

Managing Director's Report

The operating environment during the review period remained challenging notwithstanding the improved macro-economic picture in the second half. Overall economic growth contracted by 7.5% in 1998. Real aggregate domestic demand which accounts for close to 40% of GDP declined by 25.9% while the value of transactions on the KLSE plunged by 71.8% in 1998. Credit facilities extended by the banking system declined by 2.0%. Only the performance of the external sector mitigated the full impact of the downturn. The merchandise account surplus rose more than six fold to RM69.3 billion compared to RM11.3 billion in 1997.

The advent of the National Economic Recovery Plan provided the opportunity for economic fundamentals to reassert themselves. Allowing for the lagged impact of the measures, Gross Domestic Product expanded by 4.1% in the second quarter of 1999. The easier monetary policy, led to a considerable easing of the liquidity crunch. The benchmark 3-month KLIBOR declined from an average 11.1% in June 1998 to around 3.3%. From the macro perspective, a more important development was the improvement in both consumer and business sentiment

The advent of the National Economic Recovery Plan provided the opportunity for economic fundamentals to reassert themselves

As for the banking system, its performance largely mirrored the economic conditions. Reflecting the business environment, the gross NPL ratio of commercial banks rose to 14.9% as at end June 1999 compared to 10.9% a year ago. As such, capital conservation and asset quality preservation concerns predominated given the relatively high though slowing growth of non-performing loans (NPLs) and fewer opportunities to expand revenue generating assets. Given the overleveraged status of the corporate sector coupled with the cautious response of the commercial segment, competition was focussed on the rather resilient retail market.

REVIEW OF GROUP OPERATIONS

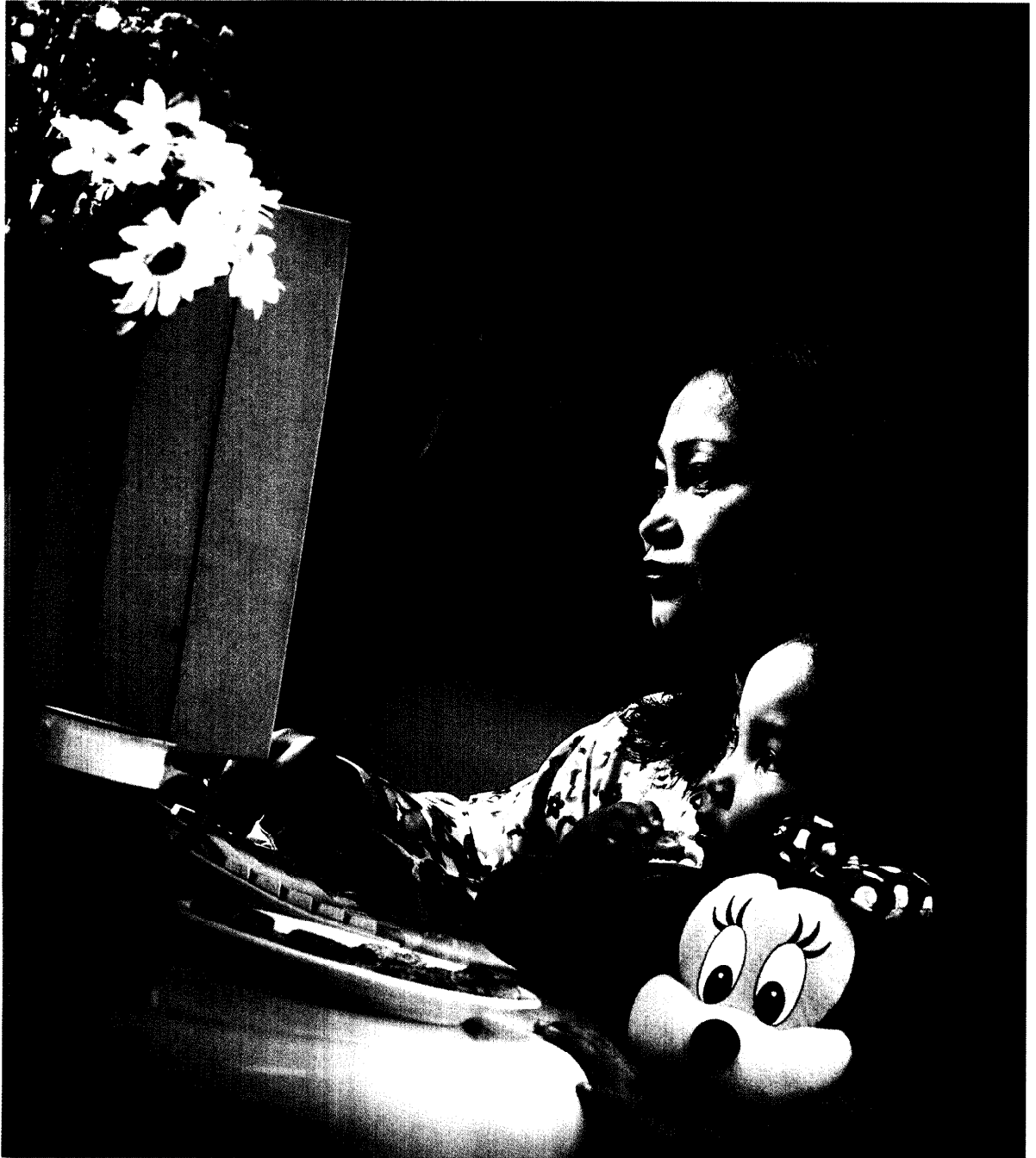
The gradual return to normalcy on the economic front enabled the Group to register an improved performance in FYE June 1999. At the pre-tax level, total profit rose by 82.7% to RM1.0 billion on account of the better results registered by practically all operating units. This translated into a Gross ROE of 11.5%.

With the exception of the merchant banking arm, all the other major subsidiaries either registered improved profitability or achieved a turnaround. In particular, Mayban Securities reversed its losses of RM53.8 million in FY 1997/98 to register a pre-tax profit of RM55.1 million while Mayban Finance and Mayban Discount notched increases of 205% and 119% respectively to RM201.6 million and RM88.3 million. Of some significance was Mayban Life's performance, as it registered its maiden pre-tax profit of RM23 million.

All major subsidiaries with the exception of merchant banking registered improved profitability

Overall profitability continued to be affected by loan loss provisions. During the year, the loan loss provisions charge of RM2,274 million at Group level amounted to 48.2% of net income. The outstanding loan loss reserves of RM6.3 billion as at June 30, 1999 afforded a coverage of 79.8% before taking into account collateral values. As the net NPL ratio showed only a marginal increase of 0.8% to 5.3% while loan recoveries/regularisations grew by 45.8%, prospects for writing back a significant portion of the provisions in the medium term, remains bright.





Banking through personal computers is one of the many conveniences offered by Maybank's extensive range of electronic banking services.

Managing Director's Report (continuation)

Continued efforts were made to reduce operational expenses in the financial year. This resulted in the cost-to-income ratio of the Group declining to 30.4% from 32% in the preceding financial year.

Total Group assets rose by RM2.9 billion or 2.6% to RM117.5 billion. On the liabilities side, customer deposits rose by a significant RM7.5 billion or 10.7%. The liquidity position of the Group therefore remained at a comfortable level with the loan-deposit ratio at 98.4%. As at June 30, 1999 the Group Capital Adequacy Ratio (CAR) stood at 14.8%.

**Group assets rose by
2.6% to RM117.5 billion**

By activity, Commercial Banking Business Unit accounted for 61% of total Group profit, followed by the Finance Business Unit with a share of 26%. The balance is attributed to the Insurance (5%) and Investment Banking (4%) Business Units.

Performance By Business Units

1. Commercial Banking Business Unit

At the Company level, Maybank registered a RM245.5 million increase in pre-tax profit to RM868.7 million. Malaysian Operations accounted for RM666.7 million and Singapore Operations RM251.4 million which is inclusive of the profits of Mayban Finance (S) following its merger with Maybank. The results of the other overseas branches were largely within expectations.

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On account of the rapid reductions in the intervention rate in Malaysia and softer interbank rates in Singapore, the margin on interest bearing assets declined to 3% from 4% in the previous financial year.

Reflecting the efforts made to safeguard asset quality, the net NPL ratio rose by a marginal 0.5% to **3.7%** compared to the industry average of 9.5% in June 1999. The total loan loss provisions of RM4.5 billion provided a cover of 95.6%.

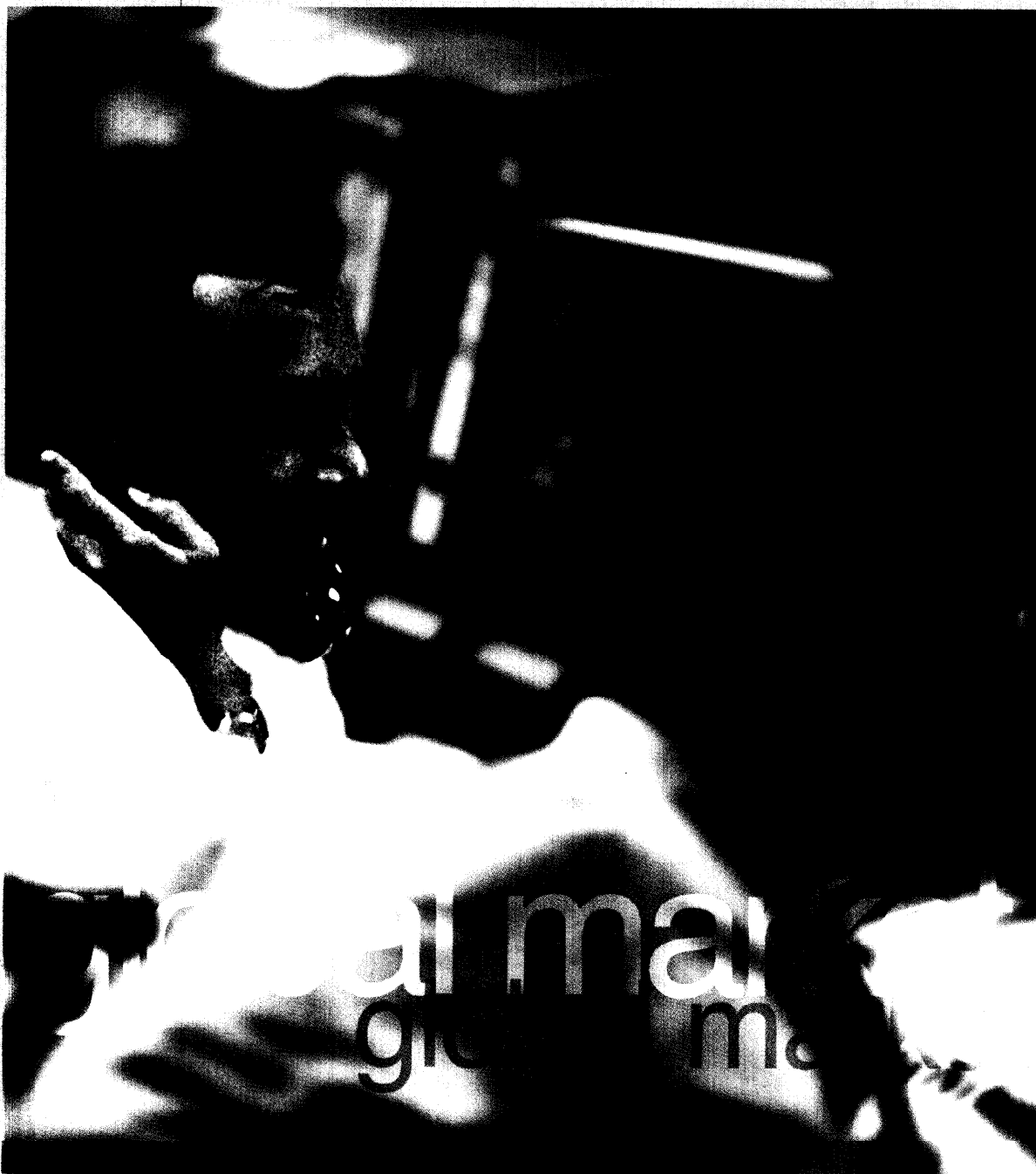
Gross loans expanded by RM1.9 billion or 3.2%. Malaysian Operations registered a growth of RM3.1 billion or 6.7% (adjusted for loans sold to Danaharta which totalled RM1.1 billion).

Total customer deposits rose by a significant RM5.7 billion to RM57.6 billion giving a relatively healthy loan deposit ratio of 99.8%.

Despite increased competition, the Bank was able to further strengthen its domestic franchise by securing higher loans and deposits market share.

Maybank International (L) Ltd registered higher pre-tax profits of RM17.3 million compared to RM11.6 million in FY 1997/98 due to lower funding costs and overheads. Owing to the deteriorating economic environment in Indonesia, Maybank Nusa's losses widened to RM56.4 million on account of larger provisions. As projected, Maybank Philippines incurred a loss of RM10.8 million.





Maybank's international network provides customers with global access.

Managing Director's Report (continuation)

2. Finance Business Unit

The Finance Business Unit's pre-tax profits totalled RM266 million compared to RM73 million in the previous year.

Mayban Finance's pre-tax profits rose by more than 200% to RM201.6 million. Profit growth was largely due to the significant reduction in funding costs, higher recoveries of RM414.2 million and gains from the sale of money market instruments which totalled RM57.4 million.

Although overall loans growth was negative, however, the extension of new Hire Purchase facilities saw an expansion with the economic recovery.

Non-performing loans increased though at a slower rate, resulting in a net NPL ratio of 9.9% compared to 8.1% last year. The reserve coverage stood at 49% compared to the industry average of 25.0% at end June 1999.

Mayban Finance's CAR rose to 13.45% at end June 1998 putting it in a strong position to capitalise on business opportunities.

3. Investment Banking Business Unit

Total pre-tax profit of the investment banking business unit amounted to RM40.4 million which compared favourably with the loss of RM58 million registered in the previous financial year.

Aseambankers continued to be impacted by asset quality considerations as its losses rose to RM118.8 million on account of higher loan provisions amounting to RM209 million. Notwithstanding this, Aseambankers remained well capitalised with a CAR of 14.6% as at June 30, 1999.

With the on-going realignment of business strategies to take advantage of the rising demand for investment banking services, Aseambankers is expected to register a better performance in the current financial year.

Mayban Securities reversed the losses suffered in FY 1997/98 with a pre-tax profit of RM55.1 million. The improvement was largely due to recoveries totalling RM23 million.

Business conditions in the equity market remained unconducive for the greater part of the financial year with low transaction volumes. Consequently, brokerage income declined by 7.6% as business turnover was reduced by RM1.5 billion.

At the close of the financial year, the Company was in full compliance with the prudential regulations relating to the stockbroking industry, namely the Gearing, Minimum Liquid Fund and the Capital Adequacy Ratio requirements.

Mayban Discount reported a significantly improved set of results with pre-tax profits rising 119% to RM88.3 million. This is mainly attributed to reduced funding costs and trading gains



Mayban Finance's Capital Adequacy Ratio puts it in a strong position to capitalise on business opportunities



The Group's internal mission critical systems have been Y2K remedied

Branch personnel to focus on addressing customer needs and delivering superior service quality

The Group empowered its credit card holders with secured cyber shopping capabilities

4. Insurance Business Unit

The Insurance Business Unit's pre-tax profits doubled to RM71 million from RM36 million in the previous year.

Mayban Assurance recorded a 33% increase in pre-tax profits to RM48.2 million. Underwriting profits rose 11.2% to RM31.8 million due to lower management expenses. Underwriting profit as a percentage of Net Premium Earned was nearly double that of the industry average. Despite the difficult operating environment, Gross Premium Written rose by 7.9%.

Mayban Life Assurance registered a maiden pre-tax profit of RM23 million. The intensive promotion of Bankassurance has begun to show promising results as evidenced by the 52% contribution of the scheme towards total Gross Premium Written.

Y2K Compliance

Following up on the work undertaken in FY 1997/98, multiple testing cycles were performed in FY 1998/99. As at end June 1999, the Group's internal mission critical systems have been Y2K remedied and tested. Besides the Systems focus, the preparatory efforts also involved the development and formalisation of Business Contingency and Risk Mitigation plans. This phase encompassed an assessment of customer, supplier and service providers Y2K readiness. With the intensive and closely scrutinised preparations, the transition into the new millennium is expected to be smooth. The Y2K Progress Report is submitted to the Management and Board of Directors on a monthly basis.

Customer Service

In line with the effort to improve customer service, the Branch network continued to be reconfigured. The basic objective of the exercise is to convert the traditional Branch network into customer oriented sales outlets by centralising support functions. This will free Branch personnel to focus on addressing customer needs and delivering superior service quality.

The Group also embarked on the common branding of credit cards issued by Maybank and Mayban Finance. With the resulting standardisation of card benefits and features, distinctions between the card holders of the two entities were eliminated.

Cross selling activities were further strengthened by expanding the number of Financial Executives (FEs) and Consumer Sales Officers (CSOs). To improve customer accessibility and convenience, the product range handled by these dedicated sales personnel was also expanded to include mortgages, unit trusts and credit cards.

In the area of electronic banking which is being actively promoted as an alternative distribution channel, the Group continued with the strategy of expanding the number of self service terminals particularly the network of ATMs, Passbook Update and Cash Deposit Machines. The objective is to move low value transactions away from Branch premises so as to allow Branch personnel to focus on the provision of value-added services. With the growing prominence of Internet banking, the Group was among one of the pioneer local financial institutions to empower its credit card holders with secured cyber shopping capabilities.

The architecture of the Desktop Banking facility was renovated to make it more user friendly. Based on a new Windows operating system, it allows for the faster incorporation and distribution of new features. In addition, it does not impose any restriction on PC type at the customer end and this is expected to significantly reduce the system investment costs incurred by customers.

Business procedures were also under constant review in order to improve efficiency and turnaround time. Initiatives in this regard include the standardisation of the application form for ATM cards and Phone Banking, emplacement of a complaints tracking mechanism to improve response times, re-engineering of Autodebit procedures to reduce processing time and increasing the authority limit of Branch Managers on specific issues for speedier decision making.

Community Service

In the course of the financial year, over RM8 million was contributed to deserving causes and in promoting initiatives in the fields of arts and education.

In terms of welfare activities, the Group disbursed financial assistance to meet the medical expenses of a liver transplant case while donations were also made to old folks home, orphans and poor families during major festivals. Recognising the social costs borne by families affected by the Japanese Encephalitis (JE) outbreak, the Group made a substantial contribution towards the JE Humanitarian Fund.

In the area of education, the Group undertook to donate a number of computers to various schools while academic scholarships were offered to 77 students at the various institutions of higher learning.

Reinforcing the long term commitment to promoting the arts, the Group sponsored the production of the second Maybank anthology entitled 'Cakerawala Nusantara' and Singapore Operations also sponsored a professional tutorship program for artists with disabilities.

Acknowledgements

On behalf of the Group's Management, I would like to express our sincere appreciation to all customers for their support during the testing times of the recent past. I would also like to extend our special thanks to all staff of the Group for their deep sense of commitment and dedication during the past year. As we look forward to the future with renewed optimism, I remain confident that with their continued co-operation and valuable contributions, we will be able to leverage on our combined resources to sustain the Group's leadership position in the new millennium.

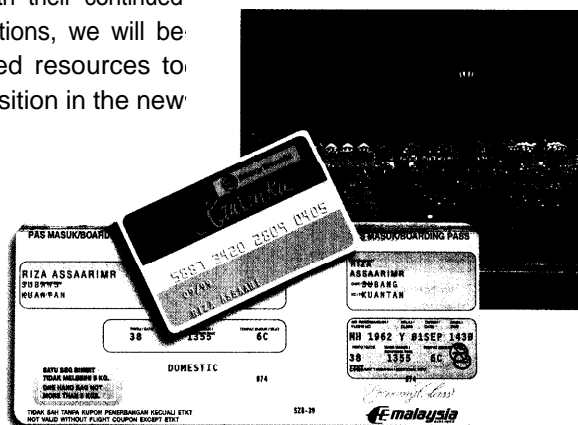
Datuk Amirsham A. Aziz
Managing Director

October 14, 1999

*Constant review of
business procedures to
improve efficiency and
turnaround time*



*Sustaining the Company's
leadership position into
the new millennium*



Group Corporate Highlights



1998

July 1998

1 A signing ceremony on the proposed acquisition of Amanah Finance Malaysia Berhad by Mayban Finance Berhad was held at Menara Maybank.

The Maybank Group signed an agreement with Majlis Perbandaran Kuantan (MPK) to enable customers to pay their MPK assessment fees using Maybank Kawanku Phone Banking facility.

August 1998

Maybank and the Malaysian Press Institute jointly organised a two day seminar on Financial Crime Reporting. About 25 participants from the various media attended the seminar.

Maybank Group made its annual donation of RM36,500 to Zoo Negara for the upkeep of two Sumatran Tigers and four Fish Owls. The cheque was presented by Vice Chairman of Maybank, Dato' Richard Ho to the president of the Malaysian Zoological Society, Tan Sri Khir Johari.

September 1998

Maybank Group under the Maybank Bankassurans umbrella, was appointed the official insurer for the Kuala Lumpur '98 XVI Commonwealth Games providing insurance coverage worth over RM5 billion to all participating athletes, officials and volunteers of the Games.

A total of 50 out of 114 staff who had served 10 years with the Bank received their long service awards comprising a gold medal and certificate each from Maybank Chairman, Dato' Mohamed Basir bin Ahmad at a ceremony held at Menara Maybank.

October 1998

The 38th Annual General Meeting of the shareholders of Maybank was held at Menara Maybank.

2 A total of 186 out of 229 local and overseas staff who had served 20 and 30 years in the organisation were honoured with the presentation of a gold medal and certificate each at a Long Service Award presentation ceremony.



3 Mayban Finance Berhad launched the third season of "Segmen Harapan" aired over the "Malaysia Hari Ini" programme on TV3. The programme is aimed at helping poor families in cash and kind.

4 The Chairman of Maybank, Dato' Mohamed Basir bin Ahmad presented scholarship awards to 42 recipients pursuing their undergraduate degree programmes in various courses at tertiary institutions across Malaysia. Maybank had allocated RM700,000 for the scholarship programme for 1998 as part of its commitment as a responsible corporate citizen.



5 In conjunction with the Deepavali festive celebration, Maybank Group donated computers, goodies and cash worth RM25,000 to orphans and underprivileged children from eight organisations in Klang Valley.

6 Maybank hosted dinner for a delegation comprising 200 editors and journalists from Commonwealth countries who were attending a four-day Commonwealth Press Union conference in Kuala Lumpur.

7 The Maybank Group, for the 13th consecutive year, recognised the hardwork and effort put in by the children of its staff who achieved excellent results in their 1997 Sijil Pelajaran Malaysia and Penilaian Menengah Rendah examinations by presenting them with Academic Excellence Awards.



November 1998

Maybank was one of the two pioneer banks involved in the introduction of the National Secure Electronic Transaction (SET) Payment Gateway, launched by Malaysian Electronic Payment System Sdn Bhd (MEPS).

8 Mayban Finance Berhad won the Anugerah Kristal award under the community project category in recognition of its "Segmen Harapan" series aired over the "Malaysia Hari Ini" programme on TV3. The award was given by the Institute of Public Relations Malaysia (IPRM).

9 The ground breaking ceremony for the new Maybank Headquarters in Singapore was graced by His Excellency Dato' Haji Salim bin Hashim, the Malaysian High Commissioner in Singapore and Dato' Mohamed Basir bin Ahmad, Chairman of Maybank.



December 1998

10 Maybank Geylang Branch in Singapore underwent extensive renovation and was renamed Geylang Serai Branch to better reflect the exact location of the Branch which is strategically located at the fringe of Geylang Serai

Maybank participated in the Government's Home Ownership Campaign which was jointly organised by the Association of Banks in Malaysia, Association of Finance Companies in Malaysia and Housing Developers Association.



11 Maybank Singapore participated in the first-ever tripartite partnership between a private organisation (Maybank), an institute of higher learning (Singapore Polytechnic) and a non-profit charitable organisation (Very Special Arts Singapore) to present Bridging Dreams, the first-ever integrated camp incorporating lifestyle, arts and recreation to bring mainstream friendship and teenage activities to 60 youths with and without disabilities.

1999

February 1999

12 In conjunction with the Chinese New Year and Hari Raya Aidil Fitri festivals, the Maybank Group made donations of over RM285,000 to various underprivileged people. This included a RM200,000 contribution to Mohamed Afiq Iqmal Muhammad Zaini for a liver transplant operation as well as RM85,310.00 to various

homes for senior citizens, the handicapped and underprivileged.

Maybank Finance Berhad also contributed Al Wadiah Savings Accounts and Oh Wow! coin boxes to orphans as well as cash and souvenirs to senior citizens in conjunction with the Hari Raya celebration.

March 1999

The Maybank Group Welfare Fund donated a van for the benefit of underprivileged students of Sekolah Kebangsaan Simpang Tiga, Bagan Datoh, Perak.

Maybank was appointed by Pengurusan Danaharta Nasional Berhad as the agent bank for Danaharta as well as its subsidiary companies. As an agent bank, Maybank will provide operative facilities for all banking services including overdrafts, banker's acceptances and letters of credit to Danaharta-approved borrowers.

Maybank participated in a three-day promotion of SMI Funds which was held at Putra World Trade Centre, Kuala Lumpur. The SMI Funds Promotion was held to create awareness of the various funds available for small and medium sized industries as well as to enable entrepreneurs to establish contacts with the financial institutions and relevant agencies to assist them in the loan applications.



April 1999

The Maybank Group Welfare Fund donated Disaster Recovery Kits worth over RM98,000 to Hospital Queen Elizabeth & Hospital Tawau in Sabah.

Maybank Group donated RM300,000.00 to the Japanese Encephalitis (JE) Fund to help the families of JE victims,

13 Deputy Prime Minister, Dato' Seri Abdullah Ahmad Badawi launched "Cakerawala Nusantara", the second anthology of poems and paintings, produced by the Maybank Group. The production of this anthology is in line with the Maybank Group's commitment in promoting the appreciation and development of art and literature.

In conjunction with the launch of Cakerawala Nusantara, a solo art exhibition entitled "From 1956 until 1999", featuring works of renowned national artist, Datuk Syed Ahmad Jamal was held at Balai Seni Maybank.

14 Maybank's third branch in Brunei Darussalam was officially opened by the Deputy Minister of Finance of Negara Brunei Darussalam, Dato' Paduka Awang Haji Selamat bin Haji Munap.

Mayban Assurance Berhad (MAB) signed a sale and purchase agreement with Sime Bank Berhad for the acquisition of 77.24% of the paid-up share capital of UMBC Insurans Berhad from Sime Bank Berhad (SBB).

15 As a further reinforcement of Maybank Singapore's commitment to help upgrade and showcase the artistic talents of people with disabilities, the Bank sponsored the first-ever professional tutorship programme for artists with disabilities called "The Maybank-Very Special Arts (VSA) Pair-With-An-Artist programme". It was officially launched by Mr Yatiman Yusof, Senior Parliamentary Secretary, Ministry of Information and the Arts, Singapore.



15

May 1999

The Maybank Group Welfare Fund donated eight wheelchairs to three organisations namely, Pusat Harian Kanak-Kanak Spastik Ipoh, Perak; Persatuan Orang-Orang Cacat Anggota, Malaysia and Jabatan Bomba dan Penyelamat, Malaysia.

Aseambankers Malaysia Berhad donated 22 computers to four primary schools for special children in Kuala Lumpur and Ipoh.

Mayban Finance (Singapore) Ltd was merged with the Singapore operations of Maybank. The merger supports a number of important strategic goals of Maybank in Singapore including growth, diversification as well as product and market expansion.

June 1999

Maybank and Mayban Finance launched a new design Group credit cards with the theme "Cards for the New Millennium". This launch also marked Mayban Finance's achievement as the first finance company in Malaysia to issue the Visa Credit Card.

A Topping-Up Ceremony for the proposed new headquarters of three Maybank subsidiaries i.e. Mayban Life Assurance Bhd, Mayban Assurance Bhd and Mayban Finance Bhd, was officiated by Dato' Mohamed Basir bin Ahmad, Chairman of

Maybank at Bangsar Utama in Kuala Lumpur.

Maybank Group participated in the "PNB Investment Week" (Minggu Pelaburan Bersama PNB) exhibition organised by Permodalan Nasional Bhd which was held in conjunction with the launching of the ASN 2 unit trust scheme.



16

16 Eighty Form Four students from all over Peninsular Malaysia took part in the "8th Kern Remaja", which was held at Tasik Chini, Pekan, Pahang. The annual event, organised and sponsored by Mayban Finance Bhd, was aimed at supporting the Government's vision of shaping a progressive independent and disciplined society.

Mayban Life Assurance Berhad and Yayasan Guru Malaysia Berhad (YGMB) – an association for teachers in Malaysia, participated in the signing of a Memorandum of Undertaking (MOU) for the development of Pelaburan Premier Guru, a new investment-linked product.

Group Corporate Structure



<ul style="list-style-type: none"> • Maybank • PT. BANK MAYBANK NUSA INTERNATIONAL (formerly known as P.T. May Bank Nusa International) • Maybank International (L) Ltd • Maybank (PNG) Ltd • Maybank Philippines Incorporated 	<ul style="list-style-type: none"> • Mayban Finance Bhd • MFSL Ltd (formerly known as Mayban Finance (Singapore) Ltd) • Aseamlease Bhd • Aseam Credit Sdn Bhd • Mayban Factoring Bhd • Amanah Finance Malaysia Berhad 	<ul style="list-style-type: none"> • Mayban Assurance Bhd • Mayban Life Assurance Bhd • Mayban Life International (Labuan) Ltd • Mayfin Nominees (Tempatan) Sdn Bhd • Mayban Nominees (Singapore) Pte Ltd • Mayban Nominees (Hongkong) Ltd • Aseam Malaysia Nominees (Tempatan) Sdn Bhd • Aseam Malaysia Nominees (Asing) Sdn Bhd • Mayban Securities (Nominees) Sdn Bhd • Mayban Securities (Tempatan) Sdn Bhd • Mayban Securities Nominees (Asing) Sdn Bhd • MFSL Nominees Pte Ltd (formerly known as Mayban Finance Nominees (Singapore) Pte Ltd) • AFMB Nominees (Tempatan) Sdn Bhd 	<ul style="list-style-type: none"> • Mayban Property Trust Management Bhd • Mayban Manaagement Bhd • Mayban Investment Management Sdn Bhd (formerly known as Mayban-UBS Asset Manaagement Sdn Bhd) • Mayban International Trust (Labuan) Bhd • Mayban Offshore Corporate Services (Labuan) Sdn Bhd • Mayban Ventures Sdn Bhd • Mayban Venture Capital Co. Sdn Bhd • Mayban-JAIC Capital Management Sdn Bhd • Philmay Property Inc. • RPB Venture Capital Corporation • Mayban Trustees Bhd • Mavban (Nominees) Sdn Bhd • Mavban Nominees (Tempatan) Sdn Bhd • Mayban Nominees (Asing) Sdn Bhd 	<ul style="list-style-type: none"> • Aseambankers Malaysia Bhd • Mayban Securities (Holdings) Sdn Bhd • Mayban Securities Sdn Bhd • Mayban Discount Bhd • Mayban Futures Sdn Bhd

Group Activities

Commercial Banking

1. Maybank
14th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
2. P.T. BANK MAYBANK NUSA
INTERNATIONAL
(formerly known as
PT May Bank Nusa International)
BCD Tower Lt. 17
Jalan Jend. Sudirman Kav. 26
Jakarta 12920, Indonesia
3. Maybank Philippines Incorporated
Legaspi Towers 300
Roxas Boulevard
Manila, Philippines

Merchant Banking

4. Aseambankers Malaysia Bhd
33rd Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Offshore Banking

5. Maybank International (L) Ltd
Lot B, Level 16, Main Office Tower
Labuan Financial Park
Jalan Merdeka
87000 Wilayah Persekutuan Labuan

Banking and Financial Services

6. Maybank (PNG) Ltd
Corner Waigani Road/Islander Drive
P.O. Box 882
Waigani, National Capital District
Papua New Guinea

Finance Company

7. Mayban Finance Bhd
3rd Floor
1, Medan Tuanku Satu
50300 Kuala Lumpur
8. MFSL Ltd
(formerly known as
MaybanFinance (Singapore) Ltd)
66/68, South Bridge Road
Singapore 0105
9. Amanah Finance Malaysia Berhad
3rd Floor
1, Medan Tuanku Satu
50300 Kuala Lumpur

General Insurance

10. Mayban Assurance Bhd
Ground Floor
Bangunan Mayban Assurance
27, Lorong Medan Tuanku Satu
50300 Kuala Lumpur

Life Insurance

11. Mayban Life Assurance Bhd
26th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
12. Mayban Life International
(Labuan) Ltd
Lot B, Level 16, Main Office Tower
Labuan Financial Park
Jalan Merdeka
87000 Wilayah Persekutuan Labuan

Investment Holding

13. Mayban Securities (Holdings)
Sdn Bhd
30th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Venture Capital

14. Mayban Ventures Sdn Bhd
20th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

15. Mayban Venture Capital Co.
Sdn Bhd
20th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
16. RPB Venture Capital Corporation
Legaspi Towers 300
Roxas Boulevard
Manila, Philippines

Stockbroking

17. Mayban Securities Sdn Bhd
30th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Leasing & Hire Purchase

18. Aseamlease Bhd
38th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Hire Purchase

19. Aseam Credit Sdn Bhd
38th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Discount House

20. Mayban Discount Bhd
31 st Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Factoring Services

21. Mayban Factoring Bhd
32nd Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Property Trust Fund Management

22. Mayban Property Trust
Management Bhd
28th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Unit Trust Fund Management

23. Mayban Management Bhd
26th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Asset Management

24. Mayban Investment
Management Sdn Bhd
(formerly known as
Mayban-UBS Asset Management Sdn Bhd)
26th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Property Holding

25. Philmay Property Inc.
Legaspi Towers 300
Roxas Boulevard
Manila, Philippines

Futures Broking

26. Mayban Futures Sdn Bhd
44th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Trustee Services

27. Mayban International Trust
(Labuan) Bhd
Lot B, Level 16, Main Office Tower
Labuan Financial Park Complex
Jalan Merdeka
87000 Wilayah Persekutuan Labuan

28. Mayban Trustees Bhd
34th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Investment Advisory

29. Mayban-JAIC Capital Management
Sdn Bhd
20th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur

Provision of Corporate Directorship and Secretaryship

30. Mayban Offshore Corporate Services
(Labuan) Sdn Bhd
Lot B, Level 16, Main Office Tower
Labuan Financial Park Complex
Jalan Merdeka
87000 Wilayah Persekutuan Labuan

Nominee Services

31. Mayban (Nominees) Sdn Bhd
14th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
32. Mayban Nominees (Tempatan)
Sdn Bhd
14th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
33. Mayban Nominees (Asing) Sdn Bhd
14th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
34. Mayban Nominees (Spore) Pte Ltd
2 Battery Road
#04-02 Maybank Chambers
Singapore 0104
35. Mayban Nominees (Hongkong) Ltd
18F & 19F Entertainment Building
30 Queen's Road
Central Hongkong
36. Aseam Malaysia Nominees
(Tempatan) Sdn Bhd
33rd Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
37. Aseam Malaysia Nominees (Asing)
33rd Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
38. Mayfin Nominees (Tempatan)
Sdn Bhd
3rd Floor
1, Medan Tuanku Satu
50300 Kuala Lumpur
39. Mayban Securities (Nominees)
Sdn Bhd
30th Floor, Menara Maybank
50050 Kuala Lumpur
40. Mayban Securities Nominees
(Tempatan) Sdn Bhd
30th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
41. Mayban Securities Nominees (Asing)
Sdn Bhd
30th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
42. MFSL Nominees Pte Ltd
(formerly known as
MaybanFinance Nominees (Singapore) Pte Ltd)
66/68, South Bridge Road
Singapore 0105
43. AFMB Nominees (Tempatan)
Sdn Bhd
3rd Floor
1, Medan Tuanku Satu
50300 Kuala Lumpur

Properties Owned By Maybank Group

Area	No. of Properties		Land Area (sq. m.)	Book Value as at 30.6.99
	Freehold	Leasehold		
MAYBANK				
Kuala Lumpur	13	5	44,304.75	209,972,299.61
Johor Darul Takzim	16	9	15,861 .00	45,165,930.65
Kedah Darul Aman	10	6	7,577.66	10,104,898.51
Kelantan Darul Naim		6	2,846.00	2,761,219.02
Melaka		5	3,670.00	6,690,275.57
Negeri Sembilan Darul Khusus	8	3	17,228.00	6,270,940.56
Pahang Darul Makmur	6	18	22,838.00	16,448,734.12
Perak Darul Ridzuan	14	9	14,108.65	12,290,571.60
Perlis Indera Kayangan		2	1,287.00	2,000,214.90
Pulau Pinang	10	4	11,328.74	23,885,981.15
Sabah	–	28	22,694.00	27,718,905.40
Sarawak	3	15	11,542.40	15,775,807.67
Selangor Darul Ehsan	16	14	104,052.00	88,535,941.91
Terengganu Darul Naim	2	3	2,326.00	4,275,980.80
Singapore	12	10	23,411 .00	S\$31,187,014.78
Hong Kong	–	2	193.00	HK\$1,943,244.73
London	–	6	695.00	542,988.74
MAYBANK INTERNATIONAL (L) LTD				
Wilayah Persekutuan Labuan	3	2	1,090.11	USD 366,724.37
MAYBAN FINANCE BERHAD				
Kuala Lumpur	7	3	3,242.79	10,090,407.00
Johor Darul Takzim	13		3,192.87	9,848,268.77
Kedah Darul Aman	2	2	1,650.72	2,756,094.65
Kelantan Darul Naim	–		298.00	1,244,310.78
Melaka	1	3	799.46	2,543,097.61
Negeri Sembilan Darul Khusus	5	2	3,061.27	2,264,044.77
Pahang Darul Makmur	6		1,009.48	2,280,572.66
Perak Darul Ridzuan	6		1,514.10	321,564.97
Perlis Indera Kayangan			188.00	321,564.97
Pulau Pinang	5		1549.26	8,233,447.47
Sabah	–		1,335.59	6,007,730.74
Sarawak	3	5	1,779.70	6,416,871.41
Selangor Darul Ehsan	9	5	4,001.48	19,226,044.63
Terengganu Darul Naim	5		2,986.00	2,045,175.29

Area	No. of Properties		Land Area (sq. m.)	Book Value as at 30.6.99
	Freehold	Leasehold		

MAYBAN ASSURANCE BERHAD

Kuala Lumpur	—	1	473.43	7,539,810.68
Pahang Darul Makmur	1	—	185.80	367,654.40
Kedah Darul Aman	1	—	120.00	416,484.30
Perlis Indera Kayangan	—	1	130.00	179,656.04
Melaka	—	1	139.00	250,802.09
Sarawak	1	—	115.50	492,149.18
Selangor Darul Ehsan	—	1	143.00	230,080.11
Sabah	—	1	186.00	1,002,158.27

MAYBAN DISCOUNT BERHAD

Negeri Sembilan Darul Khusus	1	—	701.30	180,959.67
Pahang Darul Makmur	1	—	98.90	211,295.86

ASEAMBANKERS MALAYSIA BERHAD

Negeri Sembilan Darul Khusus	—	1		
Pahang Darul Makmur	—	1		
Pulau Pinang	1	—		

MAYBAN LIFE ASSURANCE BERHAD

Negeri Sembilan Darul Khusus	1		148.60	300,000.00
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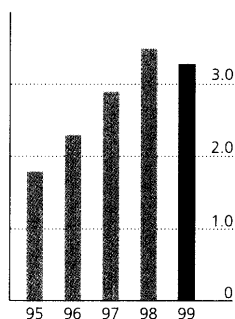
MAYBAN SECURITIES SDN BHD

Negeri Sembilan Darul Khusus	1	—	372.77	231,116.67
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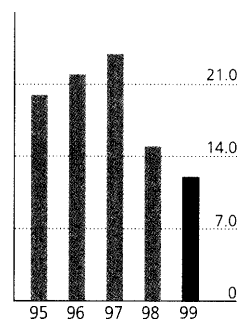
Five Year Group Financial Summary

	1999 RM Million	1998 RM Million	1997 RM Million	1996 RM Million	1995 RM Million
Results					
Operating profits	3,283	3,460	2,868	2,259	1,819
Profit before taxation	1,011	553	3,865	1,801	1,475
Profit after taxation and minority interest	970	130	2,981	1,075	864
Assets					
Total assets	117,479	114,514	110,438	94,203	81,779
Loans and advances	76,301	77,852	64,742	56,463	48,940
Liabilities And Shareholders' Funds					
Deposits from customers	77,551	70,025	65,101	59,317	52,389
Paid-up share capital	2,308	2,286	1,143	1,143	1,143
Shareholders' funds	9,217	8,407	8,273	5,601	4,699

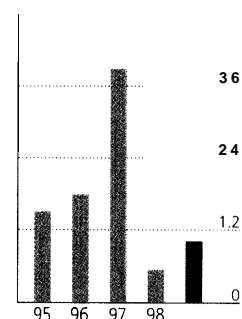
Operating Profit



Dividend Rate



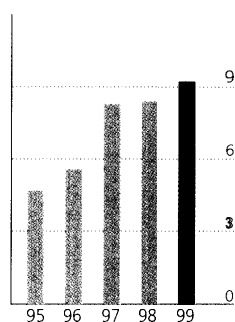
Profit Before Taxation



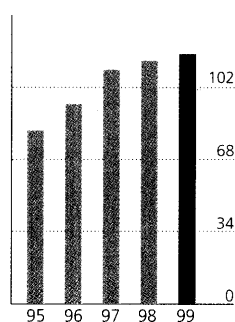
	1999 RM Million	1998 RM Million	1997 RM Million	1996 RM Million	1995 RM Million
Financial Ratios (%)					
Net return on average					
shareholders' funds	11.01	1.56	42.97	20.87	20.13
Net return on average assets	0.84	0.11	2.91	1.22	1.12
Loans and advances to deposits	93.39	111.18	99.45	95.19	93.42
Share Information					
Basic earnings per share	42 sen*	6 sen*	261 sen	94 sen	76 sen
Net tangible assets					
backing per share	RM 3.99*	RM 3.67*	RM 7.23	RM 4.90	RM 4.11
Dividend rate	12.0%	15.0%	24.0%	22.0%	20.0%
Dividend cover	4.87	1.05	15.53	6.10	5.40

* Based on enlarged capital after the 1: 1 bonus issue

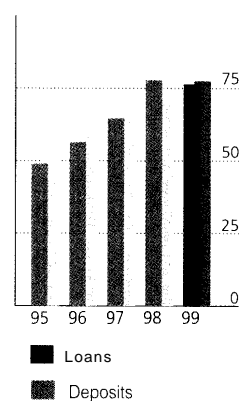
Shareholders' Funds



Total Assets



Loans Against Deposit

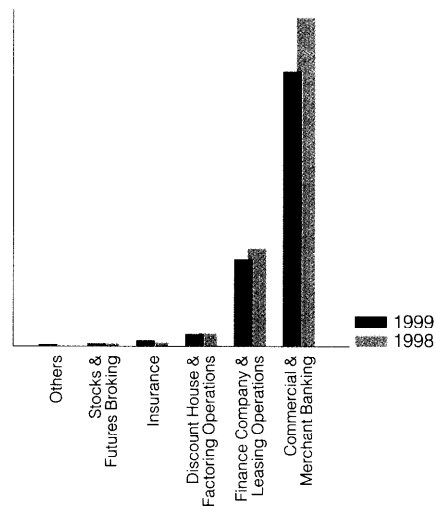


Segment Information

Analysis By Activity

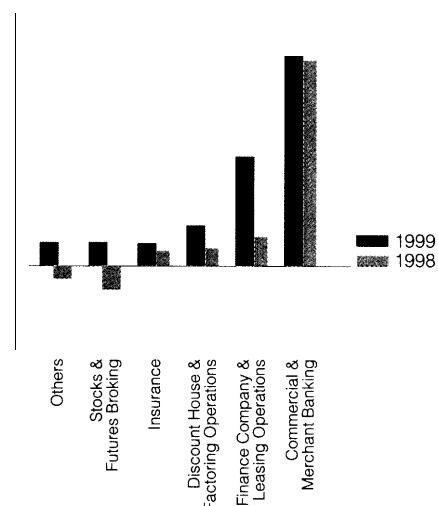
Operating Revenue (RM'000)

	1999	1998
Commercial and Merchant Banking	8,156,435	9,771,027
Finance Company and Leasing Operations	2,571,101	2,917,367
Discount House and Factoring Operations	347,247	384,489
Insurance	157,081	117,542
Stocks and Futures Broking	83,883	86,982
Others	43,631	16,206



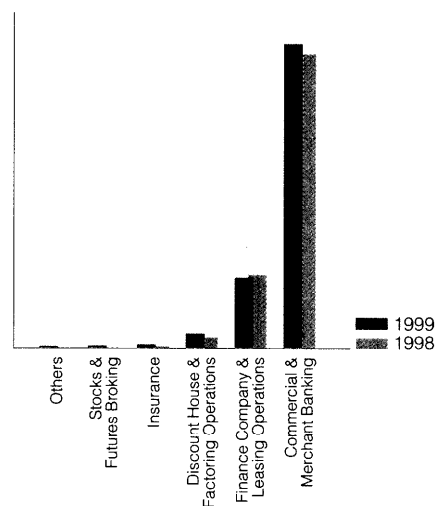
Profit Before Taxation (RM'000)

	1999	1998
Commercial and Merchant Banking	495,321	487,292
Finance Company and Leasing Operations	259,517	70,187
Discount House and Factoring Operations	94,873	43,311
insurance	52,032	36,982
Stocks and Futures Broking	54,915	(54,979)
Others	54,291	(29,508)



Assets Employed (RM'000)

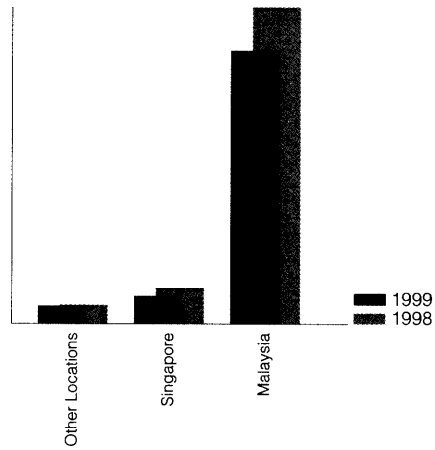
	1999	1998
Commercial and Merchant Banking	90,328,379	87,643,979
Finance Company and Leasing Operations	21,033,636	22,213,195
Discount House and Factoring Operations	4,276,675	3,487,827
Insurance	921,639	656,823
Stocks and Futures Broking	526,781	227,227
Others	391,419	285,118



Analysis By Geographical Location

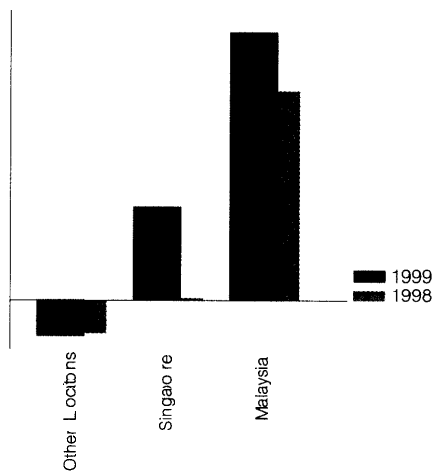
Operating Revenue (RM'000)

	1999	1998
Malaysia	9,734,055	11,281,580
Singapore	980,458	1,326,359
Other Locations	624,645	685,674



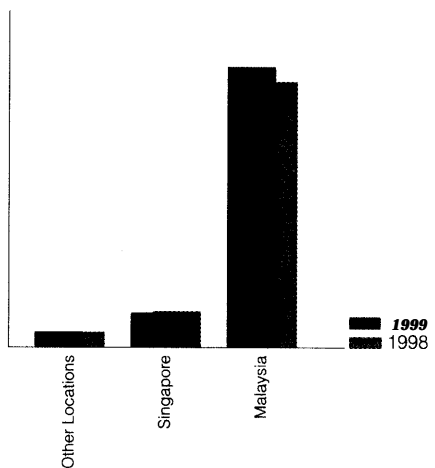
Profit Before Taxation (RM'000)

	1999	1998
Malaysia	831,589	653,907
Singapore	289,720	614
Other Locations	(110,360)	(101,236)



Assets Employed (RM'000)

	1999	1998
Malaysia	99,589,805	95,191,806
Singapore	12,469,417	13,425,887
Other Locations	5,419,307	5,896,476



Analysis of Shareholdings as at September 13, 1999

Authorised Share Capital	4,000,000,000
Paid-Up Share Capital	2,323,719,214
Class of Shares	Ordinary Share of RM1 each
Voting Right	1 vote per Ordinary Share

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
Less than 500	4,091	15.87	1,088,608	0.05
500 – 5,000	16,956	65.80	29,946,224	1.29
5,001 – 10,000	1,759	6.82	13,583,202	0.58
10,001 – 100,000	2,193	8.51	74,980,802	3.23
100,001 – 1,000,000	659	2.56	201,786,348	8.68
Above 1,000,000	112	0.44	2,002,334,030	86.17
Total	25,770	100.00	2,323,719,214	100.00

SUBSTANTIAL SHAREHOLDERS

No.	Name of Shareholders	No. of Shares Held	% of Shares
1.	Permodalan Nasional Berhad	819,613,991	35.27
2.	Amanah Raya Nominees (Tempatan) Sdn Bhd B/O: Sekim Amanah Saham Bumputera	367,342,383	15.81
3.	Khazanah Nasional Berhad	123,726,000	5.32
4.	Employees Provident Fund Board	123,083,766	5.30
5.	The Central Depository Pte Limited	96,602,516	4.16
6.	Lembaga Kemajuan Tanah Persekutuan Felda	67,231,150	2.89

TOP TWENTY SHAREHOLDERS

No.	Name of Shareholders	No. of Shares Held	% of Shares
1.	Permodalan Nasional Berhad	819,613,991	35.27
2.	Amanah Raya Nominees (Tempatan) Sdn Bhd B/O Sekim Amanah Saham Bumputera	367,342,383	15.81
3.	Khazanah Nasional Berhad	123,726,000	5.32
4.	Employees Provident Fund Board	123,083,766	5.30
5.	The Central Depository Pte Limited	96,602,516	4.16
6.	Lembaga Kemajuan Tanah Persekutuan Felda	67,231,150	2.89
7.	Cartaban Nominees (Asing) Sdn Bhd B/O A/C State Street Bank & Trust Co Fund GB01 A/C Harbor International Fund	30,314,000	1.30
8.	Cartaban Nominees (Asing) Sdn Bhd B/O Government Of Singapore Investment Corporation Pte Ltd C for Government Of Singapore	25,867,800	1.11
9.	Chase Malaysia Nominees (Asing) Sdn Bhd B/O Abu Dhabi Investment Authority	24,984,240	1.08
10.	Amanah Raya Nominees (Tempatan) Sdn Bhd B/O Sekim Amanah Saham Wawasan 2020	16,979,000	0.73
11.	Botly Nominees (Asing) Sdn Bhd B/O Fleet Investments Management Limited	16,354,000	0.70
12.	Malaysia Nominees (Tempatan) Sdn Bhd B/O Great Eastern Life Assurance Malaysia Berhad for Malaysia Life Fund	16,312,600	0.70
13.	Chase Malaysia Nominees (Asing) Sdn Bhd B/O Emerging Markets Growth Fund	15,704,800	0.68
14.	Tasec Nominees (Asing) Sdn Bhd B/O: Meespierson Asia Limited for Savern Finance Limited	13,411,600	0.58
15.	Bank Simpanan Nasional Malaysia	12,205,800	0.53
16.	Cartaban Nominees (Asing) Sdn Bhd B/O A/C State Street Bank & Trust Co Fund ZV10 A/C State Street Bank & Trust Fund for Employee Trust	9,196,936	0.40
17.	Chase Malaysia Nominees (Asing) Sdn Bhd B/O Vanguard International Growth Portfolio	6,780,400	0.29
18.	Tasec Nominees (Asing) Sdn Bhd B/O: Ta Securities HK Ltd for Jeffrey Smith	6,542,800	0.28
19.	HDM Nominees (Asing) Sdn Bhd B/O: Lim & Tan Securities Pte Ltd for Topview Holdings Limited	6,254,600	0.27
20.	Citicorp Nominees (Asing) Sdn Bhd B/O American International Assurance Company Limited Par Core	5,777,500	0.25
Total		1,804,285,882	77.65