



INDIA INTERNATIONAL BANK (MALAYSIA) BERHAD (911666-D)

**RISK WEIGHTED CAPITAL ADEQUACY
(BASEL II)**

Pillar 3 Disclosure for the Half-Year Ended

30 June 2015

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1.0 OVERVIEW

The Pillar 3 Disclosure for the half-year ended 30 June 2015 for India International Bank (Malaysia) Berhad (“IIBM” or “The Bank”) complies with Bank Negara Malaysia’s (BNM) “Risk Weighted Capital Adequacy Framework (Basel II) – Disclosure Requirements (Pillar 3)” - BNM/RH/GL 001-32.

IIBM has adopted the Standardised Approach (SA) for the computation of credit and market risk weighted assets, while the Basic Indicator Approach (BIA) has been adopted for the computation of operational risk weighted assets.

MEDIUM AND LOCATION OF DISCLOSURE

The Bank’s Pillar 3 Disclosure will be made available under the Financial Statement section of the Bank’s website at www.indiainternationalbank.com.my.

BASIS OF DISCLOSURE

This Pillar 3 disclosure document is in compliance with BNM’s Basel II – Disclosure Requirement (Pillar 3) guideline. The disclosures published are for the half-year ended 30 June 2015 and is to be read in conjunction with the Bank’s financial statements for half-year ended 30 June 2015.

The disclosures have been reviewed and verified by the IIBM’s internal auditor and approved by the Board of Directors of India International Bank (Malaysia) Berhad.

2.0 CAPITAL MANAGEMENT

2.1 Capital Structure

	<u>30 June 2015</u>	<u>31 December 2014</u>
	RM'000	RM'000
<u>Common Equity Tier-1 Capital</u>		
Share capital	330,000	320,000
Accumulated Loss	(9,444)	(8,495)
	<hr/>	<hr/>
Total CET-1 capital	320,556	311,505
	<hr/>	<hr/>
<u>Additional Tier-1 Capital</u>		
Additional Tier 1 Capital Instruments	-	-
Share Premium	-	-
	<hr/>	<hr/>
Total Tier-1 capital	-	-
	<hr/>	<hr/>
<u>Tier-2 Capital</u>		
Collective Impairment Provision	740	715
	<hr/>	<hr/>
Total Tier-2 capital	740	715
	<hr/>	<hr/>
Total Capital	321,296	312,220
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2.2 Capital Adequacy Ratio

Table 1: Risk Weighted Capital Ratio as at 30 June 2015 and 31 December 2014 (RM'000)

Risk Weighted Assets (RWA)	30 June 2015	31 December 2014
Credit RWA	131,792	141,902
Market RWA	697	367
Operational RWA	23,928	19,392
Total RWA	156,417	161,661

As at	Capital Adequacy	CET 1	Tier 1 Capital	Total Capital
30 Jun 2015	Capital Base (RM'000)	320,556	320,556	321,296
	Risk Weighted Capital Ratio (RWCR) ¹	204.9%	204.9%	205.4%
31 Dec 2014	Capital Base (RM'000)	311,505	311,505	312,220
	Risk Weighted Capital Ratio (RWCR)	192.7%	192.7%	193.1%

¹ RWCR is computed by taking total capital base divided by total risk weighted assets.

3.0 REGULATORY CAPITAL REQUIREMENT

Tables 2 - 10 present the minimum regulatory capital requirement for credit risk under the Standardised Approach. These tables tabulate the total RWA under the various exposure classes under the Standardised Approach and apply the minimum capital requirement at 8% as set by BNM.

Table 2a: Disclosure on Capital Adequacy under Standardised Approach as at 30 June 2015 (RM'000)

Exposure Class	Gross Exposures / EAD Before CRM		Net Exposures / EAD After CRM	Risk Weighted Assets	Minimum Capital Requirement at 8%
Credit Risk					
Exposures under the Standardised Approach					
<u>On-Balance Sheet Exposures</u>					
Corporate	44,231		31,508	31,508	2,521
Sovereigns / Central Banks	21,529		21,529	-	-
Banks, Development Financial Institutions & MDBs	367,316		367,316	73,463	5,877
Other Assets	10,471		10,471	9,225	738
Defaulted Exposures	1,872		1,872	1,451	116
Total for On-Balance Sheet Exposures	445,419		432,696	115,647	9,252
<u>Off-Balance Sheet Exposures</u>					
Over-the-counter ("OTC") Derivatives	89		89	18	1
Credit Derivatives	-		-	-	-
Off balance sheet exposures other than OTC derivatives or credit derivatives	18,243		16,127	16,127	1,290
Defaulted Exposures	-		-	-	-
Total Off-Balance Sheet Exposures	18,332		16,216	16,145	1,291
Total On and Off-Balance Sheet Exposures (A)	463,751		448,912	131,792	10,543
Market Risk (Standardised Approach)		Long Position	Short Position		
Foreign Currency Risk		697	-	697	56
Total Market Exposures (B)				697	56
Operational Risk (Basic Indicator Approach) (C)				23,928	1,914
Total RWA and Capital Requirements (A+B+C)				156,417	12,513

**Table 2b: Disclosure on Capital Adequacy under Standardised Approach as at 31 December 2014
 (RM'000)**

Exposure Class	Gross Exposures / EAD Before CRM		Net Exposures / EAD After CRM	Risk Weighted Assets	Minimum Capital Requirement at 8%
Credit Risk					
Exposures under the Standardised Approach					
<u>On-Balance Sheet Exposures</u>					
Corporate	45,779	33,823	33,823	33,823	2,706
Sovereigns / Central Banks	22,099	22,099		-	-
Banks, Development Financial Institutions & MDBs	380,272	380,272		76,054	6,084
Other Assets	11,105	11,105		10,352	828
Defaulted Exposures	843	843		422	34
Total for On-Balance Sheet Exposures	460,098	448,142		120,651	9,652
<u>Off-Balance Sheet Exposures</u>					
Over-the-counter ("OTC") Derivatives	111	111		22	2
Credit Derivatives	-	-		-	-
Off balance sheet exposures other than OTC derivatives or credit derivatives	22,940	21,229		21,229	1,698
Defaulted Exposures	-	-		-	-
Total Off-Balance Sheet Exposures	23,051	21,340		21,251	1,700
Total On and Off-Balance Sheet Exposures (A)	483,149	469,482		141,902	11,352
Market Risk (Standardised Approach)	Long Position	Short Position			
Foreign Currency Risk	367	-		367	29
Total Market Exposures (B)				367	29
Operational Risk (Basic Indicator Approach) (C)				19,392	1,552
Total RWA and Capital Requirements (A+B+C)				161,661	12,933

4.0 CREDIT RISK

Table 3a: Disclosure on Credit Risk Exposure – Geographical Analysis as at 30 June 2015 (RM'000)

Geographical Exposure as at 30 June 2015	Malaysia					Other Countries	Total
	Northern Region	East Coast Region	Central Region	Southern Region	East Malaysia		
Exposure Class							
Exposures under the Standardised Approach							
Corporate	8,225	22,107	32,128	-	-	14	62,474
Regulatory Retail	-	-	-	-	-	-	-
Sovereigns / Central Banks	-	-	21,529	-	-	-	21,529
Banks, Development Financial Institutions & MDBs	-	-	363,439	-	-	3,966	367,405
Other Assets	-	-	10,471	-	-	-	10,471
Defaulted Exposures	-	-	1,872	-	-	-	1,872
Total Credit Exposure	8,225	22,107	429,439	-	-	3,980	463,751

Table 3b: Disclosure on Credit Risk Exposure – Geographical Analysis as at 31 December 2014 (RM'000)

Geographical Exposure as at 31 December 2014	Malaysia					Other Countries	Total
	Northern Region	East Coast Region	Central Region	Southern Region	East Malaysia		
Exposure Class							
Exposures under the Standardised Approach							
Corporate	7,617	23,657	36,894	-	-	551	68,719
Regulatory Retail	-	-	-	-	-	-	-
Sovereigns / Central Banks	-	-	22,099	-	-	-	22,099
Banks, Development Financial Institutions & MDBs	-	-	377,915	-	-	2,468	380,383
Other Assets	-	-	11,105	-	-	-	11,105
Defaulted Exposures	-	-	843	-	-	-	843
Total Credit Exposure	7,617	23,657	448,856	-	-	3,019	483,149

Table 4a: Disclosure on Credit Risk Exposure – Sectoral Analysis as at 30 June 2015 (RM'000)

Exposure Class	Primary Agriculture	Mining and Quarrying	Manufacturing	Electricity, Gas and Water Supply	Construction	Wholesale and Retail Trade, and Restaurant and Hotels	Transport, Storage and Communication	Finance, Insurance and Real Estate and Business Activities	Education, Health and Others	Household	Sector N.E.C	Total
Exposures under the Standardised Approach												
Corporate	-	150	36,409	-	682	20,903	-	3,233	1,097	-	-	62,474
Regulatory Retail	-	-	-	-	-	-	-	-	-	-	-	-
Sovereigns / Central Banks	-	-	-	-	-	-	-	21,529	-	-	-	21,529
Banks, Development Financial Institutions & MDBs	-	-	-	-	-	-	-	367,405	-	-	-	367,405
Other Assets	-	-	-	-	-	-	-	-	-	-	10,471	10,471
Defaulted Exposures	-	-	1,030	-	-	842	-	-	-	-	-	1,872
Total Credit Exposure	-	150	37,439	-	682	21,745	-	392,167	1,097	-	10,471	463,751

Table 4b: Disclosure on Credit Risk Exposure – Sectoral Analysis as at 31 December 2014 (RM'000)

Exposure Class	Primary Agriculture	Mining and Quarrying	Manufacturing	Electricity, Gas and Water Supply	Construction	Wholesale and Retail Trade, and Restaurant and Hotels	Transport, Storage and Communication	Finance, Insurance and Real Estate and Business Activities	Education, Health and Others	Household	Sector N.E.C	Total
Exposures under the Standardised Approach												
Corporate	-	-	31,901	-	1,102	24,924	-	9,498	1,294	-	-	68,719
Regulatory Retail	-	-	-	-	-	-	-	-	-	-	-	-
Sovereigns / Central Banks	-	-	-	-	-	-	-	22,099	-	-	-	22,099
Banks, Development Financial Institutions & MDBs	-	-	-	-	-	-	-	380,383	-	-	-	380,383
Other Assets	-	-	-	-	-	-	-	-	-	-	11,105	11,105
Defaulted Exposures	-	-	-	-	-	843	-	-	-	-	-	843
Total Credit Exposure	-	-	31,901	-	1,102	25,767	-	411,980	1,294	-	11,105	483,149

Table 5a: Disclosure on Credit Risk Exposure – Maturity Analysis as at 30 June 2015 (RM'000)

Exposure Class	One Year or Less	Over One to Five Years	Over Five Years	Total
Exposures under the Standardised Approach				
Corporate	56,447	-	6,027	62,474
Regulatory Retail	-	-	-	-
Sovereigns / Central Banks	1,364	20,165	-	21,529
Banks, Development Financial Institutions & MDBs	367,405	-	-	367,405
Other Assets	2,759	-	7,712	10,471
Defaulted Exposures	1,872	-	-	1,872
Total Credit Exposure	429,847	20,165	13,739	463,751

Table 5b: Disclosure on Credit Risk Exposure – Maturity Analysis as at 31 December 2014 (RM'000)

Exposure Class	One Year or Less	Over One to Five Years	Over Five Years	Total
Exposures under the Standardised Approach				
Corporate	62,429	-	6,290	68,719
Regulatory Retail	-	-	-	-
Sovereigns / Central Banks	1,946	20,152	-	22,099
Banks, Development Financial Institutions & MDBs	380,383	-	-	380,383
Other Assets	11,105	-	-	11,105
Defaulted Exposures	843	-	-	843
Total Credit Exposure	456,706	20,152	6,290	483,149

Table 6a: Impaired Loans, Collective Impairment Allowance, Individual Impairment Allowance and Write-offs as at 30 June 2015 (RM'000)

Purpose of Financing	Collective Impairment	Individual Impairment	Impaired Assets	Write-Offs
<u>Exposures under the Standardised Approach</u>				
Purchase of Non-Residential Property	107	-	-	-
Purchase of Fixed Asset other than Land/ Buildings	-	-	-	-
Working Capital	633	2,757	4,629	-
Others	-	-	-	-
Total Credit Exposure	740	2,757	4,629	-

Table 6b: Impaired Loans, Collective Impairment Allowance, Individual Impairment Allowance and Write-offs as at 31 December 2014 (RM'000)

Purpose of Financing	Collective Impairment	Individual Impairment	Impaired Assets	Write-Offs
<u>Exposures under the Standardised Approach</u>				
Purchase of Non-Residential Property	139	-	-	-
Purchase of Fixed Asset other than Land/ Buildings	-	-	-	-
Working Capital	576	2,287	3,130	-
Others	-	-	-	-
Total Credit Exposure	715	2,287	3,130	-

Table 7a: Movement in Impaired Loans and Advances as at 30 June 2015 and 31 December 2014 (RM'000)

Item	30 June 2015	31 December 2014
Credit Risk		
At beginning of financial period	3,130	-
Classified as impaired during the financial period	1,499	5,170
Reclassified as non-impaired during the financial period	-	-
Amount recovered	-	2,040
Amount written off	-	-
At end of financial period	4,629	3,130
Individual impairment provision	2,757	2,287
Net Impaired loans and advances	1,872	843
Ratio of net impaired loans and advances to gross loans and advances less individual impairments provisions	4.00%	1.78%

Table 7b: Movement in Allowance for Impaired Loans and Advances as at 30 June 2015 and 31 December 2014 (RM'000)

Item	30 June 2015	31 December 2014
Credit Risk		
Individual assessment allowance		
At beginning of financial period	2,287	-
Allowance made during the financial year	470	2,287
Write back made during the financial year	-	-
At end of financial period	2,757	2,287
Collective assessment allowance		
At beginning of financial period	715	628
Allowance made during the financial year	25	87
Write back made during the financial year	-	-
At end of financial period	740	715
As a % of gross loans and advances less individual assessment allowance	1.58%	1.51%

4.1 Credit Rating

Table 8a: Disclosure on Risk Weights under Standardised Approach as at 30 June 2015 (RM'000)

Risk Weights	Exposures after Netting and Credit Risk Mitigation											Total Exposures after Netting & Credit Risk Mitigation	Total Risk Weighted Assets	
	Sovereigns & Central Banks	PSEs	Banks, MDBs and DFIs	Insurance Cos, Securities Firms & Fund Managers	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Specialised Financing / Investment	Securitisation			Equity
0%	21,529	-	-	-	-	-	-	-	1,246	-	-	-	22,775	-
20%	-	-	367,405	-	-	-	-	-	-	-	-	-	367,405	73,481
50%	-	-	-	-	842	-	-	-	-	-	-	-	842	421
100%	-	-	-	-	48,665	-	-	-	9,225	-	-	-	57,890	57,890
Total Exposure	21,529	-	367,405	-	49,507	-	-	-	10,471	-	-	-	448,912	131,792
Total RWA	-	-	73,481	-	49,086	-	-	-	9,225	-	-	-		
Average Risk Weight	0.00%	-	20.00%	-	99.15%	-	-	-	88.10%	-	-	-		
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	-		

Table 8b: Disclosure on Risk Weights under Standardised Approach as at 31 December 2014 (RM'000)

Risk Weights	Exposures after Netting and Credit Risk Mitigation											Total Exposures after Netting & Credit Risk Mitigation	Total Risk Weighted Assets	
	Sovereigns & Central Banks	PSEs	Banks, MDBs and DFIs	Insurance Cos, Securities Firms & Fund Managers	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Specialised Financing / Investment	Securitisation			Equity
0%	22,099	-	-	-	-	-	-	-	753	-	-	-	22,852	-
20%	-	-	380,383	-	-	-	-	-	-	-	-	-	380,383	76,076
50%	-	-	-	-	843	-	-	-	-	-	-	-	843	422
100%	-	-	-	-	55,052	-	-	-	10,352	-	-	-	65,404	65,404
Total Exposure	22,099	-	380,383	-	55,895	-	-	-	11,105	-	-	-	469,482	141,902
Total RWA	-	-	76,076	-	55,474	-	-	-	10,352	-	-	-		
Average Risk Weight	0.00%	-	20%	-	99.25%	-	-	-	93.22%	-	-	-		
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	-		

Table 9a: Disclosure on Rated and Unrated Exposures according to Ratings by ECAIs as at 30 June 2015 (RM'000)

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
	Rating & Investment Inc.	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
On and Off Balance-Sheet Exposures						
Credit Exposures (using Corporate Risk Weights)						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)		-	-	-	-	-
Insurance Cos, Securities Firms & Fund Managers		-	-	-	-	-
Corporates		-	-	-	-	6,027
Total		-	-	-	-	6,027

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
	Rating & Investment Inc.	a-1+,a-1	a-2	a-3	b,c	Unrated
On and Off Balance-Sheet Exposures						
Banks, MDBs and DFIs		363,439	-	3,966	-	-
Credit Exposures (using Corporate Risk Weights)		-	-	-	-	-
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)		-	-	-	-	-
Insurance Cos, Securities Firms & Fund Managers		-	-	-	-	-
Corporates		-	-	-	-	58,319
Total		363,439	-	3,966	-	58,319

Exposure Class	Ratings of Sovereigns and Central Banks 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
	Rating & Investment Inc.	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
On and Off Balance-Sheet Exposures						
Sovereigns and Central Banks		21,529	-	-	-	-
Total		21,529	-	-	-	-

Exposure Class	Ratings of Banking Institutions 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
	Rating & Investment Inc.	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
On and Off Balance-Sheet Exposures						
Banks, MDBs and DFIs		-	-	-	-	-
Total		-	-	-	-	-

Table 9b: Disclosure on Rated and Unrated Exposures according to Ratings by ECAIs as at 31 December 2014 (RM'000)

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
	Rating & Investment Inc.	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
On and Off Balance-Sheet Exposures						
Credit Exposures (using Corporate Risk Weights)						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)		-	-	-	-	-
Insurance Cos, Securities Firms & Fund Managers		-	-	-	-	-
Corporates		-	-	-	-	6,290
Total		-	-	-	-	6,290

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
	Rating & Investment Inc.	a-1+,a-1	a-2	a-3	b,c	Unrated
On and Off Balance-Sheet Exposures						
Banks, MDBs and DFIs		379,537	-	846	-	-
Credit Exposures (using Corporate Risk Weights)						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)		-	-	-	-	-
Insurance Cos, Securities Firms & Fund Managers		-	-	-	-	-
Corporates		-	-	-	-	63,272
Total		379,537	-	846	-	63,272

Exposure Class	Ratings of Sovereigns and Central Banks 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
	Rating & Investment Inc.	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
On and Off Balance-Sheet Exposures						
Sovereigns and Central Banks		22,099	-	-	-	-
Total		22,099	-	-	-	-

Exposure Class	Ratings of Banking Institutions 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
	Rating & Investment Inc.	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
On and Off Balance-Sheet Exposures						
Banks, MDBs and DFIs		-	-	-	-	-
Total		-	-	-	-	-

4.2 Credit Risk Mitigation

Table 10a: Disclosure on Credit Risk Mitigation Analysis as at 30 June 2015 (RM'000)

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				
Exposures under the Standardised Approach				
<u>On-Balance Sheet Exposures</u>				
Sovereigns / Central Banks	21,529	-	-	-
Banks, Development Financial Institutions & MDBs	367,316	-	-	-
Corporate	44,231	-	11,702	-
Other Assets	10,471	-	1,246	-
Defaulted Exposures	1,872	-	1,016	-
Total for On-Balance Sheet Exposures	445,419	-	13,964	-
<u>Off-Balance Sheet Exposures</u>				
Credit Derivatives	89	-	-	-
Off balance sheet exposures other than OTC derivatives or credit derivatives	18,243	-	2,265	-
Defaulted Exposures	-	-	-	-
Total Off-Balance Sheet Exposures	18,332	-	2,265	-
Total On and Off-Balance Sheet Exposures	463,751	-	16,229	-

Table 10b: Disclosure on Credit Risk Mitigation Analysis as at 31 December 2014 (RM'000)

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				
Exposures under the Standardised Approach				
<u>On-Balance Sheet Exposures</u>				
Sovereigns / Central Banks	22,099	-	-	-
Banks, Development Financial Institutions & MDBs	380,272	-	-	-
Corporate	45,779	-	11,956	-
Other Assets	11,105	-	753	-
Defaulted Exposures	843	-	-	-
Total for On-Balance Sheet Exposures	460,098	-	12,709	-
<u>Off-Balance Sheet Exposures</u>				
OTC Credit Derivatives	111	-	-	-
Off balance sheet exposures other than OTC derivatives or credit derivatives	22,940	-	1,711	-
Defaulted Exposures	-	-	-	-
Total Off-Balance Sheet Exposures	23,051	-	1,711	-
Total On and Off-Balance Sheet Exposures	483,149	-	14,420	-

4.3 Off-Balance Sheet Exposure

Table 11a: Disclosures of Off-Balance Sheet Items as at 30 June 2015 (RM'000)

Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
Credit Substitutes	14,200		14,200	12,085
Short Term Self Liquidating trade related	613		122	122
Foreign exchange related contracts				
One year or less	18,614	5	89	18
Over one year to five years				
Over five years				
Interest / Profit rate related contracts				
One year or less				
Over one year to five years				
Over five years				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	-		-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	19,598		3,920	3,920
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	-		-	-
Total	53,025	5	18,331	16,145

Table 11b: Disclosures of Off-Balance Sheet Items as at 31 December 2014 (RM'000)

Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
Credit Substitutes	13,757		13,757	12,046
Short Term Self Liquidating trade related	1,386		277	277
Foreign exchange related contracts				
One year or less	16,739	1	111	22
Over one year to five years				
Over five years				
Interest / Profit rate related contracts				
One year or less				
Over one year to five years				
Over five years				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	10,000		5,000	5,000
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	19,529		3,906	3,906
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	-		-	-
Total	61,411	1	23,051	21,251

5.0 MARKET RISK

Table 12: Disclosure on Market Risk – Interest Rate Risk / Rate of Return Risk in the Banking Book (RM'000)

	30 June 2015	31 December 2014
<i>Basis Point Movement</i>	<i>+ / - 100 bps</i>	<i>+ / - 100 bps</i>
Effect on Net Interest Income	2,014	1,856
Effect on Economic Value of Equity	919	1,181

6.0 OPERATIONAL RISK

Operational Risk capital charge is calculated using the Basic Indicator Approach (BIA) as per BNM's "Risk-Weighted Capital Adequacy Framework (Basel II - Risk-Weighted Assets Computation)" guideline. Operational risk capital charge calculation applies a fixed percentage of 15% to the average of positive gross income that was achieved over the preceding three years.

Table 13: Disclosure on Operational Risk Weighted Assets (RM'000)

	30 June 2015	31 December 2014
Total RWA for Operational Risk	23,928	19,392