

Company No: 9999V

AFFIN Investment Bank Berhad
(Incorporated in Malaysia)

**BASEL II
PILLAR 3 DISCLOSURES**

As at 30 June 2011

AFFIN Investment Bank Berhad

(Incorporated in Malaysia)

Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures

1 Capital

1.1 Capital Structure

	The Group 30 June 2011 RM'000	The Bank 30 June 2011 RM'000	The Group 31 December 2010 RM'000	The Bank 31 December 2010 RM'000
Capital Base	494,157	475,725	508,406	490,052
Risk weighted capital ratio	25.95%	25.80%	30.54%	29.96%
Risk weighted capital ratio (net of proposed dividends)	25.95%	25.80%	29.54%	28.94%
Tier 1	494,157	475,725	508,406	490,052
Core capital ratio	25.95%	25.80%	30.54%	29.96%
Core capital ratio (net of proposed dividends)	25.95%	25.80%	29.54%	28.94%

1.2 Capital Adequacy under the Standardised Approach

1.2.1 The Group

30 June 2011

	Exposure Class	Gross Exposures		Net Exposures	Risk Weighted Assets	Capital Requirements
		RM'000	RM'000	RM'000	RM'000	RM'000
1	CREDIT RISK					
	<u>On Balance Sheet Exposures</u>					
	Sovereigns/Central Banks		2,145,916	2,145,920	-	-
	Banks, Development Financial Institutions & MDBs		716,570	716,570	231,112	18,489
	Corporate		1,642,547	1,574,524	952,368	76,189
	Regulatory Retail		9,114	5,077	3,808	305
	Equity Exposure		68,425	68,425	86,796	6,944
	Other Assets		187,012	187,010	158,898	12,712
	Defaulted Exposures		72,146	72,146	99,925	7,994
	TOTAL On-Balance Sheet Exposures		4,841,730	4,769,672	1,532,907	122,633
<u>Off Balance Sheet Exposures</u>						
Off Balance sheet Exposures other than OTC derivatives or credit derivatives		83,298	83,298	76,317	6,105	
TOTAL Off-Balance Sheet Exposures		83,298	83,298	76,317	6,105	
TOTAL On and Off-Balance Sheet Exposures		4,925,028	4,852,970	1,609,224	128,738	
2	MARKET RISK	Long Position	Short Position			
	Interest Rate Exposure	64,389	(64,389)		7,736	619
	Foreign Currency Exposure	-	(15,896)		15,896	1,272
	Equity exposure	-	(12,338)		12,338	987
	TOTAL MARKET RISK	64,389	(92,623)		35,970	2,878
3	OPERATIONAL RISK					
	Operational Risk				259,196	20,736
TOTAL RWA and Capital Requirements					1,904,390	152,352

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures

1.2 Capital Adequacy under the Standardised Approach (continued)

1.2.2 The Bank

30 June 2011

	Exposure Class	Gross Exposures		Net Exposures	Risk Weighted Assets	Capital Requirements
		RM'000	RM'000	RM'000	RM'000	RM'000
1	CREDIT RISK					
	On Balance Sheet Exposures					
	Sovereigns/Central Banks		2,145,916	2,145,920	-	-
	Banks, Development Financial Institutions & MDBs		581,492	581,492	204,096	16,328
	Corporate		1,642,547	1,574,524	952,368	76,189
	Regulatory Retail		9,114	5,077	3,808	305
	Equity Exposure		68,425	68,425	86,796	6,944
	Other Assets		180,835	180,833	152,721	12,218
	Defaulted Exposures		72,146	72,146	99,925	7,994
	TOTAL On-Balance Sheet Exposures		4,700,475	4,628,417	1,499,714	119,978
Off Balance Sheet Exposures						
Off Balance sheet Exposures other than OTC derivatives or credit derivatives		83,298	83,298	76,317	6,105	
TOTAL Off-Balance Sheet Exposures		83,298	83,298	76,317	6,105	
TOTAL On and Off-Balance Sheet Exposures		4,783,773	4,711,715	1,576,031	126,083	
2	MARKET RISK	Long Position	Short Position			
	Interest Rate Exposure	64,389	(64,389)		7,736	619
	Foreign Currency Exposure	-	(15,896)		15,896	1,272
	Equity exposure	-	(12,338)		12,338	987
	TOTAL MARKET RISK	64,389	(92,623)		35,970	2,878
3	OPERATIONAL RISK					
	Operational Risk				231,548	18,524
TOTAL RWA and Capital Requirements					1,843,549	147,485

1.2.3 The Group

31 December 2010

	Exposure Class	Gross Exposures		Net Exposures	Risk Weighted Assets	Capital Requirements
		RM'000	RM'000	RM'000	RM'000	RM'000
1	CREDIT RISK					
	On Balance Sheet Exposures					
	Sovereigns/Central Banks		1,663,753	1,663,753	-	-
	Banks, Development Financial Institutions & MDBs		444,216	444,216	138,697	11,096
	Corporate		1,491,320	1,450,163	881,846	70,548
	Regulatory Retail		4,153	1,670	1,252	100
	Equity Exposure		67,573	67,573	85,946	6,876
	Other Assets		319,647	319,647	187,376	14,990
	Defaulted Exposures		73,854	73,854	102,337	8,187
	TOTAL On-Balance Sheet Exposures		4,064,516	4,020,876	1,397,454	111,797
Off Balance Sheet Exposures						
Off Balance sheet Exposures other than OTC derivatives or credit derivatives		12,108	12,108	3,100	248	
TOTAL Off-Balance Sheet Exposures		12,108	12,108	3,100	248	
TOTAL On and Off-Balance Sheet Exposures		4,076,624	4,032,984	1,400,554	112,045	
2	MARKET RISK	Long Position	Short Position			
	Interest Rate Exposure	32,517	(32,517)	-	7,864	629
	Foreign Currency Exposure	-	(20,658)	-	20,658	1,653
	TOTAL MARKET RISK	32,517	(53,175)		28,522	2,282
3	OPERATIONAL RISK	32,517	(53,175)		28,522	2,282
	Operational Risk				235,386	18,831
TOTAL RWA and Capital Requirements					1,664,462	133,158

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1.2 Capital Adequacy under the Standardised Approach (continued)

1.2.4 The Bank

31 December 2010

	Exposure Class	Gross Exposures		Net Exposures	Risk Weighted Assets	Capital Requirements
		RM'000	RM'000	RM'000	RM'000	RM'000
1	<u>CREDIT RISK</u>					
	On Balance Sheet Exposures					
	Sovereigns/Central Banks		1,663,753	1,663,753	-	-
	Banks, Development Financial Institutions & MDBs		433,062	433,062	136,466	10,917
	Corporate		1,491,320	1,450,163	881,846	70,548
	Regulatory Retail		4,153	1,670	1,252	100
	Equity Exposure		67,573	67,573	85,946	6,876
	Other Assets		314,751	314,751	182,480	14,598
	Defaulted Exposures		73,854	73,854	102,337	8,187
	TOTAL On-Balance Sheet Exposures		4,048,466	4,004,826	1,390,327	111,226
	Off Balance Sheet Exposures					
Off Balance sheet Exposures other than OTC derivatives or credit derivatives		12,108	12,108	3,100	248	
TOTAL Off-Balance Sheet Exposures		12,108	12,108	3,100	248	
TOTAL On and Off-Balance Sheet Exposures		4,060,574	4,016,934	1,393,427	111,474	
2	<u>MARKET RISK</u>	Long Position	Short Position			
	Interest Rate Exposure	32,517	(32,517)	-	7,864	629
	Foreign Currency Exposure	-	(20,658)	-	20,658	1,653
	TOTAL MARKET RISK	32,517	(53,175)		28,522	2,282
3	<u>OPERATIONAL RISK</u>	32,517	(53,175)		28,522	2,282
	Operational Risk				213,925	17,114
TOTAL RWA and Capital Requirements					1,635,874	130,870

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures

2 Capital Structure

2.1 The capital adequacy ratios of the Group (Consolidated) are as follows:

	30 June 2011 RM'000	31 December 2010 RM'000
Tier 1 capital		
Paid-up share capital	222,246	222,246
Share premium	142,270	142,270
Statutory reserve	152,782	152,782
Retained profit	38,430	51,205
Less : Goodwill	(53,061)	(53,061)
Total tier 1 capital	502,667	515,442
Tier 2 capital		
Collective impairment	9,655	9,332
Total capital	512,322	524,774
Less : Investments in capital instruments of other banking institutions	(18,155)	(16,358)
Less : Investments in subsidiaries	(10)	(10)
Total Capital Base	494,157	508,406

2.2 The capital adequacy ratios of the Bank are as follows:

	30 June 2011 RM'000	31 December 2010 RM'000
Tier 1 capital		
Paid-up share capital	222,246	222,246
Share premium	142,270	142,270
Statutory reserve	152,782	152,782
Retained profit	33,739	46,592
Less : Goodwill	(53,061)	(53,061)
Total tier 1 capital	497,976	510,829
Tier 2 capital		
Collective impairment	9,655	9,332
Total capital	507,631	520,161
Less : Investments in capital instruments of other banking institutions	(18,155)	(16,358)
Less : Investments in subsidiaries	(13,751)	(13,751)
Total Capital Base	475,725	490,052

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures

3 Credit Risk (General Disclosure Disclosure)

3.1 Geographical Distribution of credit exposures, broken down in significant areas by major types of gross credit exposures

	30 June 2011 RM'000	31 December 2010 RM'000
Selangor		
Term loan	97,589	80,605
Revolving credit	10,056	70,391
	<u>107,645</u>	<u>150,996</u>
Pahang		
Term loan	4,532	-
Sarawak		
Term loan	70,829	73,283
Wilayah Persekutuan		
Term loan	298,670	323,961
Revolving credit	13,676	19,854
Margin Financing	45,784	40,955
Staff loan	8,563	9,412
	<u>366,693</u>	<u>394,182</u>
Total	<u>549,699</u>	<u>618,461</u>

3.2 Distribution of exposures by sector, broken down by major types of gross credit exposures

	30 June 2011 RM'000	31 December 2010 RM'000
Primary agriculture	50,230	50,238
Manufacturing	4,961	43,678
Electricity, gas and water	12,511	21,570
Construction	121,350	127,531
Wholesale, retail trade, hotels & restaurant	30,750	30,906
Transport, storage and communication	144,965	162,496
Finance, insurance and business services	23,229	24,588
Real Estate	82,783	81,846
Household	78,920	75,608
Total	<u>549,699</u>	<u>618,461</u>

3.3 Residual contractual maturity breakdown by major types of gross credit exposures

	30 June 2011 RM'000	31 December 2010 RM'000
Maturing within one year		
Term loan	308,534	266,284
Revolving credit	23,732	90,245
Margin Financing	45,784	40,955
Staff loan	420	2,360
	<u>378,470</u>	<u>399,844</u>
One year to three years		
Term loan	12,940	58,464
Staff loan	1,758	1,189
	<u>14,698</u>	<u>59,653</u>
Three years to five years		
Term loan	-	62,591
Staff loan	1,601	993
	<u>1,601</u>	<u>63,584</u>
Over five years		
Term loan	150,146	90,511
Staff loan	4,784	4,869
	<u>154,930</u>	<u>95,380</u>
Total	<u>549,699</u>	<u>618,461</u>

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures

3 Credit Risk (General Disclosure Disclosure) (continued)

3.4 For each sector:

3.4.1 Amount of Impaired Loans :

	30 June 2011	31 December 2010
	RM'000	RM'000
Construction	1,167	1,167
Wholesale, retail trade, hotels & restaurant	17,050	17,200
Household	279	279
Total	18,496	18,646

3.4.2 Individual impairment provisions

	30 June 2011	31 December 2010
	RM'000	RM'000
Household	122	122
Wholesale, retail trade, hotels & restaurant	9,736	9,736
Total	9,858	9,858

3.4.3 Collective impairment provisions

	30 June 2011	31 December 2010
	RM'000	RM'000
Primary agriculture	875	771
Manufacturing	86	671
Electricity, gas and water	218	331
Construction	2,114	1,960
Wholesale, retail trade, hotels & restaurant	535	359
Transport, storage and communication	2,524	2,497
Finance, insurance and business services	404	378
Real Estate	1,442	1,257
Household	1,262	1,160
Total	9,460	9,384

3.5 Changes for Individual impairment provision and write-offs during the period

3.5.1 Individual impairment

	30 June 2011	31 December 2010
	RM'000	RM'000
At 1 January	9,858	85,524
Allowance made during the financial year		
Wholesale, retail trade, hotels & restaurant	-	2,074
Amount recovered		
Manufacturing	-	(3,130)
Amount converted to financial investments held-to-maturity		
Wholesale, retail trade, hotels & restaurant	-	(11,364)
Amount written off		
Real Estate	-	(42,457)
Construction	-	(20,789)
At 30 June / 31 December	9,858	9,858

3.5.2 Impaired loans, advances, and financing broken down by significant geographical areas

	30 June 2011	31 December 2010
	RM'000	RM'000
Selangor	18,217	18,367
Wilayah Persekutuan	279	279
Total	18,496	18,646

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures

3 Credit Risk (General Disclosure Disclosure) (continued)

3.5.3 The amount of individual and collective impairment by geographical area

	30 June 2011	31 December 2010
	RM'000	RM'000
Wilayah Persekutuan	122	122
Selangor	9,736	9,736
Total	9,858	9,858
Collective impairment	9,460	9,384

3.5.4 Reconciliation of changes to impaired loans

	30 June 2011	31 December 2010
	RM'000	RM'000
At 1 January	18,646	103,344
New loans classified as impaired during the current period	-	157
Amount recovered	(150)	(12,588)
Amount written-off	-	(59,903)
Amount converted to HTM	-	(12,364)
At 30 June / 31 December	18,496	18,646

3.6 Movements in individual allowance for impaired loans

3.6.1 Individual impairment

	30 June 2011	31 December 2010
	RM'000	RM'000
At 1 January	9,858	85,524
Allowance made during the financial year	-	2,074
Amount recovered	-	(3,130)
Amount converted to financial investments held-to-maturity	-	(11,364)
Amount written off	-	(63,246)
At 30 June / 31 December	9,858	9,858

3.7 Movements in collective allowance for impaired loans

3.7.1 Collective impairment

	30 June 2011	31 December 2010
	RM'000	RM'000
At 1 January	9,384	8,352
Allowance made during the financial year	128	1,390
Amount recovered	(52)	(358)
At 30 June / 31 December	9,460	9,384

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures

4 Credit Risk Disclosure for Portfolios under the Standardised Approach

4.1 Disclosure on Credit Risk: Disclosures on Risk Weights

30 June 2011 - The Group

Risk Weights	Exposures after Netting and Credit Risk Mitigation							Total Exposures after Netting and Credit Risk Mitigation	Total Risk Weighted Assets
	Sovereigns & Central Banks	Banks, MDBs and FDIs	Corporate	Regulatory Retail	Equity Exposures	Other Assets			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
0%	2,145,920	152,486	-	-	-	11	2,298,417	-	
20%	-	238,934	742,732	-	-	35,127	1,016,793	203,359	
50%	-	283,650	174,121	-	-	-	457,771	228,885	
75%	-	-	-	5,077	-	-	5,077	3,808	
100%	-	41,500	653,338	-	31,683	151,872	878,393	878,394	
150%	-	-	159,777	-	36,742	-	196,519	294,778	
Total	2,145,920	716,570	1,729,968	5,077	68,425	187,010	4,852,970	1,609,224	

30 June 2011 - The Bank

Risk Weights	Exposures after Netting and Credit Risk Mitigation							Total Exposures after Netting and Credit Risk Mitigation	Total Risk Weighted Assets
	Sovereigns & Central Banks	Banks, MDBs and FDIs	Corporate	Regulatory Retail	Equity Exposures	Other Assets			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
0%	2,145,920	152,486	-	-	-	11	2,298,417	-	
20%	-	103,856	742,732	-	-	35,127	881,715		
50%	-	283,650	174,121	-	-	-	457,771	228,885	
75%	-	-	-	5,077	-	-	5,077	3,808	
100%	-	41,500	653,338	-	31,683	145,695	872,216	872,217	
150%	-	-	159,777	-	36,742	-	196,519	294,778	
Total	2,145,920	581,492	1,729,968	5,077	68,425	180,833	4,711,715	1,399,688	

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures

4 Credit Risk Disclosure for Portfolios under the Standardised Approach (continued)

4.2 Disclosure on Credit Risk: Disclosures on Risk Weights

31 December 2010 - The Group

Risk Weights	Exposures after Netting and Credit Risk Mitigation							Total Exposures after Netting and Credit Risk Mitigation	Total Risk Weighted Assets
	Sovereigns & Central Banks	Banks, MDBs and FDIs	Corporate	Regulatory Retail	Equity Exposures	Other Assets			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
0%	1,663,753	101,529	-	-	-	10	1,765,292	-	
20%	-	108,823	550,174	-	-	165,326	824,323	164,864	
50%	-	233,864	283,773	-	-	-	517,637	258,819	
75%	-	-	-	1,670	-	-	1,670	1,253	
100%	-	-	635,814	-	30,826	154,311	820,951	820,952	
150%	-	-	66,364	-	36,747	-	103,111	154,666	
Total	1,663,753	444,216	1,536,125	1,670	67,573	319,647	4,032,984	1,400,554	

31 December 2010 - The Bank

Risk Weights	Exposures after Netting and Credit Risk Mitigation							Total Exposures after Netting and Credit Risk Mitigation	Total Risk Weighted Assets
	Sovereigns & Central Banks	Banks, MDBs and FDIs	Corporate	Regulatory Retail	Equity Exposures	Other Assets			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
0%	1,663,753	101,529	-	-	-	10	1,765,292	-	
20%	-	97,669	550,174	-	-	165,326	813,169	162,634	
50%	-	233,864	283,773	-	-	-	517,637	258,819	
75%	-	-	-	1,670	-	-	1,670	1,253	
100%	-	-	635,814	-	30,826	149,415	816,055	816,055	
150%	-	-	66,364	-	36,747	-	103,111	154,666	
Total	1,663,753	433,062	1,536,125	1,670	67,573	314,751	4,016,934	1,393,427	

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures

4 Credit Risk Disclosure for Portfolios under the Standardised Approach (continued)

4.3 Disclosures on Rated Exposures according to Ratings by ECAIs

4.3.1 30 June 2011 - Corporate by Approved ECAIs - The Group and the Bank

Exposure Class	Ratings of Corporate by Approved ECAIs					
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On and Off-Balance-Sheet Exposures</u>						
<u>Credit Exposures (using Corporate Risk Weights)</u>						
Corporate		654,081	111,597	-	94,968	775,420
Total		654,081	111,597	-	94,968	775,420

4.3.2 30 June 2011 - Banking Institutions and Corporate by Approved ECAIs - The Group and the Bank

Exposure Class	Short term Ratings of Banking Institutions and Corporate by Approved ECAIs					
	Moody's	P-1	P-2	P-3	Others	Unrated
	S&P	A-1	A-2	A-3	Others	Unrated
	Fitch	F1+, F1	F2	F3	B to D	Unrated
	RAM	P-1	P-2	P-3	NP	Unrated
	MARC	MARC-1	MARC-2	MARC-3-	MARC-4	Unrated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On and Off-Balance-Sheet Exposures</u>						
Banks, MDBs and FDI's		72,379	-	-	-	-
<u>Rated Credit Exposures (using Corporate Risk Weights)</u>						
Corporate		88,651	53,275	-	-	-
Total		161,030	53,275	-	-	-

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures

4 Credit Risk Disclosure for Portfolios under the Standardised Approach (continued)

4.3 Disclosures on Rated Exposures according to Ratings by ECAIs

4.3.3 30 June 2011 - Sovereigns and Central Banks by Approved ECAIs - The Group and the Bank

Exposure Class	Ratings of Sovereigns and Central Banks by Approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
On and Off-Balance-Sheet Exposures							
Sovereigns and Central Banks		10,260	-	-	-	-	2,135,660
Total		10,260	-	-	-	-	2,135,660

30 June 2011 - Banking Institutions by Approved ECAIs - The Group and the Bank

Exposure Class	Ratings of Banking Institutions by Approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3-	A1 to A3	BBB1+ to BBB3	BB1 to B3	C1+ to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
On and Off-Balance-Sheet Exposures							
Banks, MDBs and FDIs		183,963	283,650	41,499	-	-	-
Total		183,963	283,650	41,499	-	-	-

4.4 Disclosures on Rated Exposures according to Ratings by ECAIs

4.4.1 31 December 2010 - Corporate by Approved ECAIs - The Group and the Bank

Exposure Class	Ratings of Corporate by Approved ECAIs					
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
On and Off-Balance-Sheet Exposures						
Credit Exposures (using Corporate Risk Weights)						
Corporate		540,329	229,988	-	-	752,740
Total		540,329	229,988	-	-	752,740

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosures

4 Credit Risk Disclosure for Portfolios under the Standardised Approach (continued)

4.4 Disclosures on Rated Exposures according to Ratings by ECAIs

4.4.2 31 December 2010 - Banking Institutions and Corporate by Approved ECAIs - The Group and the Bank

Exposure Class	Short term Ratings of Banking Institutions and Corporate by Approved ECAIs					
	Moodys	P-1	P-2	P-3	Others	Unrated
	S&P	A-1	A-2	A-3	Others	Unrated
	Fitch	F1+, F1	F2	F3	B to D	Unrated
	RAM	P-1	P-2	P-3	NP	Unrated
	MARC	MARC-1	MARC-2	MARC-3-	MARC-4	Unrated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
On and Off-Balance-Sheet Exposures						
Banks, MDBs and FDIIs		54,602	-	-	-	-
Rated Credit Exposures (using Corporate Risk Weights)						
Corporate		9,845	44,380	-	-	-
Total		64,447	44,380	-	-	-

4.4.3 31 December 2010 - Sovereigns and Central Banks by Approved ECAIs - The Group and the Bank

Exposure Class	Ratings of Sovereigns and Central Banks by Approved ECAIs						
	Moodys	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
On and Off-Balance-Sheet Exposures							
Sovereigns and Central Banks		35,195	-	-	-	-	1,628,558
Total		35,195	-	-	-	-	1,628,558

4.4.4 31 December 2010 - Banking Institutions by Approved ECAIs - The Group and the Bank

Exposure Class	Ratings of Banking Institutions by Approved ECAIs						
	Moodys	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3-	A1 to A3	BBB1+ to BBB3	BB1 to B3	C1+ to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
On and Off-Balance-Sheet Exposures							
Banks, MDBs and FDIIs		155,750	233,864	-	-	-	-
Total		155,750	233,864	-	-	-	-

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosure

5 Credit Risk Mitigation Disclosures under the Standardised Approach

5.1 30 June 2011 - The Group

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees /Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
CREDIT RISK				
<i>On Balance Sheet Exposures</i>				
Sovereigns/Central Banks	2,145,916	-	-	-
Banks, Development Financial Institutions & MDBs	716,570	-	-	-
Corporate	1,645,545	-	1,655,680	-
Regulatory Retail	6,116	-	2,777	-
Equity Exposure	68,425	-	-	-
Other Assets	187,012	-	-	-
Defaulted Exposures	72,146	-	-	-
TOTAL for On-Balance Sheet Exposures	4,841,730	-	1,658,457	-
Off Balance sheet Exposures other than OTC derivatives or credit derivatives or credit derivatives	83,298	-	-	-
TOTAL for Off-Balance Sheet Exposures	83,298	-	-	-
TOTAL for On and Off-Balance Sheet Exposures	4,925,028	-	1,658,457	-

5.2 30 June 2011 - The Bank

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees /Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
CREDIT RISK				
<i>On Balance Sheet Exposures</i>				
Sovereigns/Central Banks	2,145,916	-	-	-
Banks, Development Financial Institutions & MDBs	581,492	-	-	-
Corporate	1,645,545	-	1,655,680	-
Regulatory Retail	6,116	-	2,777	-
Equity Exposure	68,425	-	-	-
Other Assets	180,835	-	-	-
Defaulted Exposures	72,146	-	-	-
TOTAL for On-Balance Sheet Exposures	4,700,475	-	1,658,457	-
Off Balance sheet Exposures other than OTC derivatives or credit derivatives or credit derivatives	83,298	-	-	-
TOTAL for Off-Balance Sheet Exposures	83,298	-	-	-
TOTAL for On and Off-Balance Sheet Exposures	4,783,773	-	1,658,457	-

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosure

5 Credit Risk Mitigation Disclosures under the Standardised Approach (continued)

5.3 31 December 2010 - The Group

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees /Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
CREDIT RISK				
<i>On Balance Sheet Exposures</i>				
Sovereigns/Central Banks	1,663,753	-	-	-
Banks, Development Financial Institutions & MDBs	444,216	-	-	-
Corporate	1,491,320	-	1,462,026	-
Regulatory Retail	4,153	-	1,619	-
Equity Exposure	67,573	-	-	-
Other Assets	319,647	-	-	-
Defaulted Exposures	73,854	-	-	-
TOTAL for On-Balance Sheet Exposures	4,064,516	-	1,463,645	-
Off Balance sheet Exposures other than OTC derivatives or credit derivatives or credit derivatives	12,108	-	-	-
TOTAL for Off-Balance Sheet Exposures	12,108	-	-	-
TOTAL for On and Off-Balance Sheet Exposures	4,076,624	-	1,463,645	-

5.4 31 December 2010 - The Bank

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees /Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
CREDIT RISK				
<i>On Balance Sheet Exposures</i>				
Sovereigns/Central Banks	1,663,753	-	-	-
Banks, Development Financial Institutions & MDBs	433,062	-	-	-
Corporate	1,491,320	-	1,462,026	-
Regulatory Retail	4,153	-	1,619	-
Equity Exposure	67,573	-	-	-
Other Assets	314,751	-	-	-
Defaulted Exposures	73,854	-	-	-
TOTAL for On-Balance Sheet Exposures	4,048,466	-	1,463,645	-
Off Balance sheet Exposures other than OTC derivatives or credit derivatives or credit derivatives	12,108	-	-	-
TOTAL for Off-Balance Sheet Exposures	12,108	-	-	-
TOTAL for On and Off-Balance Sheet Exposures	4,060,574	-	1,463,645	-

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosure

6 General Disclosure for Off Balance Sheet Exposures and Counterparty Credit Risk (CCR)

6.1 30 June 2011 The Group and the Bank

Nature of item:	Total Principal Amount	Total Credit Equivalent Amount	Total Risk Weighted Amount
	RM'000	RM'000	RM'000
Direct Credit Substitutes	48,611	48,611	48,611
Obligations under an on-going underwriting agreement	13,000	6,500	1,300
Foreign exchange related contracts			
Over one year to five years	20,000	1,800	900
Interest / Profit rate related contracts			
Over one year to five years	47,511	1,749	874
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	123,190	24,638	24,632
Total	252,312	83,298	76,317

6.2 31 December 2010 The Group and the Bank

Nature of item:	Total Principal Amount	Total Credit Equivalent Amount	Total Risk Weighted Amount
	RM'000	RM'000	RM'000
Obligations under an on-going underwriting agreement	19,691	9,845	1,969
Foreign exchange related contracts			
Over one year to five years	20,000	1,800	900
Interest / Profit rate related contracts			
Over one year to five years	15,418	463	231
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	73,960	-	-
Total	129,069	12,108	3,100

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosure

7 Equities Disclosure for Banking Book Positions (Quantitative Disclosure)

	30 June 2011	RW	RWA	31 December 2010	RW	RWA
	RM'000	%	RM'000	RM'000	%	RM'000
7.1 Publicly traded						
Share at cost	13,806	100	13,806	7,338	100	7,338
Add: Unrealised gain/(loss)	150	100	150	(154)	100	(154)
	13,956		13,956	7,184		7,184
Less: Investment in capital instruments of other banking institutions (note)	(2,715)	100	(2,715)	(919)	100	(919)
Total	11,241		11,241	6,265		6,265
Privately held						
Shares at cost	650	100	650	650	100	650
Add: Unrealised gain	14,325	100	14,325	11,991	100	11,991
Total	14,975		14,975	12,641		12,641
	30 June 2011		31 December 2010			
	RM'000		RM'000			
7.2 Cumulative realised gain/losses arising from sale and liquidation equity instruments publicly traded	488		1,516			

Note

Investment in other financial institutions' capital instruments is deducted from Capital Base.

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Risk Weighted Capital Adequacy Framework (Basel II) Pillar 3 Disclosure

8 Interest rate risk/ Rate of return risk in the Banking Book (IRR/RORBB) Quantitative Disclosure

Type of Currency	Impact on positions as at 30 June 2011	
	(100 basis points) Parallel Shift	
	Increase/(decline) in Earnings (RM Mil)	Increase/(decline) in Economic Value (RM Mil)
MYR	(23.34)	78.63
USD	(0.17)	5.73
Others	0.00	4.60
Total	(23.51)	88.96