

Basel II Pillar 3 Disclosures for the period ended 30 June 2015

- **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 SdnBhd and non-financial subsidiaries
CIMBISLG	: CIMB Islamic Bank Berhad, CIMB Islamic Nominees (Asing) SdnBhd and CIMB Islamic Nominees (Tempatan) SdnBhd
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 2015.

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.

The disclosure has been reviewed and verified by internal auditors and approved by Board of Directors of CIMBGH Group.

CAPITAL MANAGEMENT

Capital Structure and Adequacy

Bank Negara Malaysia issued revised guidelines on the capital adequacy framework on 28 November 2012, of which took effect beginning 1 January 2013. The revised guidelines sets out the general requirements concerning regulatory capital adequacy, components of eligible regulatory capital and requirements for computing risk-weighted assets.

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 2014 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 2015	30 June 2014
Common Equity Tier 1 capital		
Ordinary shares	4,896,591	4,681,930
Other reserves	20,255,560	18,409,613
Qualifying non-controlling interests	-	-
Proposed dividends	(818,000)	(857,000)
Common Equity Tier 1 capital before regulatory adjustments	24,334,151	22,234,543
<u>Less: Regulatory adjustments</u>		
Goodwill	(3,555,075)	(3,555,075)
Intangible assets	(891,371)	(915,584)
Deferred Tax Assets	(179,444)	(261,997)
Shortfall of eligible provisions to expected losses	(541,718)	(371,837)
Investment in capital instruments of unconsolidated financial and insurance / takaful entities	(1,539,182)	(765,837)
Others	(909,101)	(1,711,043)
Common Equity Tier 1 capital after regulatory adjustments / total	16,718,260	14,653,170
Additional Tier 1 capital		
Perpetual preference shares	140,000	160,000
Non-innovative Tier 1 capital	700,000	800,000
Innovative Tier 1 Capital	1,128,260	1,289,440
Qualifying capital instruments held by third parties	-	-
Additional Tier 1 capital before regulatory adjustments	1,968,260	2,249,440
<u>Less: Regulatory adjustments</u>		
Investments in Additional Tier 1 capital instruments of unconsolidated financial and insurance/takaful entities	(88,904)	(44,054)
Additional Tier 1 capital after regulatory adjustments	1,879,356	2,205,386
Total Tier 1 capital	18,597,616	16,858,556

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

(RM'000)	CIMB Bank	
	30 June 2015	30 June 2014
Tier 2 Capital		
Subordinated notes	5,600,000	6,050,000
Redeemable Preference Shares	20,818	29,740
Surplus eligible provisions over expected losses	-	-
Qualifying capital instruments held by third parties	-	-
Portfolio impairment allowance and regulatory reserves	278,113	222,593
Tier 2 capital before regulatory adjustments	5,898,931	6,302,333
<u>Less: Regulatory adjustments</u>		
Investments in capital instruments of unconsolidated financial and insurance/takaful entities	(2,445,725)	(3,245,041)
Total Tier 2 Capital	3,453,206	3,057,292
Total Capital	22,050,822	19,915,848
RWA		
Credit risk	140,506,314	115,703,006
Market risk	12,157,549	13,536,136
Large Exposure risk requirement	73,498	515,568
Operational risk	12,392,197	11,519,572
Total RWA	165,129,558	141,274,282
Capital Adequacy Ratios		
Before deducting proposed dividend		
Common Equity Tier 1 Ratio	10.62%	10.98%
Tier 1 ratio	11.76%	12.54%
Total capital ratio	13.85%	14.70%
After deducting proposed dividend		
Common Equity Tier 1 Ratio	10.12%	10.37%
Tier 1 ratio	11.26%	11.93%
Total capital ratio	13.35%	14.10%

The increase in credit risk RWA was due to growth in the Corporate and Mortgage/ RRE Financing portfolios. The decrease in Interest Rate RWA was mainly due to lower specific risk coupled with improving data, systems and infrastructure. The decrease in Option RWA was mainly due to lower interest rate option risk. The increase in Equity RWA was mainly from higher equity and new index arbitrage exposures. The increase in Commodity RWA was due to higher exposures in various commodities, mainly crude palm oil and crude oil.

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 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%
Credit Risk					
Exposures under the SA					
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
Total for SA	68,851,568	54,046,944	22,249,075	22,249,075	1,779,926
Exposures under the IRB Approach					
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	-	-	-	-	-
Total for IRB Approach	231,599,950	231,599,950	111,563,433	111,563,433	8,925,075

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%
Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)	300,451,518	285,646,893	140,506,314	140,506,314	11,240,505
Large Exposure Risk Requirement	73,498	73,498	73,498	73,498	5,880
Market Risk (SA)					
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
Total Market Risk			12,157,549	12,157,549	972,604
Operational Risk (BIA)			12,392,197	12,392,197	991,376
Total RWA and Capital Requirement			165,129,557	165,129,557	13,210,365

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

30 June 2014	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%
Credit Risk					
Exposures under the SA					
Sovereign/Central Banks	26,199,175	26,199,175	164,935	164,935	13,195
Public Sector Entities	2,107	2,107	421	421	34
Banks, DFIs & MDBs	271,182	271,182	135,583	135,583	10,847
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	2,235,818	2,012,415	1,010,524	1,010,524	80,842
Corporate	4,448,844	2,710,371	3,995,119	3,995,119	319,610
Regulatory Retail	21,512,343	9,844,968	8,155,226	8,155,226	652,418
Residential Mortgages/ RRE Financing	450,946	450,946	247,860	247,860	19,829
Higher Risk Assets	1,166,686	1,166,686	1,750,029	1,750,029	140,002
Other Assets	4,386,315	4,386,315	2,202,354	2,202,354	176,188
Securitisation	726,965	726,965	145,393	145,393	11,631
Total for SA	61,400,382	47,771,130	17,807,445	17,807,445	1,424,596
Exposures under the IRB Approach					
Sovereign/Central Banks	-	-	-	-	-
Public Sector Entities	-	-	-	-	-
Banks, DFIs & MDBs	33,406,083	33,406,083	7,796,662	7,796,662	623,733
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	-	-	-	-	-
Corporate	81,912,153	81,912,153	50,680,863	50,680,863	4,054,469
Residential Mortgages/ RRE Financing	43,241,995	43,241,995	14,539,959	14,539,959	1,163,197
Qualifying Revolving Retail	11,825,448	11,825,448	7,619,196	7,619,196	609,536
Hire Purchase	7,953,888	7,953,888	5,456,359	5,456,359	436,509
Other Retail	18,514,232	18,514,232	6,261,264	6,261,264	500,901
Securitisation	-	-	-	-	-
Total for IRB Approach	196,853,799	196,853,799	92,354,303	92,354,303	7,388,344
Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)	258,254,180	244,624,928	115,703,006	115,703,006	9,256,240
Large Exposure Risk Requirement	515,568	515,568	515,568	515,568	41,245

CAPITAL MANAGEMENT (CONTINUED)

Capital Structure and Adequacy (continued)

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

30 June 2014	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%
Market Risk (SA)					
Interest Rate Risk/Benchmark rate risk			11,387,479	11,387,479	910,998
Foreign Currency Risk			560,781	560,781	44,862
Equity Risk			327,104	327,104	26,168
Commodity Risk			-	-	-
Options Risk			1,260,772	1,260,772	100,862
Total Market Risk			13,536,136	13,536,136	1,082,891
Operational Risk (BIA)			11,519,572	11,519,572	921,566
Total RWA and Capital Requirement			141,274,282	141,274,282	11,301,943

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 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
Total Gross Credit Exposure	249,449,363	46,294,537	-	4,707,619	300,451,518

30 June 2014		CIMB Bank			
(RM'000) Exposure Class	Malaysia	Singapore	Thailand	Other Countries	Total
Sovereign	24,095,495	2,095,397	-	8,283	26,199,175
Bank	22,865,453	8,278,512	-	2,535,408	33,679,372
Corporate	69,762,151	18,081,057	-	753,607	88,596,815
Mortgage/ RRE Financing	40,135,894	3,557,047	-	-	43,692,941
HPE	7,953,888	-	-	-	7,953,888
QRRE	9,246,945	2,578,503	-	-	11,825,448
Other Retail	38,081,430	1,898,807	-	46,339	40,026,576
Other Exposures	5,917,765,020	336,864	-	25,337	6,279,966
Total Gross Credit Exposure	218,059,020	36,826,186	-	3,368,975	258,254,180

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 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	-	44,769,500
Other Retail	113,105	23,903	602,400	23,580	545,614	1,089,110	152,023	1,446,029	512,488	-	-	-
Other Exposures	21,232	-	-	-	-	-	-	786,251	276,847	-	6,432,347	7,516,676
Total Gross Credit Exposure	6,533,841	8,278,995	8,003,433	5,385,612	10,619,735	13,999,853	14,169,569	73,267,465	29,726,391	115,175,057	15,291,564	300,451,518

*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 2014		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	291,030	-	-	780,316	656,939	-	1,871,736	-	22,599,154	-	-	26,199,175
Bank	112	-	-	-	-	-	-	33,677,309	1,952	-	-	33,679,372
Corporate	3,373,668	5,285,846	8,155,073	3,784,440	7,394,917	10,343,684	10,263,604	26,406,828	4,343,811	2,242,822	7,002,123	88,596,815
Mortgage/ RRE	-	-	-	-	-	-	-	-	-	43,692,941	-	43,692,941
Financing	-	-	-	-	-	-	-	-	-	7,953,888	-	7,953,888
HPE	-	-	-	-	-	-	-	-	-	11,825,448	-	11,825,448
QRRE	-	-	-	-	-	-	-	-	-	-	-	-
Other Retail	96,449	15,319	529,941	18,801	463,251	927,394	131,237	1,054,871	404,011	36,385,301	-	40,026,576
Other Exposures	18,057	-	-	-	-	-	-	1,160,289	407,023	-	4,694,597	6,279,966
Total Gross Credit Exposure	3,779,316	5,301,164	8,685,014	4,583,557	8,515,107	11,271,078	12,266,577	62,299,297	27,755,952	102,100,398	11,696,720	258,254,180

*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 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
Total Gross Credit Exposure	76,630,257	66,666,934	157,154,327	300,451,518

30 June 2014	CIMB Bank			
(RM'000) Exposure Class	Less than 1 year	1 to 5 years	More than 5 years	Total
Sovereign	6,462,962	5,008,139	14,728,075	26,199,175
Bank	26,097,185	6,165,133	1,417,054	33,679,372
Corporate	25,920,065	33,854,942	28,821,808	88,596,815
Mortgage/ RRE Financing	32,979	897,050	42,762,912	43,692,941
HPE	125,000	1,764,171	6,064,717	7,953,888
QRRE	11,825,448	-	-	11,825,448
Other Retail	2,366,770	1,526,670	36,133,135	40,026,576
Other Exposures	130,847	523,172	5,625,947	6,279,966
Total Gross Credit Exposure	72,961,256	49,739,277	135,553,648	258,254,180

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 2015 and 31 December 2014 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 2015	31 December 2014
Primary Agriculture	54,272	13,997
Mining and Quarrying	3,985	2,939
Manufacturing	60,921	80,108
Electricity, Gas and Water Supply	1,656	1,572
Construction	112,102	98,500
Wholesale and Retail Trade, and Restaurants and Hotels	141,303	143,849
Transport, Storage and Communications	58,881	77,924
Finance, Insurance/ Takaful, Real Estate and Business Activities	150,534	57,490
Education, Health and Others	39,420	36,943
Household	6,863,947	6,844,451
Others*	12,311	6,207
Total	7,499,332	7,363,980

**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 2015	31 December 2014
Malaysia	7,461,948	7,302,154
Singapore	37,384	61,826
Thailand	-	-
Other Countries	-	-
Total	7,499,332	7,363,980

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 2015 and 31 December 2014 which were impaired by sector and geographical respectively:

Table 8: Impaired Loans, Advances and Financing by Sector

(RM'000)	CIMB Bank	
	30 June 2015	31 December 2014
Primary Agriculture	47,103	71,357
Mining and Quarrying	33,783	31,962
Manufacturing	273,915	303,822
Electricity, Gas and Water Supply	449	584
Construction	132,455	154,179
Wholesale and Retail Trade, and Restaurants and Hotels	168,486	184,608
Transport, Storage and Communications	1,009,113	1,008,958
Finance, Insurance/ Takaful, Real Estate and Business Activities	578,844	148,251
Education, Health and Others	116,436	17,002
Household	1,170,383	1,089,775
Others*	61,532	60,013
Total	3,592,409	3,070,511

*Others are exposures which are not elsewhere classified.

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

(RM'000)	CIMB Bank	
	30 June 2015	31 December 2014
Malaysia	3,555,796	3,041,610
Singapore	36,613	28,901
Thailand	-	-
Other Countries	-	-
Total	3,592,409	3,070,511

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 2015 and 31 December 2014

(RM'000)	CIMB Bank			
	30 June 2015		31 December 2014	
	Individual Impairment Allowance	Portfolio Impairment Allowance	Individual Impairment Allowance	Portfolio Impairment Allowance
Primary Agriculture	36,857	9,903	23,564	10,275
Mining and Quarrying	29,267	4,995	27,139	5,476
Manufacturing	155,756	49,640	204,876	56,133
Electricity, Gas and Water Supply	-	532	-	1,619
Construction	66,050	40,572	78,200	46,411
Wholesale and Retail Trade, and Restaurants and Hotels	59,743	83,858	77,096	95,986
Transport, Storage and Communication	998,486	15,500	995,451	19,272
Finance, Insurance/ Takaful, Real Estate and Business Activities	119,556	63,108	125,375	68,837
Education, Health and Others	3,505	16,135	3,110	16,887
Household	23,101	942,227	27,217	900,727
Others*	54,933	8,564	51,494	9,811
Total	1,547,254	1,235,034	1,613,522	1,231,434

*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 2015 and 31 December 2014

(RM'000)	CIMB Bank			
	30 June 2015		31 December 2014	
	Individual Impairment Allowance	Portfolio Impairment Allowance	Individual Impairment Allowance	Portfolio Impairment Allowance
Malaysia	1,541,595	1,190,671	1,605,681	1,195,422
Singapore	5,659	36,960	7,841	29,376
Thailand	-	-	-	-
Other Countries	-	7,403	-	6,636
Total	1,547,254	1,235,034	1,613,522	1,231,434

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 2015 and 30 June 2014

(RM'000)	CIMB Bank			
	30 June 2015		30 June 2014	
	Charges/Write Back	Write-Off	Charges/Write Back	Write-Off
Primary Agriculture	12,334	-	(14,658)	-
Mining and Quarrying	38	-	43	3,277
Manufacturing	(3,392)	62,544	(535)	74,407
Electricity, Gas and Water Supply	-	-	-	-
Construction	(81)	6,783	(13,309)	16,816
Wholesale and Retail Trade, and Restaurants and Hotels	(333)	13,747	(592)	43,668
Transport, Storage and Communication	1,902	-	32,762	20,420
Finance, Insurance/ Takaful, Real Estate and Business Activities	(3,675)	5,566	(5,316)	9,206
Education, Health and Others	395	-	(3,527)	-
Household	(4,512)	1,239	(5,243)	2,717
Others*	(821)	-	2	631
Total	1,855	89,879	(10,373)	171,142

*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 2015 and 30 June 2014

(RM'000)	CIMB Bank			
	30 June 2015		30 June 2014	
	Individual Impairment Allowance	Portfolio Impairment Allowance	Individual Impairment Allowance	Portfolio Impairment Allowance
At 1 January	1,613,522	1,231,434	1,529,214	1,245,458
Allowance (written back)/made during the financial period/year	1,855	189,040	(10,373)	169,437
Amount transferred to portfolio impairment allowance	-	-	-	-
Amount written back in respect of recoveries	-	-	-	-
Allowance made and charged to deferred assets	-	-	(2,769)	106
Allowance made in relation to jointly controlled entity	-	-	-	-
Amount written off	(89,879)	(189,004)	(171,142)	(165,844)
Transfer(to)/from intercompany	-	-	-	-
Disposal of subsidiary	-	-	-	-
Unwinding income	-	-	-	-
Exchange fluctuation	21,756	3,564	(5,009)	(392)
Total	1,547,254	1,235,034	1,339,921	1,248,765

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 2015											CIMB Bank	
(RM'000)	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
Total	28,195,289	2,518	110,480	2,114,925	3,672,640	11,773,745	660,671	942,839	6,056,574	517,264	54,046,944	22,249,074
Average Risk Weight	2%	20%	8%	61%	135%	82%	58%	150%	64%	20%	41%	
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 2014	CIMB Bank											
(RM'000)	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%	25,932,024	-	-	321,605	-	-	-	-	2,101,258	-	28,354,886	-
20%	48,003	2,107	27	205,683	-	-	-	-	103,378	726,965	1,086,163	217,233
35%	-	-	-	-	-	-	256,881	-	-	-	256,881	89,908
50%	127,629	-	271,156	1,031,480	17,592	45,070	67,069	-	-	-	1,559,995	779,998
75%	-	-	-	-	-	6,697,216	10,315	-	-	-	6,707,532	5,030,649
100%	91,520	-	-	453,647	2,546,086	3,088,486	116,680	-	2,181,679	-	8,478,098	8,478,098
150%	-	-	-	-	35,766	14,195	-	1,166,686	-	-	1,216,648	1,824,971
150%<RW< 1250%	-	-	-	-	-	-	-	-	-	-	-	-
1250%	-	-	-	-	110,927	-	-	-	-	-	110,927	1,386,588
Total	26,199,175	2,107	271,182	2,012,415	2,710,371	9,844,968	450,946	1,166,686	4,386,315	726,965	47,771,130	17,807,445
Average Risk Weight	1%	20%	50%	50%	147%	83%	55%	150%	50%	20%	37%	
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 2015		CIMB Bank		
(RM '000) Exposure Class	Investment Grade	Non- Investment Grade	No Rating	Total
On and Off-Balance-Sheet Exposures				
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
Total	18,753,935	335,489	17,403,611	36,493,035

30 June 2014		CIMB Bank		
(RM '000) Exposure Class	Investment Grade	Non- Investment Grade	No Rating	Total
On and Off-Balance-Sheet Exposures				
Public Sector Entities	-	-	2,107	2,107
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	1,234,163	-	1,001,655	2,235,818
Corporate	5,093	39,670	4,404,081	4,448,844
Sovereign/Central Banks	13,368,175	83,237	12,747,763	26,199,175
Banks, MDBs and DFIs	271,182	-	-	271,182
Total	14,878,613	122,907	18,155,607	33,157,127

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

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

30 June 2014		CIMB Bank		
(RM '000) Exposure Class	Investment Grade	Non- Investment Grade	No Rating	Total
On and Off-Balance-Sheet Exposures				
Securitisation	726,965	-	-	726,965

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 2015	CIMB Bank			
(RM'000) PD Range of Retail Exposures	0% ≤ PD < 2%	2% ≤ PD < 100%	100% Or Default	Total
Total Retail Exposure	80,282,111	10,077,595	1,633,176	91,992,882
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
Exposure Weighted Average LGD				
Residential Mortgage	23%	24%	30%	
QRRE	89%	89%	89%	
Hire Purchase	53%	54%	59%	
Other Retail	28%	32%	68%	
Exposure Weighted Average Risk Weight				
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 17: Retail Credit Exposures by PD Band (continued)

30 June 2014	CIMB Bank			
(RM'000) PD Range of Retail Exposures	0% ≤ PD < 2%	2% ≤ PD < 100%	100% Or Default	Total
Total Retail Exposure	69,494,785	10,261,854	1,778,923	81,535,562
Residential Mortgage	39,921,174	2,466,065	854,756	43,241,995
QRRE	7,547,340	4,203,407	74,701	11,825,448
Hire Purchase	5,715,576	2,037,358	200,954	7,953,888
Other Retail	16,310,696	1,555,024	648,512	18,514,232
Exposure Weighted Average LGD				
Residential Mortgage	23%	24%	34%	
QRRE	89%	89%	89%	
Hire Purchase	52%	54%	59%	
Other Retail	26%	28%	66%	
Exposure Weighted Average Risk Weight				
Residential Mortgage	30%	84%	51%	
QRRE	30%	126%	47%	
Hire Purchase	53%	92%	288%	
Other Retail	27%	43%	181%	

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 2015	CIMB Bank			
(RM'000)				
Expected Loss Range of Retail Exposure	EL ≤ 1%	1% < EL < 100%	EL = 100%	Total
Total Retail Exposure	80,153,483	11,693,469	145,930	91,992,882
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
Exposure Weighted Average LGD				
Residential Mortgage	23%	27%	38%	
QRRE	89%	89%	-	
Hire Purchase	53%	55%	66%	
Other Retail	28%	49%	69%	

30 June 2014	CIMB Bank			
(RM'000)				
Expected Loss Range of Retail Exposure	EL ≤ 1%	1% < EL < 100%	EL = 100%	Total
Total Retail Exposure	69,951,439	11,383,044	201,079	81,535,562
Residential Mortgage	41,177,956	1,957,777	106,261	43,241,995
QRRE	5,803,026	6,022,422	-	11,825,448
Hire Purchase	5,670,416	2,283,327	145	7,953,888
Other Retail	17,300,041	1,119,519	94,673	18,514,232
Exposure Weighted Average LGD				
Residential Mortgage	23%	28%	40%	
QRRE	89%	89%	-	
Hire Purchase	52%	54%	62%	
Other Retail	27%	47%	63%	

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

30 June 2015	CIMB Bank					
(RM '000) Supervisory Categories	Strong	Good	Satisfactory	Weak	Default	Total
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
RWA	785,238	6,285,716	371,369	873,465	-	8,315,788

30 June 2014	CIMB Bank					
(RM '000) Supervisory Categories	Strong	Good	Satisfactory	Weak	Default	Total
Project Finance	-	747,704	152,145	119,160	1,183,085	2,202,094
Object Finance	8,402	44,261	109,381	8,750	-	170,794
Commodities Finance	-	-	-	-	-	-
Income Producing Real Estate	164,208	5,118,647	387,438	302,085	5,894	5,978,272
RWA	93,300	4,955,081	746,308	1,074,986	-	6,869,675

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 2015	CIMB Bank				
(RM'000) Internal Risk Grading	1 - 3	4 - 9	10 - 13	Default	Total
Total Non-Retail Exposure	52,608,459	58,190,399	16,276,958	1,957,739	129,033,554
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
Exposure Weighted Average LGD					
Sovereign/Central Banks	-	-	-	-	
Bank	41%	39%	45%	45%	
Corporate (excluding Specialised Lending)	46%	38%	32%	41%	
Exposure Weighted Average Risk Weight					
Sovereign/Central Banks	-	-	-	-	
Bank	19%	46%	174%	-	
Corporate (excluding Specialised Lending)	18%	69%	101%	-	

30 June 2014	CIMB Bank				
(RM'000) Internal Risk Grading	1 - 3	4 - 9	10 - 13	Default	Total
Total Non-Retail Exposure	46,142,369	44,471,556	14,448,301	1,904,851	106,967,077
Sovereign/Central Banks	-	-	-	-	-
Bank	29,426,417	3,956,659	23,007	-	33,406,083
Corporate (excluding Specialised Lending)	16,715,952	40,514,898	14,425,294	1,904,850	73,560,994
Exposure Weighted Average LGD					
Sovereign/Central Banks	-	-	-	-	
Bank	44%	40%	45%	45%	
Corporate (excluding Specialised Lending)	45%	38%	35%	41%	
Exposure Weighted Average Risk Weight					
Sovereign/Central Banks	-	-	-	-	
Bank	20%	45%	171%	-	
Corporate (excluding Specialised Lending)	18%	63%	104%	-	

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

CIMB Bank				
(RM'000) Exposure Class	30 June 2015		30 June 2014	
	Regulatory Expected Losses as at 30 June 2014	Actual Losses for the period ended 30 June 2015	Regulatory Expected Losses as at 30 June 2013	Actual Losses for the period ended 30 June 2014
Sovereign	12,750	-	417	-
Bank	571,719	280,682	10,209	(5,973)
Corporate	146,323	35,180	444,008	81,705
Mortgage/ RRE Financing	145,989	100,915	142,727	52,991
HPE	406,579	124,996	144,648	90,404
QRRE	71,557	(34,457)	304,487	131,717
Other Retail	-	-	112,839	54,819
Other Exposures	-	-	-	-
Total	1,354,917	507,316	1,159,335	405,662

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 2015, the additional collateral to be posted was RM9,436,250 as compared to RM 4,815,000 as at 30 June 2014.

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 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	-		-	-
Total	611,432,993	4,057,234	50,359,826	24,379,909

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 2014	CIMB Bank			
(RM '000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
Direct Credit Substitutes	2,951,619		2,951,619	1,888,799
Transaction Related Contingent Items	2,913,266		1,456,633	900,226
Short Term Self Liquidating Trade Related Contingencies	4,172,802		834,560	347,158
Assets Sold With Recourse	-		-	-
Forward Asset Purchases	-		-	-
Obligations under an On-going Underwriting Agreement	215,000		107,500	53,750
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	396,682,994	1,260,872	7,619,959	3,216,814
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	27,872,769		23,344,393	11,682,695
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	1,451,627		940,355	570,851
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	31,022,758		-	-
Unutilised credit card lines	20,203,745		6,500,712	3,173,665
Off-balance sheet items for securitisation exposures	-		-	-
Off-balance sheet exposures due to early amortisation provisions	-		-	-
Total	487,486,581	1,260,872	43,755,731	21,833,959

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 2015		30 June 2014	
	Notional of Credit Derivatives			
	Protection Bought	Protection Sold	Protection Bought	Protection Sold
Own Credit Portfolio	1,928,304	3,075,548	1,747,632	2,388,730
Client Intermediation Activities	27,150	261,260	27,430	301,930
Total	1,955,454	3,336,808	1,775,062	2,690,660
Credit Default Swaps	1,928,304	3,075,548	1,747,632	2,388,730
Total Return Swaps	27,150	261,260	27,430	301,930
Total	1,955,454	3,336,808	1,775,062	2,690,660

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 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
<i>Performing Exposures</i>				
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	-	-	-
<i>Defaulted Exposures</i>	2,323,093	-	27,942	717,774
Total Exposures	298,009,044	1,024,596	29,162,324	11,643,061

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 2014	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
<i>Performing Exposures</i>				
Sovereign/Central Banks	26,199,175	-	-	-
Public Sector Entities	2,107	-	-	-
Banks, DFIs & MDBs	33,677,265	-	1,296,337	-
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	2,235,818	324,605	545,008	-
Corporate	83,177,438	3,102,183	9,368,723	9,483,350
Residential Mortgages/ RRE Financing	42,834,872	-	-	-
Qualifying Revolving Retail	11,757,201	-	-	-
Hire Purchase	7,752,934	-	-	-
Other Retail	39,333,260	-	11,654,134	-
Securitisation	726,965	-	-	-
Higher Risk Assets	1,166,686	-	-	-
Other Assets	4,386,315	-	-	-
<i>Defaulted Exposures</i>	2,227,585	138	80,552	419,479
Total Exposures	255,477,622	3,426,926	22,944,755	9,902,829

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 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	38,087	18,586	4,161	644

31 December 2014	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	75,107	15,101	5,690	1,396

* Gains/losses recognised during the period represent gain/losses recognised during the 6 months period from 1 January 2014 to 30 June 2014 and 1 January 2015 to 30 June 2015.

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 2015		Distribution of Exposures after CRM according to Applicable Risk Weights										Risk Weighted Assets		
(RM'000) Exposure Class	Net Exposure After CRM	Rated Securitisation Exposures					Unrated (Look Through)			Risk Weighted Assets				
		0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW		Exposure Amount			
Traditional Securitisation (Banking Book)														
<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						Unrated (Look Through)		Risk Weighted Assets		
		Rated Securitisation Exposures						Weighted Average RW	Exposure Amount			
		0%	10%	20%	50%	100%	350%				1250%	
<u>Originating Banking Institution</u>												
<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)	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures	517,264	-	-	517,264	-	-	-	-	-	-	-	103,453

SECURITISATION (CONTINUED)

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

30 June 2014		Distribution of Exposures after CRM according to Applicable Risk Weights										Risk Weighted Assets			
(RM'000) Exposure Class	Net Exposure After CRM	Rated Securitisation Exposures					Unrated (Look Through)					Risk Weighted Assets			
		0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount					
Traditional Securitisation (Banking Book)															
<i>Non-originating Banking Institution</i>															
<i>On-Balance Sheet</i>															
Most senior	719,628	-	-	719,628	-	-	-	-	-	-	-	-	-	-	143,926
Mezzanine	7,337	-	-	7,337	-	-	-	-	-	-	-	-	-	-	1,467
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 2014		CIMB Bank											
(RM'000) Exposure Class	Net Exposure After CRM	Distribution of Exposures after CRM according to Applicable Risk Weights								Unrated (Look Through)		Risk Weighted Assets	
		Rated Securitisation Exposures								Weighted Average RW	Exposure Amount		
		0%	10%	20%	50%	100%	350%	1250%					
<u>Originating Banking Institution</u>													
<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)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures	726,965	-	-	726,965	-	-	-	-	-	-	-	-	145,393

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 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
TRADITIONAL SECURITISATION					
<u>Originated by Third Party</u>					
<i>On-Balance Sheet</i>	2,786	-	53	56	1,354
<i>Off-Balance Sheet</i>	-	-	-	-	-
<i>Sub-total</i>	2,786	-	53	56	1,354
<u>Originated by Banking Institution</u>					
<i>On-Balance Sheet</i>	-	-	-	-	-
<i>Off-Balance Sheet</i>	-	-	-	-	-
<i>Sub-total</i>	-	-	-	-	-
<u>Securitisation subject to Early Amortisation</u>					
<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>	-	-	-	-	-
TOTAL (TRADITIONAL SECURITISATION)	2,786	-	53	56	1,354

SECURITISATION (CONTINUED)

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

30 June 2014	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
TRADITIONAL SECURITISATION					
<u>Originated by Third Party</u>					
<i>On-Balance Sheet</i>	15,445	-	438	309	9,339
<i>Off-Balance Sheet</i>	-	-	-	-	-
<i>Sub-total</i>	15,445	-	438	309	9,339
<u>Originated by Banking Institution</u>					
<i>On-Balance Sheet</i>	-	-	-	-	-
<i>Off-Balance Sheet</i>	-	-	-	-	-
<i>Sub-total</i>	-	-	-	-	-
<u>Securitisation subject to Early Amortisation</u>					
<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>	-	-	-	-	-
TOTAL (TRADITIONAL SECURITISATION)	15,445	-	438	309	9,339

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 2015 and 30 June 2014 is as follows:

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

In RM('000)	CIMB Bank	
	30 June 2015	30 June 2014
Realised gains		
Shares, private equity funds and unit trusts	12,657	5,261
Unrealised gains		
Shares, private equity funds and unit trusts	583,680	540,321

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 2015		30 June 2014	
	Exposures subject to Risk-Weighting	RWA	Exposures subject to Risk-Weighting	RWA
Privately held	942,839	1,414,259	1,166,686	1,750,029
Publicly traded	-	-	-	-
Total	942,839	1,414,259	1,166,686	1,750,029

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 2015	30 June 2014
Currency	+100bps Increase (Decline) in Economic Value (Value in RM Equivalent)	
Ringgit Malaysia	(844,981)	(774,193)
US Dollar	(45,368)	(12,641)
Thai Baht	(5)	(4)
Singapore Dollar	(271,069)	(100,928)
Others	(13,111)	(31,249)
Total	(1,174,534)	(919,015)

Table 31: IRRBB/RORBB – Impact on Earnings

(RM'000)	CIMB Bank	
	30 June 2015	30 June 2014
Currency	+100bps Increase (Decline) in Earnings (Value in RM Equivalent)	
Ringgit Malaysia	90,094	71,086
US Dollar	(87,825)	(38,187)
Thai Baht	116	83
Singapore Dollar	(41,402)	(61,526)
Others	21,370	16,234
Total	(17,647)	(12,310)

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] -