

**Basel II Pillar 3 Disclosures for the period ended 30 June 2016**

- **CIMB Bank Berhad**

## Abbreviations

A-IRB Approach	: Advanced Internal Ratings Based Approach
BIA	: Basic Indicator Approach
CAF	: Capital Adequacy Framework and, in some instances referred to as the Risk-Weighted Capital Adequacy Framework
CAFIB	: Capital Adequacy Framework for Islamic Banks
CAR	: Capital Adequacy Ratio and, in some instances referred to as the Risk-Weighted Capital Ratio
CIMBBG	: CIMB Bank, CIMB Islamic Bank Berhad, CIMBTH, CIMB Bank PLC (Cambodia), CIMB Factor Lease Berhad and non-financial subsidiaries
CIMBIBG	: CIMB Investment Bank Berhad, CIMB Futures Sdn Bhd and non-financial subsidiaries
CIMBISLG	: CIMB Islamic Bank Berhad, CIMB Islamic Nominees (Asing) Sdn Bhd and CIMB Islamic Nominees (Tempatan) Sdn Bhd
CIMBGH Group	: Group of Companies under CIMB Group Holdings Berhad
CIMBTH	: CIMB Thai Bank Public Company Ltd and its subsidiaries
CIMB Bank	: CIMB Bank Berhad and CIMB Bank (L) Ltd (as determined under the Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework (Basel II - Risk Weighted Assets) to include its wholly owned offshore banking subsidiary company)
CIMB Group or the Group	: Collectively CIMBBG, CIMBIBG and CIMB Islamic as described within this Report
CIMB IB	: CIMB Investment Bank Berhad
CIMB Islamic	: CIMB Islamic Bank Berhad
CRM	: Credit Risk Mitigants
DFIs	: Development Financial Institutions
EAD	: Exposure at Default
ECAIs	: External Credit Assessment Institutions
EL	: Expected Loss
EP	: Eligible Provision
F-IRB Approach	: Foundation Internal Ratings Based Approach
HPE	: Hire Purchase Exposures
IRB Approach	: Internal Ratings Based Approach
IRRBB	: Interest Rate Risk in the Banking Book
LGD	: Loss Given Default
MDBs	: Multilateral Development Bank
OTC	: Over the Counter
PD	: Probability of Default
PSEs	: Non-Federal Government Public Sector Entities
PSIA	: Profit Sharing Investment Accounts
QRRE	: Qualifying Revolving Retail Exposures
RORBB	: Rate of Return Risk in the Banking Book
RRE	: Residential Real Estate
RWA	: Risk-Weighted Assets
SA	: Standardised Approach

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## **OVERVIEW**

The information herein is disclosed pursuant to the requirements of Bank Negara Malaysia's RWCAF – Disclosure Requirements (Pillar 3) and is published for the period ended 30 June 2016.

Any discrepancies between the totals and sum of the components in the tables contained in this disclosure are due to actual summation method and then rounded up to the nearest thousands.

These disclosures have been reviewed and verified by internal auditors and approved by the Board Risk Committee of CIMB Group, as delegated by the Board of Directors of CIMBGH Group.

## **CAPITAL MANAGEMENT**

### ***Capital Structure and Adequacy***

On 13 October 2015, BNM issued revised guidelines on the Capital Adequacy Framework (Capital Components), of which will take effect beginning 1 January 2016 and 1 January 2019 for banking institutions and financial holding company respectively. BNM also issued updated guidelines on the Capital Adequacy Framework (Basel II – Risk-Weighted Assets) which are applicable to all banking institutions with immediate effect and all financial holding companies with effect from 1 January 2019.

The risk weighted assets of the CIMB Bank are computed in accordance with the Capital Adequacy Framework (Basel II - Risk-Weighted Assets). The IRB Approach is applied for the major credit exposures. It prescribes two approaches, the F-IRB Approach and A-IRB Approach. The remaining credit exposures and Market Risk are on the Standardised Approach while Operational Risk is based on Basic Indicator Approach. The components of eligible regulatory capital are based on the Capital Adequacy Framework (Capital Components). The comparative capital adequacy ratios as at 30 June 2015 were based on BNM's Capital Adequacy Framework (CAF).

**CAPITAL MANAGEMENT (CONTINUED)**
**Capital Structure and Adequacy (continued)**

The minimum regulatory capital adequacy requirement for the total capital ratio is 8%. The tables below present the Capital Position of CIMB Bank:

**Table 1: Capital Position**

(RM'000)	CIMB Bank	
	30 June 2016	30 June 2015
<b>Common Equity Tier 1 capital</b>		
Ordinary shares	5,148,084	4,896,591
Other reserves	21,879,794	20,255,560
Qualifying non-controlling interests	-	-
Proposed dividends	-	-
<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>27,027,878</b>	<b>25,152,151</b>
<u>Less: Regulatory adjustments</u>		
Goodwill	(3,555,075)	(3,555,075)
Intangible assets	(855,701)	(891,371)
Deferred Tax Assets	(147,630)	(179,444)
Shortfall of eligible provisions to expected losses	-	(541,718)
Investment in capital instruments of unconsolidated financial and insurance / takaful entities	(2,573,706)	(1,539,182)
Others	(1,115,038)	(909,101)
<b>Common Equity Tier 1 capital after regulatory adjustments / total</b>	<b>18,780,728</b>	<b>17,536,260</b>
<b>Additional Tier 1 capital</b>		
Perpetual preference shares	120,000	140,000
Non-innovative Tier 1 capital	600,000	700,000
Innovative Tier 1 Capital	967,080	1,128,260
Perpetual subordinated capital securities	1,000,000	-
<b>Additional Tier 1 capital before regulatory adjustments</b>	<b>2,687,080</b>	<b>1,968,260</b>
<u>Less: Regulatory adjustments</u>		
Investments in Additional Tier 1 capital instruments of unconsolidated financial and insurance/takaful entities	(137,594)	(88,904)
Additional Tier 1 capital after regulatory adjustments	2,549,486	1,879,356
<b>Total Tier 1 capital</b>	<b>21,330,214</b>	<b>19,415,616</b>

**CAPITAL MANAGEMENT (CONTINUED)**
**Capital Structure and Adequacy (continued)**
**Table 1: Capital Position (continued)**

(RM'000)	CIMB Bank	
	30 June 2016	30 June 2015
<b>Tier 2 Capital</b>		
Subordinated notes	6,950,000	5,600,000
Redeemable Preference Shares	17,844	20,818
Surplus eligible provisions over expected losses	479,178	
Qualifying capital instruments held by third parties	-	-
Portfolio impairment allowance and regulatory reserves	224,930	278,113
<b>Tier 2 capital before regulatory adjustments</b>	<b>7,671,952</b>	<b>5,898,931</b>
<u>Less: Regulatory adjustments</u>		
Investments in capital instruments of unconsolidated financial and insurance/takaful entities	(2,310,306)	(2,445,725)
<b>Total Tier 2 Capital</b>	<b>5,361,646</b>	<b>3,453,206</b>
<b>Total capital base</b>	<b>26,691,860</b>	<b>22,868,822</b>
Less:		
Proposed dividends	(814,879)	(818,000)
<b>Total Capital base (net of proposed dividend)</b>	<b>25,876,981</b>	<b>22,050,822</b>
<b>RWA</b>		
Credit risk	135,920,473	140,506,314
Market risk	12,245,566	12,157,549
Large Exposure risk requirement	665,798	73,498
Operational risk	13,225,216	12,392,197
<b>Total RWA</b>	<b>162,057,053</b>	<b>165,129,558</b>
<b>Capital Adequacy Ratios</b>		
<b>Before deducting proposed dividend</b>		
Common Equity Tier 1 Ratio	11.589%	10.620%
Tier 1 ratio	13.162%	11.758%
Total capital ratio	16.471%	13.849%
<b>After deducting proposed dividend</b>		
Common Equity Tier 1 Ratio	11.086%	10.124%
Tier 1 ratio	12.659%	11.262%
Total capital ratio	15.968%	13.354%

The Total Capital Ratio increased in June 2016 compared to June 2015 due to higher surplus of eligible provision to expected loss, issuance of additional Tier 1 Capital Securities and issuance of Tier 2 Subordinated Debt. The decrease in credit RWA was mainly contributed by decreased bank exposures. The increase in market RWA was predominantly from commodity RWA mainly due to increased exposure to oil products, FX RWA mainly due to increased exposure to USD coupled with depreciation of MYR against other currencies, Equity RWA as exposure in HK portfolio to hedge Convertible Bonds rose during the year, coupled with the increase in directional and arbitrage positions in Taiwan book and Options RWA from local equity book with key movements were primarily from warrants as well as shares and futures for hedging. However, the increase was partially offset by the overall decrease in Interest Rate RWA following additional net pay fixed Non deliverable IRSs.

**CAPITAL MANAGEMENT (CONTINUED)**
**Capital Structure and Adequacy (continued)**

The tables below show the RWA under various exposure classes under the relevant approach and applying the minimum regulatory capital requirement at 8% to establish the minimum capital required for each of the exposure classes:

**Table 2: Disclosure on Total RWA and Minimum Capital Requirement**

30 June 2016	CIMB Bank				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
<b>Credit Risk</b>					
<b>Exposures under the SA</b>					
Sovereign/Central Banks	30,480,974	30,480,974	475,150	475,150	38,012
Public Sector Entities	2,091	2,091	418	418	33
Banks, DFIs & MDBs	256,833	256,833	52,671	52,671	4,214
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	3,443,035	2,267,985	1,233,628	1,233,628	98,690
Corporate	6,238,010	4,098,948	5,344,074	5,344,074	427,526
Regulatory Retail	23,732,129	12,352,178	9,403,352	9,403,352	752,268
Residential Mortgages/ RRE Financing	862,063	860,059	473,214	473,214	37,857
Higher Risk Assets	1,436,109	1,436,109	2,154,164	2,154,164	172,333
Other Assets	5,307,158	5,307,158	2,259,582	2,259,582	180,767
Securitisation	314,299	314,299	62,860	62,860	5,029
<b>Total for SA</b>	<b>72,072,703</b>	<b>57,376,634</b>	<b>21,459,112</b>	<b>21,459,112</b>	<b>1,716,729</b>
<b>Exposures under the IRB Approach</b>					
Sovereign/Central Banks	-	-	-	-	-
Public Sector Entities	-	-	-	-	-
Banks, DFIs & MDBs	25,684,161	25,684,161	5,038,433	5,038,433	403,075
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	-	-	-	-	-
Corporate	109,499,865	109,499,865	64,883,513	64,883,513	5,190,681
Residential Mortgages/ RRE Financing	50,083,610	50,083,610	15,921,692	15,921,692	1,273,735
Qualifying Revolving Retail	13,113,326	13,113,326	8,722,431	8,722,431	697,794
Hire Purchase	10,706,501	10,706,501	6,376,031	6,376,031	510,082
Other Retail	23,343,610	23,343,610	7,040,316	7,040,316	563,225
Securitisation	-	-	-	-	-
<b>Total for IRB Approach</b>	<b>232,431,072</b>	<b>232,431,072</b>	<b>107,982,416</b>	<b>107,982,416</b>	<b>8,638,593</b>

**CAPITAL MANAGEMENT (CONTINUED)**

*Capital Structure and Adequacy (continued)*

**Table 2: Disclosure on Total RWA and Minimum Capital Requirement (continued)**

30 June 2016	CIMB Bank				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
<b>Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)</b>	<b>304,503,775</b>	<b>289,807,706</b>	<b>135,920,473</b>	<b>135,920,473</b>	<b>10,873,638</b>
<b>Large Exposure Risk Requirement</b>	<b>665,798</b>	<b>665,798</b>	<b>665,798</b>	<b>665,798</b>	<b>53,264</b>
<b>Market Risk (SA)</b>					
Interest Rate Risk/Benchmark rate risk			9,139,088	9,139,088	731,127
Foreign Currency Risk			734,634	734,634	58,771
Equity Risk			729,361	729,361	58,349
Commodity Risk			419,645	419,645	33,572
Options Risk			1,222,837	1,222,837	97,827
<b>Total Market Risk</b>			<b>12,245,566</b>	<b>12,245,566</b>	<b>979,645</b>
<b>Operational Risk (BIA)</b>			<b>13,225,216</b>	<b>13,225,216</b>	<b>1,058,017</b>
<b>Total RWA and Capital Requirement</b>			<b>162,057,052</b>	<b>162,057,052</b>	<b>12,964,564</b>



**CAPITAL MANAGEMENT (CONTINUED)**
**Capital Structure and Adequacy (continued)**
**Table 2: Disclosure on Total RWA and Minimum Capital Requirement (continued)**

30 June 2015	CIMB Bank				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
<b>Credit Risk</b>					
<b>Exposures under the SA</b>					
Sovereign/Central Banks	28,195,289	28,195,289	529,492	529,492	42,359
Public Sector Entities	2,518	2,518	504	504	40
Banks, DFIs & MDBs	110,480	110,480	9,314	9,314	745
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	2,564,255	2,114,925	1,294,854	1,294,854	103,588
Corporate	5,620,493	3,672,640	4,952,270	4,952,270	396,182
Regulatory Retail	24,180,081	11,773,745	9,677,780	9,677,780	774,222
Residential Mortgages/ RRE Financing	661,776	660,671	383,275	383,275	30,662
Higher Risk Assets	942,839	942,839	1,414,259	1,414,259	113,141
Other Assets	6,056,574	6,056,574	3,883,875	3,883,875	310,710
Securitisation	517,264	517,264	103,453	103,453	8,276
<b>Total for SA</b>	<b>68,851,568</b>	<b>54,046,944</b>	<b>22,249,075</b>	<b>22,249,075</b>	<b>1,779,926</b>
<b>Exposures under the IRB Approach</b>					
Sovereign/Central Banks	-	-	-	-	-
Public Sector Entities	-	-	-	-	-
Banks, DFIs & MDBs	37,043,645	37,043,645	8,240,135	8,240,135	659,211
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	-	-	-	-	-
Corporate	102,563,423	102,563,423	65,608,787	65,608,787	5,248,703
Residential Mortgages/ RRE Financing	48,989,978	48,989,978	16,336,498	16,336,498	1,306,920
Qualifying Revolving Retail	12,938,845	12,938,845	8,417,358	8,417,358	673,389
Hire Purchase	9,474,641	9,474,641	6,093,907	6,093,907	487,513
Other Retail	20,589,418	20,589,418	6,866,748	6,866,748	549,340
Securitisation	-	-	-	-	-
<b>Total for IRB Approach</b>	<b>231,599,950</b>	<b>231,599,950</b>	<b>111,563,433</b>	<b>111,563,433</b>	<b>8,925,075</b>
<b>Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)</b>	<b>300,451,518</b>	<b>285,646,893</b>	<b>140,506,314</b>	<b>140,506,314</b>	<b>11,240,505</b>
<b>Large Exposure Risk Requirement</b>	<b>73,498</b>	<b>73,498</b>	<b>73,498</b>	<b>73,498</b>	<b>5,880</b>

**CAPITAL MANAGEMENT (CONTINUED)**

*Capital Structure and Adequacy (continued)*

**Table 2: Disclosure on Total RWA and Minimum Capital Requirement (continued)**

30 June 2015	CIMB Bank				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
<b>Market Risk (SA)</b>					
Interest Rate Risk/Benchmark rate risk			9,929,903	9,929,903	794,392
Foreign Currency Risk			519,791	519,791	41,583
Equity Risk			543,943	543,943	43,515
Commodity Risk			30,055	30,055	2,404
Options Risk			1,133,856	1,133,856	90,709
<b>Total Market Risk</b>			<b>12,157,549</b>	<b>12,157,549</b>	<b>972,604</b>
<b>Operational Risk (BIA)</b>			<b>12,392,197</b>	<b>12,392,197</b>	<b>991,376</b>
<b>Total RWA and Capital Requirement</b>			<b>165,129,557</b>	<b>165,129,557</b>	<b>13,210,365</b>

**CREDIT RISK**

**Summary of Credit Exposures**

i) Gross Credit Exposures by Geographic Distribution

The geographic distribution is based on the country in which the portfolio is geographically managed. The tables show the credit exposures by geographic region:

**Table 3: Geographic Distribution of Credit Exposures**

30 June 2016		CIMB Bank			
(RM'000) Exposure Class	Malaysia	Singapore	Thailand	Other Countries	Total
Sovereign	27,238,400	2,992,032	-	250,541	30,480,974
Bank	20,802,521	5,093,809	-	46,755	25,943,085
Corporate	86,014,126	29,819,628	-	3,347,157	119,180,911
Mortgage/ RRE Financing	45,359,503	5,586,171	-	-	50,945,674
HPE	10,706,501	-	-	-	10,706,501
QRRE	10,112,088	3,001,238	-	-	13,113,326
Other Retail	44,454,192	2,514,331	-	107,216	47,075,739
Other Exposures	6,536,126	492,823	-	28,617	7,057,566
<b>Total Gross Credit Exposure</b>	<b>251,223,456</b>	<b>49,500,032</b>	<b>-</b>	<b>3,780,287</b>	<b>304,503,775</b>

30 June 2015		CIMB Bank			
(RM'000) Exposure Class	Malaysia	Singapore	Thailand	Other Countries	Total
Sovereign	26,074,687	2,090,425	-	30,176	28,195,289
Bank	26,480,334	8,843,329	-	1,832,979	37,156,642
Corporate	82,747,685	25,256,911	-	2,743,576	110,748,171
Mortgage/ RRE Financing	45,127,642	4,524,112	-	-	49,651,754
HPE	9,474,641	-	-	-	9,474,641
QRRE	9,835,089	3,103,756	-	-	12,938,845
Other Retail	42,701,424	1,998,446	-	69,629	44,769,500
Other Exposures	7,007,860	477,557	-	31,259	7,516,676
<b>Total Gross Credit Exposure</b>	<b>249,449,363</b>	<b>46,294,537</b>	<b>-</b>	<b>4,707,619</b>	<b>300,451,518</b>

**CREDIT RISK (CONTINUED)**

**Summary of Credit Exposures (continued)**

i) Gross Credit Exposures by Sector

The following tables represent the Bank's credit exposure analysed by sector:

**Table 4: Distribution of Credit Exposures by Sector**

30 June 2016	CIMB Bank											
(RM'000) Exposure Class	Primary Agriculture	Mining and Quarrying	Manufacturing	Electricity, Gas and Water Supply	Construction	Wholesale and Retail Trade, and Restaurants and Hotels	Transport, Storage and Communication	Finance, Insurance/ Takaful, Real Estate and Business Activities	Education, Health and Others	Household	Others*	Total
Sovereign	262,871	-	-	884,591	1,120,983	-	1,994,763	5,365,463	20,852,303	-	-	30,480,974
Bank	116	-	-	-	-	-	-	25,319,025	623,944	-	-	25,943,085
Corporate	6,620,695	7,807,651	6,877,671	5,476,203	9,459,934	13,415,725	11,505,281	36,483,684	8,466,677	3,315,260	9,752,130	119,180,911
Mortgage/ RRE	-	-	-	-	-	-	-	-	-	50,945,674	-	50,945,674
Financing HPE	-	-	-	-	-	-	-	-	-	10,706,501	-	10,706,501
QRRE	-	-	-	-	-	-	-	-	-	13,113,326	-	13,113,326
Other Retail	127,830	36,738	702,857	28,204	648,439	1,284,822	165,927	1,720,959	563,057	41,796,908	-	47,075,739
Other Exposures	22,669	-	-	-	-	-	-	1,322,193	148,866	-	5,563,838	7,057,566
<b>Total Gross Credit Exposure</b>	<b>7,034,180</b>	<b>7,844,388</b>	<b>7,580,528</b>	<b>6,388,998</b>	<b>11,229,356</b>	<b>14,700,547</b>	<b>13,665,971</b>	<b>70,211,324</b>	<b>30,654,847</b>	<b>119,877,668</b>	<b>15,315,968</b>	<b>304,503,775</b>

\*Others are exposures which are not elsewhere classified.

**CREDIT RISK (CONTINUED)**

**Summary of Credit Exposures (continued)**

i) Gross Credit Exposures by Sector (continued)

**Table 4: Distribution of Credit Exposures by Sector (continued)**

30 June 2015	CIMB Bank											
(RM'000) Exposure Class	Primary Agriculture	Mining and Quarrying	Manufacturing	Electricity, Gas and Water Supply	Construction	Wholesale and Retail Trade, and Restaurants and Hotels	Transport, Storage and Communication	Finance, Insurance/ Takaful, Real Estate and Business Activities	Education, Health and Others	Household	Others*	Total
Sovereign	295,032	-	-	1,109,586	1,159,752	-	2,037,482	4,225,055	19,368,383	-	-	28,195,289
Bank	125	-	-	-	-	-	-	35,025,572	2,130,946	-	-	37,156,642
Corporate	6,104,347	8,255,092	7,401,033	4,252,447	8,914,369	12,910,744	11,980,064	31,784,559	7,437,729	2,848,571	8,859,218	110,748,171
Mortgage/ RRE	-	-	-	-	-	-	-	-	-	49,651,754	-	49,651,754
Financing	-	-	-	-	-	-	-	-	-	9,474,641	-	9,474,641
HPE	-	-	-	-	-	-	-	-	-	12,938,845	-	12,938,845
QRRE	-	-	-	-	-	-	-	-	-	40,261,247	-	40,261,247
Other Retail	113,105	23,903	602,400	23,580	545,614	1,089,110	152,023	1,446,029	512,488	-	-	44,769,500
Other Exposures	21,232	-	-	-	-	-	-	786,251	276,847	-	6,432,347	7,516,676
<b>Total Gross Credit Exposure</b>	<b>6,533,841</b>	<b>8,278,995</b>	<b>8,003,433</b>	<b>5,385,612</b>	<b>10,619,735</b>	<b>13,999,853</b>	<b>14,169,569</b>	<b>73,267,465</b>	<b>29,726,391</b>	<b>115,175,057</b>	<b>15,291,564</b>	<b>300,451,518</b>

\*Others are exposures which are not elsewhere classified.

**CREDIT RISK (CONTINUED)**

**Summary of Credit Exposures (continued)**

ii) Gross Credit Exposures by Residual Contractual Maturity

The tables below present the distribution of credit exposures by residual contractual maturity:

**Table 5: Distribution of Credit Exposures by Residual Contractual Maturity**

30 June 2016		CIMB Bank		
(RM'000) Exposure Class	Less than 1 year	1 to 5 years	More than 5 years	Total
Sovereign	6,802,845	8,033,029	15,645,100	30,480,974
Bank	16,921,403	7,637,865	1,383,817	25,943,085
Corporate	32,267,315	48,906,820	38,006,775	119,180,911
Mortgage/ RRE Financing	62,777	672,342	50,210,555	50,945,674
HPE	84,145	1,916,236	8,706,120	10,706,501
QRRE	13,113,326	-	-	13,113,326
Other Retail	2,611,980	2,153,346	42,310,413	47,075,739
Other Exposures	13,036	241,659	6,802,871	7,057,566
<b>Total Gross Credit Exposure</b>	<b>71,876,827</b>	<b>69,561,296</b>	<b>163,065,652</b>	<b>304,503,775</b>

30 June 2015		CIMB Bank		
(RM'000) Exposure Class	Less than 1 year	1 to 5 years	More than 5 years	Total
Sovereign	4,678,294	6,869,358	16,647,637	28,195,289
Bank	27,217,941	8,231,467	1,707,235	37,156,642
Corporate	28,803,310	46,311,349	35,633,512	110,748,171
Mortgage/ RRE Financing	40,931	906,453	48,704,371	49,651,754
HPE	85,283	1,811,879	7,577,479	9,474,641
QRRE	12,938,845	-	-	12,938,845
Other Retail	2,777,286	2,167,903	39,824,311	44,769,500
Other Exposures	88,368	368,527	7,059,782	7,516,676
<b>Total Gross Credit Exposure</b>	<b>76,630,257</b>	<b>66,666,934</b>	<b>157,154,327</b>	<b>300,451,518</b>

**CREDIT RISK (CONTINUED)**

**Credit Quality of Loans, Advances and Financing**

*i) Past Due But Not Impaired*

The following tables provide an analysis of the outstanding balances as at 30 June 2016 and 31 December 2015 which were past due but not impaired by sector and geographic respectively:

**Table 6: Past Due but Not Impaired Loans, Advances and Financing by Sector**

(RM'000)	CIMB Bank	
	30 June 2016	31 December 2015
Primary Agriculture	23,774	19,575
Mining and Quarrying	1,934	6,934
Manufacturing	62,724	38,546
Electricity, Gas and Water Supply	327	768
Construction	92,163	77,448
Wholesale and Retail Trade, and Restaurants and Hotels	147,142	137,305
Transport, Storage and Communications	83,973	45,289
Finance, Insurance/ Takaful, Real Estate and Business Activities	157,287	132,692
Education, Health and Others	49,164	67,561
Household	7,294,774	7,015,308
Others*	4,073	11,087
<b>Total</b>	<b>7,917,335</b>	<b>7,552,513</b>

\*Others are exposures which are not elsewhere classified.

**Table 7: Past Due but Not Impaired Loans, Advances and Financing by Geographic Distribution**

(RM'000)	CIMB Bank	
	30 June 2016	31 December 2015
Malaysia	7,730,800	7,423,271
Singapore	186,535	129,242
Thailand	-	-
Other Countries	-	-
<b>Total</b>	<b>7,917,335</b>	<b>7,552,513</b>

**CREDIT RISK (CONTINUED)**

**Credit Quality of Loans, Advances and Financing (continued)**

ii) *Impaired Loans/Financings*

The following tables provide an analysis of the outstanding balances as at 30 June 2016 and 31 December 2015 which were impaired by sector and geographical respectively:

**Table 8: Impaired Loans, Advances and Financing by Sector**

(RM'000)	CIMB Bank	
	30 June 2016	31 December 2015
Primary Agriculture	44,476	42,544
Mining and Quarrying	37,586	35,772
Manufacturing	243,723	260,386
Electricity, Gas and Water Supply	360	341
Construction	110,486	102,438
Wholesale and Retail Trade, and Restaurants and Hotels	181,673	127,610
Transport, Storage and Communications	1,013,380	1,014,518
Finance, Insurance/ Takaful, Real Estate and Business Activities	173,066	174,435
Education, Health and Others	113,255	114,259
Household	1,402,315	1,204,432
Others*	5,992	47,584
<b>Total</b>	<b>3,326,312</b>	<b>3,124,319</b>

\*Others are exposures which are not elsewhere classified.

**Table 9: Impaired Loans, Advances and Financing by Geographic Distribution**

(RM'000)	CIMB Bank	
	30 June 2016	31 December 2015
Malaysia	3,101,383	3,033,129
Singapore	224,819	91,188
Thailand	-	-
Other Countries	110	2
<b>Total</b>	<b>3,326,312</b>	<b>3,124,319</b>



**CREDIT RISK (CONTINUED)**

**Credit Quality of Loans, Advances and Financing (continued)**

*ii) Impaired Loans/Financings (continued)*

**Table 10: Individual Impairment and Portfolio Impairment Allowances by Sector for the period ended 30 June 2016 and 31 December 2015**

(RM'000)	CIMB Bank			
	30 June 2016		31 December 2015	
	Individual Impairment Allowance	Portfolio Impairment Allowance	Individual Impairment Allowance	Portfolio Impairment Allowance
Primary Agriculture	30,418	7,590	31,957	9,198
Mining and Quarrying	30,444	4,879	32,392	6,995
Manufacturing	152,702	39,389	152,228	38,008
Electricity, Gas and Water Supply	-	488	-	448
Construction	46,447	31,216	49,127	33,477
Wholesale and Retail Trade, and Restaurants and Hotels	80,643	63,927	40,112	68,579
Transport, Storage and Communication	1,004,416	12,504	1,006,084	12,758
Finance, Insurance/ Takaful, Real Estate and Business Activities	127,095	52,248	140,445	54,450
Education, Health and Others	4,247	10,070	3,498	12,169
Household	80,255	831,282	47,752	868,733
Others*	537	5,773	39,671	5,858
<b>Total</b>	<b>1,557,204</b>	<b>1,059,366</b>	<b>1,543,266</b>	<b>1,110,673</b>

\*Others are exposures which are not elsewhere classified.

**Table 11: Individual Impairment and Portfolio Impairment Allowances by Geographic Distribution for the period ended 30 June 2016 and 31 December 2015**

(RM'000)	CIMB Bank			
	30 June 2016		31 December 2015	
	Individual Impairment Allowance	Portfolio Impairment Allowance	Individual Impairment Allowance	Portfolio Impairment Allowance
Malaysia	1,496,108	1,010,093	1,515,212	1,063,878
Singapore	61,096	43,015	28,054	38,921
Thailand	-	-	-	-
Other Countries	-	6,258	-	7,874
<b>Total</b>	<b>1,557,204</b>	<b>1,059,366</b>	<b>1,543,266</b>	<b>1,110,673</b>

**CREDIT RISK (CONTINUED)**

**Credit Quality of Loans, Advances and Financing (continued)**

ii) *Impaired Loans/Financings (continued)*

**Table 12: Charges for Individual Impairment Provision and Write Offs During the Period 30 June 2016 and 30 June 2015**

(RM'000)	CIMB Bank			
	30 June 2016		30 June 2015	
	Charges/Write Back	Write-Off	Charges/Write Back	Write-Off
Primary Agriculture	(181)	-	12,334	-
Mining and Quarrying	25	-	38	-
Manufacturing	(818)	-	(3,392)	62,544
Electricity, Gas and Water Supply	-	-	-	-
Construction	(3,359)	-	(81)	6,783
Wholesale and Retail Trade, and Restaurants and Hotels	3,682	119	(333)	13,747
Transport, Storage and Communication	(1,174)	806	1,902	-
Finance, Insurance/ Takaful, Real Estate and Business Activities	(5,905)	-	(3,675)	5,566
Education, Health and Others	749	-	395	-
Household	35,678	2196	(4,512)	1,239
Others*	1	-	(821)	-
<b>Total</b>	<b>28,698</b>	<b>3,121</b>	<b>1,855</b>	<b>89,879</b>

\*Others are exposures which are not elsewhere classified.

**CREDIT RISK (CONTINUED)**

**Credit Quality of Loans, Advances and Financing (continued)**

*ii) Impaired Loans/Financings (continued)*

**Table 13: Analysis of movement for Loan/Financing Impairment Allowances for the Period Ended 30 June 2016 and 30 June 2015**

(RM'000)	CIMB Bank			
	30 June 2016		30 June 2015	
	Individual Impairment Allowance	Portfolio Impairment Allowance	Individual Impairment Allowance	Portfolio Impairment Allowance
At 1 January	1,543,267	1,110,673	1,613,522	1,231,434
Allowance (written back)/made during the financial period/year	28,698	158,010	1,855	189,040
Amount transferred to portfolio impairment allowance	-	-	-	-
Amount written back in respect of recoveries	-	-	-	-
Allowance made and charged to deferred assets	-	-	-	-
Allowance made in relation to jointly controlled entity	-	-	-	-
Amount written off	(3,121)	(208,216)	(89,879)	(189,004)
Transfer(to)/from intercompany	-	-	-	-
Disposal of subsidiary	-	-	-	-
Unwinding income	-	-	-	-
Exchange fluctuation	(11,640)	(1,101)	21,756	3,564
<b>Total</b>	<b>1,557,204</b>	<b>1,059,366</b>	<b>1,547,254</b>	<b>1,235,034</b>

**Capital Treatment for Credit Risk**

Details on RWA and capital requirements related to Credit Risk are disclosed separately for CIMB Bank in Table 2. Details on the disclosure for portfolios under the SA and the IRB Approach are in the sections that follow.

**CREDIT RISK (CONTINUED)**

**Credit Risk – Disclosure for Portfolios under the SA**

The following tables present the credit exposures by risk weights and after credit risk mitigation:

**Table 14: Disclosure by Risk Weight under SA**

30 June 2016	CIMB Bank											
(RM'000) Risk Weights	Sovereign/ Central Banks	PSEs	Banks, MDBs and DFIs	Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	Corporate	Regulatory Retail	Residential Mortgages / RRE Financing	Higher Risk Assets	Other Assets	Securitisation*	Total Exposures after Netting and Credit Risk Mitigation*	Total Risk Weighted Assets
0%	29,408,482	-	78,186	-	-	-	-	-	3,047,576	-	32,534,244	-
20%	203,652	2,091	122,176	346,759	-	-	-	-	-	314,299	988,978	197,796
35%	-	-	-	-	-	-	443,028	-	-	-	443,028	155,060
50%	868,839	-	56,471	1,513,900	24,048	28,328	194,632	-	-	-	2,686,218	1,343,109
75%	-	-	-	-	-	11,772,794	6,242	-	-	-	11,779,035	8,834,277
100%	-	-	-	407,326	3,903,250	533,985	216,157	-	2,259,582	-	7,320,301	7,320,301
150%	-	-	-	-	65,166	17,071	-	1,436,109	-	-	1,518,347	2,277,520
150% < RW <1250%	-	-	-	-	-	-	-	-	-	-	-	-
>1250%	-	-	-	-	106,484	-	-	-	-	-	106,484	1,331,051
<b>Total</b>	<b>30,480,974</b>	<b>2,091</b>	<b>256,833</b>	<b>2,267,985</b>	<b>4,098,948</b>	<b>12,352,178</b>	<b>860,059</b>	<b>1,436,109</b>	<b>5,307,158</b>	<b>314,299</b>	<b>57,376,634</b>	<b>21,459,112</b>
<b>Average Risk Weight</b>	<b>2%</b>	<b>20%</b>	<b>21%</b>	<b>54%</b>	<b>130%</b>	<b>76%</b>	<b>55%</b>	<b>150%</b>	<b>43%</b>	<b>20%</b>	<b>37%</b>	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	

\*The total includes the portion which is deducted from Capital Base, if any.

**CREDIT RISK (CONTINUED)**

*Credit Risk – Disclosure for Portfolios under the SA (continued)*

**Table 14: Disclosure by Risk Weight under SA (continued)**

30 June 2015											CIMB Bank	
(RM'000) Risk Weights	Sovereign/ Central Banks	PSEs	Banks, MDBs and DFIs	Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	Corporate	Regulatory Retail	Residential Mortgages/ RRE Financing	Higher Risk Assets	Other Assets	Securitisation*	Total Exposures after Netting and Credit Risk Mitigation*	Total Risk Weighted Assets
0%	27,204,493	-	91,823	-	-	-	-	-	2,109,761	-	29,406,077	-
20%	56,343	2,518	46	255,059	-	-	-	-	78,673	517,264	909,902	181,980
35%	-	-	-	-	-	-	356,994	-	-	-	356,994	124,948
50%	832,460	-	18,611	1,232,047	19,058	41,505	86,709	-	-	-	2,230,389	1,115,195
75%	-	-	-	-	-	8,335,614	7,982	-	-	-	8,343,596	6,257,697
100%	101,993	-	-	627,818	3,515,485	3,379,243	208,986	-	3,868,140	-	11,701,666	11,701,666
150%	-	-	-	-	27,179	17,383	-	942,839	-	-	987,400	1,481,100
150%<RW< 1250%	-	-	-	-	-	-	-	-	-	-	-	-
1250%	-	-	-	-	110,919	-	-	-	-	-	110,919	1,386,488
<b>Total</b>	<b>28,195,289</b>	<b>2,518</b>	<b>110,480</b>	<b>2,114,925</b>	<b>3,672,640</b>	<b>11,773,745</b>	<b>660,671</b>	<b>942,839</b>	<b>6,056,574</b>	<b>517,264</b>	<b>54,046,944</b>	<b>22,249,074</b>
<b>Average Risk Weight</b>	<b>2%</b>	<b>20%</b>	<b>8%</b>	<b>61%</b>	<b>135%</b>	<b>82%</b>	<b>58%</b>	<b>150%</b>	<b>64%</b>	<b>20%</b>	<b>41%</b>	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	

\*The total includes the portion which is deducted from Capital Base, if any.

**CREDIT RISK (CONTINUED)**
***Credit Risk – Disclosure for Portfolios under the SA***

The following tables present the non-retail credit exposures before the effect of credit risk mitigation, according to ratings by ECAIs:

**Table 15: Disclosures of Rated and Unrated Non-Retail Exposures under SA according to Ratings by ECAIs**

30 June 2016		CIMB Bank		
(RM '000) Exposure Class	Investment Grade	Non-Investment Grade	No Rating	Total
<b>On and Off-Balance-Sheet Exposures</b>				
Public Sector Entities	-	-	2,091	2,091
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	2,561,761	134,281	746,993	3,443,035
Corporate	827	130,704	6,106,480	6,238,010
Sovereign/Central Banks	17,951,155	-	12,529,818	30,480,974
Banks, MDBs and DFIs	256,833	-	-	256,833
<b>Total</b>	<b>20,770,577</b>	<b>264,985</b>	<b>19,385,382</b>	<b>40,420,944</b>

30 June 2015		CIMB Bank		
(RM '000) Exposure Class	Investment Grade	Non-Investment Grade	No Rating	Total
<b>On and Off-Balance-Sheet Exposures</b>				
Public Sector Entities	-	-	2,518	2,518
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	1,208,135	114,833	1,241,288	2,564,255
Corporate	7	148,259	5,472,227	5,620,493
Sovereign/Central Banks	17,435,314	72,397	10,687,578	28,195,289
Banks, MDBs and DFIs	110,480	-	-	110,480
<b>Total</b>	<b>18,753,935</b>	<b>335,489</b>	<b>17,403,611</b>	<b>36,493,035</b>

**Table 16: Disclosures of Securitisation under SA according to Ratings by ECAIs**

30 June 2016		CIMB Bank		
(RM '000) Exposure Class	Investment Grade	Non-Investment Grade	No Rating	Total
<b>On and Off-Balance-Sheet Exposures</b>				
Securitisation	314,299	-	-	314,299

30 June 2015		CIMB Bank		
(RM '000) Exposure Class	Investment Grade	Non-Investment Grade	No Rating	Total
<b>On and Off-Balance-Sheet Exposures</b>				
Securitisation	517,264	-	-	517,264

**CREDIT RISK (CONTINUED)**

***Credit Risk – Disclosure for Portfolios under the IRB Approach***

*Retail Exposures*

Retail exposures covered under the A-IRB Approach include credit cards, auto loans/financing, personal financing, business premises loan/financing and Residential Mortgages/ RRE Financing.

The following tables summarise the Bank's retail credit exposures measured under A-IRB Approach:

**Table 17: Retail Credit Exposures by PD Band**

30 June 2016	CIMB Bank			
(RM'000) PD Range of Retail Exposures	0% ≤ PD < 2%	2% ≤ PD < 100%	100% Or Default	Total
<b>Total Retail Exposure</b>	<b>85,634,122</b>	<b>10,078,197</b>	<b>1,534,728</b>	<b>97,247,047</b>
Residential Mortgage	47,241,126	2,055,975	786,509	50,083,610
QRRE	8,479,990	4,516,467	116,869	13,113,326
Hire Purchase	8,722,959	1,816,446	167,095	10,706,501
Other Retail	21,190,047	1,689,309	464,254	23,343,610
<b>Exposure Weighted Average LGD</b>				
Residential Mortgage	22%	23%	29%	
QRRE	89%	89%	89%	
Hire Purchase	52%	53%	57%	
Other Retail	26%	28%	68%	
<b>Exposure Weighted Average Risk Weight</b>				
Residential Mortgage	28%	87%	105%	
QRRE	29%	132%	226%	
Hire Purchase	52%	86%	167%	
Other Retail	24%	43%	249%	

**CREDIT RISK (CONTINUED)**

***Credit Risk – Disclosure for Portfolios under the IRB Approach (continued)***

*Retail Exposures (continued)*

**Table 17: Retail Credit Exposures by PD Band (continued)**

30 June 2015	CIMB Bank			
(RM'000) PD Range of Retail Exposures	0% ≤ PD < 2%	2% ≤ PD < 100%	100% Or Default	Total
<b>Total Retail Exposure</b>	<b>80,282,111</b>	<b>10,077,595</b>	<b>1,633,176</b>	<b>91,992,882</b>
Residential Mortgage	45,613,802	2,563,240	812,936	48,989,978
QRRE	8,426,092	4,423,897	88,856	12,938,845
Hire Purchase	7,627,204	1,677,326	170,111	9,474,641
Other Retail	18,615,013	1,413,133	561,272	20,589,418
<b>Exposure Weighted Average LGD</b>				
Residential Mortgage	23%	24%	30%	
QRRE	89%	89%	89%	
Hire Purchase	53%	54%	59%	
Other Retail	28%	32%	68%	
<b>Exposure Weighted Average Risk Weight</b>				
Residential Mortgage	30%	87%	48%	
QRRE	30%	130%	160%	
Hire Purchase	54%	90%	291%	
Other Retail	27%	50%	214%	



**CREDIT RISK (CONTINUED)**

***Credit Risk – Disclosure for Portfolios under the IRB Approach (continued)***

*Retail Exposures (continued)*

**Table 18: Retail Exposures under the IRB Approach by Expected Loss Range**

30 June 2016		CIMB Bank		
(RM'000)	EL ≤ 1%	1% < EL < 100%	EL = 100%	Total
Expected Loss Range of Retail Exposure				
<b>Total Retail Exposure</b>	<b>85,934,434</b>	<b>11,208,251</b>	<b>104,361</b>	<b>97,247,047</b>
Residential Mortgage	48,147,005	1,880,836	55,769	50,083,610
QRRE	6,729,387	6,383,939	-	13,113,326
Hire Purchase	8,730,372	1,973,991	2,137	10,706,501
Other Retail	22,327,670	969,485	46,455	23,343,610
<b>Exposure Weighted Average LGD</b>				
Residential Mortgage	22%	26%	38%	
QRRE	89%	89%	-	
Hire Purchase	52%	54%	60%	
Other Retail	26%	45%	74%	

30 June 2015		CIMB Bank		
(RM'000)	EL ≤ 1%	1% < EL < 100%	EL = 100%	Total
Expected Loss Range of Retail Exposure				
<b>Total Retail Exposure</b>	<b>80,153,483</b>	<b>11,693,469</b>	<b>145,930</b>	<b>91,992,882</b>
Residential Mortgage	46,832,028	2,085,588	72,363	48,989,978
QRRE	6,317,081	6,621,763	-	12,938,845
Hire Purchase	7,618,092	1,855,438	1,110	9,474,641
Other Retail	19,386,282	1,130,679	72,457	20,589,418
<b>Exposure Weighted Average LGD</b>				
Residential Mortgage	23%	27%	38%	
QRRE	89%	89%	-	
Hire Purchase	53%	55%	66%	
Other Retail	28%	49%	69%	

**CREDIT RISK (CONTINUED)**

***Credit Risk – Disclosure for Portfolios under the IRB Approach (continued)***

*Non-retail Exposures*

The following tables summarise the Bank's non-retail credit exposures measured under F-IRB Approach:

**Table 19: Credit Exposures Subject to Supervisory Risk Weight under IRB Approach**

<b>30 June 2016</b>		<b>CIMB Bank</b>				
<b>(RM '000) Supervisory Categories</b>	<b>Strong</b>	<b>Good</b>	<b>Satisfactory</b>	<b>Weak</b>	<b>Default</b>	<b>Total</b>
Project Finance	52,474	1,350,879	-	87,040	1,427,792	2,918,185
Object Finance	-	26,783	4,680	-	7,976	39,438
Commodities Finance	-	-	-	-	-	-
Income Producing Real Estate	3,121,687	6,923,534	461,113	185,143	2,601	10,694,077
<b>RWA</b>	<b>1,708,157</b>	<b>6,767,924</b>	<b>535,661</b>	<b>680,457</b>	<b>-</b>	<b>9,692,198</b>

<b>30 June 2015</b>		<b>CIMB Bank</b>				
<b>(RM '000) Supervisory Categories</b>	<b>Strong</b>	<b>Good</b>	<b>Satisfactory</b>	<b>Weak</b>	<b>Default</b>	<b>Total</b>
Project Finance	-	513,971	121,378	117,055	1,355,534	2,107,939
Object Finance	7,753	31,319	125,676	-	-	164,749
Commodities Finance	-	-	-	-	-	-
Income Producing Real Estate	1,302,296	6,690,324	75,875	232,331	-	8,300,826
<b>RWA</b>	<b>785,238</b>	<b>6,285,716</b>	<b>371,369</b>	<b>873,465</b>	<b>-</b>	<b>8,315,788</b>

The Bank has no exposure to High Volatility Commercial Real Estate and Equities under the Simple Risk Weight Approach.

**CREDIT RISK (CONTINUED)**
***Credit Risk – Disclosure for Portfolios under the IRB Approach (continued)***
***Non-retail Exposures (continued)***
**Table 20: Non-Retail Exposures under IRB Approach by Risk Grades**

30 June 2016	CIMB Bank				
(RM'000) Internal Risk Grading	1 - 3	4 - 9	10 - 13	Default	Total
<b>Total Non-Retail Exposure</b>	<b>44,923,376</b>	<b>57,485,459</b>	<b>17,545,441</b>	<b>1,578,049</b>	<b>121,532,326</b>
Sovereign/Central Banks	-	-	-	-	-
Bank	22,531,514	3,110,262	42,384	1	25,684,161
Corporate (excluding Specialised Lending)	22,391,862	54,375,197	17,503,057	1,578,048	95,848,165
<b>Exposure Weighted Average LGD</b>					
Sovereign/Central Banks	-	-	-	-	
Bank	37%	35%	45%	45%	
Corporate (excluding Specialised Lending)	45%	37%	30%	26%	
<b>Exposure Weighted Average Risk Weight</b>					
Sovereign/Central Banks	-	-	-	-	
Bank	17%	36%	138%	-	
Corporate (excluding Specialised Lending)	18%	64%	93%	-	

30 June 2015	CIMB Bank				
(RM'000) Internal Risk Grading	1 - 3	4 - 9	10 - 13	Default	Total
<b>Total Non-Retail Exposure</b>	<b>52,608,459</b>	<b>58,190,399</b>	<b>16,276,958</b>	<b>1,957,739</b>	<b>129,033,554</b>
Sovereign/Central Banks	-	-	-	-	-
Bank	32,742,058	4,266,150	35,437	-	37,043,645
Corporate (excluding Specialised Lending)	19,866,401	53,924,249	16,241,521	1,957,738	91,989,909
<b>Exposure Weighted Average LGD</b>					
Sovereign/Central Banks	-	-	-	-	
Bank	41%	39%	45%	45%	
Corporate (excluding Specialised Lending)	46%	38%	32%	41%	
<b>Exposure Weighted Average Risk Weight</b>					
Sovereign/Central Banks	-	-	-	-	
Bank	19%	46%	174%	-	
Corporate (excluding Specialised Lending)	18%	69%	101%	-	

**CREDIT RISK (CONTINUED)**

***Credit Risk – Disclosure for Portfolios under the IRB Approach (continued)***

*Expected Losses versus Actual Losses by Portfolio Types*

The following table summarises the actual losses by portfolio type:

**Table 21: Analysis of Expected Loss versus Actual Losses by Portfolio Types**

<b>CIMB Bank</b>				
<b>(RM'000) Exposure Class</b>	<b>30 June 2016</b>		<b>30 June 2015</b>	
	<b>Regulatory Expected Losses as at 30 June 2015</b>	<b>Actual Losses for the period ended 30 June 2016</b>	<b>Regulatory Expected Losses as at 30 June 2014</b>	<b>Actual Losses for the period ended 30 June 2015</b>
Sovereign	-	-	-	-
Bank	15,089	-	12,750	-
Corporate	690,358	(39,309)	571,719	280,682
Mortgage/ RRE Financing	172,814	8,867	146,323	35,180
HPE	124,994	37,149	145,989	100,915
QRRE	474,473	163,402	406,579	124,996
Other Retail	84,902	(20,750)	71,557	(34,457)
Other Exposures	-	-	-	-
<b>Total</b>	<b>1,562,630</b>	<b>149,360</b>	<b>1,354,917</b>	<b>507,316</b>

Actual loss refers to impairment provisions and direct write-offs, if any during the period.

On the other hand, EL measures the loss expected from non-defaulted exposures at the start of the period. It is computed based on the risk parameters of the adopted IRB Approach. While a comparison of actual losses and EL provides some insight of the predictive power of the IRB Approach models used by the Bank, the two metrics are not directly comparable due to the differences in methodology.

***Off-Balance Sheet Exposures and Counterparty Credit Risk***

In the event of a one-notch downgrade of rating, based on the terms of the existing Credit Support Annexes, International Swaps and Derivatives Association Agreement and exposure as at 30 June 2016, the additional collateral to be posted was RM 6,045,000 as compared to RM 9,436,250 as at 30 June 2015.

**CREDIT RISK (CONTINUED)**

**Off-Balance Sheet Exposures and Counterparty Credit Risk (continued)**

The following tables disclose the Off-Balance Sheet exposures and Counterparty Credit Risk:

**Table 22: Disclosure on Off-Balance Sheet Exposures and Counterparty Credit Risk**

30 June 2016	CIMB Bank			
(RM '000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
Direct Credit Substitutes	3,026,980		3,026,980	1,497,072
Transaction Related Contingent Items	3,165,963		1,582,981	845,197
Short Term Self Liquidating Trade Related Contingencies	6,766,073		1,353,215	332,693
Assets Sold With Recourse	-		-	-
Forward Asset Purchases	-		-	-
Obligations under an On-going Underwriting Agreement	-		-	-
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions (i.e. repurchase/reverse repurchase and securities lending/borrowing transactions)	-		-	-
Foreign Exchange Related Contracts				
One year or less	-	-	-	-
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	550,353,360	4,469,989	12,400,547	5,510,557
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	25,744,466		22,361,969	10,517,620
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	68,110		37,602	23,370
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	63,116,376		-	-
Unutilised credit card lines	22,552,025		6,708,816	2,922,702
Off-balance sheet items for securitisation exposures	-		-	-
Off-balance sheet exposures due to early amortisation provisions	-		-	-
<b>Total</b>	<b>674,793,354</b>	<b>4,469,989</b>	<b>47,472,110</b>	<b>21,649,211</b>

**CREDIT RISK (CONTINUED)**
**Off-Balance Sheet Exposures and Counterparty Credit Risk (continued)**
**Table 22: Disclosure on Off-Balance Sheet Exposures and Counterparty Credit Risk (continued)**

30 June 2015	CIMB Bank			
(RM '000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
Direct Credit Substitutes	3,190,557		3,190,557	1,944,713
Transaction Related Contingent Items	2,978,475		1,489,237	836,792
Short Term Self Liquidating Trade Related Contingencies	4,600,585		920,117	492,645
Assets Sold With Recourse	-		-	-
Forward Asset Purchases	-		-	-
Obligations under an On-going Underwriting Agreement	-		-	-
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions (i.e. repurchase/reverse repurchase and securities lending/borrowing transactions)	-		-	-
Foreign Exchange Related Contracts				
One year or less	84,459	-	1,267	414
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	494,382,790	4,057,234	11,709,333	5,020,854
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	30,577,557		25,979,934	12,533,140
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	292,005		217,130	310,394
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	53,035,770		-	-
Unutilised credit card lines	22,290,795		6,852,250	3,240,957
Off-balance sheet items for securitisation exposures	-		-	-
Off-balance sheet exposures due to early amortisation provisions	-		-	-
<b>Total</b>	<b>611,432,993</b>	<b>4,057,234</b>	<b>50,359,826</b>	<b>24,379,909</b>

**CREDIT RISK (CONTINUED)**

***Off-Balance Sheet Exposures and Counterparty Credit Risk (continued)***

The table below shows the credit derivative transactions that create exposures to Counterparty Credit Risk (notional value) segregated between own use and client intermediation activities:

**Table 23: Disclosure on Credit Derivative Transactions**

(RM'000)	CIMB Bank			
	30 June 2016		30 June 2015	
	Notional of Credit Derivatives			
	Protection Bought	Protection Sold	Protection Bought	Protection Sold
Own Credit Portfolio	3,044,388	3,315,112	1,928,304	3,075,548
Client Intermediation Activities	27,150	212,500	27,150	261,260
<b>Total</b>	<b>3,071,538</b>	<b>3,527,612</b>	<b>1,955,454</b>	<b>3,336,808</b>
Credit Default Swaps	3,044,388	3,315,112	1,928,304	3,075,548
Total Return Swaps	27,150	212,500	27,150	261,260
<b>Total</b>	<b>3,071,538</b>	<b>3,527,612</b>	<b>1,955,454</b>	<b>3,336,808</b>

**CREDIT RISK (CONTINUED)**
**Credit Risk Mitigation**

The following tables summarise the extent of which exposures are covered by eligible credit risk mitigants:

**Table 24: Disclosure on Credit Risk Mitigation**

30 June 2016	CIMB Bank			
(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
<b>Performing Exposures</b>				
Sovereign/Central Banks	30,480,974	-	-	-
Public Sector Entities	2,091	-	-	-
Banks, DFIs & MDBs	25,940,994	-	5,019,821	-
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	3,443,035	409,025	1,175,050	-
Corporate	112,611,442	1,886,925	14,840,828	12,891,455
Residential Mortgages/ RRE Financing	50,154,693	-	2,005	-
Qualifying Revolving Retail	13,024,518	-	-	-
Hire Purchase	10,539,405	-	-	-
Other Retail	46,566,622	-	11,376,817	-
Securitisation	314,299	-	-	-
Higher Risk Assets	1,436,109	-	-	-
Other Assets	5,307,158	-	-	-
<b>Defaulted Exposures</b>	2,148,515	-	195,001	246,485
<b>Total Exposures</b>	<b>301,969,856</b>	<b>2,295,950</b>	<b>32,609,522</b>	<b>13,137,940</b>

The type of collateral recognised in each asset class is in accordance to the approach adopted in computing the RWA. The CRM shown is computed after taking into account the haircut as prescribed by the guidelines. For assets under SA, only financial collateral and guarantee are recognised. For assets under F-IRB Approach, guarantee, financial collateral and other eligible collateral are recognised. For assets under A-IRB Approach, the collateral has been taken into consideration in the computation of LGD, hence, excluded from the CRM disclosure.



**CREDIT RISK (CONTINUED)**
***Credit Risk Mitigation (continued)***
**Table 24: Disclosure on Credit Risk Mitigation (continued)**

30 June 2015	CIMB Bank			
(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
<b><i>Performing Exposures</i></b>				
Sovereign/Central Banks	28,195,289	-	-	-
Public Sector Entities	2,518	-	-	-
Banks, DFIs & MDBs	37,239,050	-	4,074,983	-
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	2,564,255	382,592	449,330	-
Corporate	104,978,573	642,004	12,205,499	10,925,287
Residential Mortgages/ RRE Financing	48,836,013	-	1,105	-
Qualifying Revolving Retail	12,867,620	-	-	-
Hire Purchase	9,304,530	-	-	-
Other Retail	44,181,427	-	12,403,465	-
Securitisation	517,264	-	-	-
Higher Risk Assets	942,839	-	-	-
Other Assets	6,056,574	-	-	-
<b><i>Defaulted Exposures</i></b>	2,323,093	-	27,942	717,774
<b>Total Exposures</b>	<b>298,009,044</b>	<b>1,024,596</b>	<b>29,162,324</b>	<b>11,643,061</b>

*The type of collateral recognised in each asset class is in accordance to the approach adopted in computing the RWA. The CRM shown is computed after taking into account the haircut as prescribed by the guidelines. For assets under SA, only financial collateral and guarantee are recognised. For assets under F-IRB Approach, guarantee, financial collateral and other eligible collateral are recognised. For assets under A-IRB Approach, the collateral has been taken into consideration in the computation of LGD, hence, excluded from the CRM disclosure.*

**SECURITISATION**

The following tables show the disclosure on Securitisation for Trading and Banking Book:

**Table 25: Disclosure on Securitisation for Trading and Banking Book**

30 June 2016		CIMB Bank		
(RM'000) Underlying Asset	Total Exposures Securitized	Past Due	Impaired	Gain/Losses Recognised during the period
TRADITIONAL SECURITISATION (Banking Book)				
<u>Non-originated by the Banking Institution</u>				
Hire Purchase Exposure	-	-	-	-
<u>Originated by the Banking Institution</u>				
Hire Purchase Exposure	145,539	106,851	2,300	120

31 December 2015		CIMB Bank		
(RM'000) Underlying Asset	Total Exposures Securitized	Past Due	Impaired	Gain/Losses Recognised during the period
TRADITIONAL SECURITISATION (Banking Book)				
<u>Non-originated by the Banking Institution</u>				
Hire Purchase Exposure	-	-	-	-
<u>Originated by the Banking Institution</u>				
Hire Purchase Exposure	17,751	6,552	2,569	644

\* Gains/losses recognised during the period represent gain/losses recognised during the 6 months period from 1 January 2015 to 30 June 2015 and 1 January 2016 to 30 June 2016.

**SECURITISATION (CONTINUED)**

The tables below represent the disclosure on Securitisation under the SA for Banking Book:

**Table 26: Disclosure on Securitisation under the SA for Banking Book Exposures**

30 June 2016											CIMB Bank
(RM'000) Exposure Class	Net Exposure After CRM	Distribution of Exposures after CRM according to Applicable Risk Weights									Risk Weighted Assets
		Rated Securitisation Exposures							Unrated (Look Through)		
		0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount	
<b>Traditional Securitisation (Banking Book)</b>											
<i>Non-originating Banking Institution</i>											
<i>On-Balance Sheet</i>											
Most senior	305,008	-	-	305,008	-	-	-	-	-		61,002
Mezzanine	9,291	-	-	9,291	-	-	-	-	-		1,858
First loss	-	-	-	-	-	-	-	-	-		-
<i>Off-Balance Sheet</i>											
Rated eligible liquidity facilities	-			-	-	-	-	-	-		-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-			-	-	-	-	-	-		-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-			-	-	-	-	-	-		-
Eligible servicer cash advance facilities	-			-	-	-	-	-	-		-
Eligible underwriting facilities	-			-	-	-	-	-	-		-
Guarantees and credit derivatives	-			-	-	-	-	-	-		-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-			-	-	-	-	-	-		-

**SECURITISATION (CONTINUED)**

**Table 26: Disclosure on Securitisation under the SA for Banking Book Exposures (continued)**

30 June 2016		CIMB Bank										
(RM'000) Exposure Class	Net Exposure After CRM	Distribution of Exposures after CRM according to Applicable Risk Weights									Risk Weighted Assets	
		Rated Securitisation Exposures							Unrated (Look Through)			
		0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount		
<i>Originating Banking Institution</i>												
<i>On-Balance Sheet</i>												
Most senior	-	-	-	-	-	-	-	-	-	-	-	-
Mezzanine	-	-	-	-	-	-	-	-	-	-	-	-
First loss	-	-	-	-	-	-	-	-	-	-	-	-
<i>Off-Balance Sheet</i>												
Rated eligible liquidity facilities	-	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-	-	-	-	-	-	-	-	-	-	-
Eligible servicer cash advance facilities	-	-	-	-	-	-	-	-	-	-	-	-
Eligible underwriting facilities	-	-	-	-	-	-	-	-	-	-	-	-
Guarantees and credit derivatives	-	-	-	-	-	-	-	-	-	-	-	-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Exposures</b>	<b>314,299</b>	-	-	<b>314,299</b>	-	-	-	-	-	-	-	<b>62,860</b>

SECURITISATION (CONTINUED)

Table 26: Disclosure on Securitisation under the SA for Banking Book Exposures (continued)

30 June 2015	CIMB Bank										
(RM'000) Exposure Class	Net Exposure After CRM	Distribution of Exposures after CRM according to Applicable Risk Weights									Risk Weighted Assets
		Rated Securitisation Exposures							Unrated (Look Through)		
		0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount	
<b>Traditional Securitisation (Banking Book)</b>											
<i>Non-originating Banking Institution</i>											
<i>On-Balance Sheet</i>											
Most senior	506,252	-	-	506,252	-	-	-	-	-	-	101,250
Mezzanine	11,012	-	-	11,012	-	-	-	-	-	-	2,202
First loss	-	-	-	-	-	-	-	-	-	-	-
<i>Off-Balance Sheet</i>											
Rated eligible liquidity facilities	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-	-	-	-	-	-	-	-	-	-
Eligible servicer cash advance facilities	-	-	-	-	-	-	-	-	-	-	-
Eligible underwriting facilities	-	-	-	-	-	-	-	-	-	-	-
Guarantees and credit derivatives	-	-	-	-	-	-	-	-	-	-	-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-	-	-	-	-	-	-	-	-	-

SECURITISATION (CONTINUED)

Table 26: Disclosure on Securitisation under the SA for Banking Book Exposures (continued)

30 June 2015		CIMB Bank									
(RM'000) Exposure Class	Net Exposure After CRM	Distribution of Exposures after CRM according to Applicable Risk Weights									Risk Weighted Assets
		Rated Securitisation Exposures							Unrated (Look Through)		
		0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount	
<i>Originating Banking Institution</i>											
<i>On-Balance Sheet</i>											
Most senior	-	-	-	-	-	-	-	-	-	-	-
Mezzanine	-	-	-	-	-	-	-	-	-	-	-
First loss	-	-	-	-	-	-	-	-	-	-	-
<i>Off-Balance Sheet</i>											
Rated eligible liquidity facilities	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-	-	-	-	-	-	-	-	-	-
Eligible servicer cash advance facilities	-	-	-	-	-	-	-	-	-	-	-
Eligible underwriting facilities	-	-	-	-	-	-	-	-	-	-	-
Guarantees and credit derivatives	-	-	-	-	-	-	-	-	-	-	-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-	-	-	-	-	-	-	-	-	-
<b>Total Exposures</b>	<b>517,264</b>	-	-	<b>517,264</b>	-	-	-	-	-	-	<b>103,453</b>

**SECURITISATION (CONTINUED)**

The table below presents the Securitisation under the SA for Trading Book Exposures subject to Market Risk capital charge:

**Table 27: Disclosure on Securitisation under the SA for Trading Book Exposures subject to Market Risk Capital Charge**

30 June 2016	CIMB Bank				
(RM'000) Securitisation Exposures	Total Exposure Value of Positions Purchased or Retained	Exposures subject to deduction	General Risk Charge	Specific Risk Charge	Risk Weighted Assets
<b>TRADITIONAL SECURITISATION</b>					
<b><u>Originated by Third Party</u></b>					
<i>On-Balance Sheet</i>	-	-	-	-	-
<i>Off-Balance Sheet</i>	-	-	-	-	-
<i>Sub-total</i>	-	-	-	-	-
<b><u>Originated by Banking Institution</u></b>					
<i>On-Balance Sheet</i>	-	-	-	-	-
<i>Off-Balance Sheet</i>	-	-	-	-	-
<i>Sub-total</i>	-	-	-	-	-
<b><u>Securitisation subject to Early Amortisation</u></b>					
<u>Seller's interest</u>					
<i>On-Balance Sheet</i>	-	-	-	-	-
<i>Off-Balance Sheet</i>	-	-	-	-	-
<u>Investor's interest</u>					
<i>On-Balance Sheet</i>	-	-	-	-	-
<i>Off-Balance Sheet</i>	-	-	-	-	-
<i>Sub-total</i>	-	-	-	-	-
<b>TOTAL (TRADITIONAL SECURITISATION)</b>	-	-	-	-	-

**SECURITISATION (CONTINUED)**

**Table 27: Disclosure on Securitisation under the SA for Trading Book Exposures subject to Market Risk Capital Charge (continued)**

30 June 2015	CIMB Bank				
(RM'000) Securitisation Exposures	Total Exposure Value of Positions Purchased or Retained	Exposures subject to deduction	General Risk Charge	Specific Risk Charge	Risk Weighted Assets
<b>TRADITIONAL SECURITISATION</b>					
<b><u>Originated by Third Party</u></b>					
<i>On-Balance Sheet</i>	2,786	-	53	56	1,354
<i>Off-Balance Sheet</i>	-	-	-	-	-
<i>Sub-total</i>	<b>2,786</b>	<b>-</b>	<b>53</b>	<b>56</b>	<b>1,354</b>
<b><u>Originated by Banking Institution</u></b>					
<i>On-Balance Sheet</i>	-	-	-	-	-
<i>Off-Balance Sheet</i>	-	-	-	-	-
<i>Sub-total</i>	-	-	-	-	-
<b><u>Securitisation subject to Early Amortisation</u></b>					
<b><u>Seller's interest</u></b>					
<i>On-Balance Sheet</i>	-	-	-	-	-
<i>Off-Balance Sheet</i>	-	-	-	-	-
<b><u>Investor's interest</u></b>					
<i>On-Balance Sheet</i>	-	-	-	-	-
<i>Off-Balance Sheet</i>	-	-	-	-	-
<i>Sub-total</i>	-	-	-	-	-
<b>TOTAL (TRADITIONAL SECURITISATION)</b>	<b>2,786</b>	<b>-</b>	<b>53</b>	<b>56</b>	<b>1,354</b>

**MARKET RISK**

Details on RWA and capital requirements related to Market Risk are disclosed for CIMB Bank in Table 2.

**OPERATIONAL RISK**

Details on RWA and capital requirements related to Operational Risk are disclosed for CIMB Bank in Table 2.



**EQUITY EXPOSURES IN BANKING BOOK**

Realised gains arising from sales and liquidations of equities for CIMB Bank for the period ended 30 June 2016 and 30 June 2015 is as follows:

**Table 28: Realised Gains/Losses from Sales and Liquidations of Equities**

In RM('000)	CIMB Bank	
	30 June 2016	30 June 2015
<b>Realised gains</b>		
Shares, private equity funds and unit trusts	5,510	12,657
<b>Unrealised gains</b>		
Shares, private equity funds and unit trusts	(19,587)	583,680

The table below presents the analysis of Equity investments by Grouping and RWA:

**Table 29: Analysis of Equity Investments by Grouping and RWA**

In RM('000)	CIMB Bank			
	30 June 2016		30 June 2015	
	Exposures subject to Risk-Weighting	RWA	Exposures subject to Risk-Weighting	RWA
Privately held	1,436,109	2,154,164	942,839	1,414,259
Publicly traded	-	-	-	-
<b>Total</b>	<b>1,436,109</b>	<b>2,154,164</b>	<b>942,839</b>	<b>1,414,259</b>

**INTEREST RATE RISK/ RATE OF RETURN RISK IN THE BANKING BOOK**

For the purpose of this disclosure, the impact under an instantaneous 100 bps parallel interest rate/benchmark rate shock is applied. The treatments and assumptions applied are based on the contractual repricing maturity and remaining maturity of the products, whichever is earlier. Items with indefinite repricing maturity are treated based on the earliest possible repricing date. The actual dates may vary from the repricing profile allocated due to factors such as pre-mature withdrawals, prepayment and so forth.

The tables below illustrate CIMB Bank IRRBB/RORBB under a 100 bps parallel upward interest rate/benchmark rate shock from economic value and earnings perspectives:

**Table 30: IRRBB/RORBB – Impact on Economic Value**

(RM'000)	CIMB Bank	
	30 June 2016	30 June 2015
<b>Currency</b>	<b>+100bps Increase (Decline) in Economic Value (Value in RM Equivalent)</b>	
Ringgit Malaysia	(650,420)	(844,981)
US Dollar	(153,161)	(45,368)
Thai Baht	1	(5)
Singapore Dollar	(314,903)	(271,069)
Others	(12,953)	(13,111)
<b>Total</b>	<b>(1,131,436)</b>	<b>(1,174,534)</b>

**Table 31: IRRBB/RORBB – Impact on Earnings**

(RM'000)	CIMB Bank	
	30 June 2016	30 June 2015
<b>Currency</b>	<b>+100bps Increase (Decline) in Earnings (Value in RM Equivalent)</b>	
Ringgit Malaysia	131,979	90,094
US Dollar	(75,963)	(87,825)
Thai Baht	(13)	116
Singapore Dollar	(81,999)	(41,402)
Others	3,543	21,370
<b>Total</b>	<b>(22,453)</b>	<b>(17,647)</b>

The sign reflects the nature of the rate sensitivity, with a negative number indicating exposure to increase in interest rate/benchmark rate and vice versa.

- [END OF SECTION] -