

**ECM LIBRA FINANCIAL GROUP BERHAD** (Company No. 713570-K)  
(formerly known as ECM Libra Avenue Berhad)

**Unaudited Condensed Consolidated Balance Sheet**  
**As at 31 October 2008**

		<b>31-Oct-08</b>	31-Jan-08
<b>ASSETS</b>	<b><u>Note</u></b>	<b>RM'000</b>	RM'000
Cash and bank balances		<b>359,899</b>	367,074
Deposits with licensed financial institutions	9	<b>22,335</b>	3,198
Securities held-for-trading	10	<b>24,317</b>	-
Securities available-for-sale ("AFS")	11	<b>238,499</b>	184,455
Securities held-to-maturity	12	<b>2,200</b>	2,200
Derivative financial instruments		<b>6,149</b>	-
Loans, advances and financing	13	<b>253,274</b>	172,223
Trade receivables	14	<b>180,583</b>	404,109
Other assets	15	<b>14,546</b>	19,328
Statutory deposits with Bank Negara Malaysia		<b>3,581</b>	-
Investment in associated companies		<b>46,316</b>	43,280
Property, plant and equipment		<b>32,191</b>	54,509
Intangible assets		<b>285,409</b>	284,500
Deferred tax assets		<b>10,000</b>	10,000
<b>TOTAL ASSETS</b>		<b><u>1,479,299</u></b>	<b><u>1,544,876</u></b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Deposits from customers	16	<b>241,956</b>	-
Trade payables	17	<b>274,788</b>	521,290
Other liabilities	18	<b>60,514</b>	74,754
Provision for taxation		<b>25</b>	990
Hire purchase payable		<b>528</b>	444
Deferred tax liabilities		<b>168</b>	168
<b>TOTAL LIABILITIES</b>		<b><u>577,979</u></b>	<b><u>597,646</u></b>
Share capital		<b>830,902</b>	830,902
Reserves		<b>75,877</b>	116,328
Less: Treasury shares, at cost	6	<b>(5,459)</b>	-
		<b><u>901,320</u></b>	<b><u>947,230</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>1,479,299</u></b>	<b><u>1,544,876</u></b>
Net Assets per Share (RM)		<b>1.10</b>	1.14

The Unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2008 of the Group.

Certain comparative figures have been restated arising from the application of the Revised Guidelines on Financial Reporting for Licensed Institutions issued by Bank Negara Malaysia (BNM/GP8) as well as to conform with current financial year's presentation.

**ECM LIBRA FINANCIAL GROUP BERHAD** (Company No. 713570-K)  
(formerly known as ECM Libra Avenue Berhad)

**Unaudited Condensed Consolidated Income Statements  
for the Third Quarter ended 31 October 2008**

	<u>Note</u>	<b>Current quarter ended 31-Oct-08 RM'000</b>	Corresponding quarter ended 31-Oct-07 RM'000	<b>Current year to date 31-Oct-08 RM'000</b>	Corresponding year to date 31-Oct-07 RM'000
Revenue		<b>20,300</b>	31,933	<b>57,946</b>	134,182
Gross interest income	19	<b>10,483</b>	7,369	<b>24,215</b>	20,814
Interest expense	20	<b>(2,658)</b>	(821)	<b>(3,236)</b>	(2,311)
Net interest income		<b>7,825</b>	6,548	<b>20,979</b>	18,503
Non-interest income	21	<b>9,817</b>	24,564	<b>33,731</b>	113,368
Other non-operating income	22	<b>3,715</b>	1,466	<b>4,934</b>	3,857
Net income		<b>21,357</b>	32,578	<b>59,644</b>	135,728
Operating expenses	23	<b>(16,142)</b>	(20,247)	<b>(49,818)</b>	(61,312)
Operating profit		<b>5,215</b>	12,331	<b>9,826</b>	74,416
Share of (loss)/profit of associated company		<b>(1,861)</b>	1,386	<b>(516)</b>	2,627
(Allowance)/write-back for losses on loan & financing	24	<b>(2,159)</b>	344	<b>(3,868)</b>	344
Write-back/(allowance) for bad & doubtful debts on trade receivables	25	<b>10</b>	2,831	<b>(30)</b>	341
Write-back/(allowance) for impairment loss	26	-	-	<b>4,400</b>	(4,400)
Profit before tax		<b>1,205</b>	16,892	<b>9,812</b>	73,328
Taxation	39	<b>387</b>	(457)	<b>(1,156)</b>	(2,104)
Profit after tax		<b>1,592</b>	16,435	<b>8,656</b>	71,224
Earnings per share ("EPS"): - basic / diluted *		<b>Sen 0.19</b>	Sen 1.98	<b>Sen 1.05</b>	Sen 8.57

\* Outstanding Employee Share Options Scheme ("ESOS") have been excluded from the computation of fully diluted earnings per RM1 ordinary shares as the average market price of the ordinary shares is currently below the exercise price of the options.

The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2008 of the Group.

Certain comparative figures have been restated arising from the application of the Revised Guidelines on Financial Reporting for Licensed Institutions issued by Bank Negara Malaysia (BNM/GP8) as well as to conform with current financial year's presentation.

**ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)**

(formerly known as ECM Libra Avenue Berhad)

**Unaudited Condensed Consolidated Statement of Changes in Equity  
for the Financial Period ended 31 October 2008**

	<-----Non-distributable----->						<----Distributable---->			Total RM'000
	Share capital RM'000	Treasury shares RM'000	Merger reserve RM'000	Foreign currency translation reserve RM'000	AFS revaluation reserve RM'000	Equity compensation reserve RM'000	Statutory reserve RM'000	General reserve RM'000	Retained profit RM'000	
Balance as at 1 February 2008										
- as previously reported	830,902	-	26,561	(6,718)	-	2,075	-	159	84,044	937,023
- effect arising from adoption of BNM/GP8	-	-	-	-	10,044	-	27,066	-	(26,903)	10,207
As restated	830,902	-	26,561	(6,718)	10,044	2,075	27,066	159	57,141	947,230
Net change in securities										
available-for-sale	-	-	-	-	(33,514)	-	-	-	-	(33,514)
Purchase of treasury shares	-	(5,459)	-	-	-	-	-	-	-	(5,459)
Net profit for the financial period	-	-	-	-	-	-	-	-	8,656	8,656
Dividends paid	-	-	-	-	-	-	-	-	(19,992)	(19,992)
Currency translation differences	-	-	-	4,399	-	-	-	-	-	4,399
<b>Balance as at 31 October 2008</b>	<b>830,902</b>	<b>(5,459)</b>	<b>26,561</b>	<b>(2,319)</b>	<b>(23,470)</b>	<b>2,075</b>	<b>27,066</b>	<b>159</b>	<b>45,805</b>	<b>901,320</b>
Balance as at 1 February 2007										
- as previously reported	830,902	-	26,561	(2,047)	-	-	-	159	5,723	861,298
- effect arising from adoption of BNM/GP8	-	-	-	-	1,179	-	-	-	4,232	5,411
As restated	830,902	-	26,561	(2,047)	1,179	-	-	159	9,955	866,709
Net change in securities										
available-for-sale	-	-	-	-	9,873	-	-	-	-	9,873
Net profit for the financial period	-	-	-	-	-	-	-	-	71,224	71,224
Dividends paid	-	-	-	-	-	-	-	-	(6,066)	(6,066)
Currency translation differences	-	-	-	(2,654)	-	-	-	-	-	(2,654)
<b>Balance as at 31 October 2007</b>	<b>830,902</b>	<b>-</b>	<b>26,561</b>	<b>(4,701)</b>	<b>11,052</b>	<b>-</b>	<b>-</b>	<b>159</b>	<b>75,113</b>	<b>939,086</b>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 January 2008 of the Group.

**ECM LIBRA FINANCIAL GROUP BERHAD** (Company No. 713570-K)  
(formerly known as ECM Libra Avenue Berhad)

**Unaudited Condensed Consolidated Cash Flow Statement  
for the Financial Period ended 31 October 2008**

	9 months ended	
	31-Oct-08	31-Oct-07
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	9,812	73,328
Adjustment for non-cash items	(14,117)	(35,905)
Operating profit before working capital changes	<u>(4,305)</u>	<u>37,423</u>
Net decrease in assets	226,042	416,803
Net decrease in liabilities	(18,451)	(381,441)
Cash generated from operations	<u>203,286</u>	<u>72,785</u>
Net tax recovered/(paid)	870	(2,522)
Interest received	24,215	20,814
Net cash generated from operating activities	<u>228,371</u>	<u>91,077</u>
<b>Cash flows (used in)/ from investing activities</b>		
Dividend received	3,235	601
Net (additions)/proceeds from securities	(122,422)	83,770
Purchase of treasury shares	(5,459)	-
Net disposal/(addition) to property, plant and equipment	20,443	(1,936)
Net cash inflow from disposal of associated company	-	4,417
Net cash (used in)/generated from investing activities	<u>(104,203)</u>	<u>86,852</u>
<b>Cash flows used in financing activities</b>		
Dividend paid	(19,992)	(6,066)
Repayment of short term borrowings	-	(60,000)
Repayment of hire purchase	(250)	-
Interest paid	(3,236)	(2,361)
Net cash used in financing activities	<u>(23,478)</u>	<u>(68,427)</u>
<b>Net increase in cash and cash equivalents</b>	<b>100,690</b>	<b>109,502</b>
<b>Effects of exchange rate changes</b>	<b>4,399</b>	<b>(2,625)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>149,114</b>	<b>167,473</b>
<b>Cash and cash equivalents at end of period</b>	<b><u>254,203</u></b>	<b><u>274,350</u></b>

Cash and cash equivalents included in the cash flow statement comprise the following Balance Sheet amounts:

	RM'000	RM'000
Cash, bank balances and deposits with financial institutions	382,234	407,698
Less: Monies held in trust	(128,031)	(133,348)
	<u>254,203</u>	<u>274,350</u>

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited consolidated financial statements for the year ended 31 January 2008 of the Group.

## **Part A: Explanatory Notes pursuant to Financial Reporting Standards ("FRS") 134**

### **1 Basis of Preparation**

This unaudited quarterly financial report of the Group has been prepared in accordance with FRS 134 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Revised Guidelines on Financial Reporting for Licensed Institutions ("BNM/GP8").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2008.

ECM Libra Investment Bank Berhad (formerly known as ECM Libra Avenue Securities Berhad) ("ECMLIB") had received approval from Bank Negara Malaysia ("BNM") to comply with the requirements of the "BNM/GP8" not later than one year from the date of inception of its investment bank status. The Group and ECMLIB adopted the requirements of BNM/GP8 for the current financial year ended 31 January 2009. The adoption of BNM/GP8 resulted in the reclassification as disclosed in Note 1(a)(iii).

The accounting policies and methods of computation adopted in this interim financial report are consistent with those adopted in the preparation of the Financial Statements 2008, except for the adoption of the new and revised Financial Reporting Standards ("FRS") issued by Malaysia Accounting Standard Board ("MASB") that are effective to the Group's financial year beginning on and after 1 July 2007 and the guidelines set out in BNM/GP8:

FRS 107:	Cash Flow Statements
FRS 112:	Income Taxes
FRS 118:	Revenue
FRS 134:	Interim Financial Reporting
FRS 137:	Provision, Contingent Liabilities and Contingent Assets
Amendment to FRS 121:	The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation
FRS 111:	Construction Contracts
FRS 120:	Accounting for Government Grants and Disclosure of Government Assistance
FRS 126:	Accounting and Reporting by Retirement Benefit Plans
FRS 129:	Financial Reporting in Hyperinflationary Economies
IC Interpretation 1:	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2:	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5:	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6:	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
IC Interpretation 7:	Applying the Restatement Approach under FRS 129 <sub>2004</sub> - Financial Report in Hyperinflationary Economies
IC Interpretation 8:	Scope of FRS 2
FRS 129 <sub>2004</sub> :	Financial Report in Hyperinflationary Economies
FRS 139:	Financial Instruments: Recognition and Measurement

These FRSs and Amendments are, however, expected to have no significant impact to the financial statements of the Group or the Company, with the exception of FRS 139 which is deferred to a later date. The Group and the Company are exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 139.

## **1 Basis of Preparation (continued)**

The principal effects of changes in accounting policies and estimates are as follows:

### **(a) BNM/GP8:**

#### **(i) Presentation of Financial Statements**

The consolidated income statement and balance sheet in respect of the current quarter and financial period ended 31 October 2008 are now prepared in accordance with BNM/GP8 format requirements.

#### **(ii) Securities Portfolio**

Previously, securities were classified as either "Marketable securities" or "Other Investment". Marketable securities and other investment are stated at the lower of cost, adjusted for market value, determined on a total portfolio basis and allowance for diminution in value will be made for non-temporary decline in value. Any gain/loss arising from revaluation or sale of securities is recognised in the income statement.

Based on the BNM/GP8 guidelines, equity instruments and debt securities held are classified based on the following categories:

##### Securities held-for-trading

Securities are classified as held-for-trading if it is acquired principally for the purpose of selling or repurchasing it in the near term or it is part of a portfolio of identified securities that are managed together and for which there is evidence of recent actual pattern of short-term profit-taking. Such securities will be stated at fair value and any gain or loss arising from a change in fair value will be recognised in the income statement.

Dividends on equity instruments are recognised in the income statement when the right to receive payment is established.

##### Securities available-for-sale

Securities available-for-sale are securities that are not classified as held-for-trading or held-to-maturity and are measured at fair value. Equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured will be stated at cost. Any gain or loss arising from a change in fair value is recognised directly in equity through the statement of changes in equity, except for impairment loss and foreign exchange gain/loss which are recognised in income statement, until the securities are derecognised, at which time the cumulative gain or loss previously recognised in equity will be transferred to the income statement.

Interest calculated using the effective interest method is recognised in the income statement. Dividends on equity instruments are recognised in the income statement when the right to receive payment is established.

##### Securities held-to-maturity

Securities held-to-maturity are securities with fixed or determinable payments and fixed maturity that the group has the positive intent and ability to hold to maturity. These securities are measured at amortised cost using the effective interest method. Any gain or loss is recognised in the income statement when the securities are derecognised or impaired and through amortisation process.

**1 Basis of Preparation (continued)**

**(a) BNM/GP8 (continued):**

**(iii) Restatement of Comparatives**

The adoption of BNM/GP8 resulted in the restatement/reclassification of certain comparative figures as follows:-

<b>Group</b>	<b>As previously reported RM'000</b>	<b>Adjustment RM'000</b>	<b>As restated RM'000</b>
<u>Balance sheet as at 31 January 2008</u>			
Inventories	89	(89)	-
Marketable securities	164,095	(164,095)	-
Other investments	12,304	(12,304)	-
Trade receivables	550,845	(146,736)	404,109
Loans, advances and financing	25,352	146,871	172,223
Cash and bank balances	150,432	216,642	367,074
Deposits with licensed financial institutions	219,840	(216,642)	3,198
Securities available-for-sale ("AFS")	-	184,455	184,455
Securities held-to-maturity	-	2,200	2,200
Other assets	19,423	(95)	19,328
Retained profit	(84,044)	26,903	(57,141)
Statutory reserve	-	(27,066)	(27,066)
AFS revaluation reserve	-	(10,044)	(10,044)
<u>Income statement for the financial period ended 31 October 2007</u>			
Revenue	138,203	(138,203)	-
Other operating income	41,266	(41,266)	-
Staff costs	(30,644)	30,644	-
Depreciation of property, plant and equipment	(4,727)	4,727	-
Other operating expenses	(71,506)	71,506	-
Finance costs	(2,361)	2,361	-
Gross interest income	-	20,814	20,814
Non-interest income	-	113,368	113,368
Other non-operating income	-	3,857	3,857
Interest expense	-	(2,311)	(2,311)
Operating expenses	-	(61,312)	(61,312)
Allowance for bad & doubtful debts	-	341	341
Allowance for impairment loss	-	(4,400)	(4,400)
Profit before tax	72,858	470	73,328
Profit after tax	70,754	470	71,224

**1 Basis of Preparation (continued)**

**(b) BNM's Guidelines on Classification of Non-performing Loans, Advances and Financing and Provision for Substandard, Bad and Doubtful Debts (BNM/GP3):**

The Group has adopted BNM/GP3 guidelines in respect of classification of non-performing accounts, loan loss provisioning and interest income recognition with effect from the date of completion of transformation of ECMLIB into an investment bank on 6 February 2008.

When loans, advances and financing granted by the Group become non-performing, interest accrued and recognised as income prior to the date the loans are classified as non-performing are reversed out of interest income in the income statement and taken to interest-in-suspense for set off against the accrued interest receivable in the balance sheet. Subsequent to suspension, interest earned on the non-performing loans, advances and financing ("NPLs") shall be recognised as income on cash basis.

The impact arising from the adoption of BNM/GP3 is an additional general allowances for loan losses of 0.5%.

**2 Audit Report of Preceding Annual Financial Statements**

The auditors' report on the Financial Statements for the year ended 31 January 2008 of the Company was not subjected to any qualification.

**3 Seasonality and Cyclicity Factors**

The operations of the Group were not materially affected either by seasonal or cyclical factors.

**4 Exceptional Items/Unusual Events**

There was no unusual item affecting assets, liabilities, equity, net income, or cash flows during the thirist quarter ended 31 October 2008.

**5 Variation from Financial Estimates Reported in Preceding Financial Period/Year**

There were no changes in estimates of amounts reported in the preceding financial period that would have a material effect in the current quarter results.



## 6 Debt and Equity Securities

During the financial quarter ended 31 October 2008, the Company purchased its own ordinary shares with the details as follows:-

<u>Date of purchase</u>	<u>Quantity of shares purchased</u>	<u>Average price RM</u>	<u>Purchase consideration RM</u>
24-Oct-08	10,000	0.38	3,792
	<u>10,000</u>		<u>3,792</u>

There was no issuance, cancellation, resale and repayment of either debt or equity securities during the quarter under review.

## 7 Dividend Paid

There was no dividend paid during the quarter ended 31 October 2008.

## 8 Segmental Reporting

Segmental revenue and results for the current 9 months financial quarter ended 31 October 2008 are as follows:-

	<b>Financial services RM'000</b>	<b>Investment holding RM'000</b>	<b>Group Eliminations RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>				
External sales	57,941	5	-	57,946
Inter-segment sales	13,584	10,741	(24,325)	-
Total revenue	<u>71,525</u>	<u>10,746</u>	<u>(24,325)</u>	<u>57,946</u>
<b>Results</b>				
Profit from operations	<u>6,816</u>	<u>8,816</u>	<u>(5,806)</u>	9,826
Share of results of associate companies				(516)
Allowance for losses on loans & financing				(3,868)
Writeback of allowance for bad & doubtful debts				(30)
Writeback of allowance for impairment loss				4,400
Profit before tax				<u>9,812</u>
Taxation				(1,156)
Profit after tax				<u>8,656</u>
<b>Other information</b>				
Depreciation and amortisation	<u>3,596</u>	<u>799</u>	<u>99</u>	<u>4,494</u>

The primary basis of segment reporting of the Group is according to business segments as the Group operates principally in Malaysia.

**9 Deposits with licensed financial institutions**

	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
<u>By Type of Institutions</u>		
Licensed banks	<b>22,335</b>	3,198

**10 Securities held-for-trading**

	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
<b>At fair value</b>		
Bankers' Acceptance	<b>24,317</b>	-

**11 Securities available-for-sale**

	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
<b>At fair value</b>		
Quoted Securities		
- Shares	<b>102,580</b>	110,957
- Warrant	-	1,400
- Unit Trust	-	89
Unquoted Securities		
- Private Debt Securities	<b>136,479</b>	76,969
	<b>239,059</b>	189,415
Less: Impairment loss on securities available-for-sale	<b>(560)</b>	(4,960)
<b>Total securities available-for-sale</b>	<b>238,499</b>	184,455

During the current quarter, the following securities were reclassified out from held-for-trading to available-for-sale:

	<b>31-Oct-08</b>
	<b>RM'000</b>
Carrying value as at beginning of financial quarter	<b>40,193</b>
Purchase of securities	<b>162</b>
Gain/(loss) on revaluation	
- recognised in profit and loss	<b>105</b>
- recognised in AFS revaluation reserves	<b>(8,503)</b>
Carrying value as at end of financial quarter	<b>31,957</b>

**12 Securities held-to-maturity**

	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
<b>At cost</b>		
Quoted Securities		
- Shares	<b>2,200</b>	2,200

**13 Loans, advances and financing**

	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
<u>By Type</u>		
Share margin financing	<b>121,999</b>	149,278
Term loans/financing		
- Other term loans/financing	<b>137,685</b>	25,487
Gross Loans, advances and financing	<b>259,684</b>	174,765
Less: General allowance	<b>(4,098)</b>	(2,542)
Less: Specific allowance	<b>(2,312)</b>	-
<b>Total net loans, advances and financing</b>	<b>253,274</b>	172,223
<u>By Economic Purpose</u>		
Purchase of securities	<b>229,002</b>	153,896
Working capital	<b>30,100</b>	20,090
Personal uses	<b>582</b>	779
Gross loans, advances and financing	<b>259,684</b>	174,765
<u>By Interest Rate Sensitivity</u>		
Fixed rate		
- Other fixed rate loans/financing	<b>259,684</b>	174,765
<u>By Type of Customer</u>		
Domestic business enterprises	<b>106,726</b>	92,265
Individuals	<b>152,958</b>	82,500
Gross Loans, advances and financing	<b>259,684</b>	174,765
<b>(i) Non-performing loans, advances and financing ("NPLs")</b>		
<b>by economic purpose</b>		
Purchase of securities	<b>29,204</b>	-
<b>(ii) Movements in NPLs</b>		
	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
Balance at beginning of financial period/year	-	-
Classified as non-performing during the period/year	<b>29,204</b>	-
At end of period/year	<b>29,204</b>	-
Specific allowance	<b>(2,312)</b>	-
Net non-performing loans, advances and financing	<b>26,892</b>	-
Ratio of net non-performing loans, advances and financing to net loans, advances and financing	<b>10.4%</b>	-

**13 Loans, advances and financing (continued)**

**(iii) Movements in allowance for losses on loans and financing**

	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
<b>General allowance</b>		
Balance at beginning of financial period/year	2,542	-
Allowance made during the period/year	1,556	2,542
Balance at end of financial period/year	<u>4,098</u>	<u>2,542</u>
As % of gross loans, advances and financing less specific allowance	1.6%	1.5%
<b>Specific allowance</b>		
Balance at beginning of financial period/year	-	-
Allowance made during the period/year	2,312	-
Balance at end of financial period/year	<u>2,312</u>	<u>-</u>

**14 Trade receivables**

	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
Amount owing by clients	94,552	218,453
Amount owing by brokers	84,123	183,847
	<u>178,675</u>	<u>402,300</u>
Less: Allowance for bad and doubtful receivables		
General allowance	(174)	(233)
Specific allowance	(167)	(271)
Interest-in-suspense	(963)	(725)
	<u>177,371</u>	<u>401,071</u>
Amount owing by trustees	3,212	3,038
	<u>180,583</u>	<u>404,109</u>

**15 Other assets**

	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
Deposits	4,561	6,905
Tax recoverables	5,877	7,233
Other receivables, deposits and prepayments	4,108	5,190
	<u>14,546</u>	<u>19,328</u>

**16 Deposit from customers**

	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
<u>By Type of Deposits:</u>		
Short-term deposits	<b>241,956</b>	-
<u>By Type of Customers:</u>		
Business enterprises	<b>231,701</b>	-
Individuals	<b>10,255</b>	-
	<b>241,956</b>	-

**17 Trade payables**

	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
Amount owing to clients	<b>50,153</b>	131,217
Amount owing to brokers	<b>104,390</b>	221,982
Client's trust monies	<b>119,320</b>	165,525
Amount owing to trustees	<b>925</b>	2,566
	<b>274,788</b>	521,290

**18 Other liabilities**

	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
Accruals and deposits received	<b>14,077</b>	21,283
Remisiers' and dealers' trust accounts	<b>17,478</b>	25,727
Other payables	<b>28,959</b>	27,744
	<b>60,514</b>	74,754

**19 Interest income**

	<b>Current quarter ended 31-Oct-08 RM'000</b>	Corresponding quarter ended 31-Oct-07 RM'000	<b>Current year to date 31-Oct-08 RM'000</b>	Corresponding year to date 31-Oct-07 RM'000
Loans and advances:				
- Interest income from performing loans	<b>3,090</b>	581	<b>5,598</b>	1,233
Margin Financing	<b>2,547</b>	3,020	<b>8,278</b>	7,710
Stockbroking business	<b>144</b>	168	<b>578</b>	695
Short-term funds and deposits with financial institutions	<b>2,860</b>	2,555	<b>5,561</b>	6,709
Securities:				
- Held-for-trading	-	306	-	900
- Available-for-sale	<b>1,772</b>	702	<b>4,128</b>	3,404
	<b>10,413</b>	7,332	<b>24,143</b>	20,651
Amortisation of premiums less accretion of discounts	<b>70</b>	37	<b>72</b>	163
	<b>10,483</b>	7,369	<b>24,215</b>	20,814

**20 Interest expense**

	<b>Current quarter ended 31-Oct-08 RM'000</b>	Corresponding quarter ended 31-Oct-07 RM'000	<b>Current year to date 31-Oct-08 RM'000</b>	Corresponding year to date 31-Oct-07 RM'000
Deposits from customers	<b>2,032</b>	-	<b>2,153</b>	-
Deposits from banks and other financial institutions	<b>621</b>	-	<b>1,067</b>	-
Others	<b>5</b>	821	<b>16</b>	2,311
	<b>2,658</b>	821	<b>3,236</b>	2,311

**21 Non-interest income**

	<b>Current quarter ended 31-Oct-08 RM'000</b>	Corresponding quarter ended 31-Oct-07 RM'000	<b>Current year to date 31-Oct-08 RM'000</b>	Corresponding year to date 31-Oct-07 RM'000
Fee income				
- Fees on loans and advances	<b>652</b>	650	<b>3,467</b>	1,326
- Corporate advisory fees	<b>130</b>	587	<b>2,800</b>	4,063
- Net brokerage fee	<b>5,052</b>	14,589	<b>20,398</b>	54,679
- Portfolio management fees	<b>2,379</b>	3,944	<b>8,512</b>	11,488
- Other fee income	<b>489</b>	1,510	<b>4,117</b>	12,182
	<b>8,702</b>	21,280	<b>39,294</b>	83,738

**21 Non-interest income (continued)**

	<b>Current quarter ended 31-Oct-08 RM'000</b>	Corresponding quarter ended 31-Oct-07 RM'000	<b>Current year to date 31-Oct-08 RM'000</b>	Corresponding year to date 31-Oct-07 RM'000
Investment and trading income				
- Gain/(loss) from sale of securities held-for-trading	115	-	117	8,721
securities available-for-sale	-	2,822	(2,889)	11,910
securities held-to-maturity	240	-	240	-
- Gain/(loss) on revaluation of securities held-for-trading derivatives	221 (394)	(139) -	(12,415) 6,149	7,457 -
- Gain on disposal of associated company	-	-	-	941
	<b>182</b>	2,683	<b>(8,798)</b>	29,029
Gross dividend income				
- Securities:				
available-for-sale	933	601	3,235	601
	<b>933</b>	601	<b>3,235</b>	601
<b>Total Non-interest income</b>	<b>9,817</b>	24,564	<b>33,731</b>	113,368

**22 Other non-operating income**

	<b>Current quarter ended 31-Oct-08 RM'000</b>	Corresponding quarter ended 31-Oct-07 RM'000	<b>Current year to date 31-Oct-08 RM'000</b>	Corresponding year to date 31-Oct-07 RM'000
Rental income	147	167	434	497
Gain on disposal of property, plant and equipment	3,507	1	3,545	183
(Loss)/gain on revaluation of foreign exchange translation	(381)	742	(317)	1,476
Others	442	556	1,272	1,701
	<b>3,715</b>	1,466	<b>4,934</b>	3,857

### 23 Operating expenses

	<b>Current quarter ended 31-Oct-08 RM'000</b>	Corresponding quarter ended 31-Oct-07 RM'000	<b>Current year to date 31-Oct-08 RM'000</b>	Corresponding year to date 31-Oct-07 RM'000
<u>Personnel expenses</u>				
Salaries, allowance and bonus	7,563	9,330	24,528	26,164
Contributions to defined contribution plan	883	763	2,710	2,515
Other personnel costs	1,081	808	1,695	2,192
	<b>9,527</b>	10,901	<b>28,933</b>	30,871
<u>Establishment costs</u>				
Depreciation of property, plant and equipment	1,225	1,344	3,807	3,950
Amortisation of computer software	231	214	687	633
Rental of premises	789	809	2,390	2,338
Rental of network and equipment	958	1,649	2,644	3,245
Other establishment costs	771	995	2,025	3,253
	<b>3,974</b>	5,011	<b>11,553</b>	13,419
<u>Marketing and communication expenses</u>				
Advertising expenses	92	6	259	34
Entertainment	219	469	849	2,006
Other marketing expenses	196	401	548	1,018
	<b>507</b>	876	<b>1,656</b>	3,058
<u>Administrative and general expenses</u>				
Audit fees	54	55	165	164
Legal and professional fees	(26)	479	497	2,117
Printing and stationery	97	216	690	1,117
Insurance, postages and courier	168	294	652	881
Electricity and water charges	226	339	648	1,011
Telecommunication expenses	177	608	882	1,569
Travelling and accomodation	122	236	321	648
Others	1,316	1,232	3,821	6,457
	<b>2,134</b>	3,459	<b>7,676</b>	13,964
<b>Total operating expenses</b>	<b>16,142</b>	20,247	<b>49,818</b>	61,312



**24 Allowance/(write-back) for losses on loans and financing**

	<b>Current quarter ended 31-Oct-08 RM'000</b>	Corresponding quarter ended 31-Oct-07 RM'000	<b>Current year to date 31-Oct-08 RM'000</b>	Corresponding year to date 31-Oct-07 RM'000
General allowance on loans and financing - (Write-back)/provided during the financial period	(153)	(411)	1,556	(411)
	<b>(153)</b>	<b>(411)</b>	<b>1,556</b>	<b>(411)</b>
Specific allowance on loans and financing - Provided during the financial period	2,312	67	2,312	67
	<b>2,312</b>	<b>67</b>	<b>2,312</b>	<b>67</b>
	<b>2,159</b>	<b>(344)</b>	<b>3,868</b>	<b>(344)</b>

**25 (Write-back)/allowance for bad and doubtful debts  
on trade receivables**

	<b>Current quarter ended 31-Oct-08 RM'000</b>	Corresponding quarter ended 31-Oct-07 RM'000	<b>Current year to date 31-Oct-08 RM'000</b>	Corresponding year to date 31-Oct-07 RM'000
General allowance - Written back during the financial period	(15)	(3,097)	(59)	(2,849)
	<b>(15)</b>	<b>(3,097)</b>	<b>(59)</b>	<b>(2,849)</b>
Specific allowance - Provided during the financial period	37	477	405	2,966
- Written back	(31)	(211)	(296)	(382)
	<b>6</b>	<b>266</b>	<b>109</b>	<b>2,584</b>
Bad debts: - Recovered	(3)	-	(22)	(76)
- Written off	2	-	2	-
	<b>(1)</b>	<b>-</b>	<b>(20)</b>	<b>(76)</b>
	<b>(10)</b>	<b>(2,831)</b>	<b>30</b>	<b>(341)</b>

**26 (Write-back)/allowance for  
impairment loss**

	<b>Current quarter ended 31-Oct-08 RM'000</b>	Corresponding quarter ended 31-Oct-07 RM'000	<b>Current year to date 31-Oct-08 RM'000</b>	Corresponding year to date 31-Oct-07 RM'000
(Write-backf)/allowance for impairment loss on securities: - Available-for-sale	-	-	(4,400)	4,400

## 27 Capital adequacy

The following is the computation of the capital adequacy ratio of ECMLIB, the investment banking subsidiary of the Group.

	<b>31-Oct-08</b>	31-Jan-08
	<b>RM'000</b>	RM'000
<b><u>Tier 1 Capital</u></b>		
Paid-up share capital	<b>513,000</b>	513,000
Retained profit	<b>54,133</b>	54,133
Other reserves	<b>507</b>	507
	<b>567,640</b>	567,640
Less: Deferred tax assets	<b>(10,000)</b>	(10,000)
<b>Total Tier 1 capital (a)</b>	<b>557,640</b>	557,640
<b><u>Tier 2 Capital</u></b>		
General allowance for bad and doubtful debts and financing	<b>4,098</b>	2,542
<b>Total Tier 2 capital (b)</b>	<b>4,098</b>	2,542
<b>Capital base (a) + (b)</b>	<b>561,738</b>	560,182
<b>Total risk-weighted assets</b>	<b>702,855</b>	949,394
Proposed Dividend (RM'000)	-	-
<u>%</u>		
<u>Before deducting proposed dividend</u>		
Core capital ratio	<b>79.34%</b>	58.73%
Risk weighted capital ratio	<b>79.92%</b>	59.00%
<u>After deducting proposed dividend</u>		
Core capital ratio	<b>79.34%</b>	58.73%
Risk weighted capital ratio	<b>79.92%</b>	59.00%

With effect from 1 January 2008, the capital adequacy ratio is computed in accordance with Bank Negara Malaysia's revised Risk-Weighted Capital Adequacy Framework: Standardised Approach for Credit Risk and Market Risk and Basic Indicator Approach for Operational Risk (Basel II).

**ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)**

(formerly known as ECM Libra Avenue Berhad)

**28 Interest rate risk**

As at 31 October 2008	<-----Non-trading book----->						Trading book RM '000	Total RM '000	Effective interest rate %
	Up to 1 month RM '000	> 1 - 3 months RM '000	> 3 - 12 months RM '000	1 - 5 years RM '000	Over 5 years RM '000	Non-interest sensitive RM '000			
<b>ASSETS</b>									
Cash and bank balances	317,139	-	-	-	-	42,760	-	<b>359,899</b>	3.49
Deposits with licensed financial institutions	-	-	22,335	-	-	-	-	<b>22,335</b>	3.62
Securities held-for-trading	-	-	-	-	-	-	24,317	<b>24,317</b>	-
Securities available-for-sale	-	4,999	15,141	98,941	16,838	-	102,580	<b>238,499</b>	5.47
Securities held-to-maturity	-	-	-	-	-	2,200	-	<b>2,200</b>	-
Derivative financial instruments	-	-	-	-	-	-	6,149	<b>6,149</b>	-
Loan, advances and financing									
- Performing	133,587	126,097	-	-	-	(6,410)*	-	<b>253,274</b>	8.73
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	3,581	-	<b>3,581</b>	-
Other assets ^	-	-	-	-	-	569,045	-	<b>569,045</b>	-
<b>TOTAL ASSETS</b>	<b>450,726</b>	<b>131,096</b>	<b>37,476</b>	<b>98,941</b>	<b>16,838</b>	<b>611,176</b>	<b>133,046</b>	<b>1,479,299</b>	
<b>LIABILITIES AND EQUITY</b>									
<b>Liabilities</b>									
Deposits from customers	201,492	17,005	23,459	-	-	-	-	<b>241,956</b>	3.55
Other liabilities #	-	-	-	-	-	336,023	-	<b>336,023</b>	-
<b>TOTAL LIABILITIES</b>	<b>201,492</b>	<b>17,005</b>	<b>23,459</b>	<b>-</b>	<b>-</b>	<b>336,023</b>	<b>-</b>	<b>577,979</b>	
Shareholders' funds	-	-	-	-	-	901,320	-	<b>901,320</b>	-
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>201,492</b>	<b>17,005</b>	<b>23,459</b>	<b>-</b>	<b>-</b>	<b>1,237,343</b>	<b>-</b>	<b>1,479,299</b>	
On-balance sheet interest sensitivity gap	249,234	114,091	14,017	98,941	16,838	(626,167)	133,046	-	
Off-balance sheet interest sensitivity gap	-	-	-	-	-	-	-	-	
Total interest sensitivity gap	249,234	114,091	14,017	98,941	16,838	(626,167)	133,046	-	

^ Other assets include Trade receivables, Other assets, Investment in associated company, Property, plant and equipment, Intangible assets, Deferred tax assets as disclosed in the Consolidated Balance Sheet.

# Other liabilities include Trade payables, Other liabilities, Provision for taxation, Hire purchase payables and Deferred tax liabilities as disclosed in the Consolidated Balance Sheet.

\* The negative balance represents general allowance for loans, advances and financing.

**ECM LIBRA FINANCIAL GROUP BERHAD (Company No. 713570-K)**

(formerly known as ECM Libra Avenue Berhad)

**28 Interest rate risk (continued)**

As at 31 January 2008	<-----Non-trading book----->						Non-interest sensitive	Trading book	Total	Effective interest rate
	Up to 1 month	> 1 - 3 months	> 3 - 12 months	1 - 5 years	Over 5 years					
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	
<b>ASSETS</b>										
Cash and bank balances	284,557	-	-	-	-	-	82,517	-	367,074	3.47
Deposits with licensed financial institutions	-	-	3,198	-	-	-	-	-	3,198	3.65
Securities held-for-trading	-	-	-	-	-	-	-	-	-	-
Securities available-for-sale	-	-	-	60,015	11,994	-	89	112,357	184,455	6.30
Securities held-to-maturity	-	-	-	-	-	-	2,200	-	2,200	-
Loan, advances and financing										
- Performing	174,765	-	-	-	-	-	(2,542)*	-	172,223	8.35
Other assets ^	-	-	-	-	-	-	815,726	-	815,726	-
<b>TOTAL ASSETS</b>	<b>459,322</b>	<b>-</b>	<b>3,198</b>	<b>60,015</b>	<b>11,994</b>	<b>-</b>	<b>897,990</b>	<b>112,357</b>	<b>1,544,876</b>	
<b>LIABILITIES AND EQUITY</b>										
<b>Liabilities</b>										
Other liabilities #	-	-	-	-	-	-	597,646	-	597,646	-
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>597,646</b>	<b>-</b>	<b>597,646</b>	
Shareholders' funds	-	-	-	-	-	-	947,230	-	947,230	
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,544,876</b>	<b>-</b>	<b>1,544,876</b>	
On-balance sheet interest sensitivity gap	459,322	-	3,198	60,015	11,994	-	(646,886)	112,357	-	
Off-balance sheet interest sensitivity gap	-	-	-	-	-	-	-	-	-	
Total interest sensitivity gap	459,322	-	3,198	60,015	11,994	-	(646,886)	112,357	-	

^ Other assets include Trade receivables, Other assets, Investment in associated company, Property, plant and equipment, Intangible assets, Deferred tax assets as disclosed in the Consolidated Balance Sheet.

# Other liabilities include Trade payables, Other liabilities, Provision for taxation, Hire purchase payables and Deferred tax liabilities as disclosed in the Consolidated Balance Sheet.

\* The negative balance represents general allowance for loans, advances and financing.

## 29 Valuation of Property, Plant and Equipment

There was no valuation of property, plant and equipment of the Group in the quarter under review.

## 30 Material Subsequent Event

There were no material events subsequent to 31 October 2008.

## 31 Changes in the Composition of the Group

There are no changes in the composition of the Group during the quarter under review.

## 32 Changes in Contingent Liabilities/Assets

There were no material changes in contingent liabilities or assets since the last audited balance sheet date.

## 33 Commitments and Contingencies

### (a) Capital Commitments

As at 31 October 2008, the Group has commitments in respect of capital expenditure as follows: -

Authorised but not contracted for	RM'000 3,299
	<hr/>

### (b) Other Commitments and Contingencies

In the normal course of business, the Group makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

The risk-weighted exposures of the Group are as follows:

	Notional Amount RM'000	Credit Equivalent Amount * RM'000	Risk Weighted Amount RM'000
<u>As at 31 October 2008</u>			
Undrawn margin facilities	190,856	38,171	38,171
Undrawn term loan facilities	7,007	1,401	1,319
	<hr/>	<hr/>	<hr/>
<u>As at 31 January 2008</u>			
Undrawn margin facilities	163,198	32,640	32,640
Undrawn term loan facilities	321	64	-
	<hr/>	<hr/>	<hr/>

\* The credit equivalent amount is arrived at using the credit conversion factors as specified by Bank Negara Malaysia.

**Part B – Additional Information Required by the Listing Requirements of Bursa Malaysia**

**34 Status of Corporate Proposals Announced**

There are no corporate proposals announced during the quarter under review, other than the share buy back as disclosed under Note 6.

**35 Performance Review on the Results of the Group for the Current Financial Quarter against Preceding Year's Corresponding Quarter**

The Group recorded a profit before tax of RM1.2 million during the quarter which was RM15.7 million lower than RM16.9 million of profit before tax recorded in the preceding year's corresponding quarter ended 31 October 2007. This was mainly attributed to the lower brokerage income generated during the quarter under review which was caused by the lower Bursa turnover of RM121.6 billion as compared to the preceding year's corresponding quarter of RM263.8 billion.

In addition, the Group recorded RM1.9 million loss arising from sharing of associated company's results as compared to RM1.4 million profits shared in the preceding year's corresponding quarter ended 31 October 2007.

**36 Review of Performance of Current Financial Quarter against Preceding Financial Quarter**

	<b>Current Quarter 31-Oct-08 RM'000</b>	<b>Preceding Quarter 31-Jul-08 RM'000</b>	<b>Variance RM'000</b>
Profit/(loss) before tax	1,205	(3,856)	5,061
Taxation	387	(301)	688
Profit/(loss) after tax	<u>1,592</u>	<u>(4,157)</u>	<u>5,749</u>

For the financial quarter under review, the Group recorded a profit before tax of RM1.2 million as compared to a loss before tax of RM3.9 million for the preceding quarter. This was mainly due to lower investment loss arising from revaluation of investments recorded for the quarter. However, lower fee income of RM5.9 million and specific allowance for losses on loans and financing of RM2.3 million have partially offset the higher profit for the quarter under review.

In addition, the Group recorded a gain from disposal of property, plant and equipment of RM3.5 million in current quarter.

### 37 Group's Prospects

The economy is expected to record a slower growth caused by the impact of the US financial crisis and resulting global economic downturn.

It is hoped that the recently announced stimulus package by the Government would effectively drive growth and generate more activity in segments of the economy that have wide-ranging linkages such as construction and property.

The Group has been affected by the market downturn. However, when the market recovers, the Group is well positioned to continue its growth.

### 38 Profit Forecast

The Group has not entered into any scheme that requires it to present forecast results or guarantee any profits.

### 39 Taxation

	<b>Current quarter ended 31-Oct-08 RM'000</b>	Corresponding quarter ended 31-Oct-07 RM'000	<b>Current year to date 31-Oct-08 RM'000</b>	Corresponding year to date 31-Oct-07 RM'000
Current year income tax	117	553	811	2,200
(Over)/underprovision in respect of prior years	(504)	(96)	345	(96)
	<u>(387)</u>	<u>457</u>	<u>1,156</u>	<u>2,104</u>

The effective tax rate of the Group is lower than the statutory tax rate for the quarter mainly due to utilisation of unabsorbed tax losses.

### 40 Sale of Unquoted Investments and Properties

There was no sale of unquoted investments and property during the quarter under review, other than those held by the investment bank subsidiary in the ordinary course of business.

### 41 Quoted Securities

There are no investments in quoted securities as at 31 October 2008, other than those held by the investment bank and offshore investment bank subsidiaries in their ordinary course of business.

### 42 Group Borrowings

The Group has no borrowings and debt securities as at 31 October 2008.

#### 43 Off Balance Sheet Financial Instruments

There are no financial instruments with material off balance sheet risk as at the date of this report.

#### 44 Material Litigations

There is no pending material litigation for the Group as at the date of this report.

#### 45 Dividend

Interim dividend has not been recommended for the quarter ended 31 October 2008.

#### 46 Related Party Transactions

The Group has entered into the following related party transaction :-

	<b>Current quarter ended 31-Oct-08 RM'000</b>	Corresponding quarter ended 31-Oct-07 RM'000	<b>Current year to date 31-Oct-08 RM'000</b>	Corresponding year to date 31-Oct-07 RM'000
Transaction with a company in which a director and shareholder of the Company has interest in:				
- Project management fee	<b>92</b>	31	<b>146</b>	243
Transactions with Directors of the Company:				
- Brokerage income	-	-	-	42

#### 47 Earnings Per Share

	<b>Current quarter ended 31-Oct-08</b>	Corresponding quarter ended 31-Oct-07	<b>Current year to date 31-Oct-08</b>	Corresponding year to date 31-Oct-07
Net (loss)/profit (RM'000)	<b>1,592</b>	16,435	<b>8,656</b>	71,224
Weighted average number of ordinary shares in issue ('000)	<b>820,828</b>	830,902	<b>826,444</b>	830,902
Basic earnings per share (sen)	<b>0.19</b>	1.98	<b>1.05</b>	8.57

The basic earnings per ordinary share is calculated by dividing the net profit for the quarter by the weighted average number of ordinary shares in issue during the quarter.

\* Outstanding ESOS have been excluded from the computation of fully diluted earnings per RM1 ordinary shares as the average market price of the ordinary shares is currently below the exercise price of the options.