

PUBLIC BANK BERHAD
(6463 - H)
(Incorporated in Malaysia)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED BALANCE SHEETS AS AT 31 MARCH 2006

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
ASSETS				
Cash and short-term funds	23,220,981	18,357,737	22,658,541	17,170,338
Deposits and placements with banks and other financial institutions	2,151,055	8,712,850	1,974,811	8,736,868
Securities purchased under resale agreements	7,106,054	4,869,388	6,233,214	4,022,128
Securities held-for-trading	4,430,674	1,554,685	4,446,923	1,666,465
Securities available-for-sale	4,002,164	4,072,682	3,499,081	3,563,556
Securities held-to-maturity	2,042,457	2,235,067	1,647,479	1,736,713
Loans, advances and financing	69,733,423	66,812,784	67,388,893	64,579,905
Other assets	1,093,861	747,028	969,713	939,236
Statutory deposits with Central Banks	2,742,658	2,099,349	2,689,700	2,050,000
Deferred tax assets	354,084	347,704	296,638	289,008
Investment in subsidiary companies	-	-	1,113,087	1,316,156
Investment in associated companies	47,104	47,378	28,465	28,465
Investment properties	47,761	47,351	-	-
Property and equipment	913,319	937,098	554,373	570,671
Intangible assets	765,157	765,157	695,393	695,393
TOTAL ASSETS	118,650,752	111,606,258	114,196,311	107,364,902
LIABILITIES				
Deposits from customers	86,343,582	84,129,641	83,187,503	82,205,182
Deposits and placements of banks and other financial institutions	7,360,702	7,680,690	7,751,796	6,783,600
Obligations on securities sold under repurchase agreements	8,691,759	4,041,949	8,431,180	3,696,984
Bills and acceptances payable	2,531,483	2,129,715	2,531,483	2,127,659
Recourse obligations on loans sold to Cagamas	280,953	285,005	280,953	285,005
Other liabilities	1,919,409	1,410,919	1,408,930	1,158,858
Subordinated notes	2,650,023	2,757,622	2,650,023	2,757,622
Provision for tax expense and zakat	312,185	250,388	245,762	212,037
Deferred tax liabilities	3,080	3,080	-	-
TOTAL LIABILITIES	110,093,176	102,689,009	106,487,630	99,226,947

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	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
EQUITY				
Share capital	3,433,356	3,417,373	3,433,356	3,417,373
Reserves	5,463,387	5,018,851	5,060,059	4,675,298
Proposed dividends	-	829,884	-	829,884
Treasury shares	(784,734)	(784,600)	(784,734)	(784,600)
Total Shareholders' Equity	8,112,009	8,481,508	7,708,681	8,137,955
Minority interests	445,567	435,741	-	-
TOTAL EQUITY	8,557,576	8,917,249	7,708,681	8,137,955
TOTAL LIABILITIES AND EQUITY	118,650,752	111,606,258	114,196,311	107,364,902
COMMITMENTS AND CONTINGENCIES	33,159,733	28,951,601	32,969,188	28,754,773
CAPITAL ADEQUACY				
Core Capital Ratio	10.0%	10.2% *	9.6%	9.8% *
Risk-Weighted Capital Ratio	15.4%	15.9% *	13.6%	13.6% *
Net assets per share attributable to ordinary equity holders of the parent (RM)	2.59	2.71	2.33	2.47

*After deducting proposed dividends

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UNAUDITED INCOME STATEMENTS
FOR THE 1ST QUARTER ENDED 31 MARCH 2006

Group	1st Quarter ended		Three months ended	
	31 March 2006 RM'000	31 March 2005 RM'000	31 March 2006 RM'000	31 March 2005 RM'000
Revenue	1,702,029	1,418,573	1,702,029	1,418,573
Interest income	1,309,676	1,127,955	1,309,676	1,127,955
Interest expense	(637,366)	(530,324)	(637,366)	(530,324)
Net interest income	672,310	597,631	672,310	597,631
Net income from Islamic Banking business				
Net financing income	102,731	94,607	102,731	94,607
Other Islamic banking income	2,087	1,781	2,087	1,781
	777,128	694,019	777,128	694,019
Other operating income	230,015	198,240	230,015	198,240
Net income	1,007,143	892,259	1,007,143	892,259
Other operating expenses	(367,936)	(323,859)	(367,936)	(323,859)
Operating profit	639,207	568,400	639,207	568,400
Allowance for losses on loans, advances and financing	(97,054)	(89,798)	(97,054)	(89,798)
Impairment written back	53	-	53	-
	542,206	478,602	542,206	478,602
Share of results in associated companies	1,395	996	1,395	996
Profit before tax expense and zakat	543,601	479,598	543,601	479,598
Tax expense and zakat	(138,207)	(115,620)	(138,207)	(115,620)
Profit for the period	405,394	363,978	405,394	363,978
Attributable to :				
Equity holders of the parent	386,558	345,129	386,558	345,129
Minority interests	18,836	18,849	18,836	18,849
Profit for the period	405,394	363,978	405,394	363,978
Earnings per RM1.00 share:				
- basic (sen)	11.7	10.6	11.7	10.6
- diluted (sen)	11.6	10.5	11.6	10.5

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FOR THE 1ST QUARTER ENDED 31 MARCH 2006

	1st Quarter ended		Three months ended	
	31 March 2006 RM'000	31 March 2005 RM'000	31 March 2006 RM'000	31 March 2005 RM'000
<u>Bank</u>				
Revenue	1,465,482	1,169,523	1,465,482	1,169,523
Interest income	1,177,691	958,953	1,177,691	958,953
Interest expense	(617,609)	(468,198)	(617,609)	(468,198)
Net interest income	560,082	490,755	560,082	490,755
Net income from Islamic Banking business				
Net financing income	102,731	94,607	102,731	94,607
Other Islamic banking income	2,087	1,781	2,087	1,781
	664,900	587,143	664,900	587,143
Other operating income	120,750	97,406	120,750	97,406
Net income	785,650	684,549	785,650	684,549
Other operating expenses	(278,328)	(260,280)	(278,328)	(260,280)
Operating profit	507,322	424,269	507,322	424,269
Allowance for losses on loans, advances and financing	(73,301)	(77,800)	(73,301)	(77,800)
Impairment written back	53	-	53	-
Profit before tax expense and zakat	434,074	346,469	434,074	346,469
Tax expense and zakat	(117,708)	(100,248)	(117,708)	(100,248)
Net profit for the period	316,366	246,221	316,366	246,221

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UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 1ST QUARTER ENDED 31 MARCH 2006

<u>Group</u>	-----> Attributable to Equity Holders of the Parent <-----								
	Non-distributable			Distributable			Total	Minority	Total
	<u>Reserves</u>			<u>Reserves</u>					
Share	Share	Other	Retained	Proposed	Treasury	Shareholders'			
Capital	Premium	Reserves	Profits	Dividends	Shares	Equity	RM'000	RM'000	RM'000
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2006, as previously stated	3,417,373	1,574,180	2,943,825	500,846	829,884	(784,600)	8,481,508	435,741	8,917,249
Effects of adopting FRS 140	-	-	-	(621)	-	-	(621)	-	(621)
At 1 January 2006, as restated	3,417,373	1,574,180	2,943,825	500,225	829,884	(784,600)	8,480,887	435,741	8,916,628
Issue of shares pursuant to exercise of share options	15,983	71,318	-	-	-	-	87,301	-	87,301
Currency translation differences	-	-	(8,219)	-	-	-	(8,219)	(8,735)	(16,954)
Net profit for the period	-	-	-	386,558	-	-	386,558	18,836	405,394
Unrealised net loss on revaluation of securities available-for-sale	-	-	(478)	-	-	-	(478)	-	(478)
Buy-back of shares	-	-	-	-	-	(134)	(134)	-	(134)
Transfer to proposed dividends	-	-	-	(4,022)	4,022	-	-	-	-
Dividends paid	-	-	-	-	(833,906)	-	(833,906)	(275)	(834,181)
At 31 March 2006	3,433,356	1,645,498	2,935,128	882,761	-	(784,734)	8,112,009	445,567	8,557,576
At 1 January 2005	3,355,767	1,347,084	2,676,794	684,490	1,172,012	(601,441)	8,634,706	368,111	9,002,817
Issue of shares pursuant to exercise of share options	41,775	151,296	-	-	-	-	193,071	-	193,071
Currency translation differences	-	-	(797)	-	-	-	(797)	(1,168)	(1,965)
Net profit for the period	-	-	-	345,129	-	-	345,129	18,849	363,978
Unrealised net loss on revaluation of securities available-for-sale	-	-	(4,464)	-	-	-	(4,464)	-	(4,464)
Transfer to statutory reserves	-	-	234	(234)	-	-	-	-	-
Buy-back of shares	-	-	-	-	-	(183,087)	(183,087)	-	(183,087)
Transfer to proposed dividends	-	-	-	(6,401)	6,401	-	-	-	-
Dividends paid	-	-	-	-	(1,178,413)	-	(1,178,413)	(245)	(1,178,658)
At 31 March 2005	3,397,542	1,498,380	2,671,767	1,022,984	-	(784,528)	7,806,145	385,547	8,191,692

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2005.

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UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE 1ST QUARTER ENDED 31 MARCH 2006

	-----<----- Attributable to Equity Holders of the Parent ----->-----							
	Non-distributable			Distributable		Proposed Dividends	Treasury Shares	Total
	Share Capital	Share Premium	Other Reserves	Reserves	Retained Profits			
Bank	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2006	3,417,373	1,574,180	2,715,473	385,645	829,884	(784,600)	8,137,955	
Issue of shares pursuant to exercise of share options	15,983	71,318	-	-	-	-	87,301	
Net profit for the period	-	-	-	316,366	-	-	316,366	
Unrealised net gain on revaluation of securities available-for-sale	-	-	1,099	-	-	-	1,099	
Buy-back of shares	-	-	-	-	-	(134)	(134)	
Transfer to proposed dividends	-	-	-	(4,022)	4,022	-	-	
Dividends paid	-	-	-	-	(833,906)	-	(833,906)	
At 31 March 2006	3,433,356	1,645,498	2,716,572	697,989	-	(784,734)	7,708,681	
At 1 January 2005	3,355,767	1,347,084	2,406,900	734,469	1,172,012	(601,441)	8,414,791	
Issue of shares pursuant to exercise of share options	41,775	151,296	-	-	-	-	193,071	
Net profit for the period	-	-	-	246,221	-	-	246,221	
Unrealised net loss on revaluation of securities available-for-sale	-	-	(1,769)	-	-	-	(1,769)	
Buy-back of shares	-	-	-	-	-	(183,087)	(183,087)	
Transfer to proposed dividends	-	-	-	(6,401)	6,401	-	-	
Dividends paid	-	-	-	-	(1,178,413)	-	(1,178,413)	
At 31 March 2005	3,397,542	1,498,380	2,405,131	974,289	-	(784,528)	7,490,814	

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2005.

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CASH FLOW STATEMENTS
FOR THE 1ST QUARTER ENDED 31 MARCH 2006

	Group		Bank	
	31 March 2006 RM'000	31 March 2005 RM'000	31 March 2006 RM'000	31 March 2005 RM'000
Profit before tax expense and zakat	543,601	479,598	434,074	346,469
Adjustments for non-cash items	<u>168,279</u>	<u>131,437</u>	<u>138,452</u>	<u>116,510</u>
Operating profit before changes in working capital	711,880	611,035	572,526	462,979
Changes in working capital				
Net changes in operating assets	(2,550,962)	(11,842,517)	(1,776,096)	(11,377,450)
Net changes in operating liabilities	7,378,487	4,813,409	7,217,966	4,712,069
Tax expense and zakat paid	<u>(110,244)</u>	<u>(104,471)</u>	<u>(93,942)</u>	<u>(66,600)</u>
Net cash generated from/(used in) operating activities	5,429,161	(6,522,544)	5,920,454	(6,269,002)
Net cash generated from/(used in) investing activities	191,293	75,057	314,488	(603,799)
Net cash (used in)/generated from financing activities	(747,014)	(92,045)	(746,739)	9,987
Net change in cash and cash equivalents	<u>4,873,440</u>	<u>(6,539,532)</u>	<u>5,488,203</u>	<u>(6,862,814)</u>
Cash and cash equivalents at beginning of the period	18,357,737	19,670,005	17,170,338	19,893,236
Exchange differences on translation of opening balances	(10,196)	(1,178)	-	-
Cash and cash equivalents at end of the period	<u><u>23,220,981</u></u>	<u><u>13,129,295</u></u>	<u><u>22,658,541</u></u>	<u><u>13,030,422</u></u>

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Part A - Explanatory Notes Pursuant to Financial Reporting Standard 134 ("FRS 134") and Revised Guidelines on Financial Reporting for Licensed Institutions (BNM/GP8) Issued by Bank Negara Malaysia

A1. Basis of Preparation

The unaudited condensed interim financial statements for the 1st quarter ended 31 March 2006 have been prepared under the historical cost convention except for the following assets and liabilities which are stated at fair values: held-for-trading financial assets, available-for-sale financial assets, derivative financial instruments and investment properties.

The unaudited condensed interim financial statements have been prepared in accordance with FRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements of the Group and the Bank for the year ended 31 December 2005. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the year ended 31 December 2005.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2005 except for the adoption of the following new and revised Financial Reporting Standards ("FRS") issued by MASB that are effective for the Group's first FRS annual reporting date, 31 December 2006:

FRS 2 Share-based Payment
FRS 3 Business Combinations
FRS 5 Non-current Assets Held for Sale and Discontinued Operations
FRS 101 Presentation of Financial Statements
FRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
FRS 110 Events after the Balance Sheet Date
FRS 116 Property, Plant and Equipment
FRS 121 The Effects of Changes in Foreign Exchange Rates
FRS 127 Consolidated and Separate Financial Statements
FRS 128 Investments in Associates
FRS 132 Financial Instruments: Disclosure and Presentation
FRS 133 Earnings Per Share
FRS 136 Impairment of Assets
FRS 138 Intangible Assets
FRS 140 Investment Property

The adoption of FRS 5, 108, 110, 116, 121, 127, 128, 132 and 133 does not have significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of the other new and revised FRSs are disclosed in Note A30.

The allowance for bad and doubtful debts and financing of the Group are computed based on the requirement of BNM/GP3 which is consistent with the adoption made in the previous audited annual financial statements.

A2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2005 was not qualified.

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A3. Comments about Seasonal or Cyclical Factors

The operations of the Group and the Bank were not materially affected by any seasonal or cyclical factors in the 1st quarter ended 31 March 2006.

A4. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank in the 1st quarter ended 31 March 2006.

A5. Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the 1st quarter ended 31 March 2006.

A6. Debt and Equity Securities

Save as disclosed below, there were no issuances, cancellations, share buy-backs, resale of shares bought back and repayment of debt and equity securities by the Bank ("PBB"):

(a) Issuance of Shares

During the 1st quarter ended 31 March 2006, the issued and paid-up share capital of the Bank was increased from 3,417,373,089 ordinary shares of RM1.00 each in the Bank ("PBB Shares") to 3,433,355,566 PBB Shares by the issuance of 15,982,477 PBB Shares pursuant to the exercise of options granted under the Public Bank Berhad Employees' Share Option Scheme at the following option prices:

<u>Number of PBB Shares issued:</u>	<u>Option price per share:</u>
4,171	RM 1.64
103,000	RM 3.40
977,414	RM 3.56
1,238,400	RM 4.60
273,000	RM 4.92
12,636,102	RM 5.67
750,390	RM 6.37

(b) Share Buy-back

On 20 March 2006, the shareholders of the Bank renewed their approval for the Bank to buy-back its own shares. During the 1st quarter ended 31 March 2006, the Bank bought back from the open market, 20,000 PBB Shares listed and quoted as "Local" on the Main Board of Bursa Malaysia Securities Berhad ("Bursa Malaysia") at an average buy-back price of RM6.70 per share. The total consideration paid for the share buy-back of PBB Shares by the Bank during the 1st quarter ended 31 March 2006, including transaction costs, was RM134,489 and was financed by internally generated funds. The PBB Shares bought back are held as treasury shares in accordance with Section 67A Subsection 3(A)(b) of the Companies Act, 1965. As at 31 March 2006, the total shares bought back, all of which are held as treasury shares, amounted to 124,204,500 PBB Shares. None of the treasury shares held were resold or cancelled during the 1st quarter ended 31 March 2006.

A7. Dividends Paid

During the financial quarter ended 31 March 2006, the final dividend of 20%, less 28% tax and the special dividend of 15%, less 28% tax in respect of the financial year ended 31 December 2005, amounting to RM833,906,006 was paid on 31 March 2006.

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A8. Securities Held-for-trading

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
At fair value				
Malaysian Government Treasury Bills	4,835	9,694	4,835	9,694
Malaysian Government Securities	-	10,490	-	-
Malaysian Government Investment Certificates	-	15,031	-	15,031
Negotiable instruments of deposit	4,224,345	1,315,477	4,324,345	1,465,477
Bank Negara Malaysia Bills	-	24,802	-	-
	<u>4,229,180</u>	<u>1,375,494</u>	<u>4,329,180</u>	<u>1,490,202</u>
Quoted securities:				
Shares in Malaysia	6,005	10,886	6,005	7,958
	<u>6,005</u>	<u>10,886</u>	<u>6,005</u>	<u>7,958</u>
Unquoted securities:				
Private debt securities	195,489	168,305	111,738	168,305
	<u>195,489</u>	<u>168,305</u>	<u>111,738</u>	<u>168,305</u>
Total securities held-for-trading	<u>4,430,674</u>	<u>1,554,685</u>	<u>4,446,923</u>	<u>1,666,465</u>

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A9. Securities Available-for-sale

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
At fair value				
Quoted securities:				
Shares and convertible loan stocks in Malaysia	26,862	17,764	26,862	17,764
Shares outside Malaysia	27,893	22,613	-	-
Bonds trust units in Malaysia	1,148,779	1,141,103	1,052,212	1,045,140
	<u>1,203,534</u>	<u>1,181,480</u>	<u>1,079,074</u>	<u>1,062,904</u>
Unquoted securities:				
Shares	13,946	13,947	13,376	13,377
Private debt securities	2,784,684	2,877,255	2,406,631	2,487,275
	<u>2,798,630</u>	<u>2,891,202</u>	<u>2,420,007</u>	<u>2,500,652</u>
Total securities available-for-sale	<u><u>4,002,164</u></u>	<u><u>4,072,682</u></u>	<u><u>3,499,081</u></u>	<u><u>3,563,556</u></u>

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A10. Securities Held-to-maturity

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
At amortised cost				
Money market instruments:				
Malaysian Government Treasury Bills	110,357	109,559	110,357	109,559
Malaysian Government Securities	603,724	577,310	603,724	577,310
Malaysian Government Investment Certificates	4,806	4,768	4,806	4,768
Cagamas bonds	323,820	323,773	323,820	323,773
Cagamas Mudharabah bonds	52,259	127,479	52,259	127,479
Negotiable instruments of deposit	721,025	865,821	357,707	398,867
Bank Negara Malaysia Bills	105,070	104,308	105,070	104,308
	<u>1,921,061</u>	<u>2,113,018</u>	<u>1,557,743</u>	<u>1,646,064</u>
Unquoted securities:				
Shares	87,502	87,502	87,057	87,057
Private debt securities	68,924	70,442	37,709	39,487
	<u>156,426</u>	<u>157,944</u>	<u>124,766</u>	<u>126,544</u>
Accumulated impairment losses	(35,030)	(35,895)	(35,030)	(35,895)
Total securities held-to-maturity	<u><u>2,042,457</u></u>	<u><u>2,235,067</u></u>	<u><u>1,647,479</u></u>	<u><u>1,736,713</u></u>

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A11. Loans, Advances and Financing

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
Overdrafts	7,466,340	6,980,718	7,206,833	6,780,784
Term loans				
- Housing loans/financing	20,069,777	18,990,594	19,983,909	18,902,511
- Syndicated term loan/financing	325,757	223,062	215,245	223,062
- Hire purchase receivables	23,153,862	22,661,200	22,878,337	22,372,548
- Other term loans/financing	18,756,520	17,715,911	17,009,984	15,954,181
Credit card receivables	577,545	581,341	577,545	581,341
Bills receivables	85,906	71,909	85,906	71,909
Trust receipts	298,527	311,772	284,092	290,079
Claims on customers under acceptance credits	1,801,533	1,717,953	1,801,533	1,717,953
Lease, factored and confirming receivables	2,216	33,927	-	31,665
Revolving credits	2,265,825	2,430,478	2,287,058	2,432,554
*Staff loans	646,218	646,310	622,523	619,849
	<u>75,450,026</u>	<u>72,365,175</u>	<u>72,952,965</u>	<u>69,978,436</u>
Unearned interest and income	<u>(4,340,867)</u>	<u>(4,263,185)</u>	<u>(4,339,526)</u>	<u>(4,261,955)</u>
Gross loans, advances and financing	<u>71,109,159</u>	68,101,990	<u>68,613,439</u>	65,716,481
Allowance for bad and doubtful debts and financing:				
- general	(1,098,101)	(1,056,199)	(1,027,250)	(984,830)
- specific	(277,635)	(233,007)	(197,296)	(151,746)
Net loans, advances and financing	<u><u>69,733,423</u></u>	<u><u>66,812,784</u></u>	<u><u>67,388,893</u></u>	<u><u>64,579,905</u></u>

* Included in staff loans of the Group and the Bank are loans to Directors of subsidiary companies amounting to RM2,698,267 (2005: RM2,946,287) and RM1,432,405 (2005 - RM1,639,020) respectively.

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A11. Loans, Advances and Financing (continued)

A11a. By type of customer

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
Domestic non-bank financial institutions				
- Stock broking companies	2,010	2,020	2,010	2,020
- Others	2,081,953	1,888,142	2,061,912	1,868,118
Domestic business enterprises				
- Small and medium enterprises	15,760,872	14,808,430	15,670,572	14,711,677
- Others	4,451,599	4,894,024	4,151,026	4,638,316
Government and statutory bodies	1,501	1,614	1,501	1,614
Individuals	46,495,725	44,317,128	46,419,315	44,255,346
Other domestic entities	123,436	96,541	123,436	96,541
Foreign entities	2,192,063	2,094,091	183,667	142,849
Gross loans, advances and financing	<u>71,109,159</u>	<u>68,101,990</u>	<u>68,613,439</u>	<u>65,716,481</u>

A11b. By interest/profit rate sensitivity

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
Fixed rate				
- Housing loans/financing	7,533,837	7,381,411	7,518,922	7,379,003
- Hire purchase receivables	19,859,049	19,387,926	19,820,169	19,342,375
- Other fixed rate loan/financing	11,162,647	11,473,182	9,351,754	9,690,159
Variable rate				
- Base lending rate plus	28,794,424	26,125,091	28,766,538	26,096,187
- Cost plus	2,306,168	2,487,226	2,262,810	2,432,493
- Other variable rates	1,453,034	1,247,154	893,246	776,264
Gross loans, advances and financing	<u>71,109,159</u>	<u>68,101,990</u>	<u>68,613,439</u>	<u>65,716,481</u>

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A11. Loans, Advances and Financing (continued)

A11c. By economic purposes

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
Agriculture, hunting, forestry and fishing	603,087	582,883	602,752	581,984
Mining and quarrying	43,046	42,403	41,701	41,415
Manufacturing	3,386,385	3,173,330	3,311,297	3,112,255
Electricity, gas and water	47,123	40,234	41,064	33,853
Construction	2,293,207	2,148,247	2,182,013	2,039,666
Real estate	1,933,374	2,145,745	1,946,091	2,156,002
Purchase of landed properties	28,438,690	26,891,768	28,409,670	26,860,500
(of which: - residential	18,832,731	17,787,928	18,803,711	17,756,660
- non-residential)	9,605,959	9,103,840	9,605,959	9,103,840
Wholesale & retail trade and restaurants & hotels	6,297,365	6,120,757	6,070,141	5,902,450
Transport, storage and communication	575,120	480,953	520,815	472,628
Finance, insurance and business services	3,150,649	2,840,802	2,928,830	2,701,795
Purchase of securities	533,454	531,170	528,545	526,259
Purchase of transport vehicles	17,129,690	16,683,429	16,878,771	16,424,264
Consumption credit	5,655,149	5,383,258	4,205,754	3,900,164
Others	1,022,820	1,037,011	945,995	963,246
Gross loans, advances and financing	71,109,159	68,101,990	68,613,439	65,716,481

A11d. Non-performing loans by sector

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
Agriculture, hunting, forestry and fishing	2,983	4,775	2,898	4,690
Mining and quarrying	87	81	87	81
Manufacturing	75,469	76,326	74,412	75,514
Electricity, gas and water	227	8,167	227	8,167
Construction	94,156	90,631	56,722	52,165
Real estate	20,877	33,504	20,877	33,504
Purchase of landed properties	676,438	662,288	675,625	661,678
(of which: - residential	599,987	586,959	599,174	586,349
- non-residential)	76,451	75,329	76,451	75,329
Wholesale & retail trade and restaurants & hotels	127,197	126,643	126,966	126,384
Transport, storage and communication	8,451	10,714	5,533	7,795
Finance, insurance and business activities	13,381	17,483	12,689	16,760
Purchase of securities	27,349	32,059	27,349	32,059
Purchase of transport vehicles	193,725	172,100	193,590	172,069
Consumption credit	146,340	155,703	81,216	83,347
Others	13,588	16,005	13,575	15,995
	1,400,268	1,406,479	1,291,766	1,290,208

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A11. Loans, Advances and Financing (continued)

A11e. Movements in non-performing loans, advances and financing ("NPL") are as follows:

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
At 1 January	1,406,479	1,510,215	1,290,208	1,405,815
Non-performing during the period/year	559,035	2,401,800	534,186	2,267,240
Reclassified as performing	(488,318)	(2,015,119)	(488,138)	(2,001,713)
Recoveries	(29,650)	(72,351)	(29,521)	(66,665)
Amount written off	(32,468)	(383,364)	(3,089)	(280,029)
Loans converted to foreclosed properties/ securities	(11,829)	(34,461)	(11,829)	(34,461)
Exchange differences	(2,981)	(241)	(51)	21
Closing balance	<u>1,400,268</u>	<u>1,406,479</u>	<u>1,291,766</u>	<u>1,290,208</u>
Specific allowance	<u>(277,635)</u>	<u>(233,007)</u>	<u>(197,296)</u>	<u>(151,746)</u>
Net non-performing loans, advances and financing	<u><u>1,122,633</u></u>	<u><u>1,173,472</u></u>	<u><u>1,094,470</u></u>	<u><u>1,138,462</u></u>
Net NPL as % of gross loans, advances and financing less specific allowance	<u><u>1.58%</u></u>	<u><u>1.73%</u></u>	<u><u>1.60%</u></u>	<u><u>1.74%</u></u>

A11f. Movements in the allowance for bad and doubtful debts (and financing) accounts are as follows:

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
<u>General Allowance</u>				
At 1 January	1,056,199	895,833	984,830	821,318
Allowance made during the period/year	43,859	170,787	42,671	163,539
Amount written back	-	(10,038)	-	-
Exchange differences	(1,957)	(383)	(251)	(27)
Closing balance	<u>1,098,101</u>	<u>1,056,199</u>	<u>1,027,250</u>	<u>984,830</u>
As % of gross loans, advances and financing less specific allowance	<u><u>1.55%</u></u>	<u><u>1.56%</u></u>	<u><u>1.50%</u></u>	<u><u>1.50%</u></u>

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A11. Loans, Advances and Financing (continued)

A11f. Movements in the allowance for bad and doubtful debts (and financing) accounts are as follows: (continued)

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
<u>Specific Allowance</u>				
At 1 January	233,007	297,891	151,746	220,579
Allowance made during the period/year	91,842	359,490	61,284	248,994
Amount written back in respect of recoveries	(12,525)	(37,337)	(12,450)	(34,315)
Amount written off	(32,437)	(383,341)	(3,059)	(280,006)
Amount transferred to accumulated impairment losses in value of foreclosed properties / securities	(214)	(3,508)	(214)	(3,508)
Exchange differences	(2,038)	(188)	(11)	2
Closing balance	<u>277,635</u>	<u>233,007</u>	<u>197,296</u>	<u>151,746</u>

A12. Other Assets

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
Interest/Income receivable	58,729	67,736	53,139	63,221
Other debtors, deposits and prepayments	692,635	425,008	539,253	420,582
Foreclosed properties	110,690	110,741	110,426	110,477
Taxi licenses	12,977	13,156	-	-
Amount due from clients	11,725	10,422	-	-
Outstanding contracts on clients' accounts	146,624	79,053	-	-
Amount due from subsidiary companies	-	-	162,255	155,171
Dividend receivable from subsidiary companies	-	-	48,708	149,720
Derivatives	60,481	40,912	55,932	40,065
	<u>1,093,861</u>	<u>747,028</u>	<u>969,713</u>	<u>939,236</u>

A13. Deposits from Customers

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
<u>By type of customer</u>				
Federal and state governments	294,288	222,874	294,288	222,874
Local government and statutory authorities	1,018,485	994,303	1,018,485	994,303
Business enterprises	20,349,462	20,621,483	18,927,422	20,545,851
Individuals	48,797,156	46,518,735	48,549,137	46,266,816
Foreign customers	2,730,271	3,066,866	1,841,043	2,313,030
Others	13,153,920	12,705,380	12,557,128	11,862,308
	<u>86,343,582</u>	<u>84,129,641</u>	<u>83,187,503</u>	<u>82,205,182</u>

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A14. Deposits and Placements of Banks and Other Financial Institutions

	Group		Bank	
	31 March	31 December	31 March	31 December
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
Licensed banks	3,011,843	2,268,249	2,225,887	1,242,196
Licensed merchant banks	281,000	65,000	125,267	4,189
Other financial institutions	4,067,859	5,347,441	5,400,642	5,537,215
	<u>7,360,702</u>	<u>7,680,690</u>	<u>7,751,796</u>	<u>6,783,600</u>

A15. Other Liabilities

	Group		Bank	
	31 March	31 December	31 March	31 December
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
Interest/Profit payable	487,416	508,851	476,049	499,070
Other creditors and accruals	660,060	594,419	302,447	289,566
Employees benefits	(10,289)	(6,182)	(10,012)	(5,941)
Accrued restoration cost	7,665	7,665	7,665	7,665
Profit Equalisation Reserves	16,507	21,523	16,507	21,523
Outstanding contracts on clients' accounts	137,886	72,412	-	-
Dividend payable to shareholders	411,191	54,933	411,191	3,750
Amount due to subsidiary companies	-	-	6,106	197,356
Derivatives	208,973	157,298	198,977	145,869
	<u>1,919,409</u>	<u>1,410,919</u>	<u>1,408,930</u>	<u>1,158,858</u>

A16. Interest Income

	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
Group				
Loans, advances and financing				
- Interest income other than recoveries from NPLs	993,182	861,685	993,182	861,685
- Recoveries from NPLs	20,818	20,776	20,818	20,776
Money at call and deposit placements with financial institutions	242,791	178,852	242,791	178,852
Securities held-for-trading	20,076	35,986	20,076	35,986
Securities available-for-sale	35,622	45,959	35,622	45,959
Securities held-to-maturity	22,567	6,222	22,567	6,222
Others	9,900	17,319	9,900	17,319
	<u>1,344,956</u>	<u>1,166,799</u>	<u>1,344,956</u>	<u>1,166,799</u>
Amortisation of premium less accretion of discount	(5,533)	(6,630)	(5,533)	(6,630)
Net interest/income suspended	(29,747)	(32,214)	(29,747)	(32,214)
	<u>1,309,676</u>	<u>1,127,955</u>	<u>1,309,676</u>	<u>1,127,955</u>

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A16. Interest Income (continued)

	1st Quarter ended		Three months ended	
	31 March 2006 RM'000	31 March 2005 RM'000	31 March 2006 RM'000	31 March 2005 RM'000
Bank				
Loans, advances and financing				
- Interest income other than recoveries from NPLs	883,026	765,962	883,026	765,962
- Recoveries from NPLs	20,802	20,662	20,802	20,662
Money at call and deposit placements with financial institutions	232,807	161,081	232,807	161,081
Securities held-for-trading	19,639	35,234	19,639	35,234
Securities available-for-sale	30,915	4,539	30,915	4,539
Securities held-to-maturity	18,462	3,753	18,462	3,753
Others	9,781	6,001	9,781	6,001
	1,215,432	997,232	1,215,432	997,232
Amortisation of premium less accretion of discount	(8,064)	(6,480)	(8,064)	(6,480)
Net interest/income suspended	(29,677)	(31,799)	(29,677)	(31,799)
	1,177,691	958,953	1,177,691	958,953

A17. Interest Expense

	1st Quarter ended		Three months ended	
	31 March 2006 RM'000	31 March 2005 RM'000	31 March 2006 RM'000	31 March 2005 RM'000
Group				
Deposits and placements of banks and other financial institutions	90,029	33,457	90,029	33,457
Deposits from customers	504,062	437,505	504,062	437,505
Loans sold to Cagamas	2,657	3,438	2,657	3,438
Subordinated notes	37,186	12,253	37,186	12,253
Others	3,432	43,671	3,432	43,671
	637,366	530,324	637,366	530,324

	1st Quarter ended		Three months ended	
	31 March 2006 RM'000	31 March 2005 RM'000	31 March 2006 RM'000	31 March 2005 RM'000
Bank				
Deposits and placements of banks and other financial institutions	92,979	34,719	92,979	34,719
Deposits from customers	484,695	417,753	484,695	417,753
Loans sold to Cagamas	2,657	3,438	2,657	3,438
Subordinated notes	37,186	12,253	37,186	12,253
Others	92	35	92	35
	617,609	468,198	617,609	468,198

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A18. Other Operating Income

	1st Quarter ended		Three months ended	
	31 March 2006 RM'000	31 March 2005 RM'000	31 March 2006 RM'000	31 March 2005 RM'000
Group				
(a) Fee income:				
Commissions	30,442	20,868	30,442	20,868
Service charges and fees	44,314	40,536	44,314	40,536
Guarantee fees	5,159	5,170	5,159	5,170
Processing fees	1,432	532	1,432	532
Commitment fees	8,424	8,101	8,424	8,101
Unit trust management fees	38,829	31,113	38,829	31,113
Net brokerage and commissions from stockbroking activities	6,784	5,200	6,784	5,200
Other fee income	3,555	8,625	3,555	8,625
	<u>138,939</u>	<u>120,145</u>	<u>138,939</u>	<u>120,145</u>
(b) Net gain arising from sale of securities:				
Net gain from sale of securities				
- held-for-trading	3,588	4,076	3,588	4,076
- available-for-sale	270	-	270	-
	<u>3,858</u>	<u>4,076</u>	<u>3,858</u>	<u>4,076</u>
(c) Gross dividend income from:				
Securities held-for-trading	50	861	50	861
Securities available-for-sale	11,458	8,599	11,458	8,599
	<u>11,508</u>	<u>9,460</u>	<u>11,508</u>	<u>9,460</u>
(d) Unrealised (loss)/gain on revaluation of securities held-for-trading and derivatives	(38,288)	5,584	(38,288)	5,584
(e) Other income:				
Foreign exchange profit	70,666	7,228	70,666	7,228
Rental income	2,254	1,839	2,254	1,839
Gain on disposal of property and equipment (net)	19	2,045	19	2,045
Gain on disposal of foreclosed properties	177	56	177	56
Gain on sale of trust units	36,194	20,518	36,194	20,518
Lease income and factoring charges	378	532	378	532
Others	4,310	26,757	4,310	26,757
	<u>113,998</u>	<u>58,975</u>	<u>113,998</u>	<u>58,975</u>
Total other operating income	<u>230,015</u>	<u>198,240</u>	<u>230,015</u>	<u>198,240</u>

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A18. Other Operating Income (continued)

	1st Quarter ended		Three months ended	
	31 March 2006 RM'000	31 March 2005 RM'000	31 March 2006 RM'000	31 March 2005 RM'000
<u>Bank</u>				
(a) Fee income:				
Commissions	29,596	20,402	29,596	20,402
Service charges and fees	29,987	26,479	29,987	26,479
Guarantee fees	4,408	4,395	4,408	4,395
Processing fees	234	147	234	147
Commitment fees	8,159	7,722	8,159	7,722
Other fee income	2,330	2,766	2,330	2,766
	<u>74,714</u>	<u>61,911</u>	<u>74,714</u>	<u>61,911</u>
(b) Net gain arising from sale of securities:				
Net gain from sale of securities				
- held-for-trading	2,775	1,678	2,775	1,678
- available-for-sale	270	-	270	-
	<u>3,045</u>	<u>1,678</u>	<u>3,045</u>	<u>1,678</u>
(c) Gross dividend income from:				
Securities held-for-trading	50	56	50	56
Securities available-for-sale	10,492	8,599	10,492	8,599
	<u>10,542</u>	<u>8,655</u>	<u>10,542</u>	<u>8,655</u>
(d) Unrealised (loss)/gain on revaluation of securities held-for-trading and derivatives	(38,245)	5,409	(38,245)	5,409
(e) Other income:				
Foreign exchange profit	65,793	7,213	65,793	7,213
Rental income	678	583	678	583
Gain on disposal of property and equipment (net)	19	1,772	19	1,772
Gain on disposal of foreclosed properties	177	56	177	56
Others	4,027	10,129	4,027	10,129
	<u>70,694</u>	<u>19,753</u>	<u>70,694</u>	<u>19,753</u>
Total other operating income	<u>120,750</u>	<u>97,406</u>	<u>120,750</u>	<u>97,406</u>

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A19. Other Operating Expenses

<u>Group</u>	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	153,146	144,024	153,146	144,024
- Pension costs	22,243	16,958	22,243	16,958
- Others	13,195	12,279	13,195	12,279
Establishment costs				
- Depreciation	23,831	22,479	23,831	22,479
- Rental	12,514	11,708	12,514	11,708
- Insurance	3,901	1,390	3,901	1,390
- Water and electricity	5,202	4,823	5,202	4,823
- General repairs	4,981	4,205	4,981	4,205
- Others	18,879	16,574	18,879	16,574
Marketing expenses				
- Sales commission	39,141	23,153	39,141	23,153
- Advertisement and publicity	10,860	10,651	10,860	10,651
- Handling fees	4,885	5,226	4,885	5,226
- Others	17,551	13,861	17,551	13,861
Administration and general expenses				
- Amortisation of intangible assets	-	11,542	-	11,542
- Communication expenses	13,621	8,376	13,621	8,376
- Others	23,986	16,610	23,986	16,610
	<u>367,936</u>	<u>323,859</u>	<u>367,936</u>	<u>323,859</u>

<u>Bank</u>	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	132,388	122,300	132,388	122,300
- Pension costs	20,417	15,151	20,417	15,151
- Others	12,299	11,457	12,299	11,457
Establishment costs				
- Depreciation	19,878	18,183	19,878	18,183
- Rental	16,126	15,885	16,126	15,885
- Insurance	3,463	1,053	3,463	1,053
- Water and electricity	4,307	3,934	4,307	3,934
- General repairs	4,198	3,372	4,198	3,372
- Others	16,129	14,113	16,129	14,113
Marketing expenses				
- Advertisement and publicity	4,041	4,610	4,041	4,610
- Handling fees	4,885	5,225	4,885	5,225
- Others	11,003	11,129	11,003	11,129
Administration and general expenses				
- Amortisation of intangible assets	-	10,741	-	10,741
- Communication expenses	9,552	7,320	9,552	7,320
- Others	19,642	15,807	19,642	15,807
	<u>278,328</u>	<u>260,280</u>	<u>278,328</u>	<u>260,280</u>

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A20. Allowance for Losses on Loans, Advances and Financing

	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Allowance for bad and doubtful debts and financing:				
- general allowance (net)	43,859	37,848	43,859	37,848
- specific allowance	91,842	86,936	91,842	86,936
- specific allowance written back	(12,525)	(11,698)	(12,525)	(11,698)
Net allowance / (write back of allowance) in share broking activities	20	(503)	20	(503)
Bad debts and financing written off	49	194	49	194
Bad debts and financing recovered	(26,191)	(22,979)	(26,191)	(22,979)
	97,054	89,798	97,054	89,798

	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Allowance for bad and doubtful debts and financing:				
- general allowance (net)	42,671	43,852	42,671	43,852
- specific allowance	61,284	61,146	61,284	61,146
- specific allowance written back	(12,450)	(11,675)	(12,450)	(11,675)
Bad debts and financing written off	49	194	49	194
Bad debts and financing recovered	(18,253)	(15,717)	(18,253)	(15,717)
	73,301	77,800	73,301	77,800

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A21. Segment Information on Operating Revenue, Profit Before Tax Expense and Assets

By Business Segments

	1st Quarter ended 31 March 2006		Three months ended 31 March 2006		
	Operating Revenue RM'000	Profit Before Tax Expense RM'000	Operating Revenue RM'000	Profit Before Tax Expense RM'000	Total Assets RM'000
<u>Group</u>					
Retail operations	1,306,960	393,307	1,306,960	393,307	66,845,798
Corporate lending	61,316	10,577	61,316	10,577	4,727,056
Treasury and capital market operations	405,310	114,546	405,310	114,546	41,856,651
Investment banking	24,556	1,456	24,556	1,456	2,948,341
Share broking and fund management	81,820	24,378	81,820	24,378	608,503
Others	1,122	2,338	1,122	2,338	208,163
	<u>1,881,084</u>	<u>546,602</u>	<u>1,881,084</u>	<u>546,602</u>	<u>117,194,512</u>
Inter-segment elimination	(179,055)	-	(179,055)	-	-
	<u>1,702,029</u>	<u>546,602</u>	<u>1,702,029</u>	<u>546,602</u>	<u>117,194,512</u>
Unallocated expenses	-	(4,396)	-	(4,396)	-
Share of results in associated companies	-	1,395	-	1,395	-
Intangible assets	-	-	-	-	765,157
Unallocated assets	-	-	-	-	643,979
Investment in associated companies	-	-	-	-	47,104
	<u><u>1,702,029</u></u>	<u><u>543,601</u></u>	<u><u>1,702,029</u></u>	<u><u>543,601</u></u>	<u><u>118,650,752</u></u>

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A21. Segment Information on Operating Revenue, Profit Before Tax Expense and Assets (continued)

	1st Quarter ended 31 March 2005		Three months ended 31 March 2005		Total Assets RM'000
	Operating Revenue RM'000	Profit Before Tax Expense RM'000	Operating Revenue RM'000	Profit Before Tax Expense RM'000	
<u>Group</u>					
Retail operations	1,154,071	381,696	1,154,071	381,696	55,900,468
Corporate lending	53,372	9,933	53,372	9,933	4,334,549
Treasury and capital market operations	295,290	79,042	295,290	79,042	32,709,014
Investment banking	20,335	1,978	20,335	1,978	2,577,317
Share broking and fund management	60,210	24,698	60,210	24,698	468,241
Others	980	3,123	980	3,123	218,505
	<u>1,584,258</u>	<u>500,470</u>	<u>1,584,258</u>	<u>500,470</u>	<u>96,208,094</u>
Inter-segment elimination	(165,685)	-	(165,685)	-	-
	<u>1,418,573</u>	<u>500,470</u>	<u>1,418,573</u>	<u>500,470</u>	<u>96,208,094</u>
Unallocated expenses	-	(10,326)	-	(10,326)	-
Amortisation of intangible assets	-	(11,542)	-	(11,542)	-
Share of results in associated companies	-	996	-	996	-
Intangible assets	-	-	-	-	795,984
Unallocated assets	-	-	-	-	429,000
Investment in associated companies	-	-	-	-	46,906
	<u><u>1,418,573</u></u>	<u><u>479,598</u></u>	<u><u>1,418,573</u></u>	<u><u>479,598</u></u>	<u><u>97,479,984</u></u>

Inter-segment pricing is determined on a negotiated basis.

* Certain comparative figures for the first quarter ended 31 March 2005 have been reclassified to conform with the current year's internal transfer pricing and cost allocation methodology.

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A21. Segment Information on Operating Revenue, Profit Before Tax Expense and Assets (continued)

By Geographical Locations

	1st Quarter ended		Three months ended		
	Operating Revenue RM'000	Profit Before Tax Expense RM'000	Operating Revenue RM'000	Profit Before Tax Expense RM'000	Total Assets RM'000
<u>Group</u>					
<u>31 March 2006</u>					
Malaysia	1,573,065	473,990	1,573,065	473,990	115,951,946
Outside Malaysia	128,964	69,611	128,964	69,611	2,698,806
	<u>1,702,029</u>	<u>543,601</u>	<u>1,702,029</u>	<u>543,601</u>	<u>118,650,752</u>
 <u>31 March 2005</u>					
Malaysia	1,303,738	410,229	1,303,738	410,229	95,503,469
Outside Malaysia	114,835	69,369	114,835	69,369	1,976,515
	<u>1,418,573</u>	<u>479,598</u>	<u>1,418,573</u>	<u>479,598</u>	<u>97,479,984</u>

The Group has operations in Hong Kong SAR, Sri Lanka, Socialist Republic of Vietnam, Cambodia and the People's Democratic Republic of Laos.

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A22. Carrying Amount of Revalued Assets

The Group's and the Bank's property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. There was no change in the valuation of property and equipment that were brought forward from the previous audited annual financial statements for the year ended 31 December 2005.

A23. Subsequent Events

On 11 April 2006, the Bank increased its investment in Public Financial Holdings Limited (formerly known as JCG Holdings Limited) ("PFHL"), a 64%-owned subsidiary of the Bank via the subscription of its entitlement to the 1 for 2 rights issue of PFHL ("PFHL Rights Issue") of 233,384,055 new ordinary shares of HKD0.10 each in PFHL ("PFHL Shares") at HKD7.30 per PFHL Share. The Bank had also subscribed for an additional 131,021,755 PFHL Shares at HKD7.30 per PFHL Share, being the portion of the PFHL Rights Issue underwritten by the Bank. Upon the completion of the PFHL Rights Issue, the Bank's equity interest in PFHL had increased to 75.98%. In order to comply with Rule 8.08 of the Rules Governing The Listing of Securities on the Stock Exchange of Hong Kong Limited in relation to the requirement to maintain a minimum public float of not less than 25%, the Bank had disposed off 11,700,000 ordinary shares on 12 April 2006, resulting in the Bank's equity interest in PFHL decreasing to 74.91%.

A24. Changes in the Composition of the Group

There were no significant changes in the composition of the Group for the 1st quarter ended 31 March 2006.

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A25. Commitments and Contingencies

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. The commitments and contingencies are not secured against the Group's and the Bank's assets.

The risk-weighted exposures of the Group and the Bank as at the following dates are as follows:

<u>Group</u>	As at 31 March 2006			As at 31 December 2005		
	Notional Amount RM'000	Credit Equivalent Amount* RM'000	Risk Weighted Amount RM'000	Notional Amount RM'000	Credit Equivalent Amount* RM'000	Risk Weighted Amount RM'000
Direct credit substitutes	1,085,988	1,085,988	856,526	1,085,495	1,085,495	858,181
Certain transaction-related contingent items	370,703	185,351	119,324	392,547	196,274	102,554
Short-term self-liquidating trade-related contingencies	526,322	105,264	81,815	541,501	108,300	102,011
Forward assets purchased	96,586	96,586	-	15,040	15,040	-
Obligations under underwriting agreements	80,000	40,000	40,000	83,750	41,875	41,875
Irrevocable commitments to extend credit:						
- maturity exceeding one year	4,058,971	2,029,486	1,786,611	4,154,284	2,077,142	1,776,275
- maturity not exceeding one year	9,889,271	-	-	9,910,227	-	-
Forward placements	29,430	-	-	-	-	-
Foreign exchange related contracts:						
- less than one year	10,305,473	95,234	21,305	7,223,068	114,044	26,213
- one year to less than five years	-	-	-	-	-	-
Interest rate related contracts:						
- less than one year	1,399,636	1,565	313	113,385	283	57
- one year to less than five years	2,197,640	64,161	12,832	2,249,965	67,083	13,417
- five years and above	3,119,713	205,120	41,024	3,182,339	211,803	42,361
	<u>33,159,733</u>	<u>3,908,755</u>	<u>2,959,750</u>	<u>28,951,601</u>	<u>3,917,339</u>	<u>2,962,944</u>

* The credit equivalent amount is arrived at using the credit conversion factors as per Bank Negara Malaysia's Guidelines.

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A25. Commitments and Contingencies (continued)

<u>Bank</u>	As at 31 March 2006			As at 31 December 2005		
	Notional Amount RM'000	Credit Equivalent Amount* RM'000	Risk Weighted Amount RM'000	Notional Amount RM'000	Credit Equivalent Amount* RM'000	Risk Weighted Amount RM'000
Direct credit substitutes	1,085,988	1,085,988	856,526	1,084,395	1,084,395	857,961
Certain transaction-related contingent items	361,156	180,580	117,372	381,946	190,975	127,627
Short-term self-liquidating trade-related contingencies	413,133	82,626	77,624	434,058	86,810	80,609
Forward assets purchased	96,586	96,586	-	15,040	15,040	-
Obligations under underwriting agreements	70,000	35,000	35,000	70,000	35,000	35,000
Irrevocable commitments to extend credit:						
- maturity exceeding one year	4,055,971	2,027,986	1,785,111	4,154,028	2,077,014	1,776,211
- maturity not exceeding one year	9,731,899	-	-	9,740,724	-	-
Forward placements	150,409	-	-	124,723	-	-
Foreign exchange related contracts:						
- less than one year	10,305,473	95,234	21,305	7,223,068	114,044	26,213
- one year to less than five years	-	-	-	-	-	-
Interest rate related contracts:						
- less than one year	1,399,636	1,565	313	113,385	283	57
- one year to less than five years	2,197,640	64,161	12,832	2,249,965	67,083	13,417
- five years and above	3,101,297	204,199	40,840	3,163,441	210,858	42,172
	32,969,188	3,873,925	2,946,923	28,754,773	3,881,502	2,959,267

* The credit equivalent amount is arrived at using the credit conversion factors as per Bank Negara Malaysia's Guidelines.

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A26. Off-Balance Sheet Financial Instruments

Details of financial instruments with off-balance sheet risk as at 31 March 2006:

Value of contracts classified by remaining period to maturity / next repricing date (whichever is earlier).

Group

Items	Principal Amount RM'000	1 month or less RM'000	>1 - 3 months RM'000	>3 - 6 months RM'000	>6 - 12 months RM'000	1 - 5 years RM'000	>5 years RM'000
Foreign exchange related contracts							
- forward	736,868	457,350	157,964	106,737	14,817	-	-
- swap	9,568,605	6,508,666	2,621,342	438,597	-	-	-
Sub total	10,305,473	6,966,016	2,779,306	545,334	14,817	-	-
Interest rate related contracts							
- forward	-	-	-	-	-	-	-
- swap	6,716,989	2,408,846	2,952,705	1,355,438	-	-	-
Sub total	6,716,989	2,408,846	2,952,705	1,355,438	-	-	-
Total	17,022,462	9,374,862	5,732,011	1,900,772	14,817	-	-

Bank

Items	Principal Amount RM'000	1 month or less RM'000	>1 - 3 months RM'000	>3 - 6 months RM'000	>6 - 12 months RM'000	1 - 5 years RM'000	>5 years RM'000
Foreign exchange related contracts							
- forward	736,868	457,350	157,964	106,737	14,817	-	-
- swap	9,568,605	6,508,666	2,621,342	438,597	-	-	-
Sub total	10,305,473	6,966,016	2,779,306	545,334	14,817	-	-
Interest rate related contracts							
- forward	-	-	-	-	-	-	-
- swap	6,698,573	2,390,430	2,952,705	1,355,438	-	-	-
Sub total	6,698,573	2,390,430	2,952,705	1,355,438	-	-	-
Total	17,004,046	9,356,446	5,732,011	1,900,772	14,817	-	-

The Group and the Bank do not have any transaction in respect of equity and commodity related contracts. Foreign exchange and interest rate related contracts are subject to market and credit risk.

Market Risk

Market risk is the potential change in value caused by movement in market rates or prices. The contractual amounts provide only a measure of involvement in these types of transactions and do not represent the amounts subject to market risk. Exposure to market risk may be reduced through offsetting on and off-balance sheet positions. As at 31 March 2006, the amount of contracts which were not hedged in the Group and the Bank and, hence, exposed to market risk was RM729,762,000 (31 December 2005 : RM1,485,257,000).

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A26. Off-Balance Sheet Financial Instruments (continued)

Credit Risk

Credit risk arises from the possibility that a counter-party may be unable to meet the terms of a contract in which the Group and the Bank has a gain in a contract. As at 31 March 2006, the amount of credit risk in the Group and the Bank, measured in terms of the cost to replace the profitable contracts, was RM16,295,000 (31 December 2005 : RM24,737,000). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Related Accounting Policies

Derivatives financial instruments are measured at fair value and are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gain or loss arising from a change in the fair value of the derivatives is recognised in the income statements unless they are part of a hedging relationship which qualifies for hedge accounting where the gain or loss is recognised as follows:

Fair value hedge

Where a derivative financial instrument hedges the changes in fair value of a recognised asset or liability, any gain or loss on the hedging instrument is recognised in the income statement. The hedged item is also stated at fair value in respect of the risk being hedged, with any gain or loss being recognised in the income statement.

Cash flow hedge

Gains and losses on the hedging instrument, to the extent that the hedge is effective, are deferred in the separate component of equity. The ineffective part of any gain or loss is recognised in the income statement. The deferred gains and losses are then released to the income statement in the periods when the hedged item affects the income statement.

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A27. Interest/Profit Rate Risk

Group	Non trading book							Trading book	Total RM'000	Effective interest rate %
	Up to	> 1 - 3	> 3 - 12	> 1 - 5	over 5	Non-				
	1 month RM'000	months RM'000	months RM'000	years RM'000	years RM'000	interest sensitive RM'000				
As at 31 March 2006										
ASSETS										
Cash and short-term funds	22,541,473	-	-	-	-	679,508	-	23,220,981	3.35	
Deposits and placements with banks and other financial institutions	100	1,947,495	203,460	-	-	-	-	2,151,055	3.43	
Securities purchased under resale agreements	335,435	462,631	-	-	-	-	6,307,988	7,106,054	3.26	
Securities held-for-trading	-	-	-	-	-	-	4,430,674	4,430,674	3.35	
Securities available-for-sale	-	-	115,506	956,481	1,712,695	1,203,535	13,947	4,002,164	5.39	
Securities held-to-maturity	78,191	165,732	1,010,376	700,080	-	88,078	-	2,042,457	3.34	
Loans, advances and financing										
- performing	34,186,438	4,608,926	10,236,772	15,860,721	4,816,034	-	-	69,708,891	6.64	
- non-performing *	-	-	-	-	-	24,532	-	24,532	-	
Other non-interest sensitive balances	-	-	-	-	-	5,947,649	16,295	5,963,944	-	
TOTAL ASSETS	57,141,637	7,184,784	11,566,114	17,517,282	6,528,729	7,943,302	10,768,904	118,650,752		
LIABILITIES AND EQUITY										
Deposits from customers	46,676,755	13,412,086	16,540,059	467,650	11,103	9,235,929	-	86,343,582	2.85	
Deposits and placements of banks and other financial institutions	6,646,074	640,429	-	-	-	74,199	-	7,360,702	4.06	
Obligations on securities sold under repurchase agreements	8,557,570	118,973	-	-	-	-	15,216	8,691,759	3.20	
Bills and acceptances payable	502,646	899,548	260,855	-	-	868,434	-	2,531,483	3.39	
Recourse obligations on loans sold to Cagamas	28,084	50,338	159,171	43,360	-	-	-	280,953	3.77	
Subordinated notes	-	-	-	1,261,314	1,388,709	-	-	2,650,023	5.58	
Other non-interest sensitive balances	-	-	-	-	-	2,193,943	40,731	2,234,674	-	
Total Liabilities	62,411,129	15,121,374	16,960,085	1,772,324	1,399,812	12,372,505	55,947	110,093,176		
Shareholders' equity	-	-	-	-	-	8,112,009	-	8,112,009		
Minority interests	-	-	-	-	-	445,567	-	445,567		
Total Liabilities and Equity	62,411,129	15,121,374	16,960,085	1,772,324	1,399,812	20,930,081	55,947	118,650,752		
On-balance sheet interest sensitivity gap	(5,269,492)	(7,936,590)	(5,393,971)	15,744,958	5,128,917	(12,986,779)	10,712,957	-		
Off-balance sheet interest sensitivity gap (interest rate swaps)	(169,430)	6,105	(44,198)	380,636	(173,113)	-	-	-		
Total interest sensitivity gap	(5,438,922)	(7,930,485)	(5,438,169)	16,125,594	4,955,804	(12,986,779)	10,712,957	-		

* This is arrived at after deducting the general allowance and specific allowance from the outstanding non-performing loans.

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A27. Interest/Profit Rate Risk (continued)

Group	Non trading book							Total	Effective interest rate
	Up to	> 1 - 3	> 3 - 12	> 1 - 5	over 5	Non-	Trading		
	1 month	months	months	years	years	interest sensitive	book		
As at 31 December 2005	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
ASSETS									
Cash and short-term funds	17,638,823	-	-	-	-	718,914	-	18,357,737	3.09
Deposits and placements with banks and other financial institutions	-	8,445,253	267,597	-	-	-	-	8,712,850	3.22
Securities purchased under resale agreements	115,312	762,701	108,600	-	-	-	3,882,775	4,869,388	3.11
Securities held-for-trading	-	-	-	-	-	-	1,554,685	1,554,685	3.21
Securities available-for-sale	-	-	117,000	1,290,472	1,469,783	1,181,480	13,947	4,072,682	5.02
Securities held-to-maturity	154,937	248,671	856,239	887,140	-	88,080	-	2,235,067	3.25
Loans, advances and financing									
- performing	31,631,977	4,024,160	10,703,257	15,618,622	4,717,495	-	-	66,695,511	6.56
- non-performing *	-	-	-	-	-	117,273	-	117,273	-
Other non-interest sensitive balances	-	-	-	-	-	4,966,328	24,737	4,991,065	-
TOTAL ASSETS	49,541,049	13,480,785	12,052,693	17,796,234	6,187,278	7,072,075	5,476,144	111,606,258	
LIABILITIES AND EQUITY									
Deposits from customers	42,603,448	16,793,201	15,318,846	446,734	6,627	8,960,785	-	84,129,641	2.74
Deposits and placements of banks and other financial institutions	5,766,675	1,778,441	72,212	-	-	63,362	-	7,680,690	3.97
Obligations on securities sold under repurchase agreements	4,001,628	30,000	-	-	-	-	10,321	4,041,949	2.89
Bills and acceptances payable	567,488	782,241	142,750	-	-	637,236	-	2,129,715	3.04
Recourse obligations on loans sold to Cagamas	21,190	40,300	163,785	59,730	-	-	-	285,005	3.77
Subordinated notes	-	-	-	1,308,786	1,448,836	-	-	2,757,622	5.29
Other non-interest sensitive balances	-	-	-	-	-	1,654,383	10,004	1,664,387	-
Total Liabilities	52,960,429	19,424,183	15,697,593	1,815,250	1,455,463	11,315,766	20,325	102,689,009	
Shareholders' equity	-	-	-	-	-	8,481,508	-	8,481,508	
Minority interests	-	-	-	-	-	435,741	-	435,741	
Total Liabilities and Equity	52,960,429	19,424,183	15,697,593	1,815,250	1,455,463	20,233,015	20,325	111,606,258	
On-balance sheet interest sensitivity gap	(3,419,380)	(5,943,398)	(3,644,900)	15,980,984	4,731,815	(13,160,940)	5,455,819	-	
Off-balance sheet interest sensitivity gap (interest rate swaps)	971,332	190,137	(1,398,416)	395,685	(158,738)	-	-	-	
Total interest sensitivity gap	(2,448,048)	(5,753,261)	(5,043,316)	16,376,669	4,573,077	(13,160,940)	5,455,819	-	

* This is arrived at after deducting the general allowance and specific allowance from the outstanding non-performing loans.

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A27. Interest/Profit Rate Risk (continued)

Bank	Non trading book							Total	Effective interest rate
	Up to 1 month	> 1 - 3 months	> 3 - 12 months	> 1 - 5 years	over 5 years	Non-interest sensitive	Trading book		
As at 31 March 2006	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
ASSETS									
Cash and short-term funds	22,079,281	-	-	-	-	579,260	-	22,658,541	3.38
Deposits and placements with banks and other financial institutions	-	1,835,777	139,034	-	-	-	-	1,974,811	3.51
Securities purchased under resale agreements	8,977	-	-	-	-	-	6,224,237	6,233,214	3.25
Securities held-for-trading	-	-	-	-	-	-	4,446,923	4,446,923	3.33
Securities available-for-sale	-	-	57,944	754,090	1,594,596	1,079,074	13,377	3,499,081	5.05
Securities held-to-maturity	78,191	124,180	743,627	613,848	-	87,633	-	1,647,479	3.34
Loans, advances and financing									
- performing	33,516,347	4,154,084	9,647,485	15,255,535	4,748,222	-	-	67,321,673	6.21
- non-performing *	-	-	-	-	-	67,220	-	67,220	-
Other non-interest sensitive balances	-	-	-	-	-	6,331,074	16,295	6,347,369	-
TOTAL ASSETS	55,682,796	6,114,041	10,588,090	16,623,473	6,342,818	8,144,261	10,700,832	114,196,311	
LIABILITIES AND EQUITY									
Deposits from customers	44,729,531	12,336,369	16,414,041	649,192	11,103	9,047,267	-	83,187,503	2.82
Deposits and placements of banks and other financial institutions	6,934,398	725,131	21,626	-	-	70,641	-	7,751,796	4.26
Obligations on securities sold under repurchase agreements	8,296,990	118,974	-	-	-	-	15,216	8,431,180	3.19
Bills and acceptances payable	502,646	899,548	260,855	-	-	868,434	-	2,531,483	3.39
Recourse obligations on loans sold to Cagamas	28,084	50,338	159,171	43,360	-	-	-	280,953	3.77
Subordinated notes	-	-	-	1,261,314	1,388,709	-	-	2,650,023	5.58
Other non-interest sensitive balances	-	-	-	-	-	1,613,961	40,731	1,654,692	-
Total Liabilities	60,491,649	14,130,360	16,855,693	1,953,866	1,399,812	11,600,303	55,947	106,487,630	
Shareholders' equity	-	-	-	-	-	7,708,681	-	7,708,681	
Total Liabilities and Equity	60,491,649	14,130,360	16,855,693	1,953,866	1,399,812	19,308,984	55,947	114,196,311	
On-balance sheet interest sensitivity gap	(4,808,853)	(8,016,319)	(6,267,603)	14,669,607	4,943,006	(11,164,723)	10,644,885	-	
Off-balance sheet interest sensitivity gap (interest rate swaps)	(187,846)	6,105	(44,198)	380,636	(154,697)	-	-	-	
Total interest sensitivity gap	(4,996,699)	(8,010,214)	(6,311,801)	15,050,243	4,788,309	(11,164,723)	10,644,885	-	

* This is arrived at after deducting the general allowance and specific allowance from the outstanding non-performing loans.

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A27. Interest/Profit Rate Risk (continued)

Bank	Non trading book							Trading book	Total RM'000	Effective interest rate %
	Up to	> 1 - 3	> 3 - 12	> 1 - 5	over 5	Non-				
	1 month	months	months	years	years	interest sensitive				
As at 31 December 2005	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
ASSETS										
Cash and short-term funds	16,492,083	-	-	-	-	678,255	-	17,170,338	3.08	
Deposits and placements with banks and other financial institutions	-	8,487,289	249,579	-	-	-	-	8,736,868	3.23	
Securities purchased under resale agreements	66,529	72,824	-	-	-	-	3,882,775	4,022,128	3.14	
Securities held-for-trading	-	-	-	-	-	-	1,666,465	1,666,465	3.20	
Securities available-for-sale	-	-	58,513	1,081,485	1,347,278	1,062,903	13,377	3,563,556	4.63	
Securities held-to-maturity	52,829	126,216	740,099	729,934	-	87,635	-	1,736,713	3.31	
Loans, advances and financing										
- performing	30,968,477	3,681,474	10,105,682	15,030,891	4,639,749	-	-	64,426,273	6.11	
- non-performing *	-	-	-	-	-	153,632	-	153,632	-	
Other non-interest sensitive balances	-	-	-	-	-	5,864,192	24,737	5,888,929	-	
TOTAL ASSETS	47,579,918	12,367,803	11,153,873	16,842,310	5,987,027	7,846,617	5,587,354	107,364,902		
LIABILITIES AND EQUITY										
Deposits from customers	41,062,453	16,135,909	15,241,801	856,150	6,627	8,902,242	-	82,205,182	2.73	
Deposits and placements of banks and other financial institutions	4,748,825	1,845,878	128,085	-	-	60,812	-	6,783,600	4.18	
Obligations on securities sold under repurchase agreements	3,656,663	30,000	-	-	-	-	10,321	3,696,984	2.88	
Bills and acceptances payable	567,488	782,241	142,750	-	-	635,180	-	2,127,659	3.04	
Recourse obligations on loans sold to Cagamas	21,190	40,300	163,785	59,730	-	-	-	285,005	3.77	
Subordinated notes	-	-	-	1,308,786	1,448,836	-	-	2,757,622	5.29	
Other non-interest sensitive balances	-	-	-	-	-	1,360,891	10,004	1,370,895	-	
Total Liabilities	50,056,619	18,834,328	15,676,421	2,224,666	1,455,463	10,959,125	20,325	99,226,947		
Shareholders' equity	-	-	-	-	-	8,137,955	-	8,137,955		
Total Liabilities and Equity	50,056,619	18,834,328	15,676,421	2,224,666	1,455,463	19,097,080	20,325	107,364,902		
On-balance sheet interest sensitivity gap	(2,476,701)	(6,466,525)	(4,522,548)	14,617,644	4,531,564	(11,250,463)	5,567,029	-		
Off-balance sheet interest sensitivity gap (interest rate swaps)	971,332	190,137	(1,417,313)	395,685	(139,841)	-	-	-		
Total interest sensitivity gap	(1,505,369)	(6,276,388)	(5,939,861)	15,013,329	4,391,723	(11,250,463)	5,567,029	-		

* This is arrived at after deducting the general allowance and specific allowance from the outstanding non-performing loans.

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A28. Capital Adequacy

The capital adequacy ratios of the Group and the Bank as at the following dates:

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
Core capital ratio	10.0%	10.2% *	9.6%	9.8% *
Risk-weighted capital ratio	15.4%	15.9% *	13.6%	13.6% *

*After deducting proposed dividends

The capital adequacy ratios of the Group and the Bank as at 31 March 2006 have incorporated the market risk pursuant to the Bank Negara Malaysia's Market Risk Capital Adequacy Framework which became effective on 1 April 2005.

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
Components of Tier I and Tier II capital:				
<u>Tier I capital</u>				
Paid-up share capital	3,433,356	3,417,373	3,433,356	3,417,373
Share premium	1,645,498	1,574,180	1,645,498	1,574,180
Other reserves	2,907,840	2,907,840	2,754,847	2,754,847
Retained profits (before deducting proposed dividend)	496,824	1,330,730	455,254	1,289,161
Treasury shares	(784,734)	(784,600)	(784,734)	(784,600)
Minority interests	445,567	435,741	-	-
Less: Intangible assets	(765,157)	(765,157)	(695,393)	(695,393)
Less: Deferred tax assets, net	(345,246)	(345,246)	(286,550)	(286,550)
Total Tier I capital	7,033,948	7,770,861	6,522,278	7,269,018
<u>Tier II capital</u>				
General allowance for bad and doubtful debts	1,098,101	1,056,199	1,031,623	987,830
Subordinated notes, at cost	2,745,824	2,816,795	2,745,824	2,816,795
Total Tier II capital	3,843,925	3,872,994	3,777,447	3,804,625
Total capital	10,877,873	11,643,855	10,299,725	11,073,643
Less: Investment in subsidiary companies	-	-	(1,102,295)	(1,305,365)
Capital base	10,877,873	11,643,855	9,197,430	9,768,278

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A29. Operations of Islamic Banking

A29a. Balance Sheets as at 31 March 2006

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
ASSETS				
Cash and short-term funds	576,622	426,261	576,622	426,261
Deposits and placements with banks and other financial institutions	8,389	-	8,389	-
Securities held-to-maturity	52,259	127,479	52,259	127,479
Financing, advances and other loans	7,431,458	7,217,018	7,431,458	7,217,018
Other assets	23,892	1,055	23,892	1,055
Statutory deposits with Bank Negara Malaysia	237,000	236,000	237,000	236,000
Deferred tax assets	36,613	38,018	36,613	38,018
Property and equipment	74	69	74	69
Total Assets	8,366,307	8,045,900	8,366,307	8,045,900
LIABILITIES AND ISLAMIC BANKING FUNDS				
Deposits from customers	6,448,215	6,093,087	6,448,215	6,093,087
Deposits and placements of banks and other financial institutions	399,470	1,474	399,470	1,474
Bills and acceptances payable	30,600	24,368	30,600	24,368
Other liabilities	26,202	547,912	26,202	547,912
Provision for tax expense and zakat	66,723	41,129	66,723	41,129
Total Liabilities	6,971,210	6,707,970	6,971,210	6,707,970
Islamic Banking Funds	1,395,097	1,337,930	1,395,097	1,337,930
Total Liabilities and Islamic Banking Funds	8,366,307	8,045,900	8,366,307	8,045,900
COMMITMENTS AND CONTINGENCIES	99,929	102,954	99,929	102,954

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A29b. Income Statements for the 1st Quarter and Three Months Ended 31 March 2006

	1st Quarter ended		Three months ended	
	31 March 2006 RM'000	31 March 2005 RM'000	31 March 2006 RM'000	31 March 2005 RM'000
<u>Group</u>				
Income derived from investment of depositors' funds and financial institutions	107,498	103,426	107,498	103,426
Allowance for losses on financing, advances and other loans	(9,312)	(11,977)	(9,312)	(11,977)
Transfer from/(to) profit equalisation reserve	5,016	(1,245)	5,016	(1,245)
Total attributable income	103,202	90,204	103,202	90,204
Income attributable to the depositors and financial institutions	(29,869)	(25,061)	(29,869)	(25,061)
Income attributable to the reporting institutions	73,333	65,143	73,333	65,143
Income derived from investment of Islamic Banking Funds	22,173	19,268	22,173	19,268
Total net income	95,506	84,411	95,506	84,411
Other operating expenses	(22,720)	(17,971)	(22,720)	(17,971)
Profit before zakat and tax expense	72,786	66,440	72,786	66,440
Zakat	(19)	(39)	(19)	(39)
Tax expense	(15,598)	(21,608)	(15,598)	(21,608)
Profit after zakat and tax expense	57,169	44,793	57,169	44,793

	1st Quarter ended		Three months ended	
	31 March 2006 RM'000	31 March 2005 RM'000	31 March 2006 RM'000	31 March 2005 RM'000
<u>Bank</u>				
Income derived from investment of depositors' funds and financial institutions	107,498	103,426	107,498	103,426
Allowance for losses on financing, advances and other loans	(9,312)	(11,977)	(9,312)	(11,977)
Transfer from/(to) profit equalisation reserve	5,016	(1,245)	5,016	(1,245)
Total attributable income	103,202	90,204	103,202	90,204
Income attributable to the depositors and financial institutions	(29,869)	(25,061)	(29,869)	(25,061)
Income attributable to the reporting institutions	73,333	65,143	73,333	65,143
Income derived from investment of Islamic Banking Funds	22,173	19,268	22,173	19,268
Total net income	95,506	84,411	95,506	84,411
Other operating expenses	(22,720)	(17,971)	(22,720)	(17,971)
Profit before zakat and tax expense	72,786	66,440	72,786	66,440
Zakat	(19)	(39)	(19)	(39)
Tax expense	(15,598)	(21,608)	(15,598)	(21,608)
Profit after zakat and tax expense	57,169	44,793	57,169	44,793

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A29c. Financing, Advances and Other Loans

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
Qardhassan-i (overdraft)	25,695	20,840	25,695	20,840
Bai Bithaman Ajil-i (deferred payment sale)	3,289,346	3,211,860	3,289,346	3,211,860
Ijarah Thamma Al-Bai'-i (leasing)	6,171,423	6,034,328	6,171,423	6,034,328
Bai-Al-Einah-i	368,748	307,341	368,748	307,341
	<u>9,855,212</u>	<u>9,574,369</u>	<u>9,855,212</u>	<u>9,574,369</u>
Unearned income	(2,279,557)	(2,223,862)	(2,279,557)	(2,223,862)
Gross financing, advances and other loans	<u>7,575,655</u>	<u>7,350,507</u>	<u>7,575,655</u>	<u>7,350,507</u>
Allowance for bad and doubtful debts and financing:				
- general	(114,195)	(114,195)	(114,195)	(114,195)
- specific	(30,002)	(19,294)	(30,002)	(19,294)
Net financing, advances and other loans	<u><u>7,431,458</u></u>	<u><u>7,217,018</u></u>	<u><u>7,431,458</u></u>	<u><u>7,217,018</u></u>

i) Movements in non-performing financing, advances and other loans ("NPL") are as follows:

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
At 1 January	156,196	150,538	156,196	150,538
Non-performing during the period/year	91,896	379,672	91,896	379,672
Reclassified as performing	(74,704)	(296,761)	(74,704)	(296,761)
Recoveries	(9,108)	(34,239)	(9,108)	(34,239)
Amount written off	-	(43,014)	-	(43,014)
Closing balance	<u>164,280</u>	<u>156,196</u>	<u>164,280</u>	<u>156,196</u>
Specific allowance	(30,002)	(19,294)	(30,002)	(19,294)
Net non-performing financing, advances and other loans	<u><u>134,278</u></u>	<u><u>136,902</u></u>	<u><u>134,278</u></u>	<u><u>136,902</u></u>
Net NPL as % of gross financing, advances and other loans less specific allowance	<u><u>1.78%</u></u>	<u><u>1.87%</u></u>	<u><u>1.78%</u></u>	<u><u>1.87%</u></u>

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A29c. Financing, Advances and Other Loans (continued)

ii) Movements in the allowance for bad and doubtful debts and financing accounts are as follows:

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
<u>General allowance</u>				
At 1 January	114,195	107,295	114,195	107,295
Allowance made during the period/year	-	6,900	-	6,900
Closing balance	<u>114,195</u>	<u>114,195</u>	<u>114,195</u>	<u>114,195</u>
As % of gross financing, advances and other loans less specific allowance	<u>1.51%</u>	<u>1.56%</u>	<u>1.51%</u>	<u>1.56%</u>
	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
<u>Specific allowance</u>				
At 1 January	19,294	26,070	19,294	26,070
Allowance made during the period/year	12,758	40,345	12,758	40,345
Amount written back	(2,050)	(4,084)	(2,050)	(4,084)
Amount written off	-	(43,014)	-	(43,014)
Amount transferred to accumulated impairment losses in value of foreclosed properties	-	(23)	-	(23)
Closing balance	<u>30,002</u>	<u>19,294</u>	<u>30,002</u>	<u>19,294</u>

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A29d. Deposits from Customers

i) By type of deposit

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
<u>Non-Mudharabah Fund</u>				
Wadiah current deposits-i	1,112,585	1,021,990	1,112,585	1,021,990
Wadiah savings deposits-i	2,235,195	2,065,872	2,235,195	2,065,872
Negotiable debt certificate-i	1,768,678	1,752,534	1,768,678	1,752,534
Others	-	150	-	150
	5,116,458	4,840,546	5,116,458	4,840,546
<u>Mudharabah Fund</u>				
Mudharabah savings deposits-i	62,597	59,368	62,597	59,368
Mudharabah general investment deposits-i	1,269,160	1,193,173	1,269,160	1,193,173
	1,331,757	1,252,541	1,331,757	1,252,541
Deposits from customers	6,448,215	6,093,087	6,448,215	6,093,087

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A30. Change in Accounting Policies and Prior Year Adjustments

(a) Change in Accounting Policies

During the 1st quarter ended 31 March 2006, the Group and the Bank have adopted the new and revised FRSs issued by MASB that are applicable with effect from 1 January 2006 which resulted in changes in accounting policies as follows:

1) FRS 101: Presentation of Financial Statements

The adoption of the revised FRS 101 has affected the presentation of minority interest and other disclosures. Minority interest is now presented within total equity in the consolidated balance sheet and as an allocation from net profit for the period in the consolidated income statement. The movement of minority interest is now presented in the consolidated statement of changes in equity.

The presentation of the comparative financial statements of the Group have been restated to conform with the current period's presentation.

2) FRS 3: Business Combinations, FRS 136: Impairment of Assets and FRS 138: Intangible Assets

The adoption of FRS 3 Business Combinations and the consequential changes to FRS 136 Impairment of Assets and FRS 138 Intangible Assets, has resulted in a change in the accounting policy relating to purchased goodwill.

Goodwill acquired in a business combination is now stated at cost less any accumulated impairment losses. The adoption of these new FRSs has resulted in the Group ceasing annual amortisation of goodwill. Instead, goodwill is allocated to cash-generating units and the carrying amount is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill impairment is determined by comparing its carrying amount against its recoverable amount in accordance with FRS 136. Any impairment loss is recognised in the income statement and subsequent reversal is not allowed.

This change in accounting policy has been accounted for prospectively for business combinations where the agreement date is on or after 1 January 2006. For business combinations entered into prior to that date, the transitional provisions of FRS 3 requires the Group and the Bank to eliminate the carrying accumulated amortisation as at 1 January 2006 of RM174,310,000 and RM124,761,000 respectively against the carrying amount of goodwill. The carrying amount of goodwill for the Group and the Bank as at 1 January 2006 of RM738,907,000 and RM695,393,000 respectively ceased to be amortised. This has the effect of reducing the amortisation charge of the Group and the Bank by RM11,285,000 and RM10,741,000 respectively for the 1st quarter ended 31 March 2006. No impairment loss on goodwill has been recognised in the 1st quarter ended 31 March 2006.

Negative goodwill, which represents the excess in fair value of the net identifiable assets acquired over the cost of the acquisition, is now recognised immediately to the income statement. Prior to 1 January 2006, negative goodwill not exceeding the fair values of the non-monetary assets acquired, was recognised in the income statement over the weighted average useful life of those assets that were depreciable/amortisable and negative goodwill in excess of the fair values of the non-monetary assets acquired was recognised in the income statement immediately. The adoption of this accounting policy has not resulted in any financial impact to the Group as there was no negative goodwill as at 1 January 2006.

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2) FRS 3: Business Combinations, FRS 136: Impairment of Assets and FRS 138: Intangible Assets (Cont.)

In addition, the useful lives of other intangible assets are now assessed at the individual asset level as having either a finite or indefinite life. Intangible assets with an indefinite useful life are not amortised but are tested for impairment annually. Intangible assets with a finite useful life will continue to be amortised over the estimated useful life. Prior to 1 January 2006, intangible assets were considered to have a finite useful life and were stated at cost less accumulated amortisation and impairment losses. Upon the adoption of FRS 138, the Group's intangible asset, which consists of the cost of the dealer license of a local stock broking company acquired by a stockbroking subsidiary, is regarded to have an indefinite useful life and is not amortised but instead, is tested for impairment annually. This change in accounting policy has been accounted for prospectively and the carrying amount of the dealer license of RM26,250,000 as at 1 January 2006 ceased to be amortised. This has the effect of reducing the amortisation charges by RM350,000 for the Group for the 1st quarter ended 31 March 2006.

3) FRS 140: Investment Property

The adoption of FRS 140 has resulted in a change in the accounting policy for investment properties, as well as the reclassification of certain properties previously recognised as property and equipment to investment properties.

As a result of the adoption of FRS 140, certain properties of the Group which are held for rental to external parties have been reclassified to Investment Properties. Investment properties are stated at fair value and any gain or loss arising from a change in fair value is recognised in the income statement. Prior to 1 January 2006, changes in the value of investment properties were reflected as movements in the capital reserve account. If the total outstanding of this capital reserve is insufficient to cover a deficit, on a portfolio basis, the excess of the deficit is charged to the income statement immediately and any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged.

When an item of property and equipment is reclassified to investment property upon initial adoption of FRS 140, any difference between the carrying amount of the item and its fair value arising on the date of initial adoption is recognised as an adjustment to the opening retained profits. The adoption of this FRS has resulted in a decrease in the opening retained profits as at 1 January 2006 of RM621,000.

4) FRS 2: Share-based Payment

The adoption of FRS 2 has resulted in a change in accounting policy for staff costs of the Group and the Bank arising from share options granted by Public Bank Berhad and its subsidiary, Public Financial Holdings Limited (formerly known as JCG Holdings Limited), to employees (including directors) of the Group.

Prior to 1 January 2006, no compensation expense was recognised in the income statement for share options granted to employees of the Group. Upon the adoption of FRS 2, where the Group pays for services of its employees using share options, the fair value of the transaction is recognised as an expense in the income statement over the vesting periods of the grants, with a corresponding increase in equity. The total amount to be recognised as compensation expense is determined by reference to the fair value of the share option at the date of the grant and the number of share options to be vested by vesting date. At balance sheet date, the Group revises its estimate of the number of share options that are expected to vest by the vesting date. Any revision of this estimate is included in the income statement and a corresponding adjustment to equity over the remaining vesting period.

Under the transitional provisions of FRS 2, this FRS will apply to share options which were granted after 31 December 2004 and which had not yet vested on 1 January 2006. The adoption of this FRS has not resulted in any financial impact to the Group as there were no new share options granted by the Group after 31 December 2004 which remain unvested on 1 January 2006.

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(b) Adjustments due to Change in Accounting Policies

The changes in accounting policies as described above which were adjusted to opening retained profits of the Group and Bank are as follows:

	Group		Bank	
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
Effects on retained profits:				
At 1 January, as previously stated	500,846	684,490	385,645	734,469
Effects of adopting FRS 140				
- Investment Property	(621)	-	-	-
At 1 January, as restated	500,225	684,490	385,645	734,469

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Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. Performance Review

The Group's pre-tax profit for the 1st quarter ended 31 March 2006 of RM543.6 million was RM64.0 million or 13.3% higher than that of the previous corresponding quarter of RM479.6 million. Profit attributable to shareholders improved by 12.0% to RM386.6 million. The improvement in earnings was primarily due to higher net interest income, including net income from Islamic Banking operations, which improved by RM83.1 million or 12.0% and higher other operating income by 16.0% or RM31.8 million. The increases were partially offset by higher other operating expenses of RM44.1 million and higher general allowance made on loans, advances and financing of RM6.0 million.

The growth in the Group's net interest income was driven by strong loans growth and improved assets quality. Gross loan balance has grown by 19.2% to RM71.1 billion as at 31 March 2006 as compared to RM59.7 billion as at 31 March 2005. The growth in loans arose mainly from financing of small and medium-sized enterprises ("SMEs"), residential mortgages and financing of passenger vehicles. The Group's net non-performing loans ratio ("NPL") improved to 1.6% as at 31 March 2006 as compared to 2.1% as at 31 March 2005.

The Group's commercial bank, Public Bank, recorded a pre-tax profit of RM434.1 million for the 1st quarter ended 31 March 2006 and was 25.3% higher than the pre-tax profit of RM346.5 million achieved in the previous corresponding quarter. This was mainly due to higher net interest income and income from Islamic Banking operations coupled with the growth in other operating income.

The overseas operations of the Group recorded a 0.3% improvement in pre-tax profit to RM69.6 million from the previous corresponding quarter. This was mainly due to loans growth achieved during the period.

B2. Variation of Results Against Preceding Quarter

The Group's pre-tax profit of RM543.6 million for the 1st quarter ended 31 March 2006 was RM3.8 million or 0.7% lower compared to the preceding quarter ended 31 December 2005. Net profit attributable to shareholders was lower by RM4.6 million or 1.2% over the preceding quarter ended 31 December 2005. The decrease was mainly a result of a drop in other operating income and lower writeback of impairment losses on investment properties, partially mitigated by an increase in net interest income. Included in the other operating income in the preceding quarter was an amount of RM14.9 million being a one-off gain recognised resulting from the dilution of interest in a subsidiary, Public Financial Holdings Limited (formerly known as JCG Holdings Limited).

B3. Prospects for 2006

The Malaysian economy is expected to maintain its growth momentum in 2006 despite the increasing challenges of high oil prices, wide global imbalances and high global interest rates. The employment conditions are also projected to remain healthy. Public Bank Group will continue to pursue its strategy of high organic growth by building on the momentum of strong loan growth in recent years and its focus on consumer financing and retail commercial lending to SMEs, whilst keeping stringently to the uncompromising prudent credit standards and practices of the Group. The Group will also further leverage on its strategic domestic network of 251 branches, its online channels and strong *PB* brand to continue building on the momentum of its strong loan growth. Barring any unforeseen circumstances, the Group's and the Bank's performance are expected to continue to record satisfactory performance in 2006.

B4. Profit Forecast or Profit Guarantee

There were no profit forecast or profit guarantee issued by the Group and the Bank.

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B5. Tax Expense and Zakat

The analysis of the tax expense for the 1st quarter ended 31 March 2006 are as follows:

<u>Group</u>	1st Quarter ended		Three months ended	
	31 March 2006 RM'000	31 March 2005 RM'000	31 March 2006 RM'000	31 March 2005 RM'000
Malaysian income tax	134,903	104,176	134,903	104,176
Overseas income tax	11,702	12,529	11,702	12,529
	146,605	116,705	146,605	116,705
(Over)/Under provision in prior period				
- Malaysian income tax	-	(647)	-	(647)
- Overseas income tax	-	4	-	4
	146,605	116,062	146,605	116,062
Share of tax expense in associated companies	401	25	401	25
	147,006	116,087	147,006	116,087
Deferred tax expense				
- Origination and reversal of temporary differences	(8,818)	(507)	(8,818)	(507)
Tax expense	138,188	115,580	138,188	115,580
Zakat	19	40	19	40
	138,207	115,620	138,207	115,620

The Group's effective tax rate for the 1st quarter ended 31 March 2006 is lower than the statutory tax rate due to the effects of lower tax rates in other jurisdictions.

<u>Bank</u>	1st Quarter ended		Three months ended	
	31 March 2006 RM'000	31 March 2005 RM'000	31 March 2006 RM'000	31 March 2005 RM'000
Malaysian income tax	127,406	100,125	127,406	100,125
Overseas income tax	242	84	242	84
	127,648	100,209	127,648	100,209
Deferred tax expense				
- Origination and reversal of temporary differences	(9,959)	-	(9,959)	-
Tax expense	117,689	100,209	117,689	100,209
Zakat	19	39	19	39
	117,708	100,248	117,708	100,248

The Bank's effective tax rate for the 1st quarter ended 31 March 2006 is lower than the statutory tax rate due to certain income not subject to tax.

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B6. Sale of Unquoted Investments and Properties

There were no sale of unquoted investments and properties for the 1st quarter ended 31 March 2006 other than in the ordinary course of business.

B7. Quoted Securities

Financial institutions are exempted from the disclosure requirements relating to quoted securities.

B8. Status of Corporate Proposals Announced but Not Completed

Public Financial Holdings Limited ("PFHL") (formerly known as JCG Holdings Limited), a 64%-owned subsidiary of PBB had, on 14 February 2006, entered into a conditional share purchase agreement with Asia Financial Holdings Limited ("AFHL") for the proposed acquisition by PFHL of the entire issued and paid-up share capital of Asia Commercial Bank Limited ("ACB"), an authorised institution under the Hong Kong Banking Ordinance providing a comprehensive range of banking, financial and related services ("Proposed Acquisition").

Pursuant to the Proposed Acquisition, PFHL will acquire 8,100,000 ordinary shares of HKD100 each representing the entire issued and paid-up share capital of ACB from AFHL for a consideration of HKD4,499,550,000 payable in cash. The Proposed Acquisition will be financed by a short-term bridging loan obtained by PFHL, which will be subsequently refinanced by equity to be raised by PFHL in the form of a rights issue and a medium term loan. Upon completion of the Proposed Acquisition, ACB will become a wholly-owned subsidiary of PFHL and an indirect subsidiary of PBB.

The completion of the Proposed Acquisition is conditional upon the following approvals being obtained:

- i) The approval by the shareholders of PFHL for the Proposed Acquisition;
- ii) The approval by the shareholders of AFHL for the disposal of the entire issued and paid-up share capital of ACB;
- iii) The consent of the Hong Kong Monetary Authority for PFHL to become a controlling shareholder of ACB pursuant to the Proposed Acquisition and for the creation of a first ranking legal charge over the entire issued and paid-up share capital of ACB in respect of the short term bridging loan obtained by PFHL to finance the Proposed Acquisition;
- iv) The approval of the Securities and Futures Commission in Hong Kong for PFHL to become a substantial shareholder of ACB; and
- v) The approval of Bank Negara Malaysia for the Proposed Acquisition whereupon ACB would become a subsidiary of PFHL and an indirect subsidiary of PBB.

At the date of this report, none of the above approvals has been obtained, other than the approval of Bank Negara Malaysia for the Proposed Acquisition which was obtained on 16 March 2006.

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B9. Deposits and Placements of Customers and Financial Institutions and Debt Securities

	Group		Bank	
	31 March 2006 RM'000	31 December 2005 RM'000	31 March 2006 RM'000	31 December 2005 RM'000
Deposits from customers				
- Fixed deposits				
One year or less	45,096,969	43,090,941	42,590,463	41,629,656
More than one year	123,996	118,499	121,074	117,881
- Negotiable instruments of deposits				
One year or less	17,486,681	18,000,115	17,205,761	17,774,210
More than one year	268,598	492,061	268,598	492,061
- Savings deposits	13,149,018	12,566,703	12,952,049	12,367,962
- Demand deposits	9,902,972	9,566,341	9,735,727	9,531,145
- Others	315,348	294,981	313,831	292,267
	<u>86,343,582</u>	<u>84,129,641</u>	<u>83,187,503</u>	<u>82,205,182</u>
Deposits and placements of banks and other financial institutions				
One year or less	<u>7,360,702</u>	<u>7,680,690</u>	<u>7,751,796</u>	<u>6,783,600</u>
Subordinated notes denominated in United States Dollar (unsecured)				
- more than one year	<u>2,650,023</u>	<u>2,757,622</u>	<u>2,650,023</u>	<u>2,757,622</u>

B10. Off-Balance Sheet Financial Instruments

Please refer to note A26.

B11. Changes in Material Litigation

The Group and the Bank do not have any material litigation which would materially and adversely affect the financial position of the Group and the Bank.

B12. Proposed Dividends

No dividend has been proposed or declared for 1st quarter ended 31 March 2006.

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B13. Earning Per Share (EPS)

Basic

The calculation of the basic earnings per share is based on the net profit attributable to the equity holders of the parent for the 1st quarter ended 31 March 2006 divided by the weighted average number of ordinary shares of RM1.00 each in issue during the financial quarter ended 31 March 2006 excluding the weighted average treasury shares held by the Bank.

	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2006	2005	2006	2005
Net profit attributable to equity holders of the parent (RM'000)	<u>386,558</u>	<u>345,129</u>	<u>386,558</u>	<u>345,129</u>
Weighted average number of PBB Shares ('000)	<u>3,299,992</u>	<u>3,270,763</u>	<u>3,299,992</u>	<u>3,270,763</u>
Basic earnings per share (sen)	<u>11.7</u>	<u>10.6</u>	<u>11.7</u>	<u>10.6</u>

Diluted

The calculation of the diluted earnings per share is based on the net profit attributable to the equity holders of the parent for the 1st quarter ended 31 March 2006 divided by the adjusted weighted average number of PBB Shares of RM1.00 each in issue and issuable under the exercise of share options granted under the Public Bank Berhad Employees' Share Option Scheme.

	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2006	2005	2006	2005
Weighted average number of PBB Shares ('000)	<u>3,299,992</u>	<u>3,270,763</u>	<u>3,299,992</u>	<u>3,270,763</u>
Effects of share options ('000)	<u>19,854</u>	<u>13,540</u>	<u>19,854</u>	<u>13,540</u>
Adjusted weighted average number of PBB shares in issue or issuable ('000)	<u>3,319,846</u>	<u>3,284,303</u>	<u>3,319,846</u>	<u>3,284,303</u>
Diluted earnings per share (sen)	<u>11.6</u>	<u>10.5</u>	<u>11.6</u>	<u>10.5</u>