



**MINORITY SHAREHOLDER WATCHDOG GROUP**  
*Shareholder Activism and Protection of Minority Interest*

13 March 2009

**BY FAX/ HAND**

(Fax No.: 603-2031 0071)

The Board of Directors  
**Malayan Banking Berhad**  
14<sup>th</sup> Floor, Menara Maybank  
100, Jalan Tun Perak  
50050 Kuala Lumpur

**Attention: Encik Mohd Nazlan Mohd Ghazali**  
*General Counsel & Company Secretary*

Dear Sirs,

Re: **Extraordinary General Meeting (EGM) of Malayan Banking Berhad (Maybank or the Company)**

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We, the MSWG, received the Notice that Malayan Banking Berhad (Maybank or the Company) would hold an Extraordinary General Meeting (EGM) at 10.00 a.m. at Grand Nirwana Ballroom, Lower Lobby, Crowne Mutiara Kuala Lumpur on Monday, 23 March 2009.

We note the purpose of the EGM to seek shareholders' approval for the proposed renounceable rights issue on the basis of nine (9) ordinary shares of RM1.00 each in Maybank for every twenty (20) existing ordinary shares of RM1.00 each held in Maybank.

In this regard, we would appreciate if the Board could address the following points:

1. We note that the acquisition of PT Bank Internasional Indonesia Tbk (BII) was completed on 1 December 2008. The possible impairment losses that were incurred from this acquisition has not been done to-date and thus, the minority shareholders would not be able to gauge the true and fair value of the Group's second quarterly results as at 31 December 2008. As the acquisition had been completed, it is envisaged that the Board would have known the impact and announced it in its second quarterly results.

Could the Board explain why the acquisition of BII was not taken into account?

Therefore, we would appreciate if the Board could give us the impact on the Group's financial performance in its third quarterly results ending 31 March 2009.

2. We refer to the Circular on pages 12-13 in regard to outstanding proposals pending completion.

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**BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD**

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How much capital commitment is expected to be involved in these outstanding proposals?

3. We understand from the Circular that the Board has obtained written undertaking from certain substantial shareholders of up to approximately 89.4 % for the Proposed Rights Issue. Given the Proposed Rights Issue would require minority shareholders to fork out funds in these trying times, it is expected that many retail minority shareholders may not wish to do so, thus dilution of their stake.

In these circumstances, what would be the likely free float in the public spread?

4. We would like to seek further clarification on the Group's gearing position after adjusting for material transactions as shown in the Circular on page 9. It is noted that the Group's gearing position would increase from 0.44 times to 0.58 times.

We would be pleased if the Board could address the questions and present the answers at the upcoming EGM.

At the same time, we await a written reply as soon as possible for our record.

Thank you.

Yours faithfully



**Rita Benoy Bushon**  
Chief Executive Officer

RBB/lis/at