-	262,500	262,500
As of 31 December 2011	**105,000,000**	**452,842**	**105,452,842**

The Ministry of Agriculture provided an amount of RM20.6 million in years 2001/2002 to the Bank to finance the paddy credit scheme in the country's major rice-growing areas such as Malaysia Aquaculture Development Association ("MADA"), Kemubu Agricultural and Development Authority (Malaysia) ("KADA"), Seberang Perak and Sabak Bernam. The loan tenure is 10 years (3 years grace period) at an interest rate of 1.5% per annum and shall be accrued from the first day after the grace period. The Bank imposes an upfront service charge not exceeding 4% per season.

Under the 9th Malaysian Plan ("RMK 9"), the Government agreed to channel an additional allocation under this scheme amounting to RM150.0 million for tenure of 15 years (3 years grace period) at an interest rate of 0.25% per annum calculated and accrued on the day after the grace period.

This fund is to provide fast and cheap working capital to paddy growers in the double-cropping gazetted areas. The project cost is subject to a maximum financing of RM15,000 per season. The Bank imposes an upfront service charge not exceeding 4% per season.

31. LOW INTENSITY TAPPING SYSTEMS ("LITS SCHEME")

	2011 Principal RM	2010 Interest RM
At beginning of the year	1,026,965	1,757,703
Repayments	(1,026,965)	(730,738)
At the end of year	-	**1,026,965**

The fund of RM46.1 million which was channelled through Ministry of Plantation Industries and Commodities ("KPPK") in year 2001, is profit rate free, the financing is via Al-Bai' Bithaman Ajil.

32. FOOD PRODUCTION CREDIT SCHEME ("SKPM")

	Principal RM	Interest RM	Total RM
As of 1 January 2010	90,000,000	-	90,000,000
Additions	10,000,000	-	10,000,000
Profit charged	-	243,767	243,767
As of 31 December 2010	**100,000,000**	**243,767**	**100, 243,767**
Profit charged	-	250,000	250,000
As of 31 December 2011	**100,000,000**	**493,767**	**100, 493,767**

Under the 9th Malaysian Plan ("RMK9"), the Government agreed to channel an additional allocation of RM100.0 million for tenure of 15 years (3 years grace period) at a profit rate of 0.25% per annum calculated and accrued on the day after the grace period.

The Bank is allowed to impose a profit rate of 3.75% per annum with repayment term of 8 years to the entrepreneurs who obtain loans under this scheme.

33. FISHERY BOAT FINANCING SCHEME ("SPBP")

	Principal RM
As of 31 December 2010 and 31 December 2011	**140,000,000**

Under the 9th Malaysian Plan ("RMK9"), the Government agreed to channel an allocation to this scheme amounting to RM240.0 million for tenure of 15 years (10 years grace period) at profit rate of 0.25% per annum.

The purpose of the fund is to modernise the fishery industry with modern facilities, to promote the deep sea and high sea industry in order to increase the income of fishermen.

Under this scheme, the Bank offers to entrepreneurs a financing of up to a maximum of RM10.0 million at a profit rate of 5% per annum with a repayment term of 10 years.

34. ENTREPRENUER SCHEME FOR GRADUATES ("SUTKS – FINANCING")

	Total RM
As of 31 December 2010 and 31 December 2011	**10,000,000**

Under the 9th Malaysian Plan ("RMK9"), the Government agreed to channel an allocation to this scheme amounting to RM10.0 million for tenure of 10 years (5 years grace period) at a profit rate of 0.25% per annum.

The purpose of this scheme is to curb unemployment rate of graduates by making them involved in the agriculture sector.

The scheme offers financing of not exceeding RM100,000 for each financing at a profit rate of 5% per annum with repayment term of 6 years.

35. LOAN FOR SMALL AND MEDIUM SIZE INDUSTRIES ("PKS")

	Principal RM	Interest RM	Total RM
As of 1 January 2010	85,000,000	-	85,000,000
Additions	15,000,000	-	15,000,000
Profit charged	-	230,377	230,377
As of 31 December 2010	**100,000,000**	**230,377**	**100,230,377**
Profit charged	-	250,000	250,000
As of 31 December 2011	**100,000,000**	**480,377**	**100, 480,377**

Under the 9th Malaysian Plan ("RMK9"), the Government agreed to channel an allocation to this scheme amounting to RM100.0 million to induce the investment for agro-based industries in processing, manufacturing and services (food and non-food commodity). The tenure of this loan is 15 years (3 years grace period) at a profit rate of 0.25% per annum.

The Bank is allowed to charge the small and medium size entrepreneurs who are eligible for the said financing at a profit rate of 3.75% per annum with repayment term of 10 years.

36. NON-FOOD PRODUCTION CREDIT SCHEME ("SKPBM")

	Principal RM	Interest RM	Total RM
As of 1 January 2010	30,000,000	-	30,000,000
Profit charged	-	12,534	12,534
As of 31 December 2010	**30,000,000**	**12,534**	**30,012,534**
Profit charged	-	73,952	73,952
Repayments	(2,465,811)	(75,000)	(2,540,811)
As of 31 December 2011	**27,534,189**	**11,486**	**27,545,675**

Under the 9th Malaysian Plan ("RMK9"), the Government agreed to channel an allocation to this scheme amounting to RM30.0 million for tenure of 15 years (3 years grace period) at profit rate of 0.25% per annum. The purpose of this fund is to enhance the primary and tertiary agricultural activities.

This scheme offers a financing of up to a maximum of RM5.0 million and minimum of RM10,000 at a profit rate of 3.75% per annum with a repayment period not exceeding 10 years.

37. MICRO ENTERPRISE FUND

	Principal RM	Interest RM	Total RM
As of 1 January 2010	17,297,537	-	17,297,537
Additions	48,614,000	-	48,614,000
Interest charged	-	590,735	590,735
Repayments	(2,223,814)	(604,493)	(2,828,307)
As of 31 December 2010	**63,687,723**	**(13,758)**	**63,673,965**
Additions	28,329,000	-	28,329,000
Interest charged	-	1,132,025	1,132,025
Repayments	(11,194,015)	(1,118,267)	(12,312,282)
As of 31 December 2011	**80,822,708**	**-**	**80,822,708**

The fund amounting to RM200.0 million was launched by Bank Negara Malaysia ("BNM") on 4 November 2008. The purpose of the fund is to increase the access to micro financing to selected eligible micro entreprenuers. This fund is offered to all existing financial institutions which provide the same facility under concessionary rate. The interest rate of this fund is 1.5% per annum for a tenure of 5 years.

The scheme offers financing for a period of 5 years at an interest rate of 14% per annum (1.16% per month) on monthly basis. The maximum financing for this scheme is RM50,000 per micro enterprise.

38. GOVERNMENT GRANTS – CAPITAL AND DEVELOPMENT EXPENDITURE

	Capital Expenditure RM	Development Expenditure RM	Total RM
As of 1 January 2010	80,429,131	52,394	80,481,525
Amortised during the year	(13,195,089)	-	(13,195,089)
Received during the year	-	1,000,000	1,000,000
Utilised during the year	-	(562,792)	(562,792)
As of 31 December 2010	**67,234,042**	**489,602**	**67,723,644**
Amortised during the year	(12,651,391)	-	(12,651,391)
Utilised during the year	-	(194,856)	(194,856)
As of 31 December 2011	**54,582,651**	**294,746**	**54,877,397**

Capital Expenditure

Capital expenditure grant is used to finance the acquisition of property, plant and equipment. The capital expenditure grant is amortised to profit or loss based on the estimated useful lives of the assets acquired using this grant.

Development Expenditure

Development expenditure grant is used to finance the training courses given to the employees of the Bank and is recognised in profit or loss based on actual expenses incurred during the year.

39. LAUNCHING GRANTS

	Capital Expenditure RM	Development Expenditure RM	Total RM
As of 1 January 2010	15,405,184	18,218,761	33,623,945
Utilised during the year:			
Development expenditure	-	(2,928,736)	(2,928,736)
Amortised during the year	(2,468,167)	-	(2,468,167)
As of 31 December 2010	**12,937,017**	**15,290,025**	**28,227,042**
Reclassification	(1,202,928)	1,202,928	-
Utilised during the year:			
Development expenditure	-	(70,542)	(70,542)
Amortised during the year	(2,140,275)	-	(2,140,275)
As of 31 December 2011	**9,593,814**	**16,422,411**	**26,016,225**

Based on a letter dated 17 September 2007, the Ministry of Finance approved an allocation of RM100.0 million in the form of launching grant to the Bank for the purpose of corporatisation of Bank Pertanian Malaysia.

40. DEVELOPMENT PROGRAMME FOR HARDCORE POOR ("PPRT")

	RM
As of 31 December 2010 and 31 December 2011	**2,559,925**

This programme represents interest-free financing from the Goverment to hardcore poor.

41. ENTREPRENEUR SCHEME FOR GRADUATES ("SUTKS")

	2011 RM	2010 RM
At beginning of the year	1,985,118	3,854,579
Collective impairment allowance (Note 17)	(1,424,688)	(1,869,461)
At the end of year	**560,430**	**1,985,118**

This programme is part of the economic stimulus packages announced by the Government. A total of RM10.0 million has been allocated to the Bank on 5 December 2001, whereby RM9.0 million is to finance the graduates who have successfully completed the training as prescribed under the conditions of the loan. The balance of RM1.0 million is to cover administrative cost, including allowance for participants.

The objective of this programme is to reduce the unemployment rate among graduates by creating career opportunities in the agricultural sector. Under this programme, the successful graduates will be provided financing from the Bank to develop agricultural projects upon completion of on-the-job training with selected Bank's borrowers. The financing is offered under Al-Bai' Bithaman Ajil which imposes a profit rate of 3% per annum.

42. SPECIAL FUND FOR TERENGGANU FISHERY ("DKSP")

	2011 RM	2010 RM
At beginning of the year	3,338,140	4,285,008
Income from DKSP (Note 51(a))	(1,086,375)	(1,032,603)
Collective impairment allowance (Note 17)	(194,887)	85,735
At the end of year	**2,056,878**	**3,338,140**

Under *Wang Ehsan Petroleum*, the Government allocated to the state of Terengganu RM30.0 million grants for the development of the fishery sector. RM20.0 million was channelled to the Bank in March 2001 and the remaining RM10.0 million in November 2002 had been allocated to finance various fishery projects in the state of Terengganu.

The objective of this fund is to raise the social-economic status of fishermen, fish breeders and aquaculture entrepreneurs. To make this programme successful, the Bank is working closely with the Department of Fisheries and Malaysian Fisheries Development Authority in identifying suitable candidates and projects to benefit from this fund.

The financing is offered under Al-Bai' Bithaman Ajil up to 100% of the total project cost and is interest-free. The minimum financing is RM5,000 and the maximum is RM50,000. The financing terms would depend on the project with repayment terms not exceeding 10 years.

43. FUND FOR MINISTRY OF YOUTH AND SPORTS ("DKBS")

	2011 RM	2010 RM
At beginning of the year	16,900,758	20,000,000
Collective impairment allowance (Note 17)	(4,597,023)	(3,099,242)
At the end of year	**12,303,735**	**16,900,758**

This fund is managed on behalf of the Ministry of Youth and Sports. The purpose of this revolving fund is to develop the youth individually or in groups to be involved in agricultural projects or agro-based business under Skim Belia Tani.

The first tranche of RM20.0 million was received in December 2006. The financing in this scheme is between RM5,000 to RM50,000 at a profit rate of 4% per annum with repayment term of 7 years. Repayment of the financing is to be revolved back into the fund.

44. SHARE CAPITAL

	2011 RM	2010 RM
Authorised:		
Ordinary shares of RM1 each	2,000,000,000	2,000,000,000
Issued and fully paid:		
Ordinary shares of RM1 each	**1,000,000,000**	**1,000,000,000**

45. RESERVES

	2011 RM	2010 RM
Non-distributable reserve:		
Statutory reserves	554,578,316	349,810,136
Investment revaluation reserve	351,925,709	539,617,569
Distributable reserve:		
Retained earnings	344,264,127	139,495,948
	1,250,768,152	**1,028,923,653**

(a) Statutory reserves

The Bank maintains a reserve fund to comply with Part IV Obligations and Sourcing of Funds under Section 39 (1b)(i) of the Development Financial Institutions Act 2002 ("DFIA") on Statutory Reserve that requires the Bank to maintain a reserve fund, a sum equal to not less than fifty per cent of the net profit of that period before declaring any dividend from its net profit of each period.

(b) Investment revaluation reserve

The investment revaluation reserve is in respect of unrealised fair value gains and losses on financial investments available-for-sale.

(c) Retained earnings

In accordance with the Finance Act 2007, the single tier income tax system became effective from the year of assessment 2008. Under this system, tax on a company's profit is a final tax, and dividends paid are exempted from tax in the hands of the shareholders. Unlike the previous imputation system, the recipient of the dividend would no longer be able to claim any tax credits.

Companies with such tax credits are given an irrevocable option to elect for the single tier income tax system and disregard the tax credits or to continue to use the tax credits under Section 108 of the Income Tax Act 1967 ("Section 108") account to frank the payment of cash dividends on ordinary shares for a period of 6 years ending 31 December 2013 or until the tax credits are fully utilised, whichever comes first. During the transitional period, any tax paid will not be added to the Section 108 account and any tax credits utilised will reduce the tax credits balance. All companies will be in the new system on 1 January 2014.

As of 31 December 2011, the Bank has not elected for the irrevocable option to disregard the Section 108 tax credits. Accordingly, subject to the agreement of the Inland Revenue Board and based on the prevailing tax rate applicable to dividend, the Bank has sufficient Section 108 tax credits to frank dividends out of its entire retained earnings as of 31 December 2011.

46. COMMITMENTS AND CONTINGENCIES

	2011 RM	2010 RM
Guarantee:		
Guarantee letters issued to the customers of the Bank	19,239,922	20,986,050
Compensation claims:		
Certain legal actions taken against the Bank with compensation claims	180,277,724	1,965,999
Agriculture Commercial Fund (GLC)	-	33,770,324
	199,517,646	**56,722,373**

The Bank's management is of the opinion that no provision has to be recognised in the financial statements for legal actions taken against the Bank with compensation claims as any material loss is remote.

Details of the contingent liabilities are not disclosed on the grounds that it can be expected to prejudice the outcome of the litigation.

Included in compensation claims above is a legal action against the Bank where the Bank is in the process of appealing the decision to the higher court. The information usually required by FRS 137 Provisions, Contingent Liabilities and Contingent Assets is not disclosed on the grounds that it would prejudice the outcome of the said legal action. The Bank's directors are of the opinion that no provision for the said and other legal actions taken against the Bank needs to be provided in the financial statements, as advised by the Bank's legal team that the claims can be successfully resisted by the Bank.

47. CAPITAL COMMITMENTS

	2011 RM	2010 RM
Approved and contracted for:		
Capital expenditure	622,454	3,465,181
Commitment on loans, financing and advances	201,126,333	309,544,024
	201,748,787	313,009,205
Approved but not contracted for:		
Capital expenditure	227,235	3,968,936
Commitment on loans, financing and advances	16,690,008	21,763,400
	16,917,243	25,732,336
	218,666,030	**338,741,541**

48. RELATED PARTY DISCLOSURES

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions, or if one other party controls both. The related party of the Bank is its key management personnel.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Bank either directly or indirectly. The key management personnel of the Bank includes Executive Directors and Non-Executive Directors of the Bank and certain members of senior management of the Bank.

There were no granting of loans to the directors of the Bank. Loans made to other key management personnel of the Bank are on similar terms and conditions generally available to other employees of the Bank.

No provision has been recognised in respect of loans given to key management personnel.

The remuneration of directors and other members of key management personnel during the financial year are as follows:

	2011 RM	2010 RM
Executive Directors:		
Salary and emoluments (Note 8)	558,000	482,862
EPF contributions (Note 8)	84,660	70,170
Non-executive Directors:		
Fee	423,951	101,299
Former Director:		
Fee	-	125,200
Key Management:		
Salary and emoluments	1,655,307	1,195,709
EPF contributions	227,736	121,768
	2,949,654	**2,097,008**

49. FINANCIAL INSTRUMENTS

A. FINANCIAL RISK MANAGEMENT

(a) Introduction and Overview

The Bank has exposure to the following risks from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Operational risk

This note presents information about the Bank's exposure to each of the above risks, the Bank's objectives, policies and processes for measuring and managing risk, and the Bank's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Bank's risk management framework. The Board has established Risk Management Committees, who are responsible for developing and monitoring risk management policies in their specified areas. All Board Committees have executive and non-executive members and report regularly to the Board of Directors on their activities.

The risk management policies are established to identify and analyse the risks faced by the Bank, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered.

The Board Audit Committee ("BAC") is responsible for monitoring compliance with the Bank's risk management policies and procedures, and for reviewing the adequacy of the risk management framework. The BAC is assisted in these functions by the Internal Audit which undertakes both regular and ad-hoc reviews of risk management controls and procedures.

(b) Credit Risk

Credit risk describes the exposure to actual loss or opportunity cost as a result of the default (or other failure to perform) by an economic or legal entity (the debtor or obligor) with which the Bank does business. Credit risk is the risk of loss due to counterparties failing to meet their contractual obligations.

Management of credit risk

The goal of credit risk management is to optimize the Bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable levels. The Bank, through Risk Management Division ("RMD") manages credit risk inherent in the entire portfolio as well as the risk in individual credits. The Bank also considers the interrelationships between credit risk and other risks.

For effective credit risk management, guidelines and risk management limits are established in order to provide the framework for day-to-day management of the Bank's exposures. These guidelines and limits accurately display the policy objectives and the risk preferences of the Bank.

The Bank has in place a Credit Risk Management Framework wherein there are seven key risk strategic modules which provide comprehensive guidelines, processes and systems to manage credit risk in its lending operations. The focus being:

- Credit and Credit Risk Policies
- Credit Scoring and Rating Model Tool
- Sector Coding and Sector Information
- Credit Process
- Credit Operational Manual
- Credit Management Model
- Internal Certification Training Program

Measurement of credit risk

Credit risk is the major portion of risk that any financial institution bears. Credit risk can occur in various activities within the Bank's operations, such as loan facilities (which are the largest and most obvious source of credit risk), purchase of equities and bonds and other marketable securities, mutual funds, lending to the inter-bank market, other financing facilities, derivative transactions, financial instrument trading and other banking activities, whether it is administered as banking book or trading book.

The Bank identifies, analyses and manages the credit risk embedded in all of its products and activities. This identification is generated from prudent assessment of credit risk characteristics and any potential risk of particular products/activities. Credit risk is determined largely by four parameters as defined below:

- **Determinants of Credit risk**

  - Borrower risk contributed by the Probability of Default ("PD")
  - Facility risk contributed by Loss Given Default ("LGD")
  - Actual credit exposures contributed by Exposure at Default ("EAD")
  - Time dimension which is determined by maturity risk
  - Diversification of credit portfolio which is determined by concentration risk

- **Probability of Default ("PD")**

  Probability of Default is a function of a borrower's operating/income stability and the risk inherent in its capital/income structure. The poorer a borrower's operating performance/income stability and the greater the borrower's financial leverage, the higher is the probability of default. The PD is estimated by analysing and associating the actual loss experience using the months in arrears position.

- **Loss Given Default ("LGD")**

  LGD is the percentage of the exposure amount that is estimated will be lost in the event of default or, more appropriately, the percentage of the debt balance that the Bank is likely to recover from the borrower once it has defaulted. It is a function of facility type, seniority and collateral and cost of administration to recover the impaired facility.

- **Exposure at Default ("EAD")**

  EAD is the amount of the facility that is likely to have been drawn or outstanding when the default occurs.

- **Expected Loss ("EL")**

  Expected Loss is defined as the product of PD, LGD and EAD. Impairment provisions for expected loan losses (guided by FRS 139) are computed at both the individual account level and at the portfolio level (collectively for loans of homogenous credit risks).

Credit risk exposure in the lending sector

Loans are granted to retail, SMEs and corporate customers. The credit approving authority and credit officers have the responsibility to ensure that credit risk is properly assessed and all crucial credit information of the customer is included in the loan application.

The credit granting to retail consumers are assessed based on their historical repayment track record and the current repayment capacity of the customer. Repayment of these loans is mainly through repayment at source via *Biro Angkasa* deductions.

The credit granting to SMEs and corporate customers is assessed based on their financial and non-financial factors through the use of an internal credit scoring tool. In addition, credit officers identify and assess the credit risks by taking into consideration their financial and business profiles, management capacity, industry and economic factors, collateral and other credit support such as bank guarantees. Independent credit risk assessment by RMD is also carried out on the SMEs and corporate customers.

Credit risk concentration in the lending sector

Concentrations of credit risk are monitored by economic sectors. An analysis of concentrations of credit risk from loans, financing and advances at the reporting date is shown below:

	2011 RM	2010 RM
Sector:		
Support	2,607,396,147	2,255,148,288
Crops	2,015,619,471	1,797,436,000
Livestock	699,072,513	684,179,003
Fishery	384,821,816	397,522,587
Forestry	83,898,563	118,974,286
Other Agro based processing	179,401,482	241,546,008
	5,970,209,992	**5,494,806,172**

Collateral position in the lending sector

The Bank holds collaterals against loans, financing and advances to customers in the form of mortgage interests over property, other registered securities over assets and guarantees. Estimates of fair value are based on the value of collateral assessed at the time of borrowing and is revalued once in two years or when a loan is impaired.

The main types of collaterals held by the Bank to mitigate credit risk are as follows:

i) Project Loans – charges over land, buildings, plant and machinery, fishing vessels, ownership claim over vehicles, fixed deposits and pledges over shares and marketable securities.

ii) Retail loans – charges over land and fixed deposits for certain type of loans.

	Secured RM	Unsecured RM	Total RM	Fair Value of Collateral RM
2011				
Current	900,072,000	3,701,370,000	4,601,442,000	1,128,205,000
Past due but not impaired	113,132,000	420,943,000	534,075,000	143,310,000
Impaired	72,671,000	762,004,000	834,675,000	75,898,000
	1,085,875,000	4,884,317,000	5,970,192,000	1,347,413,000
2010				
Current	596,650,000	3,249,636,000	3,846,286,000	805,944,000
Past due but not impaired	203,140,000	551,475,000	754,615,000	190,268,000
Impaired	64,999,000	828,884,000	893,883,000	51,672,000
	864,789,000	4,629,995,000	5,494,784,000	1,047,884,000

Credit quality of gross loans, financing and advances

Impaired loans

The breakdown of the gross loans, financing and advances individually assessed as impaired, by sector and the fair value of related collaterals held by Bank as security are as follows:

	Gross Individually Impaired Loans RM	Individual Assessment Allowance RM	Fair Value of Collaterals RM
2011			
Sector:			
Crops – long term	101,843,050	40,147,214	61,695,836
Crops – short term	19,197,358	12,086,892	7,110,466
Fishery	43,250,235	36,343,201	6,907,034
Value added	1,460,578	721,339	739,239
Forestry	77,220,343	54,519,193	22,701,150
Livestock – non poultry	52,898,088	43,562,489	9,335,599
Livestock – poultry	33,967,737	23,418,271	10,549,466
Support – Supplementry	34,691,052	21,225,828	13,465,224
Support – Others	42,240,823	36,354,373	12,059,914
	406,769,264	**268,378,800**	**144,563,928**
2010			
Sector:			
Crops – long term	305,063,467	162,274,475	152,952,960
Crops – short term	22,180,539	9,399,758	15,318,988
Fishery	79,558,089	64,799,821	15,654,289
Value added	1,458,006	745,486	712,520
Forestry	113,497,356	87,690,629	25,806,727
Livestock – non poultry	75,538,954	51,123,052	24,953,162
Livestock – poultry	128,150,093	90,014,689	38,876,801
Support – Supplementry	33,214,202	19,865,918	13,617,063
Support – Others	49,770,774	36,215,726	13,555,048
	808,431,480	**522,129,554**	**301,447,558**

The breakdown of allowance for impaired loans, financing and advances individually and collectively are as follows:

	2011 RM	2010 RM
Assets at amortised cost		
Impairment Provision on Individual Basis:		
Crops	52,234,106	171,674,234
Fishery	36,343,201	64,799,821
Value added	721,339	745,485
Forestry	54,519,193	87,690,629
Livestock	66,980,760	141,137,741
Support – Supplementry	21,225,828	19,865,918
Support – Others	36,354,373	36,215,726
Allowance for individually impaired	**268,378,800**	**522,129,554**
Impairment Provision on Collective Basis:		
Crops	14,605,251	20,252,282
Fishery	24,741,435	21,451,668
Value added	345,596	423,940
Forestry	522,228	12,492
Livestock	30,861,442	18,323,081
Micro Credit – MUST	100,242,689	53,951,476
Micro Credit – SKM	239	6
Support – Ar Rahnu	3,427,309	486,734
Support – Supplementry	39,317,004	18,473,607
Support – Supplementry (Bai Al-Innah)	106,857,744	82,650,196
Support – Supplementry (Wawasan Tani)	8,519,324	4,573,399
Support – Others	34,382,485	13,433,537
	363,822,746	**234,032,418**
Individual Impairment Provision on Collective Basis:		
Crops	2,829,141	4,059,520
Fishery	382,245	1,476,558
Value added	4,080	-
Forestry	208,284	-
Livestock	1,922,282	1,572,646
Support – Supplementry	-	173,865
	5,346,032	**7,282,589**
Allowance for collectively impaired	**369,168,778**	**241,315,007**

Credit Risk in Investment Activities

The credit risk management approach for investment activities is primarily decided by the Board Investment Committee ("BIC") and Board Risk Management Committee ("BRMC"). In the case of investment securities, the setting of issuers' credit limits is proposed through the Asset Liability Management Committee ("ALCO") and approved by the BIC and endorsed by BRMC. In addition, the Bank's investment policy also stipulates the minimum investment grade for debt securities and types of permissible transactions.

Investment Profile and Portfolio Concentration

The portfolio profile is as follows:

	RM	Composition (%)
Deposits with Financial Institutions	20,000,000	0.69
Corporate Bonds	1,435,702,460	49.44
Equities Securities	504,674,646	17.38
Malaysian Government Securities	886,676,164	30.53
Commercial Papers	56,774,921	1.96
Carrying Amount as of 31 December 2011	**2,903,828,191**	**100.00**
Corporate Bonds	1,479,895,348	54.92
Equities Securities	577,844,878	21.44
Malaysian Government Securities	422,923,078	15.69
Commercial Papers	214,215,770	7.95
Carrying Amount as of 31 December 2010	**2,694,879,074**	**100.00**

Credit Quality of Investment Securities

The following table presents the Bank's exposure to credit risk of financial instruments – debt securities analysed by ratings from external credit ratings agencies:

Available-for-sale Securities

Ratings	2011		2010	
	Non-Money Market Instruments – Debt Securities		Non-Money Market Instruments – Debt Securities	
	Domestic Ratings RM	Total RM	Domestic Ratings RM	Total RM
PDS Rating				
GG	141,278,811	141,278,811	28,679,091	28,679,091
Quasi-Govt/AAAbg	259,245,793	259,245,793	151,609,043	151,609,043
AAA/AAbg	438,125,394	438,125,394	501,880,732	501,880,732
AA/Abg	421,126,502	421,126,502	526,105,744	526,105,744
A	48,365,234	48,365,234	45,564,050	45,564,050
TOTAL	**1,308,141,734**	**1,308,141,734**	**1,253,838,660**	**1,253,838,660**

The following table presents the Bank's exposure to credit risk of financial instruments – debt securities analysed by ratings from external credit ratings agencies:

Held-to-Maturity Securities

Ratings	2011				2010			
	Money Market Instruments		Non-Money Market Instruments – Debt Securities		Money Market Instruments		Non-Money Market Instruments – Debt Securities	
	Domestic Ratings RM	Total RM	Domestic Ratings RM	Total RM	Domestic Ratings RM	Total RM	Domestic Ratings RM	Total RM
PDS Rating								
GG	-	-	47,354,091	47,354,091	-	-	45,845,015	45,845,015
Quasi-Govt/AAAbg	-	-	45,220,074	45,220,074	-	-	135,356,857	135,356,857
AAA/AAbg	-	-	29,985,628	29,985,628	-	-	39,850,605	39,850,605
AA/Abg	-	-	5,000,933	5,000,933	-	-	5,004,211	5,004,211
CP Ratings								
P1/M1	56,774,921	56,774,921	-	-	214,215,770	214,215,770	-	-
TOTAL	**56,774,921**	**56,774,921**	**127,560,726**	**127,560,726**	**214,215,770**	**214,215,770**	**226,056,688**	**226,056,688**

(c) Liquidity Risk

Nature of Liquidity Risk

Liquidity risk relates to the ability to maintain sufficient liquid assets to meet current and future financial commitments and obligation (anticipated or unanticipated) when they fall due without incurring unacceptable losses.

Liquidity risk may arise when there is a mismatch between funding against lending within predetermined time buckets. The mismatches may lead to the inability for Bank to fulfil its contractual obligations when they fall due. As such the Bank has to maintain a portion of liquid assets in term of cash and cash equivalents and marketable securities to match maturity buckets.

Management of Liquidity Risk

The liquidity risk is managed through policies approved by the Board and the BRMC will supervise on the non-compliance of those policies.

The Asset Liability Management ("ALCO") is responsible to monitor liquidity risk exposures while Treasury is responsible in managing day to day liquidity requirements and compliance. The limits for each bucket are monitored daily and any significant shortfall or excess will be addressed to mitigate liquidity risk exposure by the Bank.

The Bank oversees its statement of financial position structure and places controls, within prudent limits, to manage risks arising from mismatches of maturities across the statement of financial position and from exposures of undrawn commitments and other contingent obligations. The structure of statement of financial position will be managed to maintain diversification and to minimise funding concentration as well as maintaining high quality liquefiable assets. The mismatch in the statement of financial position, particularly in the lending portfolio against funding positions is reported monthly to the ALCO. The ALCO formulates and determines strategies to minimise the mismatch between Conventional and Islamic operations and the Bank as a whole.

The Bank maintains an early warning signal through a management information system and is in the process of developing a comprehensive contingency funding plan to deal with liquidity crisis situations caused by adverse market developments as well as Bank specific risk adverse positions. As contingency, the Bank is currently granted intra-day and overdraft facilities by established commercial banks for temporary liquidity requirements.

Measurement of Liquidity Risk

The Bank maintains sufficient liquid assets (minimum 5% of total deposit) to meet contractual and behavioural maturities and commitments up to one week tenure. For up to one month bucket, the Bank maintains liquid assets at a minimum of 7% of total deposit to meet contractual and behavioural maturities and commitments.

As part of liability management, liquidity risk exposures are also measured through funding concentration, loan deposit ratios and contingency funding plan. Liquidity stress testing are developed to ensure the Bank is able to fulfil its obligations by maintaining adequate liquidity buffer and ensuring the availability of lines of credit or standby facilities from licensed financial institutions. The Bank emphasises the importance of using low cost and stable deposits as the primary source of funds to finance its lending activities.

The measurement of liquidity risk is also done through statement of financial position profiling into predetermined time buckets, similar to the New Liquidity Framework. The exposure limits for each bucket, in particular within a one year band is analysed to determine the causes and ways to improve the gaps.

Liabilities of the Bank as at 31 December 2011 based on contractual undiscounted obligations and commitments

Particular	< 1 month RM	1 – 3 months RM	3 – 6 months RM	6 – 12 months RM	1 – 5 years RM	> 5 years RM	Total RM
Deposit From Customers							
Saving Giro	2,974,721,275	-	-	-	-	-	2,974,721,275
Fixed Deposits	1,924,753,564	922,434,344	659,744,132	1,165,152,772	76,259,094	4,261	4,748,348,167
Government Borrowing							
Government	-	-	-	63,846,957	632,725,834	896,394,192	1,592,966,983
BNM	-	-	-	-	-	135,937,592	135,937,592
Others	-	-	-	23,246,155	23,252,376	-	46,498,531
Other Liabilities							
Other Payables	24,314,505	17,839,464	12,708,059	7,565,720	290,985	-	62,718,733
Paddy Credit Gratuity Scheme	11,244	22,488	89,953	224,882	1,900,250	-	2,248,817
Total Financial Liabilities	**4,923,800,588**	**940,296,296**	**672,542,144**	**1,260,036,486**	**734,428,539**	**1,032,336,045**	**9,563,440,098**
Off Balance Sheet Items							
Undisbursed Loans	43,563,266	34,850,615	34,850,615	34,850,615	34,850,615	34,850,615	217,816,341
Purchase Order	849,689	-	-	-	-	-	849,689
Total Off Balance Sheet Items	**44,412,955**	**34,850,615**	**34,850,615**	**34,850,615**	**34,850,615**	**34,850,615**	**218,666,030**
Total Financial Liabilities and Off Balance Sheet Items	**4,968,213,543**	**975,146,911**	**707,392,759**	**1,294,887,101**	**769,279,154**	**1,067,186,660**	**9,782,106,128**

Liabilities of the Bank as at 31 December 2010 based on contractual undiscounted obligations and commitments

Particular	< 1 month RM	1 – 3 months RM	3 – 6 months RM	6 – 12 months RM	1 – 5 years RM	> 5 years RM	Total RM
Deposit From Customers							
Saving Giro	2,504,144,857	-	-	-	-	-	2,504,144,857
Fixed Deposits	1,306,542,102	952,518,052	488,329,560	1,141,555,701	59,663,366	-	3,948,608,781
Government Borrowing							
Government	-	-	-	64,577,694	633,022,062	920,762,451	1,618,362,207
BNM	-	-	-	-	-	173,888,492	173,888,492
Others	-	-	-	21,350,000	42,632,727	-	63,982,727
Other Liabilities							
Other Payables	32,976,181	7,406,472	2,118,871	18,279,653	-	-	60,781,177
Paddy Credit Gratuity Scheme	10,856	21,713	86,852	217,130	1,900,250	-	2,171,297
Total Financial Liabilities	**3,843,673,996**	**959,946,237**	**490,535,283**	**1,245,980,178**	**737,152,901**	**1,094,650,943**	**8,371,939,538**
Off Balance Sheet Items							
Undisbursed Loans	66,261,484	53,009,188	53,009,188	53,009,188	53,009,188	53,009,188	331,307,424
Purchase Order	7,434,117	-	-	-	-	-	7,434,117
Total Off Balance Sheet Items	**73,695,601**	**53,009,188**	**53,009,188**	**53,009,188**	**53,009,188**	**53,009,188**	**338,741,541**
Total Financial Liabilities and Off Balance Sheet Items	**3,917,369,597**	**1,012,955,425**	**543,544,471**	**1,298,989,366**	**790,162,089**	**1,147,660,131**	**8,710,681,079**

(d) Market Risk

Market risks are generally identified as risk of losses arising from volatilities in interest rates, equity prices, commodity prices, credit spreads and foreign exchange rates inherent in the investment portfolio. In the wider context of the Bank, market risks shall concern all financial assets and liabilities held by the Bank for both trading as well as for investment purposes in the banking book. As the investment portfolio of the Bank ranges between 40 to 50 percent of its total asset portfolio, market and liquidity risks defines a major and significant risk.

Governance

The BRMC and the BIC provide the market risk management oversight. The ALCO reviews market risk management by way of executing decisions, business strategies and works within the guidance provided by the BRMC, BIC and Management Committee. The BIC determines the policy direction, strategy and approach in the Bank's investments as a risk taking business activity.

Management of Market Risks

The Market and Liquidity Risk Framework (MLRF) establishes the boundaries set by Central Bank guidelines and provides broad policy guidelines in managing market risks. "The Investment Manual", "The Trading Book Policy" and the "Sector Concentration Policy" provide the operating framework and sets the authority and risk limits. The approach is highly restrictive and is limited to only investments in high quality rated instruments and securities.

The Treasury and the Asset Liability Management reports all the related operational activities to the ALCO which is the primary committee that determines the business strategies, interest rate movements and provides risk-return measures in managing market risks. RMD provides independent assessment reports and views on the market risks on the investment activities to the ALCO and proposes risk related policies to the BRMC for approval and Board of Directors ("BOD") endorsement.

Foreign Exchange Risk

The Bank is not subject to foreign exchange gain or loss on fluctuation of Japanese Yen ("JPY") exchange rate due to the foreign exchange gain or loss on settlement of the JPY term loans is compensated by the Government of Malaysia.

The financial liability of the Bank that are not denominated in its functional currency and guaranteed by the Government of Malaysia is as follows:

	Financial liabilities held in non-fuctional	
	2011 RM	2010 RM
Functional Currency of the Bank		
Term loans – Japanese Yen (JPY)	**46,498,531**	**63,982,727**

Measurement of Interest Rate Risk

There are three approaches to measure interest rate risks in the Bank namely:

i) Stress Test Analysis/Scenario Analysis

Stress scenarios are based on macro economic variables particularly "interest rates on bond values" and "beta measure on equity". The stress tests employ a range of simulated scenarios on the Bank's investment portfolio to study the impact on the investment values, profitability and capital.

Currently, the Value at Risk (VaR) methodology is not employed as the model requires a system-based approach for accuracy and its limited prediction of potential losses requires assumptions on the probability distributions and confidence levels. Besides, trading in bonds and equities are extremely restrictive and hence the risks are managed by way of investments in "AAA" and at worst "A" ratings in bonds. Currently, transactions on the equity investments held by the Bank are restricted to sale only.

ii) Sensitivity Analysis

This is a technique used to determine how different values of an independent variable will impact a particular dependent variable under a given set of assumptions. This technique is used within specific boundaries that will depend on one or more input variables, such as the effect that changes in interest rates will have on a bond's price.

Sensitivity analysis is a way to predict the outcome of a decision if a situation turns out to be different compared to the key prediction(s). Simulation analysis evaluates the effects of interest risk changes on the earnings or economic value by modeling the potential direction of interest rates and their effect on cash flows.

Market Risk on Investments as at 31 December 2011

	CURRENT POSITION AS AT 31/12/2011			SCENARIO 1 *5bps drop in market*		SCENARIO 2 *10bps drop in market*		SCENARIO 3 *15bps drop in market*	
	Net Book Value (RM Mil)	Market Value (RM Mil)	Diff. (RM Mil)	Exceptional But Plausible (RM Mil)	Potential Loss Provisions (RM Mil)	Exceptional But Plausible (RM Mil)	Potential Loss Provisions (RM Mil)	Exceptional But Plausible (RM Mil)	Potential Loss Provisions (RM Mil)
PDS	1,418.28	1,435.70	17.42	1,434.98	16.70	1434.26	15.98	1433.55	15.27
Malaysian Government Securities	881.18	886.68	5.50	886.24	5.06	885.79	4.61	885.35	4.17
Quoted Shares	58.63	504.67	446.04	504.42	444.91	504.17	444.66	503.91	444.40
	2,358.09	**2,827.05**	**468.96**	**2,825.64**	**466.67**	**2,824.22**	**465.25**	**2,822.81**	**463.84**

Market Risk on Investments as at 31 December 2010

	CURRENT POSITION AS AT 31/12/2010			SCENARIO 1 *5bps drop in market*		SCENARIO 2 *10bps drop in market*		SCENARIO 3 *15bps drop in market*	
	Net Book Value (RM Mil)	Market Value (RM Mil)	Diff. (RM Mil)	Exceptional But Plausible (RM Mil)	Potential Loss Provisions (RM Mil)	Exceptional But Plausible (RM Mil)	Potential Loss Provisions (RM Mil)	Exceptional But Plausible (RM Mil)	Potential Loss Provisions (RM Mil)
PDS	1,461.65	1,479.90	18.25	1,479.16	17.51	1,478.42	16.77	1,477.68	16.03
Malaysian Government Securities	423.88	422.92	(0.96)	532.70	(1.17)	422.50	(1.38)	422.29	(1.59)
Quoted Shares	55.08	587.78	532.70	549.99	532.41	587.19	532.11	586.90	531.82
	1,940.61	**2,490.60**	**549.99**	**2,489.36**	**548.75**	**2,488.11**	**547.50**	**2,486.87**	**546.26**

Under stress scenario 1, where the assumption is a 5 bps drop from the current market value for the month end of December 2011, the total investments still remain positive. The devaluation for scenario 1 will be from PDS, MGS and Quoted Shares registering a drop by RM16.70 million, RM5.06 million and RM444.91 million respectively.

Under stress scenario 2, (assumption of a further 10 bps drop) the positive spread from the investments would reduce further to RM465.25 million.

Under stress scenario 3, (assumption of a further shift downward of market value by 15 bps), the Bank still remain positive with a reduced margin of RM463.84 million.

iii) Gap and Duration Analysis

Gap analysis through repricing are conducted to determine the gap between the assets and liabilities that are sensitive to interest rates for any given period of time. Assets and liabilities lacking definite repricing intervals are assigned to buckets according to the judgment and past experience of the Bank.

Duration analysis is the time-weighted average maturity of the present value of the cash flows from assets, liabilities and off-balance sheet items. It measures the relative sensitivity of the value of these instruments to changing interest rates (the average term to repricing), and therefore reflects how changes in interest rates will affect the Bank's economic value, that is, the present value of equity.

Exposure to Interest Rate Risk

The table below summarises the Bank's exposure to interest rate risk.

Interest Rate Risk – 2011

	< 1 year RM	>1 - 3 years RM	>3 - 5 years RM	> 5 years RM	Total RM	Average Interest Rate
Financial Assets						
Cash and short term funds	3,413,040,341	-	-	-	3,413,040,341	3.17%
Deposits with financial institutions	20,000,000	-	-	-	20,000,000	3.27%
Loans, financing and advances	1,230,767,754	431,693,419	1,038,020,632	3,342,417,890	6,042,899,695	7.91%
Investment securities	311,691,173	1,081,045,544	776,339,464	714,752,010	2,883,828,191	4.08%
Financial Liabilities						
Deposits from customers	7,646,806,087	26,603,523	49,655,571	4,261	7,723,069,442	2.60%
Loan from OECF	23,246,155	23,252,376	-	-	46,498,531	3.50%
Financing Scheme Funds	63,846,957	376,430,690	256,295,144	1,032,331,784	1,728,904,575	0.31%

Interest Rate Risk – 2010

	< 1 year RM	>1 - 3 years RM	>3 - 5 years RM	> 5 years RM	Total RM	Average Interest Rate
Financial Assets						
Cash and short term funds	2,756,301,035	-	-	-	2,756,301,035	2.97%
Loans, financing and advances	562,404,213	457,661,944	890,617,398	3,657,396,106	5,568,079,661	8.14%
Investment securities	2,514,879,074	60,000,000	25,000,000	50,000,000	2,694,879,074	4.11%
Financial Liabilities						
Deposits from customers	6,396,707,864	32,337,203	23,708,571	-	6,452,753,638	1.84%
Loan from OECF	21,350,000	42,632,727	-	-	63,982,727	3.50%
Financing Scheme Fund	64,577,694	376,726,918	256,295,144	1,094,650,943	1,792,250,699	0.29%

(e) Operational Risk

The Bank's Operational Risk Management Framework (ORMF) provides a structured and disciplined process defined and guided by the regulatory guidelines set by Bank of International Settlements (BIS) Basel Accords and industry best practices.

The Bank is working towards the Basel II requirements within a period of 5 years. This is in line with the Bank's vision to work towards compliance to the Standardised Approach within 5 years. However, as a start, the Bank shall work on the Basic Indicator Approach (BIA) in its capital allocation computation for Operational Risk.

Approach to operational risk management

It is proposed that the Bank should adopt the following five core components as the guiding principles for an effective and efficient management of its operational risks.

- **Governance**

The Board of Directors defines key objectives for managing the Bank's operational risk and oversees progress towards achieving its objectives. The Board defines the overall operational risk culture and sets the tone as to how the Bank implements and executes its operational risk management strategy.

Management takes the responsibility of managing the business risks, the ultimate responsibility for establishing and maintaining appropriate risk management processes, making risk management an integral part of the Bank's operations, aligning risk management to internal policies and procedures as well as ensuring that all risk based-limits are adhered to by the business divisions, departments and units.

- **Oversight structure and lines of defense**

The risk management interplay between the risk owners, Risk Management Division and Internal Audit forms the framework for Bank's "three lines of defense" against risks.

The First Line of Defense is the Business risk owners, who are responsible for the day-to-day operational risk management where Key Performance Indicators (KPIs), Key Risk Indicators (KRIs) and Key Control Indicators (KCIs), Risk Maps, Key Risk Control Self-Assessment are to be in place in relation to the business objectives.

The Second Line of Defense is the RMD, which is responsible for operational risk management oversight.

The Third Line of Defense is Internal Audit, which is being entrusted to perform independent assurance over the effectiveness of the operational risk management initiatives by RMD and the Business Units.

- **Risk management process**

Operational Risk Management ("ORM") refers to the end-to-end process that ensures operational risks are effectively managed from the time they are identified to the time the risks are mitigated to within the risk appetite of the Bank. It is the responsibility of everyone in the Bank. This generic process is used to manage operational risks at all levels from units to Head office. The operational risk management process comprises 4 steps namely:

i) Risk Identification
ii) Risk Assessment
iii) Managing and Controlling Risk
iv) Monitoring and Reporting Risk

- **Reporting and communication guidelines**

In establishing a sound ORM at the Bank, reporting and communication lines are extremely important. As operational risk can occur in any part of the organization and the range of different types of incidents is very broad, from fraud to product and system failures and from errors in the front office to the back office, it is important to have good information sharing with a broad range of officers/departments.

Information sharing should be partly through formal reporting lines and partly through face-to-face communication.

- **Culture**

Operational risk culture encompasses general awareness, attitude, behavior of employees to operational risk and operational risk management.

Adequate awareness and training in operational risk is given to the staff and their roles and responsibilities are clearly defined. In addition, the performance management process encourages staff to perform and behave in a manner consistent with the Bank's operational risk management objectives. Adequate training is provided to the staff to ensure that they have acquired adequate level of knowledge and skill sets to perform their roles and responsibilities in operational risk management.

Initiatives by Risk Management Division (RMD)

Several initiatives had been taken by the RMD with the help of external consultants and industry experts in setting up the Business Continuity Management Framework ("BCM") which incorporates several modules such as Disaster Recovery Program ("DRP") and the Crisis Simulation Program.

The IT Risk Management Framework established in 2004 is had been revised in consultation with external consultants in the 4th quarter of 2010 after a risk assessment on the IT Infrastructure and the Applications using updated versions of the KSPRINT and ITRIMA methodologies were conducted by the consultants.

The Fraud Management Manual consisting of Anti-Fraud Policy, Whistle Blowing Policy and Response Plan is currently being developed by the RMD.

Moving Forward with the ORMF

With the ORMF being formalized, the more structured approach would be in place in managing operational risks within the Bank. Operational risks identified can be actively managed and actions taken to deal with particular exposures. With improved awareness and understanding of the operational risk profile, the Bank would be better placed to mitigate risks with the relevant tools and techniques.

As the Bank's business units are decentralized by way of its wide network of branches standing at 178 (2010: 167), management of operational risks at the business unit level shall play an important role in the Bank's tolerance for operational risks. Besides, a balance between the costs and the benefits in placing mitigating controls to manage operational risks must always be considered.

Initial Implementation Focus

In order to manage operational risks at the business unit levels, the Bank has initiated the following measures:

i. Appointment of Operational Risk officer at the Business Unit level.
ii. Creating the awareness through RMD, external experts and shared knowledge.
iii. Create the KRIs and KCIs based on the KPIs and how it is related to operational risks.
iv. Control Risk Self Assessment ("CRSA") workshops, with the help of expert advice panels and questionnaires.
v. Mapping of key risks within the operations at Departments and Business Units.
vi. Implementing operational loss data capture.
vii. Computing the Economic Capital allocation through the Basic Indicator Approach, ("BIA") methodology.

(f) Capital Management

Regulatory Capital

Bank Negara Malaysia sets and monitors capital requirements for the Bank as a whole.

The Bank's regulatory capital is analysed into two tiers:

- Tier 1 Capital, which includes ordinary share capital, share premium, perpetual bonds (which are classified as innovative tier 1 securities), retained earnings, translation reserve and non-controlling interests after deductions for goodwill and intangible assets, and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.

- Tier 2 Capital, which includes qualifying subordinated liabilities, government grants and collective impairment allowances for non-impaired loans.

Various limits are applied to elements of the capital base. The amount of innovative tier 1 securities cannot exceed 15 percent of total tier 1 capital; qualifying tier 2 capital cannot exceed tier 1 capital; and qualifying term subordinated loan capital may not exceed 50 percent of tier 1 capital. There also are restrictions on the amount of collective impairment allowances that may be included as part of tier 2 capital.

The Bank's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Bank recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and advantages and security afforded by a sound capital position.

The Bank and its individually regulated operations have complied with all externally imposed capital requirements throughout the period. Management uses regulatory capital ratios in order to monitor its capital base, and these capital ratios remain the international standards for measuring capital adequacy.

Capital Allocation

Capital allocation of capital between specific operations and activities is, to a large extent, driven by optimisation of the return achieved on the capital allocated. The amount of capital allocated to each operation or activity is based primarily upon the regulatory capital, but in some cases the regulatory requirements do not reflect fully the varying degree of risk associated with different activities. In such cases the capital requirements may be varied to reflect differing risk profile, subject to the overall level of capital to support a particular operation or activity not falling below the minimum required for regulatory purposes. The process of allocating capital to specific operations and activities is subject to review by the ALCO as appropriate.

Capital Adequacy

The capital adequacy ratio of the Bank as at the end of the reporting period is as follows:

	2011 %	2010 %
Before deducting proposed dividend:		
Core capital ratio	23.89	19.65
Risk-weighted capital ratio	26.39	21.91

The capital adequacy ratio of the Bank as of 31 December 2011 has incorporated the market risk pursuant to Bank Negara Malaysia's Market Risk Capital Adequacy Framework which became effective on 1 April 2005.

	2011 RM	2010 RM
Components of Tier I and Tier II Capital		
Tier I Capital		
Share capital	1,000,000,000	1,000,000,000
Statutory reserves	554,578,316	349,810,136
Retained earnings	344,264,127	139,495,948
Total Tier I Capital	**1,898,842,443**	**1,489,306,084**
Tier II Capital		
Collective impairment allowance	100,730,299	50,678,555
Government Grants – Capital and Development Expenditure	54,877,397	67,723,644
Launching Grants	26,016,225	28,227,042
Government Grant – Funds	17,480,968	24,783,941
Total Tier II Capital	**199,104,889**	**171,413,182**
Total Capital Base	**2,097,947,332**	**1,660,719,266**

The breakdown of risk-weighted assets in the various categories of risk-weights is as follows:

	Notional RM	Risk-weighted RM
0%	1,272,617,844	-
10%	-	-
20%	3,693,075,099	738,615,020
50%	55,161,276	27,580,638
100%	7,066,384,969	7,066,384,969
Off balance sheet risk-weighted assets	-	117,020,154
Total risk-weighted assets as of 31 December 201	**12,087,239,188**	**7,949,600,781**
0%	666,107,832	-
10%	-	-
20%	3,088,948,421	617,789,684
50%	56,450,886	28,225,443
100%	6,758,402,553	6,758,402,553
Off balance sheet risk-weighted assets	-	174,292,014
Total risk-weighted assets as of 31 December 2010	**10,569,909,692**	**7,578,709,694**

B. FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the amount at which the financial assets could be exchanged or financial liabilities could be settled, between knowledgeable and willing parties in an arm's length transaction. The information presented herein represents the best estimates of fair values as of the reporting period.

The aggregate fair values of financial instruments carried at amortised cost in the financial statements as at the reporting period are estimated as follows:

	Carrying Value 2011 RM	Fair Value 2011 RM	Carrying Value 2010 RM	Fair Value 2010 RM
Financial Assets				
Cash and short term funds	3,413,040,341	3,413,040,341	2,756,301,035	2,756,301,035
Deposits with financial institutions	20,000,000	20,000,000	-	-
Investment securities	2,883,828,191	2,884,966,436	2,694,879,074	2,695,939,568
Loans, financing and advances	6,042,899,695	3,919,950,064	5,568,079,661	3,413,525,545
Financial Liabilities				
Deposits from customers	7,723,069,442	7,493,253,153	6,452,753,638	6,324,253,135
Loans from OECF	46,498,531	42,722,556	63,982,727	57,778,529
Financing Scheme Funds	1,728,904,575	1,651,026,162	1,792,250,699	1,710,747,522

The methods and assumptions used in estimating the fair values of financial instruments are as follows:

(i) Cash and short-term funds

The carrying amount is a reasonable estimate of fair value because of its short-term nature.

(ii) Deposits with financial institutions

The estimated fair values of deposits with financial institutions, which are generally short-term, approximate their respective carrying values.

(iii) Investment securities – Held to Maturity

The fair values of corporate bonds and Malaysia Government Securities are estimated based on the market value at the end of the reporting period.

As for commercial papers which are generally short-term funds, the fair values approximate the respective carrying values.

(iv) Loans, financing and advances

For fixed-rate loans, financing and advances with maturities within a year, and loans, financing and advances at variable rates, the estimated fair values approximate their respective carrying values.

For fixed-rate loans, financing and advances with maturities more than a year, the fair values are estimated based on expected future cash flows of contractual installments and discounted at prevailing rate at the end of the reporting period offered for similar loans, financing and advances to new borrowers with similar credit profiles, where applicable.

(v) Deposits from customers

The fair values of deposits from customers with remaining maturity of less than one year are estimated to approximate their carrying amounts. The fair values of deposits with remaining maturities of more than one year are estimated using discounted cash flows based on market rates for similar deposits from customers. The fair values of Islamic deposits are deemed to approximate their carrying amounts as profit rates are determined at the end of their holding periods based on the profit generated from the assets invested.

(vi) Loan from OECF

For loan from OECF, the fair value is estimated based on expected future cash flows of contractual installment amounts with expected maturity balances in 3 years (2010: 4 years) and discounted at the current rate as of the end of the reporting period according to agreement.

(vii) Financing Scheme Funds

The estimated fair values of financing scheme funds are based on future cash flows discounted at the current rate as of the end of the reporting period.

Fair Value Hierarchy

Determination of fair value and fair value hierarchy

The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets of identical assets or liabilities;

Level 2: other techniques for which all inputs which have significant effect on the recorded fair value are observable, either directly or indirectly;

Level 3: techniques which use inputs which have significant effect on the fair value that are not based on observable market data.

Financial investment – available-for-sale

Available-for-sale financial assets valued using valuation techniques or pricing models primarily consists of unquoted equities and debt securities.

These assets are valued using models that use both observable and non-observable data. The non-observable inputs to the models include assumptions regarding the future financial performance of the investee, its risk profile, and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates.

Other trading assets

Other trading assets valued using a valuation technique consists of certain debt securities and assets-backed securities. The Bank values the securities using discounted cash flow valuation models which incorporate observable and non-observable data. Observable inputs include assumptions regarding current rates of interest and broker statements. Non-observable inputs include assumptions regarding expected future default rates, prepayment rates and market liquidity discounts.

Loans and receivables designated at fair value through profit or loss

For loans and receivables designated at fair value through profit or loss, a discounted cash flow model is used based on various assumption, including current and expected future credit losses, market rated of interest, prepayment rates and assumptions regarding market liquidity, where relevant.

Other liabilities designated at fair value through profit or loss

For unquoted noted issued, a discounted cash flow model is used based on a current interest rate yield curve appropriate for the remaining term to maturity adjusted for market liquidity and credit spreads.

The table below summarises the Bank's financial instruments measured at fair value:

	Total RM	Level 1 RM	Level 2 RM	Level 3 RM
2011				
Financial Assets				
Investment Securities:				
Available-for-sale				
Private Debt Securities	1,308,141,734	-	1,308,141,734	-
Malaysian Government Securities	774,512,850	774,512,850	-	-
Quoted Shares	514,308,366	514,308,366	-	-
	2,596,962,950	**1,288,821,216**	**1,308,141,734**	**-**

	Total RM	Level 1 RM	Level 2 RM	Level 3 RM
2010				
Financial Assets				
Investment Securities:				
Available-for-sale				
Private Debt Securities	1,253,838,660	-	1,253,838,660	-
Malaysian Government Securities	402,708,000	402,708,000	-	-
Quoted Shares	586,593,878	586,593,878	-	-
Unquoted Shares	1,188,934	1,188,934		
	2,244,329,472	**990,490,812**	**1,253,838,660**	**-**

C. ANALYSIS OF FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT BASIS

	Held-to-maturity securities RM	Loans and receivables RM	Available-for-sale securities RM	Financial assets and liabilities at amortised cost RM	Total RM
2011					
Financial Assets					
Cash and short term funds	-	3,413,040,341	-	-	3,413,040,341
Deposits with financial institutions	-	20,000,000	-	-	20,000,000
Investment securities	296,498,961	-	2,587,329,230	-	2,883,828,191
Loans, financing and advances	-	6,042,899,695	-	-	6,042,899,695
	296,498,961	**9,475,940,036**	**2,587,329,230**	**-**	**12,359,768,227**
Financial Liabilities					
Deposits from customers	-	-	-	7,723,069,442	7,723,069,442
Loans from OECF	-	-	-	46,498,531	46,498,531
Financing Scheme Funds	-	-	-	1,728,904,575	1,728,904,575
	-	**-**	**-**	**9,498,472,548**	**9,498,472,548**

	Held-to-maturity securities RM	Loans and receivables RM	Available-for-sale securities RM	Financial assets and liabilities at amortised cost RM	Total RM
2010					
Financial Assets					
Cash and short term funds	-	2,756,301,035	-	-	2,756,301,035
Investment securities	460,487,536	-	2,234,391,538	-	2,694,879,074
Loans, financing and advances	-	5,568,079,661	-	-	5,568,079,661
	460,487,536	**8,324,380,696**	**2,234,391,538**	**-**	**11,019,259,770**
Financial Liabilities					
Deposits from customers	-	-	-	6,452,753,638	6,452,753,638
Loans from OECF	-	-	-	63,982,727	63,982,727
Financing Scheme Funds	-	-	-	1,792,250,699	1,792,250,699
	-	**-**	**-**	**8,308,987,064**	**8,308,987,064**

50. PRIOR YEAR'S ADJUSTMENTS AND COMPARATIVES

(a) Prior year's adjustments

Details of prior year's adjustments to the Bank and the Islamic banking business of the Bank are as follows:

(i) Term loans of the Bank as at 31 December 2010 and 1 January 2010 have been restated to recognise the effect of retranslation of Japanese Yen ("JPY") term loans from Overseas Economic Cooperation Fund ("OECF") based on the exchange rate at the reporting date. In the previous financial year, these loans were not retranslated in accordance with the requirement of FRS 121 The Effect on Changes of Foreign Exchange Rates.

There is no effect to the opening balance of accumulated losses of the Bank as at 1 January 2010 and in the statement of comprehensive income of the Bank for the year ended 31 December 2010 as foreign exchange loss on settlement of the JPY term loans is compensated by the Government of Malaysia.

(ii) The entire computer software and software under development in property, plant and equipment of the Bank has been reclassified to intangible assets in accordance with the requirement of FRS 138 Intangible Assets. The effects on the opening balances on intangible assets and property, plant and equipment in prior and current year are disclosed in Note 50(b).

(iii) The entire bad debts recovered in fee and other operating income and income from financing of the Bank has been reclassified to loan impairment (reversal)/charges due to changes in presentation format.

(iv) Fund for Ministry of Youth and Sports ("DKBS") has been reclassified from Loan Scheme Funds to Government Grant – Funds in line with the key terms of the funds.

(b) Comparatives

The effects of prior year's adjustments as described in Note 49 above are as follows:

	Note	As at 31 December 2010 As previously stated RM	Prior year adjustment RM	As restated RM
Statement of Financial Position				
Assets				
Other receivables	49(a)(i)	69,998,776	27,453,970	97,452,746
Property, plant and equipment	49(a)(ii)	210,865,255	(22,760,983)	188,104,272
Intangible assets	49(a)(ii)	-	22,760,983	22,760,983
Liabilities				
Loan from OECF	49(a)(i)	36,528,757	27,453,970	63,982,727
Statement of Comprehensive Income				
Fee and other operating income	49(a)(iii)	52,984,633	(44,475,686)	8,508,947
Income from financing	49(a)(iii)	343,294,543	(3,491,976)	339,802,567
Loan impairment (reversal)/charges	49(a)(iii)	139,784,441	(47,967,662)	91,816,779
Financing impairment charges	49(a)(iii)	121,320,702	(3,491,976)	117,828,726

51. ISLAMIC BANKING

The state of affairs and the results of Islamic Banking Operations under the Islamic Banking Division included in the financial, statements are summarised as follows:

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

	Note	2011 RM	2010 RM
Income from Islamic Banking	a	405,410,176	339,802,567
Financing impairment charges	b	(44,799,128)	(117,828,726)
Net income		360,611,048	221,973,841
Overhead expenses	c	(121,884,974)	(3,284,564)
Profit before Zakat		**238,726,074**	**218,689,277**
Zakat		(4,271,592)	(281,194)
Profit after Zakat		**234,454,482**	**218,408,083**
Other comprehensive income			
Net value gains on available for sale financial assets		14,414,608	7,177,677
Derecognition of investment revaluation reserve – disposal of AFS		(7,111,020)	(5,172,100)
Other comprehensive income for the year, net of tax		**7,303,588**	**2,005,577**
Total comprehensive income for the year		**241,758,070**	**220,413,660**

STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2011

	Note	2011 RM	2010 RM
ASSETS			
Cash and short term funds	d	1,564,541,091	1,495,080,897
Deposits with financial institutions	e	20,000,000	-
Investment securities	f	1,102,164,439	878,914,610
Financing and advances	g	4,263,858,597	3,355,791,755
Property, plant and equipment		2,850,660	2,049,957
Other assets	h	45,950,272	16,908,323
TOTAL ASSETS		**6,999,365,059**	**5,748,745,542**
LIABILITIES AND EQUITY			
Liabilities			
Deposits from customers	i	5,020,901,122	2,977,901,968
Profit payable and others	j	81,035,463	49,741,870
Government borrowings and financing scheme funds	k	1,430,226,622	1,467,005,179
Government Grant - funds	l	14,921,043	22,224,016
Total Liabilities		**6,547,084,250**	**4,516,873,033**
Equity			
Islamic Banking Fund	m	**452,280,809**	**1,231,872,509**
Total Equity		**452,280,809**	**1,231,872,509**
TOTAL LIABILITIES AND EQUITY		**6,999,365,059**	**5,748,745,542**

STATEMENT OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

	2011 RM	2010 RM
CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES		
Profit before zakat	238,726,074	218,689,277
Adjustments for:		
Financing impairment charges	44,289,346	121,320,702
Profit expense on Government borrowings and financing scheme funds	3,236,569	2,331,747
Depreciation of property, plant and equipment	493,577	413,650
Write off of property, plant and equipment	10,548	-
Operating Profit Before Working Capital Changes	**286,756,114**	**342,755,376**
Increase in:		
Financing and advances	(958,572,786)	(265,410,842)
Other assets	(29,041,949)	(9,007,093)
Deposits with financial institutions	(20,000,000)	-
Increase/(Decrease) in:		
Deposits from customers	2,042,999,154	275,140,522
Profit payables and others	28,403,407	(89,141,842)
Reimbursement to conventional system	(1,021,349,770)	(12,953,549)
Cash Generated From Operations	**329,194,170**	**241,382,572**
Zakat paid	(1,381,406)	(1,275,282)
Net Cash From Operating Activities	**327,812,764**	**240,107,290**

	2011 RM	2010 RM
CASH FLOW USED IN INVESTMENT ACTIVITIES		
Increase in investment securities	(215,946,241)	(486,487,782)
Purchase of property, plant and equipment	(1,304,828)	(451,129)
Net Cash Used In Investment Activities	**(217,251,069)**	**(486,938,911)**
CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		
Profit paid on Government borrowings and financing scheme funds	(907,577)	(96,019)
Proceeds from:		
Fund For Food (“3F”)	-	295,000,000
Food Production Credit Scheme (“SKPM”)	-	10,000,000
Loan for Small and Medium Size Industries (“PKS”)	-	15,000,000
Special Fund for Terengganu Fishery (“DKSP”)	(1,086,375)	(1,032,603)
Repayments of Government borrowings and financing scheme funds	(39,107,549)	(6,355,665)
Net Cash (Used in)/from Financing Activities	**(41,101,501)**	**312,515,713**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**69,460,194**	**65,684,092**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**1,495,080,897**	**1,429,396,805**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**1,564,541,091**	**1,495,080,897**
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash and short term funds	1,564,541,091	1,495,080,897
	1,564,541,091	**1,495,080,897**

Note a: Income from financing

	2011 RM	2010 RM
Income from Islamic Banking business		
Financing	268,051,185	264,495,479
Income from financial institutions		
Profits from deposits from financial institutions	43,389,944	37,210,272
Profits from investment securities:		
Held to maturity (HTM)	5,659,076	7,738,143
Available for sale (AFS)	29,674,566	12,684,383
Gain on disposal of investment securities:		
Available for sale (AFS)	4,892,046	5,308,166
Fee Income		
Financing processing fees	26,090,795	28,012,260
Banking service fees	18,837,515	15,383,458
Ar-Rahnu fee	75,600,668	17,033,257
	472,195,795	387,865,418
Less: Profit attributable to customers		
Al-Mudharabah deposits	55,656,432	41,117,964
Al-Mudharabah savings	3,039,204	2,858,847
Agro Perdana-*i*	2,967,673	2,002,156
Agro-*i* deposits	3,331,908	1,647,216
Al-Wadiah savings	552,656	565,319
Agro Muda–*i*	731,526	158,319
Agro Tetangga-*i*	48,392	13,726
	66,327,791	48,363,547
Fund For Food (“3F”)	2,628,647	1,809,399
Food Production Credit Scheme (“SKPM”)	250,000	243,767
Loan for Small and Medium Size Industries (“PKS”)	250,000	230,377
Fund for Small and Medium-Sized Industries (“TIKS”)	33,970	35,670
Non-Food Production Credit Scheme (“SKPBM”)	73,952	12,534
	69,564,360	50,695,294
Special Fund for Terengganu Fishery (“DKSP”) (Note 41)	1,086,375	1,032,603
Staff financing	997,801	1,003,797
Reimbursement of Special Relief Grant for Flood (“SRGF”)	399,698	523,797
Other income	294,867	72,246
	405,410,176	**339,802,567**

Of which:

	2011 RM	2010 RM
Profit income earned on impaired financing and advances	**28,996,839**	**26,317,557**

There is an intra borrowing charged by Conventional Banking on Islamic Banking for the usage of fund amounting to RM23,066,962 (2010: RM15,849,082).

Note b: Financing impairment charges

	2011 RM	2010 RM
Financing and advances:		
Allowance for the year	79,390,673	116,848,045
Amount written back upon recoveries and reversal of allowance	(94,533,746)	(49,864,013)
Individual impairment loss - net	(15,143,073)	66,984,032
Collective impairment loss	59,432,419	54,336,670
Bad debts and financing:		
Written off	4,307,173	-
Recovered	(3,797,391)	(3,491,976)
	44,799,128	**117,828,726**

Note c: Overhead expenses

	2011 RM	2010 RM
Personnel costs		
Salary, allowance and bonus	102,412,974	669,017
EPF contributions	11,939,697	58,105
SOCSO contributions	1,242,336	3,256
Staff welfare	115,286	38,983
Others	151,480	77,581
	115,861,773	**846,942**
Maintenance costs		
Printing, stationery and office supply	866,851	689,820
Insurance	250,170	561,439
Depreciation of property, plant and equipment	493,577	413,650
Water and electricity	376,675	49,886
Rental of premises	290,350	50,780
Others	92,877	20,119
	2,370,500	**1,785,694**
Marketing expenses		
Advertising and promotions	88,219	317,979
Others	-	500
	88,219	**318,479**
General administrative expenses		
Communication expenses	1,516,773	99,205
Security charges	234,316	66,792
Legal fees	64,392	64,803
Others	1,749,001	102,649
	3,564,482	**333,449**
	121,884,974	**3,284,564**

Note d: Cash and short term funds

	2011 RM	2010 RM
Cash and bank balances	92,221,732	50,463,049
Short term deposits maturing within three months:		
Licensed banks	811,784,705	813,994,620
Other financial institutions	660,534,654	630,623,228
	1,564,541,091	**1,495,080,897**

Note e: Deposits with financial institutions

	2011 RM	2010 RM
Other financial institutions	**20,000,000**	**-**

Note f: Investment securities

	2011 RM	2010 RM
Debt Securities		
Available For Sale – at fair value		
Corporate Bonds	470,212,129	303,483,296
Malaysian Goverment Securities	462,462,850	300,034,000
	932,674,979	**603,517,296**
Held To Maturity – at amortised cost		
Corporate Bonds	47,354,091	150,845,014
Commercial Papers	9,972,055	114,385,003
Malaysian Goverment Securities	112,163,314	10,167,297
	169,489,460	**275,397,314**
Net	**1,102,164,439**	**878,914,610**
Maturity structure for investments held to maturity is as follows:		
Maturity within six months	9,972,055	214,385,003
Between six months to one year	20,115,627	5,000,000
Between one year to three years	118,738,642	10,000,000
Between three years to five years	-	10,167,297
More than five years	20,663,136	35,845,014
	169,489,460	**275,397,314**

Note g: Financing and advances

	2011 RM	2010 RM
Bai-Al-Inah	2,484,967,885	2,289,613,212
BBA Project and Vehicle	1,389,131,994	1,436,425,217
Fund For Food ("3F")	814,110,099	682,882,821
Ar-Rahnu	913,854,028	242,739,537
Fishery Boat Financing Scheme ("SPBP")	92,845,247	117,302,877
MUST-*i*	117,005,296	86,639,901
Oil Palm Replanting Scheme ("TASK")	45,163,413	59,429,431
MAP and MPPB Financing	104,097,774	60,322,835
Loan for Small and Medium Size Industries ("PKS")	66,786,389	49,628,381
Non-Food Production Credit Scheme ("SKPBM")	107,040,655	88,477,961
Food Production Credit Scheme ("SKPM")	20,833,800	32,968,843
Belia Tani Scheme	12,892,279	15,266,571
Entrepreneur Scheme for Graduates ("SUTKS – Financing")	7,449,250	11,419,860
Special Fund for Terengganu Fishery ("DKSP")	1,878,619	2,627,134
Fund for Small and Medium Size Industries ("TIKS")	2,557,483	2,684,225
Modal Pusingan-*i*	4,411,754	986,130
Ar-Rahnu Savings	1,242	-
	6,185,027,207	**5,179,414,936**
Less: Unearned profit	(1,555,044,966)	(1,338,553,143)
	4,629,982,241	**3,840,861,793**
Less:		
Individual impairment loss	(179,489,777)	(363,400,049)
Collective impairment loss	(223,988,127)	(155,799,963)
	4,226,504,337	**3,321,661,781**
Staff financing	37,354,260	34,129,974
Net	**4,263,858,597**	**3,355,791,755**
Maturity structure for financing is as follows:		
Maturity within six months	940,478,630	282,788,814
Between six months to one year	34,021,758	18,801,025
Between one year to three years	305,575,470	280,609,609
Between three years to five years	757,521,765	640,252,812
More than five years	2,592,384,618	2,618,409,533
	4,629,982,241	**3,840,861,793**

Note h: Other assets

	2011 RM	2010 RM
Profit receivable from investment securities	11,264,340	9,543,613
Income receivables from Ar-Rahnu	34,647,856	7,322,962
Refundable deposits and prepayments	38,076	41,466
Other assets	-	282
	45,950,272	**16,908,323**

Note i: Deposits from customers

	2011 RM	2010 RM
Al-Wadiah savings	71,536,116	69,133,645
Al-Mudharabah savings	274,789,612	275,116,213
Al-Mudharabah general deposits	2,047,673,194	1,535,829,179
Agro Perdana-*i*	2,563,838,504	1,038,794,944
Deposit securities	63,061,812	59,027,987
Basic Saving Account	1,884	-
	5,020,901,122	**2,977,901,968**
Maturity structure for Al-Mudharabah general deposits is as follows:		
Within six months	1,168,739,109	1,216,462,347
Between six months to one year	831,962,349	283,191,495
Between one year to three years	10,474,246	17,232,913
Between three years to five years	36,497490	18,942,424
	2,047,673,194	**1,535,829,179**

Note j: Profits payable and others

	2011 RM	2010 RM
Al-Mudharabah general deposits	24,045,014	20,991,219
Other liabilities	52,144,185	26,794,573
Zakat payable	4,846,264	1,956,078
	81,035,463	**49,741,870**

Note k: Government borrowings and financing scheme funds

	2011 RM	2010 RM
Fund For Food ("3F")	1,034,449,323	1,068,206,984
Oil Palm Replanting Scheme ("TASKS')	15,000,000	15,000,000
Low Intensity Tapping Systems ("LITS Scheme")	-	1,026,965
Fund for Small and Medium Industries ("TIKS")	2,257,480	2,284,552
Food Production Credit Scheme ("SKPM")	100,493,767	100,243,767
Fishery Boat Financing Scheme ("SPBP")	140,000,000	140,000,000
Enterprenuer Scheme for Graduates ("SUTKS-Financing")	10,000,000	10,000,000
Non-Food Production Credit Scheme ("SKPBM")	27,545,675	30,012,534
Loan for Small and Medium Size Industries ("PKS")	100,480,377	100,230,377
	1,430,226,622	**1,467,005,179**

Note l: Government Grant - funds

	2011 RM	2010 RM
Entreprenuer Scheme for Graduates ("SUTKS")	560,430	1,985,118
Special Fund for Terengganu Fishery ("DKSP")	2,056,878	3,338,140
Fund for Ministry Youth and Sports ("DKBS")	12,303,735	16,900,758
	14,921,043	**22,224,016**

Note m: Islamic Banking Fund

	2011 RM	2010 RM
Retained earnings	624,518,257	390,063,775
General reserve	849,741,880	849,741,880
Reimbursement to conventional system	(1,032,171,256)	(10,821,486)
Investment revaluation reserve	10,191,928	2,888,340
	452,280,809	**1,231,872,509**
Retained earnings		
At beginning of the year	390,063,775	300,720,339
Profit after zakat	234,454,482	89,343,436
At end of the year	624,518,257	390,063,775
Reimbursement to conventional system		
At beginning of the year	(10,821,486)	2,132,063
Net reimbursement	(1,021,349,770)	(12,953,549)
At end of the year	(1,032,171,256)	(10,821,486)
Investment revaluation reserve		
At beginning of the year	2,888,340	882,763
Other comprehensive income for the year	7,303,588	2,005,577
At end of the year	10,191,928	2,888,340

Note n: Capital adequacy

	2011 %	2010 %
Before deducting proposed dividend:		
Core capital ratio	9.12	30.47
Risk-weighted capital ratio	10.59	31.54

	2011 RM	2010 RM
Components of Tier I and Tier II Capital		
Tier I Capital		
General reserve	849,741,880	849,741,880
Reimbursement to conventional system	(1,032,171,256)	(10,821,486)
Retained earnings	624,518,257	390,063,775
Total Tier I Capital	**442,088,881**	**1,228,984,169**
Tier II Capital		
Collective impairment allowance	68,646,559	37,834,369
Government grant – funds	2,617,308	5,323,258
Total Tier II Capital	**71,263,867**	**43,157,627**
Total Capital Base	**513,352,748**	**1,272,141,796**

The breakdown of risk-weighted assets in the various categories of risk-weights is as follows:

	Notional RM	Risk-weighted RM
0%	840,339,637	-
10%	-	-
20%	1,722,780,738	344,556,147
50%	24,816,643	12,408,321
100%	4,411,428,041	4,411,428,041
Off balance sheet risk-weighted assets	-	80,805,306
Total risk-weighted assets as of 31 December 2011	**7,029,365,059**	**4,849,197,815**
0%	420,074,199	-
10%	-	-
20%	1,744,538,196	348,907,639
50%	22,507,869	11,253,934
100%	3,561,625,278	3,561,625,278
Off balance sheet risk-weighted assets	-	111,936,278
Total risk-weighted assets as of 31 December 2010	**5,748,745,542**	**4,033,723,129**

The disclosure of the capital adequacy ratios of the Bank's Islamic banking business as set out above is in accordance with the Bank Negara Malaysia Circular dated 19 November 2002 on "Pematuhan Nisbah Modal Berwajaran Risiko Bagi Portfolio Perbankan Islam". In this circular, it is stipulated that all financial institutions participating in the Islamic Banking Scheme are required to comply with a minimum core capital ratio of 4% and a minimum risk-weighted capital ratio of 8% with effect from 2 January 2002.

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