



LAPORAN TAHUNAN 2010 ANNUAL REPORT

Mara Ke Hadapan
Moving Forward



KANDUNGAN

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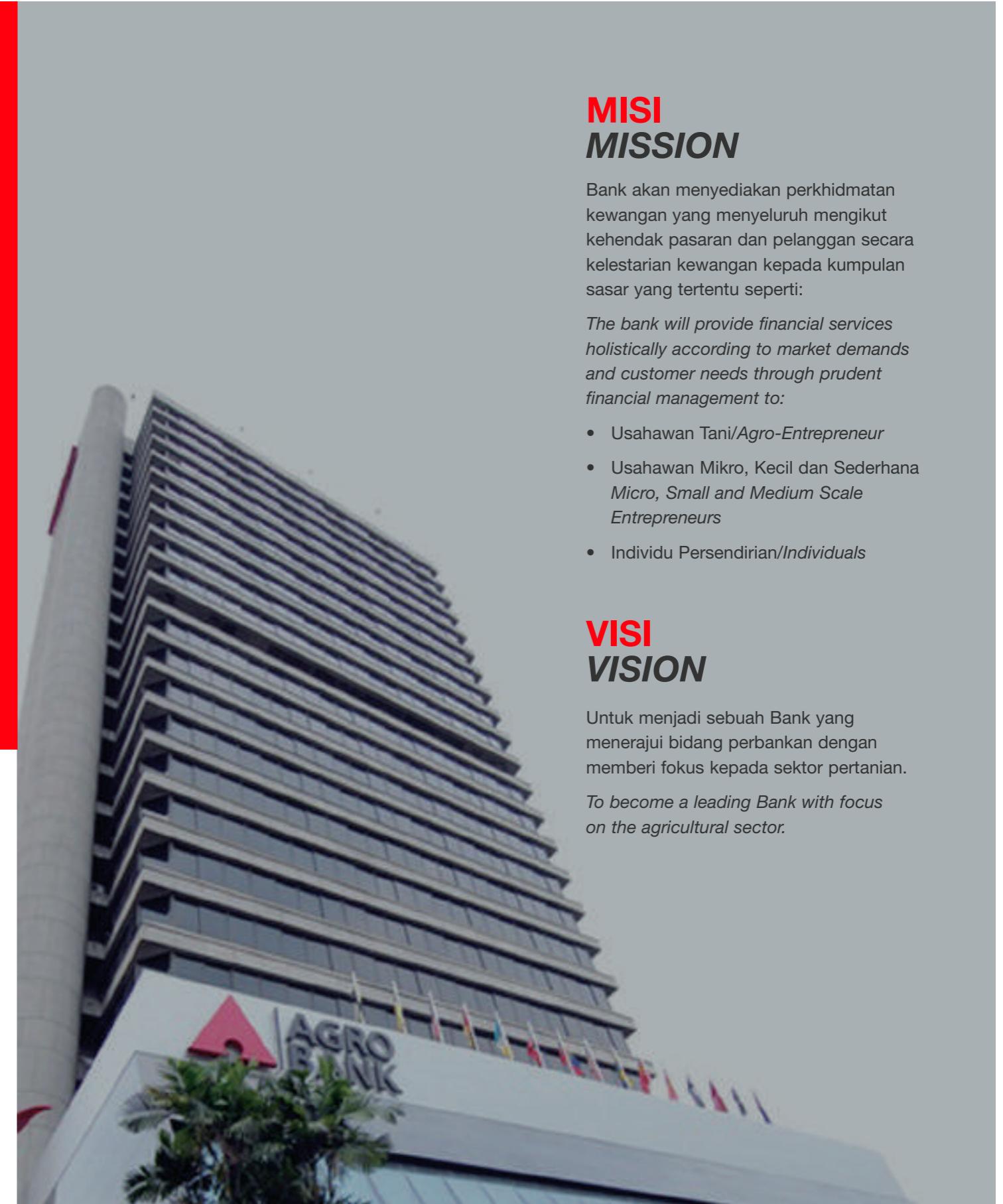


Mara Ke Hadapan

Bermula sebagai sebuah institusi kewangan yang menerajui bidang pertanian, Agrobank kini telah maju selangkah ke hadapan dengan menawarkan perkhidmatan kewangan yang menyeluruh. Setiap perjalanan bermula dengan langkah pertama. Melangkah ke hadapan, Agrobank memfokuskan kepada pembangunan yang berterusan, sama ada menerusi penambahan bilangan rangkaian cawangan ataupun keuntungan melalui pelbagai sumber pendapatan yang mampan, sementara mengekalkan tumpuan kepada pertanian.

Moving Forward

From its humble beginnings as a financial institution specializing in the agricultural field, Agrobank has taken a step forward in realizing its aspiration to becoming a one-stop financial service centre. A journey begins with the first step. Moving forward, Agrobank is focused on continuous growth, whether it is increasing the number of branch networks or profits through multiple and sustainable revenue sources, whilst maintaining a focus on agriculture.



MISI MISSION

Bank akan menyediakan perkhidmatan kewangan yang menyeluruh mengikut kehendak pasaran dan pelanggan secara kelestarian kewangan kepada kumpulan sasar yang tertentu seperti:

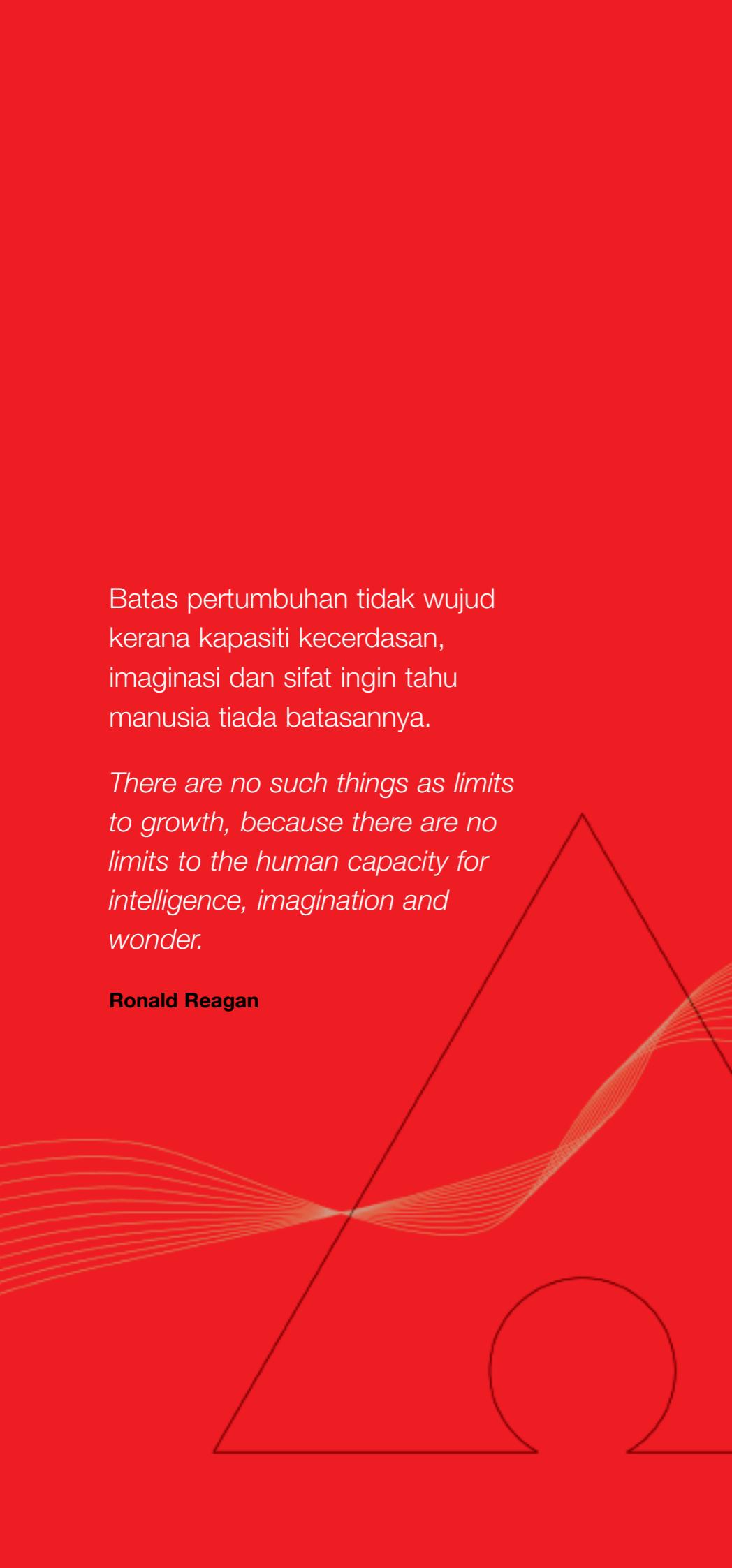
The bank will provide financial services holistically according to market demands and customer needs through prudent financial management to:

- Usahawan Tani/Agro-Entrepreneur
- Usahawan Mikro, Kecil dan Sederhana Micro, Small and Medium Scale Entrepreneurs
- Individu Persendirian/Individuals

VISI VISION

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

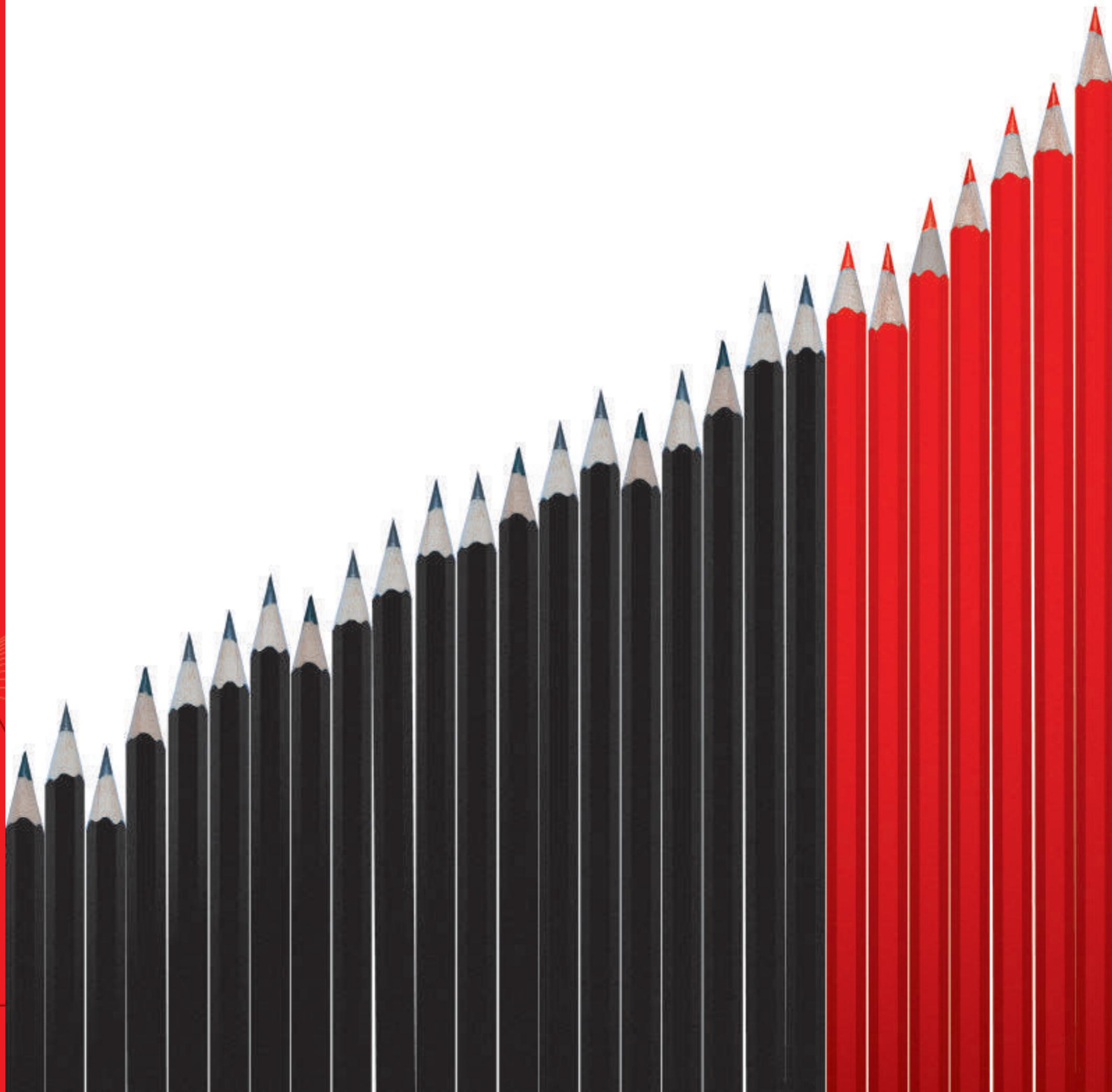
To become a leading Bank with focus on the agricultural sector.



Batas pertumbuhan tidak wujud
kerana kapasiti kecerdasan,
imajinasi dan sifat ingin tahu
manusia tiada batasannya.

*There are no such things as limits
to growth, because there are no
limits to the human capacity for
intelligence, imagination and
wonder.*

Ronald Reagan



Objektif

- Menyediakan perkhidmatan kewangan dan perbankan dengan fokus kepada sektor pertanian
- Meningkat dan menggalakkan pembiayaan pertanian oleh sektor perbankan komersil
- Menjadi salah satu agen bagi program pembangunan kerajaan
- Menjadi pusat kepakaran pertanian
- Menyediakan penarafan kredit pertanian

Status Korporat

Bank Pertanian Malaysia telah dikorporatkan di bawah Akta Syarikat 1965 dan didaftarkan atas nama Bank Pertanian Malaysia Berhad (BPMB). BPMB tertubuh apabila Rang Undang-Undang BPMB 2007 diluluskan pada 19 Disember 2007. BPMB atau nama komersilnya Agrobank, adalah sebuah bank milik kerajaan (GLC) di bawah Menteri Kewangan Diperbadankan (MKD). Walaubagaimanapun, dasar pembiayaan bagi sektor pertanian adalah berpandukan polisi yang ditetapkan oleh Kementerian Pertanian dan Industri Asas Tani.

Objectives

- Provides financial and banking services with a focus on the agricultural sector*
- Upgrades and encourages agricultural financing by the commercial banking sector*
- To become one of the agents for the Government's development programme*
- To become the centre of agricultural expertise*
- Provides credit rating for agriculture*

Corporate Status

Bank Pertanian Malaysia Berhad (BPMB) was registered and incorporated under the Companies Act 1965. BPMB was formed when the BPMB Bill 2007 was passed on December 19, 2007. BPMB which is also commercially known as Agrobank, is a government-linked bank (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.



Lembaga Pengarah Board of Directors

- TAN SRI FAIZAH MOHD TAHIR**
Pengerusi Bebas Bukan Eksekutif/
Independent Non-Executive Chairman
(Dilantik mulai 5 Ogos 2010/Appointed effective 5 August 2010)
- DATO' MOHAMED SALLEH BAJURI**
Pengerusi Bebas Bukan Eksekutif/
Independent Non-Executive Chairman
(Berkhidmat sehingga 19 Jun 2010/In service until 19 June 2010)
- ENCIK WAN MOHD FADZMI WAN OTHMAN FADZILAH**
Presiden/Ketua Pegawai Eksekutif
President/Chief Executive Officer
(Dilantik mulai 1 Julai 2011/Appointed effective 1 July 2011)
- DATUK AHMAD SAID**
Pengarah Urusan/Managing Director
(Berkhidmat sehingga 30 Jun 2011/In service until 30 June 2011)
- DATUK DR. SAHARAN HAJI ANANG**
Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director
- PUAN RASHIDAH MOHD SIES**
Pengarah Bukan Bebas Bukan Eksekutif
Non-Independent Non-Executive Director
(Dilantik mulai 8 Jun 2010/Appointed effective 8 June 2010)
- DATUK JOHAR CHE MAT**
Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director
(Dilantik mulai 1 Julai 2010/Appointed effective 1 July 2010)
- ENCIK NG CHIH KAYE**
Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director
(Dilantik mulai 8 Februari 2011/Appointed effective 8 February 2011)
- DATIN RUZAINA WAN HANIFF**
Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director
(Dilantik mulai 1 Mac 2011/Appointed effective 1 March 2011)
- ENCIK MD HILMI DATUK HAJI MD NOOR**
Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director
(Dilantik mulai 1 Mac 2011/Appointed effective 1 March 2011)
- DATO' CHE MOHD HASHIM ABDULLAH**
Pengarah Bukan Bebas Bukan Eksekutif
Non-Independent Non-Executive Director
(Dilantik mulai 2 Mei 2011/Appointed effective 2 May 2011)
- DATO' MOHD HANIF SHER MOHAMED**
Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director
(Berkhidmat sehingga 2 Jun 2010/In service until 2 June 2010)
- DATUK DR. ELIAS KADIR**
Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director
(Berkhidmat sehingga 2 Jun 2010/In service until 2 June 2010)
- DATO' MOHD MOKHTAR ISMAIL**
Pengarah Bukan Bebas Bukan Eksekutif
Non-Independent Non-Executive Director
(Berkhidmat sehingga 11 November 2010/
In service until 11 November 2010)
- DATUK DR. RAHAMAT BIVI YUSOFF**
Pengarah Bukan Bebas Bukan Eksekutif
Non-Independent Non-Executive Director
(Berkhidmat sehingga 6 Mei 2010/In service until 6 May 2010)

Pejabat Berdaftar Registered Office

Tingkat 12, Bangunan Setia 1
15 Lorong Dungun
Bukit Damansara
50490 Kuala Lumpur

Ibu Pejabat Head Office

Bank Pertanian Malaysia Berhad
Lebuh Pasar Besar
Peti Surat 10815
50726 Kuala Lumpur
Tel : (603)-2731 1600
Faks : (603)-2691 4908

Juruaudit Auditors

TETUAN DELOITTE KASSIM CHAN
Level 19, Uptown 1
Damansara Uptown 1
Jalan SS 21/58,
47400 Petaling Jaya
Selangor Darul Ehsan
Tel : (603) - 7723 6500, 7726 1833
Faks : (603) - 7726 3986, 7726 8986
Web : <http://www.deloitte.com.my>

Tarikh Diperbadankan Incorporated

31 Mac 2008 di bawah Akta Syarikat 1965
31 Mac 2008 under the Companies Act 1965

Laman Web Website

<http://www.agrobank.com.my>



Kami dengan penuh amanah dan bertanggungjawab akan memastikan semua pelanggan mendapat layanan yang mesra, saksama dan sempurna selaras dengan Wawasan dan Misi Bank Pertanian Malaysia Berhad (811810-U).

Kami akan mengamalkan dan menghayati pengurusan berkesan, prihatin, komited serta responsif terhadap keperluan pelanggan yang menyeluruh secara berterusan dengan:

- 1** Memberikan perkhidmatan kaunter secara iklhas, mesra, cepat dan tepat
- 2** Memastikan urusan deposit dan pengeluaran tunai diselesaikan dalam tempoh 3 minit*
- 3** Memastikan urusan bagi perkhidmatan-perkhidmatan kaunter lain** diselesaikan dalam tempoh 10 minit*
- 4** Memastikan semua permohonan pinjaman* memperolehi keputusan dalam tempoh yang ditetapkan***
- 5** Sentiasa bersedia menerima cadangan dan maklumbalas daripada pelanggan
- 6** Memastikan semua aduan daripada pelanggan diterima dengan positif dan dijawab dalam tempoh tiga (3) hari bekerja

Kami berusaha dengan penuh tekun, dedikasi dan berterusan untuk menjadikan Agrobank sebagai peneraju bidang perbankan dengan memberi fokus kepada sektor pertanian di Malaysia.

* Bermula dari penyerahan borang yang lengkap

** Pembukaan/penutupan akaun, pembayaran bil, deposit syiling, pelunasan Arahan Giro Perdana, pengeluaran melalui cek dan pembelian Skim Perlindungan Kemalangan Pelanggan (SPKP)

*** Tempoh keputusan mengikut peringkat berikut:-

Cawangan	-	7 hari bekerja
Pejabat Negeri	-	12 hari bekerja
Ibu Pejabat	-	17 hari bekerja
Lembaga Pengarah	-	30 hari bekerja

Tertakluk kepada syarat dan peraturan Agrobank

We are determined to ensure all of our customers receive friendly, impartial and impeccable services in line with the Mission and Vision of Bank Pertanian Malaysia Berhad (811810-U).

We will practice and observe effective, scrupulous, committed and responsive management of our customers' overall needs continuously by:

- 1** *Rendering courteous, efficient and reliable counter services*
- 2** *Ensuring all deposits and cash withdrawal services be completed within 3 minutes**
- 3** *Ensuring other counter services** be completed within 10 minutes**
- 4** *Ensuring the results of loan applications* be conveyed within the prescribed period of time****
- 5** *Always open to suggestions and feedback from customers*
- 6** *Ensuring customers' complaints are received with positive manner and response to be given within three (3) working days from the day of receipt of complaints*

We strive with continuous dedication and perseverance to ensure Agrobank becomes the leading bank with a focus on agriculture in Malaysia.

* Upon submission of complete forms

** Opening/closing of accounts, bill payments, and coins deposits, amortization of Arahan Giro Perdana, cheque withdrawal and purchase of Customer Accident Protection Scheme.

*** Results time frame according to level:-

Branches	-	7 working days
State Offices	-	12 working days
Headquarters	-	17 working days
Board of Directors	-	30 working days

Subject to Agrobank's Terms and Conditions

Skim Ar-Rahnu beri kemudahan

Agrobank tawar perbankan elektronik akhir tahun

Agro Bank revises loan growth target

Ar-Rahnu Agrobank dibuka di Kuala Nerang

Agrobank naikkan jumlah pinjaman tanaman padi

Ganjaran kereta tarikan menabung di Agrobank

Ar-Rahnu popular di Kelantan

AGROBANK mengeluarkan Ar-Rahnu untuk pertama kali di negeri pada gredikat Islamic Ar-Rahnu, diambil dari nama maklumat RM100 jata rataan dan berfungsi RM100 jata rataan.

Tarikh Pengajuan Selangor Koperasi Andabank Melaka-Che Tali, kerajaan segera persetujui walaupun masih dalam masa kira-kira lima bulan yang lalu, sebagaimana perlu dilakukan.

"Ar-Rahnu adalah produk yang dibentuk oleh sektor Agrobank dan seolah-olah akan membantu operasi perniagaan walaupun masih dalam masa kira-kira lima bulan," katanya.

Pada mulanya ini, terdapat 25 produk bebas dari sektor Pa-Gro yang dipilih Agrobank bagi memenuhi keperluan produk pada masa kini.

"Ar-Rahnu adalah produk yang dibentuk oleh sektor Pa-Gro yang dipilih Agrobank bagi memenuhi keperluan produk pada masa kini.



PROSESI Muktamad (kanan) melaporkan 15 penaruh baru datan pinjaman produk Ar-Rahnu.



JAMALUDIN Mahfodz (kanan) bersama Abdul Rahman Bakar, melihat logo baru GPMM yang akan menjadi imej gabungan itu di Putrajaya, Iskandar.

Biaya walit RM67 juta

PUTRAJAYA 6 Okt. — Agrobank telah mengeluarkan pembelianan berjumlah RM67.7 juta kepada mereka yang berminat mencari industri sarang burung walit yang semakin berkembang di negara ini.

Pembelianan itu disediakan melalui peruntukan yang diberikan oleh Kementerian Pertanian dan Industri Asas Tani bertujuan menggalakkan pelaburan di dalam industri berkenaan berikutnya perniagaan tinggi terutamanya di China.

Pembelianan itu mula diseleksikan sejak awal tahun ini, kini menerangkan 200 individu dan kumpulan untuk mendapatkan pinjaman mereka dari bank tersebut.

Pengurusan Agrobank (Pemas-

aran Jualan), Jamaludin Mahfodz berkata, pinjaman itu digunakan untuk membina "rumah" burung serta menyediakan sistem buniyan untuk menarik perhatian burung walit membina sarang.

"Berdasarkan pengalaman pihak bank, pengusaha sudah mampu membuat pembayaran balik tidak sampai setahun walaupun dibenarkan manungekuhan bayaran selama 12 bulan," katanya.

Beliau berkata demikian selepas menyampaikan cerasan mengenai peruntukan perusahaan burung walit pada dalam seminar yang dianjurkan oleh Gabungan Pengusaha Makam Halal Malaysia (GPMM) di sini baru-baru ini. Turut hadir ialah Presiden GPMM, Abdul Rahman Bakar.

Agrobank aktifkan semula 'menyudut'



PROSESI menyudut semula Agrobank di Putrajaya.

Agrobank tak lantik ejen urus pinjaman

AGROBANK tidak pernah mendekati ejen atau individu untuk membentuk perniagaan sebagai pengurusan relaksasi atau pinjaman bagi menjalankan syarikat yang dimulakan sendiri.

Preparah Drusmanya,

Dato' Ahmad Said, berkata beberapa pelaburan ditinggalkan kerana perniagaan yang dimulakan sendiri.

"Jika anda individual yang berkecimpung dalam usaha dan aktiviti perniagaan seperti mencipta produk atau teknologi, kita boleh membantu anda dengan masa-masa orang lepas."

"Saya tidak pernah membentuk perniagaan dengan orang lain kerana ia bukanlah usaha dan aktiviti perniagaan," katanya.

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Katanya, bayaran yang

dilaksukan adalah setiap RM200 untuk penjualan kerang dan yuran maklumat.

"Selain itu,

pelaburan tidak akan ber-

hasil jika anda tidak

mempunyai modal.

"Kita tidak pernah membentuk perniagaan dengan orang lain kerana ia bukanlah usaha dan aktiviti perniagaan," katanya.

Bakal usahawan diajar cara buat kertas kerja pinjaman

KAMPUS Universiti Islam Negeri Sultan Syed (UIN) Putrajaya mengadakan kelas kajian dan latihan pra-kewangan bagi pelajar dan kakitangan UIN Putrajaya.

Seminar ini merupakan program Agrobank Caringan Berhad (ABC) bersama UIN Putrajaya, berkaitan dengan pelaburan dalam bidang usaha dan bisnes.

Program offsite berlangsung selama dua hari, dari 20 hingga 21 Oktober.

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"Berdasarkan pengalaman pihak bank, pengusaha sudah mampu membuat pembayaran balik tidak sampai setahun walaupun dibenarkan manungekuhan bayaran selama 12 bulan," katanya.

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Agrobank terus unggul

AGROBANK terus diiktiraf apabila terpilih menerima anugerah berprestij Emerging of the Year pada malam majlis Malaysia Business Leadership Awards 2010, baru-baru ini.

Pengarah Urusannya,

Dato' Ahmad Said,

berkata dengan penganugerahan itu Agrobank akan

terus

menjadi

perkembangan

baru

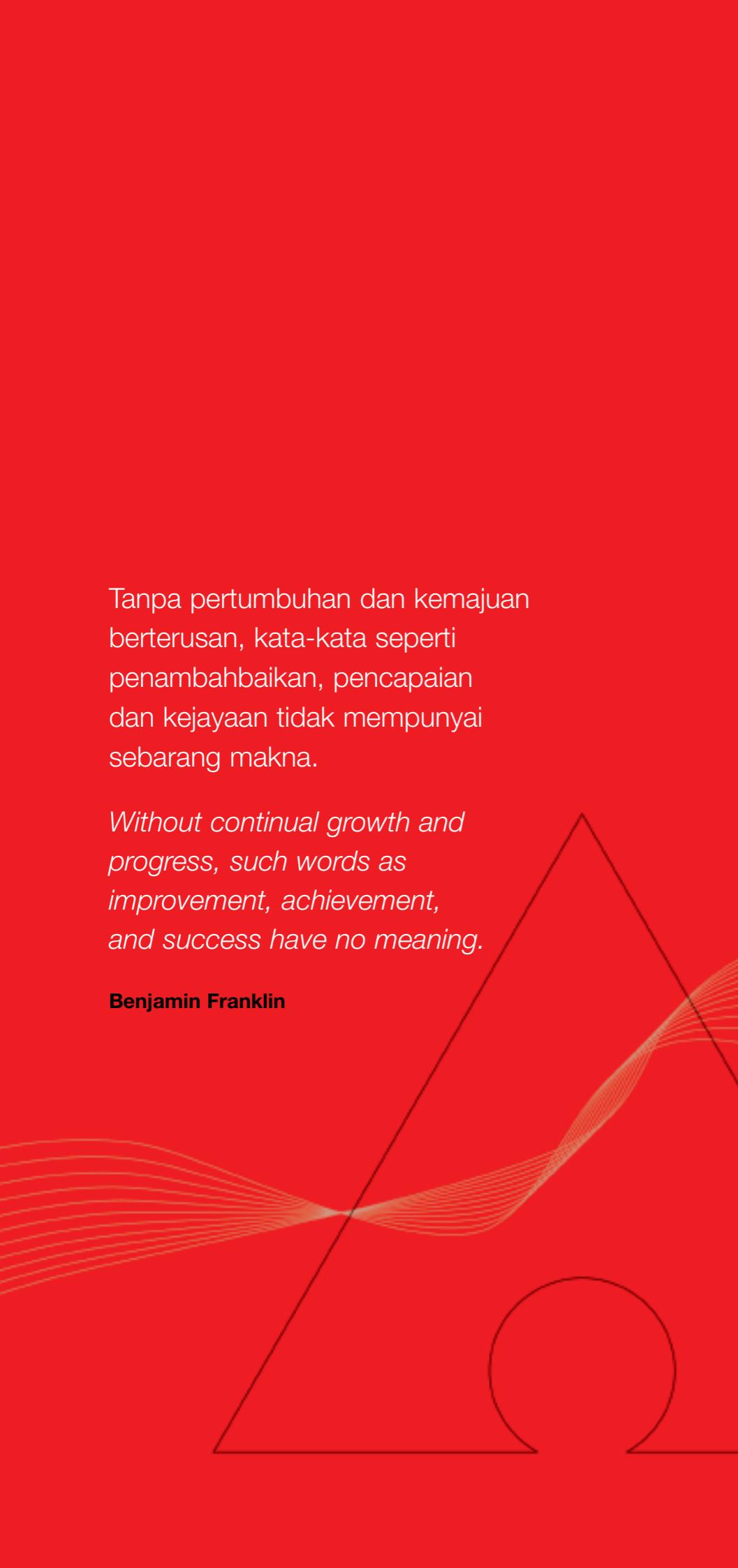
dan

semakin

baik

dan

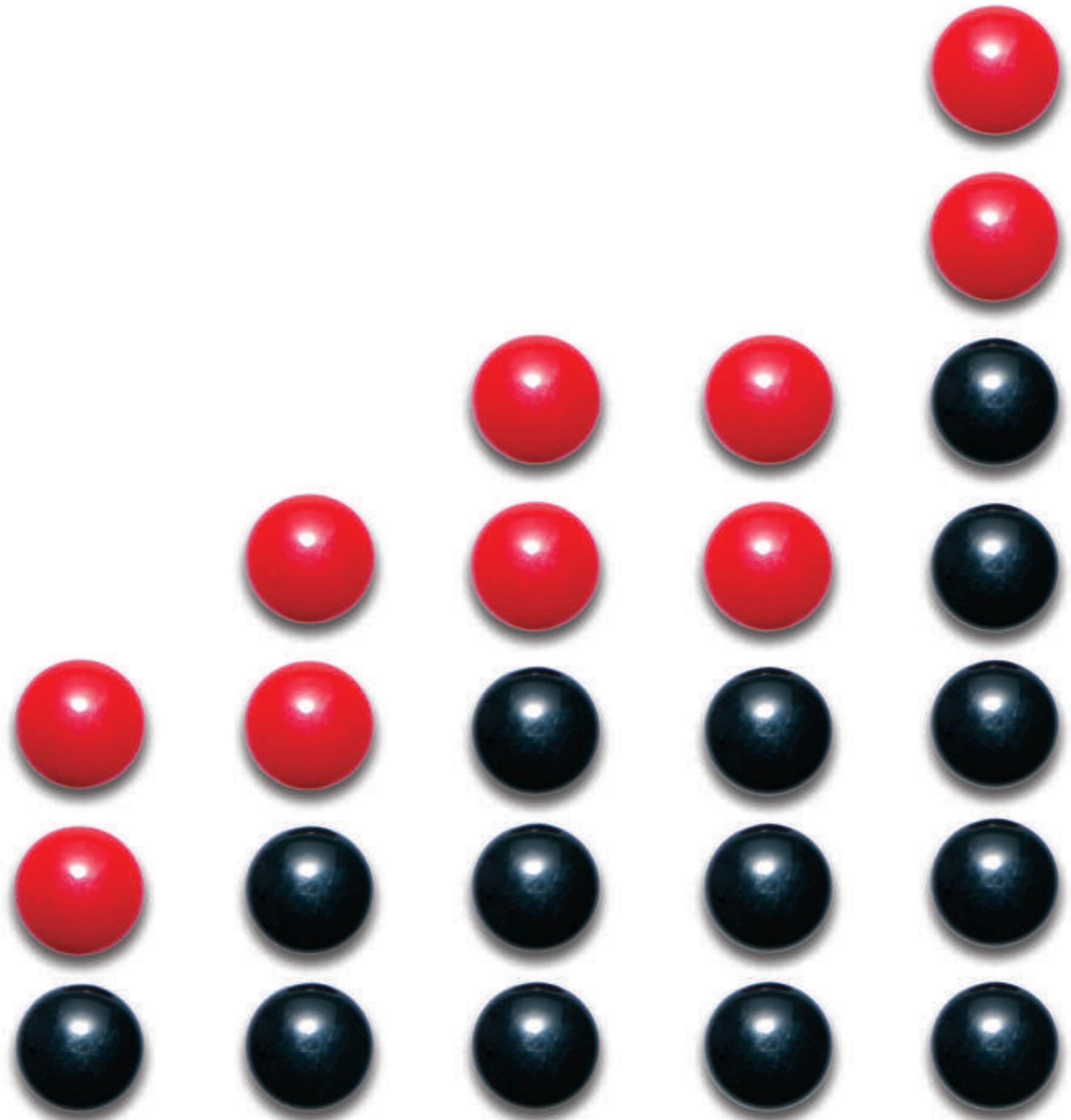
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Tanpa pertumbuhan dan kemajuan berterusan, kata-kata seperti penambahbaikan, pencapaian dan kejayaan tidak mempunyai sebarang makna.

Without continual growth and progress, such words as improvement, achievement, and success have no meaning.

Benjamin Franklin





JANUARI 2010 / JANUARY 2010

28 Januari / January

PELANCARAN KEMPEM DEPOSIT

DEPOSIT CAMPAIGN LAUNCH

Perkarangan Ibu Pejabat Agrobank Kuala Lumpur
Agrobank Head Office vicinity, Kuala Lumpur

Pada 28 Januari 2010, Agrobank telah melancarkan kempen deposit untuk tahun 2010 iaitu kempen "Simpan... Dapat Kereta!". Majlis ini telah dirasmikan oleh Menteri Kewangan II, Dato' Seri Ahmad Husni Mohamad Hanadzlah.

On 28 January 2010, Agrobank launched the "Save... Get A Car!" Campaign, a deposit campaign for 2010. The event was officiated by the 2nd Finance Minister, Dato' Seri Ahmad Husni Mohamad Hanadzlah.



FEBRUARI 2010 / FEBRUARY 2010

23 Februari / 23 February

DELEGASI PEGAWAI KANAN KEMENTERIAN PERTANIAN BANGLADESH

DELEGATION OF SENIOR OFFICERS FROM BANGLADESH'S MINISTRY OF AGRICULTURE

Bilik Mesyuarat Lembaga Pengarah, Ibu Pejabat Agrobank Kuala Lumpur
Boardroom, Agrobank Head Office Kuala Lumpur

Agrobank telah menerima kunjungan delegasi pegawai-pegawai kanan dari Kementerian Pertanian Bangladesh di bawah Agriculture Technology Transfer Project. Kunjungan adalah bertujuan untuk berkongsi informasi-informasi pertanian yang terkini, selain mengetahui lebih lanjut mengenai kejayaan dan sumbangan Agrobank kepada sektor pertanian negara.

Agrobank received a visit from a delegation of senior officers from Bangladesh's Ministry of Agriculture under the Agriculture Technology Transfer Project. This visit was aimed at sharing the latest agriculture information, as well as finding out further about the successes and contribution of Agrobank to the national agricultural sector.



MAC 2010 / MARCH 2010

10 Mac / March

AR-RAHNU AGROBANK - PENGAYU BECA

AR-RAHNU AGROBANK - TRISHAW OPERATORS

Agrobank Cawangan Pasir Mas, Kelantan
Agrobank Pasir Mas Branch, Kelantan

Aksi pengayuh-pengayuh beca yang bekerjasama mempromosikan produk Ar-Rahnu Agrobank.

The trishaw operators who assisted in promoting Agrobank's Ar-Rahnu product in action.



18 Mac / March

SIDANG MEDIA – PRESTASI KEWANGAN

FINANCIAL PERFORMANCE MEDIA CONFERENCE

Dewan Eksekutif, Tingkat 15, Ibu Pejabat Agrobank Kuala Lumpur
Executive Hall, Level 15, Agrobank Head Office Kuala Lumpur

Satu sidang media telah diadakan bagi mengumumkan prestasi kewangan Bank yang agak memberangsangkan setelah hampir dua tahun Bank dikorporatkan.

A media conference was held to announce the Bank's encouraging financial performance after almost two years of corporatization.

26 Mac / March

KUNJUNGAN ADFIAP KE AGROBANK

ADFIAP VISIT TO AGROBANK

Bilik Mesyuarat, Tingkat 14, Ibu Pejabat Agrobank Kuala Lumpur
Meeting Room, Level 14, Agrobank Head Office Kuala Lumpur

Agrobank telah menerima kunjungan seramai 12 orang dari Persatuan Institusi Kewangan Pembangunan di Asia dan Pasifik (ADFIAP). Tujuan lawatan adalah untuk mengetahui lebih lanjut tentang peranan dan fungsi Agrobank.

Agrobank was visited by a delegation of 12 people from the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP). Objective of the visit was to learn more on the role and function of Agrobank.



APRIL 2010

15 April

MAJLIS PENYAMPAIAN ZAKAT – SUNGAI BUAYA ZAKAT PRESENTATION CEREMONY – SUNGAI BUAYA

Dataran Bandar Sungai Buaya, Hulu Selangor

Agrobank tidak ketinggalan menyampaikan zakat kepada murid-murid yang cemerlang di dalam peperiksaan. Y.A.B. Tan Sri Dato' Hj. Muhyiddin Hj. Mohd Yassin, Timbalan Perdana Menteri Malaysia merangkap Menteri Pelajaran Malaysia telah sudi menyempurnakan majlis penyampaian tersebut. Majlis turut dihadiri oleh Y.Bhg. Dato' Mohamed Salleh Bajuri, Pengerusi Lembaga Pengarah Agrobank dan juga Y.Bhg. Datuk Ahmad Said, Pengarah Urusan Agrobank.

Agrobank also presented zakat to students who excelled in their examinations. Y.A.B. Tan Sri Dato' Hj. Muhyiddin Hj. Mohd Yassin, Deputy Prime Minister of Malaysia who is also the Education Minister of Malaysia officiated the ceremony. The ceremony was also attended by Y.Bhg. Dato' Mohamed Salleh Bajuri, Chairman of Agrobank's Board of Directors and Y.Bhg. Datuk Ahmad Said, Agrobank Managing Director.

26 April

MAJLIS PENYAMPAIAN ZAKAT & SUMBANGAN – UIAM ZAKAT & CONTRIBUTION PRESENTATION CEREMONY – IIUM

Universiti Islam Antarabangsa Malaysia (UIAM), Gombak, Kuala Lumpur
International Islamic University Malaysia (IIUM), Gombak, Kuala Lumpur

Pada 26 April 2010, Agrobank telah menyerahkan sejumlah RM160,826 sumbangan zakat perniagaan kepada Pusat Zakat Wilayah Persekutuan Kuala Lumpur dalam satu majlis penyampaian zakat perniagaan dan sumbangan di UIAM. Majlis telah disempurnakan oleh Pengerusi Lembaga Pengarah Agrobank, Y.Bhg. Dato' Mohamed Salleh Bajuri. Majlis turut diserikan dengan kehadiran Menteri di Jabatan Perdana Menteri, Y.B. Senator Major General Dato' Seri Haji Jamil Khir Bin Haji Baharom (B), Y.Bhg. Dato' Haji Mustafa Abd. Rahman, Pengerusi Lembaga Pengarah Pusat Pungutan Zakat (PPZ), Y.Bhg. Datuk Ahmad Said, Pengarah Urusan Agrobank dan juga Rektor UIAM, Y.Bhg. Prof. Dato' Sri Dr. Syed Arabi Idid.

Agrobank presented RM160,826 worth of business zakat to the Federal Territory of Kuala Lumpur Zakat Center in a ceremony at IIUM. The ceremony was officiated by Y.Bhg. Dato' Mohamed Salleh Bajuri, Chairman of Agrobank's Board of Directors. The ceremony was also attended by the Minister at the Prime Minister's Department, Y.B. Senator Major General Dato' Seri Haji Jamil Khir Bin Haji Baharom (B), Y.Bhg. Dato' Haji Mustafa Abd. Rahman, Chairman of Pusat Pungutan Zakat's Board of Directors, Y.Bhg. Datuk Ahmad Said, Agrobank Managing Director and also IIUM Rector, Y.Bhg. Prof. Dato' Sri Dr. Syed Arabi Idid.

27 April

PROGRAM CERAMAH KESIHATAN HEALTH TALK

Dewan Jubli Agro, Tingkat 3, Ibu Pejabat Agrobank Kuala Lumpur
Agro Jubilee Hall, Level 3, Agrobank Head Office Kuala Lumpur

Satu Program Ceramah Kesihatan bertajuk 'Silent Killers' telah disampaikan oleh Cik Priscilla Peter dari Advance Healthscreen Management Sdn. Bhd.

A Health Talk titled 'Silent Killers' by Miss Priscilla Peter from Advance Healthscreen Management Sdn. Bhd.

MEI 2010 / MAY 2010

1 - 3 Mei / May

PERTANDINGAN MEMANCING – ROYAL BELUM, PERAK DARUL RIDZUAN FISHING COMPETITION – ROYAL BELUM, PERAK DARUL RIDZUAN

Pertandingan memancing diadakan lagi di sebelah utara tanahair iaitu di Royal Belum, Grik, Perak Darul Ridzuan. Pertandingan memancing telah diadakan dari 1 hingga 3 Mei 2010. Pertandingan ini telah disertai seramai 40 orang termasuk ahli keluarga kakitangan Bank.

A fishing competition was held at Royal Belum, Grik, Perak Darul Ridzuan. The competition was held from 1 to 3 May 2010. There were 40 participants including family members of the Bank's staff.





9 4 Mei / May

MAJLIS CABUTAN PERTAMA KEMEN “SIMPAN... DAPAT KERETA!”

FIRST DRAW OF “SAVE... GET A CAR!” CAMPAIGN

Ibu Pejabat Agrobank Kuala Lumpur
Agrobank Head Office Kuala Lumpur

Majlis cabutan pertama untuk Kempen “Simpan... Dapat Kereta!” Agrobak telah diadakan di lobi bangunan Ibu Pejabat Agrobank, Kuala Lumpur. Hadiah yang ditawarkan adalah merupakan sebuah kereta Perodua Myvi 1.3 SXI Premium. Acara cabutan telah disempurnakan oleh Pengarah Urusan Agrobank, Y.Bhg. Datuk Ahmad Said.

Tahniah kepada pemenang bertuah, Helen Binti Abd. Manaf (Pelanggan Agrobank Cawangan Raub, Pahang)

The first draw of the “Save... Get A Car!” Campaign was held at the lobby of Agrobank Head Office, Kuala Lumpur. The prize was a Perodua Myvi 1.3 SXI Premium. The draw was officiated by Agrobank Managing Director Y.Bhg. Datuk Ahmad Said.

Congratulations to the lucky winner, Helen Binti Abd. Manaf (Agrobank customer of Raub branch, Pahang)

10 8 & 9 Mei / May

KEMBARA ADFIM 2010

ADFIM ADVENTURE 2010

Menara SME Bank, Kuala Lumpur & Duta Village Beach Resort, Beserah, Kuantan.

Agrobank tidak ketinggalan menyertai Kembara ADFIM 2010 yang berlangsung selama 2 hari bermula di Kuala Lumpur dan berakhir di Kuantan. Kembara ADFIM kali ini disertai oleh 35 buah pasukan yang terdiri dari ahli-ahli ADFIM. Pasukan Agrobank iaitu “Agro Hunt Pon Pon” telah diumumkan sebagai Juara Keseluruhan dalam kembara tersebut. Tahniah!

Agrobank participated in ADFIM Adventure 2010. The two day event began in Kuala Lumpur and ended in Kuantan. 35 teams consisting of members of ADFIM participated. Agrobank's team, “Agro Hunt Pon Pon”, was crowned Overall Champion. Congratulations!



10

11 19 Mei / May

KEMPEN DERMA DARAH 2010

BLOOD DONATION CAMPAIGN 2010

Dewan Jubli Agro, Tingkat 3, Ibu Pejabat Agrobank Kuala Lumpur
Agro Jubilee Hall, Level 3, Agrobank Head Office Kuala Lumpur

Kelab Agrobank telah menganjurkan program Kempen Derma Darah. Kempen yang merupakan antara aktiviti tahunan Bank ini telah mendapat sambutan yang menggalakkan samada dari kakitangan Agrobank mahupun orang luar.

Agrobank Club held a Blood Donation Campaign. The annual campaign received a positive response from staff and the public.



10



11



12 22 Mei / May

EMERGING BANK OF THE YEAR

Kuala Lumpur Convention Centre (KLCC), Kuala Lumpur

Agrobank telah terpilih untuk menerima anugerah berprestij 'Emerging Bank of the Year' pada malam majlis Malaysia Business Leadership Awards 2010. Anugerah disampaikan oleh Menteri Pertanian & Industri Asas Tani, Y.B. Dato' Seri Noh Bin Haji Omar. Tahniah Agrobank!

Agrobank was named "Emerging Bank of the Year" at the Malaysia Business Leadership Awards 2010. The award was presented by Minister of Agricultural and Agrobase Industries, Y.B Dato' Seri Noh bin Haji Omar. Congratulations, Agrobank!



13 25 Mei / May

LATIHAN KEBAKARAN

FIRE DRILL EXERCISE

Ibu Pejabat Agrobank Kuala Lumpur
Agrobank Head Office Kuala Lumpur

Latihan kebakaran di bangunan Ibu Pejabat Agrobank, Kuala Lumpur telah mendapat kerjasama yang sepenuhnya dari pihak Jabatan Bomba dan Penyelamat, Persatuan Bulan Sabit Merah (PBSM), Polis DiRaja Malaysia (PDRM) dan juga pihak Dewan Bandaraya Kuala Lumpur (DBKL).

A fire drill at Agrobank Head Office, Kuala Lumpur received full cooperation from the Fire and Rescue Department, Red Crescent Society, Royal Malaysian Police and Kuala Lumpur City Hall.



14 26 Mei / May

SIDANG MEDIA – INDUSTRI SARANG BURUNG WALIT

SWIFTLET NEST INDUSTRY – PRESS CONFERENCE

Dewan Eksekutif, Tingkat 15, Ibu Pejabat Agrobank Kuala Lumpur
Executive Hall, Level 15, Agrobank Head Office Kuala Lumpur

Agrobank telah mengadakan Sidang Media untuk memberi penerangan mengenai Industri Sarang Burung Walit. Majlis dihadiri oleh rakan media dan wartawan yang telah dijemput hadir.

Agrobank held a Press Conference on the Swiftlet Bird Nest Industry. The conference was attended by invited media representatives.

15 31 Mei / May

LAWATAN SAMBIL BELAJAR OLEH PENGGUBAL POLISI UZBEKISTAN

STUDY TRIP BY UZBEKISTAN POLICY MAKERS

Bilik Mesyuarat, Tingkat 14, Ibu Pejabat Agrobank Kuala Lumpur
Meeting Room, Level 14, Agrobank Head Office Kuala Lumpur

Persatuan Institusi Kewangan Pembangunan di Asia dan Pasifik (ADFIAP) dan Program Pembangunan Bangsa-bangsa Bersatu (UNDP) dengan kerjasama MNY Consulting Sdn. Bhd. telah membuat kunjungan ke Agrobank bagi mendapatkan maklumat berhubung pembiayaan mikro.

The Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) and United Nation Development Programme (UNDP) in cooperation with MNY Consulting Sdn. Bhd. had a study trip at Agrobank. The purpose of the study trip was to gain knowledge on micro credit.



JUN 2010 / JUNE 2010

16 19 & 20 Jun / June

AGROBANK BUSINESS CARNIVAL 2010 & PENYERAHAN ZAKAT PERNIAGAAN NEGERI KEDAH/PERLIS

AGROBANK BUSINESS CARNIVAL 2010 & BUSINESS ZAKAT PRESENTATION FOR STATES OF KEDAH/PERLIS

Alor Setar, Kedah

Agrobank buat julung kalinya telah menganjurkan Agrobank Business Carnival bertempat di Zon utara iaitu diadakan di Alor Setar, Kedah.

Pelbagai aktiviti telah diadakan termasuklah penyerahan zakat dan sumbangan Agrobank kepada pihak-pihak yang memerlukan bagi negeri Kedah. Di samping itu, berbagai-bagai gerai pameran dan jualan telah dibuka bagi memperkenalkan produk-produk yang dihasilkan oleh pelanggan-pelanggan Bank dan sambutan daripada orang ramai sangat menggalakkan.

Agrobank held its first Business Carnival in the Northern Zone, at Alor Setar, Kedah.

Various activities were held, including a zakat and contribution presentation ceremony for the less fortunate of Kedah. Besides this, there were many exhibitions and sales booths introducing products produced by Agrobank customers. The event received an encouraging response.



17 24 Jun / June

KUNJUNGAN TIMBALAN MENTERI PERTANIAN & INDUSTRI ASAS TANI

VISIT BY DEPUTY MINISTER OF AGRICULTURE & AGRO-BASED INDUSTRY

Dewan Eksekutif, Tingkat 15, Ibu Pejabat Agrobank Kuala Lumpur
Executive Hall, Level 15, Agrobank Head Office Kuala Lumpur

Pada 24 Jun 2010, Y.B. Tuan Chua Tee Yong, Timbalan Menteri Pertanian & Industri Asas Tani yang baharu telah membuat satu lawatan kerja ke Agrobank bertempat di Dewan Tingkat 15. Satu taklimat ringkas telah disampaikan oleh Y.Bhg. Datuk Ahmad bin Said, Pengarah Urusan Agrobank.

Y.B. Tuan Chua Tee Yong, Deputy Minister of Agriculture and Agro-based Industry, visited Agrobank Head Office on 24 June 2010. A briefing was held by Agrobank Managing Director, Y.Bhg. Datuk Ahmad Bin Said.

18 24 Jun / June

LAWATAN DELEGASI BANGLADESH

BANGLADESH DELEGATION VISIT

Tingkat 14, Ibu Pejabat Agrobank Kuala Lumpur
Level 14, Agrobank Head Office, Kuala Lumpur

Seramai 12 orang pegawai dari Palli Karma-Sahayak Foundation, Bangladesh telah membuat lawatan ke Agrobank. Tujuan lawatan adalah mendapatkan maklumat tentang "Kewangan Mikro dan Pembangunan Ternakan di Malaysia".

12 officers of the Palli Karma-Sahayak Foundation, Bangladesh made a visit to Agrobank. The purpose of the visit was to gain information on "Microfinance and Live-Stock Development in Malaysia".

19 26 Jun / June

Y.A.BHG. TOK PUAN INDERA DATO' SRI ROSMAH MANSOR BERSAMA AGROBANK DI PEKAN

Y.A.BHG. TOK PUAN INDERA DATO' SRI ROSMAH MANSOR WITH AGROBANK IN PEKAN

Dewan Utama, Majlis Ugama Islam dan Adat Resam Melayu Pahang, Pekan

Main Hall, Majlis Ugama Islam dan Adat Resam Melayu Pahang, Pekan

Satu majlis penyampaian sumbangan Agrobank telah diadakan di Dewan Utama Majlis Ugama Islam dan Adat Resam Melayu Pahang, Pekan, Pahang Darul Makmur pada 26 Jun 2010. Penyampaian sumbangan tersebut telah disampaikan oleh isteri Perdana Menteri Malaysia iaitu Y.A.Bhg. Tok Puan Indera Dato' Sri Rosmah Mansor. Seramai lebih kurang 400 orang tetamu yang hadir pada majlis tersebut.

Agrobank made a donation in an event held at the Main Hall of Majlis Ugama Islam dan Adat Resam Melayu Pahang, Pekan, Pahang. Presenting the donation on behalf of Agrobank was Malaysian Prime Minister's wife, Y.A.Bhg. Tok Puan Indera Dato' Sri Rosmah Mansor. Around 400 people attended the event which was held on 26 June 2010.

JULAI 2010 / JULY 2010

20 11 Julai / July

MAJLIS PERASMIAN & PENYERAHAN ZAKAT – AGROBANK

TANAH MERAH

AGROBANK BRANCH LAUNCH AND ZAKAT PRESENTATION AT TANAH MERAH

Cawangan Tanah Merah, Kelantan
Tanah Merah Branch, Kelantan

Cawangan Tanah Merah, kini beroperasi di bangunannya sendiri. Majlis perasmian cawangan tersebut telah dirasmikan oleh Timbalan Menteri Kewangan II, Y.B. Dato' Dr. Awang Adek Hussin.

Dalam majlis yang sama juga, satu acara penyerahan wang zakat perniagaan Agrobank turut diadakan, di mana Agrobank telah mengeluarkan wang zakat perniagaan yang wajib bagi tahun 2009 ke atas negeri Kelantan sebanyak RM33,064 dan diserahkan kepada Majlis Agama Islam Kelantan. Selain dari itu, sebanyak RM60,000 wang zakat juga turut diagih-agihkan kepada asnaf-asnaf terpilih sekitar Tanah Merah, Jeli dan Bachok.

The Tanah Merah Branch is now operating in its own building. Deputy Finance Minister II, Y.B. Dato' Dr Awang Adek Hussin, officiated the ceremony.

A zakat presentation was also held, in which Agrobank presented RM33,064 of requisite business zakat to the state of Kelantan. The zakat was presented to Majlis Agama Islam Kelantan. Besides this, RM60,000 of zakat was distributed amongst selected asnaf from Tanah Merah, Jeli and Bachok.





21 15 Julai / July

**MAJLIS MoU DI ANTARA AGROBANK DAN MARDEC BERHAD
AGROBANK AND MARDEC BERHAD MoU CEREMONY**

Dewan Eksekutif, Tingkat 15, Ibu Pejabat Agrobank Kuala Lumpur
Executive Hall, Level 15, Agrobank Head Office Kuala Lumpur

Satu majlis menandatangani Memorandum Persefahaman di antara MARDEC Berhad dengan Bank Pertanian Malaysia Berhad (Agrobank) diadakan di Ibu Pejabat Agrobank. Memorandum Persefahaman ini adalah bagi melayakkan pembekal-pembekal getah MARDEC Berhad mendapatkan modal pusingan untuk urusan jual beli getah daripada pekebun kecil getah untuk dibekalkan ke kilang-kilang MARDEC di seluruh negara.

A Memorandum of Understanding (MoU) signing ceremony between MARDEC Berhad and Bank Pertanian Malaysia Berhad (Agrobank) was held at the Agrobank Head Quarters. This MoU is to entitle the rubber suppliers of MARDEC to receive revolving capital for rubber sale and purchase transactions from rubber smallholders to be supplied to MARDEC factories throughout Malaysia.

23 27 Julai / July

**MAJLIS CABUTAN KE-2 KEMPEN “SIMPAN... DAPAT KERETA!”
SECOND DRAW FOR THE “SAVE... GET A CAR!” CAMPAIGN**

Dewan Jubli Agro, Tingkat 3, Ibu Pejabat Agrobank Kuala Lumpur
Agro Jubilee Hall, Level 3, Agrobank Head Office Kuala Lumpur

Satu majlis cabutan ke-2 kempen “Simpan... Dapat Kereta!” telah diadakan di mana seorang pelanggan Bank bertuah dari Teluk Panglima Garang, Selangor telah diumumkan sebagai pemenang.

Tahniah kepada Puan Fauziah Binti Ibrahim (pelanggan Agrobank cawangan Teluk Panglima Garang) yang telah berjaya memenangi sebuah kereta Toyota Hilux!

The second draw of the ‘Save... Get A Car!’ Campaign was held and the lucky winner was an Agrobank customer from Teluk Panglima Garang, Selangor.

Congratulations to Mrs Fauziah Binti Ibrahim (Agrobank Teluk Panglima Garang branch customer) who won a Toyota Hilux!



22 27 Julai / July

**LAWATAN KERJA MAKTAB KERJASAMA MALAYSIA (MKM)
VISIT TO CO-OPERATIVE COLLEGE OF MALAYSIA (CCM)**

Tingkat 14, Ibu Pejabat Agrobank Kuala Lumpur
Level 14, Agrobank Head Office Kuala Lumpur

Pada 27 Julai 2010, MKM telah mengadakan lawatan kerja ke Agrobank. Lawatan diketuai oleh Timbalan Pengarah (Akademik) MKM, Puan Raja Maimon Binti Raja Yusof. Tujuan lawatan kerja ini adalah bagi mendapatkan maklumat lanjut tentang peranan serta program dan skim yang ditawarkan oleh Bank.

On 27 July 2010, CCM made a working visit to Agrobank, lead by MKM’s Deputy Director (Academic), Puan Raja Maimon Binti Raja Yusof. The objective of their visit was to learn more about Agrobank’s role and programmes and schemes offered by the Bank.

24 29 Julai / July

**MAJLIS PENYERAHAN WANG ZAKAT PERNIAGAAN &
SUMBANGAN AGROBANK – UPM**

ZAKAT & CONTRIBUTION PRESENTATION CEREMONY – UPM

Dewan Sri Harmoni, Kolej Ke-5, Universiti Putra Malaysia (UPM)
Dewan Sri Harmoni, 5th College, Universiti Putra Malaysia (UPM)

Agrobank terus melaksanakan tanggungjawab sosial kepada masyarakat khususnya golongan-golongan yang kurang bernasib baik menerusi majlis penyerahan wang zakat perniagaan dan sumbangan yang diadakan di Dewan Sri Harmoni, Kolej Ke-5, Universiti Putra Malaysia. Agrobank menyerahkan sejumlah RM47,048 sumbangan zakat perniagaan kepada Lembaga Zakat Selangor.

Agrobank continues to carry out its social responsibility especially to those less fortunate via a zakat & contribution presentation ceremony held at Dewan Sri Harmoni, 5th College, UPM. Agrobank presented business zakat worth RM47,048 to the Selangor Zakat Board.



OGOS 2010 / AUGUST 2010

25 5 Ogos / August

MAJLIS HI-TEA – PELANGGAN KORPORAT HIGH-TEA FUNCTION WITH CORPORATE CLIENTS

Dewan Eksekutif, Tingkat 15, Ibu Pejabat Agrobank Kuala Lumpur
Executive Hall, Level 15, Agrobank Head Office Kuala Lumpur

Agrobank telah meraikan pelanggan-pelanggan korporat serta media cetak dan elektronik tempatan. Tujuan majlis ini diadakan adalah bagi merapatkan hubungan perniagaan di antara Agrobank dengan pelanggannya.

Agrobank had a high-tea function in appreciation to its corporate clients as well as local print and electronic media. The event was held to strengthen the business relations between Agrobank and its clients.

26 9 Ogos / August

MALAM PENGHARGAAN LEMBAGA PENGARAH BOARD OF DIRECTORS APPRECIATION DINNER

Dewan Eksekutif, Tingkat 15, Ibu Pejabat Agrobank Kuala Lumpur
Executive Hall, Level 15, Agrobank Head Office Kuala Lumpur

Satu majlis meraikan mantan-mantan Lembaga Pengarah telah diadakan di Ibu Pejabat Agrobank. Majlis diserikan dengan kehadiran semua mantan ahli Lembaga Pengarah. Majlis juga amat berbesar hati menerima kedatangan ahli-ahli Lembaga Pengarah yang baharu yang diketuai oleh Y.Bhg. Tan Sri Faizah Mohd Tahir.

Sekalung penghargaan buat mantan-mantan Lembaga Pengarah di atas segala khidmat bakti yang telah dicurahkan kepada Agrobank dan Selamat Maju Jaya!

An Appreciation Dinner was held at Agrobank Headquarters for the former Board of Directors. The event was also attended by the new members of the Board, led by Y.Bhg. Tan Sri Faizah Mohd Tahir.

Thanks and well wishes to the former Board of Directors.

27 12 Ogos / August

MAJLIS PEMBERIAN BUBUR LAMBUK BUBUR LAMBUK DISTRIBUTION

Ibu Pejabat Agrobank Kuala Lumpur
Agrobank Head Office Kuala Lumpur

Buat julung kalinya, Agrobank dengan kerjasama Yayasan Ithham telah mengadakan satu majlis memasak bubur lambuk dan mengedarkannya kepada orang ramai. Acara memasak bubur lambuk tersebut turut disertai oleh pihak pengurusan Bank.

For the first time, Agrobank in collaboration with the Yayasan Ithham Foundation held a ‘bubur lambuk cooking’ ceremony and distributed to the public. The ceremony of ‘bubur lambuk cooking’ was accompanied by the management of the Bank.

28 19 Ogos / August

MAJLIS PENYERAHAN ZAKAT PAGOH PAGOH ZAKAT PRESENTATION CEREMONY

Pagoh, Muar, Johor

Majlis penyerahan telah disempurnakan oleh Y.A.B. Tan Sri Muhyiddin Bin Haji Mohd Yassin, Timbalan Perdana Menteri kepada penduduk-penduduk di Kampung Penchu. Turut hadir adalah Pengarah Urusan Agrobank, Y.Bhg. Datuk Ahmad Said dan isteri.

The people of Kampung Penchu received a zakat contribution from Agrobank in a ceremony in Pagoh. The zakat was presented by Deputy Prime Minister, Y.A.B. Tan Sri Muhyiddin Bin Haji Mohd Yassin. Also present were Agrobank Managing Director, Datuk Ahmad Said and wife.

29 24 Ogos / August

MAJLIS BERBUKA PUASA BREAKING FAST CEREMONY

Dewan Jubli Agro, Tingkat 3, Ibu Pejabat Agrobank Kuala Lumpur
Agro Jubilee Hall, Level 3, Agrobank Head Office Kuala Lumpur

Majlis berbuka puasa untuk pengurusan dan kakitangan telah diadakan. Tetamu kehormat yang hadir adalah Y.Bhg. Tan Sri Faizah Mohd Tahir, Pengarah Lembaga Pengarah serta ahli-ahli lembaga pengarah yang lain. Turut hadir Y.Bhg. Datuk Ahmad Said, Pengarah Urusan Agrobank, Chief, Head dan kakitangan Agrobank.

A Breaking Fast Ceremony for management and staff was held. Also present were the Board of Directors, including Y.Bhg. Tan Sri Faizah Mohd Tahir, Chairman and Managing Director, Y.Bhg. Datuk Ahmad Said, Chiefs, Heads and staff.





30 26 Ogos / August

MAJLIS PENYERAHAN ZAKAT TANJUNG KARANG

TANJUNG KARANG ZAKAT PRESENTATION

Agrobank Cawangan Tanjung Karang, Selangor

Agrobank Tanjung Karang branch, Selangor

Y.B. Datuk Seri Noh Haji Omar, Menteri Pertanian dan Industri Asas Tani telah sudi menyampaikan sumbangan zakat kepada anak-anak yatim dan ibu-ibu tunggal di sekitar kawasan Tanjung Karang.

Y.B. Datuk Seri Noh Haji Omar, Minister of Agriculture and Agro-based Industry, presented zakat to the orphans and single mothers of Tanjung Karang.



31 29 Ogos / August

MAJLIS PENYERAHAN TANAH MILIK AGROBANK (LADANG VAN CHIEW)

HANDING OVER OF AGROBANK LAND (VAN CHIEW ESTATE)

Bagan Tiang, Kerian, Perak

Acara majlis penyerahan tanah milik Agrobank (Ladang Van Chiew) Daerah Kerian kepada pemilik tanah telah disempurnakan oleh Y.A.B. Dato' Seri Dr. Zamry Haji Abd. Kadir, Menteri Besar Perak.

The Handing Over of Agrobank Land Ceremony for Van Chiew Estate, Kerian District to the land owners was graced by Y.A.B. Dato' Seri Dr. Zamry Haji Abd Kadir, Chief Minister of Perak.

SEPTEMBER 2010

32 21 September

LAWATAN DARIPADA POLITEKNIK UNGKU OMAR

VISIT FROM UNGKU OMAR POLYTECHNIC

Tingkat 14, Ibu Pejabat Agrobank Kuala Lumpur

Level 14, Agrobank Head Office Kuala Lumpur

Agrobank telah menerima lawatan sambil belajar dari Politeknik Ungku Omar. Tujuan lawatan adalah ingin mendapatkan maklumat berhubung topik ‘Karier Perbankan dan Cabaran di Agrobank’.

Agrobank welcomed a study visit delegation from Ungku Omar Polytechnic. The purpose of this visit was to gain knowledge on “Career of Banking and Its Challenges in Agrobank”.



33 21 September

JAMUAN RAYA KAKITANGAN

STAFF RAYA CELEBRATION

Kafeteria, Tingkat 4, Ibu Pejabat Agrobank Kuala Lumpur

Cafeteria, Level 14, Agrobank Head Office Kuala Lumpur

Jamuan raya untuk Kakitangan Ibu Pejabat telah diadakan pada 21 September 2010. Kali ini jamuan raya telah diadakan di Ibu Pejabat Agrobank.

Raya Celebration for Headquarters Staff was held on 21 September 2010.



34 23 September

SAHABAT KORPORAT TABUNG HAJI

TABUNG HAJI SAHABAT KORPORAT

Lembaga Tabung Haji, Kuala Lumpur

Dalam satu majlis simbolik penyampaian anjuran Lembaga Tabung Haji, Y.Bhg. Datuk Ahmad Said, Pengarah Urusan Agrobank, telah menyampaikan replika cek RM30,000 kepada Y.B. Senator Jamil Khir Baharom, Menteri di Jabatan Perdana Menteri. Ini adalah bagi membantu Lembaga Tabung Haji untuk memberi kemudahan kepada jemaah haji Malaysia.

In a symbolic presentation ceremony organized by Lembaga Tabung Haji, Y.Bhg. Datuk Ahmad Said, Managing Director of Agrobank, presented a cheque replica amounting to RM30,000 to Y.B. Senator Jamil Khir Baharom, Minister at the Prime Minister's Office. This contribution was meant to assist Tabung Haji in providing facilities to the Malaysian pilgrims.





35 27 September

MAJLIS JAMUAN RAYA PELANGGAN KORPORAT RAYA CELEBRATION FOR CORPORATE CLIENTS

Hotel Istana, Kuala Lumpur

Jamuan raya untuk pelanggan korporat telah diadakan di Hotel Istana, Kuala Lumpur. Majlis turut diserikan dengan kehadiran tetamu kehormat iaitu Menteri Pertanian & Industri Asas Tani, Y.B. Datuk Seri Noh Hj. Omar dan pegawai-pegawai dari MOA.

Agrobank hosted a Raya Celebration for its corporate clients, at Istana Hotel, Kuala Lumpur. The event was graced by Y.B. Datuk Seri Noh Hj. Omar, Minister of Agriculture and Agro-based Industry and officers from MOA.

36 28 & 29 September

MESYUARAT PENGURUS-PENGURUS MANAGERS MEETING

Tingkat 14, Ibu Pejabat Agrobank Kuala Lumpur
Level 14, Agrobank Head Office Kuala Lumpur

Mesyuarat Pengurus-Pengurus pada kali ini lebih menumpukan kepada pertumbuhan bisnes mengenai 'Selling Point'. Mesyuarat telah dihadiri oleh semua Chief, Head dan semua State Manager/General Manager/Area Manager.

This Managers Meeting was focused on "Selling Point" for business growth. The meeting was attended by all Chief, Head and State Managers/General Managers/Area Managers.

OKTOBER 2010 / OCTOBER 2010

37 1 Oktober / October

MAJLIS RUMAH TERBUKA AIDILFITRI 2010 AIDILFITRI OPEN HOUSE 2010

Perkarangan Ibu Pejabat Agrobank Kuala Lumpur
Agrobank Head Office compound, Kuala Lumpur

Kelab Agrobank dan Koperasi Serbaguna Kakitangan BPM Berhad sekali lagi mengadakan Majlis Rumah Terbuka Aidilfitri 2010 pada 1 Oktober 2010 bersamaan 22 Syawal 1431H.

Majlis tersebut telah diserikan lagi dengan penyerahan wang zakat Agrobank dan pemberian duit raya kepada Persatuan Anak-Anak Yatim dan Ibu Tunggal Kampung Medan serta Asrama Darul Falah (ASDAF), Petaling Jaya, Selangor.

Agrobank Club and Koperasi Serbaguna Kakitangan BPM Berhad once again held an Aidilfitri Open House on 1st October 2010 (or 22 Syawal 1431H).

Amidst the festivity, a duit raya and zakat presentation ceremony to the Orphans and Single Mothers of Kampung Medan and Asrama Darul Falah (ASDAF), Petaling Jaya, Selangor was held.

38 14 Oktober / October

MAJLIS CABUTAN KE-3 KEMENPEN "SIMPAN... DAPAT KERETA!" THIRD DRAW OF "SAVE... GET A CAR!" CAMPAIGN

Agrobank Cawangan Sungai Besi
Agrobank Sungai Besi Branch

Bertempat di Cawangan Sungai Besi, Majlis Cabutan Ke-3 Kempen "Simpan... Dapat Kereta!" telah dilakukan. Cabutan telah dilakukan oleh Ketua Pegawai Kewangan, Puan Kiswah Mohammad. Pelanggan-pelanggan Cawangan Sungai Besi tidak ketinggalan juga peniaga-peniaga yang berada di kawasan sekitar turut dijemput memeriahkan majlis.

The third draw of "Save... Get A Car!" Campaign was held at Agrobank Sungai Besi Branch. The draw was done by Chief Finance Officer, Puan Kiswah Mohammad. The Sungai Besi Branch's customers and nearby vendors were invited to witness the event.

39 23 Oktober / October

AGROBANK SERVIS MESRA CHALLENGE 2010

Pusat Latihan ABADI, Bangi
ABADI Training Centre, Bangi

Bertempat di Pusat Latihan Agrobank (ABADI), Bangi, telah berlangsungnya pertandingan Agrobank Servis Mesra Challenge 2010 untuk memilih wakil Agrobank ke National Service Challenge (NSC) yang diadakan pada 27 Oktober 2010 di JW Marriot Hotel, Kuala Lumpur.

The Agrobank Servis Mesra Challenge 2010 was held at Agrobank Training Centre (ABADI), Bangi. The event was held to select representatives of Agrobank for the National Service Challenge (NSC) held on 27 October 2010 at JW Marriott Hotel, Kuala Lumpur.





40 27 Oktober / October
NATIONAL SERVICE CHALLENGE

JW Marriot, Kuala Lumpur

Sebanyak 14 buah pasukan dari pelbagai agensi bertanding bagi merebut kejuaraan. Agrobank telah dinobatkan 3 anugerah iaitu Five Star Service, Best Cheer Group dan Best Smile, Cheerful and Friendly Award.

14 teams from various agencies competed for the gold. Agrobank won 3 awards; Five Star Service, Best Cheer Group and Best Smile, Cheerful and Friendly Awards.

NOVEMBER 2010

41 1 November

**AGROBANK SERAH HADIAH KERETA!
AGROBANK GIVES AWAY CAR!**

Satu majlis penyerahan hadiah Kempen "Simpan... Dapat Kereta!" telah diadakan di Agrobank Cawangan Gua Musang, Kelantan. Acara penyampaian hadiah tersebut telah disempurnakan oleh Y.B. Datuk Seri Noh Bin Haji Omar, Menteri Pertanian dan Industri Asas Tani.

A prize-giving ceremony for the "Save... Get A Car!" Campaign was held at the Agrobank Gua Musang Branch, Kelantan. The prize was presented by Y.B. Datuk Seri Noh bin Haji Omar, Minister of Agriculture and Agro-based Industry.

42 13 November

**AGIHAN SUMBANGAN KEPADA MANGSA BANJIR DI KEDAH/
PERLIS**
**DISTRIBUTION OF DONATION FOR THE FLOOD VICTIMS OF
KEDAH/PERLIS**

Pengagihan barang-barang makanan kepada mangsa-mangsa banjir yang terdiri daripada peminjam-peminjam Bank di sekitar negeri Kedah dan Perlis dan juga kepada kakitangan-kakitangan cawangan terbabit, telah dilakukan.

Food items were distributed to the flood victims that consisted of the Bank customers and related branch staff throughout Kedah and Perlis.

43 26 November - 5 Disember / December
MAHA INTERNATIONAL & HPPNK 2010

MAEPS, Serdang, Selangor

MAHA International & HPPNK 2010 datang lagi! Bermula dari 26 November 2010 dan berlanjut selama 10 hari sehingga 5 Disember 2010, ianya merupakan pameran untuk para pengeluar, petani, nelayan dan penternak terbaik di Malaysia, mengenangkan teknologi-teknologi terkini beserta demonstrasi yang lebih menarik dan sesuai untuk aktiviti komersil.

Agrobank tidak ketinggalan menyertai pameran terbesar ini dengan membuka gerai pameran untuk pertanyaan pinjaman, pembukaan akaun, pembayaran bil dan macam-macam lagi aktiviti berkaitan.

MAHA International & HPPNK 2010 is back for 10 days from 26 November 2010 to 5 December 2010. It is an exhibition for the best producers, farmers, fisherman and breeders in Malaysia, showcasing the latest technologies with interesting demonstrations suited for commercial activities.

Agrobank also participated in this big exhibition and opened a booth to answer any queries regarding loans, opening accounts, bill payments and more related activities.





DISEMBER 2010 / DECEMBER 2010

4 Disember / December

MAJLIS BERKHATAN

CIRCUMCISION CEREMONY

Dewan Jubli Agro, Tingkat 3, Ibu Pejabat Agrobank Kuala Lumpur
Agro Jubilee Hall, Level 3, Agrobank Head Office Kuala Lumpur

Kelab Agrobank menganjurkan majlis berkhatan. Program ini terbuka kepada semua anak-anak ahli Kelab Agrobank, Koperasi BPMB dan orang ramai.

Agrobank Club organized a Circumcision Ceremony for the children of Agrobank Club members, BPMB Cooperative Society members as well as the public.



16 Disember / December

CERAMAH MAAL HIJRAH

MAAL HIJRAH TALK

Dewan Jubli Agro, Tingkat 3, Ibu Pejabat Agrobank Kuala Lumpur
Agro Jubilee Hall, Level 3, Agrobank Head Office Kuala Lumpur

Program ceramah Maal Hijrah telah disampaikan oleh Ustaz Ann Wang Seng merangkap Setiausaha Agung Persatuan Cina Islam Malaysia. Beliau menerangkan mengenai Islam yang telah berkembang di Negara China.

A Maal Hijrah Talk presented by Ustaz Ann Wang Seng, Secretary General of the Malaysian Chinese Muslim Association. He explained the spreading of Islam in China.



22 Disember / December

KEMPEN DERMA DARAH

BLOOD DONATION CAMPAIGN

Dewan Jubli Agro, Tingkat 3, Ibu Pejabat Agrobank Kuala Lumpur
Agro Jubilee Hall, Level 3, Agrobank Head Office Kuala Lumpur

Kelab Agrobank sekali lagi telah menganjurkan program Kempen Derma Darah. Kempen ini terbuka kepada orang luar.

Agrobank Club once again held a Blood Donation Campaign. The campaign was opened to the public.

46 22 & 23 Disember / December

PERSIDANGAN PENGURUS-PENGURUS

MANAGERS CONFERENCE

Pearl International Hotel, Kuala Lumpur

Persidangan Pengurus-Pengurus Bil. 1/2010 telah bersidang secara rasminya pada 22 dan 23 Disember 2010 di Pearl International Hotel, Kuala Lumpur.

Persidangan yang berlangsung selama dua hari itu turut menampilkan keunikannya buat pertama kali di mana, semua negeri tampil dengan *battle cry* masing-masing dalam matlamat untuk mencapai sasaran peningkatan pinjaman dan juga deposit.

The First Managers Conference of 2010 was held on 22 and 23 December 2010 at Pearl International Hotel, Kuala Lumpur.

The two day conference introduced each state's battle cry as they strived to achieve their target to increase loans and deposits.



47 27 Disember / December

AGROBANK BERSAMA PESAWAH

AGROBANK WITH FARMERS

Kampung Melele Kodiang, Kedah

Agrobank telah menyampaikan bantuan berbentuk jentera pertanian sebanyak 14 unit kepada mangsa banjir. Di samping itu penyampaian surat tawaran pinjaman kepada pelanggan Agrobank juga telah diadakan.

Pada majlis yang sama, Y.Bhg. Datuk Ahmad Said, Pengarah Urusan Agrobank telah turun ke sawah untuk membantu pesawah-pesawah menabur baju.

Agrobank provided aid in the form of 14 units of agricultural machinery for flood victims. In addition, a loan offer letter for Agrobank customers was also presented.

Y.Bhg. Datuk Ahmad Said, Managing Director, also went to the padi fields to help the farmers fertilize their fields.



Mengambil jalan selamat adalah pilihan yang paling tidak selamat di dunia. Anda tidak boleh berpeluk tubuh. Anda harus mara.

*Playing safe is probably the most unsafe thing in the world.
You cannot stand still.
You must go forward.*

Robert Collier



2010

Agrobank telah terpilih untuk menerima anugerah berprestij "Emerging Bank of the Year" pada malam majlis Malaysia Business Leadership Awards 2010 yang berlangsung pada 22 Mei 2010 lalu, bertempat di Kuala Lumpur Convention Centre (KLCC), Kuala Lumpur.

Emerging Bank of the Year



Agrobank was named "Emerging Bank of the Year" at the Malaysia Business Leadership Awards 2010 held on 22 May 2010, at Kuala Lumpur Convention Centre (KLCC), Kuala Lumpur.

2009

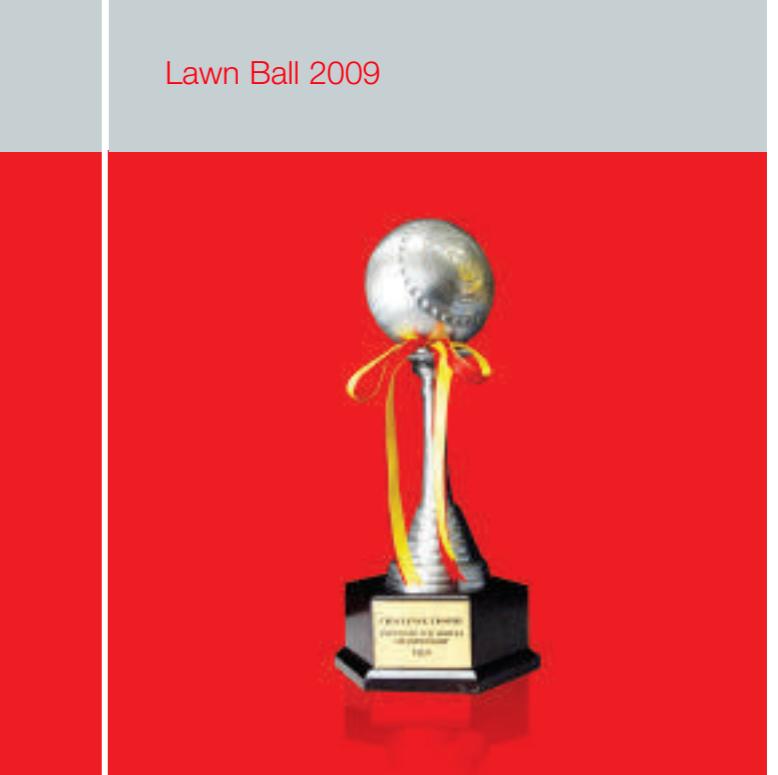
National Service Challenge 2009



Anugerah Pohon Pengidup

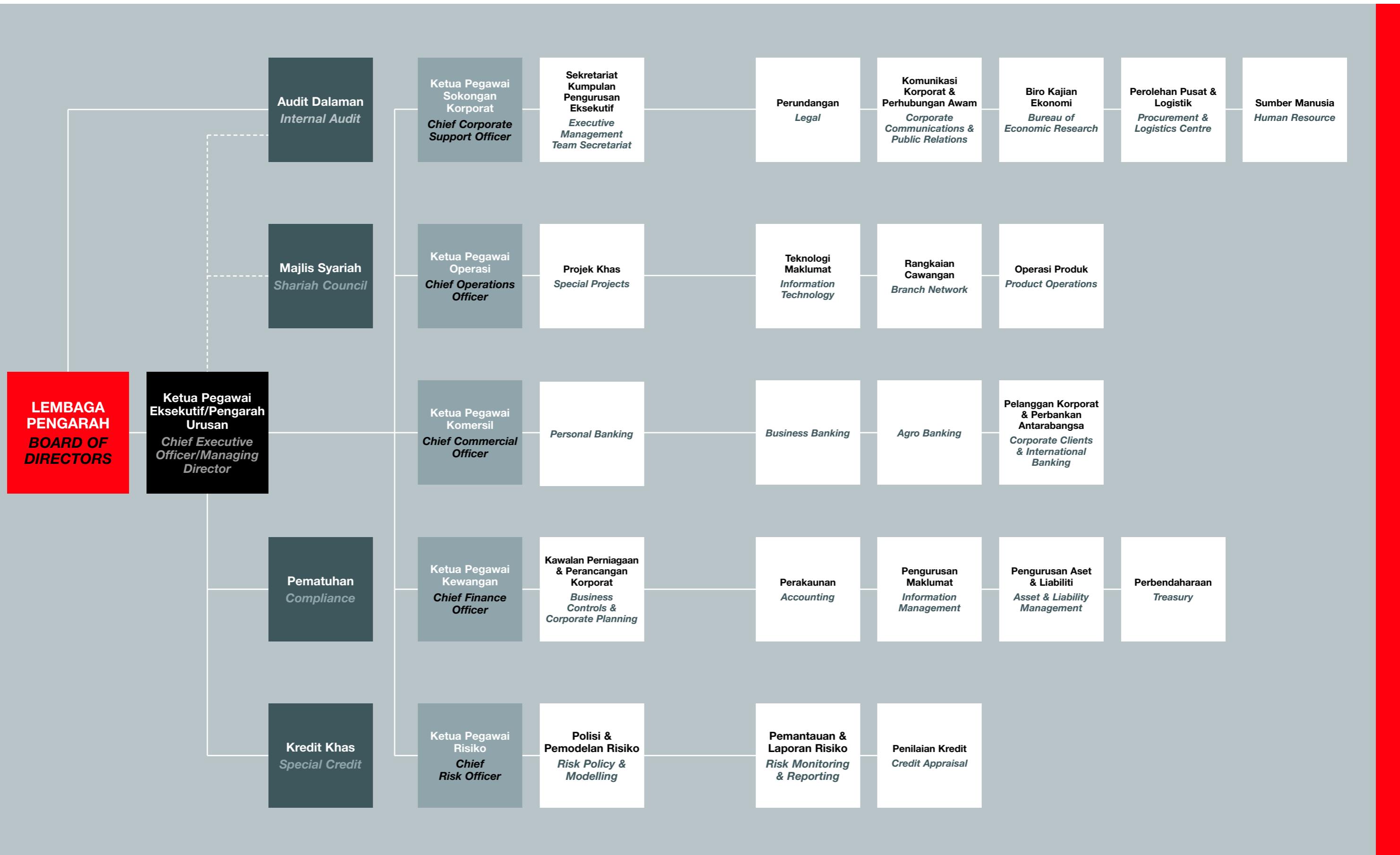


Lawn Ball 2009



Amanah Raya Berhad









cawangan tg. karang,
selangor

TG. KARANG BRANCH, SELANGOR



knowledge centre,
ibu pejabat agrobank
kuala lumpur

KNOWLEDGE CENTRE, AGROBANK HEAD OFFICE, KL

Bank Pertanian Malaysia

Agrobank yang dahulunya dikenali sebagai Bank Pertanian Malaysia (BPM) ditubuhkan pada 1 September 1969 di bawah Akta Parlimen Bank Pertanian Malaysia Bil.9/69. BPM telah beroperasi sebagai sebuah badan berkanun bermula tahun 1970.

Penubuhan BPM adalah akibat daripada langkah Kerajaan untuk melaksanakan projek pengairan bagi menampung tanaman padi dua kali setahun untuk seluruh kawasan tanaman padi negeri-negeri Kedah dan Perlis. Projek yang menjadi tumpuan utama adalah di kawasan pengairan Muda yang diuruskan oleh Lembaga Kemajuan Pertanian Muda (MADA).

Hasil daripada pembukaan dua buah cawangan pertamanya di Alor Setar, Kedah pada tahun 1969 dan di Kota Bharu, Kelantan pada tahun 1970, maka bermulalah peranan dan perkembangan BPM dalam usaha menyediakan khidmat bantuan kredit kepada para petani.

Sebagaimana tercatat di dalam Akta BPM 1969, objektif BPM pada masa itu adalah seperti berikut:

- Menggalakkan kemajuan sempurna dalam sektor pertanian di Malaysia atau mana-mana bahagiannya;
- Menyelaraskan dan menyelia bantuan kredit daripada kumpulan wang awam untuk maksud-maksud pertanian bagi kegunaan pelbagai jenis orang atau kumpulan, samada diperbadankan atau sebaliknya;

Bank Pertanian Malaysia

Agrobank, formerly known as Bank Pertanian Malaysia (BPM), was established in 1969 under the Act of the Parliament of Malaysia No.9/69. BPM commenced operations as a statutory body in 1970.

In order to support the biannual planting of padi for the states of Kedah and Perlis, the government took several measures to implement an irrigation project, which resulted in the establishment of BPM. The Muda irrigation project, managed by Muda Agricultural Development Authority (MADA), became the main focus.

The launching of its two maiden branches in Alor Setar, Kedah (1969) and Kota Bharu, Kelantan (1970) marked the beginning and development of BPM in its pursuit to provide credit assistance services to farmers.

The objectives as stipulated under the BPM Act 1969 are:

- To promote sound agricultural development in Malaysia or any part thereof;
- To coordinate and supervise the grant of credit from public funds for agricultural purposes by various persons or bodies of persons whether corporate or otherwise;

- Mengadakan kemudahan-kemudahan pinjaman, pendahuluan dan kredit untuk kemajuan pertanian termasuklah penghasilan dan pemasaran;
- Menyelenggara wang simpanan khususnya dalam bidang pertanian dan bagi mencapai tujuan ini, menerima wang simpanan dan deposit masa.

Agrobank

Kini, setelah lebih 40 tahun menerajui sektor perbankan pertanian negara, akhirnya BPM dikenali sebagai Agrobank susulan pengkorporatannya pada 1 April 2008.

Usaha-usaha pengkorporatan ini bermula setelah Akta Bank Pertanian Malaysia Berhad (BPMB) diluluskan dalam Mesyuarat Mingguan Kabinet pada 12 September 2007. Kemudiannya, Rang Undang-Undang BPM Berhad 2007 telah diluluskan di Dewan Negara pada 19 Disember 2007. Tan Sri Dato' Seri Hj. Muhyiddin Hj. Mohd. Yassin, Menteri Pertanian dan Industri Asas Tani pada masa itu telah bersetuju dengan tarikh kuatkuasa pengkorporatan pada 1 April 2008.

Melangkah ke era pengkorporatan, Bank bertukar wajah dengan imej dan identiti korporat yang baru.

Agrobank kini adalah sebuah Bank milik Kerajaan di bawah Menteri Kewangan Diperbadankan, dengan objektif yang lebih luas seperti berikut:

- Menyediakan perkhidmatan kewangan dan perbankan dengan fokus kepada sektor pertanian
- Meningkat dan menggalakkan pembiayaan pertanian oleh sektor perbankan komersil
- Menjadi salah satu agen bagi program pembangunan Kerajaan
- Menjadi pusat kepakaran pertanian
- Menyediakan penarafan kredit pertanian

- To provide loans, advances and other credit facilities for the development of agriculture, including production and marketing;
- To mobilize savings with particular regards to the agricultural sector and in furtherance of this objective, to accept savings and time deposits.

Agrobank

With more than 40 years of experience leading the nation's agricultural banking sector, BPM subsequently known as Agrobank after its corporatization on 1 April 2008.

Efforts to corporatize the Bank began once the Bank Pertanian Malaysia Berhad Act (BPMB) was approved in the Weekly Cabinet Meeting on 12 September 2007. The House of Senate then approved the BPM Berhad Bill of Law 2007 on 19 December 2007. Subsequently, Minister of Agriculture and Agro-based Industries, Tan Sri Dato' Seri Hj. Muhyiddin Hj. Mohd Yassin, agreed to the effective date of its corporatization on 1 April 2008.

To step into an era of corporatization, the bank emerged with a new corporate image and identity.

Agrobank is a Government owned Bank under the Minister of Finance Incorporated, with the following broad objectives:

- Provides financial and banking services with a focus on the agricultural sector
- Upgrades and encourages agricultural financing by the commercial banking sector
- One of the agents for the Government's development programme
- The centre of agricultural expertise
- Provides credit rating for agriculture



Tinjauan Ekonomi

Ekonomi Malaysia berkembang pada kadar 7.2% pada tahun 2010. Paket rangsangan kerajaan, polisi kewangan yang menggalakkan dan kebangkitan eksport telah menolong memulihkan ekonomi dari penguncutan sebanyak 1.7% pada tahun 2009. Dengan keadaan ekonomi semakin baik dan suasana perniagaan bertambah cergas, kadar pengangguran telah menurun kepada 3.2% pada 2010, dari 3.7% pada 2009. Untuk mengukuhkan sektor domestik berikutan ekonomi global yang masih tidak menentu, kerajaan telah mengadakan Pelan Transformasi Ekonomi (ETP) bagi menentukan halatuju ekonomi Malaysia.

Ekonomi Malaysia dijangka berkembang antara 5% hingga 6% pada 2011, dipacu terutamanya oleh aktiviti domestik yang kukuh berikutan keadaan ekonomi global yang agak lembab. Pelbagai langkah telah diambil oleh kerajaan bagi memastikan inisiatif-inisiatif ETP yang diterajui sektor swasta berjalan lancar dan memberi kesan gandaan. Permintaan domestik yang kukuh dan keyakinan pengguna dan peniaga yang agak stabil dijangka menyumbang ke arah pertumbuhan yang baik di dalam sektor perbankan pada 2011.

Tinjauan Sektor Perbankan

Pertumbuhan ekonomi yang kukuh pada 2010 telah menggalakkan aktiviti pinjaman dalam sektor perbankan. Pertumbuhan pinjaman meningkat daripada 7.8% pada tahun 2009 kepada 12.7% pada tahun 2010. Pinjaman kepada sektor perniagaan meningkat 9.4%, manakala kepada isirumah meningkat 13.5% pada 2010. Kualiti aset pinjaman kekal pada tahap yang baik, dengan nisbah pinjaman tidak berbayar bersih (NPLs) pada tahap yang masih rendah iaitu 2.3% pada 2010, walaupun meningkat sedikit daripada 1.8% pada 2009. Walau bagaimanapun, pertumbuhan deposit menurun daripada 9.3% pada 2009 kepada 7.3% pada 2010. Persaingan dari pelaburan yang menawarkan pulangan lebih tinggi telah membawa kepada penurunan dalam pertumbuhan deposit.

Economic Outlook

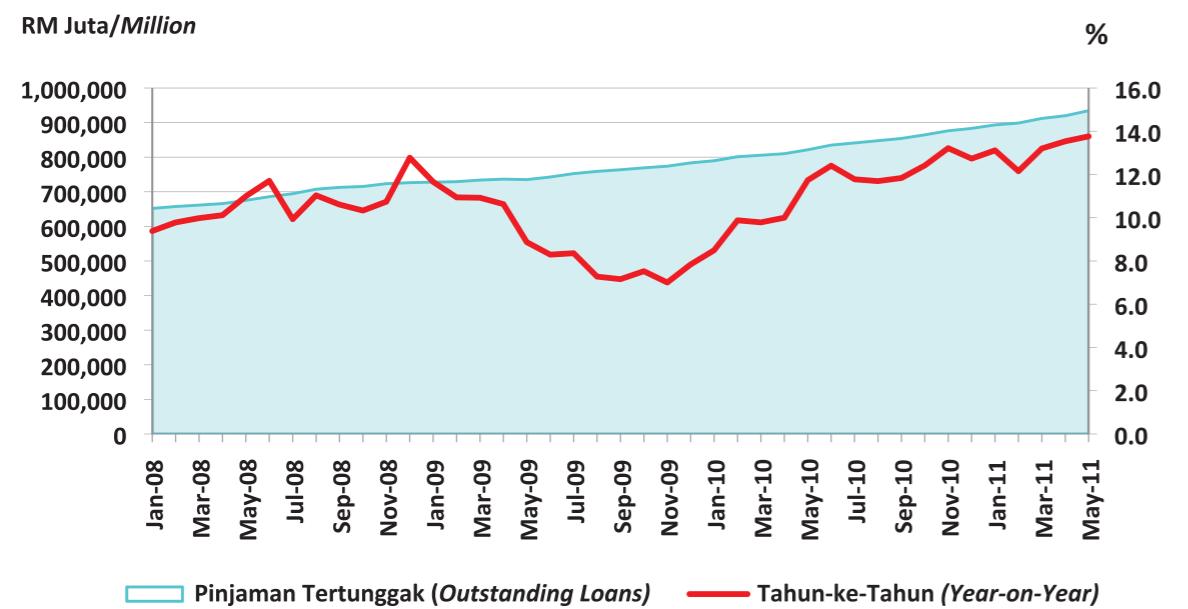
The Malaysian economy registered a 7.2% growth in 2010. The government's stimulus package, stimulative monetary policy, and the rebound in exports had helped revive the economy from a 1.7% contraction in 2009. Thanks to the improving economy and a more upbeat business climate, the unemployment rate was reduced to 3.2% in 2010, from 3.7% in 2009. To strengthen the domestic sector amid an uncertain global environment, the government initiated the Economic Transformation Programme (ETP) to chart the future course of the Malaysian economy.

The Malaysian economy is expected to grow between 5% to 6% in 2011, to be driven mainly by strong domestic activities as the global economy remains uninspiring. Efforts have been taken by the government to ensure that the ETP initiatives being led by the private sector proceed as planned and generate multiplier effects on the ground. Continued expansion in domestic demand and a fairly stable consumer and business confidence are expected to contribute towards a sound growth in the banking sector in 2011.

Banking Sector Outlook

The strong economic growth in 2010 had spurred lending activities in the banking sector. Loans growth in the banking system accelerated from 7.8% in 2009 to 12.7% in 2010. Loans to business enterprises grew 9.4%, while households rose at a strong rate of 13.5% in 2010. The quality of loan assets remained favourable, with the net non-performing loans (NPLs) ratio at a low level of 2.3% in 2010, though up slightly from 1.8% in 2009. However, deposits growth declined from 9.3% in 2009 to 7.3% in 2010. The competition with other investment opportunities that offer higher returns had partly led to the reduction in deposit growth.

Sistem Perbankan: Pertumbuhan Jumlah Pinjaman
Banking System: Total Loans Growth



Bank Negara Malaysia (BNM) menaikkan Kadar Dasar Semalam (OPR) pada bulan Mac, Mei dan Julai 2010 dengan peningkatan 0.25% bagi setiap kenaikan, seterusnya meningkatkan OPR dari 2.00% pada Februari 2010 kepada 2.75% pada Julai 2010. Dengan kadar inflasi yang rendah pada 2010 (1.7%), OPR dijangka hanya akan dinaikkan pada 2011 apabila paras harga menjadi lebih membimbangkan. Bagi membendung peningkatan tahap kecairan dalam sistem perbankan, Keperluan Rizab Berkanan (SRR) akan dinaikkan secara beransur-ansur. Dengan pelaksanaan program ETP semakin rancak pada 2011, pertumbuhan pinjaman dalam sektor perbankan dijangka kekal kukuh dan mungkin melebihi 10%.

Bank Negara Malaysia (BNM) raised the Overnight Policy Rate (OPR) in March, May and July 2010 with an increase of 0.25% each time, lifting it from 2.00% in Feb 2010 to 2.75% in July 2010. With inflation at a mild rate in 2010 (1.7%), the OPR is only expected to be raised in 2011 when the price level becomes a greater concern. To contain the rise of liquidity in the banking system, the Statutory Reserve Requirement (SRR) ratio could be raised gradually. As the implementation of the ETP is stepped up in 2011, loans growth in the banking system is expected to remain strong, possibly at more than 10%.

Halatuju Tahun 2011-2012 / Moving Forward 2011-2012

HALATUJU AGROBANK ADALAH BERTEMAKAN KE ARAH PENINGKATAN PERTUMBUHAN KEUNTUNGAN YANG MAMPAH DAN DIPEROLEHI MELALUI PELBAGAI SUMBER PENDAPATAN DENGAN MEMBERIKAN FOKUS DALAM BIDANG PERTANIAN.

THE BANK'S THEME FOR MOVING FORWARD WILL BE TOWARDS CONTINUOUS GROWTH IN PROFITS THROUGH MULTIPLE AND SUSTAINABLE REVENUE SOURCES WITH A FOCUS ON AGRICULTURE.

Tema tersebut akan mengukuhkan lagi kedudukan Agrobank dalam melaksanakan mandatnya sebagai sebuah institusi kewangan pembangunan yang khusus dalam bidang pertanian dan seterusnya menjadikan Agrobank sebagai sebuah Bank yang lebih kukuh.

Untuk memacu perniagaan dan operasi Agrobank bagi tahun 2011-2012, enam pemacu utama untuk merangsang pertumbuhan telah dikenalpasti dan akan dilaksanakan bagi memberikan fokus dan arah sasaran Bank. Bagi mencapai hasrat ini, peruntukan yang bersesuaian akan disediakan bagi membangunkan infrastruktur yang lengkap dan untuk meningkatkan keupayaan modal insan melalui penyediaan program-program insentif dan ganjaran yang lebih baik dan memberikan motivasi serta latihan kepada kakitangan.

Bank ini juga akan terus mendokong mandatnya sebagai sebuah institusi kewangan pembangunan yang memberi tumpuan dalam pembiayaan pertanian serta meningkatkan sektor pertanian negara ke tahap yang lebih tinggi.

KPI Korporat akan ditetapkan supaya Bank dapat mencapai sasaran yang ditetapkan dan ianya akan merangkumi nilai-nilai Pembangunan, Kewangan, Pelanggan dan Kakitangan. Nilai-nilai Pembangunan dan Kewangan diberikan penekanan yang lebih tinggi.

Adalah dijangkakan Agrobank akan terus mencapai prestasi yang baik dalam tahun 2011.

The theme reinforces the Bank's mandated role as a developmental financial institution (DFI) focusing in agricultural financing, whilst transforming the bank towards sustainability.

To drive the business of Agrobank in the year 2011-2012, six strategic drivers as prime enablers have been identified to provide focus and clarity on the business targets. The business will also be driven by the necessary support and financial allocations for infrastructure development and improvements in staff competencies through incentives, motivational and training programmes.

The bank will continue its mandated role as a developmental financial institution focusing in agricultural financing whilst rebalancing its agriculture portfolio to a higher level.

Corporate KPIs are established to ensure focus in the attainment of the Business Plan targets covering Developmental, Financial, Customer and Employee values. The Developmental and Financial value is given emphasis in 2011.

Barring unforeseen circumstances, Agrobank is expected to maintain its earnings momentum and continue to record a satisfactory performance for the year 2011.

A red vertical bar on the left side of the image features abstract white line drawings. At the top, a large triangle is partially visible. Below it, several thin, wavy lines radiate from a central point. A small circle is located at the bottom right.

Kemajuan adalah aktiviti hari ini
dan jaminan untuk masa hadapan.

*Progress is the activity of today
and the assurance of tomorrow.*

Ralph Waldo Emerson



**Lembaga Pengarah
Board of Directors**

Nama-nama Lembaga Pengarah Bank pada tarikh laporan yang terakhir dan sehingga tarikh laporan ini adalah:-
The members of the Board of Directors from the previous to the current report are:-



1. TAN SRI FAIZAH MOHD TAHIR
 Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Chairman
 (Dilantik mulai 5 Ogos 2010
 Appointed effective 5 August 2010)



2. DATO' MOHAMED SALLEH BAJURI
 Pengurus Bebas Bukan Eksekutif
Independent Non-Executive Chairman
 (Berkhidmat sehingga 19 Jun 2010
 In service until 19 June 2010)

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

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

7. DATUK JOHAR CHE MAT
 Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director
 (Dilantik mulai 1 Julai 2010/Appointed effective 1 July 2010)

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

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

13. DATUK DR. ELIAS KADIR
 Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director
 (Berkhidmat sehingga 2 Jun 2010/*In service until 2 June 2010*)

15. DATUK DR. RAHAMAT BIVI YUSOFF
 Pengarah Bukan Bebas Bukan Eksekutif
Non-Independent Non-Executive Director
 (Berkhidmat sehingga 6 Mei 2010/*In service until 6 May 2010*)



4. DATUK AHMAD SAID
 Pengarah Urusan/*Managing Director*
 (Berkhidmat sehingga 30 Jun 2010/*In service until 30 June 2010*)



6. PUAN RASHIDAH MOHD SIES
 Pengarah Bukan Bebas Bukan Eksekutif
Non-Independent Non-Executive Director
 (Dilantik mulai 8 Jun 2010/Appointed effective 8 June 2010)

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

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



12. DATO' MOHD HANIF SHER MOHAMED
 Pengarah Bebas Bukan Eksekutif/*Independent Non-Executive Director*
 (Berkhidmat sehingga 2 Jun 2010/*In service until 2 June 2010*)



Profil Pengarah
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 berkuatkuasa pada 5 Ogos 2010. Tan Sri Faizah memiliki Ijazah Sarjana (Pembangunan Ekonomi) dari Williams College, Amerika dan Ijazah Sarjana Muda (Ekonomi) dari Universiti Malaya.

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

Tan Sri Faizah adalah juga merupakan Ahli Lembaga Pengarah Goodyear Malaysia Berhad, Goodyear Marketing and Sales Sdn. Bhd. dan Bank Pembangunan Malaysia Berhad.

Tan Sri Faizah Mohd Tahir was appointed as Agrobank's Independent Non-Executive Chairman effective 5 August 2010. Tan Sri Faizah holds a Master's Degree (Economic Development) from Williams College, United States of America and a Bachelor's Degree (Economics) from Universiti Malaya.

Tan Sri Faizah 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 has 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 Chief Secretary in the Ministry of Women, Family and Community Development.

Tan Sri Faizah also sits on the Board of Goodyear Malaysia Berhad, Goodyear Marketing and Sales Sdn Bhd and Bank Pembangunan Malaysia Berhad.

Dato' Mohamed Salleh Bajuri adalah Pengerusi Bebas Bukan Eksekutif Agrobank mulai dari 20 Jun 2008 hingga 19 Jun 2010.

Dato' Mohamed Salleh merupakan seorang akauntan bertauliah dan ahli Institute of Chartered Accountant di Ireland. Beliau pernah menyandang pelbagai jawatan pengurusan termasuk Pengarah Urusan JB Securities Sdn. Bhd., Pengarah Eksekutif Kumpulan CRSC Holdings Sdn. Bhd., Juruaudit Kanan Peat Marwick & Co., Pengurus Besar Mayban Finance Berhad dan juga Pengurus Besar Malayan Banking Berhad. Beliau juga adalah bekas Pengerusi Jawatankuasa Pendidikan dan Jawatankuasa Perhubungan Awam bagi Pertubuhan Syarikat-Syarikat Kewangan Malaysia (AFCM).

Dato' Mohamed Salleh Bajuri was Agrobank's Independent Non-Executive Chairman from 20 June 2008 until 19 June 2010.

Dato' Mohamed Salleh is a Chartered Accountant as well as a member of the Institute of Chartered Accountant of Ireland. He has held several key positions including Managing Director of JB Securities Sdn. Bhd., Executive Director of CRSC Holdings Group Sdn. Bhd., Senior Auditor of Peat Marwick & Co., General Manager of Mayban Finance Berhad and Malayan Banking Berhad. He was also the former Chairman of the Education and Public Relations Committees for the Association of Finance Companies (AFCM).



2

**DATO' MOHAMED
SALLEH BAJURI**

Pengerusi Bebas Bukan Eksekutif
Independent Non-Executive Chairman



3

**WAN MOHD. FADZMI
BIN WAN OTHMAN**

Presiden/Ketua Pegawai Eksekutif
President/Chief Executive Officer

Wan Mohd. Fadzmi merupakan pemegang Ijazah Sarjana Muda Ekonomi Binaan dari Royal Melbourne Institute of Technology, Australia.

Beliau menyertai Kumpulan RHB Banking pada 15 Julai 2010 sebagai Pengarah Perbankan Kewangan Global dan melapor kepada Pengarah Urusan Kumpulan. Tugas utama beliau adalah mengetuai dan menguruskan rangkaian operasi antarabangsa Kumpulan.

Sebelum menyertai Kumpulan RHB Banking, beliau pernah berkhidmat dengan Maybank selama 22 tahun, bermula sebagai Pegawai Pemasaran pada tahun 1989. Pada tahun 1999, Wan Mohd Fadzmi memegang pelbagai jawatan pengurusan kanan termasuk mengetuai cawangan Maybank di London, New York dan Hong Kong. Beliau juga merupakan Ketua Operasi Luar Negara, Antarabangsa di mana beliau bertanggungjawab ke atas aspek operasi rangkaian antarabangsa Maybank yang merangkumi 12 pejabat di luar negara.

Berkatuksa 1 Julai 2011, Wan Mohd Fadzmi bin Wan Othman telah dilantik sebagai Presiden/Ketua Pegawai Eksekutif Agrobank.

Wan Mohd. Fadzmi holds a Bachelor of Construction Economics from the Royal Melbourne Institute of Technology, Australia.

He joined RHB Banking Group on 15 July 2010 as Director of Global Financial Banking, reporting to the Group Managing Director. His primary area of responsibilities was to lead and manage the Group's international operations network.

Prior to joining the RHB Banking Group, he was attached to the Maybank Group for 22 years. He started his career with Maybank as a Marketing Officer in 1989. From 1999 onwards, Wan Mohd Fadzmi held several senior management positions including heading Maybank's branches in London, New York and Hong Kong. He also served in the capacity of the Head of Overseas Operations, International, where he was responsible for the operations aspects of Maybank's international network, covering 12 overseas offices.

With effect from July 1, 2011, Agrobank has appointed Wan Mohd Fadzmi Wan Othman as its new President/Chief Executive Officer.

Datuk Ahmad Said adalah merupakan Pengarah Urusan dan Ahli Lembaga Pengaruh Agrobank berkuatkuasa pada 1 Jun 2009 sehingga 30 Jun 2011. Berkelulusan Ijazah Sarjana Muda Undang-Undang (dengan Kepujian) dari Universiti Islam Antarabangsa dan Diploma Pertanian dari Universiti Pertanian Malaysia (sekarang dikenali dengan Universiti Putra Malaysia).

Beliau mempunyai pengalaman selama 33 tahun dalam sektor perbankan. Beliau memulakan kerjaya dengan Bank Pertanian Malaysia (BPM) pada tahun 1976 sebagai Pegawai Kredit serta Pegawai Undang-Undang. Pada tahun 1991, beliau telah dilantik sebagai Pengurus, Bahagian Urusetia dan Guaman. Mulai tahun 1997, beliau memegang jawatan sebagai Pengurus Kanan Cawangan dan kemudiannya telah dilantik semula menerajui Bahagian Urusetia dan Guaman selama lebih kurang tiga tahun. Beliau seterusnya telah dilantik sebagai Timbalan Pengurus Besar Sokongan Perniagaan. Selepas pengkorporatan BPM pada 1 April 2008, beliau telah memegang jawatan sebagai Timbalan Presiden Kanan, Penyeliaan Kredit, Operasi Cawangan dan Sumber Am selama enam bulan dan memegang jawatan sebagai Ketua Pegawai Operasi sehingga 31 Mei 2009 sebelum dilantik sebagai Pengarah Urusan Agrobank.

Beliau kini menjadi Ahli Lembaga Pengarah Board of Studies CELPAD, Universiti Islam Antarabangsa, Board of Investment (JKIP) Universiti Putra Malaysia, Kemajuan Pertanian Kemubu (KADA), Lembaga Pertubuhan Peladang (LPP) dan UPM Holdings. Beliau juga telah dilantik sebagai Adjunct Professor di Universiti Islam Antarabangsa.

Datuk Ahmad Said is Agrobank's Managing Director and Board Member effective 1 June 2009 until 30 June 2011. He holds a Bachelor's Degree in Law (Hons) from the International Islamic University and a Diploma in Agriculture from Universiti Pertanian Malaysia (now known as Universiti Putra Malaysia).

He has 33 years experience in the banking sector and began his career in Bank Pertanian Malaysia (BPM) in 1976 as a Credit Officer and Legal Officer. He was appointed as Manager, Secretariat and Legal Division in 1991. In 1997, he was Senior Branch Manager before being reappointed to head the Secretariat and Legal Division for about three years. He was subsequently appointed as Deputy General Manager of Business Support. After BPM was corporatized on 1 April 2008, he was appointed as Senior Vice President, Credit Supervision, Branch Operations and General Resources for six months. He became Chief Operating Officer until May 31, 2009 before being appointed as Managing Director of Agrobank.

He is currently a Board Member for Board of Studies CELPAD, International Islamic University, Board of Investment (JKIP) Universiti Putra Malaysia, Kemubu Agricultural Development Authority (KADA), the Farmers Organisation Authority (FOA), UPM Holdings. He was also appointed as Adjunct Professor at the International Islamic University.



4

DATUK AHMAD SAID

Pengarah Urusan/Managing Director



5

DATUK DR. SAHARAN HAJI ANANG

Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director

Datuk Dr. Saharan Haji Anang telah dilantik sebagai Pengarah Bebas Bukan Eksekutif Agrobank berkuatkuasa pada 9 Jun 2008. 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.

Beliau pernah memegang pelbagai jawatan penting antaranya Ketua Pengarah Institut Penyelidikan dan Kemajuan Pertanian Malaysia (MARDI), Pengerusi Jawatankuasa Teknikal Persidangan dan Pameran Florikultur 98 serta Ahli Majlis Penyelidikan & Kemajuan Sains Negara. Beliau juga adalah bekas Presiden Institut Pertanian Malaysia (AIM).

Datuk Dr. Saharan adalah merupakan Felo Akademik Sains Malaysia (FA.Sc) semenjak tahun 2001. Beliau kini adalah 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 Agrobank's Independent Non-Executive Director effective 9 June 2008. He holds a PhD from the University of London, England in 'Weed Science', Master in Agricultural Science from the State Agriculture Development University, Ghent, Belgium and Bachelor of Agricultural Science from Universiti Malaya.

He has held several key positions such as Director General of the Malaysian Research and Development Institute (MARDI), Chairman of the Technical Conference and Floriculture Exhibition 1998 and Member of the National Science Research & Development Council. He is also the former president of the Agriculture Institute of Malaysia (AIM).

Datuk Dr. Saharan is also a Fellow of the Academy of Sciences Malaysia (FA.Sc) since 2001. He is currently the Chairman of Paddytech Resources Sdn. Bhd. and Mscape Management Sdn. Bhd. He was previously the Board Member of Federal Agriculture Marketing Authority (FAMA), the 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.

Puan Rashidah Mohd Sies telah dilantik menjadi Pengarah Bukan Bebas Bukan Eksekutif Agrobank berkuatkuasa pada 8 Jun 2010. Pada masa kini, beliau memegang jawatan sebagai Ketua Penolong Setiausaha Bahagian Pelaburan MKD dan Penswastaan, Kementerian Kewangan Malaysia (MOF).

Beliau berkelulusan Ijazah Sarjana Pentadbiran Perniagaan dari US International University, California, Amerika Syarikat, Ijazah Sarjana Muda Pentadbiran Perniagaan (Kewangan) dari Idaho State University, Amerika Syarikat dan Diploma Pentadbiran Awam dari Institut Tadbiran Awam Negara (INTAN).

Sepanjang perkhidmatan beliau dalam sektor awam, Puan Rashidah telah mengendali dan menyelaraskan projek-projek penswastaan termasuk pembangunan Putrajaya, ERL, PTP, Matrade Centre dan bangunan baru MITI. Beliau juga turut menguruskan perkara-perkara berkaitan isu korporat syarikat kerajaan dari pelbagai sektor dan terlibat secara terus dalam urusan rasionalisasi dan penstrukturkan semula fungsi dan peranan Bank Pembangunan dan Infrastruktur Malaysia Berhad dan Bank Industri Malaysia.

Puan Rashidah Mohd Sies was appointed as Agrobank's Non-Independent Non-Executive Director effective 8 June 2010. Currently, she serves as Principal Assistant Secretary in the MKD Investment and Privatization Division, Ministry of Finance (MOF).

She holds an MBA from US International University, California, USA, and a Bachelor of Science in Business Administration (Finance) from Idaho State University, USA as well as a Diploma in Public Administration from the Institute of Public Administration (INTAN).

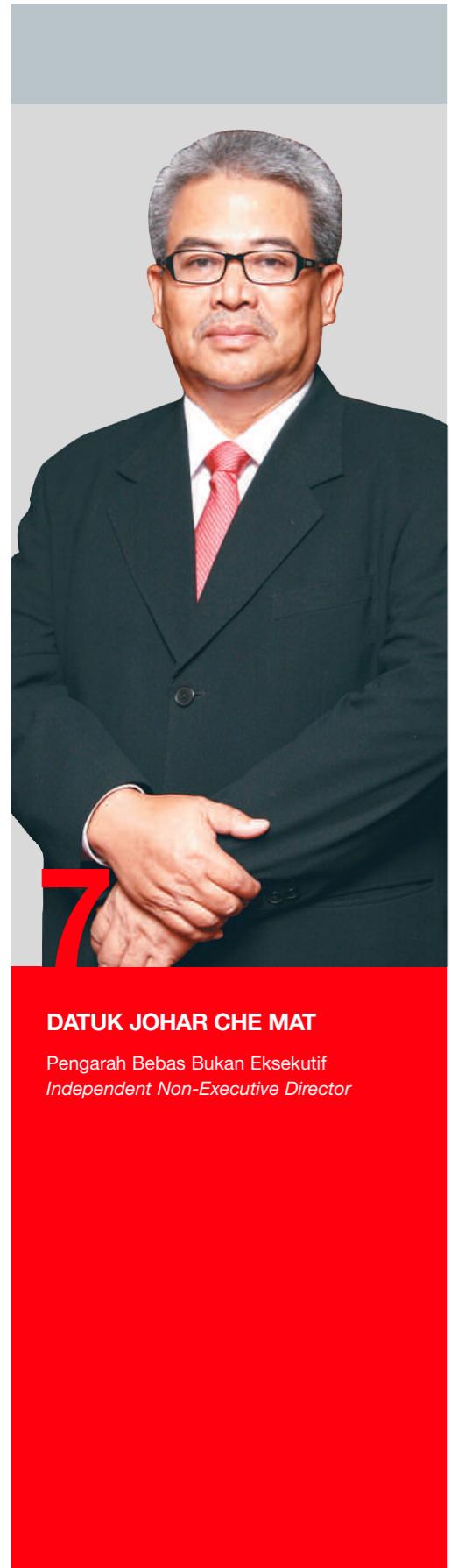
During her tenure in the public sector, she has organized and coordinated privatization projects, including the development of Putrajaya, ERL, PTP, Matrade Centre and the new MITI building. She also manages matters relating to corporate issues from various government sectors and is directly involved in the rationalization and restructuring of business functions and the role of the Development and Infrastructure Bank Malaysia Berhad and Industry Bank Malaysia.



6

PUAN RASHIDAH MOHD SIES

Pengarah Bukan Bebas Bukan Eksekutif
Non-Independent Non-Executive Director



DATUK JOHAR CHE MAT

Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director

Datuk Johar Che Mat telah dilantik sebagai Pengarah Bebas Bukan Eksekutif Agrobank berkuatkuasa pada 1 Julai 2010. Beliau berkelulusan Ijazah Sarjana Muda (Ekonomi).

Datuk Johar mempunyai pengalaman yang luas selama 34 tahun di dalam bidang 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 Bhd. Datuk Johar merupakan mantan Ketua Pegawai Operasi Maybank Berhad.

Datuk Johar kini merupakan Ahli Lembaga Pengarah Proton Holdings Berhad dan Amanah Raya Berhad.

Datuk Johar Che Mat was appointed as Agrobank's Independent Non-Executive Director effective 1 July 2010. He holds a Bachelor's Degree in Economics.

He 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 Bhd. Datuk Johar is the former Chief Operating Officer of Maybank Berhad.

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

Encik Ng Chih Kaye telah dilantik sebagai Pengarah Bebas Bukan Eksekutif Agrobank berkuatkuasa pada 8 Februari 2011. Beliau merupakan seorang Felo Persatuan Akauntan Bertauliah (ACCA) dan Akauntan Berdaftar, Institut Akauntan Malaysia (MIA). Beliau juga adalah ahli jawatankuasa Amalan Insolvensi di Institut Akauntan Awam Bertauliah Malaysia (MICPA) dan Institut Akauntan Malaysia (MIA).

Encik Ng Chih Kaye memulakan kerjaya beliau sebagai Juru Audit Kanan di Blinkhorn, Lyon & Golding, Chartered Accountants, London dan Juru Audit Kanan di KPMG Malaysia, Kuala Lumpur. Beliau seterusnya berkhidmat dengan Maybank selama 25 tahun dengan jawatan terakhirnya sebagai Eksekutif Naib Presiden dan beliau adalah seorang Ahli Lembaga Pengarah Mayban Allied Credit & Leasing Bhd.

Mr. Ng Chih Kaye was appointed as Agrobank's Independent Non-Executive Director effective 8 February 2011. He is a Fellow of the Association of Chartered Certified Accountants (ACCA) and a Chartered Accountant of the Malaysian Institute of Accountants (MIA). He is also a committee member of the Insolvency Practice Committees of the Malaysian Institute of Certified Public Accountants (MICPA) and Malaysian Institute of Accountants (MIA).

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



ENCIK NG CHIH KAYE

Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director



9

DATIN RUZAINA WAN HANIFF

Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director

Datin Ruzaina Wan Haniff telah dilantik sebagai Pengarah Bebas Bukan Eksekutif Agrobank berkuatkuasa pada 1 Mac 2011. 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 beliau dalam Perkhidmatan Kehakiman dan Perundangan. Semasa berkhidmat dengan Kerajaan, Datin Ruzaina pernah menyandang jawatan Penolong Penasihat Undang-Undang, Kementerian Pertahanan, Timbalan Peguam Cara Perbendaharaan Malaysia, Timbalan Pendakwa Raya (Unit Jenayah Perdagangan), Penasihat Undang-Undang, 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 Agrobank's Independent Non-Executive Director effective 1 March 2011. She holds a 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 Services. Whilst working for the government, Datin Ruzaina held several positions such as Assistant Legal Advisor, Defense Ministry; Deputy Solicitor, Malaysia; Deputy Public Prosecutor (Commercial Crime Unit), Legal Advisor, Ministry of Information and Ministry of Agriculture and Senior Assistant Parliamentary Draftsman/Head of the Drafting Division of the Attorney General office.

Encik Md Hilmi Datuk Haji Md Noor telah dilantik sebagai Pengarah Bebas Bukan Eksekutif Agrobank berkuatkuasa pada 1 Mac 2011. Beliau merupakan seorang Felo Persatuan Akauntan Bertauliah (ACCA) dan Akauntan Berdaftar, Institut Akauntan Malaysia (MIA).

Encik Md Hilmi pernah menjawat jawatan Pengurus Besar, Korporat & Kewangan, WCT Engineering Berhad, Ketua Akauntan Kumpulan, Ibex Corporation Group, Pengawal Kewangan di Percon Corporation Group dan Ketua Akauntan, Pernas Edar Sdn. Bhd. dan Ruby Quest Berhad, syarikat yang tersenarai di papan utama BSKL.

Kini Encik Md Hilmi merupakan seorang penasihat korporat bagi sebuah firma pembinaan dan dagangan di Bahrain dan juga merupakan Koordinator Kewangan kepada sebuah konsortium pembinaan di Malaysia yang terlibat dalam penswastaan Projek Lebuhraya di India.

Encik Md Hilmi Datuk Haji Md Noor was appointed as Agrobank's Independent Non-Executive Director effective 1 March 2011. He is a Fellow of the Association of Chartered Certified Accountants (ACCA) and a Chartered Accountant of the Malaysian Institute of Accountants (MIA).

Encik Md Hilmi has held several positions such as General Manager, Corporate & Finance, WCT Engineering Berhad, Group Chief Accountant, Ibex Corporation Group, Financial Controller at Percon Corporation Group and Head Accountant, Pernas Edar Sdn. Bhd. and Ruby Quest Berhad, a KLSE mainboard listed company.

Encik Md Hilmi is currently the corporate advisor of a construction and commercial firm in Bahrain as well as Financial Coordinator to a construction consortium in Malaysia that is involved with the Highway Project privatization in India.



10

ENCIK MD HILMI DATUK HAJI MD NOOR

Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director



11

DATO' CHE MOHD HASHIM ABDULLAH

Pengarah Bukan Bebas Bukan Eksekutif
Non-Independent Non-Executive Director

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

Dato' Che Mohd Hashim memulakan kerjaya beliau dalam bidang perkhidmatan awam pada tahun 1980 dan antara jawatan yang pernah disandang ialah sebagai Setiausaha Sulit Kanan kepada Menteri Belia dan Sukan dan Menteri Pembangunan Luar Bandar, Ketua Penolong Setiausaha Bahagian Perancangan & Penilaian dan Setiausaha Bahagian Pembangunan Perniagaan di Kementerian Pembangunan Usahawan dan Koperasi, Timbalan Ketua Setiausaha (Pembangunan dan Usahawan) Kementerian Pembangunan Usahawan dan Koperasi dan Timbalan Ketua Setiausaha Kementerian Pertanian dan Industri Asas Tani. Beliau kini memegang jawatan Ketua Setiausaha Kementerian Pertanian dan Industri Asas Tani.

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

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

Dato' Che Mohd Hashim began his career in public service in 1980. Among the positions he has held are Senior Private Secretary to the Minister of Youth and Sports and Minister of Rural Development, Principal Assistant Secretary in the Planning and Valuation Division and 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 Trustee Board Member of Tekun Malaysia (TEKUN), Board Member of the Fisheries Development Authority of Malaysia, Member of the Farmers' Advisory Council, Farmers' Organization Authority (LPP) and Board Member of Malaysian Cooperative Commission (SKM).

Dato' Mohd Hanif Sher Mohamed telah dilantik sebagai Pengarah Bebas Bukan Eksekutif Agrobank dari 9 Jun 2009 hingga 2 Jun 2010. Beliau berkelulusan Ijazah Sarjana Pentadbiran Perniagaan dari United Kingdom. Beliau juga adalah ahli Australian Management College, British Institute of Management dan Institute of Credit Management, United Kingdom.

Dato' Mohd Hanif telah melibatkan diri di dalam industri perbankan melebihi 30 tahun dan jawatan terakhir yang dipegang oleh beliau adalah sebagai Ketua Pegawai Eksekutif di Credit Corporation Malaysia Berhad.

Beliau kini merupakan Pengurus ERF Sdn. Bhd. dan Agensi Kaunseling dan Pengurusan Kredit, Bank Negara Malaysia. Beliau juga memegang jawatan sebagai Pengarah bagi Credit Guarantee Corporation (CGC), Danajamin Nasional Berhad dan Tabung Projek Perumahan Terbengkalai (TPPT).

Dato' Mohd Hanif Sher Mohamed was appointed as Agrobank's Independent Non-Executive Director from 9 June, 2009 until 2 June 2010. He holds a Master in Business Administration from the United Kingdom. He is also a member of the Australian Management College, British Institute of Management and the Institute of Credit Management, United Kingdom.

Dato' Mohd Hanif has been involved in the banking industry for more than 30 years and has experience in banking, strategic planning and corporate restructuring. His last post was as Chief Executive Officer of Credit Corporation Malaysia Berhad.

He is currently the Chairman of ERF Sdn. Bhd. and the Agensi Kaunseling dan Pengurusan Kredit, Bank Negara Malaysia. He also served as Director of the Credit Guarantee Corporation (CGC), Danajamin Nasional Berhad and Abandoned Housing Project Fund (TPPT).



12

DATO' MOHD HANIF SHER MOHAMED

Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director



13

DATUK DR. ELIAS KADIR

Pengarah Bebas Bukan Eksekutif
Independent Non-Executive Director

Datuk Dr. Elias Kadir dilantik menjadi Pengarah Bebas Bukan Eksekutif Agrobank dari 9 Jun 2008 hingga 2 Jun 2010. Beliau berkelulusan Ijazah Kedoktoran dalam bidang Pengurusan Perniagaan dari Irish International University. Beliau adalah Fellow Persatuan Pengurusan Perniagaan, United Kingdom (FBMA), Fellow Institut Bertauliah Logistik dan Pengangkutan, United Kingdom (FCILT) dan juga Ahli International Institute of Business Management, Dublin, Ireland.

Datuk Dr. Elias kini adalah Pengarah Eksekutif Kanan di FELDA Holdings Berhad. Sebelum perlantikan beliau di FELDA Holdings Berhad, beliau adalah Pengarah Urusan di Kontena Nasional Berhad dari tahun 1987 dan pada tahun 1992, beliau telah dipinjamkan ke Kelang Port Management (kini dikenali sebagai Northport Berhad) sebagai Pengarah Urusan.

Datuk Dr. Elias pernah menjadi Ahli Lembaga Pengarah Bank Islam Malaysia Berhad (BIMB) dan BIMB Holding Berhad (mewakili Lembaga Tabung Haji).

Datuk Dr. Elias Kadir was Agrobank's Independent Non-Executive Director from 9 June 2008 until 2 June 2010. He holds a PhD in Business Management from the Irish International University. He is also a Fellow of the Business Management Association UK (FBMA), Fellow of the Chartered Institute of Logistics and Transport UK (FCILT) and a member of the International Institute of Business Management, Dublin, Ireland.

Datuk Dr. Elias is currently Senior Executive Director of FELDA Holdings Berhad. Prior to this, he was the Managing Director at Kontena Nasional Berhad from 1987 and in 1992, was seconded to the Klang Port Management (now known as Northport Berhad) as Managing Director.

Datuk Dr. Elias was also previously the Board Member of Bank Islam Malaysia Berhad (BIMB) and BIMB Holdings Berhad (representing Lembaga Tabung Haji).

Dato' Mohd Mokhtar Ismail adalah merupakan Pengarah Bukan Bebas Bukan Eksekutif Agrobank dari 4 Februari 2009 hingga 11 November 2010. Beliau berkelulusan Ijazah Sarjana Sastera (Ekonomi) dari University Western Michigan, USA dan Sarjana Muda Sastera (Ekonomi) dari Universiti Malaya.

Dato' Mohd Mokhtar mempunyai pengalaman lebih dari 33 tahun dalam perkhidmatan awam dan jawatan terakhir beliau dalam perkhidmatan awam adalah sebagai Ketua Setiausaha Kementerian Pertanian dan Industri Asas Tani. Antara jawatan yang pernah disandang oleh beliau ialah Ketua Penolong Pengarah Bahagian Perancangan dan Dasar, Kementerian Pertanian dan Ketua Penolong Pengarah Seksyen Makro, Unit Perancang Ekonomi (EPU). Sebelum dilantik sebagai Timbalan Ketua Setiausaha (Pembangunan) Kementerian Pertanian dan Industri Asas Tani pada tahun 2006, Dato' Mohd Mokhtar pernah berkhidmat sebagai Ketua Penolong Pengarah Bahagian Perkhidmatan Pekerjaan, Jabatan Tenaga Rakyat, Kementerian Sumber Manusia dan Setiausaha Bahagian, Bahagian Program dan Projek, Kementerian Pembangunan Usahawan.

Dato' Mohd Mokhtar pernah menjadi Ahli Lembaga Pengarah Beras Nasional (BERNAS), Perbadanan Produktiviti Negara (MPC), Pihak Berkuastra Kemajuan Pekebun Kecil Perusahaan Getah (RISDA), Lembaga Pembangunan Tioman, Bank Pertanian Malaysia, Lembaga Kemajuan Pertanian Muda (MADA), Lembaga Pemasaran Pertanian Persekutuan (FAMA) dan Malaysia International Tuna Port (MITP) serta Pengurus Institut Penyelidikan dan Kemajuan Pertanian Malaysia (MARDI).

Dato' Mohd Mokhtar Ismail was Agrobank's Non-Independent Non-Executive Director from 4 February until 11 November 2010. He holds a Master of Arts (Economics) Degree from Western Michigan University, USA and a Bachelor of Arts (Economics) Degree from Universiti Malaya.

He has over 33 years experience in the government sector. His last position in the government sector was as Chief Secretary at the Ministry of Agriculture and Agro-Based Industries. He has also served as Principal Assistant Director of the Planning and Policy Division, Ministry of Agriculture and as the Macro Section Principal Assistant, Economic Planning Unit (EPU). Prior to his appointment as Deputy Secretary (Development) Ministry of Agriculture and Agro-Based Industries in 2006, Dato' Mohd Mokhtar was also the Principal Assistant Director of Employment Services Division, Human Resource Department, Ministry of Human Resources and Division Secretary for the Programmes and Projects Division, Ministry of Entrepreneur Development.

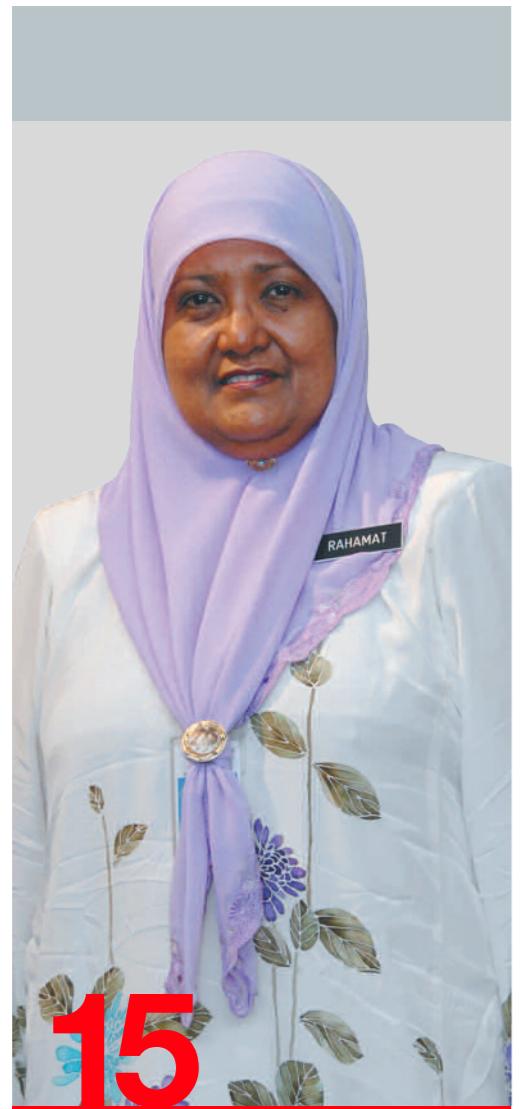
Dato' Mohd Mokhtar was a Board Member of Padiberas Nasional Berhad (Bernas), the Malaysia Productivity Corporation (MPC), the Rubber Industry Smallholders Development Authority (RISDA), Tioman Development Authority, Bank Pertanian Malaysia, Muda Agricultural Development Authority (MADA), Federal Agriculture Marketing Authority (FAMA), Malaysian International Tuna Port (MITP) and Chairman of the Malaysian Research and Development Institute (MARDI).



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DATO' MOHD MOKHTAR ISMAIL

Pengarah Bukan Bebas Bukan Eksekutif
Non-Independent Non-Executive Director



15

DATUK DR. RAHAMAT BIVI YUSOFF

Pengarah Bukan Bebas Bukan Eksekutif
Non-Independent Non-Executive Director

Datuk Dr. Rahamat Bivi Yusoff telah dilantik sebagai Pengarah Bukan Bebas Bukan Eksekutif Agrobank dari 4 Februari 2009 hingga 6 Mei 2010. Beliau berkelulusan Diploma Pentadbiran Awam dari Institut Tadbiran Awam Negara (INTAN), Ijazah Sarjana Muda Sains Kemasyarakatan (Ekonomi) (dengan Kepujian) dari Universiti Sains Malaysia, Ijazah Sarjana Ekonomi dari University of Western Michigan, USA dan Ijazah Kedoktoran dari Australian National University.

Datuk Dr. Rahamat Bivi memulakan kerjayanya di Kementerian Kewangan sebagai Penolong Setiausaha (Bahagian Cukai). Datuk Dr. Rahamat Bivi pernah menyandang beberapa jawatan di Unit Perancang Ekonomi iaitu sebagai Penolong Pengarah Seksyen Ekonomi Mikro, Ketua Penolong Pengarah Seksyen Industri dan Perkhidmatan dan Timbalan Pengarah Seksyen Ekonomi Makro selain menjadi Pengarah Jabatan Pembangunan Industri, Suruhanjaya Tenaga. Beliau kini memegang jawatan sebagai Timbalan Ketua Setiausaha Perbendaharaan (Sistem & Kawal), Kementerian Kewangan Malaysia.

Datuk Dr. Rahamat Bivi Yusoff was Agrobank's Non-Independent Non-Executive Director from 14 February 2009 until 6 May 2010. She holds a Diploma in Public Administration from the Institute of Public Administration (INTAN), a Bachelor's Degree in Social Science (Economics) (Hons) from University Sains Malaysia, a Master's Degree in Economics from the University of Western Michigan, USA and a PhD from the Australian National University.

Datuk Dr. Rahamat Bivi began her career at the Ministry of Finance as Assistant Secretary (Tax Division). Datuk Dr. Rahamat Bivi has held several positions at the Economic Planning Unit as Assistant Director of the Micro Economic Section, Principal Assistant Director of Industries and Services Section, Deputy Director of Macro Economic Section and Director of Industrial Development Department, Securities Commission. She currently serves as Deputy Chief Secretary of the Treasury (System & Control), Ministry of Finance.



Simpan...Dapat Kereta!

**Pemenang Cabutan Pertama
PERODUA MYVI
HELEN BT. ABD MANAF**

**Pemenang Cabutan Kedua
TOYOTA HILUX
FAUZIAH IBRAHIM**

**Pemenang Cabutan Ketiga
TOYOTA CAMRY
CHUA SOON GEE**

**Pemenang Cabutan Keempat
TOYOTA FORTUNER
LIM CHUA PA @
LIM AH SOI**

Kumpulan Pengurusan Eksekutif
Executive Management Team (EMT)

Nama-nama Kumpulan Pengurusan Eksekutif Bank pada tarikh laporan yang terakhir dan sehingga tarikh laporan ini adalah :-
The members of the Executive Management Team from the previous to the current report are :-

- | | |
|--|---|
| 1. ENCIK WAN MOHD FADZMI
WAN OTHMAN FADZILAH
Presiden/Ketua Pegawai Eksekutif
President/Chief Executive Officer
(Dilantik mulai 1 Julai 2011
Appointed effective 1 July 2011) | 6. ENCIK MOHAMED CHE TAIB
Ketua Pegawai Sokongan Korporat
Chief Corporate Support Officer
(Berkhidmat sehingga 3 Mei 2010
In service until 3 May 2010) |
| 2. DATUK AHMAD SAID
Pengarah Urusan
Managing Director
(Berkhidmat sehingga 30 Jun 2011
In service until 30 June 2011) | 7. ENCIK ANG WEE HIONG
Ketua Pegawai Risiko
Chief Risk Officer
(Berkhidmat sehingga 19 Mei 2010
In service until 19 May 2010) |
| 3. PUAN KISWAH MOHAMAD
Ketua Pegawai Kewangan
Chief Finance Officer | 8. TUAN HAJI AHMAD ABDUL RAHMAN
Ketua Pegawai Komersil
Chief Commercial Officer
(Berkhidmat sehingga 15 Jun 2010
In service until 15 June 2010) |
| 4. ENCIK AZIZAN AHMAD
Ketua Pegawai Komersil
Chief Commercial Officer
(Dilantik mulai 15 Disember 2010
Appointed effective 15 December 2010) | 9. ENCIK MOHAMAD LOKMAN JOHARI
Ketua Pegawai Operasi
Chief Operations Officer
(Berkhidmat sehingga 11 Mac 2011
In service until 11 March 2011) |
| 5. ENCIK MUSLIM HUSSAIN
Ketua Pegawai Risiko
Chief Risk Officer
(Dilantik mulai 1 April 2011
Appointed effective 1 April 2011) | |





PERUTUSAN PENGERUSI
CHAIRMAN'S STATEMENT

Pemegang Saham yang dihormati,
Jumlah pendapatan bersih Agrobank untuk tahun 2010 telah meningkat sebanyak 22.9% kepada RM786.5 juta berbanding RM639.6 juta pada tahun 2009. Dengan prestasi operasi yang lebih baik ini, maka kedudukan Dana Pemegang Saham Bank telah dapat diperbaiki kepada RM2,028.9 juta setakat 31 Disember 2010 berbanding RM1,323.7 juta pada tahun 2009.

Dear Shareholders,
Agrobank's net total earnings for 2010 has increased by 22.9% to RM786.5 million compared to RM639.6 million in 2009. This improved performance has raised the Bank Shareholders' Fund to RM2,028.9 million (up to 31 December 2010) compared to RM1,323.7 million in 2009.

TAN SRI FAIZAH MOHD TAHIR

PENGERUSI LEMBAGA PENGARAH AGROBANK
CHAIRMAN OF AGROBANK'S BOARD OF DIRECTORS

**Pencapaian**

Ekonomi dunia telah dikejutkan oleh krisis hutang kerajaan yang melanda Greece pada April 2010, seterusnya Ireland pada November 2010 dan ini telah menyebabkan keyakinan pengguna dan pelabur jatuh dan melembabkan ekonomi Eropah.

Walaupun keadaan separuh kedua 2010 lebih sederhana berbanding Keluaran Dalam Negara Kasar (GDP) yang berkembang pada kadar pantas 9.5% pada separuh pertama, ekonomi Malaysia masih merekodkan pertumbuhan mantap sebanyak 7.2% untuk tahun 2010.

Seiring dengan kemantapan ekonomi Malaysia ini, jumlah pendapatan bersih Agrobank bagi tempoh berakhir 31 Disember 2010 menunjukkan peningkatan sebanyak 22.9% kepada RM786.5 juta berbanding RM639.6 juta pada tahun 2009. Pencapaian memberangsangkan ini disumbang oleh pertambahan pendapatan daripada operasi pembiayaan dan kejayaan Bank dalam memperbaiki pengurusan aset pinjaman dan pelburannya.

Pemegang Saham

Dengan prestasi operasi yang baik pada 31 Disember 2010, maka kedudukan dana pemegang saham Bank telah dapat diperbaiki daripada RM1,323.7 juta pada 2009 kepada RM2,028.9 juta tahun 2010.

Tahun 2010 merupakan tahun kedua Agrobank dikorporatkan. Di sebalik transformasi imej serta penambahbaikan terhadap produk serta perkhidmatan yang ditawarkan, tumpuan dan fokus Agrobank masih tertumpu kepada usaha untuk menjadikan Bank ini sebagai sebuah Institusi Kewangan yang menerajui bidang perbankan dengan memberi fokus kepada sektor pertanian.

Achievements

The world economy was shocked by the government debt crisis that hit Greece in April 2010, then Ireland in November 2010 and this has caused consumer and investor confidence to fall and dampen the European economy.

Although the second half of 2010 was more moderate compared to the Gross Domestic Product (GDP) which grew at a rapid rate of 9.5% in the first half, the Malaysian economy record robust growth of 7.2% in 2010.

In line with Malaysia's economic stability, Agrobank's net total earnings as at 31 December 2010 increased 22.9% to RM786.5 million compared to the RM639.6 million in 2009. This encouraging achievement is attributed to the increased earnings from financing operations and the Bank successfully improving its management of loan and investment assets.

Shareholders

With a good operating performance, Agrobank shareholders' fund position has improved from RM1,323.7 million on 31 December 2009 to RM2,028.9 million as at 31 December 2010.

It's been two years since Agrobank was corporatized. Although we have transformed our image and offer a wider array of products and services, our focal point remains unchanged. Agrobank is still concentrating on becoming a Financial Institution that leads the banking industry by focusing on the agricultural sector.

Tinjauan

Dengan pelaksanaan Program Transformasi Ekonomi (ETP) yang dijangka semakin rancak pada 2011, ekonomi Malaysia disasarkan mampu untuk tumbuh pada kadar antara 5% hingga 6% pada 2011. ETP perlu berjalan lancar dan mengikut jadual untuk membolehkan Malaysia menangani cabaran-cabaran yang sedang melanda dunia.

Walaupun Kadar Dasar Semalaman (OPR) telah meningkat sebanyak tiga kali pada tahun 2010, ianya dilihat masih mampu menyokong pertumbuhan ekonomi pada 2011. Dengan keadaan inflasi yang terkawal, OPR dijangka hanya akan dinaikkan di separuh kedua 2011 setelah ekonomi Malaysia berkembang lebih cergas berbanding separuh pertama 2011. Walaupun tahap rizab berkanun (SRR) dijangka akan dinaikkan, kadar pertumbuhan pinjaman disasarkan akan terus tinggi, melebihi paras 10% pada tahun 2011, disokong oleh pelaksanaan ETP.

Perancangan

Liberalisasi sektor kewangan kini dilihat semakin rancak dan bukan lagi sesuatu yang asing di Malaysia. Sebagai sebuah badan korporat di Malaysia, Agrobank tidak seharusnya berpuas hati dengan kedudukan dan pencapaiannya sekarang. Perjalanan masih jauh dan pastinya berliku buat Agrobank. Bagi memastikan Bank ini terus menjadi pilihan masyarakat, Agrobank akan sentiasa berusaha dari semasa ke semasa menambahbaik produk/perkhidmatan sediada yang ditawarkan, memperkenalkan produk/perkhidmatan baru dengan mengambil kira kehendak dan permintaan semasa, juga sentiasa mencari ruang dan peluang perniagaan bukan sahaja dalam bidang pertanian tetapi juga lain-lain bidang untuk diterokai.

Outlook

The Economic Transformation Programme (ETP) is expected to pick up pace in 2011, thus the Malaysian economy is targeted to grow at a rate of 5% to 6% in 2011. The ETP must run smoothly and on schedule to allow Malaysia to face the global challenges.

Despite the Overnight Policy Rate (OPR) increasing three times in 2010, it is still capable of supporting economic growth in 2011. With inflation under control, the OPR is only expected to go up in the second half of 2011 once Malaysia's economy expands at a more rapid pace compared to the first half of 2011. Although it is predicted that the statutory reserves requirement (SRR) will go up, loan growth rate is expected to rise more than 10% in 2011, supported by the implementation of the ETP.

Plans

Liberalisation of the financial sector is no longer a foreign concept in Malaysia, and is in fact more active. Although Agrobank is a Malaysian corporate body, it will not be content to simply rest on its laurels. The journey is still long and winding for Agrobank. In order to become the people's preferred bank, Agrobank must continuously strive to improve its available products/services, introduce new products/services that cater to the current needs and demands and always seek business opportunities not only in agriculture but in other fields as well.

Agrobank sedar akan komitmennya kepada semua pemegang saham, bukan sahaja dari segi kewangan malahan juga dari segi tanggungjawab sosial. Adalah menjadi hasrat Bank ini untuk mengukuh dan memberikan lebih tumpuan kepada Tanggungjawab Sosial Korporat (TSK) sebagai salah satu usaha untuk memenuhi tanggungjawabnya kepada masyarakat. Agrobank melihat TSK ini sebagai salah satu pelaburan aset strategik jangka panjangnya, selain untuk memberi khidmat kepada masyarakat melalui pelbagai aktiviti kemasyarakatan dengan menggunakan pendekatan yang bersesuaian. Insya Allah.

Penutup

Berbekalkan pengalaman lebih dari 40 tahun menerajui perbankan pertanian negara, Agrobank akan terus berdaya saing serta dari semasa ke semasa akan terus berusaha gigih memastikan kualiti perkhidmatan yang terbaik untuk semua. Misi, visi dan objektif penubuhannya akan sentiasa dikendong agar Bank ini tidak lari dari matlamat dan peranan yang telah dimandatkan oleh Kerajaan.

Akhir kata, saya ingin merakamkan setinggi-tinggi penghargaan dan terima kasih kepada semua Ahli Lembaga Pengarah Agrobank terdahulu yang telah memberikan kerjasama dengan baik dalam memastikan Agrobank mencapai prestasi dan target yang telah ditetapkan. Saya juga pasti dengan pengalaman luas dalam bidang perniagaan yang dimiliki oleh barisan Ahli Lembaga Pengarah masa kini, sudah pasti prestasi baik ini akan dapat diteruskan.

Saya percaya, usaha keras Pihak Pengurusan, warga kerja serta sokongan padu dari pelanggan-pelanggan setia akan sentiasa menjadi tunjang utama kejayaan Agrobank. Semoga kerjasama padu yang terjalin ini akan memastikan Agrobank terus berdiri teguh melaksanakan tugas dan tanggungjawabnya sebagai salah satu agen bagi program pembangunan Kerajaan.

Agrobank is aware of its commitment to its shareholders, not only financially but also in terms of social responsibility. The Bank intends to strengthen and give more focus towards Corporate Social Responsibility (CSR) as a means to fulfill its responsibilities to the community. Agrobank sees CSR as one of its long term strategic asset investment, providing service through various social activities for the community with suitable approaches according to the situation. God willing.

Conclusion

Armed with over 40 years of experience spearheading the nation's agricultural banking, Agrobank will remain competitive and continuously persevere to ensure a quality service for all. Agrobank will keep its mission, vision and objectives of the Bank's establishment close to heart to avoid straying from its purpose and role entrusted by the Government.

My utmost thanks and appreciation to the Agrobank Board of Directors as it is due to their excellent teamwork that Agrobank was able to achieve the performance and target that were set earlier. I am confident that, with the current Board members' vast experience in the business field, we will continue to meet with success.

It is my belief that the dedication of the Management team, staff and the support of our loyal customers is the foundation of Agrobank's success. I hope that this cohesive relationship forged will ensure and enable Agrobank to carry on its tasks and responsibilities as an agent of the Government development programmes.

3.75% untuk Pembiayaan Projek anda...

3.75% for your Project Financing

PEMBIAYAAN MERANGKUMI AKTIVITI :

- PENGELUARAN / PRODUCTION
- PEMPROSESAN / PROCESSING
- PEMASARAN / MARKETING
- PERKHIDMATAN / SERVICES



Kadar Faedah/Keuntungan serendah 3.75% setahun atas baki bulanan
Interest/Profit Rate as low as 3.75% per annum on monthly rest

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AGRO
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**PERUTUSAN PENGARAH URUSAN
MANAGING DIRECTOR'S STATEMENT**

Pemegang Saham yang dihormati,

Keuntungan bersih Agrobank meningkat lebih dari 110% kepada RM375.8 juta pada tahun 2010 berbanding RM178.4 juta pada tahun 2009. Pencapaian tertinggi yang pernah dicatatkan sejak Bank dikorporatkan pada April 2008.

Dear Shareholders,

Agrobank's net profit has increased by more than 110% to RM375.8 million in 2010 compared to RM178.4 million in 2009. This is the highest achievement ever recorded since the Bank was corporatized in April 2008.

Prestasi Operasi

Tahun 2010 merupakan tahun yang mencabar bukan sahaja buat Agrobank, malahan juga lain-lain Institusi Kewangan di Malaysia. Saya dengan ini mengumumkan bahawa keuntungan bersih Agrobank untuk tahun 2010 meningkat lebih dari 110% kepada RM375.8 juta berbanding RM178.4 juta pada tahun 2009. Pencapaian tertinggi yang pernah dicatatkan sejak Bank dikorporatkan pada April 2008 yang lepas. Keuntungan sebelum cukai dan zakat untuk tahun 2010 adalah sebanyak RM376.8 juta.

Jumlah aset Bank juga meningkat sebanyak RM1,465.0 juta kepada RM10,542.4 juta berbanding tahun 2009, iaitu peningkatan lebih kurang 16.0%. Selain itu, keuntungan kendalian bersih selepas menyerap perbelanjaan overhead dan setelah mengambilkira penerimaan geran Kerajaan juga meningkat 38.3% kepada RM516.6 juta pada tahun 2010.

Sehingga 31 Disember 2010, baki pinjaman/pembentukan Bank dicatatkan pada RM5,494.8 juta. Dari jumlah tersebut, sebanyak RM2,482.7 juta atau 45% disumbangkan oleh Personal Banking, RM2,218.1 juta atau 40% dari Agro Banking dan selebihnya RM794.0 juta dari Business Banking. Manakala jumlah kelulusan, pengeluaran dan kutipan pinjaman/pembentukan untuk tahun 2010 adalah sebanyak RM1,864.5 juta, RM1,553.9 juta dan RM1,823.8 juta masing-masing.

Operations Performance

2010 was a challenging year, not only for Agrobank but for other Financial Institutions in Malaysia as well. I would like to announce that Agrobank's net profit for 2010 has increased by more than 110% to RM375.8 million compared to RM178.4 million in 2009. This is the highest achievement ever recorded since the Bank was corporatized in April 2008. Our profit before tax and zakat for 2010 was RM376.8 million.

The Bank's total assets have also increased by RM1,465.0 million to RM10,542.4 million, or about a 16.0% increase, in comparison to 2009. Additionally, our net operating profit in 2010 has increased by 38.3% to RM516.6 million after absorbing the overheads costs and taking into account the Government grants received.

As at 31 December 2010, Agrobank's loans/financing balance was recorded at RM5,494.8 million. Out of that total figure, about RM2,482.7 million or 45% was contributed by Personal Banking, RM2,218.1 million or 40% from Agro Banking and RM794.0 million from Business Banking. Meanwhile, the total amounts of approved, disbursed and collected loans/financing for 2010 were RM1,864.5 million, RM1,553.9 million and RM1,823.8 million respectively.

Perbankan Islam

Agrobank berhasrat untuk menawarkan Perbankan Islam sepenuhnya menjelang tahun 2015. Tahun 2010 menyaksikan pelbagai usaha telah dijalankan dalam usaha untuk merealisasikan hasrat tersebut bermula dengan penubuhan Jawatankuasa Kerja Full Fledge Islamic Banking. Mulai tahun 2011, tumpuan pastinya akan diberikan kepada peningkatan deposit Perbankan Islam daripada penggembangan deposit dana berkos rendah. Selain itu, produk Perbankan Islam yang baru dan peralihan daripada produk konvensional juga akan turut dilaksanakan secara berperingkat.

Teknologi Maklumat

Selain itu, sepanjang tahun 2010 juga, beberapa inisiatif ICT telah dibangunkan bagi menyokong keperluan Perbankan Agrobank. Inisiatif-inisiatif ICT yang dijalankan di antaranya ialah menaik taraf infrastruktur ICT, mempelbagaikan saluran penyampaian, memperkasa serta memantapkan sumber modal insan, sistem keselamatan dan lain-lain lagi. Inisiatif-inisiatif tersebut diambil atas kesedaran akan kepentingan teknologi tinggi dalam memastikan Agrobank tidak ketinggalan dan sentiasa berdaya saing, seterusnya membantu menampung dan menyokong keperluan perniagaan semasa dan juga masa hadapan.

Electronic Banking Centre (EBC)

Electronic Banking Centre adalah pendekatan baru Agrobank bagi memperkenalkan cawangan yang berbentuk elektronik di mana cawangan ini hanya menggunakan mesin Auto Teller Machine, Cash Deposit Machine dan Mesin Terima Cek sahaja bagi melakukan transaksi perbankan. Agrobank Teluk Bahang merupakan EBC yang pertama dilancarkan pada November 2010 dan akan diperluaskan di seluruh Negara bersama-sama dengan ciri-ciri nilai tambah pada masa hadapan.

Anugerah Pencapaian

Tahun 2010 menyaksikan Agrobank telah terpilih untuk menerima anugerah berprestij "Emerging Bank of the Year" pada malam majlis Malaysia Business Leadership Awards 2010. Kejayaan ini adalah berdasarkan kepada branding exercise yang dilakukan oleh Bank sejak dikorporatkan pada tahun 2008.

Islamic Banking

Agrobank intends to fully offer Islamic Banking by the year 2015. 2010 has witnessed various efforts to realize this intention, beginning with the formation of the Full Fledge Islamic Banking Working Committee. From 2011, the focus will be on raising the Islamic Banking deposits by consolidating low-cost deposit funds. In addition, new Islamic Banking products and the transition from conventional products will also be implemented in stages.

Information Technology

Throughout 2010, we have undertaken several ICT initiatives to support the banking needs of Agrobank. The ICT initiatives taken include enhancing the ICT structure, diversifying the distribution channels, strengthening and solidifying our human capital resource, security system and others. These initiatives were taken bearing in mind the importance of technology to ensure Agrobank is able to compete and not left behind, as well as support current and future business endeavours.

Electronic Banking Centre (EBC)

The Electronic Banking Centre is Agrobank's new approach to introduce electronic-based branches, where only Auto Teller Machines, Cash Deposit Machines and Cheque Deposit Machines are used for banking transactions. Our maiden EBC was launched last November 2010, at the Agrobank Teluk Bahang branch, with plans to expand nationwide with added features in future.

Awards

Agrobank was named "Emerging Bank of the Year" in the prestigious Malaysia Business Leadership Awards in 2010. This victory is in part due to our rebranding exercise implemented since our corporatization in 2008.

Baki Pinjaman/Pembentukan Mengikut Segmen Pelanggan Pada 31 Disember 2010 (RM Juta)
Loan/Financing Balance By Client Group As At 31 December 2010 (RM Million)



Agihan Zakat

Sejak tahun 2004 lagi Bank tidak pernah lalai membayar zakat perniagaannya, malah jumlah zakat perniagaan yang dikeluarkan telah meningkat dari tahun ke tahun. Setiap tahun wang zakat perniagaan ini akan diagihkan kepada mereka-mereka yang layak menerimanya berpandukan kepada nasihat dari Jawatankuasa Syariah Agrobank.


Zakat Distribution

Since 2004, Agrobank has never neglected to contribute its business zakat and in fact, the amount has steadily increased year upon year. Under the guidance of Agrobank's Shariah Committee, the zakat is annually distributed amongst those deemed qualified.

DATUK AHMAD SAID
**PENGARAH URUSAN AGROBANK
AGROBANK'S MANAGING DIRECTOR**
Penghargaan
"Market Driven, Customer Focus"

merupakan moto yang kami pegang dalam usaha Bank untuk memastikan hanya perkhidmatan terbaik untuk pelanggan-pelanggan kami. Proses penambahbaikan terhadap produk-produk sedia ada akan terus dilakukan bagi memastikan produk yang ditawarkan sentiasa berdaya saing dan mengikuti permintaan pasaran semasa. Selain itu, melalui masa produk-produk baru juga akan diperkenalkan sebagai bukti komitmen kami dalam memastikan kepelbagai dan pilihan barisan produk yang signifikan untuk semua.

Saya mewakili 2,954 orang warga kerja Agrobank dari keseluruhan 168 cawangan Agrobank di seluruh negara ingin mengambil kesempatan ini untuk mengucapkan setinggi penghargaan dan terima kasih kepada Ahli-Ahli Lembaga Pengaroh Agrobank yang diketuai oleh Y.Bhg. Tan Sri Faizah Mohd Tahir. Bimbingan dan dorongan mereka banyak membantu Agrobank untuk berada pada tahap sekarang.

Acknowledgement

Our motto, "Market Driven, Customer Focus", ensures that we give our customers the best service possible. We will continuously improve on our existing products to make certain they have a competitive edge and are in line with current market demands. In addition, we will introduce new products in the future to prove our commitment in providing a varied array of products significant to all.

On behalf of the 2,954 work staff from all 168 Agrobank branches nationwide, I would like to take this opportunity to show my utmost appreciation and give thanks to the members of Agrobank's Board of Directors, led by Y.Bhg. Tan Sri Faizah Mohd Tahir. Their guidance and support has significantly contributed to Agrobank's level of success today.



Bayar Bil Di AGROBANK

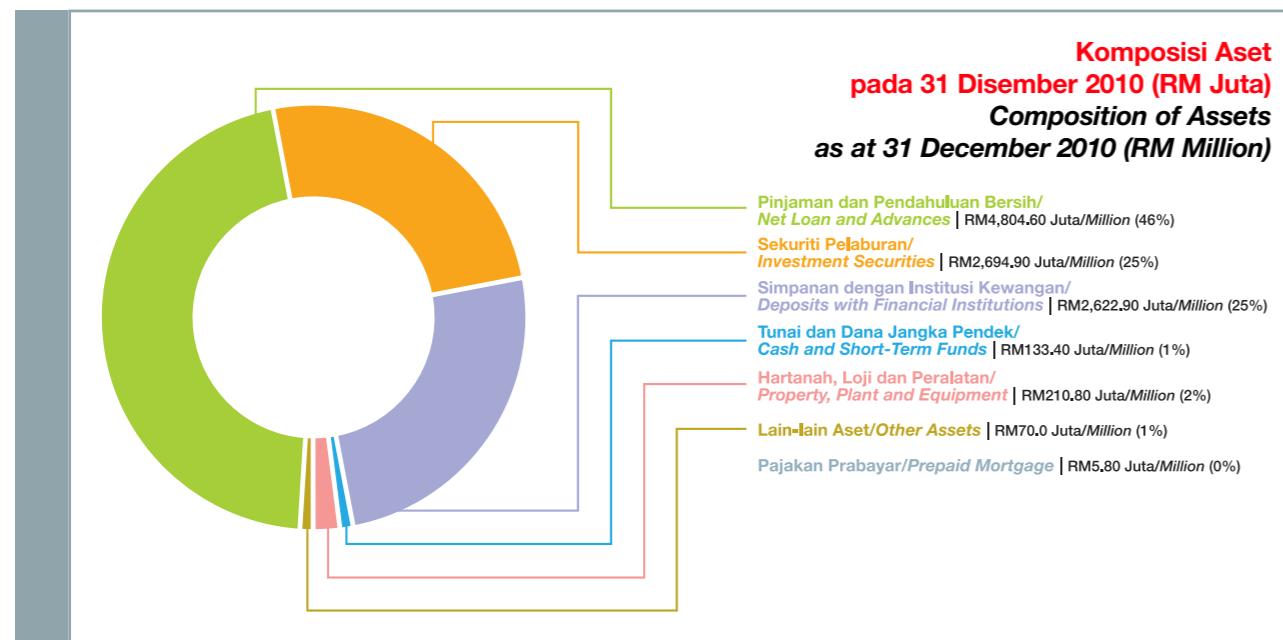
astro dan lain-lain.


* Tertakluk kepada syarat dan peraturan. Semua maklumat tepat pada masa percetakan.
www.agrobank.com.my

ANALISIS KUNCI KIRA-KIRA

Jumlah Aset

Jumlah aset pada 31 Disember 2010 ialah RM10,542.5 juta. Komponen aset merangkumi pinjaman, pembentukan dan pendahuluan bersih RM4,804.6 juta (46%), sekuriti pelaburan RM2,694.9 juta (25%), simpanan dengan institusi kewangan RM2,622.9 juta (25%), tunai dan dana jangka pendek RM133.4 juta (1%), harta tanah, loji dan peralatan bersih RM210.8 juta (2%), lain-lain aset RM70.0 juta (1%) dan pajakan prabayar RM5.8 juta (0%).



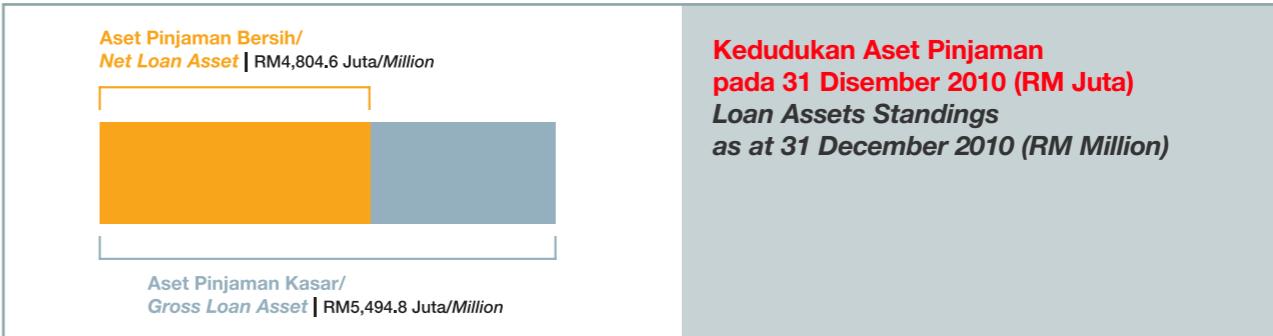
Pinjaman, Pembentukan dan Pendahuluan

Aset pinjaman kasar dan bersih pada 31 Disember 2010 masing-masing berjumlah RM5,494.8 juta (tidak termasuk pinjaman, pembentukan dan pendahuluan kepada kakitangan) dan RM4,804.6 juta. Aset pinjaman kasar pinjaman, pembentukan dan pendahuluan ini menyumbang sebanyak 48.6% daripada jumlah aset. Tiga penyumbang utama baki aset pinjaman kasar adalah daripada aktiviti Pembentukan Perbankan Islam RM3,840.8 juta (63.6%) diikuti oleh pinjaman Wawasan Tani RM629.8 juta (10.8%) dan Pinjaman Projek dan Peralatan Jentera RM498.4 juta (2.8%).

BALANCE SHEET ANALYSIS

Total Assets

The Bank's total assets as at 31 December 2010 were valued at RM10,542.5 million. The asset components comprised of net loan assets, financing and advances RM4,804.6 million (46%), investment securities RM2,694.9 million (25%), deposits with financial institutions RM2,622.9 million (25%), cash and short-term funds RM133.4 million (1%), net property, plant and equipment RM210.8 million (2%), other assets RM70.0 million (1%) and prepaid mortgage RM5.8 million (0%).



Tunai dan Dana Jangka Pendek

Tunai dan dana jangka pendek Agrobank bagi tempoh berakhir 31 Disember 2010 berjumlah RM133.4 juta. Dana yang diperolehi daripada deposit pelanggan dilaburkan dalam penempatan jangka pendek dengan institusi-institusi kewangan yang lain.

Jumlah Liabiliti dan Ekuiti Pemegang Saham

Jumlah liabiliti pada 31 Disember 2010 ialah RM8,409.7 juta. Dua komponen terbesar yang menyumbang kepada jumlah liabiliti dan ekuiti pemegang saham ini adalah deposit dan simpanan pelanggan serta Pinjaman dan Perhutangan Kerajaan yang masing-masing menyumbang RM6,452.7 juta (76.7%) dan RM1,845.7 juta (21.9%).

Jumlah saham modal dan keuntungan yang dibawa ke hadapan masing-masing adalah sebanyak RM1,000.0 juta dan RM1,028.9 juta telah menjadikan jumlah dana pemegang saham pada 31 Disember 2010 kepada RM2,028.9 juta.

Deposit dan Simpanan Pelanggan

Jumlah deposit tetap dan khas sebanyak RM3,909.0 juta merupakan penyumbang terbesar, iaitu 60% diikuti oleh deposit simpanan Agro dan Giro/Agro Perdana yang masing-masing menyumbang RM1,405.9 juta (22%) dan RM1,098.2 juta (17%) daripada jumlah deposit dan simpanan pelanggan.

Cash and Short-Term Funds

The Bank's cash and short term-funds of RM133.4 million as at 31 December 2010 obtained from customer deposits were invested in short-term placements with other financial institutions.

Total Liabilities and Shareholders' Equity

The Bank's total liabilities at the end of the year amounted to RM8,409.7 million. Two main components that contributed to this were deposits and customers savings and Government loans and debts amounting to RM6,452.7 million (76.7%) and RM1,845.7 million (21.9%) respectively.

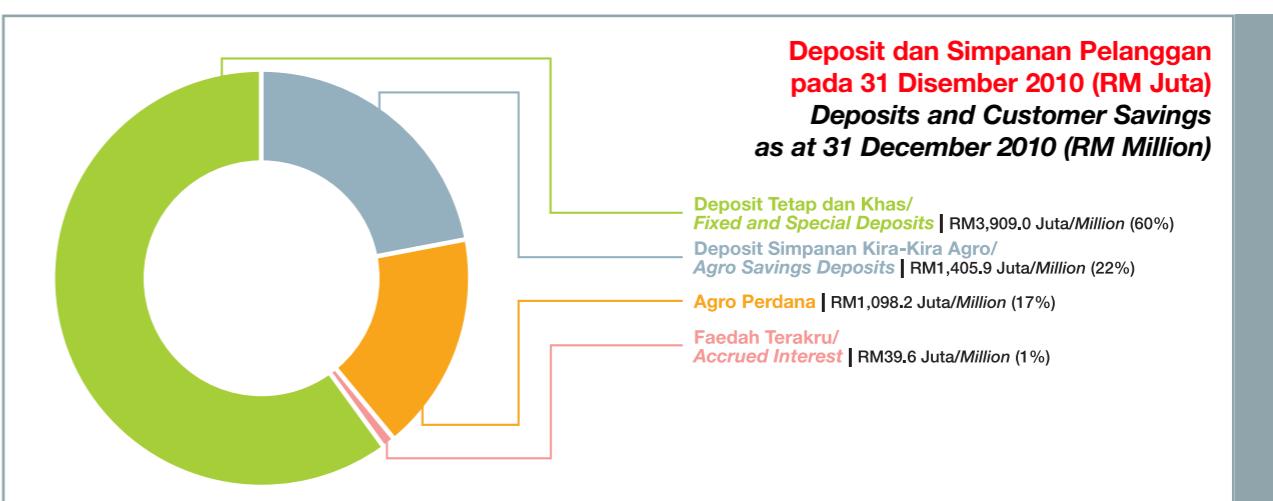
Total share capital and retained earnings amounted to RM1,000.0 million and RM1,028.9 million respectively making up the shareholders funds of RM2,028.9 million as at 31 December 2010.

Deposits and Customers Savings

Total fixed and special deposits of RM3,909.0 million is the major contribution that represented 60% of total deposits and customers savings, followed by Agro savings deposits and Giro/Agro Perdana which contributed RM1,405.9 million (22%) and RM1,098.2 million (17%) respectively.

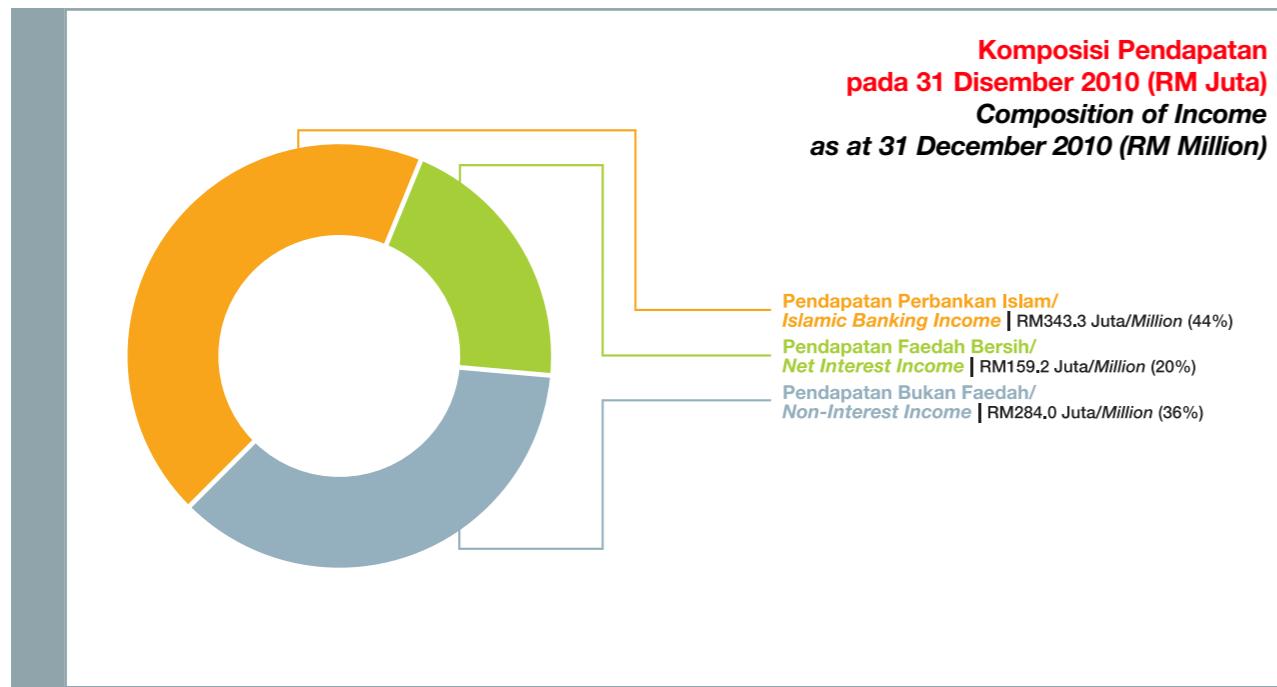
Loans, Financing and Advances

The gross and net loan assets as at 31 December 2010 were RM5,494.8 million (excluding staff loans and advances) and RM4,804.6 million respectively. These gross loan assets represented 48.6% of the Banks total assets. The three main components of loan assets were financing activities of Islamic Banking RM3,840.8 million (63.6%) followed by Wawasan Tani Loan RM629.8 million (10.8%) and Project and Equipment Loan RM498.4 million (2.8%).



ANALISIS PENYATA PENDAPATAN

Jumlah pendapatan bersih Agrobank bagi tempoh berakhir 31 Disember 2010 adalah RM786.5 juta. Komponen pendapatan bersih terdiri daripada pendapatan Perbankan Islam RM343.3 juta (44%), pendapatan faedah RM159.2 juta (20%) dan pendapatan bukan faedah RM284.0 juta (36%).



Pendapatan faedah sepanjang tahun 2010 berjumlah RM228.3 juta berupaya menampung perbelanjaan faedah simpanan dan per hutang kerajaan dan OECF berjumlah RM69.1 juta seterusnya menjadikan pendapatan bersih berjumlah RM786.5 juta.

Keuntungan Kendalian ialah RM498.0 juta selepas menolak perbelanjaan overhead sebanyak RM288.6 juta dan setelah mengambil kira penerimaan geran kerajaan sebanyak RM18.6 juta menjadikan keuntungan kendalian bersih adalah RM516.6 juta.

Keuntungan sebelum cukai dan zakat pada 31 Disember 2010 adalah RM376.8 juta. Manakala keuntungan bersih selepas cukai dan zakat ialah RM375.9 juta. Prestasi Bank pada tahun 2010 telah menunjukkan peningkatan kesan daripada operasi pembiayaan dan pelaburan yang semakin baik, peruntukan yang rendah bagi hutang lapuk dan ragu, serta pulangan yang tinggi ke atas penjualan pelaburan. Ini telah meningkatkan dana pemegang saham Bank dari RM1,323.7 juta pada 31 Disember 2009 kepada RM2,028.9 juta pada 31 Disember 2010.

INCOME STATEMENT ANALYSIS

The net income of the Bank for the period ended 31 December 2010 was RM786.5 million. Net income components comprised of Islamic Banking Income RM343.3 million (44%), interest income RM159.2 million (20%) and non-interest income RM284.0 million (36%).

Komposisi Pendapatan pada 31 Disember 2010 (RM Juta) Composition of Income as at 31 December 2010 (RM Million)

Pendapatan Perbankan Islam /
Islamic Banking Income | RM343.3 Juta/Million (44%)
Pendapatan Faedah Bersih /
Net Interest Income | RM159.2 Juta/Million (20%)
Pendapatan Bukan Faedah /
Non-Interest Income | RM284.0 Juta/Million (36%)

The interest income in the year 2010 amounting to RM228.3 million was sufficient to service saving interest expenses and government and OECF debts totalling RM69.1 million, contributing to a net income of RM786.5 million.

Operating profit was RM498.0 million, after deducting overhead expenses amounting to RM288.6 million. After taking into account government administrative grants amounting to RM18.6 million, the net operating profit was RM516.6 million.

Profit before tax and zakat for the year 2010 was RM376.8 million. Net profit after tax and zakat was RM375.9 million. The Bank performed better in 2010 due mainly to improvements made in financing and investment operations, lower allowances for bad and doubtful debts and higher gain on disposal of investments. This has enhanced the Bank's shareholders funds from RM1,323.7 million as at 31 December 2009 to RM2,028.9 million as at 31 December 2010.

MAKLUMAT KEWANGAN/FINANCIAL INFORMATION

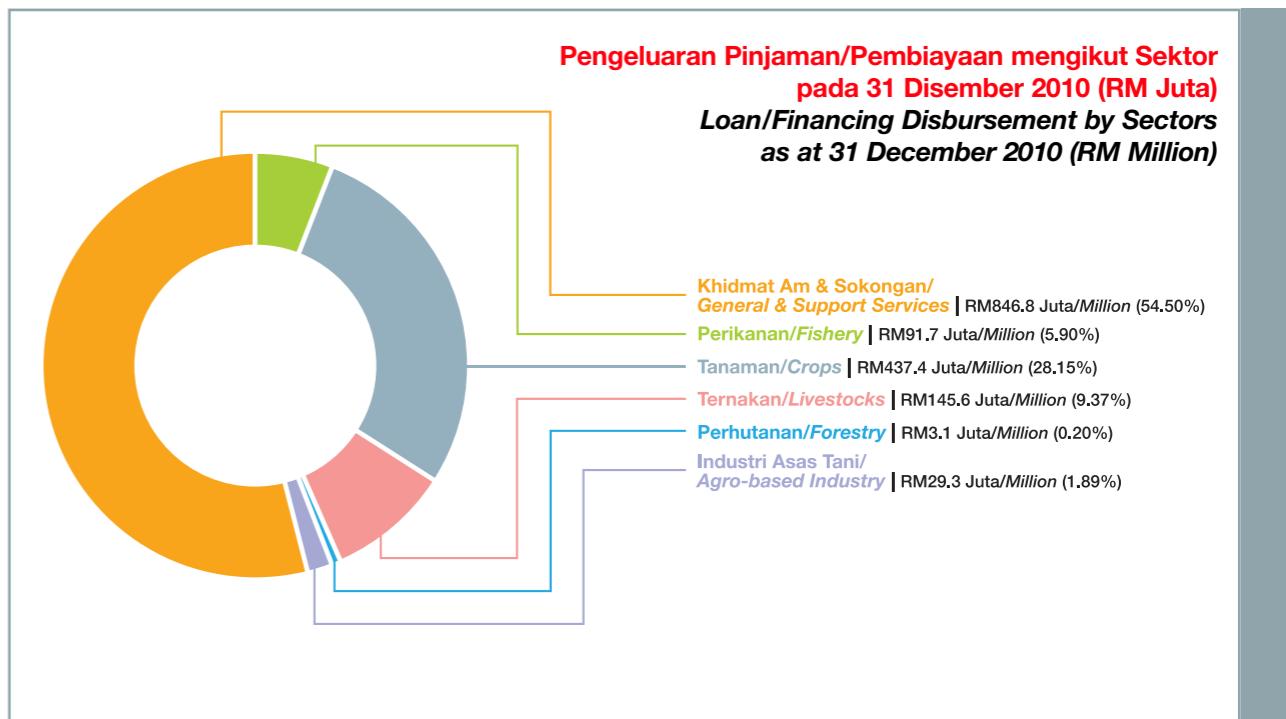
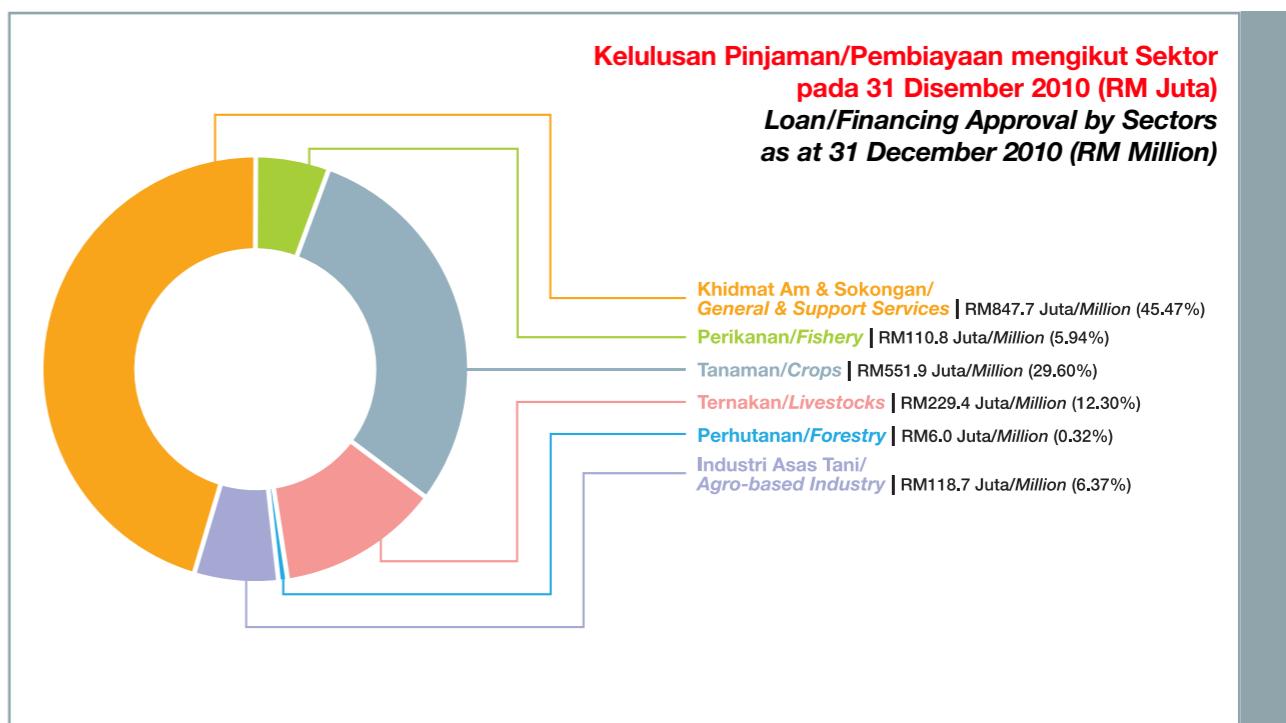
Penyata Pendapatan/Income Statement

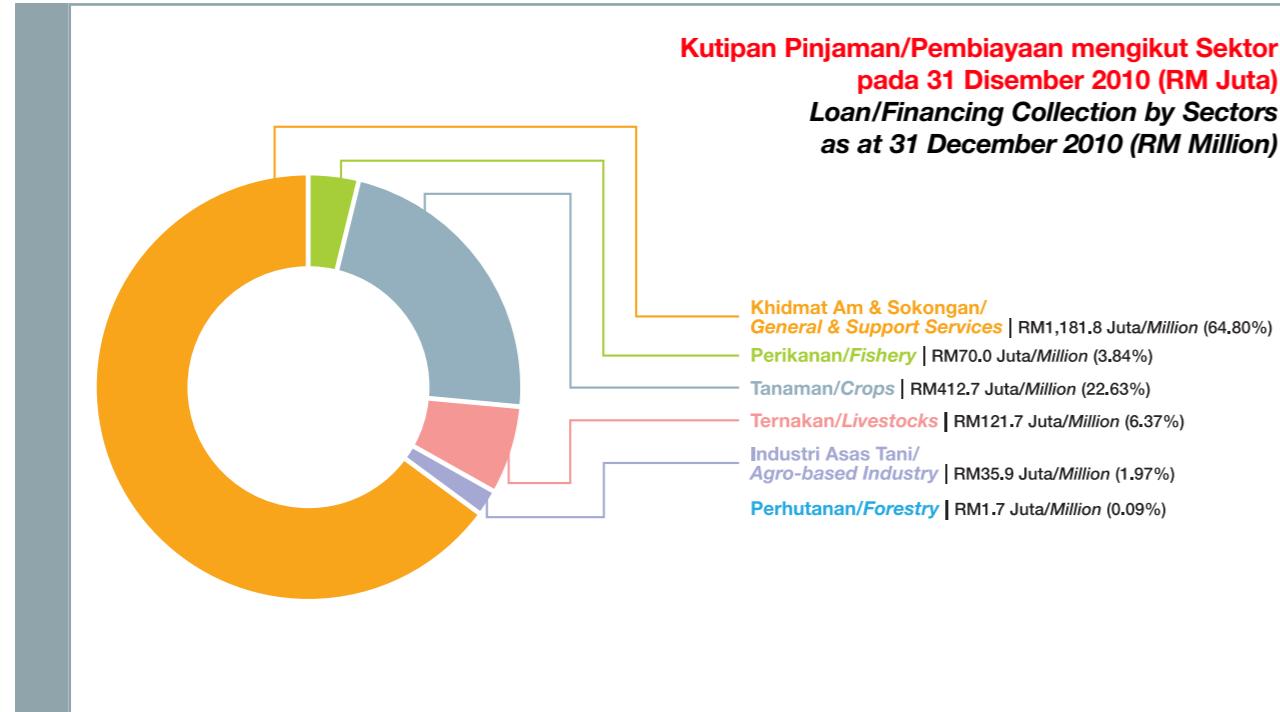
	Tahun berakhir/ year ended 31.12.2010 (RM)	Tahun berakhir/ year ended 31.12.2009 (RM)
Penyata Faedah/Interest Income Perbelanjaan Faedah/Interest Expenses	228,300,791 (69,102,132)	213,278,832 (67,894,338)
Pendapatan Faedah Bersih/Net Interest Income Pendapatan Perbankan Islam/Income from Islamic Banking	159,198,659 343,294,543	145,384,494 290,207,209
Pendapatan Bukan Faedah/Non-Interest Income	502,493,202 284,051,335	435,591,703 204,018,700
Pendapatan Bersih/Net Income Perbelanjaan Overhead/Overhead Expenses	786,544,537 (288,568,126)	639,610,403 (284,540,290)
Keuntungan Kendalian/Operating Profit Geran Kerajaan/Government Grants	497,976,411 18,591,992	355,070,113 18,411,369
Keuntungan Kendalian Bersih/Net Operating Profit Peruntukan Elaun Hutang Ragu dan Lapuk/ Allowances for Bad and Doubtful Debts	516,568,403 (139,784,441)	373,481,482 (189,679,434)
Pembalikan/(Peruntukan) Rosotnilai Atas Sekuriti Pelaburan/ Allowances for Diminution in Value of Investment Securities	-	(1,784,561)
Keuntungan Sebelum Cukai dan Zakat/ Profit Before Tax Expenses and Zakat	376,783,962	182,017,487
Cukai/Tax Expenses Zakat/Zakat	(617,468) (281,194)	(731,077) (2,879,563)
Keuntungan bagi tempoh kewangan semasa/ Net profit for the year/period	375,885,300	178,406,847

**Petunjuk Prestasi Kewangan Tahun Berakhir 31 Disember 2010/
Financial Performance Indicator Year Ended 31 December 2010**

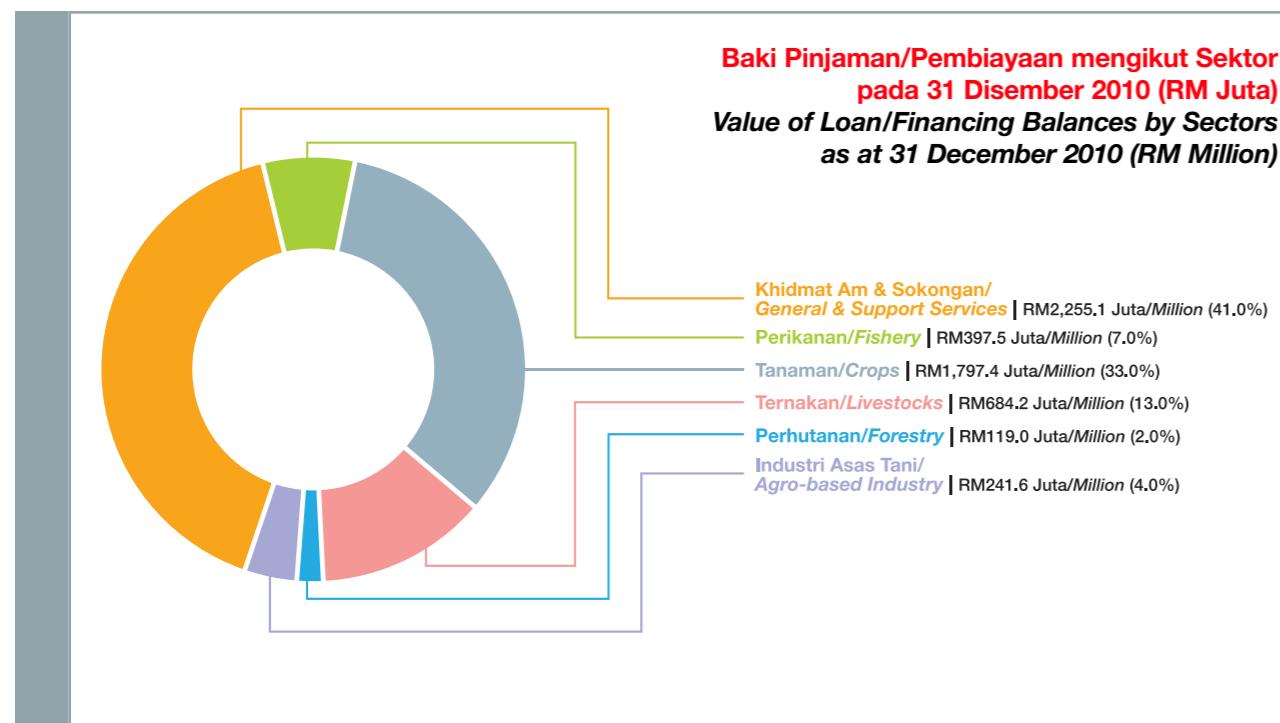
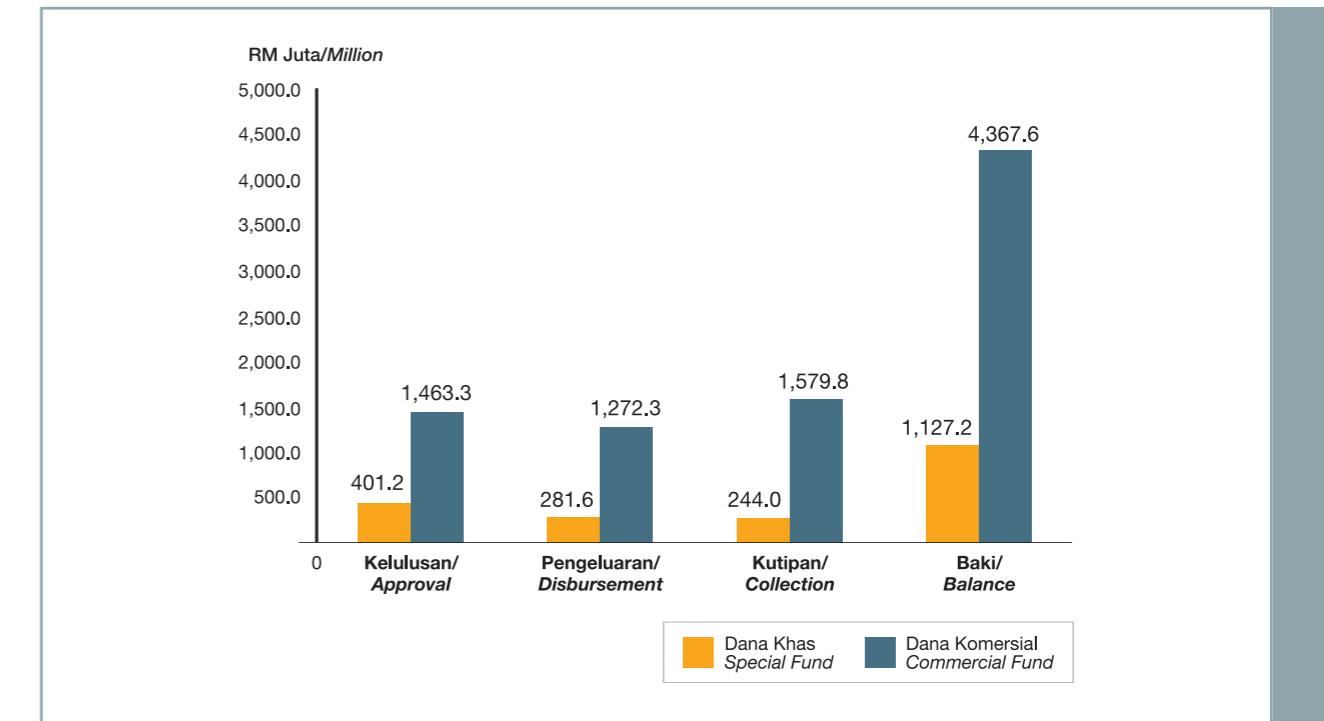
Tahun Berakhir/Year Ended	2010	2009
Penyata Pendapatan dan Perbelanjaan/ Income Statement and Expenses	RM Juta/ RM Million	RM Juta RM Million
Pendapatan Bersih/Net Income	786.5	639.6
Geran Kerajaan/Government Grant	18.6	18.4
Perbelanjaan/Expenses	428.3	476.0
Untung/(Rugi) Sebelum Cukai & Zakat/ Profit/(Loss) Before Tax and Zakat	376.8	182.0
Untung/(Rugi) Selepas Cukai & Zakat/ Profit/(Loss) After Tax and Zakat	375.8	178.4
Lembaran Imbangan/Balance Sheet		
Jumlah Aset/Total Assets	10,542.5	9,077.5
Aset Pinjaman dan Pendahuluan/Loan Assets and Advances	4,804.6	5,275.1
Simpanan dengan Institusi Kewangan/Deposits with Financial Institutions	2,622.9	1,516.0
Sekuriti Pelaburan dan Pelaburan dalam Syarikat Bersekutu/ Investment Securities and Investments in Associated Companies	2,694.9	1,854.0
Deposit dan Simpanan Pelanggan/Deposits from Customers	6,452.7	5,967.4
Pinjaman Kerajaan Bolehtukar/Convertible Government Loans	-	-
Pinjaman Kerajaan dan Per hutangan/Government Loans and Debts	1,845.7	1,472.7
Dana Pemegang Saham/Shareholders' Fund	2,028.9	1,323.7
Nisbah Kewangan/Petunjuk Produktiviti/ Financial Ratio/Productivity Indicators		
Untung/Purata Aset (%)/Profit/asset average (%)	3.8	2.0
Untung setiap Kakitangan (RM'000)/Profit Per Staff (RM'000)	127.2	59.0
Kos Emolumen setiap Kakitangan (RM'000)/Emolument Cost per Staff (RM'000)	52.7	52.7

CARTA KEWANGAN/FINANCIAL CHARTS

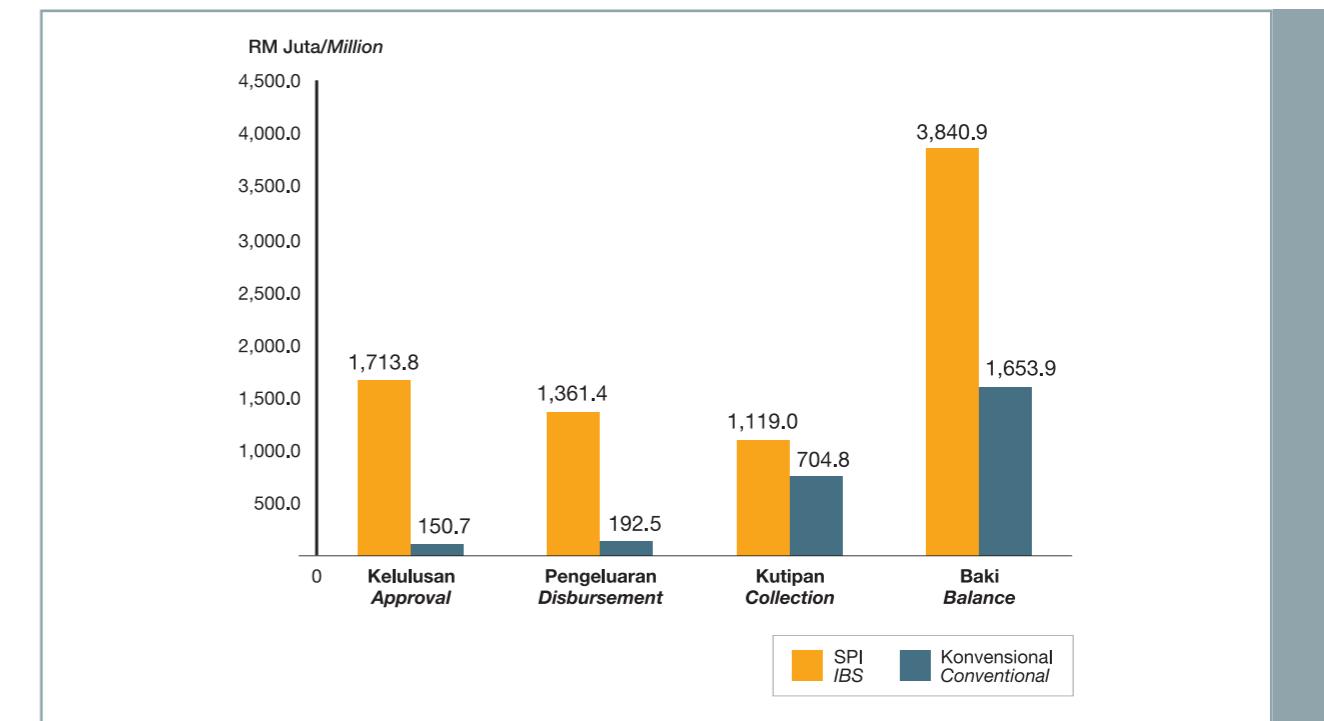




Aktiviti Pinjaman/Pembentangan mengikut Dana pada 31 Disember 2010 (RM Juta)
Loan/Financing Activities by Funds as at 31 December 2010 (RM Million)



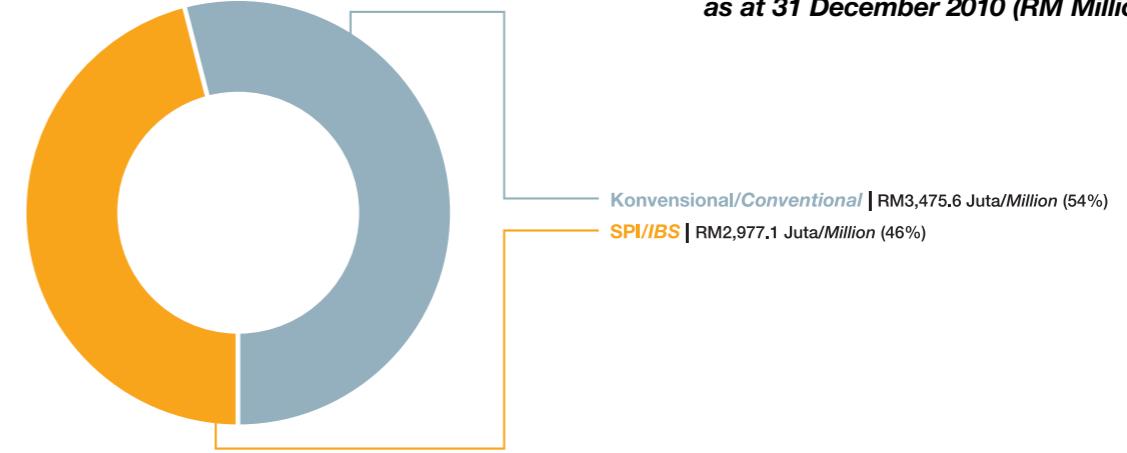
Aktiviti Pinjaman/Pembentangan mengikut Sistem Perbankan pada 31 Disember 2010 (RM Juta)
Loan/Financing Activities by Banking System as at 31 December 2010 (RM Million)



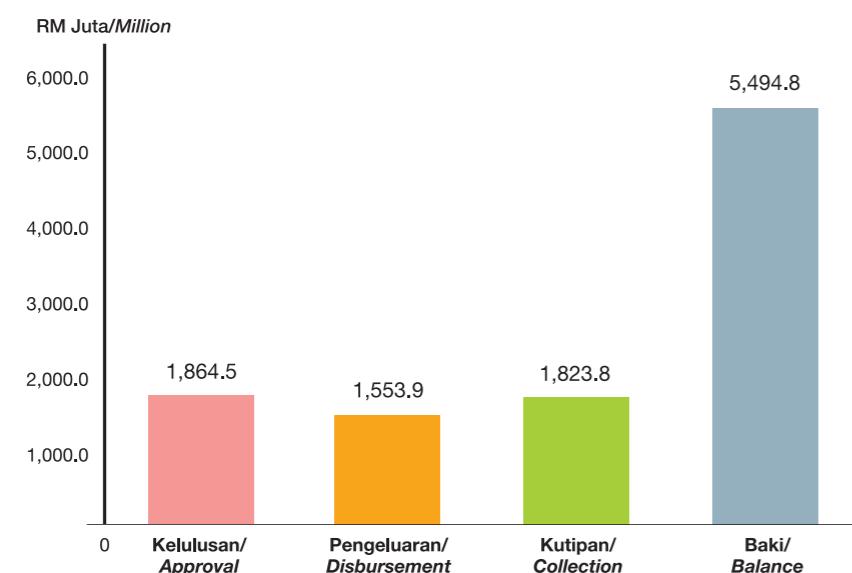
Baki Pinjaman/Pembayaran mengikut Segmen Pelanggan pada 31 Disember 2010 (RM Juta)
Loan/Financing Balance by Client Group as at 31 December 2010 (RM Million)



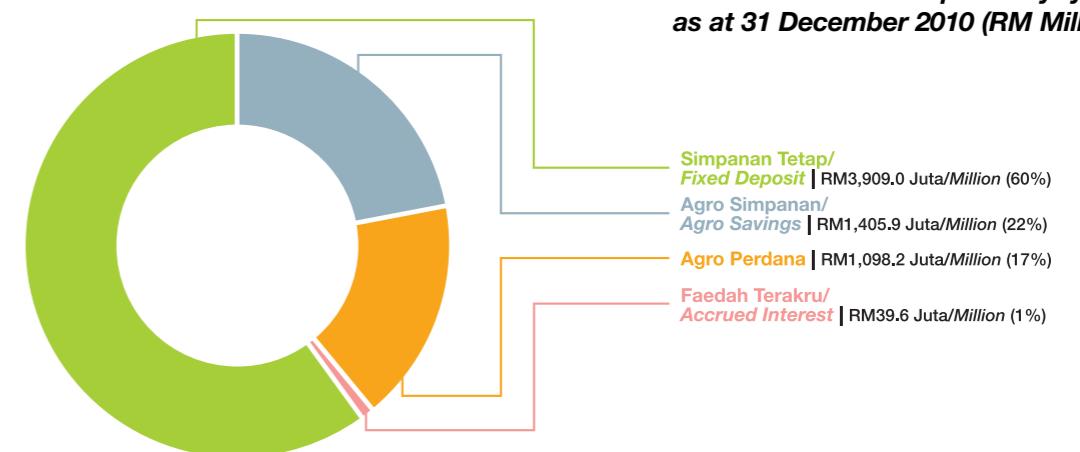
Nilai Deposit Perbankan Islam & Konvensional pada 31 Disember 2010 (RM Juta)
Value of Islamic & Conventional Banking Deposits as at 31 December 2010 (RM Million)



Ringkasan Aktiviti Pinjaman/Pembayaran pada 31 Disember 2010 (RM Juta)
Summary of Loan Activities as at 31 December 2010 (RM Million)



Nilai Deposit mengikut jenis pada 31 Disember 2010 (RM Juta)
Value of Deposits by types as at 31 December 2010 (RM Million)

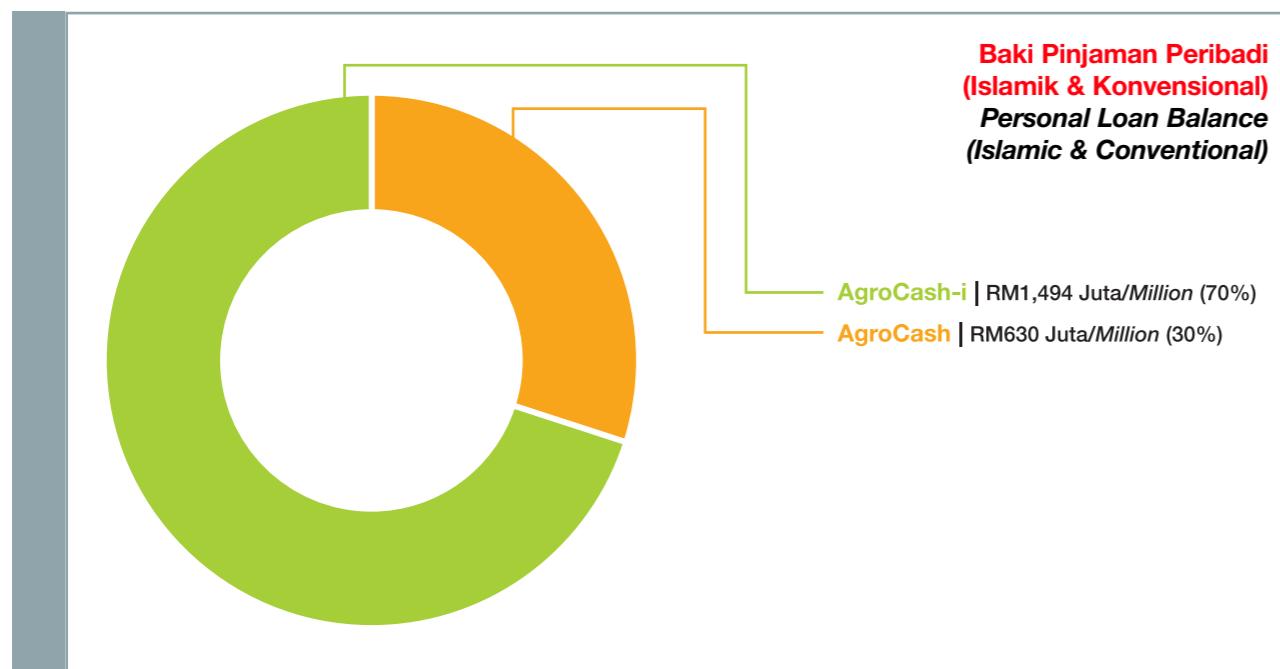


PERSONAL BANKING

Pembentangan/Pinjaman Retail

Personal Banking terus ke hadapan mencipta kejayaan demi kejayaan melalui produk-produk yang ditawarkan biarpun terpaksa menangani cabaran-cabaran yang wujud daripada persekitarannya. Menawarkan produk yang berdaya saing merupakan teras penting bagi Personal Banking dalam memastikan produk-produk yang dihasilkan adalah berkualiti serta memenuhi kehendak pelanggan.

Kempen serta penambahbaikan produk AgroCash-i sempena musim perayaan pada suku tahun ketiga 2010, telah berjaya menarik ramai pelanggan dengan jumlah kelulusan sebanyak RM304.0 juta. Dengan pencapaian tersebut, baki pembiayaan peribadi Agrobank sehingga 31 Disember 2010 adalah sebanyak RM2.1 billion dan pecahan adalah seperti berikut:



PERSONAL BANKING

Retail Financing/Loan

Personal Banking continues to move forward by creating success after success through products that were offered even though it had to deal with challenges arising from its surroundings. Offering competitive products is an important core of Personal Banking in ensuring that the products are of quality and meet customer needs.

Campaigns and improvements in the AgroCash-i product during the festive season in the third quarter of 2010, has been successful in attracting customers with total approvals of RM304.0 million. With these achievements, Agrobank's balance of personal funding as at 31 December 2010 amounted to RM2.1 billion and the breakdown is as follows:

Satu lagi produk yang telah menjadi tumpuan di pasaran pada tahun 2010 ialah Skim Pajak Gadai Islam yang dikenal sebagai Ar-Rahnu Agrobank. Kempen serta promosi telah dijalankan selama 3 bulan dan telah mencatat pertumbuhan yang amat memberangsangkan sehingga ia menjadi penyumbang utama kejayaan portfolio Personal Banking tahun 2010. Pembukaan kaunter baru serta 'Servis Mesra' yang ditunjukkan oleh kakitangan Agrobank telah mendorong pelanggan beralih untuk memilih Ar-Rahnu Agrobank.

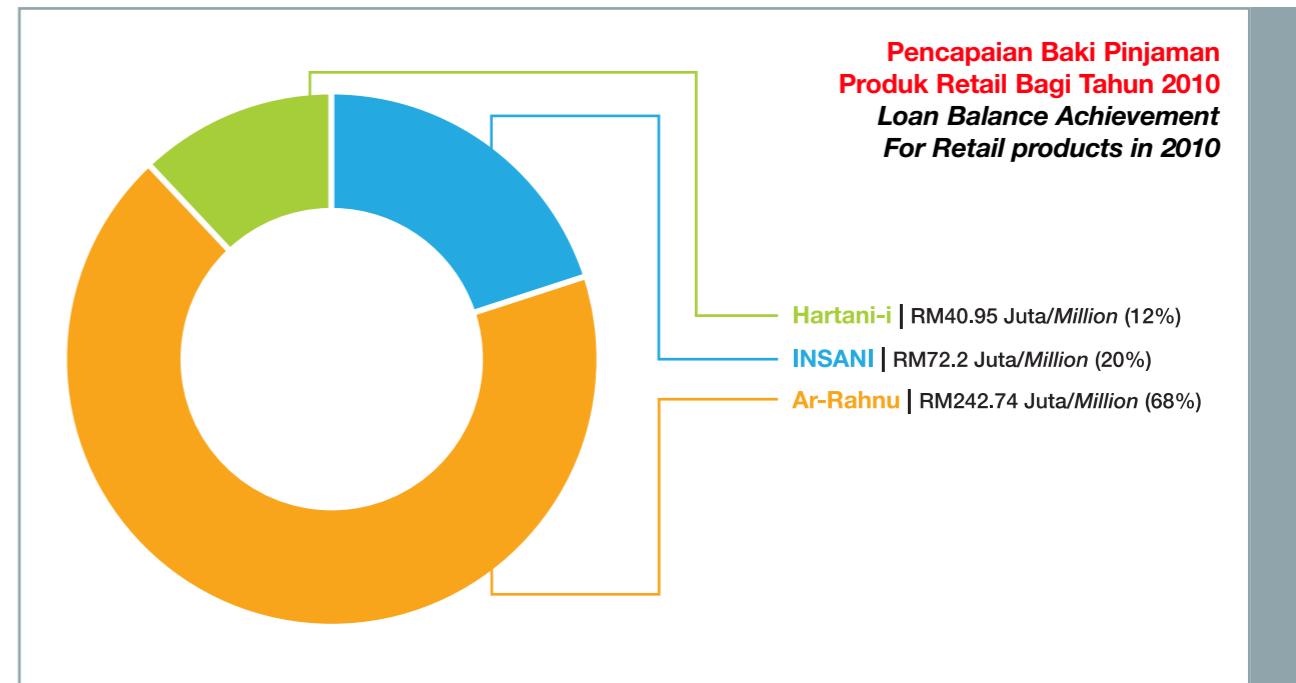
Sehingga 31 Disember 2010, baki pinjaman Ar-Rahnu telah mencecah RM242.74 juta iaitu peningkatan sebanyak RM174 juta berbanding tahun 2009.

Pencapaian bagi baki pinjaman produk Hartani-i, INSANI dan Ar-Rahnu sehingga 31 Disember 2010 adalah seperti berikut:

Another product that has become the focus in the market in 2010 was the Islamic pawn broking scheme called Agrobank Ar-Rahnu. The campaign and the promotion has been running for three months and has recorded impressive growth until it became a major contributor to Personal Banking's portfolio success in 2010. Opening new counters and 'Servis Mesra' shown by Agrobank's staff encourages customers to choose Agrobank Ar-Rahnu.

As at 31 December 2010, Agrobank Ar-Rahnu loan balance reached RM242.74 million, indicating an increase of RM174 million compared to 2009.

Hartani-i, INSANI and Ar-Rahnu Loan Balances as at 31 December 2010 were as follows:



Kemudahan Perbankan Elektronik

Selain itu, *Personal Banking* turut bertanggungjawab dalam memastikan kemudahan perbankan kepada pelanggan-pelanggannya. Ini bertujuan memberikan keselesaan pelanggannya untuk berurusan di kaunter hingga ke urusan perbankan layan diri iaitu perkhidmatan mesin ATM (*Automated Teller Machine*), CDM dan FCQM.

ATM

Selain menggunakan mesin ATM untuk pengeluaran wang, pelanggan juga dapat melakukan urusan-urusan perbankan yang lain seperti pembayaran pinjaman Agrobank, pengeluaran melalui MEPS (bagi kad ATM bank lain), perkhidmatan IBFT (*Interbank Fund Transfer*), pindahan wang ke akaun sendiri/pihak ketiga, tambah nilai Celcom/Maxis/Hotlink, pembayaran bil-bil utiliti seperti bil Astro/TNB/TMnet/TM/Celcom, penukaran tahn pengeluaran sehingga RM6,000 sehari, penyata akaun mini dan sebagainya. Sehingga 31 Disember 2010, jumlah bilangan mesin ATM Agrobank adalah sebanyak 202 unit di seluruh negara termasuk ATM di luar premis Agrobank.

CDM

Mesin deposit wang atau CDM juga semakin popular di kalangan pelanggan-pelanggan pada masa kini, kerana ia hanya memudahkan pelanggan mendeposit wang dan membayar pinjaman tanpa perlu beratur di kaunter pembayaran. Kemudahan mesin ini ditempatkan di cawangan Agrobank yang mempunyai transaksi kaunter paling tinggi.

FCQM

Perkhidmatan mesin deposit cek atau FCQM juga memudahkan pelanggan untuk mendepositkan cek-cek yang ingin dilunaskan. Kebanyakan mesin FCQM Agrobank ditempatkan di cawangan Agrobank yang mempunyai transaksi deposit cek yang tinggi.

E-Banking Facilities

Personal Banking always prioritises customers' convenience while banking. This is aimed at providing comfort to customers not only at the counters but also while conducting self-service banking business such as the ATMs, CDMs and FCQMs.

ATM

Customers not only can use ATMs for withdrawals, but also to do banking transactions such as Agrobank loan payments, withdrawal via MEPS (for other ATM bank cards), IBFT service (Interbank Fund Transfer), money transfers to own account/third party, top up for Celcom/Maxis/Hotlink, payment of utility bills such as Astro/TNB/TMnet/TM/Celcom, changing the withdrawal limit up to RM6,000 per day, mini account statements and more. As at December 31 2010, there are 202 units of Agrobank ATMs across the country, including ATMs outside Agrobank premises.

CDM

Cash deposit machines or CDM is also increasingly popular with customers today because it is easier for customers to deposit money and pay off loans without having to queue at the counter. These machines are located at Agrobank branches with the highest number of transactions.

FCQM

Cheque deposit machine or FCQM service enables the customers to deposit cheques to be cleared. Most of the FCQM machines are located at Agrobank branches with high cheque deposit transactions.

Rancangan Tahun 2011

Personal Banking bersedia mencari peluang yang terbuka luas untuk terus berkembang di pasaran. Sehubungan itu, pelbagai pelan tindakan telah di susun atur dalam mencipta kejayaan bagi tahun 2011. Oleh demikian, *Personal Banking* akan lebih peka dan sensitif terhadap pelbagai peluang perniagaan baru dalam pasaran perniagaan. *Personal Banking* juga akan terus komited dalam memperkuatkan lagi pakatan strategik bersama agensi-agensi sedia ada atau yang baru bagi memperkembangkan peluang perniagaan yang sedia ada. Dengan adanya pakatan strategik ini secara langsung ia hanya dapat menghasilkan produk yang mampu memberi kelebihan ciri-ciri produk serta menyediakan kepuasan dan kehendak pelanggan.

Selain itu, penambahbaikan ke atas produk yang sedia ada akan sentiasa dikaji dan dinilai dari masa ke semasa bagi memenuhi kehendak pelanggan dan keperluan pasaran. Pelaksanaan kempen akan terus diadakan mengikut produk-produk yang ditetapkan. Pelbagai hadiah-hadiah menarik akan ditawarkan mengikut masa kini bagi menghargai pelanggan-pelanggan yang telah memilih Agrobank sebagai institusi pembiayaan.

Personal Banking juga, akan terus meningkatkan lagi penawaran produk dan perkhidmatan dengan memperkenalkan kemudahan baru bagi memenuhi permintaan pelanggan yang semakin bertambah. Aspek ini merupakan komponen penting bagi strategi pengekalan pelanggan di samping menarik pelanggan. Penambahan bilangan mesin ATM di cawangan-cawangan yang mempunyai transaksi penggunaan mesin ATM yang tinggi akan diberi keutamaan untuk dilaksanakan bagi memenuhi keperluan pelanggan. Mesin ATM di luar premis juga akan ditingkatkan bagi memudahkan pelanggan Agrobank mendapat perkhidmatan perbankan.

Plans for 2011

Personal Banking is continually looking at opportunities to expand in the market. Accordingly, various action plans have been laid out to achieve this in 2011. *Personal Banking* is conscious and sensitive to new business opportunities in the market. *Personal Banking* will also continue to be committed to further strengthening its strategic alliance partnership with agencies, new or old, that are able to develop more opportunities for its existing business. These strategic alliances will enable the development of products with features that will provide customer satisfaction and fulfil their needs.

In addition, existing products are constantly reviewed and evaluated from time to time while meeting customer requirements and market needs. Campaigns will continue to be held in accordance with the prescribed products. Various attractive prizes in line with current trends will be offered in appreciation to customers who have chosen Agrobank as their financial institution.

Personal Banking will also continue to optimize product and service offerings with the introduction of new facilities to meet growing customer demand. This is an important component of the customer retention strategy as well as to attract new customers. Priority will be given to increasing the number of ATM machines at branches with high traffic ATM usage to meet customer needs. The number off-premises ATMs will also be increased to make it convenient for Agrobank customers to conduct banking transactions.

BUSINESS BANKING

Business Banking bertanggungjawab ke atas pinjaman/pembentukan yang melibatkan semua aktiviti ekonomi pertanian dan bukan pertanian dengan fokus ke atas pinjaman/pembentukan yang berkaitan dengan pembangunan perusahaan mikro, kecil dan sederhana (PKS).

Skop pembentukan di bawah *Business Banking* merangkumi semua aktiviti pemprosesan, pembuatan, pengedaran, pembungkusan, pengudangan/penyimpanan, pemasaran dan perkhidmatan. Kemudahan pembentukan ditawarkan dalam bentuk pembentukan berjangka, pembentukan pusingan, pembentukan dagangan dan pembentukan kredit mikro. Produk-produk *Business Banking* adalah seperti berikut:

Bil./No.	Produk/Product
1	Pinjaman Projek/ <i>Project Loan</i>
2	Modal Usahawan 1 Malaysia (MUS1M/MUS1M-i)
3	Kemudahan Niagatani/ <i>Niagatani Facility</i>
4	Kemudahan Kontraktani/ <i>Kontraktani Facility</i>
5	Pemfaktoran/ <i>Debt Factoring</i>
6	Jaminan Bank/ <i>Bank Guarantee</i>
7	Kemudahan Modal Kerja-i/ <i>Working Capital-i Facility</i>
8	Skim Masyarakat Perdagangan dan Perindustrian Bumiputera (MPPB)/ <i>Commercial and Industrial Bumiputera Community Scheme</i>
9	Skim Perusahaan Kecil & Sederhana (PKS)/ <i>Small & Medium Enterprise Scheme (SME)</i>
10	Mikro ESP-i/ <i>Micro Economic Stimulus Package-i</i>

BUSINESS BANKING

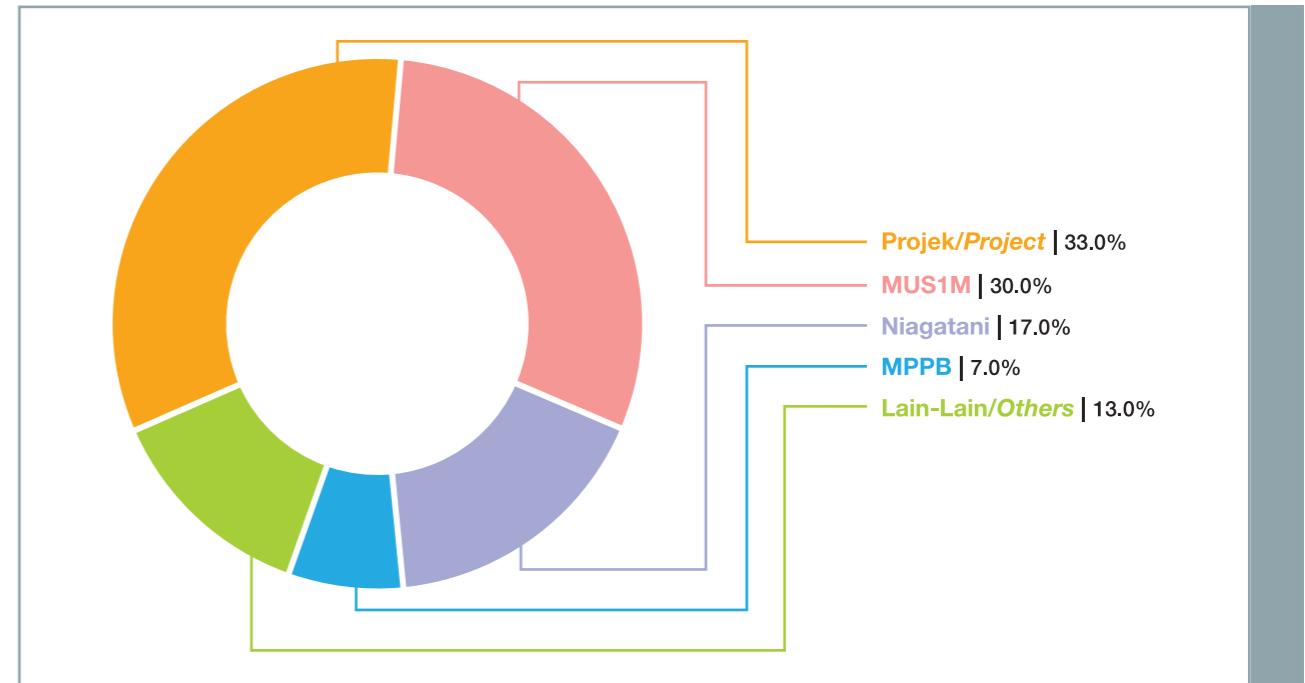
The *Business Banking* department is responsible for loans/financing of all agro based and non-agro based activities, focusing on loans/financing related to the development of micro, small and medium enterprises (SMEs).

Business Banking's financing scope includes all activities such as processing, manufacturing, distribution, packaging, warehousing/storage, marketing and services. Financing is offered in the form of term financing, revolving financing, trade financing and micro-credit. *Business Banking* products are as follows:

Prestasi Pinjaman/Pembentukan Di bawah Business Banking

Baki Pinjaman

Pecahan baki pinjaman mengikut produk di bawah *Business Banking* adalah seperti berikut:



Sehingga bulan Disember 2010, produk di bawah *Business Banking* telah mencapai baki pinjaman/pembentukan sebanyak RM794.0 juta dengan jumlah peminjam seramai 33,068 peminjam. Jumlah tersebut walaubagaimanapun, tidak termasuk baki pembentukan di bawah produk Micro Economic Stimulus Package (Mikro ESP-i) iaitu sebanyak RM263.14 juta kepada 16,345 orang peminjam.

Kelulusan Mengikut Produk

Sehingga Disember 2010, Bank telah meluluskan sebanyak RM588.62 juta ke atas pinjaman/pembentukan produk-produk di bawah *Business Banking* dengan jumlah peminjam seramai 10,082. Daripada jumlah tersebut, pinjaman Projek mencatatkan jumlah tertinggi iaitu sebanyak RM374.65 juta iaitu diikuti produk pinjaman MUS1M sebanyak RM142.33 juta, pinjaman/pembentukan Niagatani dan MPPB masing-masing sebanyak RM36.03 juta dan RM24.74 juta, manakala lain-lain produk adalah sebanyak RM10.87 juta.

Jumlah kelulusan bagi pembentukan Mikro ESP-i sehingga Disember 2010 ialah RM328.89 juta dengan 17,096 peminjam. Ini termasuk kelulusan sebanyak RM2.85 juta kepada 101 pengusaha mikro untuk projek burung walit berskala kecil.

Business Banking Loan/Financing Performance

Loan Balance

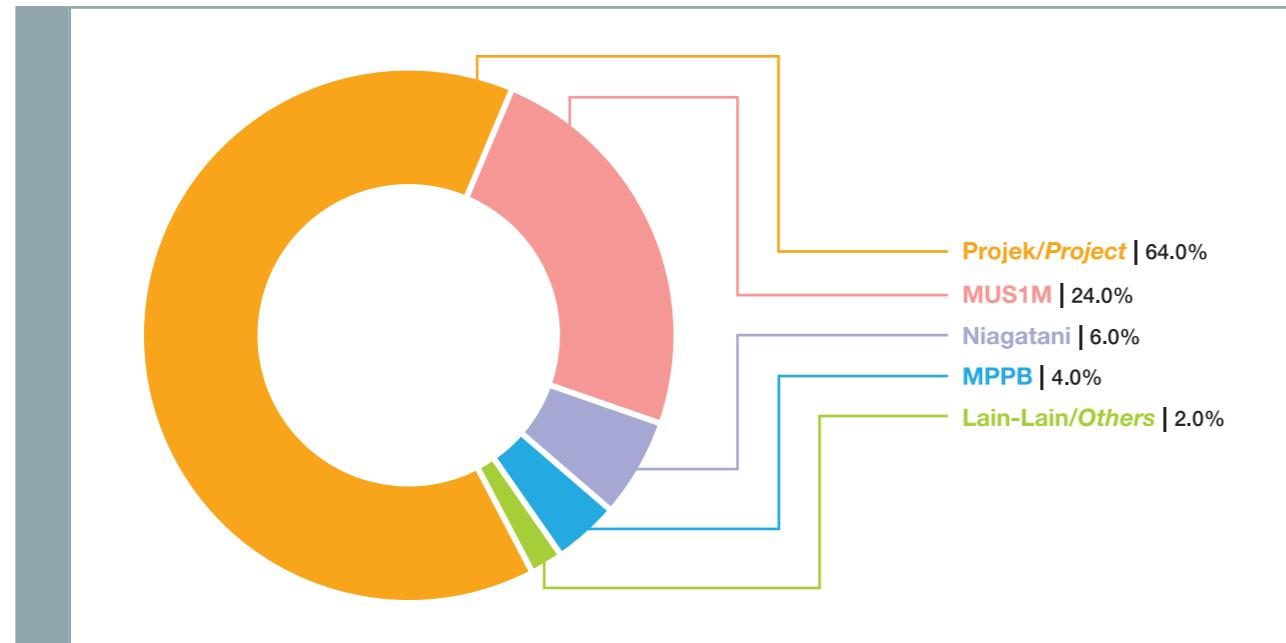
Business Banking Department's breakdown of outstanding loans balance by product; as follows:

As at December 2010, *Business Banking Department* products have reached RM794.0 million in outstanding loan/financing with a total of 33,068 borrowers. However, this amount does not include an outstanding balance under the Micro Economic Stimulus Package (Micro ESP-i) of RM263.14 million to 16,345 borrowers.

Approval By Product

The Bank approved a total of RM588.62 million loan/financing under *Business Banking* to a total of 10,082 borrowers in 2010. Among these, Project loans recorded the highest total with RM374.65 million, followed by MUS1M loan products RM142.33 million, Niagatani and MPPB loan/financing products with RM36.03 million and RM24.74 million respectively, while approval for the other products amounted to RM10.87 million.

The total approvals for Micro ESP-i financing were RM328.89 million, to 17,096 borrowers in 2010. This includes approvals of RM2.85 million to 101 micro entrepreneurs for small scale swiftlet projects.

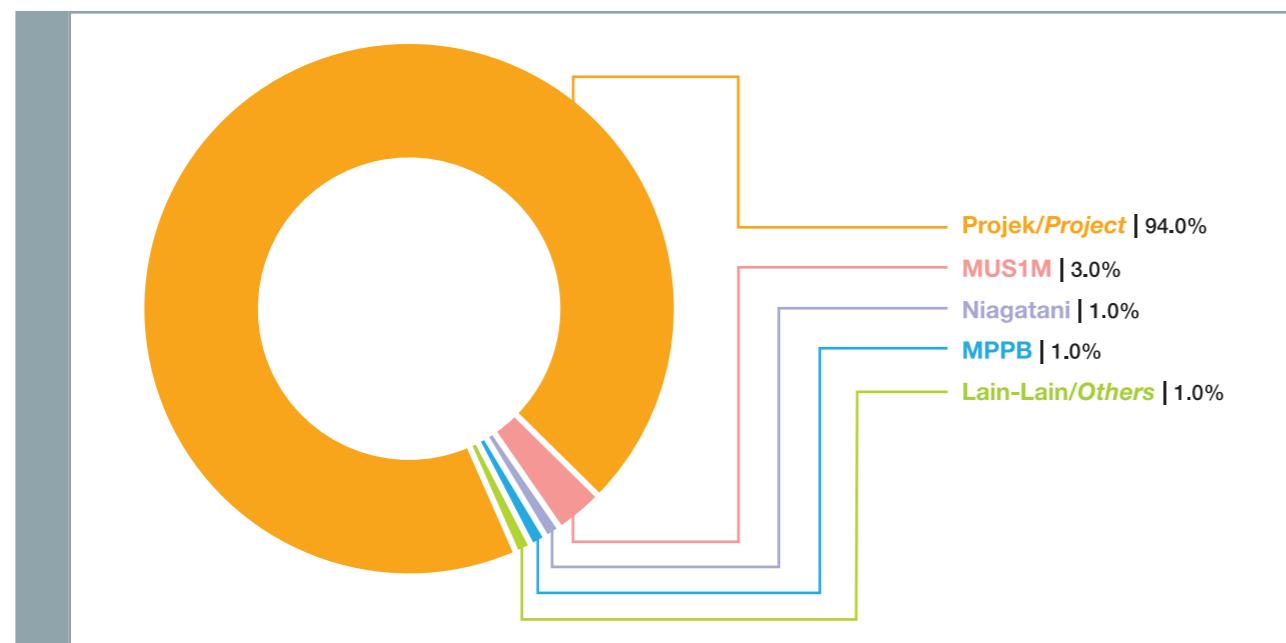


Pengeluaran Dan Kutipan

Jumlah pengeluaran pinjaman/pembentukan produk-produk di bawah Business Banking bagi tahun 2010 adalah RM350.23 juta. Daripada jumlah tersebut, sebanyak RM331.94 juta adalah untuk pinjaman/pembentukan Projek, RM9.87 juta pinjaman/pembentukan MUS1M, sebanyak RM3.35 juta pinjaman/pembentukan Niagatani, RM3.25 juta pinjaman/pembentukan MPPB dan bagi produk-produk pinjaman/pembentukan yang lain adalah sebanyak RM1.802 juta.

Disbursement and Collection

Total disbursement of loan/financing products under Business Banking for 2010 was RM350.23 million. This total consists of RM331.94 million for Project loan/financing, RM9.87 million MUS1M loan/financing, RM3.35 million Niagatani loan/financing, RM3.25 million MPPB loan/financing and RM1.802 million for other loan/financing products.

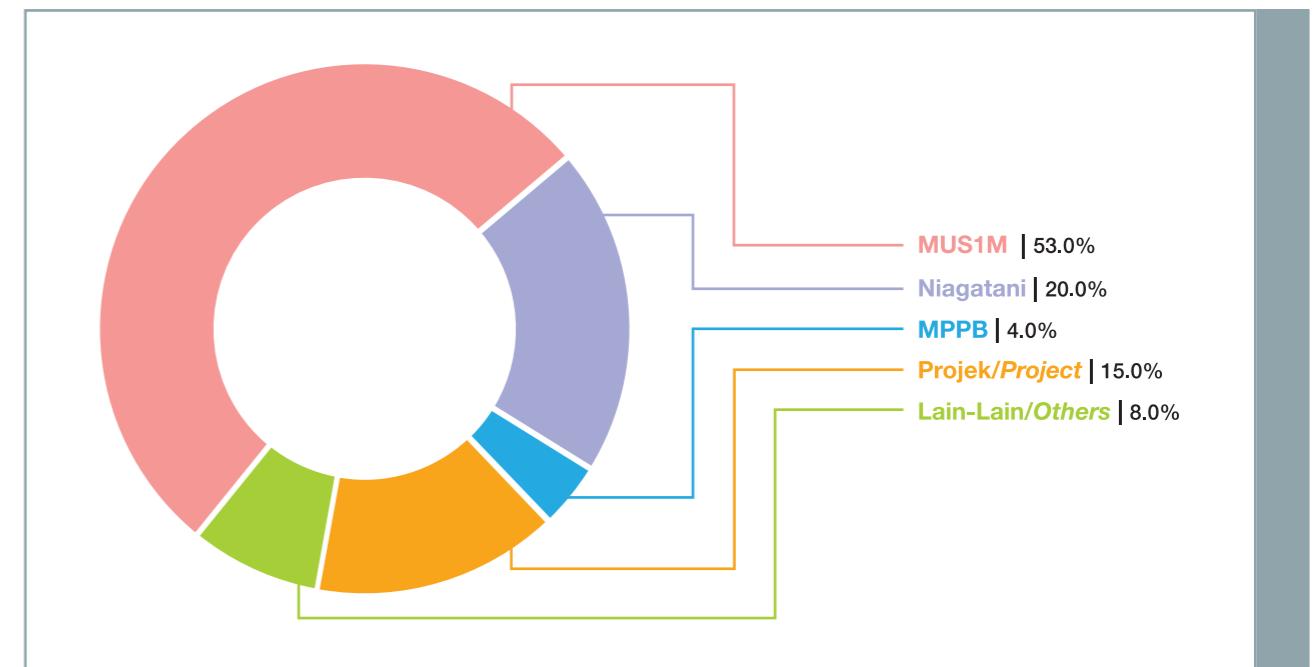


Bagi pembentukan Mikro ESP-i pula, jumlah pengeluaran pembentukan bagi tahun 2010 adalah sebanyak RM316.86 juta termasuk RM2.03 juta kepada pengusaha mikro projek burung walit.

Bagi tahun 2010, jumlah kutipan pinjaman/pembentukan bagi produk Business Banking adalah sebanyak RM207.06 juta. Daripada jumlah tersebut, sebanyak RM109.34 juta adalah untuk pinjaman/pembentukan produk MUS1M, sebanyak RM42 juta untuk pinjaman Niagatani, sebanyak RM7.26 juta pinjaman/pembentukan MPPB, sebanyak RM30.97 juta pinjaman/pembentukan Projek, manakala kutipan bagi produk-produk lain adalah sebanyak RM17.49 juta. Jumlah kutipan pembentukan bagi Mikro ESP-i bagi tahun 2010 pula adalah sebanyak RM71.38 juta.

Disbursement for Micro ESP-i in 2010 amounted to RM316.86 million including RM2.03 million to micro entrepreneurs for swiftlet projects.

The total collection of Business Banking loan/financing in 2010 was RM207.06 million. RM109.34 million from MUS1M loan/financing, RM42 million from Niagatani loan, RM7.26 million from MPPB loan/financing, RM30.97 million from Project loan/financing and RM17.49 million was collected from other products. Total collections for Micro ESP-i in 2010 was RM71.38 million.



AGRO BANKING

Jabatan Agrobanking adalah bertanggungjawab ke atas pinjaman/pembiayaan bagi aktiviti ekonomi pertanian yang merangkumi tanaman, ternakan, perikanan, perhutanan dan tertumpu kepada skop penghasilan/pengeluaran sebenar hasil pertanian semata-mata.

Oleh demikian, Jabatan Agrobanking diberi tanggungjawab untuk lebih fokus kepada aktiviti Pengeluaran Makanan dan aktiviti Bukan Pengeluaran Makanan. Produk di bawah aktiviti-aktiviti ini adalah seperti berikut:

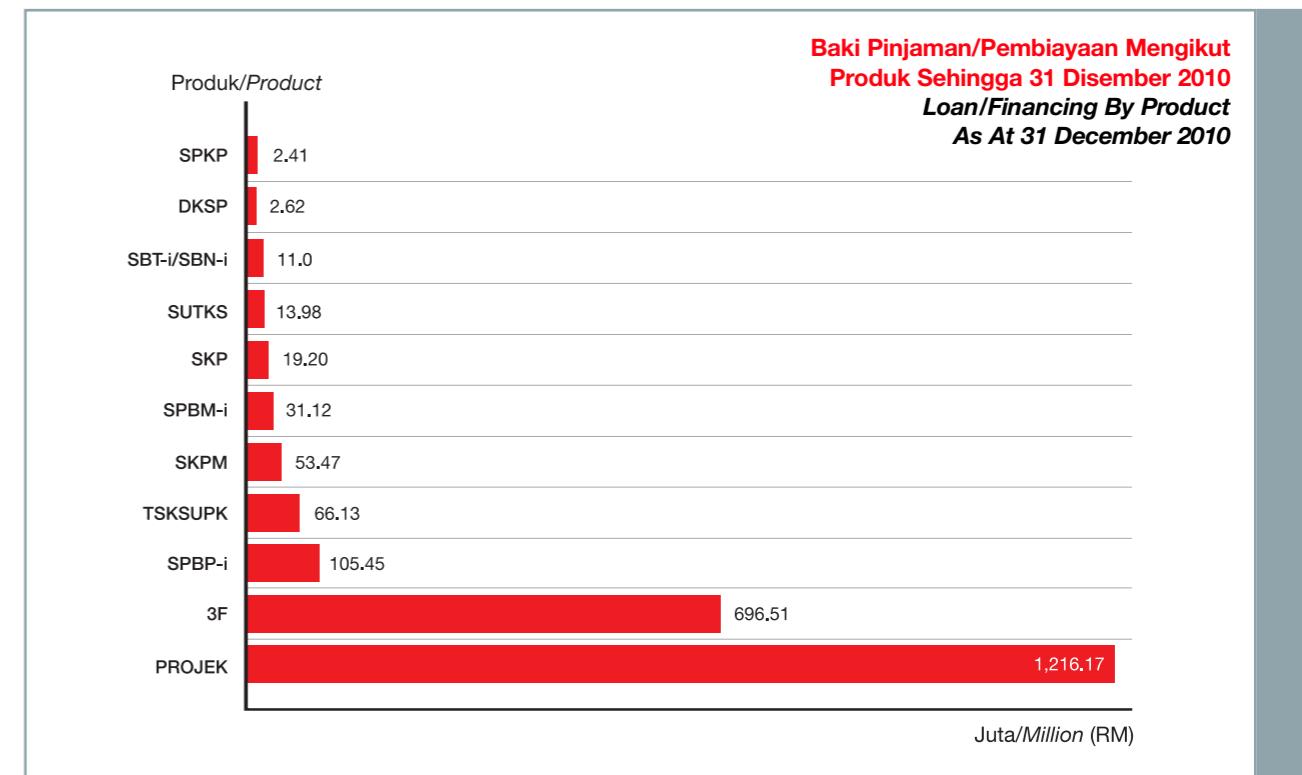
Bil. No.	Produk/ Product	Singkatan Abbreviation
1	Skim Belia Tani/Niaga <i>Agricultural/Business Youth Schemes</i>	SBT/SBN
2	Tabung Untuk Makanan <i>Fund For Food</i>	3F
3	Skim Pembiayaan Bot Perikanan <i>Fishing Boat Financing Scheme</i>	SPBP
4	Skim Kredit Pengeluaran Makanan <i>Food Production Credit Scheme</i>	SKPM
5	Skim Kredit Pengeluaran Bukan Makanan <i>Non-Food Production Credit Scheme</i>	SKPBM
6	Skim Pinjaman Kredit Pertanian <i>Agricultural Credit Loan Scheme</i>	SPKP
7	Skim Kredit Padi <i>Paddy Credit Scheme</i>	SKP
8	Skim Usahawan Tani Komersil Siswazah <i>Commercial Agricultural Entrepreneur for Graduate Scheme</i>	SUTKS
9	Tanaman Semula Kelapa Sawit <i>Palm Oil Replanting</i>	TASKS
10	Pinjaman Projek (Pengeluaran Pertanian) <i>Project Loan (Agricultural Production)</i>	PROJEK
11	Dana Khas Sektor Perikanan <i>Special Fund for the Fisheries Sector</i>	DKSP

AGRO BANKING

Agrobanking Department is responsible for the loan/financing for agricultural economic activities including crops, livestock, fisheries, forestry and its sole focus is on the actual production of agricultural products.

Therefore, the Agrobanking Department is focused more on Food Production and Non-Food Production activities. Products under these activities are as follows:

PRESTASI PINJAMAN/PEMBIAYAAN LOAN/FINANCING PERFORMANCE

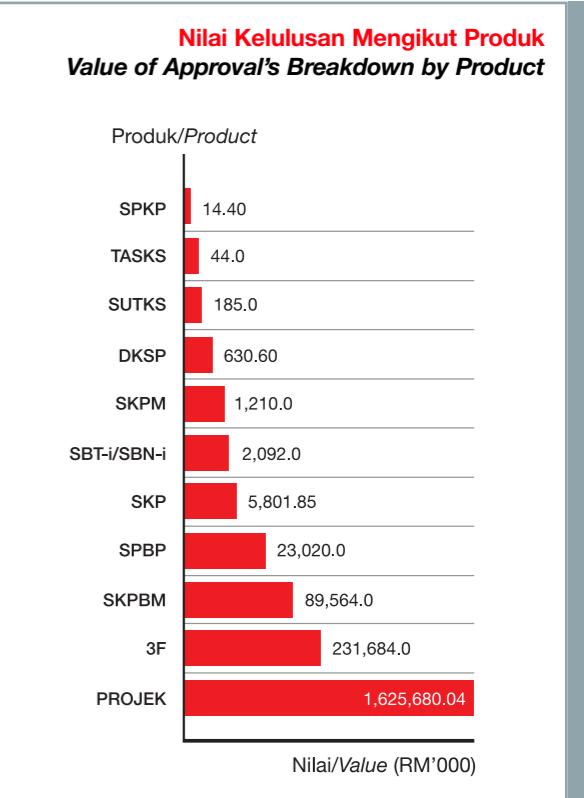


Kelulusan Mengikut Produk

Keseluruhan kelulusan bagi produk di bawah Agrobanking ialah sebanyak RM1,980.0 juta dengan bilangan 11,949 peminjam. Carta menunjukkan pecahan nilai kelulusan mengikut produk.

Approval By Product

Overall approval for products under Agrobanking was RM1,980.0 million with 11,949 borrowers. The chart shows the value of approval's breakdown by product.

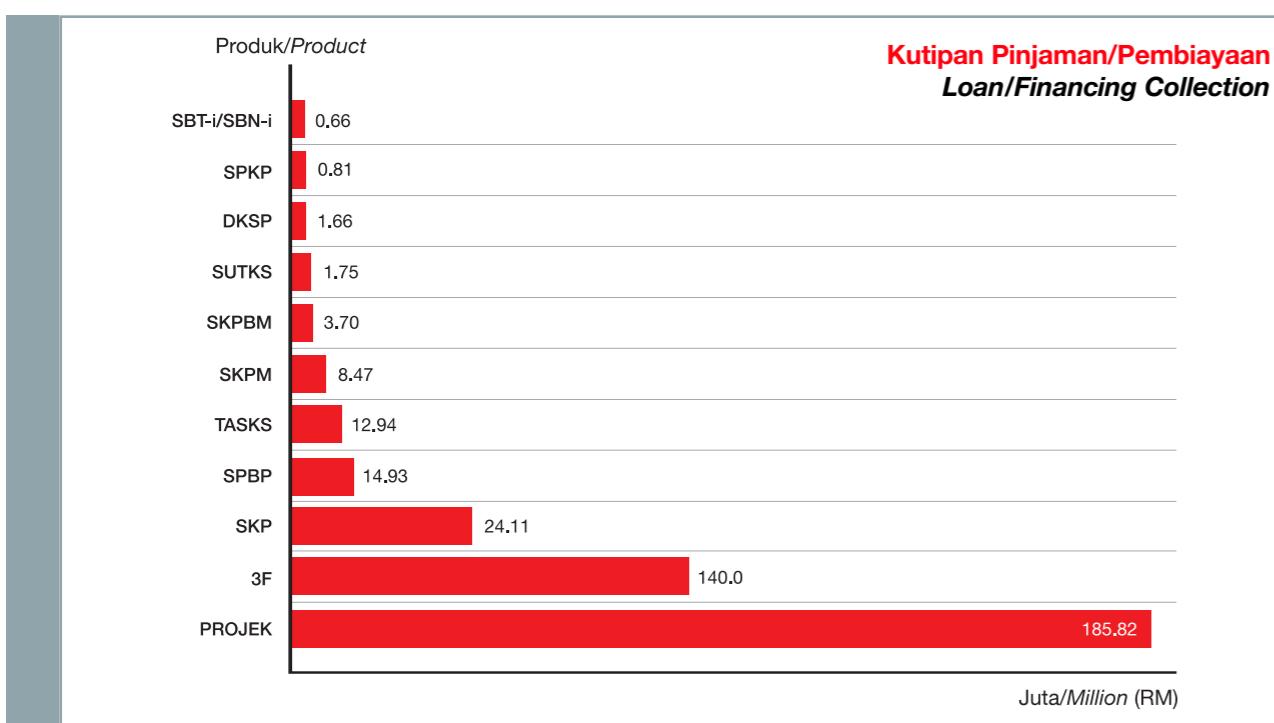
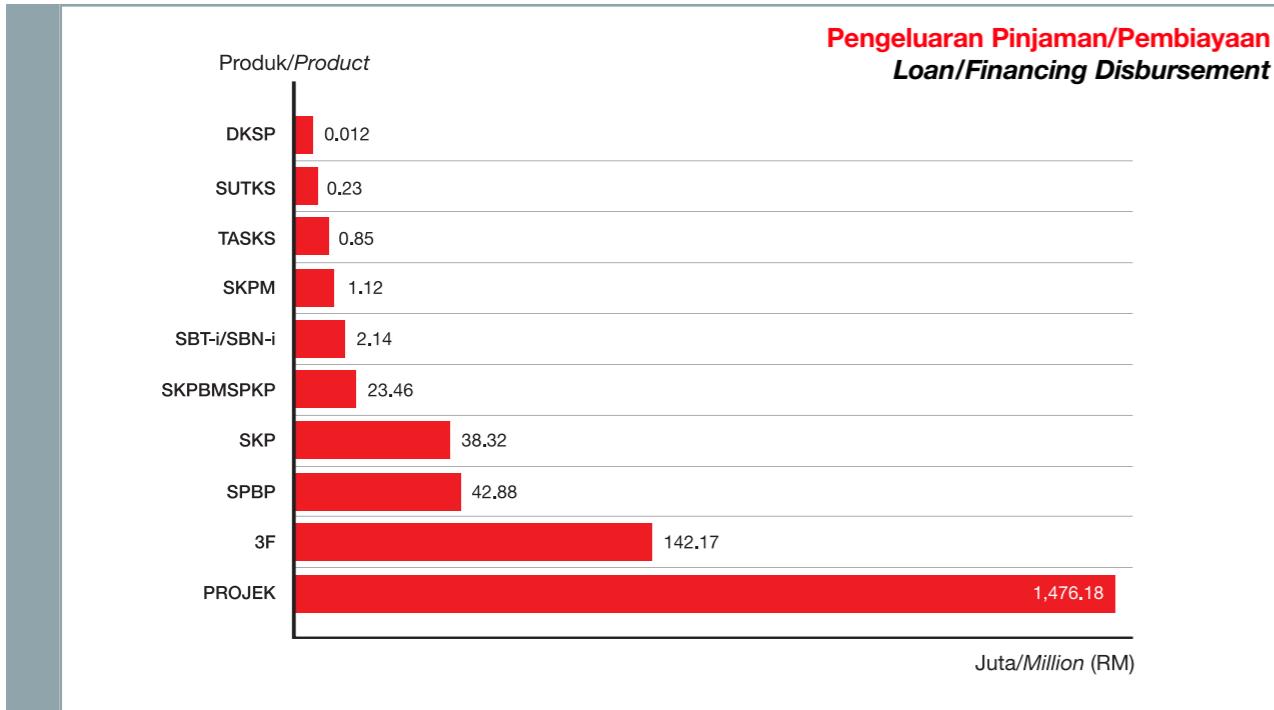


Pengeluaran Dan Kutipan

Jumlah pengeluaran di bawah produk Agrobanking ialah RM1,727.4 juta. Manakala, dari segi kutipan, keseluruhan kutipan ialah RM394.88 juta. Pecahan bagi setiap produk adalah seperti carta di bawah.

Disbursement and Collection

Total disbursement for Agrobanking products was RM1,727.4 million. Meanwhile, in terms of collection, the entire collection was RM394.88 million. The breakdown for each product is shown in the chart below.



Rancangan Tahun 2011

Agrobanking sebagai Jabatan utama telah menggariskan pelan perniagaan dan strategi yang akan dilaksanakan pada tahun 2011. Terdapat 6 pemacu strategi dan pelan perniagaan 2011 yang dirancangkan di bawah Chief Commercial Officer dan hanya 2 pemacu strategi di bawah Jabatan Agrobanking iaitu:

Pemacu Strategik Strategic Driver	SD1 • Pakatan strategik dengan FAMA, PPK/LPP, National Feedlot Centre, ECER dan BERNAS <i>Strategic alliance with FAMA, PPK/LPP, National Feedlot Centre, ECER and BERNAS</i>
	SD 2 • Kawasan pembangunan baru untuk tanaman padi, herba dan ikan hiasan - Pahang (Pekan dan Rompin) - Sabah (Kota Marudu, Kota Belud dan Beaufort) - Sarawak (Sri Aman) • New development areas for rice, herbs and ornamental fish - Pahang (Pekan and Rompin) - Sabah (Kota Marudu, Kota Belud and Beaufort) - Sarawak (Sri Aman)

Berikut adalah rancangan tahun 2011 bagi Jabatan Agrobanking secara terperinci:

Plans For 2011

Agrobanking as the primary Department has outlined the business plan and strategies which will be implemented in 2011. Six strategic drivers and the 2011 business plan will be under the Chief Commercial Officer and only two strategic drivers will be under the Agrobanking Department, namely:

Bil. No.	Produk Product	Kelulusan 2011 2011 Approval (RM Juta/Million)	Strategi Strategy
1	Paddy-i & Paddy Cash-i	50.0	<ul style="list-style-type: none"> Pakatan Strategik dengan PPK dan BERNAS <i>Strategic alliance with PPK and BERNAS</i> Kawasan Baru Pahang (Pekan & Rompin), Sabah (Kota Marudu, Kota Belud dan Beaufort), Sarawak (Sri Aman) <i>New Areas of Pahang (Pekan & Rompin), Sabah (Kota Marudu, Kota Belud and Beaufort), Sarawak (Sri Aman)</i>
2	Tabung Untuk Makanan (3F) Fund For Food (3F)	369.0	<ul style="list-style-type: none"> 'Customer Retention Programme' <i>Contract Farming</i> melalui Pakatan Strategik dengan <i>Contract Farming via Strategic Alliances with:</i> <ul style="list-style-type: none"> a. PPK b. FAMA c. National Feedlot Centre
3	Dana Pinjaman Untuk Pertanian (DPUP) Loan Fund for Agriculture	20.0	<ul style="list-style-type: none"> Pembiayaan di bawah bidang kuasa Kementerian Pertanian (Sebarang Lebihan Dana di bawah DPUP) <i>Financing under MOA jurisdiction (Any Excess Fund under DPUP)</i>
4	Projek (Pengeluaran) Project (Production)	750.0	<ul style="list-style-type: none"> Beli Tanah & Pembangunan/Kelapa Sawit/Herba/Pertanian Bersepadu/Burung Walit/Ikan Hiasan <i>Land Purchase & Development/Palm Oil/Herbs/Integrated Agriculture/Swifts/Ornamental Fish</i>
Jumlah/Total		1,189.0	

DEPOSIT

Pada tahun 2010, Bank telah melakarkan kejayaan menggembung deposit sebanyak RM6,452.7 juta berbanding tahun sebelumnya iaitu RM5,967.4 juta. Ini menunjukkan peningkatan yang positif sebanyak RM485.3 juta atau 8.1%.

In 2010, the Bank successfully collected deposits amounting to RM6,452.7 million compared to the previous year of RM5,967.4 million. This shows a positive increase of RM485.3 million or 8.1%.

Deposit konvensional menyumbang sebanyak RM3,475.6 juta iaitu 54.0%, manakala deposit perbankan Islam menyumbang sebanyak 46.0% iaitu RM2,977.1 juta. Selain berjaya meningkatkan jumlah deposit, Bank juga telah berjaya menambahkan bilangan pendeposit dari 2,227,596 pada tahun 2009 kepada 2,295,430 pada tahun 2010.

Program promosi seperti Kempen ‘Simpan... Dapat Kereta!’ telah diadakan bagi menarik minat dan menggalakkan aktiviti menyimpan di kalangan pelanggan sedia ada dan baru. Kempen tersebut yang dilaksanakan sepanjang tahun 2010 dengan menawarkan (4) buah kereta telah berjaya membantu menambah pelanggan baru.

Selain itu, program yang dijalankan bagi meningkatkan jumlah pendeposit di kalangan warga mas dengan menawarkan kadar faedah yang tinggi dan tambahan kadar insentif telah turut membantu peningkatan deposit.

Bagi meningkatkan pendeposit di kalangan pelajar sekolah pula, Bank telah secara aktifnya menggiatkan Program Sekolah Angkat dengan menawarkan insentif kepada sekolah termasuk tadika. Insentif diberikan kepada sekolah/tadika berdasarkan bilangan penyimpan dan nilai simpanan pelajar sekolah/tadika mahupun kakitangan sekolah.

Conventional deposits accounted for RM3,475.6 million or 54.0%, while the Islamic banking deposits contributed 46.0% or RM2,977.1 million. In addition to successfully increasing the deposit amount, the Bank had also managed to increase the number of depositors from 2,227,596 in 2009 to 2,295,430 in 2010.

Promotion programs such as ‘Save... Get A Car’ Campaign was held to attract and encourage savings among existing and new customers. The campaign which was implemented throughout 2010 offering (4) cars, has helped to add new customers.

In addition, programs to increase the number of senior citizen depositors by offering high interest rates and additional incentives rates have also helped to increase deposits.

In order to increase the number of student depositors, the Bank has been actively promoting the School Adoption Program by offering incentives to schools, including kindergartens. Incentives given to schools/kindergartens were based on the number of depositors and the deposit value of the school/kindergarten's students and school staff.

Perkhidmatan Berasaskan Fi

Bank turut menawarkan perkhidmatan berasaskan fi melalui perkhidmatan tambahan dalam usaha menyediakan perkhidmatan kewangan yang komprehensif kepada pelanggan.

Pada tahun 2010, pendapatan yang diperolehi daripada perkhidmatan berasaskan fi adalah sebanyak RM82.3 juta berbanding tahun sebelumnya iaitu RM58.5 juta. Ini menunjukkan peningkatan yang positif sebanyak RM23.8 juta atau 40.68%. Pendapatan daripada aktiviti pinjaman ialah sebanyak RM49.2 juta manakala sebanyak RM33.1 juta daripada aktiviti perbankan. Bank telah mengambil pelbagai pendekatan untuk meningkatkan pendapatan fi iaitu mempakejkan produk pinjaman dengan produk berdasarkan insuran/takaful serta menggalakkan jualan bersilang (*cross selling*) dan ‘product bundling’.

Rancangan 2011

Selari dengan matlamat Bank ke arah Perbankan Islam sepenuhnya menjelang tahun 2015, mulai tahun 2011 bank akan menawarkan kepelbagaiannya dalam produk deposit berkonseptan syariah yang lebih kompetitif dan menarik. Bagi menambah bilangan pendeposit baru dan mengekalkan pendeposit sedia ada, Bank juga meneruskan program melalui kempen deposit khusus untuk meningkatkan dana Perbankan Islam yang dijangka akan dilancarkan pada suku tahun kedua tahun 2011. Selain itu, Bank juga akan menubuhkan kelab khusus untuk pendeposit muda berumur bawah 12 tahun yang dinamakan Kelab Agrokids.

Bank juga akan terus meningkatkan sistem penyampaian (*delivery system*) seperti pelaksanaan perkhidmatan Internet Banking serta E-Debit bagi memenuhi keperluan dan kehendak pelanggan.

Fee Based Services

The Bank also offers fee-based services through additional services in an effort to provide comprehensive financial services to customers.

In 2010, income from fee-based services was RM82.3 million compared to RM58.5 million the previous year. This shows a positive increase of RM23.8 million or 40.68%. Income from loans amounted to RM49.2 million while a total of RM33.1 million were from banking activities. The Bank has taken various measures to improve the fee income by packaging loan products with insurance/takaful-based products as well as promoting cross-selling and product bundling.

Plans For 2011

In line with the Bank’s vision of becoming a full fledged Islamic Bank by 2015, beginning 2011 the bank will offer a variety of shariah based deposit products which are more competitive and attractive. In order to increase the number of new depositors and maintain the existing depositors, the Bank also continued a specific deposit campaign to raise funds of Islamic Banking which is expected to be launched in 2011. In addition, the Bank will also establish a special club for young depositors under 12 years old named the Agrokids Club.

The Bank will also continue to improve its delivery system such as the implementation of Internet Banking services and E-Debit to meet the needs of customers.

PELABURAN

Pelaburan di dalam pasaran kewangan merupakan aktiviti penting bagi menyokong perniagaan Agrobank menerusi pengurusan lebihan kecairan dan portfolio pelaburan bagi menjana pendapatan yang optimum. Oleh yang demikian, pelaburan kekal penyumbang kedua terbesar kepada Bank selepas portfolio pinjaman.

Tahun 2010 telah memperlihatkan kesan pakej rangsangan ekonomi yang dijalankan oleh Kerajaan. Berikutan prestasi ekonomi yang semakin pulih dan seiring dengan prestasi baik dalam pasaran modal, aktiviti pelaburan juga mencatatkan peningkatan pendapatan, terutama disebabkan oleh persekitaran kadar faedah yang lebih baik dan transaksi urusniaga pasaran dari kegiatan urusniaga sekuriti serta peningkatan dalam nilai aset.

Pada tahun tersebut juga, piawai perakaunan yang baru (FRS 139) telah digunakan. Ekoran daripada itu, nilai aset pelaburan 2010 telah meningkat dengan begitu ketara.

Tahun 2011 dijangkakan ekonomi akan semakin kukuh dan stabil. Ekonomi pada tahun 2011 akan memperlihatkan kesan Program Transformasi Ekonomi (ETP) yang dilancarkan oleh Kerajaan. Mengambil kira faktor ini, strategi pelaburan tahun 2011 akan terus memberi penekanan kepada pelaburan dalam sekuriti yang berkualiti dan sekuriti berjangka sederhana bagi menjana pertumbuhan hasil bagi aktiviti ini.

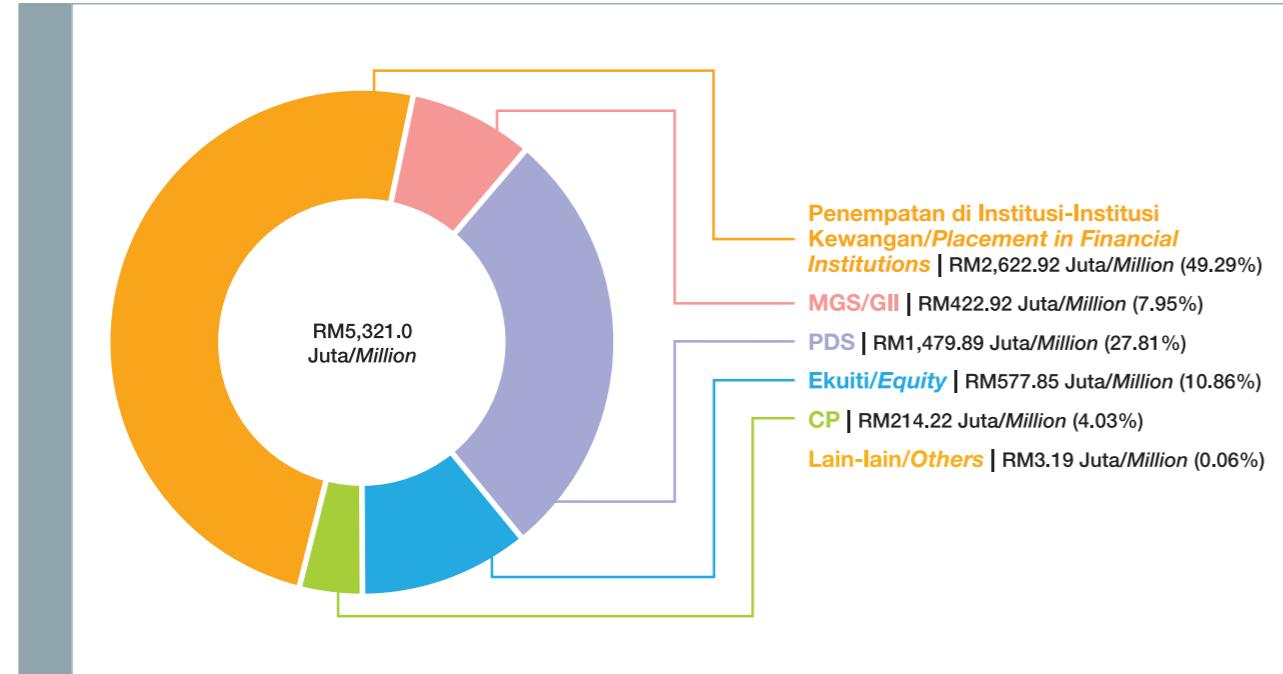
INVESTMENT

Investment in financial markets is vital to support Agrobank's business activities through the management of excess liquidity and investment portfolio to generate optimum income. Therefore, investment remains as the second largest contributor to the Bank after the loan portfolio.

In 2010, the effects of the economic stimulus package initiated by the Government could be seen. With an improving economic performance in line with good capital market performance, investment activities has reported an increase in revenue primarily due to a better interest rate environment and market business transactions from securities trading activities and an increase in asset value.

The new accounting standard (FRS 139) was also adopted this year. Subsequently, the value of investment assets had increased significantly in 2010.

The economy is expected to be stronger and more stable in 2011. The Economic Transformation Program (ETP) initiated by the Government will have its effects on the economy in 2011. Taking these into account, the investment strategy in 2011 will continue to emphasize investment in quality and medium term securities to generate revenue growth.



AGROkasih-i

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 **AGRO
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TADBIR URUS KORPORAT

Bank Pertanian Malaysia Berhad (Bank) komited untuk terus mengamalkan amalan terbaik tadbir urus korporat menurut garis panduan Bank Negara Malaysia mengenai Standard Tadbir Urus Korporat Bagi Pengarah Institusi Kewangan Pembangunan (BNM/DFI/GP4) serta Akta Bank Pertanian Malaysia Berhad 2008.

Kenyataan di bawah menerangkan bagaimana Bank menerima pakai peruntukan-peruntukan tadbir urus korporat dan tahap pematuhan peruntukan-peruntukan tersebut.

Tugas Dan Tanggungjawab Lembaga Pengarah

Lembaga Pengarah melaksanakan tanggungjawab pengawasan secara bebas ke atas pengurusan Bank bagi memastikan pematuhan dan pelaksanaan undang-undang, dasar dan peraturan yang ditetapkan. Tugas dan tanggungjawab ini termasuk:-

- Memastikan bahawa tumpuan strategik Bank ditakrifkan dengan jelas dan seiring dengan peranan serta mandat Bank untuk menjadi Bank peneraju dengan fokus terhadap pertanian dan perniagaan berdasarkan pertanian.
- Menyelia hal ehwal dan perniagaan Bank serta mengambil tanggungjawab sepenuhnya akan keadaan serta dasar pengurusan Bank bagi memastikan Bank diuruskan dengan sewajarnya.
- Mengenalpasti risiko utama dan memastikan pelaksanaan sistem yang bersesuaian bagi menguruskan risiko-risiko tersebut.
- Mewujudkan suatu pelan pengantian, termasuk melantik dan menggantikan para eksekutif dan pengurusan kanan yang berkelayakan serta cekap bagi mentadbir hal ehwal Bank secara bijak dan berkesan.
- Mengkaji kecukupan dan integriti sistem kawalan dalam Bank serta sistem maklumat pengurusan, termasuk sistem bagi pematuhan terhadap undang-undang, peraturan, arahan serta panduan yang boleh digunakan.
- Melaksanakan pelbagai fungsi serta tanggungjawab seperti yang ditetapkan dalam garis panduan dan arahan yang dikeluarkan oleh Bank Negara Malaysia dari masa ke semasa.

Keahlian Lembaga Pengarah

Lembaga Pengarah Bank sehingga 31 Disember 2010 terdiri daripada lima (5) orang ahli yang tidak mempunyai kuasa eksekutif (termasuk Pengerusi) kecuali Pengarah Urusan.

CORPORATE GOVERNANCE

Bank Pertanian Malaysia Berhad (Bank) remain committed to ensuring that good corporate governance continues to be implemented in accordance with Bank Negara Malaysia's guideline on Corporate Governance Standards On Directorship For Development Financial Institutions (BNM/DFI/GP4) as well as the Bank Pertanian Malaysia Berhad 2008 Act.

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 Board of Directors is to discharge its oversight responsibilities independently over the Bank management to ensure compliance and implementation of laws, policies and procedures. Duties and responsibilities include:-

- Ensure that the strategic focus of the Bank is clearly defined and in line with its mandated role, which is to become a leading bank with focus on agriculture.
- Supervise the affairs and business of the Bank and taking full responsibility of the conditions and policies of the Bank to ensure that the Bank is appropriately managed.
- Identify the principal risks and ensure the implementation of a suitable system to manage those risks.
- Create a succession plan, which includes appointing and replacing qualified and capable executives and senior management to govern the Bank's affairs wisely and effectively.
- Review the adequacy and integrity of the Bank's internal controls and management information systems, including a system for compliance with laws, regulations, directives and guidelines that can be applied.
- Implement various functions and responsibilities as set in the guideline and directives issued by Bank Negara Malaysia from time to time.

Board of Directors Membership

As of 31 December 2010, the Board of Directors consisted of five (5) non-executive members (including the Chairman) with the exception of the Managing Director.

Selepas bulan Februari 2011, 4 orang lagi Ahli Lembaga Pengarah telah dilantik iaitu 3 orang Pengarah Bebas Bukan Eksekutif dan seorang Pengarah Bukan Bebas Bukan Eksekutif yang mewakili Kementerian Pertanian dan Industri Asas Tani. Lembaga Pengarah terdiri daripada ahli-ahli yang mempunyai kemahiran dan pengalaman luas dalam pelbagai bidang seperti perniagaan, kewangan, perakaunan, ekonomi dan pertanian. Satu (1) daripada Ahli Lembaga Pengarah mewakili Kementerian Kewangan. Oleh yang demikian boleh dirumuskan bahawa Lembaga Pengarah Bank terdiri daripada anggota yang mewakili pelbagai kepentingan dan secara bersama-sama dapat mempertingkatkan prestasi Bank di samping berupaya untuk membuat pertimbangan dan keputusan berhubung isu-isu yang melibatkan strategi, pelaksanaan dan prestasi Bank dengan baik.

After February 2011, 4 more members were appointed to the Board, consisting of 3 Independent Non-Executive Directors and 1 Non-Independent Non-Executive Director representing the Ministry of Agriculture and Agro-based Industry. The Board consists of skilled members with vast experiences in various fields such as business, finance, accounting, economics and agriculture. One (1) of the Board members represents the Ministry of Finance. Sufficient to say that the Board of Directors consists of members that represent various interests and jointly work 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.

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

Ahli Lembaga Pengarah/Board Members	Jawatan/Position
Tan Sri Faizah Mohd Tahir (Dilantik sebagai Pengerusi mulai 5 Ogos 2010/ Appointed as Chairman effective 5 August 2010)	Pengerusi/Chairman
Dato' Mohamed Salleh Bajuri (Berkhidmat sehingga 19 Jun 2010/In service until 19 June 2010)	Pengerusi/Chairman
Encik Wan Mohd Fadzmi Wan Othman Fadzilah (Dilantik mulai 1 Julai 2011/Appointed effective 1 July 2011)	Ahli/Member
Datuk Ahmad Said (Berkhidmat sehingga 30 Jun 2011/In service until 30 June 2011)	Ahli/Member
Datuk Dr. Saharan Haji Anang	Ahli/Member
Puan Rashidah Mohd Sies (Dilantik mulai 8 Jun 2010/Appointed effective 8 June 2010)	Ahli/Member
Datuk Johar Che Mat (Dilantik mulai 1 Julai 2010/Appointed effective 1 July 2010)	Ahli/Member
Encik Ng Chih Kaye (Dilantik mulai 8 Februari 2011/Appointed effective 8 February 2011)	Ahli/Member
Datin Ruzaina Wan Haniff (Dilantik mulai 1 Mac 2011/Appointed effective 1 March 2011)	Ahli/Member
Encik Md Hilmi Datuk Haji Md Noor (Dilantik mulai 1 Mac 2011/Appointed effective 1 March 2011)	Ahli/Member
Dato' Che Mohd Hashim Abdullah (Dilantik mulai 2 Mei 2011/Appointed effective 2 May 2011)	Ahli/Member
Dato' Mohd Hanif Sher Mohamed (Berkhidmat sehingga 2 Jun 2010/In service until 2 June 2010)	Ahli/Member
Datuk Dr. Elias Kadir (Berkhidmat sehingga 2 Jun 2010/In service until 2 June 2010)	Ahli/Member
Dato' Mohd Mokhtar Ismail (Berkhidmat sehingga 11 November/In service until 11 November 2010)	Ahli/Member
Datuk Dr. Rahamat Bivi Yusoff (Berkhidmat sehingga 6 Mei 2010/In service until 6 May 2010)	Ahli/Member

Pelantikan Lembaga Pengarah

Setiap pelantikan Ahli Lembaga Pengarah Bank adalah tertakluk kepada Akta Bank Pertanian Malaysia Berhad 2008 dan Tataurus Pertubuhan Syarikat serta verifikasi Bank Negara Malaysia seputar yang ditetapkan di bawah subseksyen 6 (1), Akta Institusi Kewangan Pembangunan 2002.

Mesyuarat Lembaga Pengarah Dan Pembekalan Maklumat Kepada Lembaga Pengarah

Dalam tahun 2010, Lembaga Pengarah telah bermesyuarat sebanyak sembilan (9) kali. Manakala untuk mesyuarat khas, Lembaga Pengarah telah bermesyuarat sebanyak enam (6) kali.

Kehadiran Ahli-Ahli Lembaga Pengarah pada tahun 2010 adalah seperti berikut:- *Board of Directors' Attendance in 2010 is as follows:-*

Ahli Lembaga Pengarah/Board Members	Kehadiran*/Attendance*
Tan Sri Faizah Mohd Tahir	8/8
Dato' Mohamed Salleh Bajuri	6/6
Datuk Ahmad Said	11/14
Datuk Dr. Saharan Haji Anang	15/15
Puan Rashidah Mohd Sies	6/9
Datuk Johar Che Mat	9/9
Dato' Mohd Hanif Sher Mohamed	5/6
Datuk Dr. Elias Kadir	6/6
Dato' Mohd Mokhtar Ismail	7/13
Datuk Dr. Rahamat Bivi Yusoff	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.

Pengurusan bertanggungjawab untuk membekalkan Lembaga Pengarah dengan laporan lengkap, kertas cadangan dan dokumen sokongan sebelum mesyuarat. Ini membolehkan Lembaga Pengarah meneliti dan mengkaji perkara-perkara yang akan dibincangkan di dalam mesyuarat Lembaga Pengarah dan seterusnya membolehkan mereka membuat pertimbangan dan keputusan yang tepat.

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 Articles of Association as well as verification from Bank Negara Malaysia and prescribed under subsection 6 (1), Development Financial Institutions Act 2002.

Board Meetings and Supply of Information to the Board of Directors

In 2010, the Board of Directors met nine (9) times. As for special meetings, the Board met six (6) times.

Lembaga Pengarah diberi notis mesyuarat sebelum mesyuarat Lembaga Pengarah dan mesyuarat Lembaga Pengarah mempunyai agenda tetap untuk perbincangan antaranya ialah, perkara-perkara berkaitan polisi dan dasar, kewangan, perbankan, pinjaman, arahan dan strategik Bank. Lembaga Pengarah juga berperanan memantau pencapaian prestasi Bank dan secara keseluruhan memberi panduan dan memastikan kawalan dalaman Bank adalah memuaskan. Agenda serta kertas mesyuarat akan dikemukakan kepada Lembaga Pengarah sekurang-kurangnya tiga (3) hari sebelum Mesyuarat Lembaga Pengarah diadakan.

Semua Pengarah mempunyai akses kepada semua maklumat dan rekod Bank dan juga kepada nasihat dan khidmat Setiausaha Syarikat yang juga menjadi setiausaha kepada Jawatankuasa-Jawatankuasa Lembaga.

Jawatankuasa Lembaga Pengarah

Jawatankuasa-Jawatankuasa Lembaga Pengarah seperti berikut telah diwujudkan mengikut keperluan garis panduan Bank Negara Malaysia mengenai Standard Tadbir Urus Korporat Bagi Pengarah Institusi Kewangan Pembangunan (GP4) bagi membantu Lembaga Pengarah menjalankan tugas dan tanggungjawab secara lebih efisien dan berkesan.

- Jawatankuasa Audit & Pemeriksaan
- Jawatankuasa Pengurusan Risiko
- Jawatankuasa Pencalonan & Imbuhan*

*Nota: Gabungan dua jawatankuasa iaitu Jawatankuasa Pencalonan dan Jawatankuasa Imbuhan

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

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 provide overall guidance and ensure the Bank's internal controls are satisfactory. The agenda and meeting papers are forwarded to the Board of Directors at least three (3) 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.

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 & Examination Committee
- Risk Management Committee
- Nomination & Remuneration Committee*

**Note: The combination of two committees, namely, the Nomination and Remuneration Committee*

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

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 judgements and decisions.

JAWATANKUASA AUDIT & PEMERIKSAAN (AEC)/AUDIT AND EXAMINATION COMMITTEE (AEC)

Keahlian/Members

Keahlian Jawatankuasa Audit & Pemeriksaan pada tahun 2010 adalah terdiri daripada:-
The members of the Audit & Examination Committee in 2010 are:-

Ahli Jawatankuasa/Committee Members	Jawatan/Position
Datuk Dr. Saharan Haji Anang (Dilantik sebagai Pengurus mulai 11 Oktober 2010/ Appointed as Chairman effective 11 October 2010)	Ahli/Pengerusi Member/Chairman
Datuk Dr. Elias Kadir (Sehingga 2 Jun 2010/Until 2 June 2010)	Pengerusi/Chairman
Puan Rashidah Mohd Sies (Dilantik mulai 11 Oktober 2010/Appointed effective 11 October 2010)	Ahli/Member
Datuk Johar Che Mat (Dilantik mulai 11 Oktober 2010/Appointed effective 11 October 2010)	Ahli/Member
Dato' Mohamed Salleh Bajuri (Sehingga 19 Jun 2010/Until 19 June 2010)	Ahli/Member
Datuk Dr. Rahamat Bivi Yusoff (Sehingga 6 Mei 2010/Until 6 May 2010)	Ahli/Member

Fungsi & Tanggungjawab Audit

1. Pelaporan Kewangan

- a) 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 penghakiman pelaporan kewangan yang signifikan yang terkandung di dalamnya. AEC mengkaji ringkasan penyata kewangan; pelaporan kewangan yang signifikan kepada pihak berkuasa dan apa-apa maklumat kewangan yang terkandung dalam dokumen lain yang berkaitan.
- b) Di mana perlu, 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 pendekatan yang berbeza adalah berkemungkinan;
 - Sama ada Bank telah mengikuti standard perakaunan yang wajar dan membuat anggaran serta pertimbangan yang sesuai, dengan mengambil kira pandangan juruaudit luar; dan
 - Kejelasan pendedahan di dalam laporan penyata kewangan Bank serta konteks dalam mana kenyataan itu dibuat.

Audit Functions & Responsibilities

1. Financial Reporting

- a) Shall monitor 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 judgement of significant financial reporting contained therein. AEC should review summary of financial statements, significant financial reporting to the regulators and any financial information contained in other related documents.
- b) Where appropriate, the AEC will analyze and challenge:
 - Consistency to, and any changes to accounting policies;
 - Methods used to account for significant or unusual transactions where a different approach is probable;
 - Whether the company has adhered to the appropriate accounting standards and made appropriate estimates and judgment, taking into account the view of the external auditors; and
 - Clarity of disclosures in the company's financial statements and the context within which the statement is made.

- c) Memastikan bahwa akaun disediakan mengikut masa dan dalam bentuk yang tepat dengan semakan yang kerap berkaitan kecukupan peruntukan berbanding kontingenzi serta hutang lapuk dan hutang rugi. AEC bertanggungjawab mengkaji penyata kewangan untuk diserahkan kepada Lembaga Pengarah dan memastikan penerbitan akaun tahunan tepat pada masanya.
- d) Mengkaji kunci kira-kira dan penyata untung rugi untuk diserahkan kepada Lembaga dan memastikan penerbitan akaun tahunan yang tepat pada masanya.
- e) Mengkaji kawalan dalaman, termasuk skop ke atas program audit dalaman dan penemuan yang dibangkitkan, serta mcadangkan tindakan pembetulan yang perlu diambil oleh pihak Pengurusan. Laporan Ketua Juruaudit Dalaman dan AEC hendaklah tidak tertakluk kepada kelulusan Pengarah Urusan atau Pengarah Eksekutif.

2. Kawalan Dalaman dan Pengurusan Risiko

- a) Memantau semakan ke atas keberkesanan kawalan dalaman dan pengurusan risiko syarikat; dan
- b) Mengkaji dan meluluskan penyata yang disertakan dalam laporan tahunan berkaitan kawalan dalaman dan pengurusan risiko.

3. Memberi Maklumat

Mengkaji aturan syarikat terhadap kakitangannya untuk mengenangkan kebimbangan, secara sulit, tentang kemungkinan salah laku dalam pelaporan kewangan atau perkara lain. AEC hendaklah memastikan bahawa aturan ini membolehkan penyiasatan yang teliti dan bebas tentang perkara tersebut serta tindakan susulan yang sewajarnya.

4. Audit Dalaman

- a) Memantau dan mengkaji keberkesanan fungsi audit dalaman Bank dalam konteks keseluruhan sistem pengurusan risiko syarikat;
- b) Mengkaji, menilai dan meluluskan skop pelan audit, program audit, proses dan pelan tahunan audit dalaman;
- c) 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 standard profesional yang relevan;

- c) Ensuring 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 AEC is responsible for analyzing the financial statements for presentation to Board of Directors and ensuring valid and timely published annual accounts.

- d) Review the balance sheet and profit and loss statement for submission to the Board and ensure timely publication of the annual accounts.

- e) Reviewing internal controls, including the scope of internal audit programs and the findings highlighted, and recommending the required remedial actions for the Management. Reports of the Chief Internal Auditor and the AEC are not subject to the approval of the President/ Managing Director or Executive Director.

2. Internal Control and Risk Management

- a) Monitor and review the effectiveness of the company's internal controls and risk management; and
- b) Review and approve the statements contained in the annual report on the internal controls and risk management.

3. Providing Information

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

4. Internal Audit

- a) Monitor and analyse the effectiveness of the Bank's internal audit within the overall context of the company's risk management system;
- b) Analyse, evaluate and approve the scope of the audit plan, audit programs, processes and the annual internal audit plan;
- c) 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;

- d) Mengkaji keberkesanan prasarana untuk memastikan pematuhan Syariah;
- e) Mengkaji aktiviti audit dalaman, penemuan dan cadangan, serta memantau maklumbalas dan memastikan tindakan telah diambil oleh pihak Pengurusan ke atas penemuan dan cadangan juruaudit dalaman;
- f) Meluluskan pelantikan, penilaian dan penyingkiran Ketua Juruaudit Dalaman. AEC hendaklah menilai prestasi dan memutuskan tentang pakej imbuhan bagi juruaudit dalaman;
- g) Mengkaji secara tetap prosedur bagi mengesan dan mencegah penipuan; dan
- h) Memastikan fungsi audit dalaman mampu dan boleh menjalankan siasatan bagi pihak AEC.

5. Juruaudit Luar

- a) Menimbang dan membuat saranan kepada Lembaga untuk dikemukakan kepada para pemegang saham untuk kelulusan dalam Mesyuarat Agung Tahunan (AGM) berkenaan perlantikan, pelantikan semula dan penyingkiran juruaudit luaran bank;
- b) Mengawasi proses pemilihan juruaudit baru dan jika juruaudit meletak jawatan, AEC hendaklah menyiasat isu-isu yang membawa kapadanya dan menetapkan sama ada apa-apa tindakan diperlukan;
- 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 bagi membolehkan audit yang secukupnya dilaksanakan.
 - Kelulusan bagi terma penglibatan mereka, termasuk surat penglibatan yang dikeluarkan pada permulaan setiap audit dan skop audit.
 - Berpuashati bahawa tidak ada hubungan (seperti keluarga, pekerjaan, pelaburan, kewangan atau perniagaan) antara juruaudit dan syarikat (selain daripada urusan perjalanan biasa perniagaan).
- d) Bertemu secara kerap dengan juruaudit luar, termasuk sekali di tahap perancangan sebelum proses pengauditan dan sekali semasa di tahap pelaporan. AEC hendaklah bertemu juruaudit luar sekurang-kurangnya setahun sekali, tanpa kehadiran pihak Pengurusan, untuk membincangkan bayaran dan apa-apa isu yang timbul daripada audit;

- d) *Review the effectiveness of the infrastructure to ensure compliance with Shariah;*
- e) *Analyse internal audit activities, findings and recommendations, as well as monitor the response and ensure actions have been taken by the Management on the audit findings and recommendations;*
- f) *Approve the appointment, assessment and dismissal of the Chief Internal Auditor. AEC shall assess the performance and decide on the remuneration package for the internal auditor;*
- g) *Regularly analyse the procedures to detect and prevent fraud; and*
- h) *Ensure that the internal audit function is capable of conducting examinations for the AEC.*

5. External Auditors

- a) *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;*
- b) *Oversee the process of hiring new auditors and when an auditor resigns. The AEC should investigate the issues leading to it and determine on whether any action is required;*
- c) *Coordinate the relationship with the external auditors, including (but not limited to);

 - 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.
 - Approval of the terms of the engagement, including the engagement letter issued at the commencement of each audit and the audit scope.
 - Satisfy itself that there is no relationship (such as family, employment, investment, financial or business) between auditors and companies (other than the ordinary course of business dealings).*
- d) *Meet regularly with the external auditors, including once at the planning stage prior to the audit process and once during the reporting stages. AEC shall meet the external auditors at least once in a year, in the absence of the management, to discuss fees and any issues arising from the audit;*

- e) Mengkaji dan meluluskan pelan audit tahunan dan memastikan bahawa ia konsisten dengan skop keterlibatan audit; dan
- f) Mengkaji penemuan audit dengan juruaudit luar. Ini termasuk tetapi tidak terhad kepada :-
 - Perbincangan tentang apa-apa isu besar yang timbul sewaktu audit.
 - Apa-apa penghakiman perakaunan dan audit.
 - Tahap kesilapan yang dikenal pasti sewaktu audit.
- e) *Review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement; and*
- f) *Review audit findings with the external auditors. This includes but not limited to:

 - Discussion on any major issues arising during the audit.
 - Any accounting and auditing judgments.
 - The level of error identified during the audit.*

Kehadiran Mesyuarat/Meeting Attendance

Jawatankuasa Audit & Pemeriksaan telah bermesyuarat sebanyak 5 kali pada tahun 2010 dengan kehadiran ahli adalah seperti mana berikut:-

The Audit & Examiners Committee have had 5 meetings in 2010 with the following attendance:

Ahli Jawatankuasa/Committee Members	Kehadiran*/Attendance*
Datuk Dr. Saharan Hj Anang	5/5
Datuk Dr. Elias Kadir	3/3
Puan Rashidah Mohd Sies	1/2
Datuk Johar Che Mat	2/2
Dato' Mohamed Salleh Bajuri	3/3
Datuk Dr. Rahamat Bivi Yusoff	2/2

*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/Membership

Keahlian Jawatankuasa Pengurusan Risiko pada tahun 2010 terdiri daripada:-
The Members of the Risk Management Committee in 2010 are:

Ahli Jawatankuasa/Committee Members	Jawatan/Position
Datuk Dr. Saharan Haji Anang	Pengerusi/Chairman
Datuk Johar Che Mat (Dilantik mulai 11 Oktober 2010/Appointed effective 11 October 2010)	Ahli/Member
Datuk Dr. Elias Kadir (Sehingga 2 Jun 2010/Until 2 June 2010)	Ahli/Member
Dato' Mohd Mokhtar Ismail (Sehingga 11 November 2010/Until 11 November 2010)	Ahli/Member
Datuk Dr. Rahamat Bivi Yusoff (Sehingga 6 Mei 2010/Until 6 May 2010)	Ahli/Member

Fungsi & Tanggungjawab

- Merumus strategi untuk menguruskan keseluruhan risiko yang berkaitan dengan aktiviti Bank.
- Mencadangkan dasar pengurusan risiko, prosedur dan proses yang bersesuaian dari aspek risiko utama seperti risiko pasaran, risiko kredit, risiko 'underwriting', risiko pelaburan dan risiko operasi.
- Mengkaji kecukupan dasar dan sistem pengurusan risiko serta tahap keberkesanan pengendaliannya.
- Menggalakkan pendekatan yang bersepudu bagi menilai dan memantau risiko yang saling berkaitan.
- Memastikan bahawa infrastruktur, sumber dan sistem sudah tersedia untuk mengenalpasti, mengukur, memantau dan mengawal risiko.
- Mengkaji maklumat berkala pihak Pengurusan tentang pendedahan risiko dan aktiviti pengurusan risiko.
- Merumus Pelan Kesinambungan Perniagaan.
- Memastikan pelaporan dan pengukuran risiko yang proaktif, lengkap dan tepat.
- Meluluskan pengecualian terhadap perubahan dasar dan mendapatkan pengesahan Lembaga.
- Melaporkan dan memberikan nasihat yang proaktif kepada Lembaga Pengarah berkenaan isu serta inisiatif risiko yang signifikan.
- Memastikan supaya taksiran pengurusan risiko yang bebas dijalankan untuk pinjaman besar pada kadar jumlah yang minima untuk ditentukan oleh Lembaga dari semasa ke semasa.

Function & Responsibilities

- To formulate strategies to manage the overall risk associated with the activities of the Bank.
- Propose appropriate risk management policies, procedures and processes in terms of major risks such as market risk, credit risk, underwriting risk, investment risk and operational risk.
- Review the adequacy of risk management policies and systems as well as the effectiveness of the operation.
- Promote an integrated approach to assessing and monitoring risks that are related.
- Ensure that the infrastructure, resources and systems are already in place to identify, measure, monitor and control risk.
- Review periodically information from the Management on risk exposure and risk management activities.
- Formulate the Business Continuity Plan.
- Proactively ensure a complete and accurate risk reporting and measurement.
- Approve exceptions to policy changes and seek approval by the Board.
- To report and provide proactive advice to the Board on issues and initiatives that pose significant risks.
- Ensure that an independent risk assessment is undertaken for large loans at a minimum amount to be determined by the Board from time to time.

Kehadiran Mesyuarat/Meeting Attendance

Jawatankuasa Pengurusan Risiko telah bermesyuarat sebanyak sekali pada tahun 2010 dan kehadiran ahli adalah seperti mana berikut:-
The Risk Management Committee had one meeting in 2010 and the attendance is as follows:

Ahli Jawatankuasa/Committee Members	Kehadiran*/Attendance*
Datuk Dr. Saharan Haji Anang	1/1
Datuk Dr. Elias Kadir	1/1
Dato' Mohd Mokhtar Ismail	0/1
Datuk Dr. Rahamat Bivi Yusoff	0/1

*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 & IMBUHAN/NOMINATION & REMUNERATION COMMITTEE

Keahlian/Membership

Keahlian Jawatankuasa Pencalonan & Imbuhan pada tahun 2010 terdiri daripada:-
The members of the Nomination & Remuneration Board in 2010 are:

Ahli Jawatankuasa/Committee Members	Jawatan/Position
Tan Sri Faizah Mohd Tahir (Dilantik sebagai Pengerusi mulai 11 Oktober 2010/ Appointed Chairman effective 11 October 2010)	Pengerusi/Chairman
Dato' Mohamed Salleh Bajuri (Sehingga 19 Jun 2010/Until 19 June 2010)	Pengerusi/Chairman
Datuk Dr. Saharan Haji Anang	Ahli/Member
Puan Rashidah Mohd Sies	Ahli/Member
Datuk Johar Che Mat (Dilantik mulai 11 Oktober 2010/Appointed effective 11 October 2010)	Ahli/Member
Datuk Dr. Elias Kadir (Sehingga 2 Jun 2010/Until 2 June 2010)	Ahli/Member
Dato' Mohd Mokhtar Ismail (Sehingga 11 November 2010/Until 11 November 2010)	Ahli/Member
Datuk Dr. Rahamat Bivi Yusoff (Sehingga 6 Mei 2010/Until 6 May 2010)	Ahli/Member

Fungsi & Tanggungjawab

- Mewujudkan keperluan kepakaran minimum untuk Ahli Lembaga Pengarah dan Ketua Pegawai Eksekutif dalam melaksanakan tanggungjawab dengan berkesan. Ia juga bertanggungjawab untuk menyelia gubahan keseluruhan Lembaga, dalam aspek kemahiran bersesuaian, keseimbangan antara pengarah eksekutif, bukan eksekutif dan pengarah bebas serta campuran kemahiran dan kecekapan utama lain yang dikehendaki, melalui tinjauan tahunan.
- Mencadangkan dan menilai calon-calon untuk para Pengarah bagi Jawatankuasa Lembaga Pengarah, Jawatankuasa Syariah serta calon-calon untuk jawatan Ketua Pegawai Eksekutif.
- Mewujudkan mekanisme penilaian rasmi dan menilai keberkesanan keseluruhan Lembaga, sumbangan setiap Lembaga, sumbangan Jawatankuasa-jawatankuasa Lembaga, Jawatankuasa Syariah dan prestasi Ketua Pegawai Eksekutif.
- Mencadangkan kepada Lembaga tindakan yang berpatutan ke atas Pengarah/Ketua Pegawai Eksekutif seandainya beliau tidak efektif, salah laku atau cuai dalam melaksanakan tanggungjawabnya.
- Memastikan bahawa semua Pengarah melalui program induksi yang sepatutnya serta menerima latihan berterusan.
- Mengawasi pelantikan, pemindahan, kenaikan pangkat, pelan penggantian pengurusan dan penilaian prestasi pegawai-pegawai kanan, serta mencadangkan kepada Lembaga penyingkiran pegawai-pegawai kanan utama yang tidak efektif, salah laku atau cuai dalam melaksanakan tanggungjawab mereka.
- Mencadangkan rangka kerja bagi imbuhan Pengarah, Ketua Pegawai Eksekutif dan pegawai kanan utama. Dasar imbuhan seharusnya;
 - Didokumentasikan dan diluluskan sepenuhnya oleh Lembaga dan sebarang perubahan tambahan adalah tertakluk kepada pengesahan sepenuhnya oleh Lembaga;
 - Menggambarkan pengalaman dan tahap tanggungjawab yang dipikul oleh Pengarah individu, Ketua Pegawai Eksekutif dan pegawai kanan utama;
 - Mencukupi bagi menarik dan mengekalkan Pengarah, Ketua Pegawai Eksekutif dan pegawai kanan utama yang berkualiti bagi menguruskan Institusi Kewangan Pembangunan dengan jayanya; dan
 - Mengimbangkan keperluan bagi memastikan bahawa dana Institusi Kewangan Pembangunan tidak digunakan untuk mengsubsidikan imbuhan berlebihan.
- Mencadangkan pakej imbuhan khusus bagi Pengarah, Ketua Pegawai Eksekutif dan pegawai kanan utama. Dasar imbuhan seharusnya;
 - Berdasarkan pertimbangan objektif, dan diluluskan sepenuhnya oleh Lembaga;
 - Mempertimbangkan penilaian bagi Jawatankuasa Pencalonan tentang keberkesanan dan sumbangan Pengarah, Ketua Pegawai Eksekutif dan pegawai kanan utama yang berkenaan;

Function & Responsibilities

- 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 mix of skills and other core competencies that are required, through the annual review.*
- 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.*
- Create an official evaluation mechanism and evaluate the effectiveness of the entire Board, contribution of all the Boards, Board Committees, Shariah Committee and the Chief Executive Officer's performance.*
- To recommend to the Board appropriate action on the Director/Chief Executive Officer if he/she is ineffective, errant and negligent in discharging his/her responsibilities.*
- Ensure that every Director receive continuous training through relevant induction programmes.*
- To oversee the appointment, transfer, promotion, management succession planning and performance evaluation of senior officers, and recommend the removal of key senior officials who are ineffective, commits misconduct or negligent in carrying out their responsibilities.*
- 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; and*
 - Balancing the need to ensure that the Development Financial Institutions fund is not used to subsidize excessive remuneration.*
- Propose specific remuneration packages for Directors, Chief Executive Officer and key senior officers. Remuneration policy should be;*
 - Based on the objective, 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;*

- Tidak diputuskan melalui pertimbangan tunggal mengenai satu-satu individu atau individu-individu kumpulan tertentu; dan
- Kompetitif dan selaras dengan budaya, objektif dan strategi Institusi Kewangan Pembangunan.

- Do not be decided by single consideration of any one individual or specific group of individuals; and*
- Competitive and in line with the culture, objectives and strategies of the Development Financial Institution.*

Kehadiran Mesyuarat/Meeting Attendance

Jawatankuasa Pencalonan & Imbuhan telah bermesyuarat sebanyak enam (6) kali pada tahun 2010 dan kehadiran ahli adalah seperti berikut:-
Nomination & Remuneration Committee had six (6) meetings on 2010 and the following is the attendance list:

Ahli Jawatankuasa/Committee Members	Kehadiran*/Attendance*
Dato' Mohamed Salleh Bajuri	5/5
Datuk Dr. Saharan Haji Anang	6/6
Puan Rashidah Mohd Sies	1/1
Datuk Johar Che Mat	1/1
Datuk Dr. Elias Kadir	5/5
Dato' Mohd Mokhtar Ismail	2/5
Datuk Dr. Rahamat Bivi Yusoff	3/3

*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 di atas, Lembaga Pengarah juga menubuhkan Jawatankuasa-jawatankuasa Lembaga yang lain mengikut keperluan untuk melaksanakan fungsi spesifik mengikut terma rujukan masing-masing, iaitu:-

- Jawatankuasa Kredit Dan Pinjaman
- Jawatankuasa Pelaburan
- Jawatankuasa Tugas-Tugas Am
- Jawatankuasa IT Lembaga

Keperluan Latihan/Kursus

Ahli Lembaga Pengarah yang baru dilantik akan dibekalkan dengan dokumen-dokumen/material berkenaan Bank dan prestasi kewangan Bank seperti penyata pendapatan, lembaran imbalan dan penyata aliran tunai untuk membolehkan mereka memahami operasi dan latarbelakang Bank.

Ahli Lembaga Pengarah yang baru dilantik diwajibkan juga untuk menghadiri program latihan yang dianjurkan oleh Suruhanjaya Syarikat Malaysia iaitu Corporate Directors Training Programme dalam tempoh enam (6) bulan selepas pelantikan. Dari masa ke semasa Ahli-ahli Lembaga Pengarah digalakkan untuk menghadiri mana-mana seminar/persidangan/kursus yang dianjurkan oleh Bank Negara Malaysia atau mana-mana pihak luar bagi menambahkan pengetahuan mereka di dalam industri perbankan secara khusus dan untuk mengetahui perkembangan terkini dunia perniagaan.

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:-

- Credit and Loan Committee
- Investment Committee
- General Purpose Committee
- Board IT Committee

Requirement for Training/Courses

Newly appointed Board members will be supplied with the respective Bank 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 organized by the Companies Commission of Malaysia, within six (6) months after the appointment. From time to time, Board Members are encouraged to attend any seminars/conferences/courses organized by the Bank Negara Malaysia or any other outside parties to increase their knowledge of the banking industry in particular, and to know the latest developments in the business.

KAWALAN DALAMAN

Lembaga Pengarah adalah 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 efisyen dan efektif, pelaporan kewangan dan prosedur kawalan yang lengkap serta mematuhi undang-undang dan peraturan berkanan yang berkaitan dengan operasi bank. Sistem tersebut juga direka bentuk bagi mengurus risiko Bank di dalam profil risiko boleh-terima dan bukan untuk menghapuskan risiko kegagalan dalam memenuhi dasar dan objektif perniagaan Bank. Sistem kawalan dalaman Bank juga memberi jaminan yang munasabah bagi mengekang terhadap salah penyataan dan salah pengurusan yang signifikan.

Proses Kawalan Dalam Utama

Jabatan Audit Dalam

Jabatan Audit Dalam (IAD) bertanggungjawab ke atas entiti audit di dalam Bank berdasarkan Pelan Audit tahunan yang diluluskan oleh Jawatankuasa Audit dan Pemeriksaan (AEC). Pelan Audit berkenaan yang menggunakan pendekatan berdasarkan 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 menggunakan kerangka kerja COSO sebagai kaedah untuk menilai keberkesanannya 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, AEC, Pengurusan, audit luar dan pihak berkuasa.

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

INTERNAL CONTROL

The Board is responsible for the Bank's internal control systems, 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 need for an 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 Audit and Examination Committee (AEC). The Audit Plan adopts a risk-based approach 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 COSO framework as a means to assess materiality of the risks and the controls over the audit entity and also 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 of Directors, AEC, Management, external audit and the regulators.

IAD is committed to strengthening the audit process by adopting risk-based audit techniques, enhance the competency of audit officers and benchmarked against best industry practices in internal auditing. In overall, IAD facilitates the Bank in preserving a sound internal control environment and promotes a compliance culture and risk within the Bank.

Memberi Maklumat

Polisi Pengurusan Penyelewengan dan Whistle Blowing telah diluluskan oleh Lembaga Pengarah sebagai langkah pencegahan, pembetulan dan pengesanan awal terhadap ketidakpatuhan dan pelanggaran polisi serta prosedur operasi. Dengan adanya polisi ini, wargakerja dan pelanggan mempunyai rangkaian untuk menyalurkan isu-isu berkaitan ketidakpatuhan, salahlaku atau pelanggaran polisi serta prosedur secara langsung kepada Ketua Juruaudit Dalaman tanpa melalui karenah atau tapisan birokrasi. Hasil siasatan akan dibentangkan oleh Ketua Juruaudit Dalaman dalam mesyuarat AEC untuk keputusan selanjutnya.

Providing Information

The Managing Fraud and Whistle Blowing Policy was approved by Board of Directors as a measure for prevention, rectification and early detection on 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 Chief Internal Auditor without going through an elaborate process. Outcome of the investigation is to be presented by Chief Internal Auditor in the AEC meetings for subsequent decisions.



PEMATUHAN

Misi Dan Skop Pematuhan

Sebagai entiti bisnes korporat, harapan pihak yang berkepentingan adalah supaya Agrobank bukan hanya memastikan prestasi kewangan adalah baik tetapi juga menjadi warga korporat yang terbaik dengan mengamalkan integriti yang tinggi.

Misi utama pematuhan adalah untuk;

- Mempertingkat;
- Memantau; dan
- Memelihara integriti Agrobank.

Integriti termasuk penghayatan dan pengamalan kepada prinsip moral, etika serta perlakuan mengikut piawaian yang ditetapkan.

Sebagai disiplin pengurusan risiko, pematuhan bertanggungjawab menangani risiko pematuhan atau integriti. Risiko pematuhan atau integriti adalah risiko perundungan atau regulatori, sekatan, kerugian kewangan atau kehilangan reputasi berpunca dari ketidakpatuhan kepada undang-undang, peraturan, kod etika dan piawaian perlakuan yang relevan kepada operasi perbankan Agrobank. Fokus risiko integriti adalah kepada:

- Pengubahan wang haram dan pembiayaan keganasan
- Pengendalian kepentingan pelanggan (maklumat pelanggan, aduan pelanggan, hubungan pelanggan, percanggahan kepentingan dan tanggungjawab)
- Prinsip dan amalan perniagaan yang adil dan saksama (telus dan keterbukaan)
- Pengambilan kakitangan yang berintegriti

Pematuhan berkomited untuk melaksanakan tanggungjawabnya dengan meletakkan posisinya sebagai barisan pertahanan kedua yang dipercayai dan utuh dalam menangani risiko integriti Agrobank.

Inisiatif Pematuhan 2010

Inisiatif 2010 memberi fokus kepada penambahbaikan fungsi pematuhan sebagaimana yang dicadangkan oleh konsultan Rabobank pada tahun 2009 sebagai salah satu agenda mentransformasikan Agrobank:

- Menstrukturkan semula Jabatan Pematuhan dengan menubuhkan 3 unit pengkhususan iaitu Regulatori, Anti-Money Laundering/Counter Terrorism Financing/Integriti dan Operasi. Bagi Unit Operasi, fungsi *Regional Compliance Officer* telah diadakan untuk memantau aktiviti pemantauan peringkat serantau.
- Menubuhkan Jawatankuasa Audit, Pematuhan dan Risiko di peringkat pengurusan bagi menyediakan wadah bagi fungsi audit, pematuhan dan risiko untuk berkongsi maklumat dan bekerjasama menilai profil keseluruhan risiko Agrobank serta memastikan tindakan susulan diambil ke atas isu-isu yang berkaitan. Beberapa mesyuarat telah diadakan dan terma rujukan telah dibangunkan untuk jawatankuasa tersebut.

COMPLIANCE

Compliance Mission and Scope

As a corporate entity, stakeholders not only expect good financial performance from Agrobank but also for it to become a good corporate citizen with a high level of integrity.

Compliance's main mission is to;

- Enhance;
- Monitor; and
- Safeguard the integrity of Agrobank.

Integrity includes the appreciation and adherence to moral and ethical principles, and standards of behaviour.

As a discipline of risk management, compliance is responsible for managing compliance or integrity risks. The compliance or integrity risk is the legal or regulatory risks, sanctions, financial losses or loss of reputation that Bank may suffer as a result of its failure to comply with laws, regulations, ethical code and the code of conduct relevant to the banking operations of Agrobank. The integrity risks focuses on:

- Money laundering and terrorism financing
- Handling the customers' best interests (customer information, complaints, relations, conflict of interests and responsibility)
- Conduct of business based on fair and just principles (transparency and openness)
- Hiring staff with integrity

Compliance is committed to carrying out its responsibilities by placing itself as a credible and integral second-line of defense in managing Agrobank's integrity risk.

Compliance Initiatives for 2010

2010 initiatives were focused on improving the compliance function as proposed by Rabobank consultants in 2009, as per the agenda to transform Agrobank:

- Restructure the Compliance Department by forming 3 specialised units; Regulatory, Anti-Money Laundering/Counter Terrorism Financing/Integrity and Operations. For the Operations Unit, the function of the Regional Compliance Officer was created to monitor compliance activities at regional level.
- Form an Audit, Compliance and Risk Committee at management level so as to create a platform for audit, compliance and risk functions to share information and work together to assess overall risk profile for Agrobank as well as ensure remedial action is taken on related issues. Several meetings have been conducted and the terms of reference have been developed to form this committee.

- Melantik Wakil Pematuhan di setiap lokasi bisnes termasuk di peringkat Bahagian, di ibu pejabat bagi menjalankan tugas membantu pengurusan mengawal aktiviti pematuhan di lokasi masing-masing. Dengan pelantikan ini, pematuhan menjadi sebahagian dari aktiviti perniagaan namun di samping itu elemen kebebasan masih dikekalkan. Beberapa program telah disediakan termasuk memberi kesedaran dan latihan kepada Wakil Pematuhan.

- Memperluaskan skop pematuhan bukan hanya terhad kepada pematuhan regulatori dan Anti-Money Laundering/Counter Terrorism Financing tetapi meliputi integriti secara khusus. Fokus integriti termasuk percanggahan kepentingan dan tanggungjawab, rasuah, hadiah dan keraian, pengasingan tugas, pendedahan maklumat pelanggan dan perlakuan profesional (kemahiran, ketelitian dan ketekunan).
- Membangunkan Piawaian Pematuhan Lembaga Pengarah bagi memperkuatkannya integriti pengurusan Agrobank.
- Merangka penubuhan Jawatankuasa Pengurusan Penyeleweng (Fraud Management Committee) bertujuan memastikan kes-kes penyeleweng ditangani dengan cepat dan betul. Proses pelaporan kes-kes penyeleweng ke Bank Negara Malaysia melalui sistem online telah disediakan bagi mempercepatkan penghantaran maklumat dan tindakan.
- Merangka dan melaksanakan kaedah penilaian risiko pematuhan.
- Membangunkan Pelan Perniagaan Jabatan Pematuhan dengan merangka strategi yang sealiran dengan strategi korporat Agrobank. Pelan ini mengenal pasti dengan terperinci skop dan fokus semakan pematuhan termasuk mengambil kira isu-isu yang dibangkitkan oleh Bank Negara Malaysia dan Jabatan Audit Dalam 2009. Di bawah pelan ini, program pematuhan telah dirangka dan dilaksanakan seperti mengadakan program latihan dan kesedaran, ujian pematuhan secara online, penilaian sendiri kawalan, lawatan ke lokasi perniagaan, kajian dan pemantauan serta penilaian ke atas persekitaran regulatori. Prestasi pelaksanaan program diukur dengan Key Performance Indicators (KPIs) yang telah diluluskan oleh pengurusan.

Cabar Tahun 2011

Cabaran pematuhan untuk tahun 2011 adalah untuk memperkuatkannya dan memelihara integriti dengan mewujudkan persekitaran dan sikap yang profesional di kalangan kakitangan Agrobank. Pematuhan juga perlu memastikan ia dapat memberi sumbangan yang bermakna sealiran dengan strategi dan matlamat Agrobank 2011-2012. Selaras dengan strategi Agrobank 2011-2012, tumpuan dan cabaran pematuhan adalah untuk memperkuatkannya nilai pelanggan (customer value) dan nilai kakitangan (employee value) Agrobank.

- Appoint a Compliance Representative at each business location including at Department level, at the Head Office to support the managing of compliance activities at their respective locations. Compliance will be embedded in the business activities whilst maintaining an element of independence. Several programmes have been prepared to raise awareness and provide training for the Compliance Representatives.
- Widen the compliance scope beyond regulatory scope and Anti-Money Laundering/Counter Terrorism Financing but to cover integrity as a whole. The focus on integrity would include conflict of interest and responsibility, corruption, gifts and entertainment, segregation of duties, disclosure of customer information and professional conduct (skills, care and diligence).
- Develop a Compliance Standard for the Board of Directors to strengthen Agrobank's business integrity at the highest level.
- Outline the formation of a Fraud Management Committee with the purpose of ensuring that fraud cases are handled swiftly and properly. An online system to report fraud cases to Bank Negara Malaysia was created in order to accelerate the delivery of information and action.
- Develop and implement compliance risk assessment methods.
- Develop a Department Business Compliance Plan by outlining strategies that align to Agrobank's corporate strategy. This plan will identify in detail the scope and focus of the compliance review and will also include issues raised by Bank Negara Malaysia and the Internal Audit Department for 2009. Under this plan, the compliance programme is developed and implemented such as providing training and awareness programmes, online compliance tests, control self assessment, site visit to business locations, reviewing, monitoring and evaluation of the regulatory environment. The programme's performance will be measured by the Key Performance Indicators (KPIs) approved by management.

Challenges for 2011

Compliance's challenges for 2011 is to strengthen and safeguard Agrobank's integrity by creating a professional working environment and behavior amongst the staff. Compliance will also have to ensure that it gives meaningful contribution that is align to Agrobank's strategies and targets for 2011-2012 to fortify its customer and employee value.

PENGURUSAN RISIKO

Agrobank, sebagai sebuah institusi kewangan, terdedah kepada risiko-risiko utama seperti risiko kredit, risiko pasaran dan kecairan dan risiko operasi. Risiko-risiko lain termasuk risiko perundungan dan reputasi. Visi Agrobank dalam pengurusan risiko di peringkat organisasi adalah untuk mewujudkan "keadaan tanpa kejutan" dengan misi yang berikut:

- Melindungi kestabilan kewangan Agrobank;
- Melindungi reputasi Agrobank;
- Mewujudkan ketelusan risiko dengan mengenalpasti semua risiko signifikan;
- Berfungsi dan diuruskan secara bebas dari sektor-sektor perniagaan.

Di bawah falsafah pengurusan risiko Agrobank, tanggungjawab pengurusan risiko terletak di bawah Lembaga Pengarah. Lembaga Pengarah sentiasa mengkaji semula Rangka Kerja Pengurusan Risiko Bank (RMF) dengan Jawatankuasa Pengurusan Eksekutif (EMT) untuk meningkatkan amalan pengurusan risiko Bank yang sedia ada.

RMF Bank merangkumi semua jenis risiko yang meliputi risiko kredit, pasaran dan kecairan serta operasi. Antara objektif-objektif RMF ialah:

- Untuk mengenalpasti, memantau dan mengurus semua risiko yang dihadapi;
- Memaklumkan kepada Pihak Pengurusan Atasan dan Lembaga Pengarah berkenaan gambaran dan kesan risiko kepada Bank secara menyeluruh;
- Untuk menyediakan gambaran secara menyeluruh perhubungan antara setiap jenis risiko Bank kepada pihak Pengurusan dan Lembaga Pengarah;
- Menyediakan cara bagi mengenalpasti jenis pengurusan risiko dan kawalan inisiatif yang lebih penting.

Lembaga Pengarah bergantung kepada Jawatankuasa Pengurusan Risiko untuk mengawasi keberkesanannya fungsi pengurusan risiko kredit, kecairan, pasaran dan operasi.

Fungsi utama Jawatankuasa Pengurusan Risiko ialah:

- Merumuskan strategi untuk menguruskan keseluruhan risiko yang berkaitan dengan aktiviti-aktiviti Bank;
- Menyemak kecukupan polisi-polisi dan sistem-sistem pengurusan risiko serta tahap ia beroperasi dengan efektif;

RISK MANAGEMENT

As a financial institution, the Bank is exposed to credit risks, market and liquidity risk, and operational risks which form the major risks faced by the Bank. Other risks include legal risk and reputational risk. Agrobank's vision in risk management at an enterprise level is to create a 'no-surprise environment' with the following key mission:

- Protect Agrobank's financial soundness;
- Protect Agrobank's reputation;
- Create risk transparency by proper identification of all significant risks;
- Functionally and organisationally independent of the business sectors.

Under Agrobank's risk management philosophy, the responsibility for risk management is ultimately with the Board of Directors. The Board regularly reviews the Bank's Risk Management Framework (RMF) with the Executive Management Team (EMT) to enhance the existing Bank's risk management practices.

The Bank's RMF covers all risk types which encompasses credit, market and liquidity and operational risk. The objectives of the RMF amongst others are:

- To identify, monitor and adequately manage all risks;
- To inform the senior management and the Board of the view and risk impacts to the Bank as a whole;
- To provide Management and the Board with bank-wide view of inter-relationships between risks;
- To provide for a means of prioritizing the myriad of risk management and control initiatives.

The Board leverages on the Risk Management Committee to oversee the effectiveness of credit, liquidity, market and operational risk management function.

Among the functions of the Risk Management Committee (RMC) are:

- Formulating strategies to manage the overall risk associated with the Bank's activities;
- Reviewing the adequacy of risk management policies and systems and the extent to which these are operating effectively;

- Memastikan infrastruktur, sumber dan sistem-sistem bersedia untuk mengenalpasti, mengukur, memantau dan mengawal risiko;
- Menilai maklumat secara berkala dari pihak pengurusan mengenai pendedahan kepada risiko dan aktiviti-aktiviti pengurusan risiko;
- Melaporkan dan menasihatkan Lembaga Pengarah secara proaktif mengenai isu-isu risiko dan inisiatif-inisiatif yang ketara.

Konsep pengurusan risiko Agrobank ialah "Tiga barisan pertahanan" seperti diuraikan dalam jadual berikut:

Pengurusan Risiko dan Tiga Barisan Pertahanan/Risk Management and Three Lines Of Defence

Pendekatan/ Approach	Tanggungjawab/ Responsibility	Unit Organisasi/ Organisational Units
Barisan Pertahanan Pertama/ 1st Line of Defence	Unit Pengambilan Risiko/ Risk Taking Unit	Unit Perniagaan dan Sokongan/ Business and Support Units
Barisan Pertahanan Ke-2/ 2nd Line of Defence	Unit Pengawalan Risiko/ Risk Control Unit	Bahagian Pengurusan Risiko/ Risk Management Division
Barisan Pertahanan Ke-3/ 3rd Line of Defence	Asurans/ Assurance	Audit Dalaman/ Internal Audit

Sebagai unit kawalan, Bahagian Pengurusan Risiko (RMD) telah mewujudkan proses-proses untuk menilai, mengurus dan melapor secara berterusan risiko-risiko signifikan yang dihadapi Bank sepanjang tahun kewangan 2010. Pengurusan Atasan dan Lembaga Pengarah menerima laporan risiko daripada Bahagian Pengurusan Risiko untuk semakan dan sebagai asas membuat keputusan.

Bahagian Pengurusan Risiko merumuskan dan menyemak semula penyediaan polisi-polisi dan model-model risiko kredit, kecairan, pasaran dan operasi. RMD juga memantau dan melapor pematuhan had risiko yang ditetapkan oleh Lembaga Pengarah.

- Ensuring that the infrastructure, resources and systems are in place to identify, measure, monitor and control risks;
- Reviewing management's periodic information on risk exposure and risk management activities;
- Reporting and providing proactive advice to the Board of Directors with respect to significant risk issues and initiatives.

Agrobank's risk management is conceptualised by "The three lines of defence" as illustrated in the table below:

Risk Management Division (RMD) as a control unit has put in place an on-going process for evaluating, managing and reporting on the significant risk faced by the Bank throughout the financial year under review. Risk reports are submitted to the Senior Management and the Board for review and decision making.

Risk Management Division formulates and reviews the establishment of policies and models on credit, liquidity, market and operational risk. RMD also monitors and reports on the compliance to the set risk limits approved by the Board.

Pengurusan Risiko Kredit

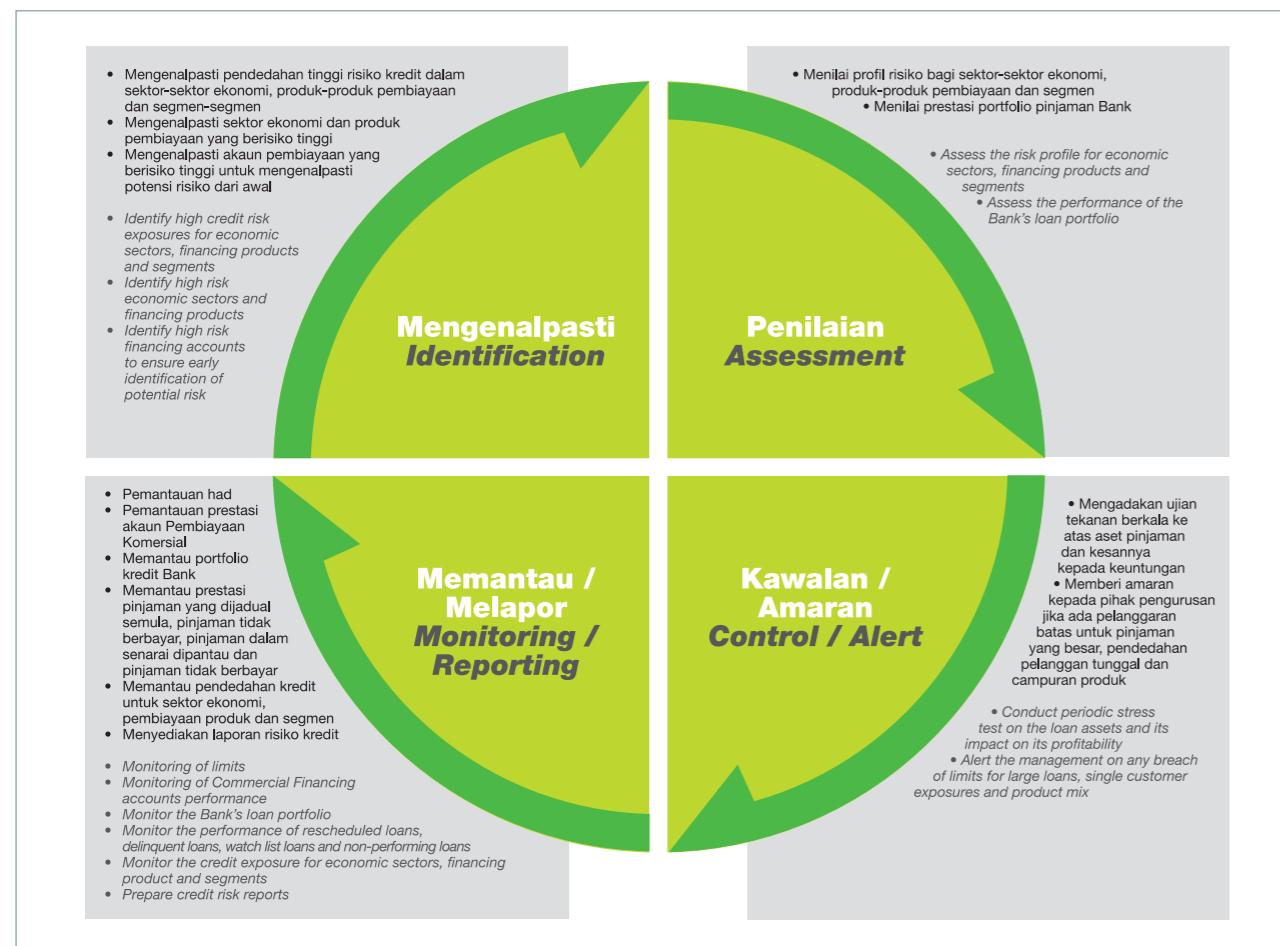
Risiko kredit adalah risiko kerugian kewangan kepada Bank jika pelanggan atau rakan niaga sesuatu instrumen kewangan gagal untuk memenuhi kewajipan kontrak, dan timbul terutamanya dari pinjaman dan pendahuluan Bank kepada pelanggan, dan pelaburan sekuriti hutang.

Untuk tujuan pelaporan pengurusan risiko, Bank mempertimbangkan dan menggabungkan semua elemen pendedahan risiko kredit seperti risiko kemungkinan peminjam dan risiko portfolio mengikut segmen dan sektor.

Pihak Pengurusan Bank, RMC dan Lembaga Pengaruh dimaklumkan secara berterusan tentang prestasi portfolio pinjaman, status profil risiko kredit dan tindakan penambahbaikan yang diambil.

Aliran proses risiko kredit yang diamalkan dalam pengurusan risiko kredit adalah seperti dalam gambarajah berikut:

Proses Risiko Kredit/Credit Risk Process:



Credit Risk Management

Credit risk is the risk of financial loss to the Bank if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Bank's loan and advances to customers and investment in debt securities.

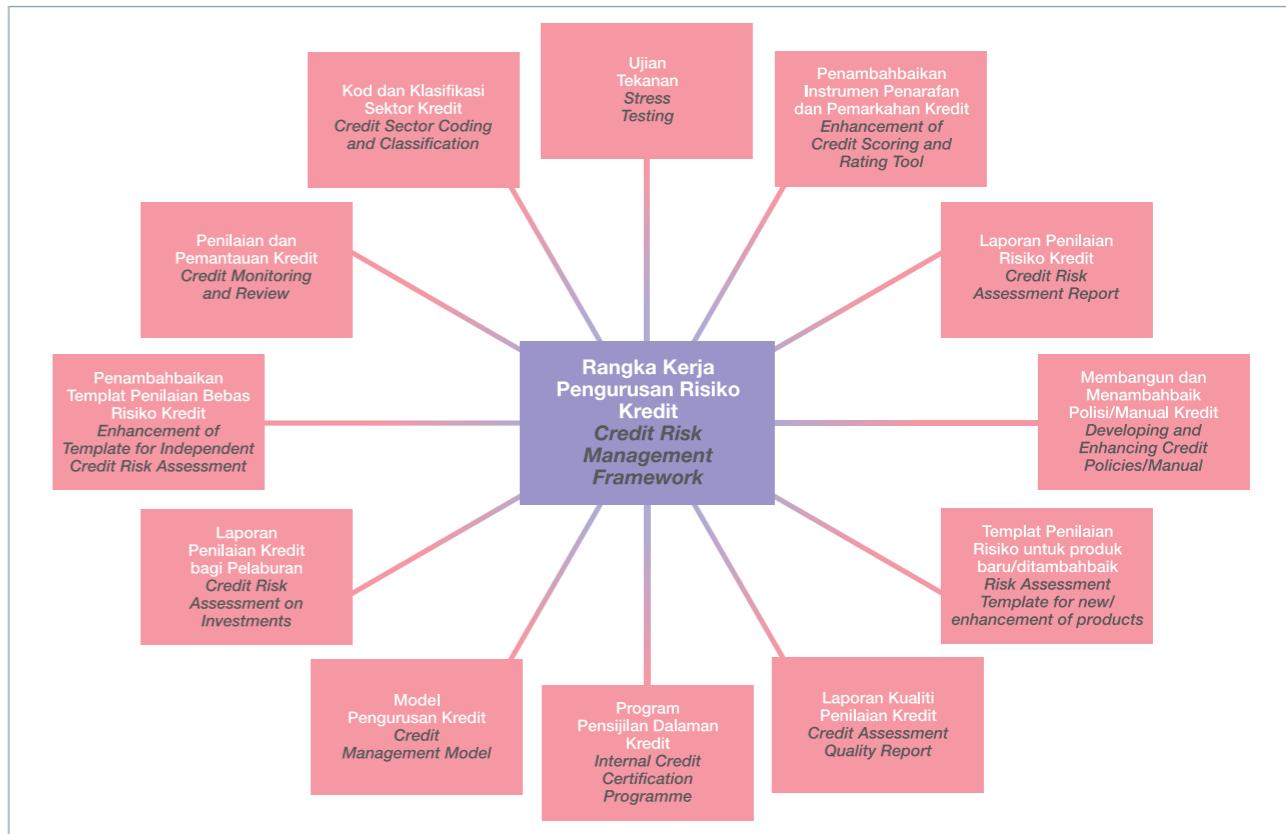
For risk management reporting purposes the Bank considers and consolidates all elements of credit risk exposure such as individual obligor default risk, portfolio risk by segment and sector.

The Bank's Management, RMC and the Board are regularly kept informed on the performance of the loan portfolio, status of the credit risk profile and mitigating measures taken.

In managing credit risk, the following credit risk process flow, as depicted in the diagram below, is practised:

Program-program yang dijalankan oleh RMD di bawah Rangka Kerja Pengurusan Risiko Kredit untuk mengurangkan risiko kredit dalam tahun 2010 adalah seperti dalam gambarajah berikut:

Programmes carried out by RMD under the Credit Risk Management Framework to mitigate credit risk in the year 2010 are depicted in the diagram below:



- Pembangunan “Rangka Kerja Pengurusan Risiko Kredit” menyediakan garis panduan kasar untuk aktiviti pengambilan risiko yang berkaitan kredit. Di dalam rangka kerja berkenaan, “Model Pengurusan Kredit” telah dibangunkan untuk mengukuhkan pengurusan risiko kredit melalui sistem pemantauan pinjaman yang efektif, semakan pinjaman pada waktu-waktu yang ditetapkan, strategi kutipan dan kawalan yang efektif termasuk penyediaan penanda aras sumber manusia yang bersesuaian;
- Penambahbaikan “Instrumen Penarafan dan Pemarkahan Kredit” untuk penilaian dan pemantauan risiko kredit;
- Membangunkan polisi-polisi risiko seperti tumpuan sektor dalam portfolio pinjaman dan pelaburan, “Had Pelanggan Individu” untuk memastikan polisi pengurusan risiko yang kukuh dan semakan berterusan untuk menambahbaik polisi risiko yang sedia ada;
- Penambahbaikan templat penilaian bebas risiko kredit untuk mengenalpasti dan mengurangkan risiko-risiko seperti risiko industri, risiko pasaran dan perniagaan, risiko pengurusan dan pemegang saham, risiko regulatori, risiko alihan dana, risiko struktur kredit dan risiko yang berkaitan dengan realisasi sekuriti;
- Development of the “Credit Risk Management Framework” which provides broad guidelines on credit related risk taking activities. Within the framework, the “Credit Management Model” was developed to strengthen credit risk management through an effective loan monitoring system, timely loan review, effective collection strategies and controls including establishing an appropriate human resource benchmark;
- Enhancement of the “Credit Scoring and Rating Tool” for credit risk assessment and monitoring purposes;
- Development of risk policies such as sector concentration in the loan portfolio and investments, “Single Customer Limit” to ensure sound risk management policies are in place and ongoing review of existing risk policies for enhancement;
- Enhancement of the template for independent credit risk assessment to identify and mitigate risks such as industry risk, market and business risk, management and shareholders risk, regulatory risk, fund diversion risk, credit structure risk and risk associated with realisation of security;

- Menganalisa dan melapor pendedahan risiko kredit dalam sektor-sektor ekonomi, dengan memberi penekanan kepada sektor ekonomi yang berpotensi serta berisiko tinggi;
- Menganalisa dan melapor prestasi portfolio pinjaman Bank serta memantau prestasi pinjaman yang dijadualkan semula, senarai pinjaman yang dipantau, pinjaman tertunggak dan pinjaman tidak berbayar;
- Pemantauan berterusan akaun pembiayaan komersil untuk memastikan pengecaman awal risiko berpotensi pada tahap awal;
- Memantau had kredit dipatuhi bagi pelbagai jenis produk, campuran produk, pelanggan individu dan pinjaman-pinjaman besar;
- Merombak proses penilaian risiko untuk produk baru dan penambahbaikan produk dan perkhidmatan sedia ada yang berkaitan dengan penyampaian pinjaman, operasi pelaburan dan perbankan;
- Melaksanakan Laporan Penilaian Kualiti Kredit untuk mengukuhkan kualiti penilaian risiko secara keseluruhan dalam laporan penilaian kredit;
- Penilaian risiko kredit bagi semua pelaburan yang dilakukan oleh Jabatan Perpendaraan;
- Menjalankan ujian tekanan ke atas portfolio pinjaman dan pelaburan Bank untuk menentukan tahap risiko kredit bank dan kesannya ke atas keuntungan Bank dan menggunakan sebagai alat pengurusan strategik;
- Mempertingkatkan pengetahuan dan kepakaran melalui Program Pensijilan Dalam Kredit secara berterusan;
- Menyemak Manual Operasi Kredit bersama unit-unit perniagaan yang lain untuk menambahbaik polisi-polisi, prosedur dan proses kredit.

Pengurusan Risiko Operasi

Risiko Operasi ialah risiko kerugian akibat kekurangan atau kegagalan dalam proses-proses dalaman, tenaga kerja dan sistem ataupun peristiwa luaran.

Menurut Jawatankuasa Basel, risiko operasi termasuk risiko perundungan tetapi tidak termasuk risiko reputasi dan strategik.

Bagi mengawal risiko operasi, Rangka Kerja Pengurusan Risiko Operasi Agrobank (ORMF) dibangunkan dalam tahun 2010 untuk menyediakan proses yang berstruktur dan berdisiplin dan mengikut garis panduan yang disediakan oleh Bank of International Settlements (BIS) Basel Accords, Garis Panduan Bank Negara Malaysia (BNM) dan amalan terbaik industri.

- Analyse and report credit risk exposure for economic sectors, with emphasis on the potential and high risk economic sectors;
- Analyse and report the performance of the Bank's loan portfolio as well as monitoring the performance of the rescheduled loans, watch list loans, delinquent loans and impaired loans;
- Continuous monitoring of commercial financing accounts to ensure early identification of any potential risk at the early stage;
- Monitoring the credit limits to enable detection of any breaches for product mix, single customer and large loans;
- Remodel the risk assessment process for new and enhancement of existing products and services related to loan, investment and banking operations delivery;
- Implementing the Credit Quality Assessment Report to strengthen the overall quality of risk assessments in the credit appraisal reports;
- Credit risk assessments on all investments carried out by the Treasury Department;
- Perform stress testing on the Bank's loan portfolio and investments to determine the bank's credit risk level and its impact on the Bank's profitability and using it as a strategic management tool;
- Ongoing course for Internal Certified Credit Professional to enhance credit knowledge and skills;
- Reviewing the Credit Operation Manual with other business units to strengthen credit policies, procedures and processes.

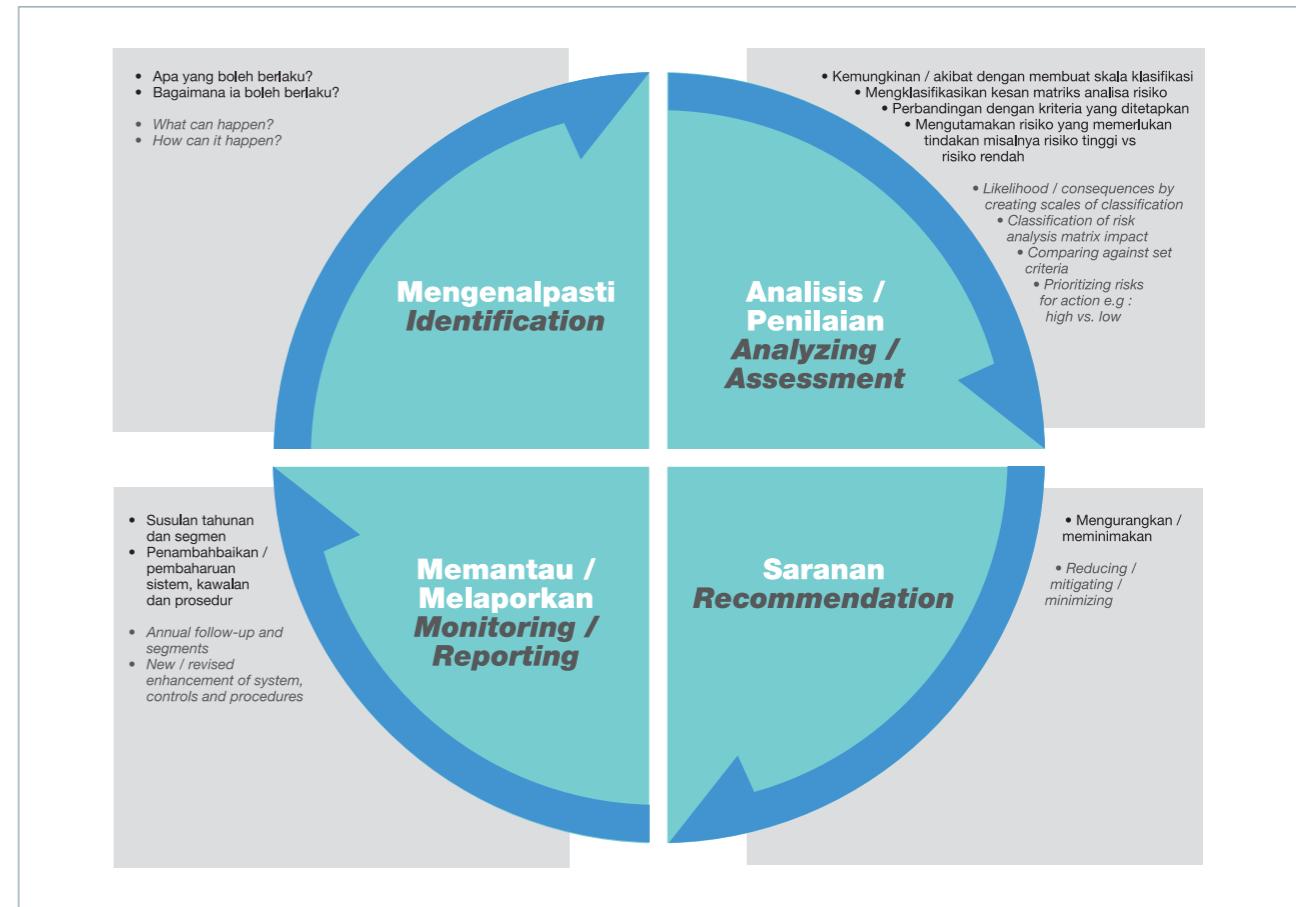
Operational Risk Management

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people, systems or from external events.

Operational risk includes legal risk but, as defined by the Basel Committee, excludes reputational and strategic risks.

Towards containing operational risks, Agrobank's Operational Risk Management Framework (ORMF) was developed in 2010 to provide a structured and disciplined process defined and guided by the regulatory guidelines set by Bank of International Settlements (BIS) Basel Accords, the Bank Negara Malaysia's (BNM) Guidelines and industry best practices.

Aliran Proses Operasi Pengurusan Risiko/Operational Risk Management Process Flow:



Polisi Anti Penyelewengan yang mengambil kira Polisi Pemberi Maklumat telah diwujudkan untuk meningkatkan kesedaran kakitangan untuk mempertahankan dan menggalakkan prinsip etika seperti kejujuran dan integriti bagi meminima dan mengurangkan kejadian penyelewengan. Manual Pengurusan Penyelewengan telah disediakan untuk mengenalpasti punca kerugian akibat penyelewengan atau kekurangan kawalan dalaman serta mengambil langkah-langkah pemulihan untuk mengelakkan kejadian tersebut.

Proses dan prosedur turut diperbaiki agar ia mengikuti perkembangan polisi semasa dan pembangunan sistem di Bank. Projek Penilaian Risiko Maklumat Teknologi (IT)/Sistem Maklumat (IS) dalam operasi IT dan sistem bank dibangunkan dan Penilaian Pengurusan Risiko IT turut dijalankan untuk menilai risiko dan pendedahan IT dengan penekanan kepada Arkitektur dan Infrastruktur IT dan Maklumat.

RMD telah membangunkan templat penilaian risiko untuk produk-produk yang baru/ditambahbaik untuk memastikan produk-produk tersebut melalui proses penilaian risiko yang intensif dan proses-proses pengesahan di mana risiko yang berkaitan dikenalpasti dan dinilai oleh jabatan yang membangunkan produk dan dinilai semula oleh pihak bebas. Templat tersebut meliputi risiko kredit, pasaran, kecairan, perundungan dan reputasi.

In creating staff awareness to uphold and promote ethical principles of honesty and integrity, the Anti Fraud Policy, incorporating the Whistle Blowing Policy was formalised to minimize and mitigate fraud incidents. The manual on Fraud Management was also developed to identify causes of losses from fraud or lack of internal controls and taking remedial actions to prevent such occurrences.

Processes and procedures were also revised to keep abreast with current policies and development in the system of the Bank. The Information Technology (IT)/IS (Information System) Risk Assessment Project on IT operations and bank's system was developed and IT Risk Management Assessment was done to assess the IT risks and exposure, with emphasis on IT Architecture and Infrastructure and Information.

RMD developed a risk assessment template for the introduction of new or enhanced products to ensure products developed go through a rigorous risk review and sign-off processes where relevant risks are identified and assessed by the department developing the product and re-assessed by an independent party. The template covered credit risk, market risk, liquidity risk, legal risk and reputational risk.

Unit Pengurusan Kesinambungan Perniagaan telah menjalankan latihan kebakaran, latihan Call Tree, Ujian Rancangan Pemulihan Bencana serta Matriks Level of Disruption (LoD) untuk memastikan kesinambungan fungsi kritikal Bank.

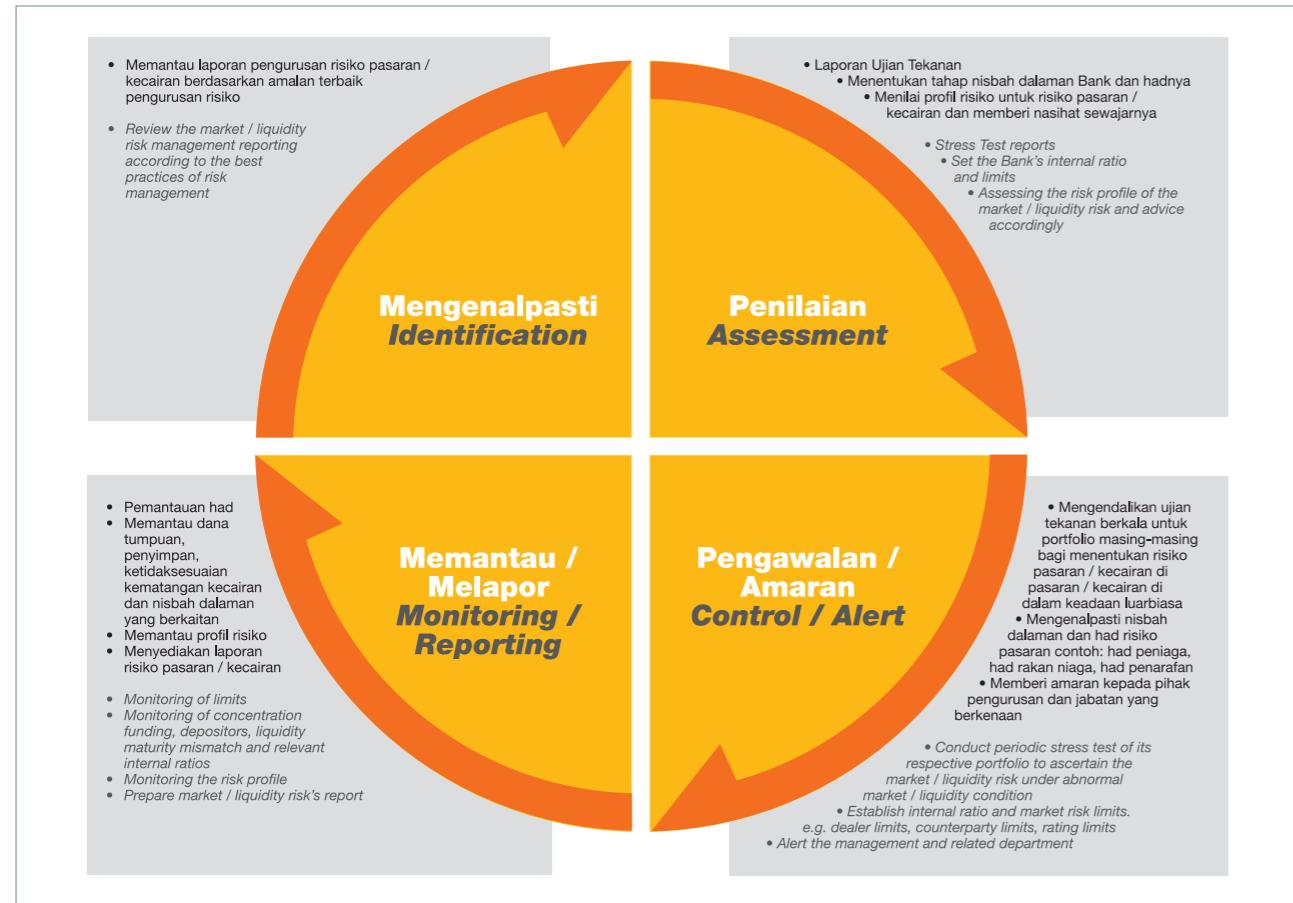
Pengurusan Risiko Pasaran dan Kecairan

Risiko Pasaran ialah potensi kerugian akibat perubahan dalam kadar faedah, kadar pertukaran asing, sebaran kredit, harga ekuiti dan harga komoditi. Perubahan ini boleh mempengaruhi nilai instrumen kewangan dan juga mempengaruhi aliran pendapatan pelanggan dan pendapatan perdagangan proprietari.

Risiko Kecairan ialah kebarangkalian menghadapi rintangan untuk menjana dana yang diperlukan untuk penyelesaian disebabkan oleh ketidaksesuaian penggunaan dan perolehan dana atau aliran keluar dana yang tidak dijangka, atau terpaksa meminjam pada kadar faedah yang lebih tinggi dari biasa.

Objektif pengurusan risiko pasaran dan kecairan ialah untuk memastikan bahawa risiko pasaran dan kecairan dikenalpasti, diukur, dikawal, diurus dan dilaporkan. Gambar rajah yang berikut menunjukkan aliran proses pengurusan risiko pasaran:

Aliran Proses Pasaran dan Kecairan/Market and Liquidity Risk Process Flow:



To ensure continuity of the Bank's critical functions, the Business Continuity Management Unit conducted fire drill exercise, call tree exercise, Disaster Recovery Plan Testing as well as development of Emergency Response Procedures and Level of Disruption Matrix.

Market and Liquidity Risk Management

Market Risk is defined as the potential loss arising from changes in interest rate, foreign exchange rates, credit spreads, equity prices and commodity prices. These changes can affect the value of financial instruments and may also affect customer flow related revenues and proprietary trading revenues.

Liquidity risk is the possibility of encountering an obstacle to raise the funds required for settlement due either to mismatch between the use and procurement of funds or unexpected outflow of funds, or being forced to borrow at higher interest rates than usual.

The bank's market and liquidity risk management objective is to ensure that market and liquidity risk is appropriately identified, measured, controlled, managed and reported. The diagram below depicts the process flow in managing market risks:

“Rangka Kerja Pengurusan Risiko Pasaran dan Kecairan” telah disediakan untuk mengurus dan mengawal risiko pasaran dan kecairan sekaligus memaksimumkan kadar pulangan pelarasans risiko Agrobank dengan mengekalkan pendedahan risiko dalam had yang boleh diterima.

Aktiviti-aktiviti lain yang dijalankan untuk mengurus risiko pasaran termasuk:

- Memantau kedudukan kecairan harian Bank melalui sistem Rangka Kerja Kecairan Baru (NLF);
- Memantau dalam masa sebenar transaksi perbendaharaan dan pendedahan risiko yang melebihi had;
- Menganalisa dan memberi cadangan dalam Laporan Risiko Pasaran, Laporan Ujian Tekanan dan Laporan Risiko Kecairan;
- Menjalankan ujian tekanan atas pelaburan;
- Menjalankan ujian tekanan atas kecairan menggunakan pelbagai senario negatif seperti krisis kejutan pasaran, hakisan modal dan publisiti negatif;
- Memberi laporan secara tetap kepada Pihak Pengurusan Bank, ALCO dan RMC tentang kedudukan dan profil risiko pasaran;
- Menyemak dan menambahbaik polisi-polisi untuk menangani risiko pasaran.

Program-program yang dijalankan dalam tahun 2010 bertujuan untuk memupuk budaya kesedaran risiko korporat sebagai elemen penting untuk Pengurusan Risiko Enterprise secara menyeluruh. Sasaran RMD dalam tahun 2011 dan selanjutnya adalah untuk memastikan semua lapisan kakitangan memberi penekanan dalam amalan pengurusan risiko melalui perubahan minda, polisi, sistem dan proses serta komitmen dan usaha yang berterusan.

The “Market and Liquidity Risk Management Framework” was developed to manage and control market and liquidity risks with the goal of maximising Agrobank’s risk-adjusted rate of return by maintaining its risk exposure within acceptable limits.

Other activities carried out to manage market risks include:

- Daily monitoring of Bank's liquidity position via New Liquidity Framework (NLF) system;
- Real time monitoring of treasury transactions and over the risk exposure on limits;
- Analysing and making recommendations on the Market Risk Report, Stress Test Report and Liquidity Risk Report;
- Performing stress tests on investments;
- Performing stress tests on liquidity using various adverse scenarios such as market crisis shock, capital erosion and negative publicity;
- Informing regularly the Bank's Management, ALCO and RMC of its market risk profile and position;
- Reviewing and enhancing policies to manage market risks.

The programmes carried out in 2010 were aimed at cultivating a corporate risk awareness culture as one of the key elements in realizing an Enterprise Wide Risk Management. Making risk “everyone's business” as a significant shift in mindset, policies, systems and processes, and long-term commitment and investment shall be the goal of RMD in moving forward to 2011 and beyond.

**Jawatankuasa Syariah
Shariah Committee**



1. PROF. MADYA DATIN DR. PAIZAH HJ. ISMAIL
(Pengerusi/Chairman)
2. PROF. MADYA DATO' DR. HAILANI MUJI TAHIR
(Ahli/Member)
3. PROF. MADYA DR. ATIKULLAH HJ. ABDULLAH
(Ahli/Member)
4. PROF. DR. SAIFUL AZHAR ROSLY
(Ahli/Member)
5. ENCIK MOHAD NASIR MUDA
(Setiausaha/Secretary)

Laporan Majlis Syariah

Kami, Prof. Madya Datin Dr. Paizah Hj. Ismail, Prof. Madya Dato' Dr. Hailani Muji Tahir, Prof. Madya Dr. Atikullah Hj. Abdullah dan Prof. Dr. Saiful Azhar Rosly merupakan Ahli Majlis Syariah bagi Bank Pertanian Malaysia Berhad bagi sesi 2010-2012, dengan ini mengesahkan bagi pihak ahli Majlis Syariah, bahawa dari pandangan kami, operasi Bank bagi tahun kewangan berakhir 2010 telah dijalankan menurut prinsip-prinsip Syariah.

Bagi pihak Ahli Majlis Syariah

(Prof. Madya Datin Dr. Paizah Hj. Ismail)
Pengerusi/Chairman

(Prof. Dr. Atikullah Hj. Abdullah)
Ahli Majlis/Council Member

Shariah Council Report

We, Prof. Madya Datin Dr. Paizah Hj. Ismail, Prof. Madya Dato' Dr. Hailani Muji Tahir, Prof. Madya Dr. Atikullah Hj. Abdullah and Prof. Dr. Saiful Azhar Rosly, members of the Shariah Council of Bank Pertanian Malaysia Berhad for the 2010-2012 session, validate on behalf of the Shariah Council, that in our opinion, the Banking operations for the financial year ended in 2010 was in accordance with Shariah principles.

On behalf of the Shariah Committee Members

(Prof. Dr. Saiful Azhar Rosly)
Ahli Majlis/Council Member

(Prof. Dr. Atikullah Hj. Abdullah)
Ahli Majlis/Council Member

Ahli Majlis Syariah

Ahli Majlis Syariah (AMS) dibentuk untuk memantau dan memastikan operasi perniagaan Bank dijalankan selaras dengan perundangan Syariah dan arahan Bank Negara Malaysia (BNM) dari semasa ke semasa.

AMS telah bermesyuarat sebanyak lapan (8) kali sepanjang tahun kewangan berakhir pada 31 Disember 2010.

Berikut ialah senarai AMS bagi sesi 2010-2012 berkuatkuasa 1 April 2010:

- **Prof. Madya Datin Dr. Paizah Hj. Ismail**
(Pengerusi)
- **Prof. Madya Dato' Dr. Hailani Muji Tahir**
(Ahli)
- **Prof. Madya Dr. Atikullah Hj. Abdullah**
(Ahli)
- **Prof. Dr. Saiful Azhar Rosly**
(Ahli)
(Berkuatkuasa 1hb. Ogos 2010)

Tanggungjawab-tanggungjawab AMS, antara lain, merangkumi perkara-perkara berikut:

- Memberi panduan dan nasihat kepada Lembaga Pengarah dan Pengurusan dalam hal-hal mengenai undang-undang dan polisi-polisi Perbankan Islam.
- Menjalankan penyelidikan dan analisa berkaitan isu-isu ‘muamalat’ yang dikemukakan oleh jabatan-jabatan di Bank.
- Mewakili Bank dalam urusan rasmi berkaitan hal ehwal agama dengan orang ramai dan jabatan atau organisasi peringkat kerajaan pusat, negeri dan nasional.

Pelantikan Ahli-Ahli Majlis Syariah

Berdasarkan garis panduan **BNM/RH/GL_012_3 Shariah Governance Framework for Islamic Financial Institutions**, semua lantikan AMS hendaklah diluluskan dan diperakui oleh Ahli Lembaga Pengarah sebelum mendapat kelulusan BNM. Setiap lantikan adalah untuk tempoh tidak melebihi **dua (2)** tahun dan layak untuk lantikan semula.

Kehadiran Mesyuarat/Meeting Attendance

AMS telah bermesyuarat sebanyak **LAPAN (8)** kali sepanjang tahun 2010 dan melibatkan kehadiran penuh setiap AMS.

Kehadiran AMS adalah seperti berikut:

The SC has met **EIGHT (8)** times during year 2010 and involves the presence of each SC with the following attendance:

Ahli Jawatankuasa/Committee Members

Prof. Madya Datin Dr. Paizah Hj. Ismail
Dr. Atikullah Hj. Abdullah
Prof. Madya Dato' Dr. Hailani Muji Tahir
Prof. Dr. Saiful Azhar Rosly

Kehadiran*/Attendance*

8/8
8/8
6/6
4/4

*Menunjukkan bilangan mesyuarat yang diadakan sepanjang AMS berkenan memegang jawatan.
*Reflects the number of meetings held during the time SC held the post.

Shariah Committee

Shariah Committee (SC) was formed to monitor and ensure that the Bank's business operations are conducted according to the Shariah Laws and regulations imposed by Bank Negara Malaysia (BNM).

The SC has met eight (8) times during the financial year ended 31 December 2010.

The followings are the list of Members of the SC for session 2010-2012 effective 1st April 2010:

- **Prof. Madya Datin Dr. Paizah Hj. Ismail**
(Chairman)
- **Prof. Madya Dato' Dr. Hailani Muji Tahir**
(Member)
- **Prof. Madya Dr. Atikullah Hj. Abdullah**
(Member)
- **Prof. Dr. Saiful Azhar Rosly**
(Member)
(Effective 1st. August 2010)

Responsibilities of the SC among others include the following subjects:

- Provides guidelines and advice to the Board and Management on subject of laws and policies of Islamic Banking.
- Conducts research and analysis on muamalat related issues brought up by the various departments within the Bank.
- Represents the Bank in official religious related business matters with the public and departments or organizations at state and national levels.

Appointment of Shariah Committee

Based on **BNM/RH/GL_012_3 Shariah Governance Framework for Islamic Financial Institutions**, all members of the SC appointment are to be approved and verified by the Board of Directors before forwarded to BNM for approval. Each appointment is not more than **two (2)** years and eligible for re-election.

Tugas dan Tanggungjawab Ahli Majlis Syariah (AMS)

Semua AMS dikehendaki mengambil bahagian secara aktif dalam perbincangan isu-isu Syariah yang dikemukakan kepada mereka.

Tugas dan tanggungjawab utama AMS adalah seperti berikut:

- Menasihati Lembaga Pengarah berhubung hal-hal Syariah dalam operasi perniagaannya. Ahli Majlis Syariah akan menasihati Lembaga Pengarah berhubung hal-hal Syariah bagi memastikan supaya operasi perniagaan yang dijalankan oleh Bank mematuhi prinsip-prinsip Syariah sepanjang masa.
- Meluluskan Manual Pematuhan Syariah. Bank perlu memiliki sebuah Manual Pematuhan Syariah. Manual tersebut hendaklah menerangkan cara untuk mengemukakan atau meminta nasihat daripada AMS, tatacara mesyuarat Syariah dan cara pematuhan terhadap keputusan Syariah. Manual tersebut akan diluluskan oleh Ahli Majlis Syariah.
- Melulus dan mengesahkan dokumen-dokumen berkaitan bagi memastikan supaya produk-produk Bank mematuhi prinsip-prinsip Syariah dalam semua aspek.
- AMS perlu meluluskan perkara-perkara berikut:
 - Terma dan syarat yang terkandung di dalam borang cadangan, kontrak, perjanjian atau dokumen undang-undang lain yang digunakan dalam pelaksanaan urusniaga; dan
 - Manual produk, iklan pemasaran, ilustrasi jualan dan risalah yang digunakan untuk memberi penerangan berkaitan produk.
 - Membantu menasihati pihak berkaitan berhubung hal-hal Syariah apabila diminta pihak-pihak berkaitan dengan Bank seperti penasihat undang-undang, juru audit dan juru perunding boleh meminta nasihat daripada Jawatankuasa Syariah berhubung hal-hal Syariah. Jawatankuasa Syariah dikehendaki memberi bantuan kepada pihak tersebut agar pematuhan dengan prinsip-prinsip Syariah terjamin sepenuhnya.
 - Menasihati berhubung hal-hal yang dirujuk kepada Majlis Penasihat Syariah (MPS) BNM.

Duties and Responsibilities of Shariah Committee (SC)

All SC members are expected to participate and engage themselves actively in deliberating Shariah issues put before them.

The main duties and responsibilities of the SC are as follows:

- To advise the Board on Shariah matters in its business operations. The SC shall advise the Board on Shariah matters in order to ensure that the business operations of the Bank comply with Shariah principles at all times.
- To approve Shariah Compliance Manuals. The Bank shall have a Shariah Compliance Manual. The manual must 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. The manual shall be approved by the SC.
- To approve and validate relevant documentations. To ensure that the products of the Bank comply with Shariah principles in all aspects.
- The SC must endorse the following:
 - The terms and conditions contained in the proposal form, contract, agreement or other legal documentation used in executing the transactions; and
 - The product manual, marketing advertisements, sales illustrations and brochures used to describe the product.
 - To assist related parties on Shariah matters for advice upon request. The related parties of the Bank such as its legal counsel, auditor or consultant may seek advice on Shariah matters from the Shariah Committee. The Shariah Committee is expected to provide assistance to them so that compliance with Shariah principles can be assured completely.
 - To advise on matters to be referred to the SAC of BNM.

- AMS mesti menasihati Bank agar merujuk kepada MPS berhubung sebarang hal Syariah yang tidak dapat diselesaikan atau diluluskan oleh MPS.
- Menyediakan pandangan Syariah secara bertulis. AMS dikehendaki merekod sebarang pendapat yang diberikan. Mereka juga akan menyediakan pendapat Syariah secara bertulis, khususnya dalam keadaan berikut:
 - Apabila Bank merujuk kepada AMS untuk mendapatkan nasihat; atau
 - Apabila Bank mengemukakan permohonan kepada Bank Negara Malaysia bagi kelulusan produk baru. AMS 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 cadangan tersebut akan dikemukakan kepada MPS.
- Membantu MPS berhubung rujukan yang diterima untuk nasihat. AMS hendaklah menerangkan isu-isu Syariah yang terlibat dan mengesyorkan keputusan yang mereka cadangkan. Ia hendaklah disokong oleh risalah undang-undang Syariah yang berkaitan daripada sumber-sumber yang jelas.
- AMS juga dikehendaki membantu MPS dalam sebarang perkara yang dirujuk oleh Bank. Apabila sebarang nasihat diperoleh daripada MPS, AMS akan memastikan supaya semua keputusan MPS dilaksanakan dengan sewajarnya oleh Bank.

- The SC must advise the Bank to consult the SAC on any Shariah matters which have not been resolved or endorsed by the SAC.*
- To provide written Shariah opinion. The SC is required to record any opinion given. In particular, the Committee shall prepare written Shariah opinions in the following circumstances:*
 - When the Bank make reference to the SC for advice; or*
 - When the Bank submits applications to Bank Negara Malaysia 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.*
- To assist the SAC on reference for advice. The SC must explain the Shariah issues involved and the recommendations for decision. It must be supported by relevant Shariah jurisprudential literature from the established sources.*
- The SC is also expected to assist the SAC's on any matters 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.*

Tugas dan Tanggungjawab Bank Sebagai Institusi Kewangan Islam

Bagi memastikan kelancaran pengendalian AMS, Agrobank:

- Merujuk semua isu Syariah kepada AMS. Bank hendaklah merujuk semua isu Syariah dalam operasi perniagaannya kepada AMS untuk mendapatkan nasihat. Sebarang permohonan untuk mendapatkan nasihat atau sesuatu keputusan hendaklah dibuat secara lengkap bagi memastikan pertimbangan yang berkesan dapat dijalankan oleh AMS. Ini meliputi penerangan berkenaan proses yang terlibat, dokumen yang perlu digunakan dan maklumat-maklumat lain yang diperlukan.
- Menerima nasihat AMS. Pihak Bank dikehendaki menerima dan mengambil langkah-langkah perlu untuk melaksanakan nasihat AMS.
- Memastikan supaya dokumen-dokumen produk disahkan Bank hendaklah mendapatkan pengesahan AMS berkaitan isu-isu Syariah dalam semua dokumentasi produk.
- Memiliki sebuah Manual Pematuhan Syariah. Bank akan memastikan supaya Manual Pematuhan Syariah yang dirujuk telah disahkan oleh Ahli Majlis Syariah.
- Memberi akses kepada dokumen-dokumen berkaitan. Bank hendaklah memberikan bantuan yang berkaitan kepada AMS. AMS hendaklah diberi akses kepada rekod-rekod, urusniaga, manual atau lain-lain maklumat berkaitan, sebagaimana yang diperlukan oleh AMS untuk menjalankan tugas mereka. Untuk tujuan ini, AMS diberi pengecualian daripada peruntukan di bawah undang-undang yang berkenaan, khususnya bagi seksyen 119 Akta Institusi Kewangan Pembangunan 2002 tidak akan diterimakai kepada pendedahan maklumat atau dokumen pelanggaran Institusi Kewangan Pembangunan kepada ahli-ahli Jawatankuasa Syariah menurut seksyen 120 (1) (k) Akta Institusi Kewangan Pembangunan.
- Menyediakan sumber yang mencukupi. Bank hendaklah menyediakan sumber yang mencukupi kepada AMS seperti peruntukan belanjawan, perundingan oleh pakar bebas, bahan-bahan rujukan dan latihan. Bank juga bertanggungjawab membiasakan AMS dengan operasi dan perniagaannya.
- Memberi imbuhan sewajarnya kepada AMS. Lembaga Pengarah, melalui Jawatankuasa Imbuhan, akan menentukan imbuhan AMS. Imbuhan tersebut akan memberi pampasan yang sewajarnya dan menggambarkan peranan dan fungsi AMS.

Duties and Responsibilities of Bank as an Islamic Financial Institution

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

- To refer all Shariah issues to the SC. The Bank must refer all Shariah issues in its business operations to the SC for advice. The submission for an advice or a decision must be made in a comprehensive manner for effective deliberation by the SC. This will include explaining the process involved, documents to be used and other necessary information.*
- To adopt the SC's advice. The Bank is required to adopt and take necessary measures for implementation of SC's advice.*
- To ensure that product documents be validated. The Bank shall obtain validation of the SC relating to Shariah issues in all product documentations.*
- To have a Shariah Compliance Manual. The Bank shall ensure that the Shariah Compliance Manual is endorsed by the Shariah Committee.*
- To provide access to relevant documents. The Bank must provide necessary assistance to the SC. The SC must be given access to relevant records, transactions, manual or other relevant information, as required by them to perform their duties. For this purpose, the SC members are granted exemptions from the provisions under the respective legislations specifically for section 119 of Development Financial Institutions Act (DFIA) shall not apply to the disclosure of Development Financial Institutions' customers information or documents to the Shariah Committee members by virtue of section 120 (1) (k) of DFIA.*
- To provide sufficient resources. The Bank must provide the SC with sufficient resources, such as budget allocation, independent expert consultation, reference materials and trainings. It is also the duty of the Bank to familiarize the SC on its operation and business.*
- To remunerate the members of the SC accordingly. The Board of Directors shall determine the remuneration of the SC members (through its Remuneration Committee). The remuneration shall commensurate and reflect the roles and functions of the SC.*

**Jawatankuasa Pencalonan Ahli Majlis Syariah
(JPMS)**

Jawatankuasa Pencalonan terdiri daripada:

- Pengurus Perbankan Islam
- Wakil daripada Jabatan Sumber Manusia
- Wakil daripada Jabatan Perundungan
- Wakil daripada Perbankan Islam

JPMS telah bermesyuarat sebanyak **LIMA** (5) kali sepanjang tahun kewangan berakhir pada 31 Disember 2008.

Berikut adalah Terma Rujukan bagi JPMS:

1. Mewujudkan keperluan-keperluan minimum bagi AMS dalam melaksanakan tanggungjawab secara berkesan.
2. Menilai dan mencadangkan calon-calon untuk mengisi jawatankuasa AMS kepada Pengurusan dan Ahli Lembaga Pengarah untuk pencalonan baru, pencalonan semula dan penamatan kontrak AMS.
3. Mewujudkan satu mekanisme penilaian yang formal dan menilai keberkesanan AMS secara keseluruhan, sumbangan setiap AMS terhadap keberkesanan AMS.
4. Menyemak semula dan mencadangkan pakej-pakej imbuhan untuk AMS bagi menggalakkan piawaian prestasi yang tinggi dan melambangkan tahap tanggungjawab dan sumbangan mereka terhadap keberkesanan AMS.

**Nomination Committee of Shariah Committee
(NCSC)**

Nomination Committee of Shariah Committee (NCSC) comprises:

- Manager of Islamic Banking
- Representative from Human Resource Department.
- Representative from Legal Department.
- Representative from Islamic Banking

*Nomination Committee has met **FIVE** (5) times during the financial year ended 31 December 2008.*

The followings are the Terms of Reference for the NCSC:

1. Establish minimum requirements for Members of SC in executing the responsibilities effectively.
2. Evaluate and recommend candidates to fill up the position of SC to the management and to the Board for the new election, renewal of contract or termination of SC's contract.
3. Establish a formal evaluation mechanism and evaluate the effectiveness of the SC as a whole, the contribution of each SCM towards the effectiveness of the SC.
4. Review and propose a framework for the remuneration of SC to encourage higher performance standard and reflect the level of responsibilities and their contribution towards the efficiency of the SC's functions.

Ar-Rahnu Agrobank

Menawarkan...

- **Pembangunan sehingga 70% dari nilai emas!!!**
- **Upah simpan termurah serendah RM0.50 sebulan!**



www.agrobank.com.my

Branch Network

Rangkaian Cawangan Agrobank sentiasa berkembang demi untuk menyediakan perkhidmatan perbankan yang komprehensif khususnya untuk sektor pertanian. Tumpuan diberikan kepada pembukaan cawangan di kawasan-kawasan baru yang berpotensi. Sehingga 2010, Agrobank telah mempunyai sebanyak 168 buah rangkaian cawangan di seluruh Malaysia.

Setiap rangkaian Agrobank mempunyai matlamat yang sama, sejajar dengan moto Agrobank iaitu “**Sentiasa di Sisi Anda**”. Secara umumnya, kategori cawangan-cawangan Agrobank adalah seperti mana berikut:-

Perkhidmatan / Jenis Rangkaian Services / Network Types	Cawangan / Branch	Kiosk	Agro Corner	Electronic Banking Centre (EBC) /
PERKHIDMATAN PERBANKAN / BANKING SERVICES				
i. Deposit / Deposit ii. Pembayaran Bil / Bill Payment iii. Interbank Fund Transfer / Interbank Fund Transfer (IBFT) iv. Insurans Kemalangan / Accident Insurance v. Interbank Giro / Interbank Giro (IBG)	✓	✓	✓	✓*
PERKHIDMATAN PINJAMAN / LOAN SERVICES				
i. Pinjaman Peribadi (termasuk Ar Rahnu) / Personal Loan (including Ar Rahnu) ii. Pinjaman Perniagaan / Business Loan iii. Pinjaman Projek Pertanian / Agricultural Project Loan	✓	✓	✓**	
JUMLAH CAWANGAN / TOTAL BRANCHES	123	36	8	1

* Terhad kepada aktiviti i-iii sahaja / Limited to activity i-iii only

** Terhad untuk pertanyaan pinjaman sahaja / Limited to loan related queries only

Branch Network

Agrobank Branch Network is constantly evolving in order to provide comprehensive banking services, especially for the agricultural sector. The focus is on opening new branches in areas with potential. Up to 2010, Agrobank has a network of 168 branches throughout Malaysia.

Each Agrobank network has the same goal, in line with Agrobank's tagline “**Always By Your Side**”. Generally, branch categories are as follows:

Electronic Banking Centre (EBC)

Electronic Banking Centre adalah pendekatan baru Agrobank bagi memperkenalkan cawangan yang berbentuk elektronik di mana cawangan ini hanya menggunakan Auto Teller Machine, Cash Deposit Machine dan Cheque Deposit Machine sahaja bagi melakukan transaksi perbankan. Cawangan ini telah pun diperkenalkan di Teluk Bahang pada November 2010 dan akan diperluaskan di seluruh negara bersama-sama dengan ciri-ciri nilai tambah pada masa hadapan.

Program Rasionalisasi Rangkaian Cawangan 2010

Bagi meningkatkan keselesaan pelanggan serta memberikan perkhidmatan perbankan yang lebih efisyen, beberapa cawangan telah dinaik taraf sepanjang 2010. Berikut adalah senarai rangkaian yang telah dinaik taraf dalam tahun 2010:-

BIL NO	CAWANGAN BRANCH	SEBELUM BEFORE	SELEPAS AFTER	TARIKH PELAKSANAAN IMPLEMENTATION DATE
1.	Kuala Besut	Agro Corner	Kiosk	Mac/March 2010
2.	Kuala Krau	Agro Corner	Kiosk	Mac/March 2010
3.	Selangau	Agro Corner	Kiosk	Mac/March 2010
4.	Papar	Kiosk	Cawangan/Branch	Jun/June 2010
5.	Parit Yusof	Agro Corner	Kiosk	Julai/July 2010
6.	Teluk Bahang	Kiosk	EBC	November 2010
7.	Jengka	Kiosk	Cawangan/Branch	Disember/December 2010
8.	Tuaran	Kiosk	Cawangan/Branch	Disember/December 2010

Electronic Banking Centre (EBC)

Electronic Banking Centre is Agrobank's new approach to introduce electronic branches where the branch would only be using Auto Teller Machines, Cash Deposit Machines and Cheque Deposit Machines for banking transactions. It was first introduced at Teluk Bahang in November 2010 and will be extended throughout the nation with added value features in the future.

Branch Network Rationalisation Programme 2010

Several branches have been upgraded throughout 2010 to provide more efficient banking services for customer convenience. The branches that have been upgraded in 2010 were:-

Perancangan Tahun 2011

Pada tahun 2011, Bank merancang untuk membuka beberapa cawangan baru bagi memberikan perkhidmatan yang terbaik serta memenuhi kehendak pelanggan. Perhatian khusus akan diberikan kepada pembukaan cawangan yang berada di kawasan pedalaman terutamanya di Sabah dan Sarawak seperimana berikut:-

BIL NO	CAWANGAN / TEMPAT BRANCH / LOCATION	NEGERI STATE
1.	Nabawan	Sabah
2.	Lubuk Antu	Sarawak
3.	Julau	Sarawak
4.	Pakan	Sarawak
5.	Matu	Sarawak
6.	Lanchang	Pahang
7.	Bukit Mertajam	Pulau Pinang
8.	Kubang Kerian	Kelantan
9.	Bukit Gambir	Johor



Planning In 2011

The Bank plans to open several new branches in 2011 to provide the best service as well as fulfil customer needs. Priority will be given to opening branches in rural areas, particularly in Sabah and Sarawak as follows:-

Client Relationship Management

Keputusan analisa tahap kepuasan pelanggan adalah pada tahap 82.03%.

Aktiviti Tahun 2010

1. AGROBANK SERVIS MESRA CHALLENGE 2010

Agrobank Servis Mesra Challenge adalah acara yang diadakan setiap tahun dan melibatkan penyertaan daripada semua negeri. Ianya bertujuan untuk mengukur prestasi pencapaian kakitangan dalam mempraktikkan Standard People Practise (SPP) semasa memberikan perkhidmatan kepada para pelanggan Agrobank.

Agrobank Servis Mesra Challenge Peringkat Kebangsaan telah diadakan pada 23 Oktober 2010 bertempat di Dataran Pusat Latihan Agrobank (ABADI), Bangi.

Pasukan Sinar Utara telah berjaya menjadi Johan dan mewakili Agrobank ke Pertandingan National Service Challenge 2011.

Peringkat National Service Challenge

Pertandingan National Service Challenge yang dianjurkan oleh Focus Learning telah berlangsung di Hotel J.W Marriott, Kuala Lumpur pada 26 Oktober hingga 27 Oktober 2010. Sebanyak 13 pasukan lain yang merupakan 'Service Provider' seperti KPJ, Institut Jantung Malaysia dan A&W telah mengambil bahagian.

Di pertandingan tersebut, Agrobank telah berjaya dinobatkan 3 anugerah iaitu Five Star Service Level, Most Inspiring Athlete (Cik Nurul Saidatul Nadia Zulkifli) dan Best Cheer Team.

Agrobank turut mengekalkan 2 anugerah iaitu Best Cheer Group dan Five Star Award yang dimenangi pada tahun 2009.

Client Relationship Management

The survey analysis indicated that customer satisfaction level was at 82.03%.

Activities In 2010

1. AGROBANK 'SERVIS MESRA' CHALLENGE 2010

Agrobank 'Servis Mesra' Challenge is an annual event and involves the participation of all states. Its aim is to gauge staff's performance in practising Standard People Practice (SPP) when providing service to Agrobank's customers.

The National Level of Agrobank 'Servis Mesra' Challenge was held on 23 October 2010 at the Agrobank Training Center Square (ABADI), Bangi.

The Sinar Utara team emerged as Champions and represented Agrobank at the National Service Challenge 2011 Competition.

National Level Service Challenge

The National Service Challenge Competition organized by Focus Learning took place at the JW Marriott Hotel, Kuala Lumpur from 26 to 27 October 2010. A total of 13 other teams who are service providers such as KPJ, the National Heart Institute and A&W took part in the competition.

At the tournament, Agrobank won 3 awards; the Five Star Service Level, Most Inspiring Athlete (Miss Nurul Saidatul Nadia Zulkifli) and Best Cheer Team.

Agrobank also retained two awards won in 2009, namely the Best Cheer Group and Five Star Award.

2. PEMILIHAN STANDARD PEOPLE PRACTICE (SPP) MODEL PERANAN BULANAN

Pemilihan SPP Role Model dibuat setiap bulan bagi menghargai jasa kakitangan yang telah melaksanakan program atau budaya Servis Mesra dengan cemerlang. Pemilihan ini telah dilakukan setiap bulan oleh Branch Working Committee, State Working Committee dan Department Working Committee di semua Cawangan, Pejabat Negeri dan Jabatan di Ibu Pejabat.

Sebagai penghargaan di atas usaha dan kesungguhan mereka, SPP Role Model Bulanan yang terpilih telah diberi penghargaan berupa sijil dan hadiah.

Kakitangan yang dipilih sebagai SPP Role Model Bulanan diharapkan dapat menjadi contoh kepada kakitangan yang lain untuk berkhidmat dengan lebih mesra kepada pelanggan-pelanggan dan mempraktikkan budaya Servis Mesra semasa memberikan perkhidmatan kepada pelanggan.

3. CUSTOMER SATISFACTION INDEX (CSI) 2010

Kaji selidik kepuasan pelanggan berhubung dengan keseluruhan perkhidmatan yang telah diberikan oleh Agrobank kepada orang ramai telah diadakan bagi menilai prestasi sebenar mutu perkhidmatan Agrobank.

Kaji selidik ini telah dilaksanakan dari 22 hingga 30 Julai di semua cawangan Agrobank melalui borang-borang yang diedarkan kepada pelanggan dan orang ramai yang mengunjungi premis Agrobank.

Keputusan analisa tahap kepuasan pelanggan bagi perkhidmatan yang disediakan oleh Agrobank adalah sebanyak 82.03% berbanding sasaran 80%. Ini menunjukkan bahawa tahap kepuasan pelanggan adalah baik dan mereka berpuas hati dengan servis yang diberikan oleh Agrobank.

Perancangan Aktiviti Tahun 2011

Unit CRM akan terus berusaha gigih dengan matlamat utama memastikan kepuasan di atas perkhidmatan yang diberikan oleh kakitangan Agrobank kepada para pelanggan dan orang ramai yang amat kami hargai.

2. SELECTION OF STANDARD PEOPLE PRACTICE (SPP) ROLE MODEL OF THE MONTH

The selection of "SPP Role Model of The Month" was conducted monthly to appreciate staff who implemented the programmes or the 'Servis Mesra' culture in an outstanding manner. The selection was conducted monthly by the Branch Working Committee, State Working Committee and Department Working Committee at all Branches, State Office and Departments at the Head Office.

As a token of appreciation for their effort and earnestness, the winners of "SPP Role Model of the Month" will receive recognition in the form of certificates and gifts.

The staff chosen as the "SPP Role Model of the Month" is expected to be an example to all other employees to be more friendly and to practice the 'Servis Mesra' culture while providing service to customers.

3. CUSTOMER SATISFACTION INDEX (CSI) 2010

Customer Satisfaction Survey with regards to the overall service provided by Agrobank to the public was conducted to gauge Agrobank's actual performance.

The survey was conducted from 22 to 30 July 2010 at all Agrobank branches through forms distributed to customers and members of the public entering Agrobank premises.

The survey analysis indicated that customer satisfaction level for services provided by Agrobank was 82.03% compared to the target of 80%. This shows that the customer satisfaction level is good and they are satisfied with the services provided by Agrobank.

Activities Planned for 2011

The CRM unit will continue to strive to achieve the main objective of ensuring customer satisfaction with services provided by Agrobank.

Pelbagai program telah dirancang untuk tahun 2011 bagi mencapai matlamat tersebut:

- a) Kesinambungan Agrobank Servis Mesra Challenge.
- b) Kesinambungan Kaji Selidik Kepuasan Pelanggan.
- c) Memastikan semua cawangan mewujudkan kaunter Khidmat Pelanggan bagi memberi keselesaan dan kemudahan kepada orang ramai semasa berurusan dengan Agrobank.
- d) Maklum balas dari pelanggan dan orang ramai akan digunakan untuk membantu Jabatan lain dalam penambahbaikan produk dan perkhidmatan yang sedia ada.
- e) Membuat penambahbaikan saluran pertanyaan dan aduan yang sedia ada.

Program perancangan yang telah diatur oleh CRM adalah semata-mata bagi memastikan pelanggan dan orang ramai mendapat kepuasan yang maksima. CRM juga sentiasa berusaha untuk merapatkan hubungan yang akrab antara pelanggan dengan Agrobank selari dengan moto

"Agrobank Sentiasa di Sisi Anda"

Perbankan Islam

Dari jumlah pendapatan bersih Bank sebanyak RM786.5 juta pada tahun 2010, sebanyak RM343.3 juta atau 43.6% merupakan pendapatan SPI. Angka ini menunjukkan peningkatan berbanding tahun 2009 di mana pendapatan SPI adalah RM290.2 juta sahaja.

Sehingga 31 Disember 2010, aset bagi SPI telah meningkat kepada RM5,748.7 juta berbanding RM5,174.5 juta pada tahun 2009. Sumbangan SPI ini mewakili 54.5% daripada jumlah keseluruhan aset Bank yang berjumlah RM10,542.5 juta pada tahun 2010.

Aset pembiayaan SPI sehingga 31 Disember 2010 mencecah RM3,355.8 juta berbanding RM3,345.8 juta pada tahun 2009. Manakala aset pelaburan SPI sehingga 31 Disember 2010 berjumlah RM878.9 juta menunjukkan peningkatan sebanyak 125.6% berbanding tahun 2009 berjumlah RM389.5 juta sahaja.

Selaras dengan hasrat Bank ke arah Perbankan Islam sepenuhnya menjelang 2015, fokus utama terarah kepada usaha meningkatkan deposit Islamik. Dari jumlah deposit keseluruhan Bank sebanyak RM6,452.8 juta pada tahun 2010, deposit SPI menyumbang sebanyak RM2,977.9 juta (46.2%). Angka tersebut menunjukkan peningkatan sebanyak RM275.1 juta berbanding RM2,702.8 juta deposit SPI pada tahun 2009.

Many programmes have been planned for 2011 to achieve this objective:

- a) Continuation of the Agrobank 'Servis Mesra' Challenge.
- b) Continuation of the Customer Satisfaction Survey.
- c) Ensure all branches are equipped with Customer Service Counters to provide comfort to members of the public visiting Agrobank branches.
- d) Based on the feedback from customers and the public, the CRM Unit will assist other departments in the improvement of products and services available.
- e) To improve current avenues for queries and complaints.

The programmes and planning arranged by the CRM Unit is solely designed to ensure maximum satisfaction from every customer and member of the public. CRM will always strive to create a closer bond between Agrobank and its customers in line with Agrobank's tagline

"Agrobank, Always by Your Side"

Islamic Banking

Out of the Bank's total net income of RM786.5 million in 2010, about RM343.3 million or 43.6% were SPI earnings. This figure indicates a rise compared to 2009 in which the SPI earnings were RM290.2 million only.

As at 31 December 2010, SPI's assets has increased to RM5,748.7 million compared to RM5,174.5 million in 2009. SPI's contribution represents 54.5% of the Bank's overall total assets amounting to RM10,542.5 million in 2010.

As at 31 December 2010, SPI funded assets reached RM3,355.8 million in comparison to RM3,345.8 million in 2009. Meanwhile, as at 31 December 2010, the SPI investment assets worth RM878.9 million indicates a 125.6% increase compared to RM389.5 million only in 2009.

In line with the Bank's vision of becoming a full fledged Islamic Banking by 2015, the main focus will be towards increasing Islamic deposits. Out of the Bank's overall total deposits of RM6,452.8 million in 2010, the SPI deposit contributed RM2,977.9 million (46.2%). This figure shows an increase of RM275.1 million compared to the RM2,702.8 million SPI deposit in 2009.

DANA KHAS

Dana-Dana Khas Yang Dikendalikan Agrobank Sepanjang Tahun 2010

Tahun 2010 merupakan tahun terakhir Rancangan Malaysia ke 9 di mana peruntukan Dana-Dana Khas sejumlah RM81.0 juta diperolehi melalui Kementerian Pertanian dan Industri Asas Tani untuk menjayakan Dasar Pertanian Negara dan sebanyak RM295.0 juta peruntukan Tabung Untuk Makanan diperolehi dari Kementerian Kewangan Malaysia.

Agrobank komited dengan Dasar Pertanian kerajaan dalam memberi pembiayaan kepada petani, penternak dan nelayan supaya pendapatan mereka dapat ditingkatkan di samping meningkatkan taraf ekonomi mereka. Hasil usaha kumpulan sasaran (petani, penternak dan nelayan) ini dapat menambah pengeluaran makanan negara dan seterusnya dapat mengurangkan import makanan serta membantu keselamatan makanan Negara.

Program-program pembiayaan yang dilaksanakan adalah untuk mengatasi masalah modal petani, penternak dan nelayan untuk menjayakan projek-projek di peringkat hulu dan hiliran. Program-program pembiayaan yang ditawarkan oleh Agrobank adalah seperti berikut:

1. Skim Kredit Padi
2. Masyarakat Perdagangan & Perindustrian Bumiputra
3. Skim Industri Kecil & Sederhana
4. Skim Usahawan Tani Komersil Siswazah
5. Skim Pembangunan Pertanian Bukan Makanan
6. Skim Pembiayaan Bot Perikanan
7. Skim Kredit Pengeluaran Makanan
8. Skim Kredit Mikro Pertanian
9. Tabung Untuk Makanan

Di bawah peruntukan Dana Pinjaman Usahawan Pertanian 2010, Agrobank telah menyalurkan peruntukan melalui lima program pembiayaan dan satu program Bimbingan Usahawan sepanjang tahun 2010.

Sepanjang tahun 2010 seramai 5,048 orang peminjam telah menerima pembiayaan DPUP dan seramai 1,357 orang di bawah program pembiayaan Tabung Untuk Makanan (3F). Di bawah program Bimbingan Usahawan seramai 1,014 orang telah menghadiri bengkel, kursus dan ceramah yang dirancang Agrobank.

SPECIAL FUNDS

Special Funds Handled By Agrobank Throughout 2010

2010 is the last year of the 9th Malaysia Plan where a total of RM81.0 million were provided for the Special Funds through the Ministry of Agriculture and Agro-based Industry to ensure the success of the National Agricultural Policy and RM295.0 million were provided for the Fund For Food from the Ministry of Finance.

Agrobank is committed to the government's Agricultural Policy in providing financing to farmers and fishermen to increase their income in addition to improving their economic status. The efforts of the target groups (farmers, livestock breeders and fishermen) can increase production of food, thus reducing the importation of food and maintaining our national food security.

Funding programmes implemented are aimed at overcoming lack of capital faced by farmers, livestock breeders and fishermen to ensure the success of projects at both the upstream and downstream levels. Financing programmes offered by Agrobank are as follows:

1. Paddy Credit Scheme
2. Bumiputra Commerce and Industry Community
3. Small & Medium Industry Scheme
4. Commercial Farmers Graduate Entrepreneur Scheme
5. Non-Food Agriculture Development Scheme
6. Fishing Boats Financing Scheme
7. Food Production Credit Scheme
8. Agricultural Micro Credit Scheme
9. Fund For Food

Under the Entrepreneur Loans Fund for Agriculture 2010, Agrobank channeled funds through five financing programmes and an Entrepreneur Mentoring programme throughout 2010.

Throughout 2010 a total of 5,048 borrowers have received DPUP funding and a total of 1,357 people received financing under the Fund for Food (3F) programme. Under the Entrepreneur Mentoring programme, 1,014 people have attended workshops, courses and lectures arranged by Agrobank.

Peruntukan Dan Penerimaan Dana

Peruntukan, penerimaan dan kelulusan dana dalam tahun 2010 adalah seperti berikut:

Jenis Dana Type of Fund	Peruntukan (RM Juta) Provision (RM Million)	Penerimaan (RM Juta) Acceptance (RM Million)	Tarikh Penerimaan Acceptance Date
Skim Kredit Padi (SKP) <i>Paddy Credit Scheme</i>	35.0	35.0	24/12/2010
Skim Kredit Pengeluaran Makanan (SKPM) <i>Food Production Credit Scheme</i>	10.0	10.0	24/12/2010
Industri Kecil & Sederhana / Perusahaan Kecil & Sederhana (IKS / PKS) <i>Small & Medium Industries / Small & Medium Enterprises</i>	15.0	15.0	24/12/2010
MPPB	20.0	20.0	26/12/2010
Bimbingan Usahawan <i>Entrepreneurial Guidance</i>	1.0	1.0	07/06/2010
Tabung Untuk Makanan (3F) <i>Fund For Food</i>	300.0	200.0 95.0	10/06/2010, 23/11/2010
JUMLAH / TOTAL	381.0	376.0	

Pencapaian Kelulusan Dana untuk tahun 2010 / Approval of Funds Achievement for 2010

Jenis Dana Type of Fund	Peruntukan 2010 (RM Juta) 2010 Provision (RM Million)	Kelulusan 2010 (RM Juta) 2010 Approval (RM Million)
SKP	35.00	38.61
SKPM	10.00	10.0
PKS	15.00	11.73
MPPB	20.00	24.60
3F	295.00	168.18
JUMLAH / TOTAL	375.00	253.12

Jangkaan Peruntukan Dana Kerajaan untuk tahun 2011

Pada tahun kewangan 2011, Agrobank dijangka akan mendapat peruntukan pinjaman kerajaan di bawah Tabung Untuk Makanan sebanyak RM300.00 juta.

Provision and Acceptance of Funds

Provision, acceptance and approval of funds in 2010 are as follows:

Expectations of the Government Fund Allocation for 2011

In the 2011 financial year, Agrobank is expected to receive government loans worth RM300.00 million under the Fund For Food programme.

Special Project Department (SPD)

Fokus utama Special Project Department (SPD) ialah untuk memperkenalkan inisiatif-inisiatif baru dalam e-Banking dan perbankan Islam. SPD akan membentuk inisiatif baru dari permulaan, pembangunan, pelaksanaan dan pengawasan sehingga ia mencapai tahap kematangan sebelum ia dibenarkan berfungsi sendiri.

• E-Banking:

Agrobank sentiasa berusaha untuk menaiktaraf fungsi-fungsi dan ciri-ciri perkhidmatannya untuk mewujudkan persekitaran yang mudah, selamat dan selesa bagi memenuhi keperluan para pelanggan. Unit e-Banking telah melancarkan perkhidmatan MEPS-IBG dalam tahun 2010. E-Banking juga merancang untuk memperkenalkan perkhidmatan e-Channel yang baru seperti Perbankan Internet dan Pemindahan Dana Antara Bank (IBTF) untuk Pembayaran Pinjaman dan Kad Kredit pada tahun 2011.

• Perbankan Islam:

Operasi perbankan konvensional telah dijalankan sejak tahun 1970, ketika itu Agrobank dikenali sebagai Bank Pertanian Malaysia (BPM). Seiring dengan halatuju strategik Agrobank ke arah operasi Perbankan Islam sepenuhnya menjelang tahun 2015, Perbankan Islam telah mengambil inisiatif-inisiatif berikut:

1. Mewujudkan secara rasmi sebuah pasukan petugas khas TWG untuk memacu pelaksanaan inisiatif-inisiatif tersebut.
2. Mengembangkan produk-produk baru seperti FRIA-i, Rumahku-i (Home Premier Financing-i) dan BSA-i yang dijangka dilancarkan pada tahun 2011.
3. Membangunkan produk-produk dan perkhidmatan Islamic Trade Finance.
4. Mengkaji dan mengemaskini beberapa manual sedia ada seperti Al-Bai' Bithaman Ajil (BBA) dan Agro Pelaburan-i.
5. Memperkenal dan melaksanakan Kadar Terapung dan mekanisme kadar IIMM dalam Pembiayaan Islam.

Special Project Department (SPD)

The main focus of the Special Project Department (SPD) is to introduce new initiatives in e-banking and Islamic banking. SPD will establish the new initiative from initiation, development, implementation and monitoring until certain levels of maturity before the entire initiatives are released to function on their own.

• E-Banking:

Agrobank will continuously strive to improve the functions and features of its services to create an easier, secure and convenient environment to fully support customers' needs. In the year 2010, e-Banking Unit had launched MEPS-IBG services. E-Banking also plans to introduce new e-Channel services such as Internet Banking and Interbank Fund Transfer (IBFT) for Loan and Credit Card Payment by the year 2011.

• Islamic Banking:

Agrobank had its banking operation running under the conventional method ever since the former Bank Pertanian Malaysia (BPM) started its operation in the 1970's. In line with the strategic direction to implement full-fledged Islamic operations by 2015, Islamic Banking has taken initiatives as follow:

1. Formalized a special task force TWG to drive the implementation of the initiatives.
2. Developed new products such as FRIA-i, Rumahku-i (Home Premier Financing-i) and BSA-i which targeted to be launched in 2011.
3. Developed Islamic Trade Finance products and services.
4. Reviewed and updated several existing manual such as Al-Bai' Bithaman Ajil (BBA) and Agro Pelaburan-i.
5. Introduced and implemented Floating Rate and IIMM Rate mechanism in Islamic Financing.

Di samping itu, inisiatif-inisiatif strategik berikut telah dirancang bagi tahun 2011:

1. Memperkenalkan lebih banyak produk dan perkhidmatan yang mematuhi prinsip Syariah yang mempunyai ciri dan harga yang kompetitif seperti al-Tawarruq dan Musyarakah dalam pembiayaan pertanian.
2. Memperkasakan pematuhan terhadap Regulatory Framework by Bank Negara Malaysia BNM/RH/GL_012_3 Islamic Shariah Governance Framework for Financial Institutions untuk memastikan semua operasi dan perkhidmatan Perbankan Islam sentiasa mematuhi prinsip Syariah.
3. Memperkembang dan meluaskan bidang kepakaran sedia ada dalam Majlis Syariah dan Eksekutif Syariah.

In addition, strategic initiatives have been planned for 2011 such as:

1. *Introducing more Shariah compliant products and services with competitive features and pricing such as al-Tawarruq and Musyarakah in agriculture financing.*
2. *Strengthening the compliance of Regulatory Framework by Bank Negara Malaysia BNM/RH/GL_012_3 Islamic Shariah Governance Framework for Financial Institutions to ensure all Islamic Banking operations and services are Shariah compliant at all times.*
3. *Increase and broaden the scope of expertise available within the Shariah Committee and Shariah officers.*



Teknologi Maklumat

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

Sepanjang tahun 2010, beberapa inisiatif ICT telah dilaksanakan dan diterokai bagi menyokong keperluan perbankan Agrobank. Di antara inisiatif-inisiatif ICT yang dijalankan adalah menaik taraf infrastruktur ICT, mempelbagaikan saluran penyampaian, memperkasa serta memantapkan sumber modal insan, sistem keselamatan dan lain-lain lagi.

Inisiatif infrastruktur yang telah dibangunkan adalah menaiktaraf Pusat Komputer Bank (Data Centre) yang baru iaitu daripada tingkat 5 ke tingkat 6 di Menara Agrobank. Memandangkan Pusat Komputer sedia ada telah lama beroperasi iaitu melebihi dari 20 tahun, adalah menjadi satu keperluan yang segera untuk Pusat Komputer baru diwujudkan bagi menampung dan menyokong keperluan perniagaan semasa dan juga masa hadapan.

Pusat Komputer yang dibangunkan ini adalah satu kemudahan infrastruktur yang serba canggih bagi menempatkan sistem komputer (hos dan server-server), sistem komunikasi dan rangkaian serta storan penyimpanan data. Dibangunkan dengan keupayaan bekalan kuasa sokongan atau 'redundant' untuk sistem kuasa, komunikasi, kawalan persekitaran (penyaman udara dan pemadam api) dan alat-alat keselamatan yang lain. Infrastruktur yang baru ini dijangka mampu untuk menampung keperluan dan perkembangan perniagaan dengan ciri-ciri keselamatan dan sistem kemudahan yang berteknologi tinggi serta dinamik.

Selain pembinaan Pusat Komputer yang baru, sebagai sebuah institusi yang memahami kehendak pelanggan, Agrobank turut melaksanakan pelbagai inisiatif-inisiatif ICT lain sebagai langkah untuk mempelbagaikan saluran sistem penyampaian yang lebih efektif dan membolehkan Agrobank berinteraksi secara terus dengan pelanggan. Antara inisiatif ini termasuklah pelaksanaan sistem *Financial Terminal* atau Sistem Sudut Bergerak dengan pendekatan di mana kakitangan Agrobank yang begitu komited ditugaskan ke lokasi pelanggan demi kemudahan pelanggan.

Information Technology

Agrobank has implemented initiatives and investments in information and communication technology to improve the quality and employee's efficiency levels in providing quality service to customers.

Throughout 2010, a number of ICT initiatives have been developed to support Agrobank's banking needs. Among the ICT initiatives implemented include the upgrading of ICT infrastructure, varying delivery channels, improving and strengthening human capital, security systems and others.

The infrastructure initiative that has been developed is the upgrading of a new Computer Centre (Data Centre) from the 5th to the 6th level at Agrobank Tower. As the current Computer Centre has operated for over 20 years, it was imperative that a new Computer Centre that can support current and future business needed to be developed.

The new Data Centre is an advanced infrastructure built to accommodate the computer system (host and servers), communication systems and network as well as data storage. The centre is also developed with backup power supply capability or redundancy for power systems, communications, environmental control (air conditioning and fire extinguishing) and other safety equipment. This new infrastructure should be able to support the requirements and the expansion of business with safety features and advanced technology systems that are competitive and dynamic.

Besides the development of a new Computer Centre, as an institution that understands customers' needs, Agrobank also implemented various other ICT initiatives in an effort to create a more effective delivery system and to allow Agrobank to interact directly with customers. Among these initiatives are the implementation of the Financial Terminal or Mobile Corner System where Agrobank's committed staff are assigned to the customers' location for their convenience.

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

Di dalam pembangunan modal insan Agrobank dan sebagai langkah untuk meningkatkan kecekapan dan produktiviti kakitangan, Bank telah memulakan projek Sistem Pengurusan Sumber Manusia Elektronik (e-HRMS). Projek ini yang dimulakan pada tahun 2010 dan berterusan sehingga tahun 2011, akan melibatkan pertukaran budaya kerja secara lebih sistematik dengan penerapan konsep 'paper-less' di dalam persekitaran kerja Bank.

Di antara modul yang diperkenalkan dalam projek ini adalah seperti '*Employee Self-Service*' di mana penglibatan kakitangan Bank secara individu diperlukan untuk proses permohonan dan kelulusan termasuk urusan cuti serta tuntutan seperti tuntutan perjalanan dan kerja lebih masa.

Bagi meningkatkan kecekapan dan keberkesanan perkhidmatan di antara pihak IT dengan perniagaan, projek konsultansi '*Information Technology Infrastructure Library*' (ITIL) telah dimulakan. Objektif inisiatif ini di antaranya adalah untuk meningkatkan mutu kualiti perkhidmatan/servis Information Technology Department sebagai sokongan yang kritikal kepada pihak perniagaan.

Modul yang akan dilaksanakan di dalam projek ini adalah termasuk '*Service Desk*', Pengurusan Insiden, Pengurusan Masalah, Pengurusan Perubahan, Pengurusan Konfigurasi dan Pengurusan '*Service Level*'.

Inisiatif yang dibangunkan ini membolehkan perkhidmatan IT kepada pihak perniagaan dinilai dan diukur prestasinya dan seterusnya akan mempertingkat dan meningkatkan kualiti penyampaian dan perkhidmatan kepada pengguna dan pelanggan.

Bagi menguji tahap kesinambungan perniagaan bank, pengujian pemulihan bencana turut dijalankan secara berjadual. Sistem yang diuji adalah seperti Sistem Perbankan, ATM/MEPS, RENTAS, Treasury Management System, CCRIS dan lain-lain lagi.

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

In developing Agrobank's human capital and as a way to improve staff efficiency and productivity, Agrobank has introduced the Electronic Human Resource Management System (e-HRMS). This project which commenced in 2010 and will continue into 2011, aims to create a more systematic working culture by instilling a paperless concept in the bank's working environment.

Among the modules introduced in this project is the 'Employee Self-Service' module where individual involvement of employees are required in the application and approval process for procedures such as leave applications as well as mileage and overtime claims.

To improve service efficiency and effectiveness between the IT and business side, the Information Technology Infrastructure Library consultancy project was initiated. The objective of this initiative is to improve the quality of service from the Information Technology Department as a critical support centre to the business side.

Modules which will be implemented in this project include the Service Desk, Incident Management, Problem Management, Change Management, Configuration Management and Service Level Management.

The initiatives developed will allow IT's service to the business to be quantified and evaluated and which will subsequently improve the quality of service and delivery to the users and customers.

The disaster recovery testing is conducted periodically to test the bank's business continuity level. Systems tested include the Banking System, ATM/MEPS, RENTAS, Treasury Management System and CCRIS.

Aktiviti pengujian melibatkan transaksi yang dilakukan dan dijalankan secara 'live' daripada Pusat Bencana di Bangi. Pengujian ini dijalankan bagi memastikan sistem-sistem tersebut boleh beroperasi dan berjalan seperti biasa jika wujud masalah di Pusat Komputer utama.

Dengan pembangunan pelbagai sistem yang pesat, polisi keselamatan sistem ICT turut dikaji semula dan beberapa polisi tambahan disediakan bagi menambahbaik polisi/prosedur sedia ada serta untuk mematuhi keperluan regulator dan audit semasa. Pindaan yang dilakukan di antaranya melibatkan tambahan kepada kawalan capaian logikal, pengurusan pemasangan, Pembangunan Aplikasi, Internet, Intranet, Extranet dan emel, Sumber Manusia dan Pelaporan Insiden.

Selain itu, inisiatif ujian Keselamatan Rangkaian dan Perkakasan Host juga turut diadakan. Objektif inisiatif ini adalah bagi menentukan dan memastikan tahap keselamatan (*security assurance*) bagi sistem-sistem yang digunakan di dalam bank. Aktiviti yang dijalankan adalah mengesan dan mengenal pasti tahap kemusnahan (*vulnerabilities*), kecacatan teknikal serta kelemahan yang ada pada sistem-sistem di dalam bank. Hasil yang diperolehi daripada inisiatif ini ialah dapat mengenalpasti serta mengatasi masalah dan kelemahan kepada sistem-sistem di dalam bank.

Di samping itu, inisiatif pembangunan Internet dan Emel turut dilaksanakan. Projek ini merupakan sebahagian daripada projek perkongsian infrastruktur yang telah dirancang di dalam Pelan Strategik ICT (2009-2013). Dengan talian berkapasiti 8 Mbps untuk capaian internet, membolehkan transaksi dan maklumat diperolehi dengan cepat dan pantas. Manakala penyeragaman emel pula, membolehkan kakitangan berinteraksi dengan lebih mudah dan mesra pengguna.

Testing activities involve transactions carried out live from the Disaster Centre in Bangi. Testing was done to ensure that the systems can operate as usual if there were problems at the main Computer Centre.

With the rapid development of various systems, the ICT security policy was also reviewed and a number of additional policies were prepared to improve the current policies/procedures and to comply with current regulatory and audit requirements. The amendments include additions to the logical access control, installation management, Application Development, Internet, Intranet, Extranet and e-mail, Human Resource and Incident Reporting.

A Host Equipment and Network Security Test was also conducted. The objective of this initiative was to determine and ensure security assurance for systems used in the bank. Activities conducted were aimed at detecting and identifying vulnerabilities, technical defects and weaknesses in the systems. From this initiative, the problems and weaknesses of the systems were identified and rectified.

Besides that, an Internet and E-mail development initiative was also implemented. This project is part of the infrastructure sharing project planned in the ICT Strategic Plan (2009-2013). With an 8 Mbps line for internet access, transactions and information can be accessed at a more rapid pace. Uniformity of e-mail also enables employees to interact much more easily and in a more customer friendly manner.



Sumber Manusia

Perjawatan

Agrobank sedar bahawa penggerak utama sesebuah organisasi adalah melalui modal insan. Justeru itu, setiap 2,954 wargakerja Agrobank merupakan aset utama yang bernilai dan berharga kepada kami.

Daripada jumlah 2,954 wargakerja tersebut, kumpulan Pengurusan adalah seramai 136 orang atau 4.6%, kumpulan Eksekutif seramai 887 orang atau 30% dan kumpulan Bukan Eksekutif seramai 1,931 orang atau 65.4%. Dari segi lokasi bekerja, seramai 680 wargakerja ditempatkan di ibu pejabat manakala 2,274 wargakerja ditempatkan di cawangan dan pejabat negeri di seluruh negara.

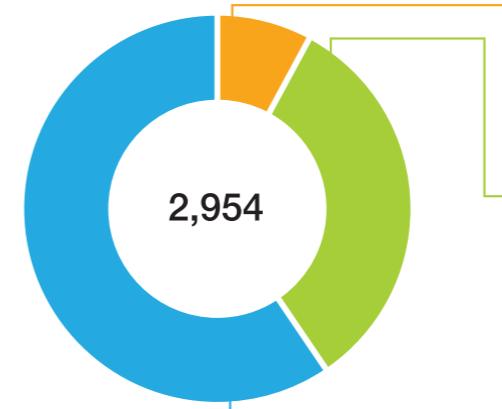
Human Resource

Personnel

Agrobank is aware that the prime movers of an organization are its human capital. Thus, each 2,954 employees of Agrobank are our main assets and are of immense value and worth to us.

Out of the 2,954 employees, there were 136 Management employees or 4.6%, 887 Executives or 30% and 1,931 Non Executives or 65.4%. In terms of location, 680 employees were located at the head office while 2,274 were located at branches and state offices throughout the country.

Pecahan Kakitangan Mengikut Kumpulan
Staff Breakdown by Group

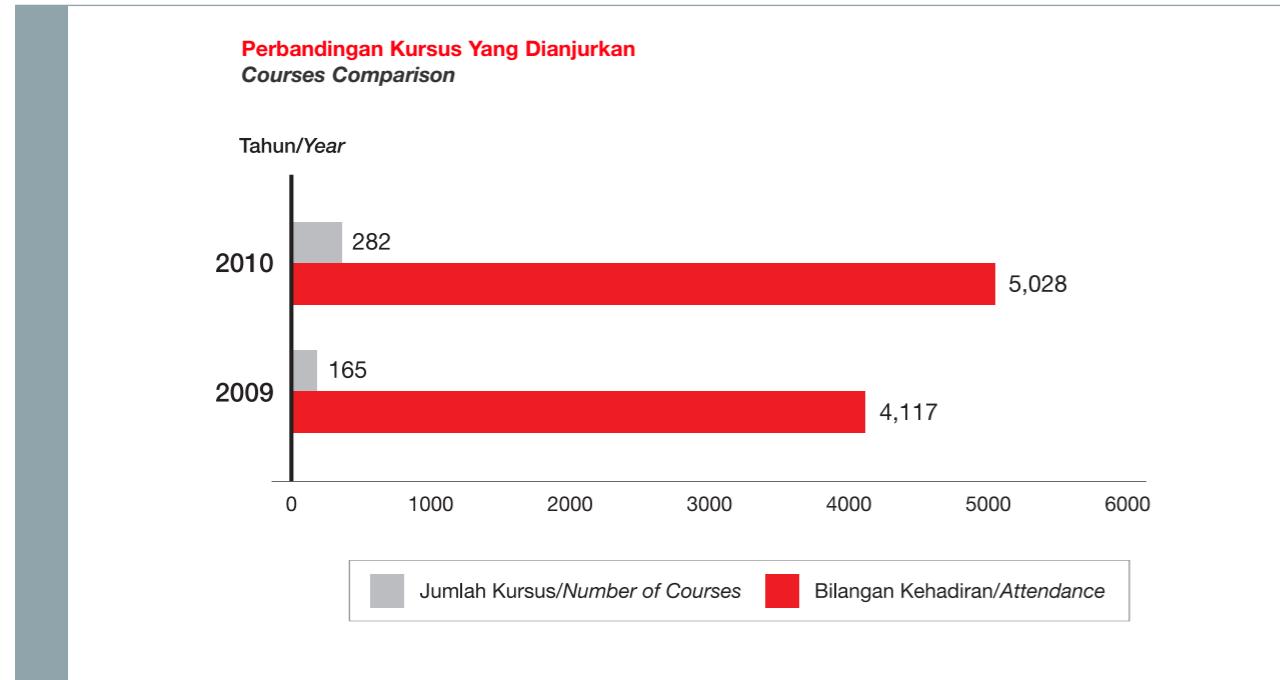


Latihan

Sepanjang tahun 2010, sebanyak 282 program yang melibatkan sejumlah 5,028 kehadiran telah berjaya dianjurkan, berbanding tahun 2009 yang hanya mencatatkan sebanyak 165 program dengan 4,117 kehadiran. Peningkatan kursus yang dianjurkan secara proaktif ini adalah bagi memenuhi keperluan kemahiran dan kompetensi wargakerja. Program-program tahun 2010 diaturkan dengan mengambil kira Corporate Key Performance Indicator (CKPI) berkaitan dengan program pensijilan kredit (Internal Credit Certification Program - ICCP) dan jumlah/bilangan program yang dihadiri oleh setiap kakitangan. Sebanyak 23 program dilaksanakan dengan fokus kepada kaedah penjualan produk, kecekapan kredit, kesedaran mengenai risiko, pematuhan, latihan pengurusan dan program sokongan mandatori bagi operasi perniagaan Agrobank. Analisa keperluan latihan dilaksanakan secara menyeluruh buat kali pertamanya untuk memastikan kepelbagaiannya program latihan dapat dilaksanakan pada tahun 2011.

Training

Throughout 2010, a total of 282 programmes involving a total of 5,028 attendees have been successfully organized, compared to 2009 which only recorded a total of 165 programmes with an attendance record of 4,117. The increased number of proactively organized courses is to meet the skills and competencies requirements of employees. Programmes in 2010 were arranged by taking into account the Corporate Key Performance Indicator (CKPI) in connection with Credit Certification Program (Internal Credit Certification Program - ICCP) and training coverage per staff. A total of 23 programmes were implemented with a focus on the methods of selling products, credit efficiency, risk awareness, compliance, management training and mandatory support programmes for Agrobank business operations. Training Needs Analysis was comprehensively performed for the first time to ensure diverse training programmes can be carried out in 2011.



Perhubungan Kakitangan

Agrobank sedar bahawa perhubungan yang baik sesama wargakerja akan melahirkan semangat kerja berpasukan sekaligus meningkatkan tahap produktiviti wargakerja. Sehubungan itu, sepanjang tahun 2010 Agrobank telah mengadakan beberapa program seperti Majlis Persaraan Kakitangan, Majlis Tea-Talk Bersama Pengarah Urusan, Majlis Berbuka Puasa dan Program Kebajikan Prihatin 2010.

Selain program tersebut Agrobank tidak melupakan kebajikan kepada wargakerja dan keluarga terdekat di mana sebanyak RM126,000 daripada Tabung Kebajikan Kakitangan telah diperuntukkan untuk khairat kematian dan sebanyak RM25,000 pula telah disumbangkan kepada kakitangan yang menjadi mangsa bencana alam. Bagi zakat kakitangan, Agrobank telah diberi peruntukan sebanyak RM50,000 untuk diagihkan kepada wargakerja berdasarkan kepada asnaf-asnaf yang ditentukan.

Employee Relations

Agrobank is aware that good relations among employees will create teamwork and increase productivity levels of employees. Consequently, throughout 2010 Agrobank held several programmes such as the Staff Retirement Event, Tea Talk with the Managing Director, Fast Breaking Event and Caring Welfare Programme 2010.

Besides those programmes, Agrobank also looks after the welfare of its staff and their families with RM126,000 from the Staff Welfare Fund allocated for death benefits and RM25,000 for staff who were victims of natural disasters. For staff zakat, Agrobank was allocated RM50,000 to be distributed among the agreed asnaf.



Bergerak Ke Hadapan

Agrobank akan sentiasa mengadakan program dan aktiviti yang memerlukan penglibatan wargakerja agar hubungan dan komunikasi yang baik dapat diteruskan di samping sentiasa mengambil berat dan prihatin terhadap kebajikan wargakerjanya. Di antara aktiviti yang dirancang untuk diadakan bagi tahun 2011 ialah meneruskan aktiviti-aktiviti sedia ada di samping aktiviti baru seperti Program Sehari Bersama Sumber Manusia.

Antara inisiatif-inisiatif yang akan dilaksanakan oleh Jabatan Sumber Manusia pada tahun 2011 selain perhubungan kakitangan dan latihan ialah program peningkatan budaya kerja dan penambahbaikan polisi-polisi yang berkaitan. Jabatan Sumber Manusia juga akan menilai semula dan memberi tumpuan terhadap Penilaian Prestasi (Key Performance Indicator) untuk mempertingkatkan prestasi dan produktiviti wargakerja dan Bank.

Moving Forward

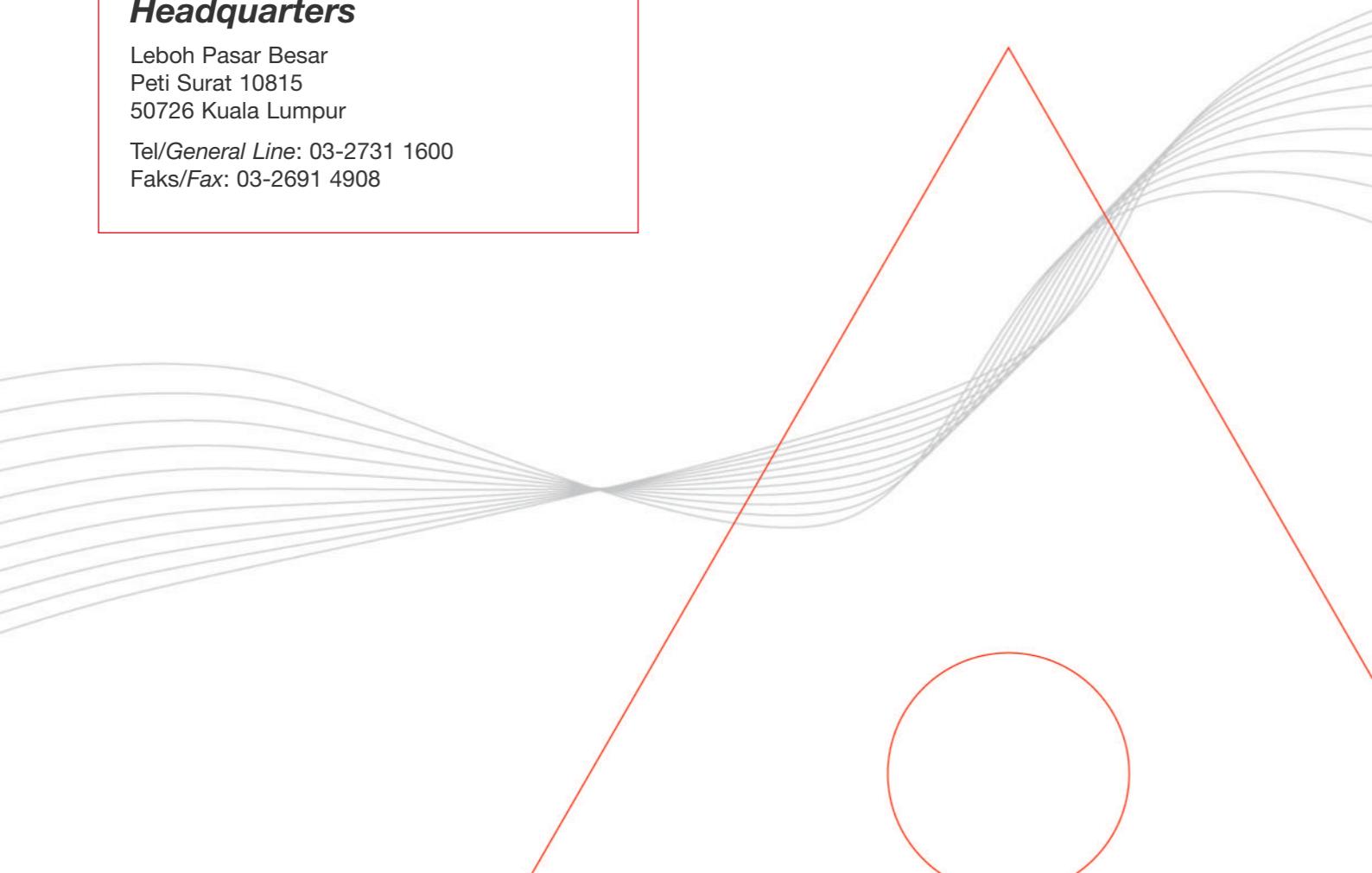
Agrobank will continue to organize programmes and activities with staff participation to ensure good relations and communication as well as continuously caring about the welfare of its staff. Among the activities planned for 2011 are the continuation of current activities as well as new activities such as A Day With Human Resource programme.

Among the initiatives which will be undertaken by the Human Resource in 2011 besides employee relations and training are improving the work culture, streamlining and enhancing related policies. Human Resource will also review and focus on Performance Assessment (Key Performance Indicator) as a measure to drive the performance and productivity of employees and the Bank.



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Headquarters**

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50726 Kuala Lumpur
Tel/General Line: 03-2731 1600
Faks/Fax: 03-2691 4908



Negeri Kedah/Perlis
State of Kedah/Perlis

Pejabat Negeri/ Cawangan/Sudut State Office/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
PEJABAT NEGERI/ STATE OFFICE	Tingkat 5, Bangunan Agrobank 1518-A, Jalan Tunku Ibrahim, 05000 Alor Star, Kedah	04-7332 708 / 04-7333 578 / 04-7333 260 / 04-7302 722	04-7338 355
ALOR STAR	Bangunan Agrobank 1518-A, Jalan Tunku Ibrahim, 05000 Alor Star, Kedah	04-7332 545 / 04-7332 558 / 04-7310 952	04-7307 813 / 04-7355 171
KODIANG	No. 81 E, Jalan Jitra 06100 Kodiang, Kedah	04-9255 137 / 04-9255 166 / 04-9252 604	04-9255 896
GUAR CHEMPEDAK	Lot 318, Jalan Yan, Pekan Guar Chempedak 08800 Guar Chempedak, Kedah	04-4686 280 / 04-4687 281	04-4687 986
BALING	Blok B, Kompleks IADP, Daerah Baling 09100 Baling, Kedah	04-4701 342 / 04-4701 722 / 04-4704 628	04-4702 333
SUNGAI PETANI	309C, Wisma Yusof, Bakar Arang 08000 Sungai Petani, Kedah	04-4218 608 / 04-4215 780	04-4426 310 / 04-4237 560
JITRA	No. 95, Jalan PJ 3, Kompleks Pekan Jitra 2, 06000 Jitra, Kedah	04-9170 120 / 04-9170 121	04-9170 411
PENDANG	Tingkat Bawah, Kompleks Perniagaan Majlis Daerah Pendang, 06700 Pendang, Kedah	04-7596 163 / 04-7596 446	04-7596 458
SIK	No. 438, Jalan Tunku Ibrahim 08200 Sik, Kedah	04-4695 282 / 04-4695 059	04-4695 775 / 04-4693 825
KUALA NERANG	No. 4, Mukim Belimbing, Padang Terap, 06300 Kuala Nerang, Kedah	04-7866 433 / 04-7868 334	04-7866 390
SIMPANG EMPAT	Lot 1658, Mukim Kayang, 02700 Simpang Empat, Perlis	04-9807 234 / 04-9807 763 / 04-9806 784 / 04-9806 781	04-9807 807
KANGAR	No. 25, Jalan Indera Kayangan, 01000 Kangar, Perlis	04-9768 479 / 04-9768 477	04-9768 482 / 04-9775 361
KUALA PERLIS	No. 24 Jalan Besar 02000 Kuala Perlis, Perlis	04-9855 550 / 04-9851 215	04-9855 778
LANGKAWI	64/65, Jalan Pandak Mayah 6, Mukim Kuah 07000 Langkawi, Kedah	04-9666 931 / 04-9668 076 / 04-9662 900	04-9666 830

Negeri Pulau Pinang
State of Penang

Pejabat Negeri/ Cawangan/Sudut State Office/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
PEJABAT NEGERI/ STATE OFFICE	No. 51, Jalan Selat, Taman Selat 12000 Butterworth	04-3328 032 / 04-3328 059 / 04-3328 064 / 04-3314 539 / 04-3314 540	04-3331 026 / 04-3316 923
BUTTERWORTH	No. 51, Jalan Selat, Taman Selat, 12000 Butterworth	04-3314 539 / 04-3314 540	04-3316 923
KEPALA BATAS	No. 1 & 3, Jalan Bertam 13200 Kepala Batas	04-5751 422 / 04-5755 906 / 04-5741 126	04-5755 232
BAYAN BARU	No. 16 & 18 Jalan Tengah, Taman Sri Tunas 11900 Bayan Baru	04-6443 604 / 04-6464 579	04-6446 052 / 04-6452 395
NIBONG TEBAL	No. 1695 & 1696 Jalan Besar, 14300 Nibong Tebal	04-5931 144 / 04-5933 451	04-5933 992
BALIK PULAU	No. 858-E, Taman Seri Indah Jalan Besar, 11000 Balik Pulau	04-8660 912 / 04-8666 021	04-8660 686
PENANTI	No. 15, Jalan Penanti 1 Taman Penanti, 14000 Bukit Mertajam	04-5213 651 / 04-5212 286	04-5212 258
KULIM	No. 4 Kompleks PKNK Jalan Tengku Asaad, 09000 Kulim, Kedah	04-4908 015 / 04-4908 017 / 04-4907 513	04-4908 016
TASEK GELUGOR	Lot 7, No. 3025, Jalan Hashim Awang Taman Gelugor Indah, Seberang Perai Utara, 13300 Tasek Gelugor	04-5732 775 / 04-5733 832	04-5731 981
TELUK BAHANG	48-0-6, Jalan Hassan Abas, 11050 Teluk Bahang, Pulau Pinang	04-8852 657	04-8851 640
BUKIT MERTAJAM	No. 3341 & 3342, Jalan Pusat Perniagaan 1, Pusat Perniagaan Alma, 14000 Bukit Mertajam, Pulau Pinang	04-5512 300 / 04-5512 301	04-5512 302
BATU MAUNG (Kiosk)	No. 21-1, Lintang Batu Maung 1, 11960 Bayan Lepas, Pulau Pinang.	04-6264150 / 04-6262767	04-6262 517

Negeri Perak
State of Perak

Pejabat Negeri/ Cawangan/Sudut State Office/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
PEJABAT NEGERI/ STATE OFFICE	No. 15 & 17, Tingkat 2 Persiaran Greentown 5, Pusat Perdagangan Greentown, 30450 Ipoh.	05-2559 380 / 05-2559 394 / 05-2559 964 / 05-2423 593	05-2418 957 05-2423 518
SITIAWAN	No. 109 & 110, Taman Sejati 2, Jalan Lumut 32000 Sitiawan	05-6917 490 / 05-6917 487 / 05-6924 540	05-6917 061 / 05-6918 053
TAIPING	No. 37, Tingkat Bawah & Satu Market Square, 34000 Taiping	05-8089 834 / 05-8089 835	05-8089 837
KAMPAR	No. 46, Jalan Balai 31900 Kampar	05-4666 009 / 05-4666 010	05-4666 016
GERIK	No. 109, Jalan Takong Datok 33300 Gerik	05-7913 640 / 05-7913 655	05-7913 641
TAPAH	No. 53-B Jalan Besar 35000 Tapah	05-4014 600 / 05-4014 601	05-4014 602
CAMERON HIGHLANDS	No. 54A & B, Persiaran Camelia 3 Bandar Baru Tanah Rata, 39000 Cameron Highlands	05-4912 500 / 05-4912 563	05-4912 863
SEBERANG PERAK	Tkt Bwh, Bangunan FELCRA Berhad Bandar Seberang Perak, 36800 Kampung Gajah	05-6551 089 / 05-6551 469 / 05-6551 255	05-6551 090
PULAU PANGKOR	No. 9, Jalan Besar 32300 Pulau Pangkor	05-6852 281	05-6852 318
SELAMA	No. 69, Jalan Besar 34100 Selama	05-8395 250 / 05-8395 251	05-8395 252 / 05-8393 240
TANJONG MALIM	No. 60, Jalan Besar 35900 Tanjong Malim	05-4598 800 / 05-4598 801	05-4598 804
LENGGONG	No. A-4, Plaza Lenggong 33400 Lenggong	05-7678 828	05-7678 849

Negeri Perak
State of Perak

Pejabat Negeri/ Cawangan/Sudut State Office/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
PARIT BUNTAR	No. 1, Jalan Shah Bandar, Pusat Bandar 34200 Parit Buntar	05-7164 121	05-7164 457
SRI ISKANDAR	No. 8A & 8B, Persiaran Dataran 1 Bandar Sri Iskandar, 32600 Bota, Perak	05-3712 743 / 05-3712 745	05-3712 744
IPOH	No. 15 & 17, Tkt Bwh & 1, Persiaran Greentown 5, Pusat Perdagangan Greentown, 30450 Ipoh	05-2548 742 / 05-2540 840 / 05-2556 094	05-2424 715 / 05-2535 644
TELUK INTAN	No. 42, Medan Mahkota, Jalan Pasar 36000 Teluk Intan	05-6222 644 / 05-6226 816 / 05-6218 400	05-6215 986 / 05-6229 489
BAGAN SERAI	No. 106 & 108, Jalan Besar 34300 Bagan Serai	05-7215 377 / 05-7215 376 / 05-7212 376	05-7212 414 / 05-7212 601
PARIT	Lot 779, Jalan Kelab 32800 Parit	05-3371 306	05-3773 392
PANTAI REMIS	Lot 2190, Jalan Besar 34900 Pantai Remis	05-6771 725 / 05-6772 352	05-6771 892
KAMPUNG GAJAH	No. 13&14, Bangunan UMNO, Jalan Besar, 36800 Kampung Gajah, Perak	05-6311 570 / 05-6312 658	05-6312 403
SLIM RIVER	No. 10, Jalan Ahmad Boestaman 35800 Slim River, Perak	05-4528 074 / 05-4528 067	05-4520 090
KUALA KANGSAR	No. K6 & K7, Jalan Bendahara Bandar Baru, 33000 Kuala Kangsar	05-7761 155 / 05-7763 149 / 05-7766 682	05-7762 922 / 05-7765 819
SERDANG (Agro Corner)	No. 20, Tingkat Bawah Bangunan Rumah Kedai MDBB, Jalan Bekas Lombong, 09800 Serdang	04-4078 909	04-4077 332
CHANGKAT KRUING (Agro Corner)	No. 248, Jalan Besar 32500 Changkat Kruing, Perak	05-6752 104	05-6752 105

Negeri Wilayah Persekutuan Kuala Lumpur
Federal Territory of Kuala Lumpur

Pejabat Negeri/ Cawangan/Sudut State Office/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
PEJABAT NEGERI/ STATE OFFICE	No. 142 Jalan 2/3A Pusat Bandar Utara 68100 Batu Caves, Kuala Lumpur	03-6137 6433 / 03-6137 3433 / 03-6135 2005	03-6138 9881
KUALA LUMPUR	Tingkat 1, Lebuh Pasar Besar Peti Surat 130315, 50726 Kuala Lumpur	03-2691 2754 / 03-2692 2660	03-2691 4599 / 03-2692 0513
PANDAN INDAH	No. 14, ACD/1, Menara A Persiaran MPAJ Jalan Pandan Utama, Pandan Indah 55100 Kuala Lumpur	03-4295 9466 / 03-4296 1419	03-4295 5229
BANDAR TASEK SELATAN	No. 27G & 29G, Jalan 8/146, Bandar Tasik Selatan 57100 Kuala Lumpur	03-9056 5700 / 03-9056 5900	03-9056 1200
SELAYANG	No. 141 & 143 Jalan 2/3A, Pusat Bandar Utara 68100 Batu Caves, Kuala Lumpur	03-6136 9469 / 03-6136 8453	03-6136 0410
AMPANG POINT	92, Jalan Memanda 2, Ampang Point 68000 Ampang	03-4252 2960 / 03-4252 3827	03-4252 5185
SEPUTEH	No. 40, Tingkat Bawah, Wisma Belia Jalan Syed Putra, 50460 Kuala Lumpur	03-2274 5681 / 03-2274 5685	03-2274 5717
JALAN TUANKU ABDUL RAHMAN	No. 498 Jalan Tuanku Abdul Rahman 50100 Kuala Lumpur	03-4042 5046 / 03-4042 6079	03-4041 3873
CHERAS	No. 65 & 65-1, Jalan Dwitasik 1, Dataran Dwitasik Bandar Sri Permaisuri, 56000 Kuala Lumpur	03-9173 2387 / 03-9173 2389	03-9173 2385
GREENWOOD	SH 25, Jalan 7, Taman Greenwood 68100 Batu Caves, Selangor	03-6186 8613 / 03-6186 8614	03-6186 8615
WANGSA MAJU (Kiosk)	No. 12A-G, Jalan Wangsa Delima 10 Wangsa Link, Pusat Bandar Wangsa Maju 53300 Kuala Lumpur	03-4142 0116 / 03-4142 0119	03-4142 0124
KEPONG (Kiosk)	No. 25 Jalan Metro Perdana 7 Taman Usahawan Kepong 52100 Kuala Lumpur	03-6251 7397 / 03-6251 7416	03-6251 7422

Negeri Selangor
State of Selangor

Pejabat Negeri/ Cawangan/Sudut State Office/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
PEJABAT NEGERI/ STATE OFFICE	No 3-5, Pusat Dagangan UMNO Shah Alam Persiaran Damai, Seksyen 11 40000 Shah Alam, Selangor.	03-5510 4286 / 03-5510 4268 / 03-5519 3537 / 03-5519 6879	03-5510 6740 / 03-5513 4519
SHAH ALAM	No. 3-1, Pusat Dagangan UMNO Shah Alam, Persiaran Damai, Seksyen 11, 40000 Shah Alam	03-5519 8250 / 03-5519 8433	03-5519 9017
TANJUNG KARANG	Lot 131, Jalan Bomba 45500 Tanjung Karang	03-3269 8084 / 03-3269 8052 / 03-3269 8064	03-3269 8100
BANTING	123 & 125, Jalan Sultan Abdul Samad 42700 Banting	03-3187 2552 / 03-3187 1558 / 03-3181 7099	03-3187 3080
KUALA KUBU BARU	No. 38, Jalan Dato' Hj. Kamarudin 44000 Kuala Kubu Baru	03-6064 1775 / 03-6064 1779	03-6064 1815
SUNGAI BESAR	Lot 4746 & 4747, Jalan Sungai Limau, 45300 Sungai Besar	03-3224 2522 / 03-3224 2902 / 03-3224 3192	03-3224 1717
KLANG	No. 7, Lorong Batu 3, Kawasan 18 41300 Klang	03-3342 8212 / 03-3341 0662 / 03-3343 6584	03-3242 8203
KAJANG	No. 2-G & 2-1, Reko Sentral, Jalan Reko Sentral 4, Off Jalan Reko, 43000 Kajang	03-8736 6337 / 03-8736 9425 / 03-8736 6364	03-8736 6471
SEKINCHAN	No. 50 & 50A, Jalan Menteri Besar 1, Sekinchan Business Centre, 45400 Sekinchan	03-3241 0326 / 03-3241 3796	03-3241 0337
SUNGAI BULOH	Lot 2380 Jalan 1A/1, Bandar Baru Sg. Buloh, 47000 Sungai Buloh	03-6156 7207 / 03-6156 7208	03-6156 7209
SALAK TINGGI	No. E 061 & E 071, Block E Phase 1B, Cosmoplex Salak Tinggi, 43900 Sepang	03-8706 2153 / 03-8706 2154	03-8706 3032
TELUK PANGLIMA GARANG	No. 168, Jalan Utama 2, Taman Jaya Utama 42500 Teluk Panglima Garang	03-3122 0980 / 03-3122 0982	03-3122 0984
JERAM	No. 258, Jalan Besar Pekan, Sungai Buloh 45800 Jeram	03-3264 8620 / 03-3264 7704	03-3264 8096
SUBANG JAYA	No. 79, Jalan SS 19/6, 47500 Subang Jaya	03-5632 9578 / 03-5632 9579	03-5632 0856
SABAK BERNAM	No. 82A & 83A, Jalan Menteri, 45200 Sabak Bernam	03-3126 2488 / 03-3126 2673	03-3126 2566
KOTA DAMANSARA (Kiosk)	No. 11-1, Tingkat Bawah, Jalan PJU 5/6, Dataran Sunway, Kota Damansara 47810 Petaling Jaya, Selangor Darul Ehsan	03-6140 8615 / 03-6140 7615	03-6141 6651

Negeri Negeri Sembilan / Melaka
State of Negeri Sembilan / Malacca

Hub/ Cawangan/Sudut Hub/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
SEREMBAN (Hub)	Blok 13-2, Seremban City Centre, Jalan Pasar Besar, 70000 Seremban	06-7625 476 / 06-7615 218 / 06-7610 528 / 06-7639 541 / 06-7624 875 / 06-7611 172 / 06-7610 277 / 06-7635 341 / 06-7675 430 (Hub)	06-7620 744 / 06-7628 152 / 06-7679 758
PORT DICKSON	No. 925, Jalan Lama, 71000 Port Dickson, Negeri Sembilan	06-6473 427 / 06-6474 107 / 06-6462 854	06-6475 324
KUALA PILAH	Lot 3 & 4, Jalan Hospital 72000 Kuala Pilah	06-4811 251 / 06-4814 251	06-4814 727
KUALA KLawANG	No. 204, Jalan Pertang 71600 Kuala Klawang	06-6136 433 / 06-6137 375	06-6137 595
NILAI	PT 4697 & PT 4698 Jalan TS 1/1, Taman Semarak, 71800 Nilai	06-7993 455 / 06-7993 473	06-7993 480
BAHAU	No. 18 & 19 Jalan Kiara 1 Pusat Perniagaan Kiara, 72100 Bahau, Negeri Sembilan	06-4546 508 / 06-4549 518 / 06-4543 352 / 06-4549 513	06-4544 690
MELAKA	Wisma Datuk Haji Mohd Jalan Hang Tuah, 75300 Melaka	06-2844 537 / 06-2844 519 / 06-2811 495	06-2839 754
ALOR GAJAH	No. 1, Kompleks Perniagaan 78000 Alor Gajah, Melaka	06-5562 600 / 06-5562 719	06-5565 327
JASIN	JA 1763, Bandar Baru Jasin 77000 Jasin, Melaka	06-5295 324 / 06-5293 413 / 06-5296 091	06-5295 325
PASIR PANJANG (Kiosk)	No. 54, Jalan Besar 71250 Pasir Panjang, Port Dickson Negeri Sembilan	06-6619 920 / 06-6610 379	06-6610 360
SIMPANG DURIAN (Kiosk)	No. 15, Pekan Desa Permai 72400 Simpang Durian Negeri Sembilan	06-4914 633	06-4914 633

Negeri Johor
State of Johore

Pejabat Negeri/ Cawangan/Sudut State Office/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
PEJABAT NEGERI/ STATE OFFICE	Tingkat 3 & 4, No. 66, Susur 1, Jalan Tun Abdul Razak, Kompleks Medan Cahaya, 80000 Johor Bharu	07-2247 788 / 07-2237 201 / 07-2279 576	07-2237 377
JOHOR BAHRU	No. 30 & 32, Susur 1, Jalan Padi Emas 6/1, Bandar Baru Uda, 81200 Johor Bahru, Johor	07-2344 761 / 07-2344 762 / 07-2344 769	07-2344 759
MUAR	No. 63-1, Jalan Ali, 84000 Muar	06-9523 446 / 06-9515 625	07-9511 400
BATU PAHAT	No. 4 & 5, Jalan Mengkudu Taman Makmur, 83000 Batu Pahat	07-4342 182 / 07-4348 281/ 07-4331 516	07-4310 202
SEGAMAT	No. 52, Jalan Susur Genuang, Kg. Abdullah 85000 Segamat, Johor	07-9312 346 / 07-9312 327	07-9323 1046
PONTIAN	No. 660-1, Jalan Taib, Wisma Rokijah, 82000 Pontian	07-6871 955 / 07-6871 958	07-6874 290
RENGIT	No. 13 & 13A, Jalan Besar 83100 Rengit	07-4241 304 / 07-4242 523 / 07-4245 304	07-4242 367
KOTA TINGGI	No. 16 & 18, Jalan Niaga 2 Pusat Perdagangan Kota Tinggi, 81900 Kota Tinggi	07-8832 042 / 07-8833 471/ 07-8828 313	07-8831 050
MERSING	No. 74, Jalan Ismail 86800 Mersing	07-7991 434 / 07-7992 988 / 07-7992 630	07-7994 022
KLUANG	No. 60, Jalan Duku, 86000 Kluang, Johor	07-7721 800 & 07-7722 436	07-7736 170
LABIS	No. 92 & 94, Jalan Segamat, 85300 Labis	07-9254 417 / 07-9254 418	07-9254 416
KULAI	No. 34, Jalan Susur Kulai 2, Kulai Besar, 81000 Kulai	07-6639 863	07-6639 866
YONG PENG	No. 3 Jalan Besar, 83700 Yong Peng	07-4674 858 / 07-4677 300	07-4675 654
SIMPANG RENGGAM	No. 5, Jalan Kijang, Taman Mohd Yassin 86200 Simpang Renggam	07-7559 890 / 07-7558 600	07-7558 304
TANGKAK	No. 14, Tingkat Bawah Jalan Muar, 84900 Tangkak	06-9786 401 / 06-9786 402	07-9786 400
PARIT YUSOF (Kiosk)	12, Jalan Parit Yusof, 83600 Batu Pahat, Johor	07-4163 479	07-4163 479

Negeri Terengganu
State of Terengganu

Pejabat Negeri/ Cawangan/Sudut State Office/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
PEJABAT NEGERI/ STATE OFFICE	No. 106, Jalan Sultan Ismail 20200 Kuala Terengganu	09-6222 408 / 09-6222 508 / 09-6222 084 / 09-6261 064	09-6224 139 / 09-6248 784
KUALA TERENGGANU	No. 106, Jalan Sultan Ismail 20200 Kuala Terengganu	09-6222 044 / 09-6222 126 / 09-6220 139	09-6220 479
DUNGUN	K-42, Jalan Haji Zainal Abidin 23000 Dungun	09-8481 146 / 09-8482 127	09-8483 698
JERTEH	Lot 182, Jalan Tuan Hitam 22000 Jerteh, Terengganu	09-6971 261 / 09-6971 443 / 09-6972 400	09-6972 196
KEMAMAN	No. KCP 55, Jalan Sulaimani, Business Centre Point, 24000 Kemaman, Terengganu	09-8593 455 / 09-8593 254	09-8595 757
KUALA BERANG	No. 344 Jalan Besar 21700 Kuala Berang, Terengganu	09-6811 434 / 09-6811 433 / 09-6813 419	09-6811 806
CENEH BARU	K2 & K3, Bandar Ceneh Baru 24000 Kemaman, Terengganu	09-8730 454 / 09-8730 578	09-8730 461
BUKIT PAYONG	PT92, Perkedaihan Bukit Payong, Fasa2 21700 Marang, Terengganu	09-6191 006 / 09-6194 925	
BANDAR PERMAISURI	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 / 09-6183 477	09-6182 809
KUALA BESUT (Kiosk)	PT 2833, Rumah Kedai, Jalan Semarak, 23000 Kuala Besut, Terengganu	09-6974 885	09-6904 936

Negeri Pahang
State of Pahang

Pejabat Negeri/ Cawangan/Sudut State Office/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
PEJABAT NEGERI/ STATE OFFICE	Tingkat 1, No. 57, Jalan Tun Ismail, 25000 Kuantan, Pahang	09-5156 842 / 09-5156 933	09-5157 524
KUANTAN	No. 57, Jalan Tun Ismail 25000 Kuantan	09-5158 164 / 09-5156 853 / 09-5156 344	09-5156 768 / 09-5146 768
KUALA ROMPIN	No. 20 Bandar Baru, 26800 Kuala Rompin	09-4145 343 / 09-4145 122	09-4145 192
RAUB	No. 43, Jalan Dato Abdullah. 27600 Raub	09-3551 750 / 09-3553 780 / 09-3559 453	09-3555 099 / 09-3562 153
TEMERLOH	F-58, Jalan Tok Muda Awang Ngah, Bandar Baru, 28000 Temerloh	09-2961 877 / 09-2961 231 / 09-2960 361	09-2963 851
KUALA LIPIS	No. 95A & 95B, Lot 95, Bandar Baru Seberang Jelai, 27200 Kuala Lipis	09-3126 694 / 09-3126 695	09-3126 790
PEKAN	No. 1 Lorong Perdagangan 1 Pusat Perdagangan, Jalan Engku Muda Mansor, 26600 Pekan, Pahang	09-4222 722 / 09-4222 922	09-4222 022
TRIANG	No. 36, Jalan Dagangan 7, Pusat Dagangan Triang 28300, Triang, Pahang	09-2557 699 / 09-2558 570 / 09-2557 696	09-2551 114
MARAN	No. 49, Bangunan LKNP, Jalan Bandar Baru, 26500 Maran	09-4771 591 / 09-4771 743	09-4771 066
BANDAR TUN RAZAK	KTR-007 & 008 Kedai Dara, 26900 Bandar Tun Razak	09-4458 398 / 09-4458 738	09-4458 399
BENTONG	No. 49 Jalan Loke Yew, 28700 Bentong	09-2221 178	09-2226 086
MENTAKAB	No. 129 Jalan Temerloh, 28400 Mentakab	09-2779 740	09-2779 742
JERANTUT	Lot 1, Seksyen 1, Bangunan Yayasan Pahang, 27000 Jerantut	09-2662 966 / 09-2668 053 / 09-2667 962	09-2662 554
JENGKA	Lot 8 & 9, Lorong Baiduri Nadi Kota, 26400 Bandar Jengka	09-4663 942 / 09-4664 259	09-4663 941
CHEROH	No. 2, Gerai Majlis Daerah, 27620 Raub	09-3697 820	09-3697 185
TRAS	No. 27, Jalan Besar, 27600 Raub	09-3615 590	09-3615 700
SUNGAI RUAN	No. 573, Jalan Besar, 27500 Sungai Ruan	09-3689 062	09-3686 312
SRI JAYA	No. 11, Taman Mas, Kampung Sri Jaya, 26500 Maran	09-4789 859	09-4789 859
LANCHANG (Kiosk)	Jalan Dato' Syed Abdullah Satu (1), 28500 Lanchang, Pahang	09-2803 167	09-2551 114
KUALA KRAU (Agro Corner)	No. 14, Jalan Besar, Kuala Krau, 28050 Temerloh, Pahang	09-2861 588 / 06-2861 129	09-2861 309

Negeri Kelantan
State of Kelantan

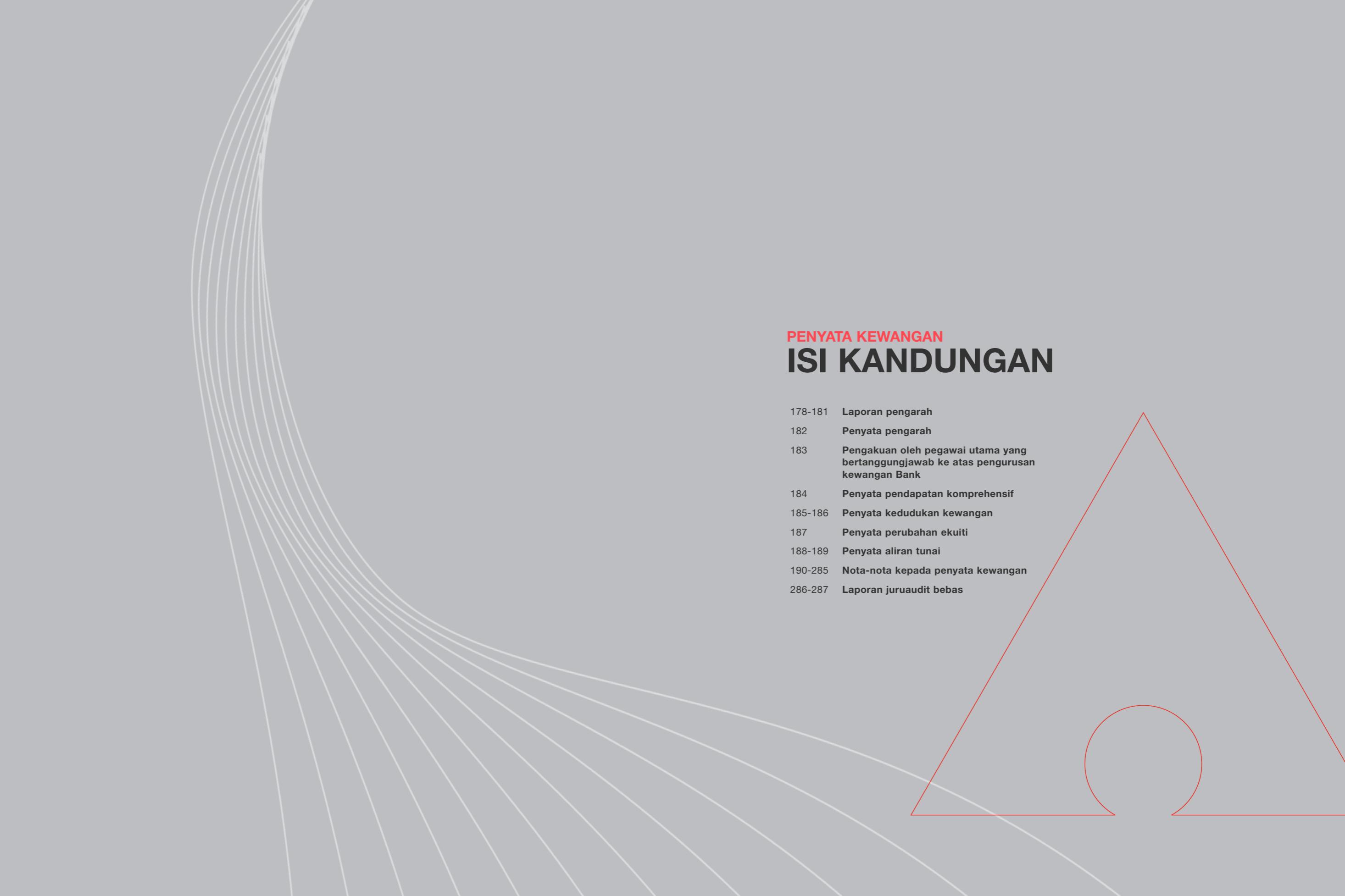
Pejabat Negeri/ Cawangan/Sudut State Office/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
PEJABAT NEGERI/ STATE OFFICE	Tingkat 2, Seksyen 12, Jalan Padang Garong, 15000 Kota Bharu	09-7487 684 / 09-7481 295 / 09-7476 733 / 09-7461 048	09-7471 521 / 09-7471 882
KOTA BHARU	Seksyen 12, Jalan Padang Garong 15000 Kota Bharu	09-7481 211 / 09-7440 134 / 09-7462 616	09-7462 143 / 09-7480 411
KUALA KRAI	Lot 1520, Jalan Tengku Zainal Abidin 18000 Kuala Krai	09-9666 116 / 09-9663 436	09-9663 349 / 09-9660 634
PASIR PUTEH	2988-B, Lot 471, Jalan Sekolah Keb. Lelaki 16800 Pasir Puteh	09-7867 311 / 09-7866 258	09-7867 130
BACHOK	Lot 294 & 295, Bandar Bachok, 16300 Bachok	09-7788 393 / 09-7788 804	09-7788 807
PASIR MAS	Lot 308, 128 & 129, Jalan Pasir Pekan 17000 Pasir Mas	09-7909 098 / 09-7900 544	09-7900 688
TANAH MERAH	Agrobank Cawangan Tanah Merah, Lot 219 & 220, Jalan Hospital, 17500 Tanah Merah Kelantan	09-9556 100 / 09-9557 287	09-9556 169
JELI	Lot PT 1527 Jalan Kuala Balah 17600 Bandar Baru Jeli	09-9440 252 / 09-9440 886	09-9440 469
GUA MUSANG	Lot PT 993, Bandar Baru Gua Musang 18300 Gua Musang	09-9122 542 / 09-9122 244	09-9122 949
TUMPAT	No. 127 Jalan Hulu Pasar, 16200 Tumpat	09-7258 279	09-7258 278
RANTAU PANJANG	PT 199 Kompleks Perkedaihan Baru 17200 Rantau Panjang	09-7950 520 / 09-7950 877	09-7950 160
MACHANG	Lot PT(B) 145, Jalan Pasir Putih Bandar Baru, 18500 Machang	09-9753 391	09-9751 480
PASAR BESAR (Agro Corner)	Tingkat 1, Pasar Besar Siti Khadijah, Buluh Kubu, 15000 Kota Bharu	09-7461 198	-
PEKAN JELAWAT (Agro Corner)	Pekan Jelawat, 16300 Bachok	09-7783 075	-

Negeri Sabah
State of Sabah

Pejabat Negeri/ Cawangan/Sudut State Office/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
PEJABAT NEGERI/ STATE OFFICE	Tingkat 2, No. 135 Jalan Gaya, Beg Berkunci 145, 88994 Kota Kinabalu	088-288 237 / 088-288 288 / 088-288 211 / 088-267 071	088-288 222 / 088-288 239
KOTA KINABALU	No. 135, Jalan Gaya, Beg Berkunci 145, 88994 Kota Kinabalu	088-288 288 / 088-288 286 / 088-288 285	088-288 280
TAWAU	No. 7 Block N, Jalan Dunlop, Bandar Sabindo, Peti Surat 60157 91011 Tawau	089-773 222 / 089-773 291 / 089-773 294 / 089-770 202	089-765 677
SANDAKAN	Ting. Bawah & Ting. 1, Blok Y, Lot 3 & 4, Jalan Laila Bandar Ramai-Ramai, 90000 Sandakan	089-275 958 / 089-275 524 / 089-215 946	089-216 705
KENINGAU	Lot 1, Block D, Keningau Plaza Peti Surat No. 2065 89009 Keningau, Sabah	087-331 353 / 087-333 373 / 087-334 353	087-332 487
LAHAD DATU	Lot 58, MDLD 4155, Jalan Bunga Raya, Bandar Wilayah, 91110 Lahad Datu, Sabah	089-882 561 / 089-882 562 / 089-881 659	089-882 291
KOTA BELUD	Lot 3 & 4, Blok E, Pekan Baru 89150 Kota Belud	088-977 141 / 088-975 125 / 088-975 137 / 088-975 145	088-977 152
BEAUFORT	Lot 2, Cerah Commercial Centre Peti Surat 506, 89800 Beaufort	087-201 301 / 087-201 305 / 087-201 303 / 087-201 304	087-201 302
KOTA MARUDU	Lot 22, Blok D, Pekan Baru Goshen, Peti Surat 460, 89100 Kota Marudu	088-661 793 / 088-663 021 / 088-661 794	088-622 325
W.P LABUAN	No. U0374, Jln. Anggerik 87007 WP Labuan	087-408 988 / 087-408 200 / 087-413 223	087-408 222
TUARAN	Lot 5 & 6, Bangunan Sung Burongoh 89208 Tuaran Sabah	088-792 906 / 088-787 216	088-791 499
PAPAR	Lot 9, Taman OKK Hj. Mahali, 89608 Papar	088-914 384 / 088-916 208	089-915 449
KOTA KINABATANGAN	Blok A, Lot 1 & 2, Kota Kinabatangan, New Township, 90200 Kota Kinabatangan, Sabah	089-562 087 / 089-562 088 / 089-562 089 / 089-562 091	089-562 093
NABAWAN (Kiosk)	Majlis Daerah Nabawan, Peti Surat No. 27, 89957 Nabawan, Sabah	-	-
KUALA PENYU (Agro Corner)	Pintu No. GF 001, Ruang Lobi Hospital Kuala Penyu, W.D.T 35, 89747 Kuala Penyu	087-884 753	-

Negeri Sarawak
State of Sarawak

Pejabat Negeri/ Cawangan/Sudut State Office/ Branch/Corner	Alamat Address	Telefon General Line	Faks Fax
PEJABAT NEGERI/ STATE OFFICE	Sub Lot 9, Lot 518 Jalan Kulias 93400 Kuching, Sarawak	082-429 077 / 082-424 577 / 082-252 722	082-243 363
KUCHING	Sub Lot 9, Lot 518 Jalan Kulias 93400 Kuching, Sarawak	082-410 126 / 082-410 179 / 082-410 671 / 082-410 827	082-235 368 / 082-253 796
SARIKEI	No. 39, Lot 74, Jln. Haji Karim Peti Surat 429, 96107 Sarikei	084-654 334 / 084-654 326	084-653 677
LAWAS	Lot 323 & 324, Jalan Trusan, Peti Surat 197, 98857 Lawas	085-285 762 / 085-285 064	085-285 055
SIBU	No. 10 D & 10 E, Jalan Kampung Datu, 96000 Sibu, Sarawak	084-325 199 / 084-323 188 / 084-327 648	084-323 777
SRI AMAN	Sub Lot No. 8, Lot 1530, Blok 3, Jalan Sabu, Peti Surat 354, 95008 Sri Aman	083-321 788 / 083-320 839 / 083-327 944 / 083-327 946	083-320 923
MIRI	Lot 1305 Ground & First Floor Centre Point Commercial Centre, Jalan Melayu, 98000 Miri	085-411 801 / 085-411 818 / 085-411 802	085-420 986
BINTULU	Lot 227, Sublot 31, Parkcity Commerce Square, Phase III Jalan Tun Ahmad Zaidi, 97000 Bintulu	086-330 015 / 086-330 016 / 086-313 546	086-330 017
LIMBANG	Lot 1405, Jalan Buangsiol, Peti Surat 495, 98700 Limbang	085-213 076 / 085-213 077 / 085-215 224	085-213 487
MUKAH	Sub Lot 59, Medan Setia Raja, 96400 Mukah	084-874 048 / 084-874 049	084-874 050
KAPIT	Lot 346, Jalan Tiong Ung Hong Peti Surat 355, 96807 Kapit	084-797 144 / 084-799 972	084-797 006
SERIAN	Lot 291, Serian Bazaar, Off Serian By Pass, Serian Town District, 94700 Serian	082-876 823 / 082-876 824	082-876 825
SARATOK	No. 20, Lot 636, Pekan Saratok, 95400 Saratok	083-437 328 / 083-437 337	083-437 326
SIMUNJAN	Lot 139, Jalan Nanas, 94800 Simunjan	082-803 812 / 082-803 629	082-803 695
LUBUK ANTU (Kiosk)	Lot 163, Lubuk Antu Town District, Bahagian Sri Aman, Sarawak	-	-
PUSA (Kiosk)	Sub Lot 5, Lot 1031, Block 6, Sablor Land District, 94950, Pusa, Sarawak	083-465 327 / 083-465 326	083-465 328
DARO (Agro Corner)	Sub Lot No. 35, Lot 158, Jalan Bazaar, 96200 Daro, Sarawak	084-823 819	084-823 820
SELANGAU (Agro Corner)	Lot 95, Blok 14, Selangau New Town Phase 2, 96008 Sibu	084-891 189	084-891 142
PAKAN (Agro Corner)	Pejabat Daerah, 96510 Pakan, Sarawak	084-791 211	084-791 200



PENYATA KEWANGAN **ISI KANDUNGAN**

- 178-181 Laporan pengarah
- 182 Penyata pengarah
- 183 Pengakuan oleh pegawai utama yang bertanggungjawab ke atas pengurusan kewangan Bank
- 184 Penyata pendapatan komprehensif
- 185-186 Penyata kedudukan kewangan
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- 190-285 Nota-nota kepada penyata kewangan
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LAPORAN PENGARAH

Pengarah-pengarah dengan sukatanya membentangkan laporan mereka serta penyata kewangan Bank yang beraudit kepada ahli-ahli bagi tahun kewangan berakhir 31 Disember 2010.

AKTIVITI UTAMA

Aktiviti utama Bank adalah menjalankan aktiviti-aktiviti perbankan, pembiayaan, pelaburan dan perkhidmatan yang dibenarkan oleh Akta Bank Pertanian Malaysia Berhad, 2008.

Tiada sebarang perubahan ketara di dalam aktiviti-aktiviti utama Bank di dalam tahun kewangan semasa.

KEPUTUSAN KEWANGAN

	RM
Keuntungan sebelum cukai dan zakat	376,783,962
Cukai	(617,468)
Zakat	(281,194)
Keuntungan bersih bagi tahun	375,885,300

DIVIDEN

Dividen akhir sebanyak 3% ditolak cukai, berjumlah RM22.5 juta, yang dicadangkan dalam tahun kewangan yang lepas dan diuruskan di dalam laporan pengarah tahun sebelumnya telah dibayar pada 25 November 2010.

Para pengarah tidak mencadangkan sebarang pembayaran dividen bagi tahun kewangan semasa.

RIZAB DAN PERUNTUKAN

Tiada pindaan penting kepada atau daripada rizab atau peruntukan sepanjang tahun kewangan selain daripada yang dinyatakan di 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.

PENJEJASAN PINJAMAN DAN PEMBIAYAAN

Sebelum penyata pendapatan komprehensif dan penyata kedudukan kewangan Bank disediakan, Pengarah-pengarah telah mengambil langkah-langkah sewajarnya 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.

Pada tarikh laporan ini, Pengarah-pengarah tidak mengetahui akan apa-apa keadaan yang akan menyebabkan 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 menjelaskan.

ASET-ASET SEMASA

Sebelum penyata pendapatan komprehensif dan penyata kedudukan kewangan Bank disediakan, Pengarah-pengarah telah mengambil langkah-langkah sewajarnya untuk memastikan bahawa aset-aset semasa, selain daripada hutang dan pembiayaan, yang tidak mungkin direalisasikan melalui urusan perniagaan biasa pada nilainya seperti yang ditunjukkan di dalam rekod perakaunan Bank telah dikurangkan nilainya kepada amaun yang dijangka boleh direalisasikan.

Pada tarikh laporan ini, Pengarah-pengarah tidak mengetahui akan apa-apa keadaan yang timbul yang menyebabkan nilai berkaitan aset-aset semasa dalam penyata kewangan Bank mengelirukan.

KAEDAH PENILAIAN

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.

LIABILITI LUAR JANGKA DAN LIABILITI-LIABILITI LAIN

Pada tarikh laporan ini, tidak wujud:

- a) apa-apa cagaran ke atas aset-aset Bank yang telah timbul sejak akhir tahun kewangan yang menjamin liabiliti mana-mana orang lain; atau
- b) apa-apa liabiliti luar jangka berkaitan dengan Bank yang telah timbul sejak akhir tahun kewangan selain daripada yang ditanggung dalam urusan perniagaan biasa.

Tiada liabiliti luar jangka atau liabiliti-liabiliti lain bagi Bank yang telah dikuatkuasakan, atau berkemungkinan dikuatkuasakan, dalam tempoh dua belas bulan selepas berakhirnya tahun kewangan yang pada pendapat Pengarah-pengarah akan atau boleh menjelaskan dengan ketara keupayaan Bank untuk memenuhi kewajipan mereka apabila tiba masanya.

PERUBAHAN KEADAAN

Pada tarikh laporan ini, Pengarah-pengarah tidak mengetahui akan ada apa-apa keadaan, jika tidak diambil kira dalam laporan ini atau penyata kewangan Bank, yang akan menyebabkan mana-mana amaun yang dinyatakan dalam penyata kewangan ini mengelirukan.

PERKARA LUAR BIASA

Keputusan kendalian Bank sepanjang tahun kewangan, pada pendapat Pengarah-pengarah, tidak terjejas dengan ketara oleh apa-apa butiran, urusniaga atau peristiwa yang penting dan luar biasa keadaannya.

Dalam tempoh antara akhir tahun kewangan dan tarikh laporan ini, tidak timbul apa-apa butiran, urusniaga atau peristiwa penting dan luarbiasa keadaannya, yang pada pendapat para Pengarah, berkemungkinan akan menjelaskan dengan ketara keputusan kendalian Bank bagi tahun kewangan berturut-turut yang dilaporkan.

PENGARAH-PENGARAH BANK

Pengarah-pengarah yang berkhidmat di Bank sejak dari tarikh terakhir laporan yang lepas adalah:

Y. Bhg. Tan Sri Faizah Mohd Tahir (Pengerusi)

(dilantik mulai 5 Ogos 2010)

Y. Bhg. Datuk Ahmad Said (Presiden / Pengarah Urusan)

Y. Bhg. Datuk Dr. Saharan Haji Anang

Pn. Rashidah Mohd Sies

(dilantik mulai 8 Jun 2010)

Y. Bhg. Datuk Johar Che Mat

(dilantik mulai 1 Julai 2010)

Y. Bhg. Dato' Mohd Mokhtar Ismail

(meletak jawatan mulai 11 November 2010)

Y. Bhg. Dato' Mohamed Salleh Bajuri (Pengerusi)

(meletak jawatan mulai 20 Jun 2010)

Y. Bhg. Dato' Mohd Hanif Sher Mohamed

(meletak jawatan mulai 3 Jun 2010)

Y. Bhg. Datuk Dr. Elias Md Kadir Baba

(meletak jawatan mulai 3 Jun 2010)

Y. Bhg. Datuk Dr. Rahamat Bivi Yusoff

(meletak jawatan mulai 7 Mei 2010)

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

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 47 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.

Sepanjang dan pada akhir tahun kewangan, Bank tidak terabit 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.

SYARIKAT INDUK

Bank Pertanian Malaysia Berhad ("Agrobank") adalah sebuah syarikat milik penuh Kementerian Kewangan Diperbadankan, sebuah syarikat dikorporatkan di Malaysia.

JURUAUDIT

Juruaudit, Tetuan Deloitte KassimChan, telah mengatakan kesediaan mereka untuk menerima perlantikan semula.

Ditandatangani bagi pihak Pengarah-pengarah
menurut resolusi Pengarah-pengarah,

TAN SRI FAIZAH MOHD TAHIR

DATUK AHMAD SAID

Kuala Lumpur
28 Mac 2011

PENYATA PENGARAH-PENGARAH

PENGAKUAN OLEH PEGAWAI UTAMA YANG BERTANGGUNGJAWAB KE ATAS PENGURUSAN KEWANGAN BANK

Pengarah-pengarah **BANK PERTANIAN MALAYSIA BERHAD**, dengan ini menyatakan bahawa pada pendapat Pengarah-pengarah, penyata kewangan yang terdiri daripada penyata kedudukan kewangan pada 31 Disember 2010 dan penyata pendapatan komprehensif, penyata perubahan ekuiti dan penyata aliran tunai bagi tahun berakhir 31 Disember 2010 dan ringkasan polisi perakaunan penting dan lain-lain nota huriahan di muka surat 184 dan 285, telah disediakan dengan sewajarnya menurut peruntukan Akta Syarikat 1965 dan Piawaian Pelaporan Kewangan sebagaimana yang diubahsuai oleh Garis Panduan Bank Negara Malaysia untuk memberi pandangan yang benar dan saksama mengenai kedudukan Bank pada 31 Disember 2010 dan keputusan kendalian perniagaan serta aliran tunai Bank bagi tahun kewangan yang sama.

Ditandatangani bagi pihak Pengarah-pengarah
menurut resolusi Pengarah-pengarah

TAN SRI FAIZAH MOHD TAHIR

DATUK AHMAD SAID

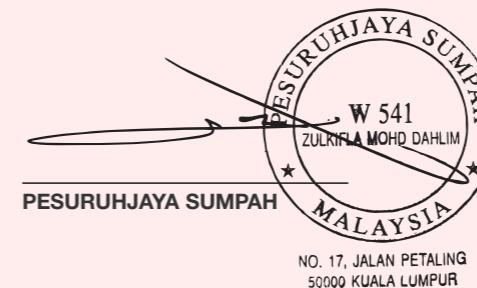
Kuala Lumpur
28 Mac 2011

Saya, **KISWAH MOHAMMAD**, pegawai utama yang bertanggungjawab ke atas pengurusan kewangan **BANK PERTANIAN MALAYSIA BERHAD**, dengan sesungguhnya dan seikhlasnya mengaku bahawa penyata kedudukan kewangan bertarikh 31 Disember 2010 dan penyata pendapatan komprehensif, penyata perubahan ekuiti dan penyata aliran tunai bagi tahun berakhir 31 Disember 2010, dan ringkasan polisi perakaunan penting dan lain-lain nota huriahan, sebaik-baik pengetahuan dan kepercayaan saya adalah betul, dan saya membuat akuan ini dengan penuh kepercayaan bahawa ia adalah benar, dan menurut peruntukan Akta Akuan Berkanun, 1960.

KISWAH MOHAMMAD

Ditandatangani dan diakui dengan
sesungguhnya oleh penama di atas
KISWAH MOHAMMAD di **KUALA
LUMPUR** dalam Wilayah
Persekutuan pada 28 Mac 2011.

Dihadapan saya,



**PENYATA PENDAPATAN KOMPREHENSIF
BAGI TAHUN KEWANGAN BERAKHIR 31 DISEMBER 2010**

**PENYATA KEDUDUKAN KEWANGAN
PADA 31 DISEMBER 2010**

	Nota	2010 RM	2009 RM
Pendapatan faedah	5	228,300,791	213,278,832
Perbelanjaan faedah	6	(69,102,132)	(67,894,338)
		159,198,659	145,384,494
Pendapatan faedah bersih			
Pendapatan Perbankan Islam	50(a)	343,294,543	290,207,209
		502,493,202	435,591,703
Pendapatan bukan faedah:			
Pendapatan Fi dan Lain-lain Operasi	7(a)	52,984,633	204,018,700
Keuntungan dan kerugian bersih instrumen kewangan	7(b)	231,066,702	-
		786,544,537	639,610,403
Pendapatan bersih	8	(288,568,126)	(284,540,290)
Perbelanjaan overhed			
Keuntungan kendalian			
Geran Kerajaan	9	497,976,411	355,070,113
		18,591,992	18,411,369
		516,568,403	373,481,482
Keuntungan kendalian bersih			
Caj penjejasan pinjaman	10	(139,784,441)	(189,679,434)
Penjejasan pelaburan kewangan	11	-	(1,784,561)
		376,783,962	182,017,487
Keuntungan sebelum cukai dan zakat			
Cukai	12	(617,468)	(731,077)
Zakat	13	(281,194)	(2,879,563)
		375,885,300	178,406,847
Keuntungan bersih bagi tahun			
Lain-lain pendapatan komprehensif			
Keuntungan bersih atas aset kewangan tersedia untuk dijual		197,594,031	-
Penyahiktirafan rizab penilaian semula pelaburan – jualan atas aset kewangan tersedia untuk dijual		(208,542,279)	-
		(10,948,248)	-
Jumlah pendapatan yang komprehensif bagi tahun		364,937,052	-

	Nota	2010 RM	2009 RM
ASET			
Tunai di tangan dan bank	14	133,383,425	125,765,083
Simpanan dengan institusi kewangan	15	2,622,917,610	1,516,048,878
Sekuriti pelaburan	16	2,694,879,074	1,856,972,342
Pinjaman, pembiayaan dan pendahuluan	17	4,804,635,100	5,275,108,624
Aset-aset lain	18	69,998,776	88,155,603
Cukai boleh pulih		-	245,380
Pajakan prabayar	19	5,776,482	6,153,538
Hartanah, loji dan peralatan	20	210,865,255	209,063,890
		10,542,455,722	9,077,513,338
JUMLAH ASET			
LIABILITI DAN EKUITI			
Liabiliti			
Deposit dan simpanan pelanggan	21	6,452,753,638	5,967,421,276
Lain-lain liabiliti			
Pelbagai sipiutang dan akruan	22 (a)	109,062,040	186,780,600
Tabung Pampasan Kredit Padi	22 (b)	2,171,297	2,046,125
Peruntukan bagi perbelanjaan cukai		31,011	-
		111,264,348	188,826,725
Pinjaman Kerajaan dan Perhutangan			
Pinjaman dari OECF	23	36,528,757	48,716,120
Tabung Untuk Makanan ("3F")	24	1,154,452,512	892,490,864
Peruntukan MPPB	25	70,135,685	50,000,000
Tabung Industri Kecil dan Sederhana ("TIKS")	26	2,284,552	2,463,160
Pinjaman Tanam Semula Kelapa Sawit ("TASKS")	27	15,000,000	15,000,000
Skim Kredit padi	28	105,190,342	70,000,000
Skim LITS ("Low Intensity Tapping Systems")	29	1,026,965	1,757,703
Skim Kredit Pengeluaran Makanan ("SKPM")	30	100,243,767	90,000,000
Dana Kementerian Belia dan Sukan ("DKBS")	31	16,900,758	20,000,000
Skim Pembiayaan Bot Perikanan ("SPBP")	32	140,000,000	140,000,000
Skim Usahawan Tani Komersil Siswazah ("SUTKS – Pinjaman")	33	10,000,000	10,000,000
Pembiayaan Industri Kecil dan Sederhana ("PKS")	34	100,230,377	85,000,000
Skim Kredit Pengeluaran Bukan Makanan ("SKPBM")	35	30,012,534	30,000,000
Dana Enterpris Mikro	36	63,673,965	17,297,537
		1,845,680,214	1,472,725,384
Jumlah Liabiliti			
		8,409,698,200	7,628,973,385

Nota-nota iringan merupakan sebahagian daripada penyata kewangan ini.

(Di bawah kehadapan)

	Nota	2010 RM	2009 RM
Dana Pemegang Saham			
Modal Saham	37	1,000,000,000	1,000,000,000
Rizab	38	1,028,923,653	323,734,971
Jumlah Dana Pemegang Saham			
		2,028,923,653	1,323,734,971
Geran Kerajaan – Belanja Modal dan Pembangunan	40	67,723,644	80,481,525
Geran Pelancaran	41	28,227,042	33,623,945
Geran Kerajaan - Dana			
Program Pembangunan Rakyat Termiskin ("PPRT")	42	2,559,925	2,559,925
Skim Usahawan Tani Komersil Siswazah ("SUTKS")	43	1,985,118	3,854,579
Dana Khas Sektor Perikanan Terengganu ("DKSP")	44	3,338,140	4,285,008
		7,883,183	10,699,512
Jumlah Ekuiti			
		2,132,757,522	1,448,539,953
JUMLAH LIABILITI DAN EKUITI			
		10,542,455,722	9,077,513,338

	Nota	Modal saham RM	Rizab berkanun RM	Rizab penilaian semula pelaburan RM	Pendapatan tertahan RM	Rizab boleh diagih Jumlah RM
Baki pada 1 Januari 2009		242,540,753	72,664,062	-	72,664,062	387,868,877
Diterbitkan pada tahun kewangan	37	757,459,247	-	-	-	757,459,247
Keuntungan bersih bagi tahun		-	-	-	-	178,406,847
Pindahan daripada pendapatan tertahan		-	89,203,424	-	(89,203,424)	-
Baki pada 31 Disember 2009		1,000,000,000	161,867,486	-	161,867,485	1,323,734,971
Baki pada 1 Januari 2010		1,000,000,000	161,867,486	-	161,867,485	1,323,734,971
Seperti yang dinyatakan sebelumnya		-	-	550,565,817	(187,814,187)	362,751,630
Kesan ke atas penerimaan pakai FRS 139		-	-	-	-	-
Seperti dinyatakan semula		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	38 (d)	-	-	-	(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 iringan merupakan sebahagian daripada penyata kewangan ini.

Nota-nota iringan merupakan sebahagian daripada penyata kewangan ini.

**PENYATA ALIRAN TUNAI
BAGI TAHUN KEWANGAN BERAKHIR 31 DISEMBER 2010**

**PENYATA ALIRAN TUNAI
BAGI TAHUN KEWANGAN BERAKHIR 31 DISEMBER 2010**

	2010	2009
	RM	RM
ALIRAN TUNAI DARI/(DIGUNAKAN DALAM) AKTIVITI OPERASI		
Keuntungan sebelum cukai dan zakat		
	376,783,962	182,017,487
Pelarasan untuk:		
Caj penjejasan pinjaman	139,784,441	189,679,052
Susutnilai hartaanah, loji dan peralatan	33,364,472	21,532,529
Perbelanjaan faedah atas pinjaman daripada Kerajaan dan OECF	5,073,333	3,562,733
Penghapusan bagi:		
Hartaanah, loji dan peralatan	2,489,085	1,272,493
Pajakan prabayar	-	157,919
Pelunasan pajakan prabayar	76,767	74,634
Keuntungan atas jualan sekuriti pelaburan	(215,378,711)	(45,196,459)
Dividen daripada sekuriti pelaburan	(20,996,157)	(13,628,225)
Pelunasan bagi:		
Geran Kerajaan – Belanja Modal	(13,195,089)	(1,722,348)
Geran Pelancaran – Belanja Modal	(2,468,167)	(2,421,633)
Keuntungan atas jualan hartaanah, loji dan peralatan	(1,259,330)	(220,309)
Peruntukan aset lain tidak lagi diperlukan	(1,000,000)	-
Keuntungan atas jualan pajakan prabayar	(8,667)	-
Pelunasan diskau bersih	-	(1,018,549)
Faedah tergantung	-	12,040,220
Keuntungan tergantung	-	11,372,777
Penjejasan pelaburan kewangan	-	1,784,561
Peruntukan khusus lain siberhutang	-	382
Keuntungan Operasi Sebelum Perubahan Modal Kerja	303,265,939	359,287,264
(Pertambahan)/Pengurangan dalam:		
Pinjaman, pembiayaan dan pendahuluan	136,548,768	(1,007,686,121)
Aset-aset lain	20,599,987	(14,954,166)
Pertambahan/(Pengurangan) dalam:		
Deposit dan simpanan pelanggan	485,332,362	393,847,766
Pelbagai sipiutang	(76,724,472)	83,524,949
Tabung Pampasan Kredit Padi	125,172	153,559
Tunai Dari/(Digunakan Dalam) Aktiviti Operasi	869,147,756	(185,826,749)
Pemulangan cukai	-	2,411,396
Bayaran cukai	(341,077)	(565,650)
Bayaran zakat	(1,275,282)	(1,655,271)
Tunai Bersih Dari/(Digunakan Dalam) Aktiviti Operasi	867,531,397	(185,636,274)

	2010	2009
	RM	RM
ALIRAN TUNAI DARI/(DIGUNAKAN DALAM) AKTIVITI PELABURAN		
Pertambahan dalam sekuriti pelaburan		
	(963,436,180)	(423,308,585)
Pembelian hartaanah, loji dan peralatan	(39,308,168)	(58,063,914)
Pendapatan dari jualan sekuriti pelaburan	880,525,728	243,558,172
Penerimaan dividen daripada sekuriti pelaburan	20,996,157	10,923,502
Pendapatan dari jualan hartaanah, loji dan peralatan	3,106,880	220,333
Pendapatan dari jualan pajakan prabayar	114,652	-
Tunai Bersih Digunakan Dalam Aktiviti Pelaburan	(98,000,931)	(226,670,492)
ALIRAN TUNAI DARI/(DIGUNAKAN DALAM) AKTIVITI PEMBIAYAAN		
Pembayaran faedah atas pinjaman daripada Kerajaan dan OECF		
	(2,546,252)	(2,658,923)
Pertambahan dalam:		
Tabung untuk Makanan (“3F”)	295,000,000	300,200,000
Peruntukan MPPB	20,000,000	25,000,000
Skim Kredit Padi	35,000,000	35,000,000
Skim Kredit Pengeluaran Makanan (“SKPM”)	10,000,000	9,147,000
Pembiayaan Industri Kecil & Sederhana (“PKS”)	15,000,000	15,000,000
Dana Enterpris Mikro	48,614,000	18,644,000
Dana Khas Sektor Perikanan Terengganu (“DKSP”)	(1,032,603)	(1,186,645)
Pembayaran Pinjaman Kerajaan dan Perhutangan	(50,087,009)	(65,353,552)
Penerimaan geran pelancaran	-	36,466,300
Penggunaan geran pelancaran	(2,928,736)	(14,267,388)
Penerimaan geran kerajaan	1,000,000	-
Penggunaan geran kerajaan	(562,792)	(1,439,874)
Pembayaran dividen	(22,500,000)	-
Tunai Bersih Diperolehi Dari Aktiviti Pembiayaan	344,956,608	354,550,918
PERTAMBAHAN/(PENGURANGAN) BERSIH TUNAI DAN TUNAI SETARA TUNAI DAN TUNAI SETARA PADA AWAL TAHUN		
	1,114,487,074	(57,755,848)
	1,641,813,961	1,699,569,809
TUNAI DAN TUNAI SETARA PADA AKHIR TAHUN	2,756,301,035	1,641,813,961
TUNAI DAN TUNAI SETARA TERDIRI DARIPADA:		
Tunai di tangan dan bank		
	133,383,425	125,765,083
Simpanan dengan institusi kewangan	2,622,917,610	1,516,048,878
	2,756,301,035	1,641,813,961

(Di bawah kehadapan)

Nota-nota iringan merupakan sebahagian daripada penyata kewangan ini.

1. MAKLUMAT AM

Bank merupakan sebuah syarikat yang diperbadankan dan bermastautin di Malaysia.

Kegiatan utama Bank adalah menjalankan aktiviti-aktiviti perbankan, pembiayaan, pelaburan dan perkhidmatan yang dibenarkan oleh Akta Bank Pertanian Malaysia Berhad 2008.

Tiada sebarang perubahan ketara di dalam aktiviti-aktiviti utama Bank di dalam tahun kewangan semasa.

Pejabat berdaftar terletak di Tingkat 12, Bangunan Setia 1, 15 Jalan Dungun, Bukit Damansara, 50490 Kuala Lumpur, Malaysia.

Tempat perniagaan utama Bank terletak di Agrobank, Lebuh Pasar Besar, Peti Surat 10815, 50726 Kuala Lumpur, Malaysia.

Penyata kewangan Bank telah diluluskan dan dibenarkan untuk diterbitkan oleh Lembaga Pengarah melalui resolusi Lembaga Pengarah bertarikh 28 Mac 2011.

2. ASAS PENYEDIAAN PENYATA KEWANGAN

Penyediaan penyata kewangan menurut Piawaian Pelaporan Kewangan ("FRS") memerlukan penggunaan anggaran perakaunan kritikal yang tertentu. Ia juga memerlukan pihak pengurusan untuk membuat pertimbangan dalam proses menggunakan polisi perakaunan. Nota-nota kepada penyata kewangan menyatakan penglibatan kadar pertimbangan yang tinggi dan rumit, atau di mana andaian adalah signifikan kepada penyata kewangan seperti nilai saksama instrumen kewangan, peruntukan bagi penyejasan pinjaman, cukai dan risiko kredit.

Penyata kewangan Bank telah disediakan menurut peruntukan-peruntukan Akta Bank Pertanian Malaysia Berhad 2008, Akta Institusi Kewangan Pembangunan 2002 - Akta 618 (DFIA), Akta Syarikat, 1965 serta Piawaian Pelaporan Kewangan ("FRS") sebagaimana yang diubahsuai oleh Garis Panduan Bank Negara Malaysia.

Penyata kewangan juga meliputi semua aktiviti yang berkaitan dengan perniagaan perbankan Islam yang telah dijalankan oleh Bank. Perniagaan perbankan Islam secara amnya merujuk kepada penerimaan deposit dan pemberian pembiayaan di bawah prinsip-prinsip Syariah.

Penerimaan Pakai Piawaian Pelaporan Kewangan baru dan disemak semula

Pada tahun kewangan, Bank telah menerima pakai semua Piawaian dan Interpretasi IC ("IC Int.") yang baru dan disemak semula dan keluaran teknikal yang berkaitan dengan operasi Bank berkuatkuasa bermula dari tempoh tahunan pada atau selepas 1 Januari 2010 seperti berikut:

FRS 7	Instrumen Kewangan: Pendedahan
FRS 7	Instrumen kewangan: Pendedahan (Pindaan berkaitan pengkelasaran semula aset kewangan dan pengkelasaran semula aset kewangan-tarikh berkuatkuasa dan peralihan)
FRS 101	Pembentangan Penyata Kewangan (Semakan pada 2009)
FRS 139	Instrumen Kewangan: Pengiktirafan dan Pengukuran
FRS 139	Instrumen kewangan: Pengiktirafan dan Pengukuran (Pindaan berkaitan kelayakan perkara 'hedge', pengkelasaran semula aset kewangan, pengkelasaran semula aset kewangan-tarikh berkuatkuasa dan peralihan, derivatif tersembunyi dan semakan FRS 3 dan FRS 127)

Penambahbaikan FRS (2009)

Interpretasi IC 9 Penilaian Semula Derivatif Tersembunyi

Interpretasi IC 9 Penilaian Semula Derivatif Tersembunyi (Pindaan berkaitan derivatif tersembunyi)

Kesan utama penerimaan pakai FRS, Pindaan kepada FRS dan Interpretasi IC di atas adalah diringkaskan seperti di bawah. Kesan kewangan yang berkaitan dibentangkan dalam Nota 49.

FRS 139 – Instrumen Kewangan: Pengiktirafan dan Pengukuran

Piawaian ini menetapkan peraturan bagi mengiktiraf, menyahiktiraf dan mengukur instrumen kewangan dan perakaunan 'hedge' sesebuah entiti. FRS 139 yang diterima pakai pada 1 Januari 2010 telah memberi kesan ke atas polisi perakaunan terutamanya berkaitan perkara berikut:

- a) Penyejasan pinjaman, pembiayaan dan pendahuluan ("pinjaman") - Bank kini menilai pada akhir setiap tempoh pelaporan sama ada terdapat sebarang bukti objektif bahawa pinjaman atau sekumpulan pinjaman adalah terjejas, hasil daripada satu atau lebih peristiwa yang berlaku selepas pengiktirafan awal. Peruntukan penyejasan pinjaman ditentukan sama ada melalui penilaian individu atau penilaian kolektif.
- b) Pengiktirafan pendapatan faedah - aset kewangan yang diklasifikasikan sebagai dipegang sehingga matang dan pinjaman dan penerimaan diukur pada kos pelunasan menggunakan kaedah faedah yang efektif. Pendapatan faedah pinjaman, pembiayaan dan pendahuluan yang diiktiraf pada kadar faedah berkontrak kini diiktiraf menggunakan kadar faedah efektif. Faedah tergantung juga tidak lagi diiktiraf atas pinjaman, pembiayaan dan pendahuluan.
- c) Klasifikasi pinjaman, pembiayaan dan pendahuluan terjejas – pinjaman kini diklasifikasikan sebagai terjejas apabila memenuhi kriteria dalam Nota 3 (d)(4)(i).
- d) Klasifikasi sekuriti pelaburan - sekuriti pelaburan kini diklasifikasikan sebagai pelaburan kewangan tersedia untuk dijual dan pelaburan kewangan dipegang sehingga matang dan pelaburan kewangan dijual apabila masing-masing memenuhi kriteria dalam Nota 3 (d)(ii) dan 3 (d)(iii).

Pindaan kepada FRS 139 Instrumen Kewangan: Pengiktirafan dan Pengukuran, FRS 7 Instrumen Kewangan: Pendedahan dan Interpretasi IC 9 Penilaian Semula Derivatif Tersembunyi membentarkan pengkelasaran semula aset kewangan bukan derivatif tertentu yang diklasifikasikan sebagai dipegang untuk urus niaga kepada sama ada dipegang sehingga matang, pinjaman dan penerimaan atau tersedia untuk dijual, dan membentarkan perpindahan aset kewangan tertentu daripada tersedia untuk dijual kepada pinjaman dan penerimaan. Sebarang perpindahan tidak memberi kesan dalam penyata kewangan Bank sejak dari tarikh penerimaan pakai.

Interpretasi IC 9 Derivatif Tersembunyi menerangkan penilaian semula derivatif tersembunyi selepas pengiktirafan pertamanya tidak dibentarkan kecuali terma instrumen ini diubah dan ianya memberi kesan yang signifikan ke atas aliran tunai. Pelaksanaan Interpretasi IC ini tidak akan memberi sebarang kesan ke atas penyata kewangan Bank.

FRS 7 – Instrumen Kewangan : Pendedahan

Piawaian ini mengkehendaki pendedahan dalam penyata kewangan yang membolehkan pengguna menaksir instrumen kewangan yang penting bagi kedudukan kewangan dan prestasi sesebuah entiti, sifat dan setakat mana risiko berikutan instrumen kewangan bagi sesebuah entiti itu terdedah dan bagaimana risiko-risiko ini diuruskan. Piawaian ini mengkehendaki pendedahan kualitatif mengenai objektif, polisi dan proses-proses pengurusan bagi menguruskan segala risiko, dan pendedahan kualitatif yang menyediakan maklumat mengenai sejauh mana sesebuah entiti itu terdedah kepada risiko, berdasarkan maklumat dalam yang disediakan kepada kakitangan pengurusan utama sesebuah entiti.

Penerimaan pakai FRS 7 mengakibatkan perubahan pada pendedahan instrumen kewangan, di mana pendedahan kini dibuat sama ada secara kategori atau kelas atas aset dan liabiliti kewangan. Oleh itu, pendedahan instrumen kewangan dan risiko-risiko berkaitan adalah lebih kukuh dan menyeluruh. Maklumat perbandingan ditunjukkan supaya ianya mengikut perbentangan tahun semasa. Oleh kerana perubahan-perubahan ini hanya digunakan untuk perbentangan, ianya tidak memberi kesan kepada keputusan kewangan Bank.

FRS 101– Pembentangan Penyata Kewangan

Piawaian ini menetapkan keperluan terhadap perbentangan penyata kewangan secara menyeluruh, garis panduan bagi struktur dan keperluan minimum untuk isi kandungan. Piawaian ini mengasingkan pemilik dan bukan pemilik dalam ekuiti, di mana butiran transaksi pemilik termasuk dalam perubahan dalam ekuiti dan perubahan dalam ekuiti bukan pemilik dibentangkan secara berasingan dalam penyata pendapatan komprehensif.

Entiti perlu mengemukakan penyata kedudukan kewangan pada awal tempoh perbandingan, di mana maklumat perbandingan diklasifikasi atau dinyatakan.

Semua perubahan bukan pemilik dalam ekuiti (iaitu pendapatan komprehensif) perlu disampaikan sama ada dalam satu iaitu penyata pendapatan komprehensif atau dalam dua penyata yang berkaitan (iaitu penyata pendapatan dan penyata pendapatan komprehensif yang berasingan). Bank telah memilih untuk membentangkan pendapatan komprehensif dalam satu penyata. Perubahan-perubahan ini hanya digunakan untuk perbentangan dan ianya tidak memberi apa-apa kesan ke atas keputusan kewangan Bank.

Penambahbaikan FRSs (2009)

Penambahbaikan FRS (2009) merangkumi pindaan-pindaan terhadap 21 FRS. Sebahagian daripada penambahbaikan melibatkan perubahan perbentangan perakaunan, pengiktirafan atau pengukuran manakala sebahagian adalah perubahan pada istilah-istilah dengan kesan yang sedikit pada perakaunan. Hanya penambahbaikan yang berikut mempunyai kesan ke atas penyata kewangan Bank.

- (a) FRS 117 Pajakan secara amnya mengkehendaki pajakan tanah dengan jangka hayat yang tidak tentu diklasifikasikan sebagai pajakan mengurus. Mengikut pindaan, pajakan tanah adalah diklasifikasikan sebagai “kewangan” atau “mengurus” berdasarkan pada prinsipal am di FRS 117 dan pindaan-pindaan ini digunakan secara retrospektif.
- (b) FRS 120 Perakaunan bagi Geran Kerajaan dan Pendedahan Bantuan Kerajaan telah dipinda bagi mengkehendakkan faedah pada pembentangan kerajaan di bawah kadar faedah pasaran dianggap sebagai geran kerajaan. Perakaunan perakaunan ini tidak dibenarkan sebelum pindaan-pindaan tersebut. Perubahan ini akan digunakan pada masa akan datang, oleh itu, ianya tidak akan memberi kesan terhadap geran kerajaan yang diterima sebelum tarikh efektif pindaan ini.

Piawaian dan Interpretasi IC Yang Telah Diterbitkan Tetapi Belum Efektif

Pada tarikh kelulusan penerbitan penyata kewangan, Piawaian dan Interpretasi IC yang baru dan disemak semula telah dikeluarkan tetapi masih belum efektif dan tidak diterima pakai oleh Bank adalah seperti yang dinyatakan di bawah.

- | | |
|---------|---|
| FRS 1 | Adaptasi Permulaan Piawaian Laporan Kewangan (semakan) ¹ |
| FRS 1 | Adaptasi Permulaan Piawaian Laporan Kewangan (Pindaan berkaitan dengan pengecualian terhad daripada Perbandingan Pendedahan FRS untuk Penerima Guna Kali Pertama) ² |
| FRS 1 | Adaptasi Permulaan Piawaian Laporan Kewangan (Pindaan yang berkaitan dengan pengecualian tambahan untuk penerima guna kali pertama) ² |
| FRS 2 | Pembayaran berdasarkan saham (Pindaan berkaitan skop FRS 2 dan semakan FRS 3) ¹ |
| FRS 2 | Pembayaran berdasarkan saham (Pindaan berkaitan dengan penyelesaian tunai urus niaga pembayaran berdasarkan saham) ² |
| FRS 3 | Kombinasi Bisnes (semakan) ¹ |
| FRS 5 | Aset Bukan Semasa Dipegang Untuk Dijual dan Pemberhentian Operasi (Pindaan berkaitan cadangan untuk menjual kawalan saham dalam anak syarikat) ¹ |
| FRS 7 | Instrumen Kewangan: Pendedahan (Pindaan berkaitan dengan meningkatkan pendedahan mengenai instrumen kewangan) ² |
| FRS 124 | Pendedahan Pihak Berkaitan (semakan) ³ |
| FRS 127 | Penyatuan dan Pengasingan Penyata Kewangan (semakan) ¹ |
| FRS 128 | Pelaburan dalam Syarikat Bersekutu (semakan) ¹ |
| FRS 132 | Instrumen Kewangan: Perbentangan (Pindaan berkaitan dengan klasifikasi terbitan hak) ⁴ |
| FRS 138 | Aset Tidak Ketara (Pindaan berkaitan akibat penambahan pindaan FRS 3) ¹ |
| FRS 139 | Instrumen Kewangan: Pengiktirafan dan Pengukuran (Pindaan berkaitan dengan pindaan tambahan berbangkit yang timbul daripada FRS 3 dan FRS 127 yang disemak semula) ¹ |

Penambahbaikan FRSs 2010²

- Interpretasi IC 4 Menentukan sama ada sesuatu aturan mengandungi Pajakan²
- Interpretasi IC 9 Penilaian Semula Derivatif Tersembunyi (Pindaan berkaitan dengan pindaan tambahan berbangkit yang timbul daripada FRS 3 yang disemak semula)¹
- Interpretasi IC 12 Aturan Perkhidmatan Konsesi¹
- Interpretasi IC 14 FRS 119 – Had ke atas Aset Faedah Tertentu, Keperluan Pembiayaan Minimum dan Interaksi Mereka (Pindaan berkaitan dengan keperluan pembiayaan minimum bayaran terdahulu)⁷
- Interpretasi IC 15 Perjanjian bagi Pembinaan Tanah Nyata⁵
- Interpretasi IC 16 ‘Hedges’ ke atas Pelaburan Bersih di dalam Operasi Luar¹
- Interpretasi IC 17 Pemberian Aset Bukan Tunai kepada Pemilik¹
- Interpretasi IC 18 Pemindahan Aset daripada Pelanggan⁶
- Interpretasi IC 19 Pembatalan Liabiliti Kewangan dengan Instrumen Ekuiti⁷

¹ Efektif untuk tempoh kewangan bermula pada atau selepas 1 Julai 2010

² Efektif untuk tempoh kewangan bermula pada atau selepas 1 Januari 2011

³ Efektif untuk tempoh kewangan bermula pada atau selepas 1 Januari 2012

⁴ Efektif untuk tempoh kewangan bermula pada atau selepas 1 Mac 2010

⁵ Tarikh asal efektif dari 1 Julai 2009 ditunda ke 1 Januari 2012 melalui pindaan yang dikeluarkan oleh MASB pada 30 Ogos 2010

⁶ Prospektif bagi pemindahan aset daripada pelanggan diterima pada atau selepas 1 Januari 2011

⁷ Berkuatkuasa bagi tempoh tahunan bermula pada atau selepas 1 Julai 2011

Para Pengarah menjangkakan bahawa Piawaian dan Interpretasi IC di atas akan diterima pakai dalam penyata kewangan tahunan Bank apabila ianya menjadi efektif dan penggunaan Piawaian dan Interpretasi IC tidak akan memberi kesan ketara ke atas penyata kewangan Bank dalam tempoh penggunaan awal.

3. RINGKASAN POLISI PERAKAUNAN YANG PENTING

(a) Asas Perakaunan

Penyata kewangan Bank telah disediakan berdasarkan konvensyen kos sejarah kecuali sebagaimana didekah dalam polisi 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 bagi aset kewangan atau liabiliti (atau sekumpulan aset dan liabiliti) dan mengagihkan pendapatan faedah atau perbelanjaan faedah sepanjang tempoh berkenaan. Kadar faedah efektif ialah kadar yang digunakan untuk diskain masa hadapan yang dijangka bagi bayaran dan penerimaan tunai, melalui jangka hayat instrumen kewangan, atau jumlah pembawa bersih instrumen untuk tempoh yang lebih singkat, mengikut kesesuaian. Penggunaan kaedah tersebut memberi kesan pada pendapatan diiktiraf yang diterima (atau pembayaran dibayar) ke atas instrumen mengikut kadar yang sama rata pada jumlah tertunggak sepanjang tempoh matang atau bayaran balik.

Dalam pengiraan faedah efektif, Bank menganggarkan aliran tunai (menggunakan unjuruan berdasarkan pengalaman tingkah laku pelanggan) mengambil kira semua terma kontrak instrumen kewangan tetapi tidak termasuk kerugian kredit masa hadapan. Pendapatan yuran, termasuk penebusan awal, dimasukkan dalam pengiraan setakat yang boleh diikir 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 tidak pasti anggaran aliran tunai yang dijangka daripada instrumen kewangan, faedah efektif diikir dengan merujuk kepada bayaran atau penerimaan yang dinyatakan dalam kontrak dan tempoh kontrak penuh.

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 daripada Kerajaan Malaysia terdiri daripada geran belanja modal dan pembangunan dan geran pelancaran. Geran belanja modal dan pembangunan yang belum diserap ditunjukkan secara berasingan daripada dana Bank. Geran belanja modal dilunaskan ke penyata pendapatan komprehensif berdasarkan anggaran tempoh hayat bergunanya sesuatu aset tetap. Belanja pembangunan dikurangkan dari Geran pembangunan apabila digunakan.

Geran pelancaran yang diterima dan akan diterima untuk belanja modal dilunaskan ke penyata pendapatan komprehensif berdasarkan anggaran tempoh hayat bergunanya sesuatu aset tersebut manakala geran pelancaran untuk belanja 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 kewangan 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 adalah 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 untung atau rugi. Kerugian penjejasan ke atas pinjaman, pendahuluan dan pembiayaan diiktiraf dalam untung atau rugi sebagai "Peruntukan penjejasan pinjaman, pendahuluan dan pembiayaan". Kebiasaannya, pengiktirafan pinjaman, pendahuluan dan pembiayaan adalah direkodkan pada tarikh penyelesaian, apabila semua syarat di bawah kontrak pinjaman telah dipenuhi.

(ii) Dipegang sehingga matang

Pelaburan Kewangan dipegang sehingga matang adalah 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 adalah termasuk dalam "Pendapatan faedah" dalam untung atau rugi. Kerugian penjejasan, jika ada, diiktiraf dalam untung atau rugi sebagai "penjejasan pelaburan". Kebiasaannya, pembelian dan penjualan pelaburan kewangan dipegang sehingga matang adalah 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 untung atau rugi. Jika pelaburan tersedia untuk dijual terjejas, keuntungan atau kerugian terkumpul yang sebelumnya diiktiraf dalam ekuiti, diiktiraf dalam untung atau rugi. Sepertimana penjejasan, keuntungan atau kerugian nilai saksama terkumpul dari penjualan pelaburan tersedia untuk dijual yang diiktiraf dalam ekuiti juga dipindahkan ke untung atau rugi. 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 untung atau rugi. 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 mulanya diiktiraf pada nilai saksama setelah penerimaan ditolak kos transaksi langsung. Selepas pengiktirafan awal, liabiliti kewangan adalah diukur pada kos pelunasan. Liabiliti kewangan yang diukur pada kos pelunasan adalah termasuk deposit daripada pelanggan. Bagi dana skim pinjaman, liabiliti kewangan adalah diukur pada kos pelunasan berdasarkan rasional bahawa kadar faedah yang dikenakan ke atas Bank oleh pemberi pinjaman adalah sama dengan kadar faedah yang dikenakan ke atas dana yang sama yang diterima oleh lain-lain Institusi Kewangan Pembangunan ("DFI") di pasaran.

2) Penyahiktirafan

Aset kewangan tidak lagi diiktiraf apabila hak kontrak untuk menerima aliran tunai dari 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 ia ditebus atau dihapuskan.

3) Penentuan Nilai Saksama

Untuk instrumen kewangan yang diukur pada nilai saksama, nilai saksama adalah ditentukan dengan merujuk kepada harga pasaran. Untuk instrumen kewangan dengan harga pasaran yang diniagakan dalam pasaran aktif, nilai saksama adalah berdasarkan harga pasaran disebut harga atau sebut harga peniaga. Ini termasuk sekuriti ekuiti tersenarai dan penilaian broker dari Bloomberg dan Reuters.

Pelaburan dalam instrumen ekuiti tidak disebut harga yang tidak boleh diukur, 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 memenuhi salah satu kriteria berikut:

- (1) pokok atau faedah atau kedua-duanya tertunggak selama tiga (3) bulan atau lebih;
- (2) di mana pinjaman yang tertunggak kurang daripada tiga (3) bulan, menunjukkan tanda-tanda kelemahan kredit; atau
- (3) di mana pinjaman terjejas telah dijadualkan semula atau disusun semula, pinjaman akan terus diklasifikasi 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 tidak runcit dan tiga (3) bulan untuk 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 "kerugian peristiwa") mempunyai kesan ke atas anggaran aliran tunai masa hadapan pinjaman atau kumpulan pinjaman yang boleh dianggarkan.

Kriteria Bank untuk 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 kebankrapan atau penyusunan semula kewangan oleh penanggung;
- (4) kebimbangan mengenai daya maju operasi perniagaan penanggung dan kapasiti untuk keluar dari masalah kewangan serta menjana aliran tunai yang mencukupi untuk menangani obligasi hutangnya; dan
- (5) sebarang berita buruk atau perkembangan yang melibatkan keadaan ekonomi tempatan atau persekitaran perniagaan yang akan menjadikan keupayaan bayaran balik peminjam.

Bank akan menilai secara individu sama ada terdapat bukti objektif penjejasan yang wujud bagi pinjaman individu yang signifikan, atau secara kolektif untuk pinjaman terjejas tidak signifikan secara individu. Jika tiada bukti objektif penjejasan pinjaman yang dinilai secara individu, pinjaman seterusnya dimasukkan ke dalam kumpulan pinjaman dengan ciri-ciri risiko kredit yang sama dan dinilai secara kolektif untuk penjejasan. Pinjaman terjejas yang dinilai secara individu yang mana kerugian penjejasan terus diiktiraf adalah tidak termasuk dalam penjejasan penilaian kolektif.

Jika terdapat bukti objektif bahawa kerugian penjejasan telah berlaku, jumlah kerugian diukur sebagai perbezaan antara amaan pinjaman dan nilai semasa anggaran aliran tunai masa hadapan. Nilai pembawa bagi pinjaman dikurangkan melalui penggunaan akaun peruntukan dan jumlah kerugian diiktiraf dalam untung atau rugi. Jika perlu, pengiraan nilai semasa anggaran aliran tunai masa hadapan pinjaman bercagar mengakibatkan aliran tunai yang mungkin terhasil daripada lelongan ditolak kos untuk mendapatkan dan menjual cagar, sama ada atau tidak berlaku kebarangkalian lelongan.

Untuk penilaian kolektif, pinjaman tidak terjejas dan pinjaman yang terjejas yang mana tidak signifikan secara individu dikumpulkan berdasarkan ciri-ciri risiko seragam yang menunjukkan keupayaan untuk membayar semua jumlah tunggakan mengikut jangka masa kontrak peminjam. Penjejasan kolektif dikira dengan mendarab pendedahan *Probability of Default ("PD")* dan *Loss Given Default ("LGD")*. PD adalah berdasarkan kepada penghijrahan atau analisis regresi manakala LGD ditentukan dengan menggunakan kaedah penurunan nilai cagarans. Jika pinjaman tidak berjaya dikutip, pinjaman ini akan dihapuskira dari peruntukan penjejasan pinjaman. Pinjaman-pinjaman ini akan dihapuskira selepas mengikut prosedur ditetapkan dan jumlah kerugian telah ditentukan.

Jumlah pemulihan berikut yang dahulunya telah dihapuskira, diiktiraf dalam untung atau rugi.

(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 yang signifikan atau berpanjangan dalam nilai saksama sekuriti di bawah kos juga dipertimbangkan dalam menentukan sama ada wujud bukti objektif penjejasan. Sekiranya wujud, kerugian terkumpul (diukur sebagai perbezaan antara kos pembelian dan nilai saksama semasa, ditolak sebarang kerugian penjejasan diiktiraf) dikeluarkan daripada ekuiti dan diiktiraf dalam untung atau rugi. Bagi pelaburan ekuiti tidak disebut harga yang diukur pada kos, aman 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 terdapat bukti objektif penjejasan pelaburan kewangan dipegang sehingga matang wujud hasil daripada satu atau lebih kerugian peristiwa dan kerugian peristiwa yang mempunyai kesan ke atas anggaran aliran tunai masa hadapan pelaburan kewangan atau kumpulan pelaburan kewangan yang dapat dianggarkan. Jika terdapat bukti objektif penjejasan, kerugian penjejasan diiktiraf sebagai perbezaan antara kos pembelian dan nilai semasa anggaran tunai masa hadapan, ditolak sebarang kerugian penjejasan diiktiraf sebelum ini.

(iv) Penjadualan dan Penyusunan Semula Pinjaman

Jika pinjaman menunjukkan bukti kelemahan kredit, Bank boleh 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 baru 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 dalam mana Bank beroperasi, iaitu mata wang fungsian. Penyata kewangan Bank dibentangkan dalam Ringgit Malaysia (RM), yang merupakan mata wang fungsian dan pembentangan Bank.

ii. Urusniaga dalam Mata Wang Asing

Dalam penyediaan penyata kewangan Bank, urusniaga 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 urusniaga. Aset dan liabiliti kewangan yang di denominasikan 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 urusniaga permulaan.

Perbezaan pertukaran yang timbul dari 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

Belanja Cukai pendapatan mewakili jumlah cukai perlu dibayar semasa dan cukai tertunda. Menteri Kewangan melalui Warta Kerajaan Malaysia P.U.(A) 95/2008 telah mengeluarkan perintah perletakkan segala harta, hak dan liabiliti BPM kepada Bank pada 1 April 2008 tanpa apa-apa pemindahhakan, penyerahhakan atau pemindahan hakmilik. Berdasarkan kepada perintah di atas, Kementerian Kewangan melalui surat bertarikh 25 Jun 2008 telah mengekalkan pengecualian cukai pendapatan Bank dari tahun taksiran 2002 sehingga tahun taksiran 2012 melainkan cukai ke atas pendapatan dividen dan memberi pelanjutan kebenaran membawa ke hadapan eluan modal dan kerugian terkumpul pada tempoh pengecualian tersebut.

Cukai semasa bagi tempoh semasa dan terdahulu adalah diiktiraf sebagai liabiliti (atau aset) sehingga mencapai tahap yang ianya menjadi tidak terbayar atau dipulihkan.

Cukai tertunda diperuntukkan dengan menggunakan kaedah "liabiliti", ke atas perbezaan sementara pada tarikh pelaporan di 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 urusniaga yang bukan kombinasi perniagaan dan dalam pada masa urusniaga 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 dibaikpulih.

Cukai tertunda diukur dengan menggunakan kadar cukai yang dijangka digunakan dalam jangkamasa aset direalisasikan atau liabiliti telah dibuat bayaran. Cukai tertunda diiktiraf di dalam untung atau rugi, kecuali cukai itu wujud daripada urusniaga 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 ianya berkaitan dengan cukai pendapatan yang dikenakan oleh pihak berkuasa cukai di mana Bank berniat untuk menyelesaikan aset dan liabiliti cukai semasa berdasarkan asas bersih.

(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 dari 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 ke Kumpulan Wang Simpanan Pekerja ("KWSP") mengikut status perkhidmatan kakitangan. Caruman diiktiraf sebagai perbelanjaan semasa di dalam penyata untung atau rugi apabila ianya berlaku.

(h) Penjejasan Aset

Amaun pembawa hartaanah, 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 adalah 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 pembawa aset dikurangkan ke jumlah pemulihan. Kerugian penjejasan akan diiktiraf ke penyata untung dan rugi.

Kenaikan seterusnya ke atas amaun boleh pulih aset tersebut akan diambilkira sebagai pembalikan terhadap penjejasan nilai sebelum ini dan diiktiraf setakat nilai pembawa aset tersebut telah ditentukan, bersih dari pelunasan dan susutnilai 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 menghapuskan 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%
Perisian komputer	33.33%
Ubahsuai pejabat yang disewa	10%
Ubahsuai bangunan sendiri	10%

Sekiranya peralatan atau bahagian item-item harta, loji dan peralatan mempunyai jangka hayat guna berbeza, kos atau penilaian item-item tersebut diperuntukan berdasarkan asas yang munasabah di antara peralatan-peralatan dan 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 adalah ditentukan melalui perbandingan antara pendapatan dengan amaun pembawa aset di mana perbezaannya akan diambil kira di dalam untung atau rugi.

Kesemua kos baik pulih dan penyelenggaraan dicajkan kepada untung atau rugi dalam tempoh di mana ianya dilibatkan.

(j) 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 dikenakan 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. Walaubagaimanapun, sewa kontigensi hasil daripada pajakan kendalian diiktiraf sebagai belanja selaras dengan asas yang mana telah ditetapkan.

(k) 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. Bayaran yang dibuat semasa perjanjian ditandatanganai 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 diperolehi.

(l) Hartanah Dihalang Tebus

Hartanah dihalang tebus adalah harta yang diperolehi bagi menyelesaikan hutang, dinyatakan pada kos dan nilai saksama, yang mana lebih rendah.

(m) Peruntukan

Peruntukan diiktiraf apabila terdapatnya obligasi di bawah undang-undang atau obligasi konstruktif berikutnya 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 di diskau menggunakan kadar pracukai semasa yang menunjukkan risiko yang khusus kepada liabiliti tersebut, sekiranya wajar.

(n) Modal Saham

Saham biasa dikelaskan sebagai ekuiti apabila tiada obligasi berkontrak untuk memindahkan wang tunai atau aset kewangan lain. Kos langsung daripada penerbitan saham ekuiti baru dibawa kepada ekuiti sebagai pengurangan daripada hasil.

(o) Penyata Aliran Tunai

Penyata aliran tunai disediakan mengikut kaedah tidak langsung.

(p) Tunai Dan Tunai Setara

Bagi tujuan penyata aliran tunai, tunai terdiri daripada tunai di tangan dan deposit permintaan, manakala tunai setara terdiri daripada pelaburan berkecairan tinggi di mana ianya boleh tukar kepada nilai tunai dengan risiko tidak signifikan bagi perubahan dalam nilai dengan kematangan asal kurang daripada tiga bulan.

4. PERTIMBANGAN PERAKAUNAN YANG KRITIKAL DAN SUMBER UTAMA BAGI KETIDAKPASTIAN DALAM ANGGARAN

Pertimbangan kritikal dalam mengamalkan polisi perakaunan Bank

Di dalam proses mengamalkan polisi perakaunan Bank, seperti mana yang telah diterangkan di dalam Nota 3, pihak pengurusan berpendapat bahawa sebarang keadaan yang timbul kesan dari menggunakan pertimbangan tidak mempunyai kesan signifikan terhadap jumlah yang diiktirafkan di dalam penyata kewangan.

Sumber-sumber utama bagi ketidakpastian dalam anggaran

Tiada sebarang andaian utama berhubung masa hadapan serta sumber-sumber utama bagi ketidakpastian dalam anggaran pada akhir tarikh pelaporan yang dianggap mempunyai risiko signifikan boleh mengakibatkan pelarasan material terhadap nilai pembawa bagi aset dan liabiliti bagi tahun kewangan berikutnya kecuali:

(a) Penjejasan bagi pinjaman, pendahuluan dan pembiayaan

Penerimaan pakai FRS 139 telah menyebabkan perubahan dalam dasar perakaunan yang berkaitan dengan penilaian penjejasan aset kewangan, terutamanya pinjaman dan pendahuluan. Sebelum FRS 139 diterima pakai, peruntukan bagi pinjaman dan pendahuluan terjejas (sebelum ini dirujuk sebagai pinjaman tidak berbayar) adalah dikira dengan menepati BNM/GP3 Garis Panduan Pengelasan Pinjaman Tidak Berbayar dan Peruntukan *Substandard*, Hutang Lapuk dan Ragu. Selepas FRS 139 diterima pakai, Bank menilai pada akhir setiap tarikh pelaporan sama ada terdapat sebarang bukti objektif bahawa pinjaman atau kumpulan pinjaman adalah terjejas.

Pinjaman atau kumpulan pinjaman dianggap terjejas jika, dan hanya jika, terdapat bukti objektif penjejasan kesan daripada satu atau lebih peristiwa yang telah berlaku selepas pengiktirafan awal pinjaman ('kerugian peristiwa') dan kerugian peristiwa memberi kesan kepada aliran tunai masa hadapan.

Bank menilai sama ada bukti objektif penjejasan wujud secara individu bagi pinjaman yang signifikan secara individu, dan secara kolektif untuk pinjaman tidak signifikan secara individu. Jika ditentukan bahawa tidak ada bukti objektif penjejasan pinjaman yang dinilai secara individu, pinjaman tersebut termasuk dalam kumpulan pinjaman dengan ciri-ciri risiko kredit yang serupa dan dinilai secara kolektif untuk penjejasan. Jika terdapat bukti objektif bahawa kerugian penjejasan berlaku, jumlah kerugian adalah diukur sebagai perbezaan antara nilai pembawa pinjaman dan nilai semasa anggaran aliran tunai masa hadapan. Nilai pembawa pinjaman dikurangkan melalui penggunaan akaun peruntukan dan jumlah kerugian diiktiraf dalam untung atau rugi.

(b) Penjejasan pelaburan kewangan tersedia untuk dijual

Bagi pelaburan ekuiti yang dikelaskan sebagai tersedia untuk dijual, penjejasan diiktiraf apabila terdapat penurunan yang ketara dan berpanjangan dalam nilai saksama di bawah kos pelaburan. Pertimbangan pihak pengurusan diperlukan untuk menilai tempoh dan sejauh mana nilai saksama pelaburan ekuiti adalah di bawah kos. Dalam membuat pertimbangan ini, pihak pengurusan menimbangkan pergerakan harga sejarah pelaburan ekuiti individu, serta penunjuk penanda aras pasaran di mana ekuiti tersenarai.

(c) Pengiktirafan Pendapatan faedah

Sebelum FRS 139 diterima pakai, faedah diakru dan diiktiraf sebagai pendapatan sebelum tarikh pinjaman diklasifikasikan sebagai tidak berbayar dikeluarkan daripada pendapatan dan diimbangi dengan akaun faedah diterima dalam penyata kedudukan kewangan. Faedah atas pinjaman tidak berbayar diiktiraf sebagai pendapatan pada asas tunai. Selepas FRS 139 diterima pakai, pinjaman telah diturunkan nilainya kesan daripada kerugian penjejasan, pendapatan faedah diiktiraf selepas kadar faedah digunakan untuk diskau aliran tunai masa hadapan bagi tujuan mengukur kerugian penjejasan. Perubahan dalam dasar perakaunan membolehkan Bank menukar faedah tergantung kepada baki awal pendapatan tertahan.

5. PENDAPATAN FAEDAH

	2010 RM	2009 RM
Pinjaman, pembiayaan dan pendahuluan	160,094,327	147,513,470
Sekuriti pelaburan:		
Dipegang sehingga matang (HTM)	5,149,237	7,236,318
Tersedia untuk dijual (AFS)	48,115,463	62,570,202
Deposit dengan institusi kewangan	14,941,764	9,091,637
	<hr/>	<hr/>
Pelunasan premium bersih	228,300,791	226,411,627
Faedah tergantung	-	(1,092,575)
	<hr/>	<hr/>
	228,300,791	213,278,832
	<hr/>	<hr/>
Di mana:		
Pendapatan faedah diperolehi daripada penjejasan pinjaman dan pendahuluan	18,063,384	-
	<hr/>	<hr/>

6. PERBELANJAAN FAEDAH

	2010 RM	2009 RM
Deposit simpanan dan Agro Perdana	44,180,733	44,976,219
Deposit tetap/khas	22,183,581	20,458,480
Pinjaman daripada Kerajaan dan OECF	2,741,586	2,521,374
Cukai pegangan	(3,768)	(61,735)
	<hr/>	<hr/>
	69,102,132	67,894,338
	<hr/>	<hr/>

7. PENDAPATAN BUKAN FAEDAH

	2010 RM	2009 RM
(a) Pendapatan Fi dan Lain-lain Operasi		
Pendapatan Fi		
Fi dan Caj Perkhidmatan	17,470,102	11,227,771
Fi pemprosesan pinjaman	4,769,275	10,976,183
	<hr/>	<hr/>
	22,239,377	22,203,954
Pendapatan pelaburan		
Keuntungan dari jualan sekuriti pelaburan	-	45,196,459
Dividen daripada sekuriti pelaburan	-	13,628,225
	<hr/>	<hr/>
	-	58,824,684
Pendapatan lain		
Pemulihan pinjaman telah dihapuskira	44,475,686	77,165,349
Imbuhan Skim Kredit Mikro	3,017,998	344,997
Pendapatan daripada pinjaman kakitangan	1,533,175	2,060,388
Keuntungan atas jualan hartaanah, loji dan peralatan	1,259,330	220,309
Peruntukan aset-aset lain yang tidak diperlukan (Nota 18)	1,000,000	-
Pendapatan sewa	327,942	359,525
Keuntungan atas jualan pajakan prabayar	8,667	-
(Pembalikan)/Imbuhan kos gapping (Nota 18)	(22,094,854)	42,000,000
Lain-lain	1,217,312	839,494
	<hr/>	<hr/>
	30,745,256	122,990,062
	<hr/>	<hr/>
	52,984,633	204,018,700
(b) Keuntungan dan Kerugian Bersih Instrumen Kewangan		
Keuntungan bersih dari pelaburan kewangan tersedia untuk dijual:		
Keuntungan bersih dari jualan	209,546,742	-
Pendapatan dividen	20,996,157	-
	<hr/>	<hr/>
	230,542,899	-
Keuntungan bersih dari pelaburan kewangan dipegang sehingga matang:		
Keuntungan bersih dari jualan	523,803	-
	<hr/>	<hr/>
	523,803	-
	<hr/>	<hr/>
	231,066,702	-
	<hr/>	<hr/>

8. PERBELANJAAN OVERHEAD

	2010 RM	2009 RM
Kos personel		
Gaji, elaua dan bonus	140,869,678	145,549,470
Caruman KWSP	13,463,828	13,087,327
Caruman PERKESO	1,426,087	1,390,010
Kebajikan kakitangan	7,420,720	7,027,858
Lain-lain	5,277,113	4,282,923
	168,457,426	171,337,588
Kos senggaraan		
Susutnilai hartaanah, loji dan peralatan (Nota 20)	33,364,472	21,532,529
Insuran	3,585,327	2,469,395
Sewa bangunan	6,462,431	6,097,529
Percetakan, peralatan dan bekalan pejabat	7,752,880	8,310,559
Bekalan air dan elektrik	6,505,859	6,296,810
Pelunasan pajakan prabayar (Nota 19)	76,767	74,634
Lain-lain	15,736,183	18,609,058
	73,483,919	63,390,514
Perbelanjaan pemasaran		
Pengiklanan dan promosi	4,774,272	3,580,492
Lain-lain	189,994	166,264
	4,964,266	3,746,756
Perbelanjaan pentadbiran dan am		
Perbelanjaan komunikasi	15,335,137	14,728,275
Geran pelancaran (Nota 9 dan 41)	2,928,736	6,459,027
Perbelanjaan pemulihan bencana	2,205,500	-
Lain-lain	21,193,142	24,878,130
	41,662,515	46,065,432
	288,568,126	284,540,290

Perbelanjaan di atas termasuk pendedahan berkanun seperti berikut:

Hapuskira hartaanah, loji dan peralatan	2,489,085	1,272,493
Fi pengarah	226,499	302,643
Elaun pengarah:		
- Gaji dan emolumen	482,862	366,711
- Caruman KWSP	70,170	40,496
Fi audit	350,000	250,000
Hapuskira pajakan prabayar	-	157,919

9. GERAN KERAJAAN

	2010 RM	2009 RM
Geran Pelancaran:		
Geran pentadbiran (Nota 41)	-	7,808,361
Belanja pembangunan (Nota 8 dan 41)	2,928,736	6,459,027
Pelunasan belanja modal	2,468,167	2,421,633
Geran Kerajaan – pelunasan belanja modal (Nota 40)	13,195,089	1,722,348
	18,591,992	18,411,369

10. CAJ PENJEJASAN PINJAMAN

	2010 RM	2009 RM
Pinjaman, pembiayaan dan pendahuluan:		
Kerugian penjejasan individu - bersih	84,704,338	-
Kerugian penjejasan kolektif	55,080,103	-
Peruntukan khusus	-	122,676,623
Peruntukan am	-	67,002,429
Lain-lain belum terima:		
Peruntukan khusus	-	382
	139,784,441	189,679,434

11. PENJEJASAN PELABURAN KEWANGAN

	2010 RM	2009 RM
Peruntukan penjejasan:		
Tersedia untuk dijual (AFS):		
Bon korporat	-	2,583,446
	-	2,583,446
Peruntukan penjejasan saham disebut harga tidak lagi diperlukan	-	(798,885)
	-	1,784,561

12. CUKAI

	2010 RM	2009 RM
Cukai semasa	372,088	2,704,724
Kurangan/(Lebihan) peruntukan cukai pada tahun lepas	245,380	(1,973,647)
Cukai	617,468	731,077

Anggaran peruntukan cukai semasa bagi tahun kewangan semasa disediakan untuk pendapatan dividen daripada sekuriti pelaburan.

Menteri Kewangan melalui Warta Kerajaan Malaysia P.U.(A) 95/2008 telah mengeluarkan perintah perlentahan segala harta, hak dan liabiliti BPM kepada Bank pada 1 April 2008 tanpa apa-apa pemindahhakan, penyerahhakan atau pemindahan hakmilik. Berdasarkan perintah di atas, Kementerian Kewangan melalui surat bertarikh 25 Jun 2008 telah mengekalkan pengecualian cukai pendapatan Bank dari tahun taksiran 2002 sehingga tahun taksiran 2012 melainkan cukai ke atas pendapatan dividen dan memberi pelanjutan kebenaran membawa ke hadapan eluan modal dan kerugian terkumpul pada tempoh pengecualian tersebut.

Cukai diperoleh daripada amaun cukai yang ditentukan dengan menggunakan kadar cukai yang digunakan kepada keuntungan sebelum belanja cukai dan zakat seperti mana perbezaan dibawah:

	2010 RM	2009 RM
Keuntungan sebelum cukai dan zakat	376,783,962	182,017,487
Cukai pada kadar berkanun 25% (2009: 25%)	94,195,991	45,504,372
Kesan cukai ke atas:		
Belanja tidak dibenarkan untuk percayaan	15,040,900	5,149,500
Pendapatan yang tidak dikenakan cukai	(122,267,303)	(63,618,148)
Cukai aset tertunda tidak diiktirafkan	13,402,500	15,669,000
Kurangan/(Lebihan) peruntukan yang dibuat pada tahun lepas	245,380	(1,973,647)
Belanja cukai	617,468	731,077

Sepertimana yang dinyatakan dalam Nota 3, kesan cukai ke atas perbezaan sementara, kerugian cukai belum guna dan kredit cukai belum guna yang boleh memberi kesan ke atas kenaikan aset cukai tertunda diambilkira supaya keuntungan bercukai di masa hadapan dapat diguna untuk ditolak dengan perbezaan sementara, kerugian cukai belum guna dan kredit cukai belum guna. Pada 31 Disember 2010, anggaran perbezaan sementara yang belum diambilkira di dalam penyata kewangan atas sebab ketidaktentuan realisasinya adalah seperti berikut:

	2010 RM	2009 RM
Perbezaan sementara disebabkan oleh:		
Hartanah, loji dan peralatan	(75,023,000)	(49,176,000)
Pinjaman, pembiayaan dan pendahuluan	241,315,000	158,796,000
Sekuriti pelaburan	9,938,000	11,380,000
Aset-aset lain	11,956,000	13,576,000
188,186,000	134,576,000	

13. ZAKAT

	2010 RM	2009 RM
Zakat semasa	1,857,128	2,900,000
Lebihan peruntukan zakat pada tahun lepas	(1,575,934)	(20,437)
Zakat	281,194	2,879,563

Ini merupakan bayaran zakat yang akan dibayar oleh Bank mengikut prinsip Syariah dan diluluskan oleh Majlis Syariah.

14. TUNAI DI TANGAN DAN BANK

	2010 RM	2009 RM
Wang tunai di tangan	55,765,758	58,813,253
Wang tunai di bank	77,617,667	66,951,830
133,383,425	125,765,083	

15. SIMPANAN DENGAN INSTITUSI KEWANGAN

	2010 RM	2009 RM
Bank-bank berlesen	1,404,139,329	992,549,329
Institusi-institusi kewangan lain	1,218,778,281	523,499,549
2,622,917,610	1,516,048,878	

16. SEKURITI PELABURAN

	2010 RM	2009 RM
Sekuriti Hutang		
Tersedia Untuk Dijual – pada nilai saksama		
Bon Korporat	1,253,838,660	-
Sekuriti Kerajaan Malaysia	402,708,000	-
	1,656,546,660	-
Dipegang Sehingga Matang – pada kos pelunasan		
Bon Korporat	226,056,688	-
Kertas Komersil	214,215,770	-
Sekuriti Kerajaan Malaysia	20,215,078	-
	460,487,536	-
2,117,034,196	-	
Sekuriti Ekuiti		
Tersedia Untuk Dijual – pada nilai saksama		
Saham Disebut Harga di Malaysia	586,593,878	-
Saham Tidak Disebut Harga di Malaysia	1,188,934	-
	587,782,812	-
2,704,817,008	-	
Peruntukan Kerugian Penjejasan		
Saham Disebut Harga di Malaysia	(8,749,000)	-
Saham Tidak Disebut Harga di Malaysia	(1,188,934)	-
	(9,937,934)	-
Baki bersih		
Struktur kematangan pelaburan dipegang sehingga matang adalah seperti berikut:		
Matang dalam tempoh enam bulan	314,215,770	-
Enam bulan hingga satu tahun	25,049,965	-
Satu tahun hingga tiga tahun	59,944,369	-
Tiga tahun hingga lima tahun	25,432,418	-
Lebih daripada lima tahun	35,845,014	-
	460,487,536	-

Nilai pasaran bagi pelaburan dipegang sehingga matang adalah seperti berikut:

	2010 RM	2009 RM
Nilai Pasaran		
Bon Korporat	226,912,260	-
Kertas Komersil	214,215,770	-
Sekuriti Kerajaan Malaysia	20,420,000	-
	-	-

	2010 RM	2009 RM
Nilai Pasaran		
Bon Korporat	226,912,260	-
Kertas Komersil	214,215,770	-
Sekuriti Kerajaan Malaysia	20,420,000	-
	-	-

	2010 RM	2009 RM
Sekuriti Hutang		
Tersedia Untuk Dijual – atas kos		
Bon Korporat	-	1,130,000,000
Sekuriti Kerajaan Malaysia	-	135,000,000
	-	1,265,000,000
Dipegang Sehingga Matang – atas kos		
Bon Korporat	-	315,000,000
Kertas Komersil	-	177,000,000
Sekuriti Kerajaan Malaysia	-	10,000,000
	-	502,000,000
	-	1,767,000,000

	2010 RM	2009 RM
Sekuriti Ekuiti		
Tersedia Untuk Dijual – atas kos		
Saham Disebut Harga di Malaysia	-	89,390,565
Saham Tidak Disebut Harga di Malaysia	-	1,188,934
	-	90,579,499
Jumlah sebelum pelunasan dan peruntukan	-	1,857,579,499
Premium bersih belum dilunaskan	-	10,773,937
Peruntukan kerugian penjejasan		
Saham Disebut Harga di Malaysia	-	(10,192,160)
Saham Tidak Disebut Harga di Malaysia	-	(1,188,934)
	-	(11,381,094)

	2010 RM	2009 RM
Baki bersih	-	1,856,972,342
	-	1,856,972,342

Struktur kematangan instrumen pasaran wang adalah seperti berikut:

	2010 RM	2009 RM
Matang dalam tempoh enam bulan	-	332,000,000
Enam bulan hingga satu tahun	-	150,000,000
Satu tahun hingga tiga tahun	-	485,000,000
Tiga tahun hingga lima tahun	-	635,000,000
Lebih daripada lima tahun	-	165,000,000
	-	1,767,000,000

Nilai pasaran bagi sekuriti pelaburan adalah seperti berikut:

	2010 RM	2009 RM
Nilai pasaran		
Bon Korporat	-	1,475,178,320
Kertas Komersil	-	177,000,000
Sekuriti Kerajaan Malaysia	-	150,442,252
Saham Disebut Harga di Malaysia	-	608,943,232
	-	-

	Bon Korporat RM	Saham Disebut Harga RM	Saham Tidak Disebut Harga RM	Jumlah RM
Peruntukan kerugian penjejasan				
Pada 1 Januari 2009	10,000,000	10,991,045	1,188,934	22,179,979
Peruntukan tahun semasa	2,583,446	-	-	2,583,446
Peruntukan yang tidak diperlukan	-	(798,885)	-	(798,885)
Dipindahkan ke lain-lain belum terima	(12,583,446)	-	-	(12,583,446)
	-	-	-	-
Pada 31 Disember 2009	-	10,192,160	1,188,934	11,381,094
Kesan penerimaan pakai FRS 139	-	(1,443,160)	-	(1,443,160)
	-	-	-	-
Pada 31 Disember 2010	-	8,749,000	1,188,934	9,937,934

Pelaburan Sekuriti Tidak Disebut Harga

MTV II kini dalam proses pembubaran.

17. PINJAMAN, PEMBIAYAAN DAN PENDAHULUAN

	2010 RM	2009 RM
Pada kos pelunasan:		
Pembiayaan (SPI) (Nota 50(f))	3,840,861,793	3,581,440,569
Pinjaman Wawasan Tani	629,828,279	966,364,611
Pinjaman Projek dan Jentera	498,417,625	503,049,937
Modal Usahawan Tani (“MUST”)	182,427,712	196,760,148
Pinjaman Niagatani	142,950,458	126,913,698
Tabung Untuk Makanan (“3F”)	86,635,845	133,748,680
Pinjaman Pendidikan Insani	72,198,822	76,294,599
Skim Kredit Padi	19,207,946	19,077,450
Pinjaman MAP dan MPPB	7,635,658	9,895,522
Tabung Industri Kecil dan Sederhana (“TIKS”)	3,664,562	8,599,353
Pinjaman Kontrak Tani	3,117,902	3,827,879
Skim Pinjaman Khas Pertanian (“SPKP”)	2,415,735	3,082,555
Pendahuluan Khas melalui Simpanan Tetap Masa	1,164,701	1,117,797
Skim Tembakau	968,289	1,094,515
Tabung Pembangunan Asean-Jepun (“AJDF”)	827,590	1,224,244
Kemudahan Pemfaktoran	193,148	113,511
Pinjaman Mengenang Budi	3,133	2,983
Skim Kredit Mikro	531	459,319
Pendahuluan kepada peminjam	-	432,188
Pinjaman Hobitani	-	6,742
Lain-lain pinjaman	2,286,443	2,373,986
	5,494,806,172	5,635,880,286
Pinjaman dan pendahuluan kepada kakitangan	73,273,489	71,521,505
	5,568,079,661	5,707,401,791
Tolak:		
Kerugian penjejasan individu	(522,129,554)	-
Kerugian penjejasan kolektif	(241,315,007)	-
Peruntukan hutang ragu dan lapuk khusus	-	(237,737,905)
Peruntukan hutang ragu dan lapuk am	-	(158,794,549)
Faedah/Keuntungan tergantung	-	(35,760,713)
	4,804,635,100	5,275,108,624
Baki bersih		
Struktur kematangan pinjaman, pembiayaan dan pendahuluan adalah seperti berikut:		
Matang dalam tempoh enam bulan	490,072,347	269,284,862
Enam bulan hingga satu tahun	72,331,866	74,115,408
Satu tahun hingga tiga tahun	457,661,944	458,435,202
Tiga tahun hingga lima tahun	890,617,398	768,065,544
Lebih daripada lima tahun	3,657,396,106	4,137,500,775
	5,568,079,661	5,707,401,791

Pinjaman, pembiayaan dan pendahuluan kasar mengikut sektor adalah seperti berikut:

	2010 RM	2009 RM
Asas tani	2,998,111,875	2,626,842,140
Perkhidmatan sokongan	2,569,967,786	3,080,559,651
	5,568,079,661	5,707,401,791

Pinjaman, pembiayaan dan pendahuluan kasar diklasifikasikan seperti berikut:

	2010 RM	2009 RM
Tidak tertunggak dan juga tidak terjejas	3,909,114,100	4,039,455,411
Tertunggak tetapi tidak terjejas	426,787,172	986,177,822
Terjejas	1,232,178,389	-
<i>Substandard</i> (tertunggak antara 3 hingga 9 bulan)	-	265,362,370
Ragu (tertunggak antara 9 hingga 12 bulan)	-	143,734,591
Lapuk (tertunggak lebih daripada 12 bulan)	-	272,671,597
	5,568,079,661	5,707,401,791

Pinjaman tertunggak tetapi tidak terjejas adalah pinjaman di mana peminjam gagal membuat bayaran pokok atau faedah pada tarikh tuntutan dan termasuk pinjaman tertunggak satu hari atau lebih selepas tarikh tuntutan tetapi tidak melebihi tiga (3) bulan.

Pergerakan dalam pinjaman, pembiayaan dan pendahuluan kasar yang terjejas adalah seperti berikut:

	2010 RM	2009 RM
Pada awal tahun	681,768,558	345,531,659
Penambahan pada tahun semasa	884,149,264	1,010,345,957
Pengkelasan semula sebagai pinjaman tidak terjejas pada tahun semasa	(327,094,968)	(674,109,058)
Jumlah dihapuskan	(6,644,465)	-
	1,232,178,389	681,768,558
Pada akhir tahun		
Peratusan pinjaman terjejas kasar daripada pinjaman, pembiayaan dan pendahuluan kasar	22.13%	11.94%

Pinjaman, pembiayaan dan pendahuluan kasar yang terjejas mengikut sektor adalah seperti berikut:

	2010 RM	2009 RM
Asas tani	934,735,638	488,241,269
Perkhidmatan sokongan	297,442,751	193,527,289
	1,232,178,389	681,768,558

Pergerakan dalam peruntukan penjejasan ke atas pinjaman, pendahuluan dan pembiayaan adalah seperti berikut:

	2010 RM	2009 RM
Peruntukan penjejasan individu		
Pada awal tahun	-	-
Dinyatakan dahulu	437,425,216	-
Kesan penerimaan pakai FRS 139	437,425,216	-
Dinyatakan semula	173,687,459	-
Peruntukan pada tahun	(88,983,121)	-
Jumlah dimasuk selepas pemungutan semula dan pembalikan peruntukan	84,704,338	-
Peruntukan bersih pada tahun	522,129,554	-
Pada akhir tahun	522,129,554	-
Peruntukan penjejasan kolektif		
Pada awal tahun	-	-
Dinyatakan dahulu	181,351,936	-
Kesan penerimaan pakai FRS 139	181,351,936	-
Dinyatakan semula	55,080,103	-
Peruntukan pada tahun	3,099,242	-
Peruntukan diselaraskan dalam:	1,869,461	-
Dana Kementerian Belia dan Sukan ("DKBS") (Nota 31)	(85,735)	-
Skim Usahawan Tani Komersil Siswazah ("SUTKS") (Nota 43)	(85,735)	-
Dana Khas Sektor Perikanan Terengganu ("DKSP") (Nota 44)	(85,735)	-
Pada akhir tahun	241,315,007	-
Peratusan peruntukan penjejasan kolektif daripada pinjaman, pembiayaan dan pendahuluan kasar ditolak peruntukan khusus dan faedah/keuntungan tergantung	4.85%	-

	2010 RM	2009 RM
Peruntukan khusus		
Pada awal tahun	-	118,257,178
Peruntukan pada tahun	-	236,298,361
Jumlah dimasuk selepas pemungutan semula dan pembalikan peruntukan	-	(113,621,738)
Peruntukan bersih pada tahun	-	122,676,623
Peruntukan diselaraskan dalam:	-	1,999,370
Skim Usahawan Tani Komersil Siswazah ("SUTKS") (Nota 43)	-	(5,195,266)
Jumlah dihapuskira	-	-
Pada akhir tahun	237,737,905	237,737,905
Peruntukan am		
Pada awal tahun	-	91,792,120
Peruntukan pada tahun	-	67,002,429
Pada akhir tahun	158,794,549	158,794,549
Peratusan peruntukan am daripada pinjaman, pembiayaan dan pendahuluan kasar ditolak peruntukan khusus dan faedah/keuntungan tergantung	3.00%	3.00%
Faedah/Keuntungan tergantung		
Pada awal tahun	-	12,683,942
Keuntungan tergantung Perbankan Islam	-	11,372,777
Faedah tergantung pada tahun	-	37,301,157
Jumlah dimasuk selepas pemungutan semula	-	(25,260,937)
Jumlah dihapuskira	-	(336,226)
Pada akhir tahun	35,760,713	35,760,713

18. ASET-ASET LAIN

	2010 RM	2009 RM
Lain-lain belum terima	38,433,771	67,293,491
Faedah dan pendapatan belum terima	31,936,412	23,292,966
Tanah dihalang tebus	8,387,217	8,203,992
Projek Ladang BPM – Sg Tasan	3,197,420	2,941,208
	81,954,820	101,731,657
Tolak: Peruntukan hutang ragu dan lapuk khusus	(11,956,044)	(13,576,054)
	69,998,776	88,155,603
Peruntukan hutang ragu dan lapuk khusus		
Pada awal tahun	13,576,054	1,051,008
Peruntukan pada tahun	-	382
Peruntukan tidak diperlukan (Nota 7(a))	(1,000,000)	-
Dipindahkan daripada sekuriti pelaburan	-	12,583,446
Dipindahkan ke pinjaman dan pendahuluan kepada kakitangan	(620,010)	(58,782)
	11,956,044	13,576,054
Pada akhir tahun		

Termasuk di dalam lain-lain belum terima pada tahun 2009 adalah sebanyak RM42 juta yang merupakan imbuhan kos *gapping* yang belum diterima daripada Kerajaan Malaysia. Walau bagaimanapun, Bank hanya menerima RM19.91 juta imbuhan kos *gapping* daripada Kerajaan Malaysia pada tahun semasa, dan baki RM22.09 juta telah dibuat pembalikan di dalam untung atau rugi seperti yang ditunjukkan dalam Nota 7(a).

19. PAJAKAN PRABAYAR

	2010 RM	2009 RM
Kos		
Pada awal tahun	7,696,033	8,632,477
Kesan penerimaan pakai FRS 117 (Nota 20)	-	(778,525)
Dinyatakan semula	7,696,033	7,853,952
Jualan	(176,400)	-
Dipindahkan ke bangunan atas tanah pajak (Nota 20)	(199,629)	-
Hapuskira	-	(157,919)
	7,320,004	7,696,033
Perlunasan terkumpul		
Pada awal tahun	1,542,495	1,503,024
Kesan penerimaan pakai FRS 117 (Nota 20)	-	(35,163)
Dinyatakan semula	1,542,495	1,467,861
Pelunasan pada tahun:		
Dinyatakan dahulu	-	75,399
Kesan penerimaan pakai FRS 117 (Nota 20)	-	(765)
Dinyatakan semula	76,767	74,634
Jualan	(70,415)	-
Dipindahkan ke bangunan atas tanah pajak (Nota 20)	(5,325)	-
Pada akhir tahun	1,543,522	1,542,495
Nilai buku bersih		
	5,776,482	6,153,538

Baki tahun yang belum luput untuk tanah-tanah pajakan ini adalah di antara 26 tahun ke 34 tahun (2009: 27 tahun ke 35 tahun).

20. HARTANAH, LOJI DAN PERALATAN

	Tanah milik bebas RM	Bangunan atas tanah milik bebas RM	Bangunan atas tanah milik bebas 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	Perisian komputer RM	Perisian dalam binaan RM	Ubahsuai pejabat yang disewa RM	Ubahsuai bangunan sendiri RM	Tanah pajak (>99 tahun) RM	Jumlah RM
KOS															
Pada 1 Januari 2009	2,855,087	11,476,005	62,568,374	2,853,150	3,964,084	23,277,090	26,641,750	35,519,019	63,436,951	52,486,979	19,498,217	14,388,050	40,481,067	778,525	360,224,348
Penambahan	155,000	-	-	750,000	8,537,937	92,392	4,803,484	6,907,839	4,308,371	206,195	20,127,033	5,486,913	6,688,750	-	58,063,914
Jualan	-	-	-	-	-	(1,552,051)	-	-	-	-	-	-	-	-	(1,552,051)
Hapuskira	-	-	-	-	-	(1,802,335)	(2,228,404)	(5,578,895)	(4,559,494)	(440,461)	-	(215,886)	(215,830)	-	(15,041,305)
Pengkelasan Semula	1,600,000	574,984	625,016	(3,000,000)	-	-	-	200,000	-	20,911,307	(20,911,307)	-	-	-	-
Pelarasan	-	-	129,458	-	-	-	-	-	-	-	-	-	-	-	129,458
Pada 31 Disember 2009	4,610,087	12,050,989	63,322,848	603,150	12,502,021	20,015,096	29,216,830	37,047,963	63,185,828	73,164,020	18,713,943	19,659,077	46,953,987	778,525	401,824,364
Penambahan	-	-	-	-	6,847,989	-	4,178,252	6,706,797	4,369,691	1,120,990	4,741,524	4,303,244	7,039,681	-	39,308,168
Jualan	(864,137)	(318,649)	(708,747)	-	-	(4,920,032)	-	-	-	-	-	-	-	-	(6,811,565)
Hapuskira	-	-	(172,459)	-	(665,900)	(1,193,657)	(1,596,735)	(1,965,221)	(6,989,867)	(299,149)	(1,116)	(496,103)	(578,323)	-	(13,958,530)
Pengkelasan Semula	-	-	603,150	(603,150)	-	-	-	-	15,367,793	2,867,538	(18,235,331)	-	-	-	-
Dipindahkan daripada pajakan prabayar	-	-	199,629	-	-	-	-	-	-	-	-	-	-	-	199,629
Pada 31 Disember 2010	3,745,950	11,732,340	63,244,421	-	18,684,110	13,901,407	31,798,347	41,789,539	75,933,445	76,853,399	5,219,020	23,466,218	53,415,345	778,525	420,562,066
SUSUTNILAI TERKUMPUL															
Pada 1 Januari 2009	-	2,051,451	14,618,193	-	-	15,917,022	16,180,200	17,860,078	42,459,918	47,699,467	-	8,942,733	20,655,101	35,163	186,419,326
Caj pada tahun	-	237,088	1,139,434	-	-	2,158,802	1,796,189	2,825,260	6,509,671	2,759,858	-	1,163,835	2,941,627	765	21,532,529
Jualan	-	-	-	-	-	(1,552,027)	-	-	-	-	-	-	-	-	(1,552,027)
Hapuskira	-	-	-	-	-	(1,801,951)	(2,203,978)	(5,568,831)	(3,426,380)	(438,586)	-	(215,947)	(113,139)	-	(13,768,812)
Pengkelasan Semula	-	521	(521)	-	-	-	-	-	-	-	-	-	-	-	-
Pelarasan	-	-	129,458	-	-	-	-	-	-	-	-	-	-	-	129,458
Pada 31 Disember 2009	-	2,289,060	15,886,564	-	-	14,721,846	15,772,411	15,116,507	45,543,209	50,020,739	-	9,890,621	23,483,589	35,928	192,760,474
Caj pada tahun	-	313,183	1,495,247	-	-	1,522,745	2,661,512	3,393,968	9,352,881	9,553,726	-	1,545,398	3,525,047	765	33,364,472
Jualan	-	(102,062)	(206,911)	-	-	(4,655,042)	-	-	-	-	-	-	-	-	(4,964,015)
Hapuskira	-	-	(34,918)	-	-	(939,673)	(1,553,955)	(631,623)	(6,981,385)	(263,029)	-	(496,079)	(568,783)	-	(11,469,445)
Dipindahkan daripada pajakan prabayar	-	-	5,325	-	-	-	-	-	-	-	-	-	-	-	5,325
Pelarasan	-	281,121	(281,121)	-	-	-	-	-	-	-	-	-	-	-	-
Pada 31 Disember 2010	-	2,781,302	16,864,186	-	-	10,649,876	16,879,968	17,878,852	47,914,705	59,311,436	-	10,939,940	26,439,853	36,693	209,696,811
NILAI BUKU BERSIH															
Pada 31 Disember 2010	3,745,950	8,951,038	46,380,235	-	18,684,110	3,251,531	14,918,379	23,910,687	28,018,740	17,541,963	5,219,020	12,526,278	26,975,492	741,832	210,865,255
Pada 31 Disember 2009	4,610,087	9,761,929	47,436,284	603,150	12,502,021	5,293,250	13,444,419	21,931,456	17,642,619	23,143,281	18,713,943	9,768,456	23,470,398	742,597	209,063,890

Terdapat aset tetap dalam harta tanah, loji dan peralatan yang telah habis disusutnilai tetapi masih lagi digunakan, di mana nilai kos keseluruhan aset tetap tersebut bagi Bank adalah RM122,320,318 (2009: RM124,349,500).

Termasuk di dalam harta tanah, loji dan peralatan, terdapat sesetengah tanah dan bangunan pegang pajak jangka panjang Bank dengan nilai buku bersih sebanyak RM6,817,273 (2009: RM8,150,969), di mana bayaran pajakan antara tanah dan bangunan tidak dapat diasingkan. Oleh yang demikian, seperti yang dibenarkan di bawah FRS 117 Pajakan, tanah pegangan pajak ini dikelaskan sebagai harta tanah, loji dan peralatan.

21. DEPOSIT DAN SIMPANAN DARI PELANGGAN

	2010 RM	2009 RM
Pada kos pelunasan:		
Deposit tetap/khas	3,909,030,135	3,637,342,630
Deposit simpanan	1,405,910,067	1,389,895,468
Agro Perdana	1,098,234,790	907,557,307
Faedah/keuntungan terakru	39,578,646	32,625,871
	6,452,753,638	5,967,421,276

Struktur kematangan simpanan adalah seperti berikut:

Matang dalam tempoh enam bulan	5,255,556,179	5,196,357,302
Enam bulan hingga satu tahun	1,141,151,685	679,064,482
Satu tahun hingga tiga tahun	32,337,203	71,122,407
Tiga tahun hingga lima tahun	23,708,571	20,865,872
Lebih daripada lima tahun	-	11,213
	6,452,753,638	5,967,421,276

Jenis pelanggan yang menyumbang kepada sumber deposit adalah seperti berikut:

	2010 RM	2009 RM
Kerajaan	2,916,496,051	2,420,375,520
Individu	2,355,309,558	1,871,853,059
Perniagaan Perusahaan Tempatan	663,161,281	1,171,478,897
Lain lain Entiti Tempatan	412,217,166	336,272,675
Institusi Bukan Perbankan Tempatan	105,569,582	167,441,125
	6,452,753,638	5,967,421,276

22. LAIN LAIN LIABILITI

(a) Pelbagai sipiutang dan akruan

	2010 RM	2009 RM
Perbelanjaan terakru	48,280,863	140,920,846
Lain-lain belum bayar	58,825,099	42,909,588
Peruntukan zakat	1,956,078	2,950,166
	109,062,040	186,780,600

(b) Tabung Pampasan Kredit Padi

	RM
Pada 1 Januari 2009	1,892,566
Penambahan	263,759
Pengeluaran	(110,200)
	2,046,125
Pada 31 Disember 2009	243,070
Penambahan	(117,898)
Pengeluaran	
	2,171,297
Pada 31 Disember 2010	

Skim ini membantu Bank dalam menguruskan tanggungan pampasan kepada penanam padi. Dana di bawah skim ini dikutip semasa pengeluaran pinjaman padi sebagai faedah kematian penanam padi. Sejumlah pampasan akan dibayar kepada waris penanam padi yang meninggal dunia melalui skim ini.

23. PINJAMAN DARI OECF

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2009	60,825,160	69,990	60,895,150
Faedah	-	2,008,147	2,008,147
Pembayaran semula	(12,165,032)	(2,022,145)	(14,187,177)
Pada 31 Disember 2009	48,660,128	55,992	48,716,120
Faedah	-	1,574,038	1,574,038
Pembayaran semula	(12,165,032)	(1,596,369)	(13,761,401)
Pada 31 Disember 2010	36,495,096	33,661	36,528,757

	2010 RM	2009 RM
Matang dalam tempoh satu tahun	13,761,401	13,761,401
Satu tahun hingga tiga tahun	22,767,356	34,954,719
	36,528,757	48,716,120

Pinjaman ini diperolehi dari 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 matawang 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.

24. TABUNG UNTUK MAKANAN ("3F")

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2009	638,990,331	-	638,990,331
Penambahan	300,200,000	-	300,200,000
Faedah	-	1,331,429	1,331,429
Pembayaran semula	(47,617,275)	(413,621)	(48,030,896)
Pada 31 Disember 2009	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

Tabung ini ditubuhkan oleh Bank Negara Malaysia bagi tujuan menggalakkan pelaburan untuk meningkatkan keupayaan pengeluaran projek pemakanan disalurkan kepada Bank sebagai pinjaman bertempoh 8 tahun dengan kadar faedah 1% setahun. Bank menerima dana ini dalam beberapa peringkat seperti berikut:

1. Peringkat pertama RM152.5 juta (1993 - 1996)
2. Peringkat kedua RM97.6 juta (1997)
3. Peringkat ketiga RM300.0 juta (1999)
4. Peringkat keempat RM201.6 juta (2001 - 2003)

Pada tahun 2001, kadar faedah dikurangkan dari 1% setahun kepada 0.25% setahun. Bayaran balik pinjaman dibuat apabila kutipan pinjaman diterima daripada peminjam dari semasa ke semasa. Selepas tempoh 8 tahun dari tarikh pengeluaran pinjaman pertama disalurkan kepada Bank, Bank di mestikan membayar balik sepenuhnya baki pinjaman yang ada.

Pada September 2006, Kerajaan telah bersetuju menyalurkan Bank dengan satu pinjaman baru di bawah Rancangan Malaysia Ke-9 ("RMK9") berjumlah RM300 juta untuk tempoh 15 tahun (3 tahun penangguhan) pada kadar keuntungan 0.25% setahun. Tujuannya adalah untuk meningkatkan pengeluaran makanan dalam negara dan mengurangkan import makanan.

Bank dibenar mengenakan pelanggaran kadar keuntungan 3.75% setahun bagi pembiayaan RM5 juta pertama dan kadar keuntungan 5% setahun bagi pembiayaan berikutnya untuk tempoh maksimum 10 tahun.

25. PERUNTUKAN MPPB

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2009	25,000,000	-	25,000,000
Penambahan	25,000,000	-	25,000,000
Pada 31 Disember 2009	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

Skim Pembiayaan Masyarakat Perdagangan dan Perindustrian Bumiputera (“MPPB”)

Skim Pembiayaan Masyarakat Perdagangan dan Perindustrian Bumiputera (MPPB) adalah bertujuan untuk mewujudkan usahawan bumiputera yang lestari di sektor pertanian. Dana pinjaman ini berjumlah RM12.4 juta diterima oleh Bank dari Kerajaan Malaysia pada tahun 1998. Dana pinjaman ini dikenakan kadar faedah oleh kerajaan sebanyak 1.5% setahun untuk tempoh pinjaman selama 12 tahun (4 tahun penangguhan). Berikutnya Bank menerima sejumlah RM22.7 juta (2002) dan RM10.0 juta (2005) masing-masing pada kadar faedah 1.25% setahun untuk tempoh 12 tahun (4 tahun penangguhan). Bank dibenar mengenakan kadar faedah sehingga 4% setahun kepada pelanggannya.

Pada tahun 2006, 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.

Objektif pinjaman ini adalah untuk menyediakan kemudahan pembiayaan kepada usahawan Bumiputera institusi peladang dan nelayan bagi memajukan perniagaan asas tani dalam aktiviti pengeluaran, pemprosesan dan pemasaran pada kadar faedah 3.75% setahun untuk tempoh maksimum 10 tahun.

26. TABUNG INDUSTRI KECIL DAN SEDERHANA (“TIKS”)

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2009	3,485,730	-	3,485,730
Faedah	-	43,372	43,372
Pembayaran semula	(1,022,570)	(43,372)	(1,065,942)
Pada 31 Disember 2009	2,463,160	-	2,463,160
Faedah	-	35,670	35,670
Pembayaran semula	(178,612)	(35,666)	(214,278)
Pada 31 Disember 2010	2,284,548	4	2,284,552

Tujuan Skim TIKS ialah 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. 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.

27. PINJAMAN TANAM SEMULA KELAPA SAWIT (“TASKS”)

	RM
Pada 31 Disember 2009 dan 31 Disember 2010	15,000,000

Pinjaman ini disalurkan kerajaan kepada Bank melalui Kementerian Perusahaan Perlادangan 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.

Pinjaman ini kepada Bank adalah tanpa kadar keuntungan untuk tempoh 20 tahun (5 tahun penangguhan). Sejumlah RM78.4 juta telah diterima oleh Bank pada tahun 2001.

Pada tahun 2006, Kerajaan telah melanjutkan tempoh kepada 20 tahun 6 bulan (5 tahun 6 bulan penangguhan) dari 20 tahun (5 tahun penangguhan).

Had pembiayaan adalah tidak melebihi RM6,000 bagi setiap hektar dan tidak melebihi tempoh 10 tahun dari pengeluaran 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.

Pada Oktober 2006, Kerajaan bersetuju menyalurkan Bank satu pinjaman baru berjumlah RM83.97 juta tanpa faedah 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).

28. SKIM KREDIT PADI

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2009	35,000,000	-	35,000,000
Penambahan	35,000,000	-	35,000,000
	70,000,000	-	70,000,000
Pada 31 Disember 2009	35,000,000	-	35,000,000
Penambahan	-	190,342	190,342
	105,000,000	190,342	105,190,342
Pada 31 Disember 2010			

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.

Pada Oktober 2006 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.

29. SKIM LITS ("LOW INTENSITY TAPPING SYSTEMS")

	Pokok RM
Pada 1 Januari 2009	3,949,915
Pembayaran semula	(2,192,212)
	1,757,703
Pada 31 Disember 2009	(730,738)
Pembayaran semula	
	1,026,965
Pada 31 Disember 2010	

Lembaga Getah Malaysia di bawah agensi penyelidikannya iaitu Institut Penyelidikan Getah Asli Malaysia (RRIM) telah berjaya menghasilkan klon dan kaedah pengurusan tanaman getah yang dapat menghasilkan hasil yang baik, di samping dapat mengatasi masalah kekurangan tenaga buruh agar dapat meningkatkan taraf sosio-ekonomi pekebun kecil. Dana ini disalurkan Kementerian Perusahaan Perladangan dan Komoditi (KPPK) kepada Bank yang menerima peruntukan tabung pinjaman sejumlah RM46.1 juta dalam tahun 2001 tanpa dikenakan faedah. Pembiayaan ini adalah melalui Al-Bai' Bithaman Ajil (BBA) pada nisbah 30% pembiayaan dan 70% geran.

30. SKIM KREDIT PENGETUARAN MAKANAN ("SKPM")

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2009	80,853,000	-	80,853,000
Penambahan	9,147,000	-	9,147,000
	90,000,000	-	90,000,000
Pada 31 Disember 2009	10,000,000	-	10,000,000
Penambahan	-	243,767	243,767
	100,000,000	243,767	100,243,767
Pada 31 Disember 2010			

Kerajaan di bawah Rancangan Malaysia Ke-8 ("RMK8") telah menyediakan dana khusus bagi tujuan membiayai Skim Kredit Pengeluaran Makanan. Tujuan pembiayaan adalah untuk memastikan para pengusaha kecil dan sederhana dapat meningkatkan aktiviti pengeluaran makanan dalam negara di samping meningkatkan eksport dan mengurangkan import makanan.

Dana pinjaman ini disalurkan oleh Kerajaan kepada Bank dan sejumlah RM27.5 juta diterima dalam tahun 2003. Tempoh pinjaman adalah 15 tahun pada kadar faedah 0.5% setahun. Bank mengenakan kadar keuntungan 2.0% setahun kepada pelanggan bagi projek integrasi getah (G++) dan 3.75% setahun bagi projek-projek lain dibawah skim ini.

Pada Oktober 2006 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 pengusaha-pengusaha yang mendapat pembiayaan di bawah skim ini.

31. DANA KEMENTERIAN BELIA DAN SUKAN ("DKBS")

	RM
Pada 1 Januari 2009 and 31 Disember 2009	20,000,000
Peruntukan penjejasan kolektif (Nota 17)	(3,099,242)
	16,900,758
Pada 31 Disember 2010	

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 atas 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.

32. SKIM PEMBIAYAAN BOT PERIKANAN (“SPBP”)

Pokok RM
140,000,000

Pada 31 Disember 2009 dan 31 Disember 2010

Kerajaan pada Disember 2006 telah bersetuju menyalurkan Bank dengan pinjaman berjumlah RM240.0 juta di bawah Rancangan Malaysia ke-9 (“RMK9”) pada kadar faedah 0.25% 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.

33. SKIM USAHAWAN TANI KOMERSIL SISWAZAH (“SUTKS – PINJAMAN”)

Pokok RM
10,000,000

Pada 31 Disember 2009 dan 31 Disember 2010

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 sektor pertanian.

Skim ini menawarkan kemudahan pembiayaan tidak melebihi RM100,000 setiap pinjaman pada kadar keuntungan 5% setahun untuk tempoh 6 tahun.

34. PEMBIAYAAN INDUSTRI KECIL DAN SEDERHANA (“PKS”)

Pokok RM	Faedah RM	Jumlah RM
70,000,000	-	70,000,000
15,000,000	-	15,000,000
85,000,000	-	85,000,000
15,000,000	-	15,000,000
-	230,377	230,377
100,000,000	230,377	100,230,377

Pada 1 Januari 2009
Penambahan

Pada 31 Disember 2009
Penambahan
Faedah

Pada 31 Disember 2010

Kerajaan telah bersetuju menyalurkan Bank dengan pinjaman ini 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.

35. SKIM KREDIT PENGETAHUAN BUKAN MAKANAN (“SKPBM”)

Pokok RM	Faedah RM	Jumlah RM
30,000,000	-	30,000,000
-	12,534	12,534
30,000,000	12,534	30,012,534

Pada 1 Januari 2009 dan 31 Disember 2009
Faedah

Pada 31 Disember 2010

Kerajaan telah bersetuju menyalurkan Bank dengan pinjaman ini 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 huluhan 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.

36. DANA ENTERPRIS MIKRO

	Pokok RM	Faedah RM	Jumlah RM
Pada 1 Januari 2009	1,010,000	-	1,010,000
Penambahan	18,644,000	-	18,644,000
Faedah	-	179,785	179,785
Pembayaran semula	(2,356,463)	(179,785)	(2,536,248)
 Pada 31 Disember 2009	17,297,537	-	17,297,537
Penambahan	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

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 RM50,000.00.

37. MODAL SAHAM

	Nota	2010 RM	2009 RM
Dibenarkan: Saham biasa RM1 setiap satu		2,000,000,000	2,000,000,000
Diterbitkan dan dibayar penuh: Saham biasa RM1 setiap satu: Pada awal tahun		1,000,000,000	242,540,753
Pertukaran dari pinjaman Kerajaan Bolehtukar	39	-	757,459,247
 Pada akhir tahun		1,000,000,000	1,000,000,000

Pada tahun kewangan yang lepas, seperti diluluskan oleh Parlimen melalui resolusi bertarikh 2 Julai 2009, modal saham dibenarkan dan dibayar penuh Bank telah ditingkatkan daripada RM242,540,753 terdiri daripada 242,540,753 saham biasa RM1 setiap satu kepada RM1 bilion terdiri daripada 1 bilion saham biasa RM1 setiap satu melalui pemodalank pinjaman kerajaan boleh tukar berjumlah RM757,459,247 seperti dinyatakan dalam Nota 39.

Semua saham biasa baru yang diterbitkan bertaraf *pari passu* dalam semua hal dengan saham-saham biasa Bank yang sedia ada.

38. RIZAB

	2010 RM	2009 RM
Rizab tidak boleh diagih: Rizab berkanun	349,810,136	161,867,486
Rizab penilaian semula pelaburan	539,617,569	-
 Rizab boleh agih: Pendapatan tertahan	139,495,948	161,867,485
 Total:	1,028,923,653	323,734,971

(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 mengenepikan kredit cukai atau terus menggunakan kredit cukai di bawah akaun 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 2010, 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 2010.

(d) Dividen

Dividen akhir sebanyak 3% ditolak cukai, berjumlah RM22.5 juta, yang dicadangkan dalam tahun kewangan yang lepas dan diuruskan di dalam laporan pengarah tahun sebelumnya telah dibayar pada 25 November 2010.

39. PINJAMAN DARI KERAJAAN

		Nota	2010 RM	2009 RM
Pada awal tahun			-	757,459,247
Penukaran ke modal saham	37		-	(757,459,247)
Pada akhir tahun			-	-

Pada 2 Julai 2009, Parlimen meluluskan resolusi menurut subseksyen 8(3)(a)(iv) Akta Acara Kewangan 1957 (Akta 61) dan meluluskan penukaran pinjaman Kerajaan Persekutuan berjumlah RM757,459,247 kepada ekuiti Bank Pertanian Malaysia Berhad. Sehubungan dengan itu, Bank telah menyempurnakan penukaran pada tahun kewangan sebelumnya menyebabkan peningkatan modal saham berbayar Bank kepada RM1 bilion seperti yang dinyatakan dalam Nota 37.

40. GERAN KERAJAAN – BELANJA MODAL DAN PEMBANGUNAN

	Belanja Modal RM	Belanja Pembangunan RM	Jumlah RM
Pada 1 Januari 2009	82,151,479	1,492,268	83,643,747
Pelunasan pada tahun semasa (Nota 9)	(1,722,348)	-	(1,722,348)
Penggunaan pada tahun semasa	-	(1,439,874)	(1,439,874)
Pada 31 Disember 2009	80,429,131	52,394	80,481,525
Pelunasan pada tahun semasa (Nota 9)	(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

Belanja Modal

Geran belanja modal adalah untuk membayai perolehan harta tanah, 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 membayai kursus-kursus latihan untuk kakitangan Bank dan perbelanjaan ini diiktiraf dalam untung atau rugi berdasarkan perbelanjaan sebenar yang ditanggung pada tahun semasa.

41. GERAN PELANCARAN

	Belanja Modal RM	Belanja Pembangunan RM	Jumlah RM
Pada 1 Januari 2009	17,826,817	48,369,574	66,196,391
Pengkelasan semula dari lain-lain belum terima (Nota 19)	-	(15,883,425)	(15,883,425)
Penggunaan pada tahun semasa:			
Geran pentadbiran (Nota 9)	-	(7,808,361)	(7,808,361)
Belanja pembangunan (Nota 8 dan 9)	-	(6,459,027)	(6,459,027)
Pelunasan pada tahun semasa (Nota 9)	(2,421,633)	-	(2,421,633)
Pada 31 Disember 2009	15,405,184	18,218,761	33,623,945
Penggunaan pada tahun semasa:			
Belanja pembangunan (Nota 8 dan 9)	-	(2,928,736)	(2,928,736)
Pelunasan pada tahun semasa (Nota 9)	(2,468,167)	-	(2,468,167)
Pada 31 Disember 2010	12,937,017	15,290,025	28,227,042

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.

42. PROGRAM PEMBANGUNAN RAKYAT TERMISKIN ("PPRT")

	RM
Pada 31 Disember 2009 dan 31 Disember 2010	2,559,925

Program ini merupakan pembiayaan tanpa faedah daripada Kerajaan kepada rakyat miskin.

43. SKIM USAHAWAN TANI KOMERSIL SISWAZAH ("SUTKS")

	RM
Pada 1 Januari 2009	5,853,949
Peruntukan hutang rugu dan lapuk khusus (Nota 17)	(1,999,370)
Pada 31 Disember 2009	3,854,579
Peruntukan penjejasan kolektif (Nota 17)	(1,869,461)
Pada 31 Disember 2010	1,985,118

Program ini merupakan sebahagian daripada pakej rangsangan ekonomi yang diumumkan oleh Kerajaan. Sejumlah RM10.0 juta telah diperuntukkan kepada Bank, di mana RM9.0 juta adalah untuk membayai graduan yang telah berjaya menamatkan latihan yang ditetapkan di bawah syarat-syarat pinjaman. Baki RM1.0 juta lagi adalah untuk menampung kos pentadbiran, termasuk eluan peserta.

Objektif program ini adalah untuk mengurangkan kadar pengangguran di 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.

44. DANA KHAS SEKTOR PERIKANAN TERENGGANU ("DKSP")

	RM
Pada 1 Januari 2009	5,471,653
Pendapatan DKSP	(1,186,645)
Pada 31 Disember 2009	4,285,008
Pendapatan DKSP	(1,032,603)
Peruntukan penjejasan kolektif (Nota 17)	85,735
Pada 31 Disember 2010	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 membayai 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 ianya merupakan pembiayaan tanpa faedah. Pembiayaan minimum ialah RM5,000 dan maksimum ialah RM50,000. Tempoh pembiayaan bergantung kepada jangkamasa projek dan tempoh bayaran baik tidak melebihi 10 tahun.

45. KOMITMEN DAN LUAR JANGKAAN

Dalam urusan perniagaan biasa, Bank membuat pelbagai komitmen dan menanggung liabiliti luar jangkaan yang tertentu dengan tindak balas undang-undang terhadap pelanggan. Tiada kerugian ketara dijangkakan berikutan dari transaksi-transaksi seperti ini. Komitmen dan luar jangkaan pada tarikh pelaporan ini adalah seperti berikut:

	2010 RM	2009 RM
Jaminan		
Surat jaminan telah dikeluarkan kepada pelanggan Bank	20,986,050	22,711,356
Tuntutan ganti rugi:		
Beberapa tindakan undang-undang terhadap Bank dengan tuntutan ganti rugi	1,965,999	3,174,275
Dana Pertanian Komersil (GLC)	33,770,324	8,075,907

Pihak pengurusan Bank berpendapat bahawa peruntukan ganti rugi tidak perlu dibuat dalam penyata kewangan untuk tindakan-tindakan di atas kerana kemungkinan keputusan tidak menyebelahi pihak Bank adalah rendah.

46. KOMITMEN MODAL

Komitmen modal tidak diperuntukkan pada akhir tarikh pelaporan adalah seperti berikut:

	2010 RM	2009 RM
Diluluskan dan dikontrakkan:		
Belanja modal	3,465,181	13,615,410
Komitmen pinjaman, pembiayaan dan pendahuluan	309,544,024	328,703,949
	313,009,205	342,319,359
Diluluskan dan belum dikontrakkan:		
Belanja modal	3,968,936	243,905
Komitmen pinjaman, pembiayaan dan pendahuluan	21,763,400	58,277,102
	25,732,336	58,521,007
	338,741,541	400,840,366

47. PEMBENTANGAN PIHAK BERKAITAN

Pembentangan pihak berkaitan dibuat mengikut keperluan FRS 124.

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:

	2010 RM	2009 RM
Pengarah Eksekutif:		
Gaji dan emolumen	482,862	366,711
Caruman KWSP	70,170	40,496
Pengarah-pengarah Bukan Eksekutif:		
Fi	101,299	293,786
Bekas Pengarah:		
Fi	125,200	8,857
Pengurusan Utama:		
Gaji dan emolumen	1,195,709	1,275,960
Caruman KWSP	121,768	138,186
	2,097,008	2,123,996

48. 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 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 mengambil kira 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 & 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 aktivitiinya. 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
- Kepelbagaiannya portfolio kredit yang ditentukan oleh risiko konsentrasi.

- **Probability of Default (“PD”)**

Kebarangkalian berlakunya kemungkirian 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 kemungkirian. PD dianggarkan dengan menganalisis dan mengaitkan pengalaman kerugian sebenar kepada gred kredit yang dijana daripada model risiko kredit berdasarkan penarafan dalam atau pendekatan penggredan atau mengikut penarafan awam luaran.

- **Loss Given Default (“LGD”)**

LGD adalah peratusan daripada jumlah yang akan rugi sekiranya berlaku kemungkirian 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 kemungkirian berlaku.

- **Expected Loss (“EL”)**

EL ditakrifkan sebagai hasil daripada PD, LGD dan EAD. Peruntukan penjejasan untuk jangkaan kerugian pinjaman (digarisikan 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 pegawai-pegawai 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 dalam. 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:

	Pinjaman dan pendahuluan	
	2010 RM	2009 RM
Sektor:		
Sokongan	2,255,148,288	3,002,047,858
Tanaman	1,797,436,000	1,548,188,255
Ternakan	684,179,003	595,606,812
Perikanan	397,522,587	338,692,772
Perhutanan	118,974,286	110,274,673
Proses asas tan iain	241,546,008	41,069,916
	5,494,806,172	5,635,880,286

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.

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	
2010				RM
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 – ‘Supplimentary’	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	

Perbandingan tidak dibentangkan kerana FRS 139 hanya berkuat kuasa mulai 1 Januari 2010.

Pecahan peruntukan bagi pinjaman, pembiayaan dan pendahuluan terjejas secara individu dan secara kolektif adalah seperti berikut:

2010			RM
Aset pada kos pelunasan			
Peruntukan Penjejasan atas Dasar Individu:			
Tanaman			171,674,234
Perikanan			64,799,821
Nilai tambah			745,485
Perhutanan			87,690,629
Ternakan			141,137,741
Sokongan – ‘Supplimentary’			19,865,918
Sokongan – Lain-lain			36,215,726
			522,129,554
Peruntukan untuk penjejasan individu			
Peruntukan Penjejasan atas Dasar Kolektif:			
Tanaman			20,252,282
Perikanan			21,451,668
Nilai tambah			423,940
Perhutanan			12,492
Ternakan			18,323,081
Kredit Mikro – MUST			53,951,476
Kredit mikro – SKM			6
Sokongan – Ar Rahnu			486,734
Sokongan – ‘Supplimentary’			18,473,607
Sokongan – ‘Supplimentary’ (Bai Al-Innah)			82,650,196
Sokongan – ‘Supplimentary’ (Wawasan Tani)			4,573,399
Sokongan – Lain-lain			13,433,537
			234,032,418
Peruntukan Penjejasan Individu atas Dasar Kolektif:			
Tanaman			4,059,520
Perikanan			1,476,558
Ternakan			1,572,646
Sokongan – ‘Supplimentary’			173,865
			7,282,589
Peruntukan penjejasan kolektif			
Perbandingan tidak dibentangkan kerana FRS 139 hanya berkuat kuasa mulai 1 Januari 2010			
			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

Jumlah portfolio pelaburan Bank telah mencatatkan nilai sebanyak RM5,317,796,684 juta bagi tahun 2010. Kebanyakan pelaburan yang terlibat adalah Penerbitan, Kertas Perdagangan ("CP"), Bon Korporat ("PDS"), Sekuriti Kerajaan Malaysia ("MGS/GII") dan Ekuiti.

Profil portfolio adalah seperti berikut:

	RM	Komposisi (%)
Aset		
Deposit dengan Institusi Kewangan	2,622,917,610	49.32
Bon Korporat	1,479,895,348	27.83
Sekuriti Ekuiti	577,844,878	10.87
Sekuriti Kerajaan Malaysia	422,923,078	7.95
Kertas Komersil	214,215,770	4.03
Nilai Pembawa	5,317,796,684	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	Pada Disember 2010				Pada Disember 2009			
		Instrumen		Bukan Pasaran Wang – Sekuriti Hutang		Instrumen		Bukan Pasaran Wang – Sekuriti Hutang	
		Instrumen Pasaran Wang	Penarafan Domestik	Jumlah	Penarafan Domestik	Jumlah	Penarafan Domestik	Jumlah	Penarafan Domestik
Penarafan PDS									
AAA	-	-	653,489,774	653,489,774	-	-	586,127,968	586,127,968	
AA+ hingga AA-	-	-	526,105,744	526,105,744	-	-	511,731,071	511,731,071	
A+ hingga A-	-	-	45,564,051	45,564,051	-	-	25,950,281	25,950,281	
BBB+ hingga BBB -	-	-	-	-	-	-	-	-	
Tanpa penarafan	-	-	28,679,091	28,679,091	-	-	15,000,000	15,000,000	
Penarafan CPI									
P1/M1	-	-	-	-	-	-	-	-	
JUMLAH	-	-	1,253,838,660	1,253,838,660	-	-	1,138,809,320	1,138,809,320	

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	Pada Disember 2010				Pada Disember 2009			
	Instrumen Pasaran Wang		Instrumen Bukan Pasaran Wang – Sekuriti Hutang		Instrumen Pasaran Wang		Instrumen Bukan Pasaran Wang – Sekuriti Hutang	
	Penarafan Domestik	Jumlah	Penarafan Domestik	Jumlah	Penarafan Domestik	Jumlah	Penarafan Domestik	Jumlah
Penarafan PDS								
AAA	-	-	145,356,859	145,356,859	-	-	280,060,500	280,060,500
AA+ hingga AA-	-	-	34,854,815	34,854,815	-	-	34,724,626	34,724,626
A+ hingga A-	-	-	-	-	-	-	-	-
BBB+ hingga BBB -	-	-	-	-	-	-	-	-
Tanpa penarafan	-	-	45,845,014	45,845,014	-	-	-	-
Penarafan CPI								
P1/M1	214,215,770	214,215,770	-	-	176,186,452	176,186,452	-	-
JUMLAH	214,215,770	214,215,770	226,056,688	226,056,688	176,186,452	176,186,452	314,785,126	314,785,126

(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 disersetujui 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 ALCO. ALCO 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 (CFP) 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 *intra-day* 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 sekurang-kurangnya 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 penampungan 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 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 2010 berdasarkan kepada obligasi dan komitmen kontrak tanpa diskaun

Butiran	< 1 bulan	1 - 3 bulan	3 - 6 bulan	6 - 12 bulan	1 - 5 tahun	> 5 tahun	Jumlah
	RM	RM	RM	RM	RM	RM	RM
Deposit Dan Simpanan Pelanggan							
Simpanan Giro	2,543,723,503	-	-	-	-	-	2,543,723,503
Simpanan Tetap	1,146,820,356	952,518,052	612,494,268	1,141,151,685	56,045,774	-	3,909,030,135
Pinjaman Kerajaan dan Perhutangan							
Kerajaan	-	-	-	93,949,724	1,604,987,206	-	1,698,936,930
BNM	3,082,093	6,164,186	9,902,936	18,192,558	72,872,754	-	110,214,527
Lain-lain	-	-	6,719,430	6,616,194	23,193,133	-	36,528,757
Lain-lain Liabiliti							
Lain-lain Belum Bayar	32,976,181	7,406,472	2,118,871	18,279,653	-	-	60,781,177
Tabung Pampasan							
Kredit Padi	10,856	21,713	86,852	217,130	1,834,746	-	2,171,297
Jumlah Liabiliti Kewangan	3,726,612,989	966,110,423	631,322,357	1,278,406,944	1,758,933,613	-	8,361,386,326
Butiran Luar Penyata Kedudukan Kewangan							
Pinjaman Belum Dikeluarkan							
Belanja Modal	66,261,484	53,009,188	53,009,188	53,009,188	53,009,188	53,009,188	331,307,424
	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							
Kedudukan Kewangan	3,800,308,590	1,019,119,611	684,331,545	1,331,416,132	1,811,942,801	53,009,188	8,700,127,867

Liabiliti Bank pada 31 Disember 2009 berdasarkan obligasi dan komitmen kontrak tanpa diskaun

Butiran	< 1 bulan	1 - 3 bulan	3 - 6 bulan	6 - 12 bulan	1 - 5 tahun	> 5 tahun	Jumlah
	RM	RM	RM	RM	RM	RM	RM
Deposit Dan Simpanan Pelanggan							
Simpanan Giro	2,330,078,646	-	-	-	-	-	2,330,078,646
Simpanan Tetap	1,301,266,336	952,518,052	612,494,268	679,064,482	91,988,279	11,213	3,637,342,630
Pinjaman Kerajaan dan Perhutangan							
Kerajaan	-	-	-	-	222,297,537	1,056,532,742	-
BNM	3,000,000	6,497,280	9,003,342	20,497,090	106,181,273	-	145,178,985
Lain-lain	-	-	6,931,735	6,829,666	34,954,719	-	48,716,120
Lain-lain Liabiliti							
Lain-lain Belum Bayar	21,787,404	5,880,177	7,894,374	10,297,799	-	-	45,859,754
Tabung Pampasan							
Kredit Padi	10,231	20,461	81,845	204,612	1,728,976	-	2,046,125
Jumlah Liabiliti Kewangan	3,656,142,617	964,915,970	636,405,564	939,191,186	1,291,385,989	11,213	7,488,052,539
Butiran Luar Penyata Kedudukan Kewangan							
Pinjaman Belum Dikeluarkan							
Belanja Modal	77,396,211	61,916,968	61,916,968	61,916,968	61,916,968	61,916,968	386,981,051
	13,859,315	-	-	-	-	-	13,859,315
Jumlah Butiran Luar Penyata Kedudukan Kewangan	91,255,526	61,916,968	61,916,968	61,916,968	61,916,968	61,916,968	400,840,366
Jumlah Liabiliti Kewangan dan Butiran Luar Penyata Kedudukan Kewangan							
Kedudukan Kewangan	3,747,398,143	1,026,832,938	698,322,532	1,001,108,154	1,353,302,957	61,928,181	7,888,892,905

(d) Risiko Pasaran

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.

Perpendaharaan 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").

Pengukuran Risiko Kadar Faedah

Terdapat tiga pendekatan untuk mengukur risiko kadar faedah iaitu:

i) Analisis Ujian Tekanan/Analisis Scenario

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 minima "A". Pada masa ini, transaksi pelaburan ekuiti yang dipegang oleh Bank hanyalah terhad kepada penjualan sahaja.

ii) Analisis Sensitiviti

Adalah teknik yang 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 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 (RM Juta)	Nilai Bersih (RM Juta)	Nilai Pasaran (RM Juta)	Perbezaan (RM Juta)	Luar Biasa	Peruntukan Tetapi Munasabah (RM Juta)	Potensi Kerugian (RM Juta)	Luar Biasa	Peruntukan Tetapi Munasabah (RM Juta)	Potensi Kerugian (RM Juta)
					Tetapi Munasabah (RM Juta)	Potensi Kerugian (RM Juta)	Munasabah (RM Juta)	Potensi Kerugian (RM Juta)	Munasabah (RM Juta)	Potensi Kerugian (RM Juta)
PDS Sekuriti Kerajaan Malaysia Saham Disebut harga	1,461.65	1,479.90	18.25	1,479.16	17.51	1,478.42	16.77	1,477.68	16.03	
	423.88	422.92	(0.96)	422.71	(1.17)	422.50	(1.38)	422.29	(1.59)	
	55.08	587.78	532.70	587.49	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	

Risiko Pasaran Pelaburan pada 31 Disember 2009

	KEDUDUKAN SEMASA PADA 31/12/2009			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 (RM Juta)	Nilai Bersih (RM Juta)	Nilai Pasaran (RM Juta)	Perbezaan (RM Juta)	Luar Biasa	Peruntukan Tetapi Munasabah (RM Juta)	Potensi Kerugian (RM Juta)	Luar Biasa	Peruntukan Tetapi Munasabah (RM Juta)	Potensi Kerugian (RM Juta)
					Tetapi Munasabah (RM Juta)	Potensi Kerugian (RM Juta)	Munasabah (RM Juta)	Potensi Kerugian (RM Juta)	Munasabah (RM Juta)	Potensi Kerugian (RM Juta)
PDS Sekuriti Kerajaan Malaysia Saham Disebut harga	1,454.34	1,467.32	12.98	1,466.59	12.24	1,465.85	11.51	1,465.11	10.78	
	147.99	149.07	1.08	149.00	1.01	148.92	0.93	148.85	0.86	
	79.20	608.95	529.75	608.64	529.45	608.34	529.14	608.04	528.83	
	1,681.53	2,225.34	543.81	2,224.23	542.70	2,223.11	541.58	2,222.00	540.47	

Di bawah senario stress 1, di mana andaian penurunan 5 mata asas daripada nilai pasaran semasa bagi bulan berakhir Disember 2010, tidak akan memberikan potensi kerugian kecuali kerugian sebanyak RM1.17 juta bagi SKM. Penurunan nilai untuk senario 1 adalah daripada PDS dan Saham Disebut harga yang mencatatkan penurunan masing-masing sebanyak RM17.51 juta dan RM532.41 juta dan potensi kerugian sebanyak RM1.17 juta daripada SKM.

Di bawah senario stress 2, (andaian tambahan kejatuhan 10 mata asas) tebaran positif daripada pelaburan akan semakin berkurangan kepada RM547.50 juta dengan kerugian yang lebih besar bagi SKM.

Di bawah senario stress 3, (andaian peralihan nilai pasaran yang semakin menurun sebanyak 15 mata asas), Bank masih kekal positif dengan margin berkurangan sebanyak RM546.26 juta dengan kerugian SKM sebanyak RM1.59 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 tempoh bucket. 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 wajarni 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 - 2010

	< 1 tahun RM	> 1 - 3 tahun RM	> 3 - 5 tahun RM	> 5 tahun RM	Jumlah RM	Purata Kadar Faedah
Aset kewangan						
Tunai di tangan dan bank	133,383,425	-	-	-	133,383,425	0.75%
Simpanan dalam institusi kewangan	2,622,917,610	-	-	-	2,622,917,610	3.08%
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	13,761,401	22,767,356	-	-	36,528,757	3.50%
Pinjaman Kerajaan dan perhutangan	64,577,694	376,726,918	256,295,144	1,111,551,701	1,809,151,457	0.29%

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 di tangan dan bank	125,765,083	-	-	-	125,765,083	0.75%
Simpanan dengan institusi kewangan	1,516,048,878	-	-	-	1,516,048,878	2.22%
Pinjaman, pembiayaan dan pendahuluan	343,400,270	458,435,202	768,065,544	4,137,500,775	5,707,401,791	7.80%
Sekuriti pelaburan	482,000,000	485,000,000	635,000,000	165,000,000	1,767,000,000	4.53%
Liabiliti Kewangan						
Deposit dan simpanan pelanggan	5,875,421,784	71,122,407	20,865,872	11,213	5,967,421,276	1.68%
Pinjaman dari OECF	13,761,401	34,954,719	-	-	48,716,120	3.50%
Pinjaman Kerajaan dan perhutangan	74,778,691	208,892,041	59,927,892	1,080,410,640	1,424,009,264	0.26%

(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

Adalah dicadangkan supaya Bank patut menerima pakai lima komponen teras berikut sebagai prinsip panduan untuk pengurusan yang berkesan dan cekap bagi risiko operasinya.

• Tadbir Urus (*Corporate Governance*)

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 di antara pemilik risiko, Bahagian Pengurusan Risiko dan Audit Dalam membentuk ranga kerja bagi "tiga garisan pertahanan" Bank terhadap sebarang risiko.

Barisan Pertama *Lines of Defence* adalah 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 adalah RMD, yang bertanggungjawab untuk mengawasi pengurusan risiko operasi.

Barisan Pertahanan Ketiga adalah 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 dikenalpasti hingga ke suatu masa risiko dikurangkan sehingga berada dalam tahap citarasa 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) Mengenalpasti 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 rasmi dan sebahagiannya pula melalui komunikasi bersemuka.

• Budaya

Budaya risiko operasi merangkumi kesedaran umum, sikap, kelakuan pekerja hingga kepada risiko operasi dan pengurusan risiko operasi.

Heads, Managers dan Penyelia di semua peringkat mestilah memastikan wujudnya kesedaran yang mencukupi di 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 Heads mesti memastikan kursus yang mencukupi diberikan kepada kakitangan untuk memastikan mereka memperolehi tahap pengetahuan dan kemahiran yang mencukupi untuk melaksanakan tugas dan tanggungjawab mereka di dalam menguruskan risiko operasi.

Inisiatif oleh Bahagian Pengurusan Risiko (BPR)

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 dikemaskini oleh juru runding luar pada suku ke-4 2010 setelah penilaian risiko ke atas Infrastruktur dan Aplikasi IT menggunakan versi dikemaskini 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 dan akan dilaksanakan dalam suku pertama tahun 2011.

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 156 cawangan (Disember 2010), pengurusan risiko operasi di peringkat unit perniagaan memainkan peranan yang penting dalam toleransi citarasa dan toleransi risiko yang diinginkan oleh Bank. Selain daripada 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 aras 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 aras modal yang kukuh bagi mempertahankan keyakinan pelabur, pemutang 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 aras 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 oleh peningkatan 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:

	2010 %	2009 %
Sebelum menolak dividen yang dicadangkan:		
Nisbah modal teras	19.72	17.93
Nisbah modal berwajaran risiko	23.53	21.78

Sebelum menolak dividen yang dicadangkan:

	2010 RM	2009 RM
Nisbah modal teras	1,000,000,000	1,000,000,000
Rizab berkanun	349,810,136	161,867,486
Pendapatan tertahan	139,495,948	161,867,485

Komponen Modal Kumpulan I dan Kumpulan II

Modal Kumpulan I

Modal saham	1,000,000,000	1,000,000,000
Rizab berkanun	349,810,136	161,867,486
Pendapatan tertahan	139,495,948	161,867,485

Jumlah Modal Kumpulan I

1,489,306,084

1,323,734,971

Modal Kumpulan II

Peruntukan penjejasan kolektif	183,353,864	-
Peruntukan hutang ragu dan lapuk am	-	158,794,549
Geran Kerajaan - Belanja Modal dan Pembangunan	67,723,644	80,481,525
Geran Pelancaran	28,227,042	33,623,945
Geran Kerajaan - Dana	7,883,183	10,699,512

Jumlah Modal Kumpulan II

287,187,733

283,599,531

Jumlah Modal Teras

1,776,493,817

1,607,334,502

Pecahan aset berwajaran risiko dalam pelbagai kategori wajaran risiko adalah seperti berikut:

	Nosional RM	Wajaran risiko RM
0%	666,107,832	-
10%	-	-
20%	3,088,948,421	617,789,684
50%	56,450,886	28,225,443
100%	6,730,948,583	6,730,948,583
Aset berwajaran risiko luar penyata kedudukan kewangan	-	174,292,014
Jumlah aset berwajaran risiko pada 31 Disember 2010	10,542,455,722	7,551,255,724
0%	318,758,122	-
10%	-	-
20%	1,939,742,565	387,948,513
50%	57,125,083	28,562,542
100%	6,761,887,568	6,761,887,568
Aset berwajaran risiko luar penyata kedudukan kewangan	-	202,796,377
Jumlah aset berwajaran risiko pada 31 Disember 2009	9,077,513,338	7,381,195,000

B. NILAI SAKSAMA ASET DAN LIABILITI KEWANGAN

Nilai saksama adalah jumlah di mana aset kewangan boleh ditukar atau liabiliti kewangan boleh dilunaskan di 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 adalah dianggarkan seperti berikut:

	Nilai Pembawa 2010 RM	Nilai Saksama 2010 RM	Nilai Pembawa 2009 RM	Nilai Saksama 2009 RM
Aset Kewangan				
Tunai di tangan dan bank	133,383,425	133,383,425	125,765,083	125,765,083
Simpanan dengan institusi kewangan	2,622,917,610	2,622,917,610	1,516,048,878	1,516,048,878
Sekuriti pelaburan	2,694,879,074	2,695,939,568	1,856,972,342	2,411,563,804
Pinjaman, pembiayaan dan pendahuluan	5,568,079,661	3,413,525,545	5,707,401,791	3,388,917,820
Liabiliti Kewangan				
Deposit dan simpanan pelanggan	6,452,753,638	6,324,253,135	5,967,421,276	5,866,668,144
Pinjaman dari OECF	36,528,757	33,135,740	48,716,120	43,755,808
Pinjaman Kerajaan dan perhutangan	1,809,151,457	1,726,668,800	1,424,009,264	1,354,199,572

Kaedah dan andaian yang digunakan 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 dianggar 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 dari OECF

Bagi Pinjaman dari OECF, anggaran nilai saksama adalah berdasarkan jangkaan aliran tunai masa hadapan bagi bayaran ansuran berkontrak dengan baki kematangan dijangka 4 tahun (2009: 5 tahun) dan terdiskaun pada kadar semasa pada akhir tarikh pelaporan mengikut perjanjian.

(vii) Pinjaman Kerajaan dan perhutangan

Anggaran nilai saksama bagi pinjaman Kerajaan dan perhutangan adalah berdasarkan jangkaan aliran tunai masa hadapan terdiskaun mengikut kadar semasa pada akhir tarikh pelaporan.

C. ANALISIS ASET DAN LIABILITI KEWANGAN MENGIKUT ASAS PENGUKURAN

	31 Disember 2010				
	Sekuriti dipegang sehingga matang RM	Pinjaman dan penerimaan RM	Sekuriti tersedia untuk dijual RM	Aset kewangan dan liabiliti pada kos pelunasan RM	Jumlah RM
Aset Kewangan					
Tunai di tangan dan bank	-	133,383,425	-	-	133,383,425
Simpanan dengan institusi kewangan	-	2,622,917,610	-	-	2,622,917,610
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	-	-	-	36,528,757	36,528,757
Pinjaman Kerajaan dan perhutangan	-	-	-	1,809,151,457	1,809,151,457
	-	-	-	8,298,433,852	8,298,433,852

	31 Disember 2009				
	Sekuriti dipegang sehingga matang RM	Pinjaman dan penerimaan RM	Sekuriti tersedia untuk dijual RM	Aset kewangan dan liabiliti pada kos pelunasan RM	Jumlah RM
Aset Kewangan					
Tunai di tangan dan bank	-	125,765,083	-	-	125,765,083
Simpanan dengan institusi kewangan	-	1,516,048,878	-	-	1,516,048,878
Sekuriti Pelaburan	501,106,380	-	1,355,865,962	-	1,856,972,342
Pinjaman, pembiayaan dan pendahuluan	-	5,707,401,791	-	-	5,707,401,791
	501,106,380	7,349,215,752	1,355,865,962	-	9,206,188,094
Liabiliti Kewangan					
Deposit dan simpanan pelanggan	-	-	-	5,967,421,276	5,967,421,276
Pinjaman dari OECF	-	-	-	48,716,120	48,716,120
Pinjaman Kerajaan dan perhutangan	-	-	-	1,424,009,264	1,424,009,264
	-	-	-	7,440,146,660	7,440,146,660

49. KESAN KEWANGAN KE ATAS PERUBAHAN POLISI PERAKAUNAN

a) Kesan Kewangan Ke atas Perubahan Polisi Perakaunan

(i) Perubahan polisi perakaunan telah memberi kesan kewangan pada baki awal penyata kedudukan kewangan Bank:

	Pada 1 Januari 2010 - dinyatakan dahulu RM	Kesan penerimaan pakai FRS 139 dan FRS 117 RM	Pada 1 Januari 2010 - dinyatakan semula RM
ASET			
Tunai di tangan dan bank	125,765,083		125,765,083
Simpanan dengan institusi kewangan	1,516,048,878		1,516,048,878
Sekuriti pelaburan	1,856,972,342	552,008,977	2,408,981,319
Pinjaman, pembiayaan dan pendahuluan	5,275,108,624	(189,257,347)	5,085,851,277
Aset-aset lain	88,155,603		88,155,603
Cukai boleh pulih	245,380		245,380
Pajakan prabayar	6,896,135	(742,597)	6,153,538
Hartanah, loji dan peralatan	208,321,293	742,597	209,063,890
JUMLAH ASET	9,077,513,338		9,440,264,968
LIABILITI DAN EKUITI			
Liabiliti			
Deposit dan simpanan pelanggan	5,967,421,276		5,967,421,276
Lain-lain liabiliti			
Pelbagai sipiutang dan akruan	186,780,600		186,780,600
Tabung Pampasan Kredit Padi	2,046,125		2,046,125
Pinjaman Kerajaan dan Perhutangan	188,826,725		188,826,725
Pinjaman dari OECF			
Tabung Untuk Makanan ("3F")	892,490,864		892,490,864
Peruntukan MPPB	50,000,000		50,000,000
Tabung Industri Kecil dan Sederhana ("TIKS")	2,463,160		2,463,160
Pinjaman Tanam Semula Kelapa Sawit ("TASKS")	15,000,000		15,000,000
Skim Kredit Padi	70,000,000		70,000,000
Skim LITS ("Low Intensity Tapping Systems")	1,757,703		1,757,703
Skim Kredit Pengeluaran Makanan ("SKPM")	90,000,000		90,000,000

	Pada 1 Januari 2010 - dinyatakan dahulu RM	Kesan penerimaan FRS 139 dan FRS 117 RM	Pada 1 Januari 2010 - dinyatakan semula RM
Dana Kementerian Belia dan Sukan ("DKBS")	20,000,000	20,000,000	
Skim Pembiayaan Bot Perikanan ("SPBP")	140,000,000	140,000,000	
Skim Usahawan Tani Komersil Siswazah ("SUTKS-Pinjaman")	10,000,000	10,000,000	
Pembiayaan Industri Kecil dan Sederhana ("PKS")	85,000,000	85,000,000	
Skim Kredit Pengeluaran Bukan Makanan ("SKPBM")	30,000,000	30,000,000	
Dana Enterprise Mikro	17,297,537	17,297,537	
	1,472,725,384	1,472,725,384	
Jumlah Liabiliti	7,628,973,385	7,628,973,385	
Dana Pemegang Saham			
Modal saham	1,000,000,000	1,000,000,000	
Rizab	323,734,971	362,751,630	686,486,601
Jumlah Dana Pemegang Saham	1,323,734,971	1,686,486,601	
Geran Kerajaan – Belanja			
Modal dan Pembangunan	80,481,525	80,481,525	
Geran Pelancaran	33,623,945	33,623,945	
Geran Kerajaan – Dana			
Program Pembangunan Rakyat Termiskin ("PPRT")	2,559,925	2,559,925	
Skim Usahawan Tani Komersil Siswazah ("SUTKS")	3,854,579	3,854,579	
Dana Khas Sektor Perikanan Terengganu ("DKSP")	4,285,008	4,285,008	
	10,699,512	10,699,512	
Jumlah Ekuiti	1,448,539,953	1,811,291,583	
JUMLAH LIABILITI DAN EKUITI	9,077,513,338	9,440,264,968	

(ii) Kesan kewangan kuantifikasi daripada perubahan polisi perakaunan di atas, terhadap penyata pendapatan komprehensif bagi tahun semasa, sebagai asas sebelum ini mengukur peruntukan penyejasan pinjaman dan pengiktirafan faedah pinjaman telah dihentikan apabila FRS 139 diterima pakai.

b) **Angka Perbandingan**

i) **FRS 101 Pembentangan Penyata Kewangan**

Kesan daripada menerima pakai FRS 101, penyata pendapatan Bank bagi tahun kewangan perbandingan telah dibentangkan semula dalam satu penyata pendapatan yang komprehensif. Semua perubahan bukan pemilik dalam ekuiti bagi tahun kewangan perbandingan kini ditunjukkan dalam penyata pendapatan komprehensif.

ii) **Pindaan FRS 117 Pajakan**

Bank sebelum ini menganggap pajakan tanah yang mana hak miliknya tidak dijangka untuk dipindahkan kepada pemajak pada akhir tempoh pajakan, sebagai pajakan operasi kerana sebahagian besar risiko dan ganjaran pemilikan pajakan tidak dipindahkan kepada pemajak.

Setelah penerimaan pakai pindaan kepada FRS 117 Pajakan, Bank telah membuat penilaian semula pengkelasan pajakan tanah berdasarkan maklumat sedia ada pada permulaan pajakan dengan menggunakan prinsip-prinsip umum dalam FRS 117. Penilaian ini telah menyebabkan pajakan tanah di mana sebahagian besar risiko dan ganjaran pemilikan pajakan dipindahkan kepada pemajak diklasifikasikan sebagai pajakan kewangan. Perubahan dalam klasifikasi telah digunakan secara retrospektif mengikut peruntukan peralihan.

iii) **FRS 7 Instrumen Kewangan: Pendedahan**

Penerimaan pakai FRS 7 telah menyebabkan beberapa perubahan kepada pendedahan instrumen kewangan, di mana pendedahan kini dibuat sama ada mengikut kategori atau jenis aset dan liabiliti kewangan.

50. 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 2010)**

	Nota	2010 RM	2009 RM
Pendapatan Perbankan Islam	a	343,294,543	290,207,209
Caj Penjejasan Pembiayaan	b	(121,320,702)	(118,612,027)
Pendapatan bersih	c	221,973,841	171,595,182
Perbelanjaan overhead		(3,284,564)	(3,603,368)
Keuntungan sebelum Zakat		218,689,277	167,991,814
Zakat		(281,194)	(2,879,563)
Keuntungan selepas Zakat		218,408,083	165,112,251
Lain-lain pendapatan komprehensif			
Nilai keuntungan bersih atas aset kewangan tersedia untuk dijual		7,177,677	-
Penyahiktirafan rizab penilaian semula pelaburan - jualan AFS		(5,172,100)	-
Lain-lain pendapatan komprehensif bagi tahun, selepas cukai		2,005,577	-
Jumlah pendapatan komprehensif bagi tahun		220,413,660	-

PENYATA KEDUDUKAN KEWANGAN PADA 31 DISEMBER 2010

	Nota	2010 RM	2009 RM
ASET			
Tunai di tangan dan bank	d	1,495,080,897	1,429,396,805
Sekuriti pelaburan	e	878,914,610	389,538,488
Pembiayaan dan pendahuluan	f	3,355,791,755	3,345,649,230
Hartanah, loji dan peralatan		2,049,957	2,012,478
Aset-aset lain	g	16,908,323	7,901,230
JUMLAH ASET		5,748,745,542	5,174,498,231
LIABILITI DAN EKUITI			
Liabiliti			
Deposit dan simpanan pelanggan	h	2,977,901,968	2,702,761,446
Keuntungan belum bayar dan lain-lain	i	49,741,870	139,877,800
Pinjaman Kerajaan dan Perhutangan	j	1,483,905,937	1,171,125,116
Jumlah Liabiliti		4,511,549,775	4,013,764,362
Ekuiti			
Dana Perbankan Islam	k	1,231,872,509	1,152,594,282
Geran Kerajaan - Dana	l	5,323,258	8,139,587
Jumlah Ekuiti		1,237,195,767	1,160,733,869
JUMLAH LIABILITI DAN EKUITI			
5,748,745,542		5,174,498,231	

PENYATA ALIRAN TUNAI
(BAGI TAHUN KEWANGAN BERAKHIR 31 DISEMBER 2010)

	2010 RM	2009 RM
ALIRAN TUNAI DARI/(DIGUNAKAN DALAM) AKTIVITI OPERASI		
Keuntungan sebelum zakat	218,689,277	167,991,814
Pelarasan untuk:		
Caj penjejasan pembiayaan	121,320,702	118,612,027
Keuntungan tergantung	-	11,372,777
Perbelanjaan Faedah atas pinjaman daripada Kerajaan dan skim dana pembiayaan	2,331,747	1,041,359
Susut nilai hartaanah, loji dan peralatan	413,650	326,694
Pelunasan diskau	-	(2,111,124)
Keuntungan Operasi Sebelum Perubahan Modal Kerja	342,755,376	297,233,547
Pertambahan dalam:		
Pembiayaan dan pendahuluan	(265,410,842)	(139,776,536)
Aset-aset Lain	(9,007,093)	(2,505,060)
Pertambahan/(Penurunan) dalam:		
Deposit dan simpanan pelanggan	275,140,522	292,204,767
Keuntungan belum bayar dan lain-lain	(89,141,842)	99,819,593
Bayaran balik kepada sistem konvensional	(12,953,549)	(156,572,068)
Tunai Dari Aktiviti Operasi	241,382,572	390,404,243
Bayaran Zakat	(1,275,282)	(1,655,271)
Tunai Bersih Dari Aktiviti Operasi	240,107,290	388,748,972

	2010 RM	2009 RM
ALIRAN TUNAI DIGUNAKAN DALAM AKTIVITI PELABURAN		
Pertambahan dalam sekuriti pelaburan	(486,487,782)	(312,708,605)
Pembelian hartaanah, loji dan peralatan	(451,129)	(250,792)
Tunai Bersih Digunakan Dalam Aktiviti Pembiayaan		
ALIRAN TUNAI DARI/(DIGUNAKAN DALAM) AKTIVITI PEMBIAYAAN	(486,938,911)	(312,959,397)
Pembayaran faedah atas pinjaman Kerajaan dan perhutangan	(96,019)	(123,551)
Pertambahan dalam:		
Tabung Untuk Makanan ("3F")	295,000,000	300,000,000
Skim Kredit Pengeluaran Makanan ("SKPM")	10,000,000	9,147,000
Pembiayaan Industri Kecil dan Sederhana ("PKS")	15,000,000	15,000,000
Dana Khas Sektor Perikanan Terengganu ("DKSP")	(1,032,603)	(1,186,645)
Pembayaran pinjaman Kerajaan dan perhutangan	(6,355,665)	(12,571,443)
Tunai Bersih Dari Aktiviti Pembiayaan	312,515,713	310,265,361
PERTAMBAHAN BERSIH TUNAI DAN TUNAI SETARA	65,684,092	386,054,936
TUNAI DAN TUNAI SETARA PADA AWAL TAHUN	1,429,396,805	1,043,341,869
TUNAI DAN TUNAI SETARA PADA AKHIR TAHUN	1,495,080,897	1,429,396,805
TUNAI DAN TUNAI SETARA TERDIRI DARIPADA:		
Tunai di tangan dan bank	50,463,049	48,503,240
Simpanan jangka pendek dengan Institusi Kewangan	1,444,617,848	1,380,893,565
1,495,080,897	1,429,396,805	

(Di bawah kehadapan)

Nota a: Pendapatan Perbankan Islam

	2010 RM	2009 RM
Pendapatan operasi Perbankan Islam		
Pembentangan	264,495,479	264,401,109
Keuntungan tergantung	-	(11,372,777)
Pemulihan pembentangan telah dihapus kira	2,786,008	4,884,702
Pendapatan dari institusi kewangan		
Faedah daripada deposit daripada institusi kewangan	37,210,272	31,192,394
Faedah dari sekuriti pelaburan:		
Dipegang sehingga matang (HTM)	7,738,143	5,251,318
Tersedia untuk dijual (AFS)	12,684,383	610,037
Pelunasan diskau bersih	-	2,111,124
Keuntungan dari jualan sekuriti pelaburan:		
Tersedia untuk dijual (AFS)	5,308,166	-
Pemulihan pelaburan telah dihapus kira	705,968	-
Pendapatan Fi		
Fi pemprosesan pembentangan	28,012,260	12,398,759
Fi Perkhidmatan perbankan	15,383,458	13,539,314
Upah simpan Ar-Rahnu	17,033,257	10,346,559
	391,357,394	333,362,539
Tolak: Pengagihan keuntungan kepada pelanggan		
Deposit Al-Mudharabah	41,117,964	36,541,891
Simpanan Al-Mudharabah	2,858,847	3,393,706
Agro Perdana-i	2,002,156	3,277,161
Simpanan Agro-i	1,647,216	1,194,075
Simpanan Al-Wadiah	565,319	719,223
Agro Muda-i	158,319	70,022
Agro Tetangga-i	13,726	2,898
	48,363,547	45,198,976
Tabung Untuk Makanan ("3F")	1,809,399	998,379
Skim Kredit Pengeluaran Makanan ("SKPM")	243,767	-
Pinjaman Industri Kecil dan Sederhana ("PKS")	230,377	-
Tabung Industri Kecil dan Sederhana ("TIKS")	35,670	42,980
Skim Kredit Pengeluaran Bukan Makanan ("SKPBM")	12,534	-
	50,695,294	46,240,335

Dana Khas Sektor Perikanan Terengganu ("DKSP")

Pembentangan kakitangan	1,032,603	1,186,645
Imbuhan Special Relief Grant for Flood ("SRGF")	523,797	740,661
Pendapatan Lain	72,246	163,800
	343,294,543	290,207,209

Di mana:

Keuntungan pendapatan yang diperolehi daripada penjejasan dan pendahuluan

26,317,557	-
-------------------	---

Terdapat caj pinjaman intra Perbankan Konvensional kepada Perbankan Islam bagi penggunaan dana berjumlah RM15,849,082.

Nota b: Caj penjejasan pembentangan

	2010 RM	2009 RM
Kerugian penjejasan individu	66,984,032	-
Kerugian penjejasan kolektif	54,336,670	-
Peruntukan hutang rugu dan lapuk khusus	-	86,320,321
Peruntukan hutang rugu dan lapuk am	-	32,291,706
	121,320,702	118,612,027

Nota c: Perbelanjaan overhed

	2010 RM	2009 RM
Kos personel		
Gaji, elauan dan bonus	669,017	658,845
Caruman KWSP	58,105	80,184
Caruman SOCSO	3,256	4,267
Kebajikan kakitangan	38,983	27,949
Lain-lain	77,581	83,304
	846,942	854,549
Kos senggaraan		
Pencetakan, peralatan dan bekalan pejabat	689,820	584,925
Insuran	561,439	526,868
Susut nilai hartanah, loji dan peralatan	413,650	326,694
Sewa bangunan	50,780	131,700
Lain-lain	70,005	92,289
	1,785,694	1,662,476
Perbelanjaan pemasaran		
Pengiklanan dan promosi	317,979	691,037
Lain-lain	500	-
	318,479	691,037
Perbelanjaan pentadbiran am		
Perbelanjaan komunikasi	99,205	30,350
Lain-lain	234,244	364,956
	333,449	395,306
	3,284,564	3,603,368

Nota d: Tunai di tangan dan bank

	2010 RM	2009 RM
Tunai di tangan dan bank	50,463,049	48,503,240
Simpanan jangka pendek dengan institusi kewangan	1,444,617,848	1,380,893,565
	1,495,080,897	1,429,396,805

Nota e: Sekuriti Pelaburan

	2010 RM	2009 RM
Sekuriti Hutang		
Tersedia untuk dijual – pada nilai saksama		
Bon Korporat	303,483,296	-
Sekuriti Kerajaan Malaysia	300,034,000	-
	603,517,296	-
Dipegang Sehingga Matang – pada kos pelunasan		
Bon Korporat	150,845,014	-
Kertas Komersil	114,385,003	-
Sekuriti Kerajaan Malaysia	10,167,297	-
	275,397,314	-
Baki Bersih		
Struktur kematangan pelaburan dipegang sehingga matang adalah seperti berikut:		
Matang dalam tempoh enam bulan	214,385,003	-
Enam bulan hingga satu tahun	5,000,000	-
Satu tahun hingga tiga tahun	10,000,000	-
Tiga tahun hingga lima tahun	10,167,297	-
Lebih daripada lima tahun	35,845,014	-
	275,397,314	-

	2010 RM	2009 RM
Sekuriti Hutang		
Tersedia untuk dijual		
Bon Korporat	-	40,000,000
Sekuriti Kerajaan Malaysia	-	45,000,000
	<hr/>	<hr/>
	-	85,000,000
Dipegang Sehingga Matang		
Bon Korporat	-	180,000,000
Kertas Komersil	-	125,000,000
Sekuriti Kerajaan Malaysia	-	-
	<hr/>	<hr/>
	-	305,000,000
Jumlah sebelum pelunasan	<hr/>	<hr/>
Pelunasan diskau	-	(461,512)
	<hr/>	<hr/>
Baki Bersih	-	389,538,488
	<hr/>	<hr/>
Struktur kematangan instrumen pasaran wang adalah seperti berikut:		
Matang dalam tempoh enam bulan	-	225,000,000
Enam bulan hingga satu tahun	-	80,000,000
Satu tahun hingga tiga tahun	-	20,000,000
Tiga tahun hingga lima tahun	-	35,000,000
Lebih daripada lima tahun	-	30,000,000
	<hr/>	<hr/>
	-	390,000,000

Nota f: Pembiayaan dan pendahuluan

	2010 RM	2009 RM
Bai-Al-Inah	2,289,613,212	2,268,339,955
Pembiayaan Projek dan Jentera BBA	1,436,425,217	1,462,627,654
Tabung Untuk Makanan ("3F")	682,882,821	611,543,216
Ar-Rahnu	242,739,537	88,445,782
Skim Pembiayaan Bot Perikanan ("SPBP")	117,302,877	106,789,806
MUST-i	86,639,901	30,456,541
Pinjaman Tanam Semula Kelapa Sawit ("TASK")	59,429,431	72,681,697
Peruntukan MAP dan MPPB	60,322,835	42,530,025
Pembiayaan Industri Kecil dan Sederhana ("PKS")	49,628,381	44,078,502
Skim Kredit Pengeluaran Bukan Makanan ("SKPBM")	88,477,961	30,471,663
Skim Kredit Pengeluaran Makanan ("SKPM")	32,968,843	41,358,045
Skim Belia Tani	15,266,571	14,638,068
Skim Usahawan Tani Komersil Siswazah ("SUTKS - Pinjaman")	11,419,860	14,880,394
Dana Khas Sektor Perikanan Terengganu ("DKSP")	2,627,134	2,725,960
Tabung Industri Kecil dan Sederhana ("TIKS")	2,684,225	3,140,679
Modal Pusingan-i	986,130	1,000,000
	<hr/>	<hr/>
Tolak: Keuntungan belum diperolehi	5,179,414,936	4,835,707,987
	<hr/>	<hr/>
(1,338,553,143)	(1,254,267,419)	
	<hr/>	<hr/>
Tolak:	3,840,861,793	3,581,440,568
Kerugian penjejasan individu	(363,400,049)	-
Kerugian penjejasan kolektif	(150,437,266)	-
Peruntukan hutang rugu dan lapuk khusus	-	(150,062,265)
Peruntukan hutang rugu dan lapuk am	-	(100,552,381)
Keuntungan tergantung	-	(15,378,962)
Kerugian penjejasan individu ("SUTKS")	(5,052,120)	-
Kerugian penjejasan individu ("DKSP")	(310,577)	-
Peruntukan hutang rugu dan lapuk khusus ("SUTKS")	-	(4,729,579)
Peruntukan hutang rugu dan lapuk khusus ("DKSP")	-	(379,261)
Jumlah dihapus kira	-	6,030,077
	<hr/>	<hr/>
Pembiayaan kakitangan	3,321,661,781	3,316,368,197
	<hr/>	<hr/>
34,129,974	29,281,033	
	<hr/>	<hr/>
Baki Bersih	3,355,791,755	3,345,649,230
	<hr/>	<hr/>
Struktur kematangan pembiayaan adalah seperti berikut:		
Matang dalam tempoh enam bulan	282,788,814	106,936,341
Enam bulan hingga satu tahun	18,801,025	10,804,604
Satu tahun hingga tiga tahun	280,609,609	237,471,841
Tiga tahun hingga lima tahun	640,252,812	553,444,759
Lebih daripada lima tahun	2,618,409,533	2,672,783,023
	<hr/>	<hr/>
3,840,861,793	3,581,440,568	

Nota g: Aset-aset lain

	2010 RM	2009 RM
Keuntungan belum terima sekuriti pelaburan	9,543,613	3,797,695
Pendapatan belum terima Ar-Rahnu	7,322,962	4,034,795
Pertaruhan dan bayaran terdahulu	41,466	68,740
Aset-aset lain	282	-
	16,908,323	7,901,230

Nota h: Deposit dan simpanan pelanggan

	2010 RM	2009 RM
Simpanan Al-Wadiah	69,133,645	71,477,482
Simpanan Al-Mudharabah	275,116,213	286,410,021
Deposit am Al-Mudharabah	1,535,829,179	1,510,337,151
Agro Perdana-i	1,038,794,944	775,306,972
Sekuriti deposit	59,027,987	59,229,820
	2,977,901,968	2,702,761,446

Struktur kematangan deposit dan simpanan pelanggan adalah seperti berikut:

Dalam tempoh enam bulan	2,658,535,136	2,250,279,793
Enam bulan hingga satu tahun	283,191,495	401,490,922
Satu tahun hingga tiga tahun	17,232,913	43,161,249
Tiga tahun hingga lima tahun	18,942,424	7,829,482
	2,977,901,968	2,702,761,446

Nota i: Keuntungan belum bayar dan lain-lain

	2010 RM	2009 RM
Deposit am Al-Mudharabah	20,991,219	16,571,693
Liabiliti lain	26,794,573	120,355,941
Zakat	1,956,078	2,950,166
	49,741,870	139,877,800

Nota j: Pinjaman Kerajaan dan perhutangan

	2010 RM	2009 RM
Tabung Untuk Makanan ("3F")	1,068,206,984	776,904,253
Pinjaman Tanam Semula Kelapa Sawit ("TASKS")	15,000,000	15,000,000
Skim LITS ("Low Intensity Tapping Systems")	1,026,965	1,757,703
Tabung Industri Kecil dan Sederhana ("TIKS")	2,284,552	2,463,160
Skim Kredit Pengeluaran Makanan ("SKPM")	100,243,767	90,000,000
Dana Kementerian Belia dan Sukan ("DKBS")	16,900,758	20,000,000
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")	30,012,534	30,000,000
Pembiayaan Industri Kecil dan Sederhana ("PKS")	100,230,377	85,000,000
	1,483,905,937	1,171,125,116

Nota k: Dana Perbankan Islam

	2010 RM	2009 RM
Pendapatan tertahan	390,063,775	300,720,339
Rizab am	849,741,880	849,741,880
(Bayaran balik kepada) / Pendahuluan daripada sistem konvensional	(10,821,486)	2,132,063
Rizab penilaian semula pelaburan	2,888,340	-
	1,231,872,509	1,152,594,282
Pendapatan tertahan		
Pada awal tahun	300,720,339	135,608,088
Untung selepas zakat	218,408,083	165,112,251
Kesan penerimaan pakai FRS 139	(129,064,647)	-
	390,063,775	300,720,339
(Bayaran balik kepada) / Pendahuluan daripada sistem konvensional		
Pada awal tahun	2,132,063	158,704,131
Bayaran balik bersih	(12,953,549)	(156,572,068)
	(10,821,486)	2,132,063

Rizab penilaian semula pelaburan

	2010 RM	2009 RM
Pada awal tahun	882,763	-
Lain-lain pendapatan komprehensif dalam tahun	2,005,577	-
Pada akhir tahun	2,888,340	-

Nota I: Geran Kerajaan - Dana

	2010 RM	2009 RM
Skim Usahawan Tani Komersil Siswazah ("SUTKS")	1,985,118	3,854,579
Dana Khas Sektor Perikanan Terengganu ("DKSP")	3,338,140	4,285,008
5,323,258	8,139,587	

Nota m: Kecukupan Modal

	2010 %	2009 %
Sebelum menolak dividen yang dicadangkan:		
Nisbah modal teras	30.47	29.31
Nisbah modal berwajaran risiko	33.33	32.08

Komponen Modal Kumpulan I dan Kumpulan II

Modal Kumpulan I

Rizab am	849,741,880	849,741,880
Pendahuluan dari sistem konvensional	(10,821,486)	2,132,063
Pendapatan tertahan	390,063,775	300,720,339

Jumlah Modal Kumpulan I

2010 RM	2009 RM
1,228,984,169	1,152,594,282

Modal Kumpulan II

Peruntukan penjejasan kolektif	110,246,536	-
Peruntukan hutang rugu dan lapuk am	-	100,552,381
Geran Kerajaan – dana	5,323,258	8,139,587

Jumlah Modal Kumpulan II

2010 RM	2009 RM
115,569,794	108,691,968

Jumlah Asas Modal

2010 RM	2009 RM
1,344,553,963	1,261,286,250

Pecahan aset berwajaran risiko dalam pelbagai kategori wajaran risiko adalah seperti berikut:

	Nosional RM	Wajaran risiko RM
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 di luar penyata kedudukan kewangan	-	111,936,278
Jumlah aset berwajaran risiko pada 31 Disember 2010	5,748,745,542	4,033,723,129
0%	93,611,111	-
10%	-	-
20%	1,594,169,020	318,833,804
50%	19,817,035	9,908,518
100%	3,466,901,065	3,466,901,065
Aset berwajaran risiko di luar penyata kedudukan kewangan	-	129,923,452
Jumlah aset berwajaran risiko pada 31 Disember 2009	5,174,498,231	3,925,566,839

Pendedahan nisbah kecukupan modal perniagaan perbankan Islam Bank seperti yang dinyatakan di atas adalah 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 adalah dikehendaki mematuhi nisbah modal teras minimum sebanyak 4% dan nisbah modal berwajaran risiko minimum 8% berkuatkuasa dari 2 Januari 2002.

**LAPORAN JURUAUDIT BEBAS KEPADA ANGGOTA
BANK PERTANIAN MALAYSIA BERHAD**
(Diperbadankan di Malaysia)

**LAPORAN JURUAUDIT BEBAS KEPADA AHLI
BANK PERTANIAN MALAYSIA BERHAD**
(Diperbadankan di Malaysia)

Laporan Mengenai Penyata Kewangan

Kami telah mengaudit penyata kewangan **BANK PERTANIAN MALAYSIA BERHAD**, yang merangkumi penyata kedudukan kewangan Bank pada 31 Disember 2010 dan penyata pendapatan komprehensif, penyata perubahan dalam ekuiti dan penyata aliran tunai Bank untuk tahun kewangan berakhir pada tarikh tersebut serta ringkasan dasar perakaunan yang penting dan lain-lain maklumat huriaian penyata kewangan di muka surat 184 hingga 285.

Tanggungjawab Anggota Lembaga Ke Atas Penyata Kewangan

Anggota Lembaga Bank bertanggungjawab dalam penyediaan penyata kewangan yang benar dan saksama menurut Piawaian Pelaporan Kewangan yang diubahsuai menurut Garis Panduan Bank Negara dan Akta Syarikat, 1965 di Malaysia dan kawalan dalaman yang bersesuaian dalam penyediaan penyata kewangan yang bebas daripada salah nyata yang ketara, sama ada disebabkan oleh penipuan atau kesilapan.

Tanggungjawab Juruaudit

Tanggungjawab kami adalah untuk menyatakan pendapat tentang penyata kewangan berdasarkan audit yang dilaksanakan dan melaporkan pendapat kami kepada anggota Bank, sebagai satu badan sahaja, selaras dengan peruntukan Seksyen 174 Akta Syarikat, 1965 di Malaysia dan bukan untuk sebarang tujuan yang lain. Kami tidak bertanggungjawab kepada mana-mana pihak lain untuk kandungan laporan ini.

Kami telah melaksanakan audit tersebut menurut piawaian pengauditan yang diluluskan di Malaysia. Piawaian tersebut memerlukan kami mematuhi tuntutan etika disamping merancang dan melaksanakan audit untuk memperoleh keyakinan yang munasabah sama ada atau tidak penyata kewangan tersebut bebas daripada salah nyata yang ketara.

Sesuatu audit melibatkan pelaksanaan prosedur untuk memperoleh bukti audit mengenai amaun dan pendedahan dalam penyata kewangan. Prosedur yang dipilih bergantung pada 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 bersesuaian untuk pihak entiti dalam penyediaan penyata kewangan yang benar dan saksama bagi tujuan merangka prosedur audit yang bersesuaian dengan keadaan, tetapi bukan bertujuan untuk menyatakan pendapat mengenai keberkesanan kawalan dalaman pihak entiti. Sesuatu audit juga termasuk penilaian dasar perakaunan yang digunakan dan kemunasabahan anggaran perakaunan yang dibuat oleh para anggota Lembaga, serta penilaian pembentangan penyata kewangan secara keseluruhan.

Kami percaya bahawa bukti audit yang kami peroleh adalah mencukupi dan bersesuaian untuk memberikan asas yang munasabah untuk pendapat kami.

Pendapat

Pada pendapat kami, penyata kewangan tersebut telah disediakan selaras dengan Piawaian Pelaporan Kewangan yang diubahsuai menurut Garis Panduan Bank Negara Malaysia dan Akta Syarikat, 1965 di Malaysia untuk memberi suatu gambaran yang benar dan saksama mengenai kedudukan kewangan Bank pada 31 Disember 2010 dan prestasi kewangan dan aliran tunai untuk tahun kewangan berakhir pada tarikh tersebut.

Laporan Mengenai Keperluan Perundangan dan Badan Pengawasan Lain

Menurut keperluan Akta Syarikat, 1965 ("Akta tersebut") di Malaysia, kami juga melaporkan bahawa rekod perakaunan dan rekod lain Bank disimpan dengan sempurna selaras dengan peruntukan Akta tersebut.

DELOITTE KASSIMCHAN

AF 0080

Akauntan Bertauliah

KAMARUL BAHARIN BIN TENGKU ZAINAL ABIDIN

Rakan Kongsi Firma - 2903/11/11 (J)

Akauntan Bertauliah

28 Mac 2011

(Di bawah kehadapan)

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DIRECTORS' REPORT

The directors of Bank Pertanian Malaysia Berhad have pleasure in submitting their report and the audited financial statements of the Bank for the financial year ended 31 December 2010.

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.

FINANCIAL RESULTS

	RM
Profit before tax expense and zakat	376,783,962
Tax expense	(617,468)
Zakat	(281,194)
Net profit for the year	375,885,300

DIVIDENDS

A final dividend of 3% less tax, amounting to RM22.5 million, proposed in the previous financial year and dealt with in the previous year directors' report was paid on 25 November 2010.

The directors do not recommend any dividend payment in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed 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.

IMPAIRMENT OF LOANS AND FINANCING

Before the statement of comprehensive income and statement of financial position of the Bank were made out, the directors took reasonable steps to ascertain that actions had been taken in relation to writing off of bad debts and financing and providing allowance for impaired loans and financing, and satisfied themselves that all known bad debts and financing had been written off and adequate allowances had been made for impaired loans and financing.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts and financing, or the amount of the allowance for impaired loans and financing in the financial statements of the Bank inadequate to any substantial extent.

CURRENT ASSETS

Before the statement of comprehensive income and statement of financial position of the Bank were made out, the directors took reasonable steps to ensure that current assets, other than debts and financing, which were unlikely to be realised in the ordinary course of business at their values as shown in the accounting records of the Bank have been written down to an amount which they might be expected to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Bank misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing methods of valuation of assets and liabilities in the financial statements of the Bank misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:

- a) any charge on the assets of the Bank which has risen since the end of the financial year which secures the liabilities of any other person; or
- b) any contingent liability in respect of the Bank that has arisen since the end of the financial year other than those incurred in the ordinary course of business.

No contingent or other liability of the Bank has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Bank to meet its obligations as and when they fall due.

CHANGE OF CIRCUMSTANCES

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.

ITEMS OF UNUSUAL NATURE

The results of the operations of the Bank during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Bank for the succeeding financial year in which this report is made.

DIRECTORS OF THE BANK

The following directors served on the Board of the Bank since the date of the last report:

Y. Bhg. Tan Sri Faizah Mohd Tahir (Chairman)

(appointed on 5 August 2010)

Y. Bhg. Datuk Ahmad Said (President / Managing Director)

Y. Bhg. Datuk Dr. Saharan Haji Anang

Pn. Rashidah Mohd Sies

(appointed on 8 June 2010)

Y. Bhg. Datuk Johar Che Mat

(appointed on 1 July 2010)

Y. Bhg. Dato' Mohd Mokhtar Ismail

(resigned on 11 November 2010)

Y. Bhg. Dato' Mohamed Salleh Bajuri (Chairman)

(resigned on 20 June 2010)

Y. Bhg. Dato' Mohd Hanif Sher Mohamed

(resigned on 3 June 2010)

Y. Bhg. Datuk Dr. Elias Md Kadir Baba

(resigned on 3 June 2010)

Y. Bhg. Datuk Dr. Rahamat Bivi Yusoff

(resigned on 7 May 2010)

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

Since the end of the previous financial year, none of the directors of the Bank has received or become entitled to receive any benefit (other than the benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full time employee of the Bank as disclosed in Note 47 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 the director is a member, or with a company in which the director has a substantial financial interest.

During and at the end of the financial year, no arrangements subsisted to which the Bank was a party where directors of the Bank might acquire benefits by means of the acquisition of shares in, or debentures of, the Bank or any other corporate body.

HOLDING COMPANY

Bank Pertanian Malaysia Berhad ("Agrobank") is a wholly-owned subsidiary of Minister of Finance Incorporated, a company incorporated in Malaysia.

AUDITORS

The auditor, Messrs. Deloitte KassimChan, have indicated their willingness to continue in office.

Signed on behalf of the Board
in accordance with a resolution of the directors,

TAN SRI FAIZAH MOHD TAHR

DATUK AHMAD SAID

Kuala Lumpur
28 March 2011

STATEMENT BY DIRECTORS

DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE BANK

The directors of **BANK PERTANIAN MALAYSIA BERHAD**, state that, in their opinion, the accompanying statement of financial position as of 31 December 2010 and the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 296 to 397, are drawn up in accordance with the provisions of the Companies Act, 1965 and Financial Reporting Standards as modified by Bank Negara Malaysia Guidelines so as to give a true and fair view of the state of affairs of the Bank as of 31 December 2010 and of the results of the business and the cash flows of the Bank for the financial year ended on that date.

Signed on behalf of the Board
in accordance with a resolution of the directors,

TAN SRI FAIZAH MOHD TAHIR

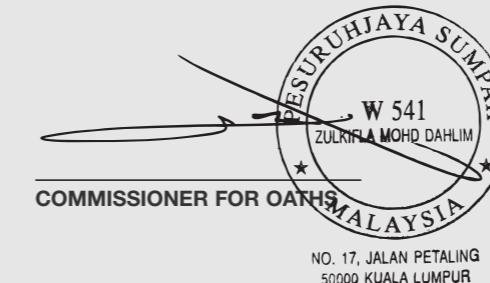
DATUK AHMAD SAID
Kuala Lumpur
28 March 2011

I, **KISWAH MOHAMMAD**, being the officer primarily responsible for the financial management of **BANK PERTANIAN MALAYSIA BERHAD**, do solemnly and sincerely declare that the accompanying statement of financial position as of 31 December 2010 and the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes 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.

KISWAH MOHAMMAD

Subscribed and solemnly declared
by the abovenamed
KISWAH MOHAMMAD at **KUALA LUMPUR** in the Federal Territory
on 28th day of March, 2011.

Before me,



**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010**

**STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2010**

	Note	2010 RM	2009 RM
Interest income	5	228,300,791	213,278,832
Interest expense	6	(69,102,132)	(67,894,338)
Net interest income		159,198,659	145,384,494
Income from Islamic Banking	50(a)	343,294,543	290,207,209
		502,493,202	435,591,703
Non-interest income:			
Fee and Other Operating Income	7(a)	52,984,633	204,018,700
Net gains and losses on financial instruments	7(b)	231,066,702	-
		786,544,537	639,610,403
Net income	8	(288,568,126)	(284,540,290)
Overhead expenses			
Operating profit	9	497,976,411	355,070,113
Government grants		18,591,992	18,411,369
Net operating profit		516,568,403	373,481,482
Loan impairment charges	10	(139,784,441)	(189,679,434)
Impairment of financial investments	11	-	(1,784,561)
Profit before tax expense and zakat		376,783,962	182,017,487
Tax expense	12	(617,468)	(731,077)
Zakat	13	(281,194)	(2,879,563)
Net profit for the year		375,885,300	178,406,847
Other comprehensive income			
Net value gains on available for sale financial assets		197,594,031	-
Derecognition of investment revaluation reserve – disposal of available for sale financial assets		(208,542,279)	-
Other comprehensive income for the year, net of tax		(10,948,248)	-
Total comprehensive income for the year		364,937,052	-

	Note	2010 RM	2009 RM
ASSETS			
Cash and bank balances	14	133,383,425	125,765,083
Deposits with financial institutions	15	2,622,917,610	1,516,048,878
Investment securities	16	2,694,879,074	1,856,972,342
Loans, financing and advances	17	4,804,635,100	5,275,108,624
Other assets	18	69,998,776	88,155,603
Tax recoverable		-	245,380
Prepaid lease payments	19	5,776,482	6,153,538
Property, plant and equipment	20	210,865,255	209,063,890
		10,542,455,722	9,077,513,338
TOTAL ASSETS			
LIABILITIES AND EQUITY			
Liabilities			
Deposits from customers	21	6,452,753,638	5,967,421,276
Other liabilities			
Other payables and accruals	22 (a)	109,062,040	186,780,600
Paddy Credit Gratuity Scheme	22 (b)	2,171,297	2,046,125
Provision for tax expense		31,011	-
		111,264,348	188,826,725
Loan Scheme Funds			
Loan from OECF	23	36,528,757	48,716,120
Fund for Food ("3F")	24	1,154,452,512	892,490,864
MPPB Funds	25	70,135,685	50,000,000
Fund for Small and Medium Size Industries ("TIKS")	26	2,284,552	2,463,160
Oil Palm Replanting Scheme ("TASKS")	27	15,000,000	15,000,000
Paddy Credit Scheme	28	105,190,342	70,000,000
Low Intensity Tapping Systems ("LITS Scheme")	29	1,026,965	1,757,703
Food Production Credit Scheme ("SKPM")	30	100,243,767	90,000,000
Fund for Ministry of Youth and Sports ("DKBS")	31	16,900,758	20,000,000
Fishery Boat Financing Scheme ("SPBP")	32	140,000,000	140,000,000
Entrepreneur Scheme for Graduates ("SUTKS – Financing")	33	10,000,000	10,000,000
Loan for Small and Medium Size Industries ("PKS")	34	100,230,377	85,000,000
Non-Food Production Credit Scheme ("SKPBM")	35	30,012,534	30,000,000
Micro Enterprise Fund	36	63,673,965	17,297,537
		1,845,680,214	1,472,725,384
		8,409,698,200	7,628,973,385
Total Liabilities			

The accompanying notes form an integral part of the financial statements.

(Forward)

**STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2010**

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010**

	Note	2010 RM	2009 RM
Shareholders' Funds			
Share capital	37	1,000,000,000	1,000,000,000
Reserves	38	1,028,923,653	323,734,971
Total Shareholders' Funds			
		<u>2,028,923,653</u>	<u>1,323,734,971</u>
Government Grants – Capital and Development Expenditure	40	67,723,644	80,481,525
Launching Grants	41	28,227,042	33,623,945
Government Grant – Funds			
Development Programme for Hardcore Poor ("PPRT")	42	2,559,925	2,559,925
Entrepreneur Scheme for Graduates ("SUTKS")	43	1,985,118	3,854,579
Special Fund For Terengganu Fishery ("DKSP")	44	3,338,140	4,285,008
		<u>7,883,183</u>	<u>10,699,512</u>
Total Equity			
		<u>2,132,757,522</u>	<u>1,448,539,953</u>
TOTAL LIABILITIES AND EQUITY			
		<u>10,542,455,722</u>	<u>9,077,513,338</u>

	Note	Share capital RM	Statutory reserves RM	Non-Distributable reserves Investment revaluation reserve RM	Distributable reserves Retained earnings RM	Total RM
As of 1 January 2009						
Shares issued during the year	37	242,540,753	72,664,062	-	72,664,062	387,868,877
Net profit for the year		757,459,247	-	-	-	757,459,247
Transfer from retained earnings		-	-	-	178,406,847	178,406,847
		-	89,203,424	-	(89,203,424)	-
As of 31 December 2009						
		<u>1,000,000,000</u>	<u>161,867,486</u>	-	<u>161,867,485</u>	<u>1,323,734,971</u>
As of 1 January 2010						
As previously stated		1,000,000,000	161,867,486	-	161,867,485	1,323,734,971
Effect on adoption of FRS 139		-	-	550,565,817	(187,814,187)	362,751,630
As restated						
		<u>1,000,000,000</u>	<u>161,867,486</u>	<u>550,565,817</u>	<u>(25,946,702)</u>	<u>1,686,486,601</u>
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	38 (d)	-	-	-	(22,500,000)	(22,500,000)
As of 31 December 2010						
		<u>1,000,000,000</u>	<u>349,810,136</u>	<u>539,617,569</u>	<u>139,495,948</u>	<u>2,028,923,653</u>

The accompanying notes form an integral part of the financial statements.

The accompanying notes form an integral part of the financial statements.

**STATEMENT OF CASH FLOW
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010**

**STATEMENT OF CASH FLOW
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010**

	2010 RM	2009 RM
CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES		
Profit before tax and zakat	376,783,962	182,017,487
Adjustments for:		
Loan impairment charges	139,784,441	189,679,052
Depreciation of property, plant and equipment	33,364,472	21,532,529
Interest expense on Government loans and OECF	5,073,333	3,562,733
Write off of:		
Property, plant and equipment	2,489,085	1,272,493
Prepaid lease payments	-	157,919
Amortisation of prepaid lease payments	76,767	74,634
Gain on disposal of investment securities	(215,378,711)	(45,196,459)
Dividends from investment securities	(20,996,157)	(13,628,225)
Amortisation of:		
Government Grant – Capital Expenditure	(13,195,089)	(1,722,348)
Launching Grant – Capital Expenditure	(2,468,167)	(2,421,633)
Gain on disposal of property, plant and equipment	(1,259,330)	(220,309)
Allowance for other assets no longer required	(1,000,000)	-
Gain on disposal of prepaid lease payments	(8,667)	-
Net accretion of discount	-	(1,018,549)
Interest-in-suspense	-	12,040,220
Profit-in-suspense	-	11,372,777
Impairment of financial investments	-	1,784,561
Specific allowance for bad and doubtful debts on other receivables	-	382
Operating Profit Before Working Capital Changes	303,265,939	359,287,264
(Increase)/Decrease in:		
Loans, financing and advances	136,548,768	(1,007,686,121)
Other assets	20,599,987	(14,954,166)
Increase/(Decrease) in:		
Deposits from customers	485,332,362	393,847,766
Other payables	(76,724,472)	83,524,949
Paddy Credit Gratuity Fund	125,172	153,559
Cash Generated From/(Used In) Operations	869,147,756	(185,826,749)
Tax refunded	-	2,411,396
Tax paid	(341,077)	(565,650)
Zakat paid	(1,275,282)	(1,655,271)
Net Cash From/(Used In) Operating Activities	867,531,397	(185,636,274)

	2010 RM	2009 RM
CASH FLOW FROM/(USED IN) INVESTMENT ACTIVITIES		
Increase in investment securities	(963,436,180)	(423,308,585)
Purchase of property, plant and equipment	(39,308,168)	(58,063,914)
Proceeds from disposal of investment securities	880,525,728	243,558,172
Dividends received from investment securities	20,996,157	10,923,502
Proceeds from disposal of property, plant and equipment	3,106,880	220,333
Proceeds from disposal of prepaid lease payments	114,652	-
Net Cash Used In Investment Activities	(98,000,931)	(226,670,492)
CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		
Interest paid on government loans and OECF	(2,546,252)	(2,658,923)
Proceeds from:		
Fund For Food ("3F")	295,000,000	300,200,000
MPPB Funds	20,000,000	25,000,000
Paddy Credit Scheme	35,000,000	35,000,000
Food Production Credit Scheme ("SKPM")	10,000,000	9,147,000
Loan for Small and Medium Size Industries ("PKS")	15,000,000	15,000,000
Micro Enterprise Funds	48,614,000	18,644,000
Special Fund For Terengganu Fishery ("DKSP")	(1,032,603)	(1,186,645)
Repayments of Loan Scheme Funds	(50,087,009)	(65,353,552)
Launching grant received	-	36,466,300
Launching grant utilised	(2,928,736)	(14,267,388)
Government grants received	1,000,000	-
Government grants utilised	(562,792)	(1,439,874)
Dividends paid	(22,500,000)	-
Net Cash From Financing Activities	344,956,608	354,550,918
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,114,487,074	(57,755,848)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,641,813,961	1,699,569,809
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	2,756,301,035	1,641,813,961
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash and bank balances	133,383,425	125,765,083
Deposit with financial institutions	2,622,917,610	1,516,048,878
	2,756,301,035	1,641,813,961

(Forward)

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

1. GENERAL INFORMATION

The Bank is a Company, incorporated and domiciled in Malaysia.

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 the principal activities of the Bank during the financial year.

The registered office is at Level 12, Bangunan Setia 1, 15 Jalan Dungun, Bukit Damansara, 50490 Kuala Lumpur, Malaysia.

The principal place of business of the Bank is at Agrobank, Lebuh 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 28 March 2011.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in accordance with Financial Reporting Standards ("FRSs") requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the accounting policies. The notes to the financial statements set out areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the financial statements such as fair value of financial instruments, allowance for loan impairment, taxation and credit risk.

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") 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. Islamic banking business refers generally to the acceptance of deposits and granting of financing under the principles of Syariah.

Adoption of new and revised Financial Reporting Standards

During the financial year, the Bank adopted all the new and revised Standards and IC Interpretations ("IC Int.") and Technical Release that are relevant to its operations and effective for annual periods beginning on or after 1 January 2010 as follows:

FRS 7 Financial Instruments: Disclosures

FRS 7 Financial Instruments: Disclosures (Amendments relating to reclassification of financial assets and reclassification of financial assets – effective date and transition)

FRS 101 Presentation of Financial Statements (Revised in 2009)

FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 Financial Instruments: Recognition and Measurement (Amendments relating to eligible hedged items, reclassification of financial assets – effective date and transition, embedded derivatives and revised FRS 3 and Revised FRS 127)

Improvements to FRSs (2009)

IC Int. 9 Reassessment of Embedded Derivatives

IC Int. 9 Reassessment of Embedded Derivatives (Amendments relating to embedded derivatives)

The main effects of the adoption of the FRSs, Amendments to FRSs and IC Interpretations and above are summarised below. The related financial impact is presented in Note 49.

FRS 139 - Financial Instruments: Recognition and Measurement

This standard establishes the principles for the recognition, derecognition and measurement of an entity's financial instruments and for the hedge accounting. The adoption of FRS 139 on 1 January 2010 has resulted in changes in accounting policies mainly pertaining to the following:

- a) Impairment of loans, financing and advances ("loans(s)") – the Bank now assesses at the end of each reporting period whether there is any objective evidence that a loan or a group of loans is impaired, as a result of one or more events that have occurred after the initial recognition. Allowances for loan impairment are determined either via the individual assessment or collective assessment basis.
- b) Interest income recognition – financial assets classified as held-to-maturity and loans and receivables are measured at amortised cost using the effective interest method. Interest income on loans, financing and advances recognised on contractual interest rate are now recognised using effective interest rate. Interest-in-suspense is also no longer recognised on loans, financing and advances.
- c) Classification of loans, financing and advances as impaired – loans are now classified as impaired when they fulfill the criteria in Note 3(d)(4)(i).
- d) Classification of investment securities – investment securities are now classified as financial investments available for sale and financial investments held to maturity and financial investments for sale when they fulfill the criteria in Note 3 (d)(ii) and 3 (d)(iii) respectively.

The Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives above allows for the reclassification of certain non-derivative financial assets classified as held-for-trading to either held-to-maturity, loans and receivables or available-for-sale, and permits the transfer of certain financial assets from available-for-sale to loans and receivables. The Bank has not effected any such transfers in its financial statements since the date of adoption.

IC Interpretation 9 Embedded Derivatives clarifies that the reassessment of an embedded derivative after its initial recognition is forbidden unless the instrument's terms have changed and this has affected its cash flows significantly. The adoption of this IC Interpretation did not have any impact on the financial statements of the Bank.

FRS 7 - Financial Instruments: Disclosures

This standard requires disclosures in financial statements that enable users to evaluate the significance of financial instruments for an entity's financial position and performance, and the nature and extent of risks arising from financial instruments to which an entity is exposed and how these risks are managed. This standard requires qualitative disclosures regarding management's objectives, policies and processes for managing those risks, and qualitative disclosures providing information about the extent to which the entity is exposed to risk, based on information provided internally to the entity's key management personnel.

The adoption of FRS 7 has resulted in changes to disclosures of financial instruments, whereby disclosures are now made either by categories or classes of financial assets and liabilities. Accordingly, disclosures on financial instruments and the related risks are also more robust and extensive. Comparative information has been re-presented so that it conforms with the current year's presentation. Since these changes only affect presentation, there is no impact on the financial results of the Bank.

FRS 101 - Presentation of Financial Statements

This standard sets out the overall requirements for the presentation of financial statements, guidelines for their structure and the minimum requirements for their content. The standard separates owner and non-owner changes in equity, whereby the statement of changes in equity includes only details of transactions with owners, and all non-owner changes in equity are presented separately in the statement of comprehensive income.

Where comparative information is reclassified or restated, the entity will need to present a statement of financial position as at the beginning of the comparative period.

All non-owner changes in equity (ie. comprehensive income) are required to be presented in either one statement of comprehensive income or in two linked statements (ie. a separate income statement and a statement of comprehensive income). The Bank has elected to present comprehensive income in one statement. These changes are only presentational in nature and does not have any impact on the financial results of the Bank.

Improvements to FRSS (2009)

Improvements to FRSS (2009) contain amendments to 21 FRSSs. Some of the improvements involve accounting changes to presentation, recognition or measurement whilst some are changes to terminology with little effect on accounting. Only the following improvement has an impact on the Bank's financial statements.

- (a) FRS 117 *Leases* generally requires leases of land with an indefinite useful life to be classified as operating leases. Following the amendments, leases of land are classified as either "finance" or "operating" using the general principles of FRS 117 and these amendments are applied retrospectively.
- (b) FRS 120 *Accounting for Government Grants and Disclosure for Government Assistance* has been amended to require that the benefit of a government loan at a below-market rate of interest be treated as a government grant. This accounting treatment was not permitted prior to these amendments. The change is applied prospectively and therefore will not impact government grants received prior to the effective date of this amendment.

Standards and IC Interpretations in Issue But Not Yet Effective

At the date of authorisation for issue of these financial statements, the new and revised Standards and IC Interpretations which were in issue but not yet effective and not early adopted by the Bank are as listed below.

FRS 1	First-time Adoption of Financial Reporting Standards (revised) ¹
FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to limited exemption from Comparative FRS Disclosures for First-time Adopters) ²
FRS 1	First-time Adoption of Financial Reporting Standards (Amendments relating to additional exemptions for first-time adopters) ²
FRS 2	Share-based payment (amendments relating to scope of FRS 2 and revised FRS 3) ¹
FRS 2	Share-based Payment (Amendments relating to group cash-settled share-based payment transactions) ²
FRS 3	Business Combinations (revised) ¹
FRS 5	Non-current Assets held for sale and Discontinued Operations (Amendments relating to plan to sell controlling interest in a subsidiary) ¹
FRS 7	Financial Instruments: Disclosures (Amendments relating to improving disclosures about financial instruments) ²
FRS 124	Related Party Disclosures (revised) ³
FRS 127	Consolidated and Separate Financial Statements (revised) ¹
FRS 128	Investment in Associates (revised) ¹
FRS 132	Financial Instruments: Presentation (Amendments relating to classification of rights issue) ⁴
FRS 138	Intangible Assets (Amendments relating to additional consequential amendments arising from revised FRS 3) ¹
FRS 139	Financial Instruments: Recognition and Measurement (Amendments relating to additional consequential amendments arising from revised FRS 3 and revised FRS 127) ¹

Improvements to FRSs 2010²

- IC Int. 4 Determining whether an Arrangement contains a Lease²
- IC Int. 9 Reassessment of Embedded Derivatives (Amendments relating to additional consequential amendments arising from revised FRS 3)¹
- IC Int. 12 Service Concession Arrangements¹
- IC Int. 14 FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction (Amendments relating to prepayments of a minimum funding requirement)⁷
- IC Int. 15 Agreements for the Construction of Real Estate⁵
- IC Int. 16 Hedges of a Net Investment in a Foreign Operation¹
- IC Int. 17 Distributions of Non-cash Assets to Owners¹
- IC Int. 18 Transfers of Assets from Customers⁶
- IC Int. 19 Extinguishing Financial Liabilities with Equity Instruments⁷

¹ Effective for annual periods beginning on or after 1 July 2010

² Effective for annual periods beginning on or after 1 January 2011

³ Effective for annual periods beginning on or after 1 January 2012

⁴ Effective for annual periods beginning on or after 1 March 2010

⁵ Original effective date of 1 July 2009 deferred to 1 January 2012 via amendment issued by MASB on 30 August 2010

⁶ Applied prospectively to transfers of assets from customers received on or after 1 January 2011

⁷ Effective for annual periods beginning on or after 1 July 2011

The Directors anticipate that abovementioned Standards and IC Interpretations will be adopted in the annual financial statements of the Bank when they become effective and that the adoption of these Standards and IC Interpretations will have no material impact on the financial statements of the Bank in the period of initial application.

3. 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 (using projections based on its experience of customers' behaviour) 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

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". Regular way recognition of loans, advances and financing is recorded on settlement date, when all the conditions under the loan contract have been fulfilled.

(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 any 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" and dividend income is recognised as "Net gains and losses on financial instruments" in profit or loss. 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. As for loan scheme funds, the financial liabilities are measured at amortised cost based on the rationale that the interest rate imposed on the Bank by the lender is similar with the interest rate imposed on the same fund received by other Development Financial Institution ("DFI") in the market.

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 (ie. 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 an 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 amount due according to the contractual term. The collective impairment are 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 short fall 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 written 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 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

Income tax expense represents the sum of the tax currently payable and deferred tax. 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.

Current tax for current and prior periods is recognised as a liability (or an asset) to the extent that it is unpaid or recoverable.

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.

(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 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 an 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%
Computer software	33.33%
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.

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 prospectively. 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) 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.

(k) 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.

(l) 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.

(m) 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.

(n) 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.

(o) Cash Flow Statement

The Bank adopts the indirect method in the preparation of cash flow statement.

(p) 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. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical judgements in applying the accounting policies of the Bank

In the process of applying the accounting policies of the Bank, as mentioned in Note 3, management is of opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

There are no key assumptions made concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year except as follows:

(a) Impairment loss allowance for loans, advances and financing

The adoption of FRS 139 has resulted in a change in the accounting policy relating to the assessment for impairment of financial assets, particularly loans and advances. Prior to the adoption of FRS 139, allowances for impaired loans and advances (previously referred to as non-performing loans) were computed in conformity with the BNM/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 any objective evidence that a loan or group of loans is impaired.

The loan or group of loans is deemed to be impaired if, and 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 loan (an incurred 'loss event') and that the loss event has an impact on future estimated cash flows of the loan or group of loans that can be reliably estimated.

The Bank first assesses whether objective evidence of impairment exists individually for loans which are individually significant, and 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 included in a group of loans with similar credit risk characteristics and collectively assessed for impairment. If there is objective evidence that an impairment loss has been incurred, the amount of the 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 the loss is recognised in profit or loss.

(b) Impairment of financial investments available-for-sale

For equity investments classified as available-for-sale, impairment is recognised when there has been a significant and prolonged decline in the fair value below the investment's cost. Management judgement is required to evaluate the duration and extent by which the fair value of these equity investments is below their cost. In making this judgement, management considers the historical price movements of the individual equity investment, as well as that of the benchmark indicators of the market in which the equity is listed.

(c) Interest Income Recognition

Prior to the adoption of FRS 139, interest accrued and recognised as income prior to the date that a loan is classified as non-performing is reversed out of income and set-off against the interest receivable account in the statement of financial position. Thereafter, interest on the non-performing loan is recognised as income on a cash basis. Upon adoption of FRS 139, once a loan has been written down as a result of an impairment loss, interest income is thereafter recognised using the effective interest rate used to discount the future cash flows for the purpose of measuring impairment loss. This change in accounting policy has resulted in the write back of interest-in-suspense by the Bank to the opening balance of retained earnings.

5. INTEREST INCOME

	2010 RM	2009 RM
Loans, financing and advances	160,094,327	147,513,470
Investment securities:		
Held to maturity (HTM)	5,149,237	7,236,318
Available for sale (AFS)	48,115,463	62,570,202
Deposits with financial institutions	14,941,764	9,091,637
	<hr/>	<hr/>
Net amortisation of premium	228,300,791	226,411,627
Interest-in-suspense	-	(1,092,575)
	<hr/>	<hr/>
	-	(12,040,220)
	<hr/>	<hr/>
	228,300,791	213,278,832
	<hr/>	<hr/>
Of which:		
Interest income earned on impaired loans and advances	18,063,384	-
	<hr/>	<hr/>

6. INTEREST EXPENSE

	2010 RM	2009 RM
Saving deposits and Agro Perdana	44,180,733	44,976,219
Fixed/Special deposits	22,183,581	20,458,480
Loans from Government and OECF	2,741,586	2,521,374
Withholding tax	(3,768)	(61,735)
	<hr/>	<hr/>
	69,102,132	67,894,338
	<hr/>	<hr/>

7. NON-INTEREST INCOME

	2010 RM	2009 RM
(a) Fee and Other Operating Income		
Fee Income		
Service charges and fees	17,470,102	11,227,771
Loan processing fees	4,769,275	10,976,183
	<hr/>	<hr/>
	22,239,377	22,203,954
Investment income		
Gain on disposal of investment securities	-	45,196,459
Dividends from investment securities	-	13,628,225
	<hr/>	<hr/>
	-	58,824,684
Other income		
Bad debts recovered	44,475,686	77,165,349
Reimbursement of Micro Credit Scheme	3,017,998	344,997
Income from staff loans and financing	1,533,175	2,060,388
Gain on disposal of property, plant and equipment	1,259,330	220,309
Allowance for other assets no longer required (Note 18)	1,000,000	-
Rental	327,942	359,525
Gain on disposal of prepaid lease payments	8,667	-
(Reversal)/Reimbursement of gapping cost (Note 18)	(22,094,854)	42,000,000
Others	1,217,312	839,494
	<hr/>	<hr/>
	30,745,256	122,990,062
	<hr/>	<hr/>
	52,984,633	204,018,700
(b) Net Gains and Losses on Financial Instruments		
Net gain arising on financial investments available-for-sale:		
Net gain on disposal	209,546,742	-
Dividend income	20,996,157	-
	<hr/>	<hr/>
	230,542,899	-
Net gain arising on financial investments held-to-maturity:		
Net gain on disposal	523,803	-
	<hr/>	<hr/>
	523,803	-
	<hr/>	<hr/>
	231,066,702	-
	<hr/>	<hr/>

8. OVERHEAD EXPENSES

	2010 RM	2009 RM
Personnel cost		
Salary, allowances and bonus	140,869,678	145,549,470
EPF contributions	13,463,828	13,087,327
SOCSO contributions	1,426,087	1,390,010
Staff welfare	7,420,720	7,027,858
Others	5,277,113	4,282,923
	168,457,426	171,337,588
Maintenance cost		
Depreciation of property, plant and equipment (Note 20)	33,364,472	21,532,529
Insurance	3,585,327	2,469,395
Rental of premises	6,462,431	6,097,529
Printing, stationery and office supply	7,752,880	8,310,559
Water and electricity	6,505,859	6,296,810
Amortisation of prepaid lease payments (Note 19)	76,767	74,634
Others	15,736,183	18,609,058
	73,483,919	63,390,514
Marketing expenses		
Advertising and promotions	4,774,272	3,580,492
Others	189,994	166,264
	4,964,266	3,746,756
General administrative expenses		
Communications expenses	15,335,137	14,728,275
Launching grants (Note 9 and 41)	2,928,736	6,459,027
Disaster recovery expenses	2,205,500	-
Others	21,193,142	24,878,130
	41,662,515	46,065,432
	288,568,126	284,540,290

Included in the overhead expenses are the following statutory disclosure:

Property, plant and equipment written off	2,489,085	1,272,493
Directors' fee	226,499	302,643
Director's remuneration:		
- Salaries and emoluments	482,862	366,711
- EPF contributions	70,170	40,496
Audit fee	350,000	250,000
Prepaid lease payments written off	-	157,919

9. GOVERNMENT GRANTS

	2010 RM	2009 RM
Launching Grant:		
Administrative grant (Note 41)	-	7,808,361
Development expenditure (Note 8 and 41)	2,928,736	6,459,027
Amortisation of capital expenditure	2,468,167	2,421,633
Government Grant – Amortisation of Capital Expenditure (Note 40)	13,195,089	1,722,348
	18,591,992	18,411,369

10. LOAN IMPAIRMENT CHARGES

	2010 RM	2009 RM
Loans, financing and advances :		
Individual impairment loss - net	84,704,338	-
Collective impairment loss	55,080,103	-
Specific allowance	-	122,676,623
General allowance	-	67,002,429
Other receivables :		
Specific allowance	-	382
	139,784,441	189,679,434

11. IMPAIRMENT OF FINANCIAL INVESTMENTS

	2010 RM	2009 RM
Allowance for impairment:		
Available for sale (AFS):		
Corporate bonds	-	2,583,446
	-	2,583,446
Allowance for impairment in value of quoted shares no longer required	-	(798,885)
	-	1,784,561

12. TAX EXPENSE

	2010 RM	2009 RM
Current estimated tax payable	372,088	2,704,724
Under/(Over) provision of tax in prior years	245,380	(1,973,647)
Tax expense	617,468	731,077

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 had 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:

	2010 RM	2009 RM
Profit before tax expense and zakat	376,783,962	182,017,487
Tax at the applicable statutory tax rate of 25% (2009: 25%)	94,195,991	45,504,372
Tax effects of:		
Non-deductible expenses	15,040,900	5,149,500
Non-taxable income	(122,267,303)	(63,618,148)
Deferred tax asset not recognised	13,402,500	15,669,000
Under/(Over) provision of tax in prior years	245,380	(1,973,647)
Tax expense	617,468	731,077

As disclosed in Note 3, the tax effects of deductible temporary differences, unused tax losses and unused tax credits which would give rise to net deferred tax asset are recognised 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. As of 31 December 2010, the estimated amount of deductible temporary differences which is not recognised in the financial statements due to uncertainty of its realisation is as follows:

	2010 RM	2009 RM
Temporary differences arising from:		
Property, plant and equipment	(75,023,000)	(49,176,000)
Loans, financing and advances	241,315,000	158,796,000
Investment securities	9,938,000	11,380,000
Other receivables	11,956,000	13,576,000
	188,186,000	134,576,000

13. ZAKAT

	2010 RM	2009 RM
Current estimated zakat payable	1,857,128	2,900,000
Overprovision of zakat in prior years	(1,575,934)	(20,437)
Zakat expense	281,194	2,879,563

This represents amount to be paid by the Bank in accordance with Syariah principles and approved by Syariah Council.

14. CASH AND BANK BALANCES

	2010 RM	2009 RM
Cash in hand	55,765,758	58,813,253
Cash at banks	77,617,667	66,951,830
133,383,425	125,765,083	

15. DEPOSITS WITH FINANCIAL INSTITUTIONS

	2010 RM	2009 RM
Licensed banks	1,404,139,329	992,549,329
Other financial institutions	1,218,778,281	523,499,549
2,622,917,610	1,516,048,878	

16. INVESTMENT SECURITIES

	2010 RM	2009 RM
Debt Securities		
Available For Sale – at fair value		
Corporate Bonds	1,253,838,660	-
Malaysian Goverment Securities	402,708,000	-
	1,656,546,660	-
Held To Maturity – at amortised cost		
Corporate Bonds	226,056,688	-
Commercial Papers	214,215,770	-
Malaysian Goverment Securities	20,215,078	-
	460,487,536	-
Equity Securities		
Available For Sale – at fair value		
Quoted Shares in Malaysia	586,593,878	-
Unquoted Shares in Malaysia	1,188,934	-
	587,782,812	-
Total before allowances	2,704,817,008	-
Allowance for impairment losses		
Quoted Shares in Malaysia	(8,749,000)	-
Unquoted Shares in Malaysia	(1,188,934)	-
	(9,937,934)	-
Net	2,694,879,074	-
Maturity structure for investments held to maturity is as follows:		
Maturity within six months	314,215,770	-
Between six months to one year	25,049,965	-
Between one year to three years	59,944,369	-
Between three years to five years	25,432,418	-
More than five years	35,845,014	-
	460,487,536	-

Market values of investments held to maturity are as follows:

	2010 RM	2009 RM
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Market Value

Corporate Bonds	226,912,260	-
Commercial Papers	214,215,770	-
Malaysian Government Securities	20,420,000	-

2010 RM	2009 RM
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Debt Securities

Available For Sale – at cost

Corporate Bonds	-	1,130,000,000	-
Malaysian Govement Securities	-	135,000,000	-
	-	1,265,000,000	-

Held To Maturity – at cost

Corporate Bonds	-	315,000,000	-
Commercial Papers	-	177,000,000	-
Malaysian Goverment Securities	-	10,000,000	-
	-	502,000,000	-
	-	1,767,000,000	-

Equity Securities

Available For Sale – at cost

Quoted Shares in Malaysia	-	89,390,565	-
Unquoted Shares in Malaysia	-	1,188,934	-
	-	90,579,499	-

Total before amortisation and allowances

-

1,857,579,499

Unamortised premium less discount

-

10,773,937

Allowance for impairment losses

Quoted Shares in Malaysia	-	(10,192,160)	-
Unquoted Shares in Malaysia	-	(1,188,934)	-
	-	(11,381,094)	-

Net

-

1,856,972,342

Maturity structure of money market instruments held is as follows:

Maturity within six months	-	332,000,000	-
Between six months to one year	-	150,000,000	-
Between one year to three years	-	485,000,000	-
Between three years to five years	-	635,000,000	-
More than five years	-	165,000,000	-
	-	1,767,000,000	-

Market values of investment securities are as follows:

	2010 RM	2009 RM
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Market Value

Corporate Bonds	-	1,475,178,320	-
Commercial Papers	-	177,000,000	-
Malaysian Government Securities	-	150,442,252	-
Quoted Shares in Malaysia	-	608,943,232	-

	Corporate Bonds RM	Quoted Shares RM	Unquoted Shares RM	Total RM
Allowance for impairment losses				
As of 1 January 2009	10,000,000	10,991,045	1,188,934	22,179,979
Allowance during the year	2,583,446	-	-	2,583,446
Allowance no longer required	-	(798,885)	-	(798,885)
Transferred to other receivables	(12,583,446)	-	-	(12,583,446)
As of 31 December 2009	-	10,192,160	1,188,934	11,381,094
Effect on adoption of FRS 139	-	(1,443,160)	-	(1,443,160)
As of 31 December 2010	-	8,749,000	1,188,934	9,937,934

Investment in Unquoted Companies

MTV II is currently under liquidation.

17. LOANS, FINANCING AND ADVANCES

	2010 RM	2009 RM
At amortised cost:		
Financing (SPI) (Note 50(f))	3,840,861,793	3,581,440,569
Wawasan Tani Loans	629,828,279	966,364,611
Project and Equipment Loans	498,417,625	503,049,937
Capital Entrepreneur Tani ("MUST")	182,427,712	196,760,148
Agribusiness Loans	142,950,458	126,913,698
Fund For Food ("3F")	86,635,845	133,748,680
Insani Education Loans	72,198,822	76,294,599
Paddy Credit Scheme	19,207,946	19,077,450
MAP and MPPB Loans	7,635,658	9,895,522
Fund for Small and Medium Size Industries ("TIKS")	3,664,562	8,599,353
Contract Tani Loans	3,117,902	3,827,879
Agriculture Special Credit Scheme ("SPKP")	2,415,735	3,082,555
Special Advances on Fixed Deposit	1,164,701	1,117,797
Tobacco Scheme	968,289	1,094,515
Asean-Japan Developement Fund ("AJDF")	827,590	1,224,244
Banking Facilities	193,148	113,511
Mengenang Budi Loans	3,133	2,983
Micro Credit Scheme	531	459,319
Advances to borrowers	-	432,188
Hobitani Loans	-	6,742
Other Loans	2,286,443	2,373,986
	5,494,806,172	5,635,880,286
Loans and advances to employees	73,273,489	71,521,505
	5,568,079,661	5,707,401,791
Less:		
Individual impairment loss	(522,129,554)	-
Collective impairment loss	(241,315,007)	-
Specific allowance for bad and doubtful debts	-	(237,737,905)
General allowance for bad and doubtful debts	-	(158,794,549)
Interest/Profit-in-suspense	-	(35,760,713)
	4,804,635,100	5,275,108,624
Maturity structure of loans, financing and advances is as follows:		
Maturity within six months	490,072,347	269,284,862
Between six months to one year	72,331,866	74,115,408
Between one year to three years	457,661,944	458,435,202
Between three years to five years	890,617,398	768,065,544
More than five years	3,657,396,106	4,137,500,775
	5,568,079,661	5,707,401,791

Gross loans, financing and advances analysed by sectors are as follows:

	2010 RM	2009 RM
Agricultural based	2,998,111,875	2,626,842,140
Support services	2,569,967,786	3,080,559,651
	5,568,079,661	5,707,401,791

Gross loans, financing and advances analysed by classifications are as follows:

	2010 RM	2009 RM
Neither past due nor impaired	3,909,114,100	4,039,455,411
Past due but not impaired	426,787,172	986,177,822
Impaired	1,232,178,389	-
Substandard (between 3 to 9 months in arrears)	-	265,362,370
Doubtful (between 9 to 12 months in arrears)	-	143,734,591
Bad (more than 12 months in arrears)	-	272,671,597
	5,568,079,661	5,707,401,791

Past due but not impaired loans are loans where the customer has failed to make a principal or interest payment when contractual due and includes loans which are due one or more days after the contractual due date but less than three (3) months.

Movements in impaired gross loans, financing and advances are as follows:

	2010 RM	2009 RM
At the beginning of the year	681,768,558	345,531,659
Additions during the year	884,149,264	1,010,345,957
Reclassified as non impaired during the year	(327,094,968)	(674,109,058)
Amount written off	(6,644,465)	-
	1,232,178,389	681,768,558
Gross impaired loans as a percentage of gross loans, financing and advances	22.13%	11.94%

Impaired gross loans, financing and advances analysed by sectors are as follows:

	2010 RM	2009 RM
Agricultural based	934,735,638	488,241,269
Support services	297,442,751	193,527,289
	1,232,178,389	681,768,558

Movements in the impairment allowances on loans, financing and advances are as follows :

	2010 RM	2009 RM
Individual impairment allowance		
At the beginning of the year	-	-
As previously stated	-	-
Effect on adoption of FRS 139	437,425,216	-
As restated	437,425,216	-
Allowance for the year	173,687,459	-
Amount written back upon recoveries and reversal of allowance	(88,983,121)	-
Net allowance for the year	84,704,338	-
At the end of year	522,129,554	-
Collective impairment allowance		
At the beginning of the year	-	-
As previously stated	-	-
Effect on adoption of FRS 139	181,351,936	-
As restated	181,351,936	-
Allowance for the year	55,080,103	-
Allowance adjusted to:		
Fund for Ministry of Youth and Sports ("DKBS") (Note 31)	3,099,242	-
Entrepreneur Scheme for Graduates ("SUTKS") (Note 43)	1,869,461	-
Special Fund for Terengganu Fishery ("DKSP") (Note 44)	(85,735)	-
At the end of year	241,315,007	-
Collective impairment allowance as a percentage of gross loans, financing and advances less individual impairment allowance	4.85%	-

	2010 RM	2009 RM
Specific allowance		
At the beginning of the year	-	118,257,178
Allowance for the year	-	236,298,361
Amount written back upon recoveries and reversal of allowance	-	(113,621,738)
Net allowance for the year	-	122,676,623
Allowance adjusted to:		
Entrepreneur Scheme for Graduates ("SUTKS") (Note 43)	-	1,999,370
Amount written off	-	(5,195,266)
At the end of year	237,737,905	
General allowance		
At the beginning of the year	-	91,792,120
Allowance for the year	-	67,002,429
At the end of year	158,794,549	
General allowance as a percentage of gross loans, financing and advances less specific allowance and interest/profit-in-suspense allowance	-	3.00%
Interest/Profit-in-suspense		
At the beginning of the year	-	12,683,942
Profit-in-suspense for Islamic Banking	-	11,372,777
Interest-in-suspense for the year	-	37,301,157
Amount written back upon recoveries	-	(25,260,937)
Amount written off	-	(336,226)
At the end of year	35,760,713	

18. OTHER ASSETS

	2010 RM	2009 RM
Other receivables	38,433,771	67,293,491
Interest and income receivable	31,936,412	23,292,966
Foreclosed properties	8,387,217	8,203,992
Project Ladang BPM – Sg Tasan	3,197,420	2,941,208
	81,954,820	101,731,657
Less: Specific allowance for bad and doubtful debts	(11,956,044)	(13,576,054)
Net	69,998,776	88,155,603
Specific allowance for bad and doubtful debts		
At beginning of the year	13,576,054	1,051,008
Allowance for the year	-	382
Allowance no longer required (Note 7(a))	(1,000,000)	-
Transferred from investment securities	-	12,583,446
Transferred to loans and advances to employee	(620,010)	(58,782)
At the end of year	11,956,044	13,576,054

Included in other receivables in 2009 was an amount of RM42 million representing reimbursement of gapping cost receivable from the Malaysian Government. However, the Bank only received RM19.91 million of the reimbursable amount of gapping cost from the Malaysian Government during the year and, accordingly the balance of RM22.09 million has been reversed to profit or loss as shown in Note 7(a).

19. PREPAID LEASE PAYMENTS

	2010 RM	2009 RM
Cost		
At beginning of the year	7,696,033	8,632,477
Effect on adoption of FRS 117 (Note 20)	-	(778,525)
As restated	7,696,033	7,853,952
Disposals	(176,400)	-
Transfer to leasehold buildings (Note 20)	(199,629)	-
Write off	-	(157,919)
	7,320,004	7,696,033
Accumulated amortisation		
At beginning of the year	1,542,495	1,503,024
Effect on adoption of FRS 117 (Note 20)	-	(35,163)
As restated	1,542,495	1,467,861
Amortisation during the year:		
As stated	-	75,399
Effect on adoption of FRS 117 (Note 20)	-	(765)
As restated	76,767	74,634
Disposals	(70,415)	-
Transfer to leasehold buildings (Note 20)	(5,325)	-
At the end of year	1,543,522	1,542,495
Net book value	5,776,482	6,153,538

The unexpired portion of the leasehold land ranges from 26 years to 34 years (2009: 27 years to 35 years).

20. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Freehold buildings 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	Computer software RM	Software under development RM	Renovation on rented office RM	Renovation on own building RM	Leasehold land (>99 years) RM	Total RM
COST															
As of 1 January 2009	2,855,087	11,476,005	62,568,374	2,853,150	3,964,084	23,277,090	26,641,750	35,519,019	63,436,951	52,486,979	19,498,217	14,388,050	40,481,067	778,525	360,224,348
Additions	155,000	-	-	750,000	8,537,937	92,392	4,803,484	6,907,839	4,308,371	206,195	20,127,033	5,486,913	6,688,750	-	58,063,914
Disposals	-	-	-	-	-	(1,552,051)	-	-	-	-	-	-	-	-	(1,552,051)
Write off	-	-	-	-	-	(1,802,335)	(2,228,404)	(5,578,895)	(4,559,494)	(440,461)	-	(215,886)	(215,830)	-	(15,041,305)
Reclassifications	1,600,000	574,984	625,016	(3,000,000)	-	-	-	200,000	-	20,911,307	(20,911,307)	-	-	-	-
Adjustment	-	-	129,458	-	-	-	-	-	-	-	-	-	-	-	129,458
As of 31 December 2009	4,610,087	12,050,989	63,322,848	603,150	12,502,021	20,015,096	29,216,830	37,047,963	63,185,828	73,164,020	18,713,943	19,659,077	46,953,987	778,525	401,824,364
Additions	-	-	-	-	6,847,989	-	4,178,252	6,706,797	4,369,691	1,120,990	4,741,524	4,303,244	7,039,681	-	39,308,168
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)	(299,149)	(1,116)	(496,103)	(578,323)	-	(13,958,530)
Reclassifications	-	-	603,150	(603,150)	-	-	-	-	15,367,793	2,867,538	(18,235,331)	-	-	-	-
Transfer from prepaid lease payments	-	-	199,629	-	-	-	-	-	-	-	-	-	-	-	199,629
As of 31 December 2010	3,745,950	11,732,340	63,244,421	-	18,684,110	13,901,407	31,798,347	41,789,539	75,933,445	76,853,399	5,219,020	23,466,218	53,415,345	778,525	420,562,066
ACCUMULATED DEPRECIATION															
As of 1 January 2009	-	2,051,451	14,618,193	-	-	15,917,022	16,180,200	17,860,078	42,459,918	47,699,467	-	8,942,733	20,655,101	35,163	186,419,326
Charge for the year	-	237,088	1,139,434	-	-	2,158,802	1,796,189	2,825,260	6,509,671	2,759,858	-	1,163,835	2,941,627	765	21,532,529
Disposals	-	-	-	-	-	(1,552,027)	-	-	-	-	-	-	-	-	(1,552,027)
Write off	-	-	-	-	-	(1,801,951)	(2,203,978)	(5,568,831)	(3,426,380)	(438,586)	-	(215,947)	(113,139)	-	(13,768,812)
Reclassifications	-	521	(521)	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment	-	-	129,458	-	-	-	-	-	-	-	-	-	-	-	129,458
As of 31 December 2009	-	2,289,060	15,886,564	-	-	14,721,846	15,772,411	15,116,507	45,543,209	50,020,739	-	9,890,621	23,483,589	35,928	192,760,474
Charge for the year	-	313,183	1,495,247	-	-	1,522,745	2,661,512	3,393,968	9,352,881	9,553,726	-	1,545,398	3,525,047	765	33,364,472
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)	(263,029)	-	(496,079)	(568,783)	-	(11,469,445)
Transfer from prepaid lease payments	-	-	5,325	-	-	-	-	-	-	-	-	-	-	-	5,325
Adjustment	-	281,121	(281,121)	-	-	-	-	-	-	-	-	-	-	-	-
As of 31 December 2010	-	2,781,302	16,864,186	-	-	10,649,876	16,879,968	17,878,852	47,914,705	59,311,436	-	10,939,940	26,439,853	36,693	209,696,811
NET BOOK VALUE															
As of 31 December 2010	3,745,950	8,951,038	46,380,235	-	18,684,110	3,251,531	14,918,379	23,910,687	28,018,740	17,541,963	5,219,020	12,526,278	26,975,492	741,832	210,865,255
As of 31 December 2009	4,610,087	9,761,929	47,436,284	603,150	12,502,021	5,293,250	13,444,419	21,931,456	17,642,619	23,143,281	18,713,943	9,768,456	23,470,398	742,597	209,063,890

Included in property, plant and equipment of the Bank are fully depreciated assets costing RM122,320,318 (2009: RM124,349,500), which are still in use.

Included in the property, plant and equipment are certain long leasehold land and buildings of the Bank with net book value amounting to RM6,817,273 (2009: RM8,150,969), 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.

21. DEPOSITS FROM CUSTOMERS

	2010 RM	2009 RM
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At amortised cost:

Fixed/Special deposits	3,909,030,135	3,637,342,630
Saving deposits	1,405,910,067	1,389,895,468
Agro Perdana	1,098,234,790	907,557,307
Accrued interest/profit	39,578,646	32,625,871
	6,452,753,638	5,967,421,276

Maturity structure of deposits from customers is as follows:

Within six months	5,255,556,179	5,196,357,302
Between six months to one year	1,141,151,685	679,064,482
Between one year to three years	32,337,203	71,122,407
Between three years to five years	23,708,571	20,865,872
More than five years	-	11,213
	6,452,753,638	5,967,421,276

The deposits are sourced from the following type of customers :

	2010 RM	2009 RM
Governments	2,916,496,051	2,420,375,520
Individuals	2,355,309,558	1,871,853,059
Domestic Business Enterprise	663,161,281	1,171,478,897
Domestic Other Entities	412,217,166	336,272,675
Domestic Non-Banking Institution	105,569,582	167,441,125
	6,452,753,638	5,967,421,276

22. OTHER LIABILITIES

(a) Other Payables and Accruals

	2010 RM	2009 RM
Accrued expenses	48,280,863	140,920,846
Sundry creditors	58,825,099	42,909,588
Zakat payable	1,956,078	2,950,166
	109,062,040	186,780,600

(b) Paddy Credit Gratuity Scheme

	RM
As of 1 January 2009	1,892,566
Additions	263,759
Disbursement	(110,200)
	2,046,125
As of 31 December 2009	243,070
Additions	(117,898)
Disbursement	(117,898)
	2,171,297
As of 31 December 2010	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.

23. LOAN FROM OECF

	Principal RM	Interest RM	Total RM
As of 1 January 2009	60,825,160	69,990	60,895,150
Interest charged	-	2,008,147	2,008,147
Repayment	(12,165,032)	(2,022,145)	(14,187,177)
As of 31 December 2009	48,660,128	55,992	48,716,120
Interest charged	-	1,574,038	1,574,038
Repayment	(12,165,032)	(1,596,369)	(13,761,401)
As of 31 December 2010	36,495,096	33,661	36,528,757
	2010 RM	2009 RM	
Maturity structure of loan from OECF is as follows:			
Within one year	13,761,401	13,761,401	
Between one year to three years	22,767,356	34,954,719	
	36,528,757	48,716,120	

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 stated at historical exchange rate. It has not been translated at the exchange rate prevailing at year end as 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 offered to customers at an interest rate of 6.5% per annum for a maximum period of 15 years.

24. FUND FOR FOOD ("3F")

	Principal RM	Interest RM	Total RM
As of 1 January 2009	638,990,331	-	638,990,331
Additions	300,200,000	-	300,200,000
Interest charged	-	1,331,429	1,331,429
Repayments	(47,617,275)	(413,621)	(48,030,896)
As of 31 December 2009	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

The fund is established by Bank Negara Malaysia to encourage investment in food production activities. The fund is channelled through the Bank as a loan for a period of 8 years at an interest rate of 1% per annum. The funds were received in several tranches as follows:

1. 1st tranche RM152.5 million (1993 – 1996)
2. 2nd tranche RM97.6 million (1997)
3. 3rd tranche RM300.0 million (1999)
4. 4th tranche RM201.6 million (2001 - 2003)

In year 2001, the interest rate was reduced from 1% per annum to 0.25% per annum. The loan repayment is made when collection is received from borrowers from time to time. After the 8th year from the date of first loan disbursement to the Bank, the Bank shall make full repayment of the loan balances.

In September 2006 under 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.

25. MPPB FUNDS

	Principal RM	Interest RM	Total RM
As of 1 January 2009	25,000,000	-	25,000,000
Additions	25,000,000	-	25,000,000
	<hr/>		
As of 31 December 2009	50,000,000	-	50,000,000
Additions	20,000,000	-	20,000,000
Interest charged	-	135,685	135,685
	<hr/>		
As of 31 December 2010	70,000,000	135,685	70,135,685

Bumiputera commercial and industrial community scheme ("MPPB")

The Bumiputera commercial and industrial community scheme is created to foster resilience of Bumiputera entrepreneurs in the agriculture sector. A fund of RM12.4 million was received from the Government of Malaysia in 1998 at an interest rate of 1.5% per annum for 12 years (4 years grace period). The second and third tranches amounting to RM22.7 million and RM10 million were received in 2002 and 2005 at an interest rate of 1.25% per annum respectively. The Bank is then allowed to charge the customers interest at a rate not exceeding 4% per annum.

In October 2006 under 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.

26. FUND FOR SMALL AND MEDIUM SIZE INDUSTRIES ("TIKS")

	Principal RM	Interest RM	Total RM
As of 1 January 2009	3,485,730	-	3,485,730
Interest charged	-	43,372	43,372
Repayments	(1,022,570)	(43,372)	(1,065,942)
	<hr/>		
As of 31 December 2009	2,463,160	-	2,463,160
Interest charged	-	35,670	35,670
Repayments	(178,612)	(35,666)	(214,278)
	<hr/>		
As of 31 December 2010	2,284,548	4	2,284,552

The purpose of TIKS fund is to encourage new investment 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. 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.

27. OIL PALM REPLANTING SCHEME ("TASKS")

	RM
As of 31 December 2009 and 31 December 2010	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.

The zero interest rate fund is available for a tenure of 20 years (5 years grace period). The amount of RM78.4 million was received in 2001.

In 2006, the Government extended the tenure from 20 years (5 years grace period) to 20 years and 6 months (5 years and 6 months grace period).

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.

In October 2006, the Government agreed to channel an additional allocation to the Bank under this scheme amounting of RM83.97 million without interest for a 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).

28. PADDY CREDIT SCHEME

	Principal RM	Interest RM	Total RM
As of 1 January 2009	35,000,000	-	35,000,000
Additions	35,000,000	-	35,000,000
	70,000,000	-	70,000,000
As of 31 December 2009	35,000,000	-	35,000,000
Additions	-	190,342	190,342
	105,000,000	190,342	105,190,342
As of 31 December 2010			

The Ministry of Agriculture provided an amount of RM20.6 million in years 2001/2002 to the Bank to finance paddy credit scheme in the country's major rice-growing areas such as MADA, 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.

In October 2006 under the 9th Malaysian Plan ("RMK 9"), the Government agreed to channel an additional allocation under this scheme amounting to RM150.0 million for a 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.

29. LOW INTENSITY TAPPING SYSTEMS ("LITS SCHEME")

	Principal RM
As of 1 January 2009	3,949,915
Repayments	(2,192,212)
	1,757,703
As of 31 December 2009	(730,738)
Repayments	
	1,026,965
As of 31 December 2010	

The Rubber Research Institute Malaysia ("RRIM") under the Malaysian Rubber Board has been successful in producing rubber clones and better plant management methods resulting in the increase in production of latex. This has also reduced the impact of labour shortage and improved in socio-economic status of smallholders. The fund of RM46.1 million which was channelled through Ministry of Plantation Industries and Commodities ("KPPK") in year 2001, is interest-free. The financing is via Al - Bai' Bithaman Ajil in the ratio of 30% financing and 70% grant.

30. FOOD PRODUCTION CREDIT SCHEME ("SKPM")

	Principal RM	Interest RM	Total RM
As of 1 January 2009	80,853,000	-	80,853,000
Additions	9,147,000	-	9,147,000
	90,000,000	-	90,000,000
As of 31 December 2009	10,000,000	-	10,000,000
Additions	-	243,767	243,767
	100,000,000	243,767	100,243,767
As of 31 December 2010			

Under the 8th Malaysian Plan ("RMK8"), the Ministry of Agriculture has set up a special fund to provide financing for food production. The financing is geared towards helping small and medium-sized entrepreneurs to increase domestic food production as well as increasing export and reducing food import.

The fund is channelled to the Bank and a total of RM27.5 million was received in 2003. The loan tenure is 15 years at a profit rate of 0.5% per annum. The Bank imposes a profit margin of 2.0% per annum to the customers for rubber integration project (G++) and 3.75% per annum for other projects under the scheme.

In October 2006 under the 9th Malaysian Plan ("RMK9"), the Government agreed to channel an additional allocation of RM100.0 million for a 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.

31. FUND FOR MINISTRY OF YOUTH AND SPORTS ("DKBS")

	RM
As of 1 January 2009 and 31 December 2009	20,000,000
Collective impairment allowance (Note 17)	(3,099,242)
	16,900,758
As of 31 December 2010	

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.

32. FISHERY BOAT FINANCING SCHEME ("SPBP")

Principal RM
140,000,000

As of 31 December 2009 and 31 December 2010

Under the 9th Malaysian Plan ("RMK9"), the Government agreed to channel an allocation to this scheme amounting to RM240.0 million for a 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.

33. ENTREPRENEUR SCHEME FOR GRADUATES ("SUTKS - FINANCING")

Principal RM
10,000,000

As of 31 December 2009 and 31 December 2010

Under the 9th Malaysian Plan ("RMK9"), the Government agreed to channel an allocation to this scheme amounting to RM10.0 million for a 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.

34. LOAN FOR SMALL AND MEDIUM SIZE INDUSTRIES ("PKS")

Principal RM	Interest RM	Total RM
70,000,000	-	70,000,000
15,000,000	-	15,000,000
85,000,000	-	85,000,000
15,000,000	-	15,000,000
-	230,377	230,377
100,000,000	230,377	100,230,377

As of 1 January 2009
Additions

As of 31 December 2009
Additions
Interest charged

As of 31 December 2010

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 fund 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.

35. NON-FOOD PRODUCTION CREDIT SCHEME ("SKPBM")

Principal RM	Interest RM	Total RM
30,000,000	-	30,000,000
-	12,534	12,534
30,000,000	12,534	30,012,534

As of 1 January 2009 and 31 December 2009
Interest charged

As of 31 December 2010

Under the 9th Malaysian Plan ("RMK9"), the Government agreed to channel an allocation to this scheme amounting to RM30.0 million for a 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 agricultures 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.

36. MICRO ENTERPRISE FUND

	Principal RM	Interest RM	Total RM
As of 1 January 2009	1,010,000	-	1,010,000
Additions	18,644,000	-	18,644,000
Interest charged	-	179,785	179,785
Repayments	(2,356,463)	(179,785)	(2,536,248)
 As of 31 December 2009	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

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 entrepreneurs. 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.

37. SHARE CAPITAL

	Note	2010 RM	2009 RM
Authorised: Ordinary shares of RM1 each		2,000,000,000	2,000,000,000
Issued and fully paid: Ordinary shares of RM1 each: At the beginning of year		1,000,000,000	242,540,753
Converted from Convertible Loan From Government	39	-	757,459,247
At the end of year		1,000,000,000	1,000,000,000

In the previous financial year, as approved by the Parliament vide its resolution dated 2 July 2009, the issued and paid-up share capital of the Bank was increased from RM242,540,753 comprising 242,540,753 ordinary shares of RM1 each to RM1 billion comprising 1 billion ordinary shares of RM1 each by way of capitalisation of convertible loan from government of RM757,459,247 as mentioned in Note 39.

The new ordinary shares issued rank *pari-passu* with the then existing ordinary shares of the Bank.

38. RESERVES

	2010 RM	2009 RM
Non-distributable reserve: Statutory reserves	349,810,136	161,867,486
Investment revaluation reserve	539,617,569	-
 Distributable reserve: Retained earnings	139,495,948	161,867,485
	1,028,923,653	323,734,971

(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 profits of that period before declaring any dividend from its net profits 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 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 2010, 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 2010.

(d) Dividends

A final dividend of 3% less tax, amounting to RM22.5 million, proposed in the previous financial year and dealt with in the previous year directors' report was paid on 25 November 2010.

39. LOAN FROM GOVERNMENT

		Note	2010 RM	2009 RM
	At beginning of the year		-	757,459,247
	Converted to share capital	37	-	(757,459,247)

At the end of year

On 2 July 2009, the Parliament passed a resolution pursuant to subsection 8(3)(a)(iv) of the Financial Procedure Act 1957 (Act 61) and approved the conversion of the Federal Government loan of RM757,459,247 to Bank Pertanian Malaysia Berhad's equity. Accordingly, the Bank completed the conversion during the previous financial year resulting in an increase of the paid up share capital of the Bank to RM1 billion as mentioned in Note 37.

40. GOVERNMENT GRANTS – CAPITAL AND DEVELOPMENT EXPENDITURE

	Capital Expenditure RM	Development Expenditure RM	Total RM
As of 1 January 2009	82,151,479	1,492,268	83,643,747
Amortised during the year (Note 9)	(1,722,348)	-	(1,722,348)
Utilised during the year	-	(1,439,874)	(1,439,874)
As of 31 December 2009	80,429,131	52,394	80,481,525
Amortised during the year (Note 9)	(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

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.

41. LAUNCHING GRANTS

	Capital Expenditure RM	Development Expenditure RM	Total RM
As of 1 January 2009	17,826,817	48,369,574	66,196,391
Reclassified from other receivables (Note 19)	-	(15,883,425)	(15,883,425)
Utilised during the year:			
Administrative grant (Note 9)	-	(7,808,361)	(7,808,361)
Development expenditure (Notes 8 and 9)	-	(6,459,027)	(6,459,027)
Amortised during the year (Note 9)	(2,421,633)	-	(2,421,633)
As of 31 December 2009	15,405,184	18,218,761	33,623,945
Utilised during the year:			
Development expenditure (Notes 8 and 9)	-	(2,928,736)	(2,928,736)
Amortised during the year (Note 9)	(2,468,167)	-	(2,468,167)
As of 31 December 2010	12,937,017	15,290,025	28,227,042

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.

42. DEVELOPMENT PROGRAMME FOR HARDCORE POOR ("PPRT")

	RM
As of 31 December 2009 and 31 December 2010	2,559,925

This programme represents interest-free financing from the Government to poor people.

43. ENTREPRENEUR SCHEME FOR GRADUATES ("SUTKS")

	RM
As of 1 January 2009	5,853,949
Specific allowance for bad and doubtful debts (Note 17)	(1,999,370)
As of 31 December 2009	3,854,579
Collective impairment allowance (Note 17)	(1,869,461)
As of 31 December 2010	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, 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.

44. SPECIAL FUND FOR TERENGGANU FISHERY ("DKSP")

	RM
As of 1 January 2009	5,471,653
Income from DKSP	(1,186,645)
As of 31 December 2009	4,285,008
Income from DKSP	(1,032,603)
Collective impairment allowance (Note 17)	85,735
As of 31 December 2010	3,338,140

Under *Wang Ehsan Petroleum*, the Government allocated to the state of Terengganu RM30.0 million grant for the development of 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.

45. COMMITMENTS AND CONTINGENCIES

In normal course of business, the Bank makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No significant losses have been anticipated as a result of these transactions. Contingent liabilities as at the reporting date are as follows:

	2010 RM	2009 RM
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Guarantee:

Guarantee letters issued to the customers of the Bank

20,986,050 22,711,356

Compensation claims:

Certain legal actions taken against the Bank with compensation claims

1,965,999 3,174,275

Agriculture Commercial Fund (GLC)

33,770,324 8,075,907

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.

46. CAPITAL COMMITMENTS

Capital commitments as at the end of the reporting period that have not been provided for in the financial statements are as follows:

	2010 RM	2009 RM
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Approved and contracted for:

Capital expenditure

3,465,181 13,615,410

Commitment on loans, financing and advances

309,544,024 328,703,949

313,009,205 342,319,359

Approved but not contracted for:

Capital expenditure

3,968,936 243,905

Commitment on loans, financing and advances

21,763,400 58,277,102

25,732,336 58,521,007

338,741,541 400,840,366

47. RELATED PARTY DISCLOSURES

Related party disclosures is made in accordance with the requirements under FRS 124.

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:

	2010 RM	2009 RM
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Executive Directors:

Salary and emoluments

482,862 366,711

EPF contributions

70,170 40,496

Non-executive Directors:

Fee

101,299 293,786

Former Director:

Fee

125,200 8,857

Key Management:

Salary and emoluments

1,195,709 1,275,960

EPF contributions

121,768 138,186

2,097,008 2,123,996

48. 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, which 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 Audit Committee 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 Audit Committee is assisted in these functions by 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 & 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 should identify, analyse and manage 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 to credit grades generated from the credit risk models based on internal rating or grading approach or by external public rating.

- **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). The computation is currently done on a manual basis.

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 and advances at the end of the reporting period is shown below:-

	Loans and advances	
	2010 RM	2009 RM
Sector:		
Support	2,255,148,288	3,002,047,858
Crops	1,797,436,000	1,548,188,255
Livestock	684,179,003	595,606,812
Fishery	397,522,587	338,692,772
Forestry	118,974,286	110,274,673
Other Agro based processing	241,546,008	41,069,916
	5,494,806,172	5,635,880,286

Collateral position in the lending sector

The Bank holds collaterals against loans 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

Credit quality of gross loans, financing and advances

Impaired loans

The breakdown of the gross amount of loans, financing and advances individually assessed as impaired, by sector, along with 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
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 – Supplementary	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

Comparatives are not presented as FRS 139 is only effective from 1 January 2010.

The breakdown of provision for impaired loans, financing and advances individually and collectively are as follows:

	RM
2010	
Assets at amortised cost	
Impairment Provision on Individual Basis:	
Crops	171,674,234
Fishery	64,799,821
Value added	745,485
Forestry	87,690,629
Livestock	141,137,741
Support – Supplementary	19,865,918
Support – Others	36,215,726
	522,129,554
Allowance for individually impaired	
Impairment Provision on Collective Basis:	
Crops	20,252,282
Fishery	21,451,668
Value added	423,940
Forestry	12,492
Livestock	18,323,081
Micro Credit – MUST	53,951,476
Micro Credit – SKM	6
Support – Ar Rahnu	486,734
Support – Supplementary	18,473,607
Support – Supplementary (Bai Al-Innah)	82,650,196
Support – Supplementary (Wawasan Tani)	4,573,399
Support – Others	13,433,537
	234,032,418
Individual Impairment Provision on Collective Basis:	
Crops	4,059,520
Fishery	1,476,558
Livestock	1,572,646
Support – Supplementary	173,865
	7,282,589
Allowance for collectively impaired	
	241,315,007

Comparatives are not presented as FRS 139 is only effective from 1 January 2010.

Credit Risk in Investment Activities

The credit risk management approach for investment activities is primarily decided by the Board Investment Committee ("BIC") and Risk Management Committee ("RMC"). 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 RMC. 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 Bank's total investment portfolio registered a carrying amount of RM5,317,796,684 million for the year 2010. Most of the investments are involved in Placements, Commercial Papers ("CP"), Corporate Bonds ("PDS"), Government Securities ("MGS/GII") and Equity.

The portfolio profile is as follows:

	RM	Composition (%)
Asset		
Deposits with Financial Institutions	2,622,917,610	49.32
Corporate Bonds	1,479,895,348	27.83
Equities Securities	577,844,878	10.87
Malaysian Government Securities	422,923,078	7.95
Commercial Papers	214,215,770	4.03
Carrying Amount	5,317,796,684	100.00

Credit Quality of Financial Investments

The following table presents the Bank's exposure to credit risk of financial instruments – debt securities analysed by ratings from external credit ratings agencies:

Financial Investments Available-for-sale

	Ratings	As at December 2010				As at December 2009			
		Money Market Instruments		Non-Money Market Instruments-Debt Securities		Money Market Instruments		Non-Money Market Instruments-Debt Securities	
		Domestic Ratings	Total	Domestic Ratings	Total	Domestic Ratings	Total	Domestic Ratings	Total
PDS Rating									
AAA	-	-	653,489,774	653,489,774	-	-	586,127,968	586,127,968	
AA+ to AA-	-	-	526,105,744	526,105,744	-	-	511,731,071	511,731,071	
A+ to A-	-	-	45,564,051	45,564,051	-	-	25,950,281	25,950,281	
BBB+ to BBB -	-	-	-	-	-	-	-	-	
Unrated	-	-	28,679,091	28,679,091	-	-	15,000,000	15,000,000	
CP Ratings									
P1 / M1	-	-	-	-	-	-	-	-	-
TOTAL	-	-	1,253,838,660	1,253,838,660	-	-	1,138,809,320	1,138,809,320	

The following table presents the Bank's exposure to credit risk of financial instruments – debt securities analysed by ratings from external credit ratings agencies:

Financial Investments Held-to-maturity

Ratings	As at December 2010				As at December 2009			
	Money Market Instruments		Non-Money Market Instruments-Debt Securities		Money Market Instruments		Non-Money Market Instruments-Debt Securities	
	Domestic Ratings	Total	Domestic Ratings	Total	Domestic Ratings	Total	Domestic Ratings	Total
PDS Rating								
AAA	-	-	145,356,859	145,356,859	-	-	280,060,500	280,060,500
AA+ to AA-	-	-	34,854,815	34,854,815	-	-	34,724,626	34,724,626
A+ to A-	-	-	-	-	-	-	-	-
BBB+ to BBB -	-	-	-	-	-	-	-	-
Unrated	-	-	45,845,014	45,845,014	-	-	-	-
CP Ratings								
P1 / M1	214,215,770	214,215,770	-	-	176,186,452	176,186,452	-	-
TOTAL	214,215,770	214,215,770	226,056,688	226,056,688	176,186,452	176,186,452	314,785,126	314,785,126

(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 Executive Management Team ("EMT") and the Board. The Risk Management Committee will supervises on the non-compliance of those policies.

The Asset Liability Management 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 problems.

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 emphasizes 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 NLF. 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 2010 based on contractual undiscounted obligations and commitments

Particular	< 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1 - 5 years	> 5 years	Total
	RM	RM	RM	RM	RM	RM	RM
Deposit From Customers							
Saving Giro	2,543,723,503	-	-	-	-	-	2,543,723,503
Fixed Deposits	1,146,820,356	952,518,052	612,494,268	1,141,151,685	56,045,774	-	3,909,030,135
Government Borrowing							
Government	-	-	-	93,949,724	1,604,987,206	-	1,698,936,930
BNM	3,082,093	6,164,186	9,902,936	18,192,558	72,872,754	-	110,214,527
Others	-	-	6,719,430	6,616,194	23,193,133	-	36,528,757
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	1,834,746	-	2,171,297
Total Financial Liabilities	3,726,612,989	966,110,423	631,322,357	1,278,406,944	1,758,933,613	-	8,361,386,326
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							
Sheet Items	3,800,308,590	1,019,119,611	684,331,545	1,331,416,132	1,811,942,801	53,009,188	8,700,127,867

Liabilities of the Bank as at 31 December 2009 based on contractual undiscounted obligations and commitments

Particular	< 1 month	1 - 3 months	3 - 6 months	6 - 12 months	1 - 5 years	> 5 years	Total
	RM	RM	RM	RM	RM	RM	RM
Deposit From Customers							
Saving Giro	2,330,078,646	-	-	-	-	-	2,330,078,646
Fixed Deposits	1,301,266,336	952,518,052	612,494,268	679,064,482	91,988,279	11,213	3,637,342,630
Government Borrowing							
Government	-	-	-	-	222,297,537	1,056,532,742	-
BNM	3,000,000	6,497,280	9,003,342	20,497,090	106,181,273	-	145,178,985
Others	-	-	6,931,735	6,829,666	34,954,719	-	48,716,120
Other Liabilities							
Other Payables	21,787,404	5,880,177	7,894,374	10,297,799	-	-	45,859,754
Paddy Credit Gratuity Scheme	10,231	20,461	81,845	204,612	1,728,976	-	2,046,125
Total Financial Liabilities	3,656,142,617	964,915,970	636,405,564	939,191,186	1,291,385,989	11,213	7,488,052,539
Off Balance Sheet Items							
Undisbursed loans	77,396,211	61,916,968	61,916,968	61,916,968	61,916,968	61,916,968	386,981,051
Purchase Order	13,859,315	-	-	-	-	-	13,859,315
Total Off Balance Sheet Items	91,255,526	61,916,968	61,916,968	61,916,968	61,916,968	61,916,968	400,840,366
Total Financial Liabilities and Off Balance Sheet Items							
Sheet Items	3,747,398,143	1,026,832,938	698,322,532	1,001,108,154	1,353,302,957	61,928,181	7,888,892,905

(d) Market Risk

Market Risks

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 RMC 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 RMC, BIC and EMT. 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 RMC for approval and Board of Directors ("BOD") endorsement.

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 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 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)	422.71	(1.17)	422.50	(1.38)	422.29	(1.59)
Quoted Shares	55.08	587.78	532.70	587.49	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

Market Risk on Investments as at 31 December 2009

	CURRENT POSITION AS AT 31/12/2009			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	1,454.34	1,467.32	12.98	1,466.59	12.24	1,465.85	11.51	1,465.11	10.78
Malaysian Government Securities	147.99	149.07	1.08	149.00	1.01	148.92	0.93	148.85	0.86
Quoted Shares	79.20	608.95	529.75	608.64	529.45	608.34	529.14	608.04	528.83
	1,681.53	2,225.34	543.81	2,224.23	542.70	2,223.11	541.58	2,222.00	540.47

Under stress scenario 1, where the assumption is a 5 bps drop from the current market value for the month end of December 2010, there will be no potential loss except a loss of RM1.17 million for the MGS. The devaluation for scenario 1 will be from PDS and Quoted Share registering a drop by RM17.51 million and RM532.41 million respectively and a potential loss of RM1.17 million from MGS.

Under stress scenario 2, (assumption of a further 10 bps drop) the positive spread from the investments would reduce further to RM547.50 million with a broader loss for MGS.

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 RM546.26 million with a loss of RM1.59 million MGS.

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 – 2010

	< 1 year RM	> 1 - 3 years RM	> 3 - 5 years RM	> 5 years RM	Total RM	Average Interest Rate
Financial Assets						
Cash and bank balances						
Cash and bank balances	133,383,425	-	-	-	133,383,425	0.75%
Deposits with financial institutions	2,622,917,610	-	-	-	2,622,917,610	3.08%
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						
Deposits from customers	6,396,707,864	32,337,203	23,708,571	-	6,452,753,638	1.84%
Loan from OECF	13,761,401	22,767,356	-	-	36,528,757	3.50%
Financing Scheme Funds	64,577,694	376,726,918	256,295,144	1,111,551,701	1,809,151,457	0.29%

Interest Rate Risk – 2009

	< 1 year RM	> 1 - 3 years RM	> 3 - 5 years RM	> 5 years RM	Total RM	Average Interest Rate
Financial Assets						
Cash and bank balances						
Cash and bank balances	125,765,083	-	-	-	125,765,083	0.75%
Deposits with financial institutions	1,516,048,878	-	-	-	1,516,048,878	2.22%
Loans, financing and advances	343,400,270	458,435,202	768,065,544	4,137,500,775	5,707,401,791	7.80%
Investment securities	482,000,000	485,000,000	635,000,000	165,000,000	1,767,000,000	4.53%
Financial Liabilities						
Deposits from customers						
Deposits from customers	5,875,421,784	71,122,407	20,865,872	11,213	5,967,421,276	1.68%
Loan from OECF	13,761,401	34,954,719	-	-	48,716,120	3.50%
Financing Scheme Funds	74,778,691	208,892,041	59,927,892	1,080,410,640	1,424,009,264	0.26%

(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 lies with the Risk Management Committee and the Board of Directors.

• 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 Defense is Internal Audit, which is being entrusted to perform independent assurance over the effectiveness of the operational risk management initiatives by RMD and 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) Manage and Control 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.

Heads, Managers and Supervisors at all levels must ensure adequate awareness among their staff regarding Operational Risk. Management must ensure that the roles and responsibilities in operational risk management are clearly defined. The performance management process must encourage staff to perform and behave in a manner consistent with the Bank's operational risk management objectives. All Heads must ensure that adequate training is provided to their 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 being 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 was developed by the RMD to be implemented in the first quarter of 2011.

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 about 156 (December 2010), management of operational risks at the business unit level shall play an important role in the Bank's appetite and 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

The initial focus would be in establishing the structure and process to manage operational risks at the business unit levels through several key steps:

- 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 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 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:

	2010 %	2009 %
Before deducting proposed dividend:		
Core capital ratio	19.72	17.93
Risk-weighted capital ratio	<u>23.53</u>	21.78

The capital adequacy ratio of the Bank as of 31 December 2010 has incorporated the market risk pursuant to Bank Negara Malaysia's Market Risk Capital Adequacy Framework which became effective on 1 April 2005.

	2010 RM	2009 RM
Components of Tier I and Tier II Capital		
Tier I capital		
Share capital	1,000,000,000	1,000,000,000
Statutory reserves	349,810,136	161,867,486
Retained earnings	<u>139,495,948</u>	161,867,485
Total Tier I Capital	1,489,306,084	1,323,734,971
Tier II capital		
Collective impairment allowance	183,353,864	-
General allowance for bad and doubtful debts	-	158,794,549
Government Grants – Capital and Development Expenditure	67,723,644	80,481,525
Launching Grants	28,227,042	33,623,945
Government Grant – Funds	7,883,183	10,699,512
Total Tier II Capital	287,187,733	283,599,531
Total Capital Base	1,776,493,817	1,607,334,502

The breakdown of risk-weighted assets in the various categories of risk-weights is as follows:

	Notional RM	Risk-weighted RM
0%	666,107,832	-
10%	-	-
20%	3,088,948,421	617,789,684
50%	56,450,886	28,225,443
100%	6,730,948,583	6,730,948,583
Off balance sheet risk-weighted assets	-	174,292,014
Total risk-weighted assets as of 31 December 2010	10,542,455,722	7,551,255,724
0%	318,758,122	-
10%	-	-
20%	1,939,742,565	387,948,513
50%	57,125,083	28,562,542
100%	6,761,887,568	6,761,887,568
Off balance sheet risk-weighted assets	-	202,796,377
Total risk-weighted assets as of 31 December 2009	9,077,513,338	7,381,195,000

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 2010 RM	Fair Value 2010 RM	Carrying Value 2009 RM	Fair Value 2009 RM
Financial Assets				
Cash and bank balances	133,383,425	133,383,425	125,765,083	125,765,083
Deposits with financial institutions	2,622,917,610	2,622,917,610	1,516,048,878	1,516,048,878
Investment securities	2,694,879,074	2,695,939,568	1,856,972,342	2,411,563,804
Loans, financing and advances	5,568,079,661	3,413,525,545	5,707,401,791	3,388,917,820
Financial Liabilities				
Deposits from customers	6,452,753,638	6,324,253,135	5,967,421,276	5,866,668,144
Loans from OECF	36,528,757	33,135,740	48,716,120	43,755,808
Financing Scheme Funds	1,809,151,457	1,726,668,800	1,424,009,264	1,354,199,572

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 4 years (2009: 5 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.

C. ANALYSIS OF FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT BASIS

	31 December 2010				
	Held-to-maturity securities RM	Loans and receivables RM	Available-for-sale securities RM	Financial assets and liabilities at amortised cost RM	Total RM
Financial Assets					
Cash and bank balances	-	133,383,425	-	-	133,383,425
Deposits with financial institutions	-	2,622,917,610	-	-	2,622,917,610
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	-	-	-	36,528,757	36,528,757
Financing Scheme Funds	-	-	-	1,809,151,457	1,809,151,457
	-	-	-	8,298,433,852	8,298,433,852

	31 December 2009				
	Held-to-maturity securities RM	Loans and receivables RM	Available-for-sale securities RM	Financial assets and liabilities at amortised cost RM	Total RM
Financial Assets					
Cash and bank balances	-	125,765,083	-	-	125,765,083
Deposits with financial institutions	-	1,516,048,878	-	-	1,516,048,878
Investment securities	501,106,380	-	1,355,865,962	-	1,856,972,342
Loans, financing and advances	-	5,707,401,791	-	-	5,707,401,791
	501,106,380	7,349,215,752	1,355,865,962	-	9,206,188,094
Financial Liabilities					
Deposits from customers	-	-	-	5,967,421,276	5,967,421,276
Loans from OECF	-	-	-	48,716,120	48,716,120
Financing Scheme Funds	-	-	-	1,424,009,264	1,424,009,264
	-	-	-	7,440,146,660	7,440,146,660

49. FINANCIAL IMPACT OF CHANGES IN ACCOUNTING

a) Financial Impact of Changes in Accounting Policies

(i) The changes in accounting policies had the following financial impact on the opening statements of financial position of the Bank:

	As at 1 January 2010 - as previously stated RM	Effect on adoption of FRS 139 & FRS 117 RM	As at 1 January 2010 - as restated RM
ASSETS			
Cash and bank balances	125,765,083		125,765,083
Deposits with financial institutions	1,516,048,878		1,516,048,878
Investment securities	1,856,972,342	552,008,977	2,408,981,319
Loans, financing and advances	5,275,108,624	(189,257,347)	5,085,851,277
Other assets	88,155,603		88,155,603
Tax recoverable	245,380		245,380
Prepaid lease payments	6,896,135	(742,597)	6,153,538
Property, plant and equipment	208,321,293	742,597	209,063,890
TOTAL ASSETS	9,077,513,338		9,440,264,968
LIABILITIES AND EQUITY			
Liabilities			
Deposits from customers	5,967,421,276		5,967,421,276
Other liabilities			
Other payables and accruals	186,780,600		186,780,600
Paddy Credit Gratuity Scheme	2,046,125		2,046,125
	188,826,725		188,826,725
Loan Scheme Funds			
Loan from OECF	48,716,120		48,716,120
Fund for Food ("3F")	892,490,864		892,490,864
MPPB Funds	50,000,000		50,000,000
Fund for Small and Medium Size Industries ("TIKS")	2,463,160		2,463,160
Oil Palm Replanting Scheme ("TASKS")	15,000,000		15,000,000
Paddy Credit Scheme	70,000,000		70,000,000
Low Intensity Tapping Systems ("LITS Scheme")	1,757,703		1,757,703
Food Production Credit Scheme ("SKPM")	90,000,000		90,000,000

	As at 1 January 2010 - as previously stated RM	Effect on adoption of FRS 139 & FRS 117 RM	As at 1 January 2010 - as restated RM
Fund for Ministry of Youth and Sports ("DKBS")	20,000,000		20,000,000
Fishery Boat Financing Scheme ("SPBP")	140,000,000		140,000,000
Entrepreneur Scheme for Graduates ("SUTKS – Financing")	10,000,000		10,000,000
Loan for Small and Medium Size Industries ("PKS")	85,000,000		85,000,000
Non-Food Production Credit Scheme ("SKPBM")	30,000,000		30,000,000
Micro Enterprise Fund	17,297,537		17,297,537
	1,472,725,384		1,472,725,384
Total Liabilities	7,628,973,385		7,628,973,385
Shareholders' Funds			
Share capital	1,000,000,000		1,000,000,000
Reserves	323,734,971	362,751,630	686,486,601
	1,323,734,971		1,686,486,601
Government Grants – Capital and Development Expenditure	80,481,525		80,481,525
Launching Grants	33,623,945		33,623,945
Government Grant – Funds			
Development Programme for Hardcore Poor ("PPRT")	2,559,925		2,559,925
Entrepreneur Scheme for Graduates ("SUTKS")	3,854,579		3,854,579
Special Fund For Terengganu Fishery ("DKSP")	4,285,008		4,285,008
	10,699,512		10,699,512
Total Equity	1,448,539,953		1,811,291,583
TOTAL LIABILITIES AND EQUITY	9,077,513,338		9,440,264,968

(ii) The quantification of the financial effect of the changes in accounting policies above on the current year's statement of comprehensive income, as the previous basis of quantifying loan impairment allowances and loan interest recognition has been discontinued upon the adoption of FRS 139.

b) Comparative Figures

i) FRS 101 Presentation of Financial Statements

As a result of the adoption of the revised FRS 101, the income statements of the Bank for the comparative financial year have been re-presented in one statement of comprehensive income. All non-owner changes in equity for the comparative financial year are now shown in the statement of comprehensive income.

ii) Amendments of FRS 117 Leases

The Bank had previously accounted for lease of land where title is not expected to pass to the lessee at the end of the lease term as an operating lease as the lease does not transfer substantially the risks and rewards incidental to ownership to the lessee.

Upon adoption of the Amendments to FRS 117 Leases, the Bank has reassessed the classification of leases of land based on information existing at the inception of the lease using the general principles in FRS 117. This assessment had resulted in classifying lease of land where the lease transfers substantially the risks and rewards incidental to ownership to the lessee as a finance lease. The change in classification had been applied retrospectively in accordance with the transitional provisions.

iii) FRS 7 Financial Instruments: Disclosures

The adoption of FRS 7 has resulted in some changes to the disclosure of financial instruments, whereby the disclosures are now made either by categories or classes of financial assets and liabilities.

50. 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 2010

	Note	2010 RM	2009 RM
Income from Islamic Banking	a	343,294,543	290,207,209
Financing impairment charges	b	(121,320,702)	(118,612,027)
Net income	c	221,973,841	171,595,182
Overhead expenses		(3,284,564)	(3,603,368)
Profit before Zakat		218,689,277	167,991,814
Zakat		(281,194)	(2,879,563)
Profit after Zakat		218,408,083	165,112,251
Other comprehensive income			
Net value gains on available for sale financial assets		7,177,677	-
Derecognition of investment revaluation reserve – disposal of AFS		(5,172,100)	-
Other comprehensive income for the year, net of tax		2,005,577	-
Total comprehensive income for the year		220,413,660	-

STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2010

	Note	2010 RM	2009 RM
ASSETS			
Cash and bank balances	d	1,495,080,897	1,429,396,805
Investment securities	e	878,914,610	389,538,488
Financing and advances	f	3,355,791,755	3,345,649,230
Property, plant and equipment		2,049,957	2,012,478
Other assets	g	16,908,323	7,901,230
TOTAL ASSETS		5,748,745,542	5,174,498,231
LIABILITIES AND EQUITY			
Liabilities			
Deposits from customers	h	2,977,901,968	2,702,761,446
Profit payable and others	i	49,741,870	139,877,800
Government borrowings and financing scheme funds	j	1,483,905,937	1,171,125,116
Total Liabilities		4,511,549,775	4,013,764,362
Equity			
Islamic Banking Fund	k	1,231,872,509	1,152,594,282
Government Grant - funds	l	5,323,258	8,139,587
Total Equity		1,237,195,767	1,160,733,869
TOTAL LIABILITIES AND EQUITY		5,748,745,542	5,174,498,231

STATEMENT OF CASH FLOW FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2010

	2010 RM	2009 RM
CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES		
Profit before zakat	218,689,277	167,991,814
Adjustments for:		
Financing impairment charges	121,320,702	118,612,027
Profit-in-suspense	-	11,372,777
Profit expense on Government borrowings and financing scheme funds	2,331,747	1,041,359
Depreciation of property, plant and equipment	413,650	326,694
Net accretion of discount	-	(2,111,124)
Operating Profit Before Working Capital Changes	342,755,376	297,233,547
Increase in:		
Financing and advances	(265,410,842)	(139,776,536)
Other assets	(9,007,093)	(2,505,060)
Increase/(Decrease) in:		
Deposits from customers	275,140,522	292,204,767
Profit payables and others	(89,141,842)	99,819,593
Reimbursement to conventional system	(12,953,549)	(156,572,068)
Cash Generated From Operations	241,382,572	390,404,243
Zakat paid	(1,275,282)	(1,655,271)
Net Cash From Operating Activities	240,107,290	388,748,972

	2010 RM	2009 RM
CASH FLOW USED IN INVESTMENT ACTIVITIES		
Increase in investment securities	(486,487,782)	(312,708,605)
Purchase of property, plant and equipment	(451,129)	(250,792)
Net Cash Used In Investment Activities	(486,938,911)	(312,959,397)
CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		
Profit paid on Government borrowings and financing scheme funds	(96,019)	(123,551)
Proceeds from:		
Fund For Food ("3F")	295,000,000	300,000,000
Food Production Credit Scheme ("SKPM")	10,000,000	9,147,000
Loan for Small and Medium Size Industries ("PKS")	15,000,000	15,000,000
Special Fund For Terengganu Fishery ("DKSP")	(1,032,603)	(1,186,645)
Repayments of Government borrowings and financing scheme funds	(6,355,665)	(12,571,443)
Net Cash From Financing Activities	312,515,713	310,265,361
NET INCREASE IN CASH AND CASH EQUIVALENTS	65,684,092	386,054,936
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,429,396,805	1,043,341,869
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	1,495,080,897	1,429,396,805
CASH AND CASH EQUIVALENTS CONSIST OF:		
Cash and bank balances	50,463,049	48,503,240
Short-term deposits with financial institutions	1,444,617,848	1,380,893,565
1,495,080,897	1,429,396,805	

(Forward)

Note a: Income from financing

	2010 RM	2009 RM
Income from Islamic Banking operating		
Financing	264,495,479	264,401,109
Profit-in-suspense	-	(11,372,777)
Bad debts recovered	2,786,008	4,884,702
Income from financial institutions		
Profits from deposits from financial institutions	37,210,272	31,192,394
Profits from investment securities:		
Held to maturity (HTM)	7,738,143	5,251,318
Available for sale (AFS)	12,684,383	610,037
Net accretion of discount	-	2,111,124
Gain on disposal of investment securities:		
Available for sale (AFS)	5,308,166	-
Bad investment recovered	705,968	-
Fee Income		
Financing processing fees	28,012,260	12,398,759
Banking service fees	15,383,458	13,539,314
Ar-Rahnu fee	17,033,257	10,346,559
	<hr/> 391,357,394	<hr/> 333,362,539
Less : Profit attributable to customers		
Al-Mudharabah deposits	41,117,964	36,541,891
Al-Mudharabah savings	2,858,847	3,393,706
Agro Perdana-i	2,002,156	3,277,161
Agro-i deposits	1,647,216	1,194,075
Al-Wadiah savings	565,319	719,223
Agro Muda-i	158,319	70,022
Agro Tetangga-i	13,726	2,898
	<hr/> 48,363,547	<hr/> 45,198,976
Fund For Food ("3F")	1,809,399	998,379
Food Production Credit Scheme ("SKPM")	243,767	-
Loan for Small and Medium Size Industries ("PKS")	230,377	-
Fund For Small and Medium-Sized Industries ("TIKS")	35,670	42,980
Non-Food Production Credit Scheme ("SKPBM")	12,534	-
	<hr/> 50,695,294	<hr/> 46,240,335

	2010 RM	2009 RM
Special Fund for Terengganu Fishery ("DKSP")	1,032,603	1,186,645
Staff financing	1,003,797	993,899
Reimbursement of Special Relief Grant for Flood ("SRGF")	523,797	740,661
Other income	72,246	163,800

	2010 RM	2009 RM
	<hr/> 343,294,543	<hr/> 290,207,209

Of which:
Profit income earned on impaired financing and advances

26,317,557

There is an intra borrowing charged by Conventional Banking on Islamic Banking for the usage of fund amounting to RM15,849,082.

Note b: Financing impairment charges

	2010 RM	2009 RM
Individual impairment loss	66,984,032	-
Collective impairment loss	54,336,670	-
Specific allowance for bad and doubtful debts	-	86,320,321
General allowance for bad and doubtful debts	-	32,291,706

121,320,702

118,612,027

Note c: Overhead expenses

	2010 RM	2009 RM
Personnel costs		
Salary, allowance and bonus	669,017	658,845
EPF contributions	58,105	80,184
SOCSSO contributions	3,256	4,267
Staff welfare	38,983	27,949
Others	77,581	83,304
	846,942	854,549
Maintenance costs		
Printing, stationery and office supply	689,820	584,925
Insurance	561,439	526,868
Depreciation of property, plant and equipment	413,650	326,694
Rental of premises	50,780	131,700
Others	70,005	92,289
	1,785,694	1,662,476
Marketing expenses		
Advertising and promotions	317,979	691,037
Others	500	-
	318,479	691,037
General administrative expenses		
Communication expenses	99,205	30,350
Others	234,244	364,956
	333,449	395,306
	3,284,564	3,603,368

Note d: Cash and bank balances

	2010 RM	2009 RM
Cash and bank balances	50,463,049	48,503,240
Short-terms deposits with financial institutions	1,444,617,848	1,380,893,565
	1,495,080,897	1,429,396,805

Note e: Investment securities

	2010 RM	2009 RM
Debt Securities		
Available For Sale – at fair value		
Corporate Bonds	303,483,296	-
Malaysian Government Securities	300,034,000	-
	603,517,296	-
Held To Maturity – at amortised cost		
Corporate Bonds	150,845,014	-
Commercial Papers	114,385,003	-
Malaysian Government Securities	10,167,297	-
	275,397,314	-
Net	878,914,610	-
Maturity structure for investments held to maturity is as follows:		
Maturity within six months	214,385,003	-
Between six months to one year	5,000,000	-
Between one year to three years	10,000,000	-
Between three years to five years	10,167,297	-
More than five years	35,845,014	-
	275,397,314	-

	2010 RM	2009 RM
Debt Securities		
Available For Sale		
Corporate Bonds	-	40,000,000
Malaysian Government Securities	-	45,000,000
	<hr/>	<hr/>
	-	85,000,000
Held To Maturity		
Corporate Bonds	-	180,000,000
Commercial Papers	-	125,000,000
Malaysian Government Securities	-	-
	<hr/>	<hr/>
	-	305,000,000
Total before amortisation	<hr/>	<hr/>
Accretion of discount	-	(461,512)
	<hr/>	<hr/>
Net	-	389,538,488
	<hr/>	<hr/>
Maturity structure of money market instruments is as follows:		
Maturity within six months	-	225,000,000
Between six months to one year	-	80,000,000
Between one year to three years	-	20,000,000
Between three years to five years	-	35,000,000
More than five years	-	30,000,000
	<hr/>	<hr/>
	-	390,000,000

Note f: Financing and advances	
Bai-Al-Inah	2,289,613,212
BBA Project and Vehicle	1,436,425,217
Fund For Food ("3F")	682,882,821
Ar-Rahnu	242,739,537
Fishery Boat Financing Scheme ("SPBP")	117,302,877
MUST-i	86,639,901
Oil Palm Replanting Scheme ("TASK")	59,429,431
MAP and MPPB Financing	60,322,835
Loan for Small and Medium Size Industries ("PKS")	49,628,381
Non-Food Production Credit Scheme ("SKPBM")	88,477,961
Food Production Credit Scheme ("SKPM")	32,968,843
Belia Tani Scheme	15,266,571
Entrepreneur Scheme for Graduates ("SUTKS – Financing")	11,419,860
Special Fund For Terengganu Fishery ("DKSP")	2,627,134
Fund For Small and Medium Size Industries ("TIKS")	2,684,225
Modal Pusingan-i	986,130
	<hr/>
Less: Unearned profit	5,179,414,936
	<hr/>
(1,338,553,143)	(1,254,267,419)
	<hr/>
Less:	3,840,861,793
Individual impairment loss	(363,400,049)
Collective impairment loss	(150,437,266)
Specific allowance for bad and doubtful debts	-
General allowance for bad and doubtful debts	(150,062,265)
Profit-in-suspense	(100,552,381)
Individual impairment loss ("SUTKS")	(5,052,120)
Individual impairment loss ("DKSP")	(310,577)
Specific allowance for bad and doubtful debts ("SUTKS")	-
Specific allowance for bad and doubtful debts ("DKSP")	(4,729,579)
Amount written off	(379,261)
	<hr/>
Staff financing	3,321,661,781
	<hr/>
34,129,974	29,281,033
	<hr/>
Net	3,355,791,755
	<hr/>
Maturity structure for financing is as follows:	3,345,649,230
Maturity within six months	282,788,814
Between six months to one year	18,801,025
Between one year to three years	280,609,609
Between three years to five years	640,252,812
More than five years	2,618,409,533
	<hr/>
	2,672,783,023
	<hr/>
3,840,861,793	3,581,440,568

Note g: Other assets

	2010 RM	2009 RM
Profit receivable from investment securities	9,543,613	3,797,695
Income receivables from Ar-Rahnu	7,322,962	4,034,795
Refundable deposits and prepayments	41,466	68,740
Other assets	282	-
	16,908,323	7,901,230

Note h: Deposits from customers

	2010 RM	2009 RM
Al-Wadiyah savings	69,133,645	71,477,482
Al-Mudharabah savings	275,116,213	286,410,021
Al-Mudharabah general deposits	1,535,829,179	1,510,337,151
Agro Perdana-i	1,038,794,944	775,306,972
Deposit securities	59,027,987	59,229,820
	2,977,901,968	2,702,761,446

Maturity structure for deposits from customers is as follows:

Within six months	2,658,535,136	2,250,279,793
Between six months to one year	283,191,495	401,490,922
Between one year to three years	17,232,913	43,161,249
Between three years to five years	18,942,424	7,829,482
	2,977,901,968	2,702,761,446

Note i: Profits payable and others

	2010 RM	2009 RM
Al-Mudharabah general deposits	20,991,219	16,571,693
Other liabilities	26,794,573	120,355,941
Zakat payable	1,956,078	2,950,166
	49,741,870	139,877,800

Note j: Government borrowings and financing scheme funds

	2010 RM	2009 RM
Fund For Food ("3F")	1,068,206,984	776,904,253
Oil Palm Replanting Scheme ("TASKS")	15,000,000	15,000,000
Low Intensity Tapping Systems ("LITS Scheme")	1,026,965	1,757,703
Fund for Small and Medium Industries ("TIKS")	2,284,552	2,463,160
Food Production Credit Scheme ("SKPM")	100,243,767	90,000,000
Fund for Ministry Youth and Sports ("DKBS")	16,900,758	20,000,000
Fishery Boat Financing Scheme ("SPBP")	140,000,000	140,000,000
Entrepreneur Scheme for Graduates ("SUTKS-Financing")	10,000,000	10,000,000
Non-Food Production Credit Scheme ("SKPBM")	30,012,534	30,000,000
Loan for Small and Medium Size Industries ("PKS")	100,230,377	85,000,000
	1,483,905,937	1,171,125,116

Note k: Islamic Banking Fund

	2010 RM	2009 RM
Retained earnings	390,063,775	300,720,339
General reserve	849,741,880	849,741,880
(Reimbursement to) / Advance from conventional system	(10,821,486)	2,132,063
Investment revaluation reserve	2,888,340	-
	1,231,872,509	1,152,594,282

Retained earnings

At beginning of the year	300,720,339	135,608,088
Profit after Zakat	218,408,083	165,112,251
Effect on adoption of FRS 139	(129,064,647)	-
	390,063,775	300,720,339

At end of the year

(Reimbursement to) / Advance from conventional system	2,132,063	158,704,131
At beginning of the year	(12,953,549)	(156,572,068)
	(10,821,486)	2,132,063

	2010 RM	2009 RM
Investment revaluation reserve		
At beginning of the year	882,763	-
Other comprehensive income for the year	2,005,577	-
At end of the year	2,888,340	-

Note I: Government Grant - Funds

	2010 RM	2009 RM
Entrepreneur Scheme for Graduates ("SUTKS")	1,985,118	3,854,579
Special Fund for Terengganu Fishery ("DKSP")	3,338,140	4,285,008
Total	5,323,258	8,139,587

Note m: Capital adequacy

	2010 %	2009 %
Before deducting proposed dividend:		
Core capital ratio	30.47	29.31
Risk-weighted capital ratio	33.33	32.08

Components of Tier I and Tier II Capital

Tier I Capital	2010 RM	2009 RM
General reserve	849,741,880	849,741,880
Advance from conventional system	(10,821,486)	2,132,063
Retained earnings	390,063,775	300,720,339
Total Tier I Capital	1,228,984,169	1,152,594,282
Tier II Capital	2010 RM	2009 RM
Collective impairment allowance	110,246,536	-
General allowance for bad and doubtful debts	-	100,552,381
Government grant – funds	5,323,258	8,139,587
Total Tier II Capital	115,569,794	108,691,968
Total Capital Base	1,344,553,963	1,261,286,250

The breakdown of risk-weighted assets in the various categories of risk-weights is as follows:

	Notional RM	Risk-weighted RM
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
0%	93,611,111	-
10%	-	-
20%	1,594,169,020	318,833,804
50%	19,817,035	9,908,518
100%	3,466,901,065	3,466,901,065
Off balance sheet risk-weighted assets	-	129,923,452
Total risk-weighted assets as of 31 December 2009	5,174,498,231	3,925,566,839

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 Berwajarnan 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF
BANK PERTANIAN MALAYSIA BERHAD
(Incorporated in Malaysia)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF
BANK PERTANIAN MALAYSIA BERHAD
(Incorporated in Malaysia)**

Report on the Financial Statements

We have audited the financial statements of **BANK PERTANIAN MALAYSIA BERHAD**, which comprise the statement of financial position as of 31 December 2010 of the Bank, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 296 to 397.

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 Financial Reporting Standards as modified by Bank Negara Guidelines and the Companies Act, 1965 in Malaysia 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 and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purposes. We do not assume responsibility towards any other person for the contents of this report.

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 the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of 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 that 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 Financial Reporting Standards as modified by Bank Negara Malaysia Guidelines and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Bank as of 31 December 2010 and its financial performance and cash flows for the year then ended.

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.

DELOITTE KASSIMCHAN
AF 0080
Chartered Accountants

KAMARUL BAHARIN BIN TENGKU ZAINAL ABIDIN
Partner - 2903/11/11 (J)
Chartered Accountant

28 March 2011

(Forward)

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