

CIMB BANK BERHAD (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2012

	Note	Group			Bank		
		30 Sept 2012 RM'000	31 Dec 2011 (Restated) RM'000	1 Jan 2011 (Restated) RM'000	30 Sept 2012 RM'000	31 Dec 2011 (Restated) RM'000	1 Jan 2011 (Restated) RM'000
Assets							
Cash and short term funds		17,320,691	28,241,623	20,847,989	14,944,552	20,783,513	12,911,193
Reverse repurchase agreements		4,913,500	3,957,059	3,504,914	4,614,837	3,957,059	2,475,591
Deposits and placements with banks and other financial institutions		3,710,939	4,045,865	9,641,391	10,456,502	10,848,583	16,083,982
Financial assets held for trading	A7	24,339,762	12,627,696	14,458,911	17,413,926	9,471,491	11,814,976
Derivative financial instruments	A20(i)	4,319,793	4,135,377	3,500,891	4,350,235	4,080,924	3,262,534
Financial investments available-for-sale	A8	23,227,555	15,735,494	12,376,754	19,843,988	13,199,586	10,633,945
Financial investments held-to-maturity	A9	8,527,114	10,172,218	10,211,427	5,560,840	7,607,178	8,081,151
Loans, advances and financing	A10	148,934,256	139,509,675	124,252,042	104,773,894	99,222,358	90,816,549
Other assets	A11	2,366,760	2,092,419	2,481,123	1,875,217	1,631,450	1,905,843
Deferred tax assets		-	-	-	2,368	-	-
Tax recoverable		-	2,464	2,084	-	-	-
Statutory deposits with central banks		5,167,615	5,082,585	1,410,155	3,775,274	3,812,297	954,023
Investment in subsidiaries		-	-	-	5,194,847	4,737,731	4,526,972
Investment in jointly controlled entity		150,576	149,208	139,849	125,000	125,000	125,000
Investment in associate		601,918	589,816	382,248	371,357	392,802	298,116
Amount due from ultimate holding company and holding company		28,869	29,138	29,193	21	285	340
Amount due from subsidiaries		-	-	-	108,042	456,073	84,317
Amount due from related companies		1,450,851	1,673,748	2,259,363	1,466,997	1,671,621	2,239,775
Goodwill		4,885,913	4,899,904	4,923,428	3,555,075	3,555,075	3,555,075
Intangible assets		799,241	721,647	574,064	762,691	676,428	530,362
Prepaid lease payments		1,717	1,964	2,341	-	-	-
Property, plant and equipment		898,458	906,185	947,155	511,319	487,730	541,555
Investment properties		13,246	8,653	61,217	-	-	52,858
		251,658,774	234,582,738	212,006,539	199,706,982	186,717,184	170,894,157
Non-current assets/disposal groups held for sale		14,840	17,248	59,050	3,520	5,043	58,614
Total Assets		251,673,614	234,599,986	212,065,589	199,710,502	186,722,227	170,952,771
Liabilities							
Deposits from customers	A12	185,691,556	176,478,016	159,640,697	136,785,757	131,569,745	121,553,069
Deposits and placements of banks and other financial institutions	A13	21,874,423	13,873,413	14,652,435	25,480,772	18,519,277	18,468,654
Repurchase agreements		1,419,117	1,083,039	33,087	1,269,747	1,083,039	33,087
Derivative financial instruments	A20(i)	4,197,571	4,087,789	3,711,140	3,905,077	3,778,176	3,423,815
Bills and acceptances payable		3,936,558	6,771,502	4,077,611	2,023,158	3,291,625	2,252,722
Amount due to Cagamas Berhad		-	-	107,523	-	-	107,523
Amount due to subsidiaries		-	-	-	133,069	50,013	310,381
Amount due to related companies		6,026	6,444	6,751	-	-	841
Other liabilities	A14	3,244,220	3,196,860	3,637,462	2,638,889	2,559,744	2,731,046
Provision for taxation and Zakat		557,486	301,868	39,071	521,310	301,254	41,679
Deferred taxation		14,665	61,800	38,485	-	39,249	14,088
Bonds		1,261,701	-	423,982	1,261,701	-	-
Other borrowings		247,728	462,720	925,050	247,728	462,720	-
Subordinated obligations		8,326,005	8,243,955	6,098,269	7,933,956	7,930,808	6,159,081
Redeemable preference shares		721,944	741,429	706,879	-	-	-
Total Liabilities		231,499,000	215,308,835	194,098,442	182,201,164	169,585,650	155,095,986
Equity							
Capital and reserves attributable to owners of the Parent							
Ordinary share capital		3,764,469	3,764,469	3,764,469	3,764,469	3,764,469	3,764,469
Reserves		15,858,729	15,018,007	13,691,445	13,515,129	13,142,368	11,862,576
		19,623,198	18,782,476	17,455,914	17,279,598	16,906,837	15,627,045
Perpetual preference shares		200,000	200,000	200,000	200,000	200,000	200,000
Redeemable preference shares		29,740	29,740	29,740	29,740	29,740	29,740
Non-controlling interests		321,676	278,935	281,493	-	-	-
Total Equity		20,174,614	19,291,151	17,967,147	17,509,338	17,136,577	15,856,785
Total Equity and Liabilities		251,673,614	234,599,986	212,065,589	199,710,502	186,722,227	170,952,771
Commitments and contingencies	A20(ii)	442,456,078	407,043,765	339,983,774	401,170,131	370,723,140	305,702,131
Net assets per ordinary share (RM)		5.21	4.99	4.64	4.59	4.49	4.15

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2011.

CIMB BANK BERHAD (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

GROUP	Note	Individual Quarter		Cumulative Quarters	
		30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
		RM'000	RM'000	RM'000	RM'000
Interest income	A15	2,102,116	1,961,477	6,191,522	5,620,282
Interest expense	A16	(943,079)	(905,648)	(2,853,642)	(2,499,172)
Net interest income		1,159,037	1,055,829	3,337,880	3,121,110
Income from Islamic Banking operations	A23	367,185	331,880	1,058,450	976,654
Net non-interest income	A17	726,792	490,539	1,884,594	1,366,020
Overheads	A18	2,253,014 (1,123,762)	1,878,248 (966,037)	6,280,924 (3,255,424)	5,463,784 (2,850,240)
Profit before allowances		1,129,252	912,211	3,025,500	2,613,544
Allowances for impairment losses on loans, advances and financing	A19	(74,568)	(110,878)	(157,357)	(115,096)
Allowances for losses on other receivables		(38)	(1,640)	(268)	(3,011)
Allowances for commitments and contingencies written back		2,971	22,168	14,805	21,836
Allowances for other impairment losses written back/(made)		282	360	1,223	(4,275)
		1,057,899	822,221	2,883,903	2,512,998
Share of results of jointly controlled entity		1,894	557	1,368	8,006
Share of results of associates		19,462	33,737	69,791	72,103
Profit before taxation		1,079,255	856,515	2,955,062	2,593,107
Taxation		(179,159)	(148,862)	(593,496)	(510,767)
Profit for the financial period		900,096	707,653	2,361,566	2,082,340
Profit for the financial period attributable to :					
Owners of the Parent		889,678	706,452	2,349,444	2,077,464
Non-controlling interests		10,418	1,201	12,122	4,876
		900,096	707,653	2,361,566	2,082,340
Earnings per share attributable to ordinary equity holders of the Parent - basic (sen)	B3	23.63	18.77	62.41	55.19

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2011.

CIMB BANK BERHAD (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

GROUP	Individual Quarter		Cumulative Quarters	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	900,096	707,653	2,361,566	2,082,340
Other comprehensive income:				
Revaluation reserve of financial investments available-for-sale	5,908	13,742	14,944	48,238
- Net gain from change in fair value				
- as previously reported	-	42,109	-	134,458
- movement during the period/effect of adopting MFRS1	121,138	24,202	194,515	40,764
- Realised gain transferred to statement of income on disposal and impairment	(118,222)	(65,358)	(196,682)	(114,499)
- Reclassification adjustment	(1,505)	-	(1,505)	-
- Income tax effects				
- as previously reported	-	20,495	-	(996)
- movement during the period/effect of adopting MFRS1	4,497	(7,706)	18,616	(11,489)
Net investment hedge	66,830	(90,385)	55,861	(69,892)
Cash flow hedge				
- Net loss from change in fair value	(13)	(1,444)	(33)	(1,444)
Exchange fluctuation reserve	(108,741)	212,536	(104,465)	90,154
Share of other comprehensive expense of associate	3,199	-	(10,650)	-
Other comprehensive (expense)/income for the period, net of tax	(32,817)	134,449	(44,343)	67,056
Total comprehensive income for the financial period	867,279	842,102	2,317,223	2,149,396
Total comprehensive income for the financial period attributable to:				
Owners of the Parent	858,454	837,905	2,308,097	2,144,295
Non-controlling interests	8,825	4,197	9,126	5,101
	867,279	842,102	2,317,223	2,149,396

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2011.

CIMB BANK BERHAD (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

	Note	Individual Quarter 3rd Quarter Ended		Cumulative Quarters Nine months ended	
		30 Sept 2012 RM'000	30 Sept 2011 RM'000	30 Sept 2012 RM'000	30 Sept 2011 RM'000
<u>BANK</u>					
Interest income	A15	1,923,340	1,799,908	5,664,087	5,221,622
Interest expense	A16	(856,306)	(826,914)	(2,574,490)	(2,309,151)
Net interest income		1,067,034	972,994	3,089,597	2,912,471
Income from Islamic Banking operations	A23	10,818	10,310	20,668	15,151
Net non-interest income	A17	537,874	477,239	1,614,915	1,971,129
Overheads	A18	1,615,726 (850,499)	1,460,543 (736,074)	4,725,180 (2,436,317)	4,898,751 (2,182,342)
Profit before allowances		765,227	724,469	2,288,863	2,716,409
Allowances for impairment losses on loans, advances and financing	A19	(47,897)	(49,291)	(69,210)	(104,892)
Allowances for losses on other receivables		-	(1,616)	(167)	(2,971)
Allowances for commitments and contingencies written back		1,518	20,336	12,290	20,336
Allowances for other impairment losses written back/(made)		37	355	480	(5,756)
Profit before taxation		718,885	694,253	2,232,256	2,623,126
Taxation		(131,989)	(117,856)	(470,159)	(395,988)
Profit for the financial period		586,896	576,397	1,762,097	2,227,138
Earnings per share - basic (sen)	B3	15.59	15.31	46.81	59.16

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2011.

CIMB BANK BERHAD (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

<u>BANK</u>	Individual Quarter		Cumulative Quarters	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	586,896	576,397	1,762,097	2,227,138
Other comprehensive income:				
Revaluation reserve of financial investments available-for-sale	459	13,827	23,142	49,254
- Net gain from change in fair value				
- as previously reported	-	36,270	-	120,317
- movement during the period/effect of adopting MFRS1	105,555	22,802	189,157	40,337
- Realised gain transferred to statement of income on disposal and impairment	(114,115)	(58,863)	(184,722)	(100,608)
- Income tax effects				
- as previously reported	-	20,974	-	590
- movement during the period/effect of adopting MFRS1	9,019	(7,356)	18,707	(11,382)
Net investment hedge	66,830	(90,385)	55,861	(69,892)
Cash flow hedge				
- Net loss from change in fair value	(13)	(1,444)	(33)	(1,444)
Exchange fluctuation reserve	(16,722)	23,307	(107)	52,454
Other comprehensive income/(expense) for the financial period, net of tax	50,554	(54,695)	78,863	30,372
Total comprehensive income for the financial period	637,450	521,702	1,840,960	2,257,510

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2011.

CIMB BANK BERHAD (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

The Group	Attributable to owners of the Parent														Perpetual preference shares RM'000	Non-controlling interests RM'000	Total Equity RM'000	
	Share capital RM'000	Redeemable Preference Shares RM'000	Share premium RM'000	Statutory reserve RM'000	Exchange fluctuation reserve RM'000	Revaluation reserve-financial investments available-for-sale RM'000	Merger deficit RM'000	Capital reserve RM'000	Hedging reserve RM'000	Regulatory reserve* RM'000	Share-based payment reserve RM'000	Retained profits RM'000	Total RM'000					
At 1 January 2012																		
- As previously stated	3,764,469	29,740	5,033,633	4,294,435	(163,485)	451,876	(1,085,928)	735,457	76,699	490,627	263,360	4,778,576	18,669,459	200,000	278,935	19,148,394		
- Effect of adopting MFRS1	-	-	-	-	-	142,757	-	-	-	-	-	-	142,757	-	-	142,757		
As restated	3,764,469	29,740	5,033,633	4,294,435	(163,485)	594,633	(1,085,928)	735,457	76,699	490,627	263,360	4,778,576	18,812,216	200,000	278,935	19,291,151		
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	2,349,444	2,349,444	-	12,122	2,361,566		
Other comprehensive income (net of tax)	-	-	-	-	(101,382)	4,446	-	-	55,828	-	(239)	-	(41,347)	-	(2,996)	(44,343)		
- financial investments available-for-sale	-	-	-	-	-	15,096	-	-	-	-	-	-	15,096	-	(152)	14,944		
- net investment hedge	-	-	-	-	-	-	-	-	55,861	-	-	-	55,861	-	-	55,861		
- cash flow hedge	-	-	-	-	-	-	-	-	(33)	-	-	-	(33)	-	-	(33)		
- currency translation difference	-	-	-	-	(101,382)	-	-	-	-	-	(239)	-	(101,621)	-	(2,844)	(104,465)		
- share of other comprehensive expense of associate	-	-	-	-	-	(10,650)	-	-	-	-	-	-	(10,650)	-	-	(10,650)		
Total comprehensive income for the financial period	-	-	-	-	(101,382)	4,446	-	-	55,828	-	(239)	2,349,444	2,308,097	-	9,126	2,317,223		
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	-	326,216	-	(326,216)	-	-	-	-		
Transfer to statutory reserve	-	-	-	90,377	-	-	-	-	-	-	-	(90,377)	-	-	-	-		
Expiry of Management Equity Scheme	-	-	-	-	-	-	-	-	-	-	(248,602)	248,602	-	-	-	-		
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	29,172	-	29,172	-	-	29,172		
Second interim dividends for the financial year ended 31 December 2011	-	-	-	-	-	-	-	-	-	-	-	(827,000)	(827,000)	-	-	(827,000)		
Interim dividend for the financial year ending 31 December 2012	-	-	-	-	-	-	-	-	-	-	-	(660,000)	(660,000)	-	-	(660,000)		
Right issues of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	33,615	33,615		
Shares released under Equity Ownership Plan	-	-	-	-	-	-	-	-	-	-	(9,547)	-	(9,547)	-	-	(9,547)		
At 30 September 2012	3,764,469	29,740	5,033,633	4,384,812	(264,867)	599,079	(1,085,928)	735,457	132,527	816,843	34,144	5,473,029	19,652,938	200,000	321,676	20,174,614		
At 1 January 2011																		
- As previously stated	3,764,469	29,740	5,033,633	4,126,569	(213,699)	389,033	(1,085,928)	735,457	135,877	117,595	238,906	4,094,495	17,366,147	200,000	281,493	17,847,640		
- Effect of adopting MFRS1	-	-	-	-	-	119,507	-	-	-	-	-	-	119,507	-	-	119,507		
As restated	3,764,469	29,740	5,033,633	4,126,569	(213,699)	508,540	(1,085,928)	735,457	135,877	117,595	238,906	4,094,495	17,485,654	200,000	281,493	17,967,147		
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	2,077,464	2,077,464	-	4,876	2,082,340		
Other comprehensive income (net of tax)	-	-	-	-	96,322	49,013	-	-	(71,336)	-	(7,168)	-	66,831	-	225	67,056		
- financial investments available-for-sale	-	-	-	-	-	49,013	-	-	-	-	-	-	49,013	-	(775)	48,238		
- net investment hedge	-	-	-	-	-	-	-	-	(69,892)	-	-	-	(69,892)	-	-	(69,892)		
- cash flow hedge	-	-	-	-	-	-	-	-	(1,444)	-	-	-	(1,444)	-	-	(1,444)		
- currency translation difference	-	-	-	-	96,322	-	-	-	-	-	(7,168)	-	89,154	-	1,000	90,154		
Total comprehensive income for the financial period	-	-	-	-	96,322	49,013	-	-	(71,336)	-	(7,168)	2,077,464	2,144,295	-	5,101	2,149,396		
Transfer to statutory reserve	-	-	-	98,962	-	-	-	-	-	-	-	(98,962)	-	-	-	-		
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	-	243,715	-	(243,715)	-	-	-	-		
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	30,873	-	30,873	-	-	30,873		
Second interim dividend for the financial year ended 31 December 2010	-	-	-	-	-	-	-	-	-	-	-	(600,903)	(600,903)	-	-	(600,903)		
Interim dividend for the financial year ended 31 December 2011	-	-	-	-	-	-	-	-	-	-	-	(900,000)	(900,000)	-	(921)	(900,921)		
Capital repayment from a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(10,907)	(10,907)		
At 30 September 2011	3,764,469	29,740	5,033,633	4,225,531	(117,377)	557,553	(1,085,928)	735,457	64,541	361,310	262,611	4,328,379	18,159,919	200,000	274,766	18,634,685		

* Regulatory reserve is maintained as an additional credit risk absorbent to ensure robustness on the loan impairment assessment methodology with the adoption of FRS 139 beginning 1 January 2010.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2011.

CIMB BANK BERHAD (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

	← Non-distributable →						Distributable							
	Share capital RM'000	Redeemable Preference Shares RM'000	Share premium RM'000	Statutory reserve RM'000	Exchange fluctuation reserve RM'000	Revaluation reserve-financial investments available-for-sale RM'000	Merger deficit RM'000	Capital reserve RM'000	Hedging reserve RM'000	Regulatory reserve* RM'000	Share-based payment reserve RM'000	Retained profits RM'000	Perpetual preference shares RM'000	Total Equity RM'000
The Bank														
At 1 January 2012														
- As previously stated	3,764,469	29,740	5,033,633	3,964,469	7,384	383,677	(1,047,872)	746,852	76,699	431,514	245,281	3,163,001	200,000	16,998,847
- Effect of adopting MFRS1	-	-	-	-	-	137,730	-	-	-	-	-	-	-	137,730
As restated	3,764,469	29,740	5,033,633	3,964,469	7,384	521,407	(1,047,872)	746,852	76,699	431,514	245,281	3,163,001	200,000	17,136,577
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	1,762,097	-	1,762,097
Other comprehensive income (net of tax)	-	-	-	-	(141)	23,142	-	55,828	-	-	34	-	-	78,863
- financial investments available-for-sale	-	-	-	-	-	23,142	-	-	-	-	-	-	-	23,142
- net investment hedge	-	-	-	-	-	-	-	55,861	-	-	-	-	-	55,861
- cash flow hedge	-	-	-	-	-	-	-	(33)	-	-	-	-	-	(33)
- currency translation difference	-	-	-	-	(141)	-	-	-	-	-	34	-	-	(107)
Total comprehensive income for the financial period	-	-	-	-	(141)	23,142	-	55,828	-	-	34	1,762,097	-	1,840,960
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	277,198	-	-	(277,198)	-	-
Expiry of Management Equity Scheme	-	-	-	-	-	-	-	-	-	(230,859)	230,859	-	-	-
Share-based payment expense	-	-	-	-	-	-	-	-	-	28,150	-	-	-	28,150
Second interim dividends for the financial year ended 31 December 2011	-	-	-	-	-	-	-	-	-	-	-	(827,000)	-	(827,000)
Interim dividend for the financial year ending 31 December 2012	-	-	-	-	-	-	-	-	-	-	-	(660,000)	-	(660,000)
Shares released under Equity Ownership Plan	-	-	-	-	-	-	-	-	-	-	(9,349)	-	-	(9,349)
At 30 September 2012	3,764,469	29,740	5,033,633	3,964,469	7,243	544,549	(1,047,872)	746,852	132,527	708,712	33,257	3,391,759	200,000	17,509,338
At 1 January 2011														
- As previously stated	3,764,469	29,740	5,033,633	3,964,469	(46,533)	324,543	(1,047,872)	746,852	135,877	110,190	215,059	2,310,697	200,000	15,741,124
- Effect of adopting MFRS1	-	-	-	-	-	115,661	-	-	-	-	-	-	-	115,661
As restated	3,764,469	29,740	5,033,633	3,964,469	(46,533)	440,204	(1,047,872)	746,852	135,877	110,190	215,059	2,310,697	200,000	15,856,785
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	2,227,138	-	2,227,138
Other comprehensive income (net of tax)	-	-	-	-	52,306	49,254	-	(71,336)	-	-	148	-	-	30,372
- financial investments available-for-sale	-	-	-	-	-	49,254	-	-	-	-	-	-	-	49,254
- net investment hedge	-	-	-	-	-	-	-	(69,892)	-	-	-	-	-	(69,892)
- cash flow hedge	-	-	-	-	-	-	-	(1,444)	-	-	-	-	-	(1,444)
- currency translation difference	-	-	-	-	52,306	-	-	-	-	-	148	-	-	52,454
Total comprehensive income for the financial period	-	-	-	-	52,306	49,254	-	(71,336)	-	-	148	2,227,138	-	2,257,510
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	221,214	-	-	(221,214)	-	-
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	29,552	-	-	29,552
Second interim dividend for the financial year ended 31 December 2010	-	-	-	-	-	-	-	-	-	-	-	(600,903)	-	(600,903)
Interim dividend for the financial year ended 31 December 2011	-	-	-	-	-	-	-	-	-	-	-	(900,000)	-	(900,000)
At 30 September 2011	3,764,469	29,740	5,033,633	3,964,469	5,773	489,458	(1,047,872)	746,852	64,541	331,404	244,759	2,815,718	200,000	16,642,944

* Regulatory reserve is maintained as an additional credit risk absorbent to ensure robustness on the loan impairment assessment methodology with the adoption of FRS 139 beginning 1 January 2010.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2011.

CIMB BANK BERHAD
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

	Group		Bank	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	2,955,062	2,593,107	2,232,256	2,623,126
Adjustments for non-operating and non-cash items	(384,525)	(630,299)	(391,406)	(1,432,379)
Operating profit before changes in working capital	2,570,537	1,962,808	1,840,850	1,190,747
Net changes in operating assets	(22,464,561)	(11,281,422)	(14,012,724)	(7,982,468)
Net changes in operating liabilities	15,011,914	14,595,483	11,324,725	13,519,785
	(7,452,647)	3,314,061	(2,687,999)	5,537,317
Cash flows (used in)/generated from operations	(4,882,110)	5,276,869	(847,149)	6,728,064
Taxation paid	(451,799)	(108,494)	(370,004)	(80,315)
Net cash flows (used in)/generated from operating activities	(5,333,909)	5,168,375	(1,217,153)	6,647,749
Net cash flows used in investing activities	(4,918,222)	(2,171,171)	(3,921,373)	(728,133)
Net cash flows (used in)/generated from financing activities	(652,479)	302,307	(686,114)	(346,325)
Net (decrease)/increase in cash and cash equivalents	(10,904,610)	3,299,511	(5,824,640)	5,573,291
Effects of exchange rate changes	(16,322)	63,044	(14,321)	(42,327)
Cash and cash equivalents at the beginning of financial period	28,241,623	20,847,989	20,783,513	12,911,193
Cash and cash equivalents at end of financial period	17,320,691	24,210,544	14,944,552	18,442,157

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2011.

PART A - EXPLANATORY NOTES

A1. BASIS OF PREPARATION

The unaudited condensed interim financial statements for the financial period ended 30 September 2012 have been prepared under the historical cost convention, except for financial assets held for trading, financial investments available-for-sale, derivative financial instruments, investment properties and non-current assets/disposal groups held for sale, that have been measured at fair value.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 of Bursa Malaysia Securities Berhad's Listing Requirements. The unaudited condensed interim financial statements also comply with IAS 134 Interim Financial Reporting issued by International Accounting Standard Board. For the periods up to and including the year ended 31 December 2011, the Group and the Bank prepared its financial statements in accordance with Financial Reporting Standards ("FRS").

The unaudited condensed interim financial statements should be read in conjunction with the Group's and the Bank's audited financial statements for the financial year ended 31 December 2011. The explanatory notes attached to the condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the financial year ended 31 December 2011.

These unaudited condensed interim financial statements are the Group's and the Bank's MFRS condensed interim financial statements for part of the period covered by the Group's and the Bank's first MFRS annual financial statements for the year ending 31 December 2012. MFRS 1 First-Time Adoption of Malaysian Financial Reporting Standards ("MFRS 1") has been applied.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2011, and modified for the adoption of the following accounting standards applicable for financial periods beginning on or after 1 January 2012:

MFRS 139 "Financial instruments: recognition and measurement"

Revised MFRS 124 "Related party disclosures"

Amendment to MFRS 112 "Income taxes"

IC Interpretation 19 "Extinguishing financial liabilities with equity instruments"

Amendment to IC Interpretation 14 "MFRS 19 - The limit on a defined benefit assets, minimum funding requirements and their interaction"

Amendment to MFRS 1 "First time adoption on fixed dates and hyperinflation"

Amendment to MFRS 7 "Financial instruments: Disclosures on transfers of financial assets"

Other than the adoption of MFRS 1 which will result to designate a previously recognised financial investments held-to-maturity as a financial investments available-for-sale, the adoption of the other new standards, amendments to published standards and interpretations are not expected to have impact on the financial results of the Group and the Bank.

In preparing its opening MFRS Statement of Financial Position as at 1 January 2011 (which is also the date of transition), the Group and the Bank have adjusted the amounts previously reported in Financial Statements prepared in accordance with FRS. The impact of the adoption of MFRS 1 "First time adoption of MFRS" to the prior periods presented is disclosed in Note A24.

The unaudited condensed interim financial statements incorporate those activities relating to Islamic banking which have been undertaken by the Group and the Bank. Islamic banking refers generally to the acceptance of deposits, granting of financing and dealing in Islamic securities under Shariah principles.

The preparation of unaudited condensed interim financial statements in conformity with the MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed interim financial statements, and the reported amounts of income and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and Bank's accounting policies. Although these estimates and assumptions are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

PART A - EXPLANATORY NOTES

A2. CHANGES IN ESTIMATES

Beginning 1 January 2012, there is a change in accounting estimate on the method to compute unwinding income. Unwinding income in individual and portfolio impairment allowances were reclassified to loans, advances and financing following the change in accounting estimate. The change in accounting estimate has been applied prospectively.

A3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

a) CIMB Thai Bank, a subsidiary of the Bank had fully settled its USD 40 million subordinated notes on 21 February 2012.

b) On 8 March 2012, CIMB Thai Bank announced a 3-for-10 rights issue at THB1 per share. The exercise was approved at the AGM and approved by Thailand's Ministry of Finance on 12 April 2012 and 21 June 2012 respectively. The exercise was completed on 7 August 2012 and CIMB Thai Bank successfully raised a total capital of THB 4.769 billion.

c) CIMB Bank Berhad, acting through its Labuan Offshore Branch, issued a HKD462 million nominal value 5-year senior unsecured notes (the "Notes") under its USD1 billion nominal value Euro Medium Term Note Programme established on 27 January 2011. The Notes were issued on 8 May 2012 and will mature on 8 May 2017. The Notes bear a coupon rate of 2.55% per annum payable annually in arrears.

d) CIMB Bank Berhad issued a USD350 million nominal value 5-year senior unsecured notes (the "Notes") under its USD1 billion nominal value Euro Medium Term Note Programme established on 27 January 2011. The Notes were issued on 26 July 2012 and will mature on 26 July 2017. The Notes bear a coupon rate of 2.375% per annum payable semi-annually in arrears.

e) CIMB Islamic Bank, a subsidiary of the Bank has issued a RM300 million subordinated Sukuk ("the Sukuk") under its RM2 billion Tier 2 Junior Sukuk Program which was approved by the Securities Commission on 22 May 2009. The Sukuk was issued on 18 September 2012 and will mature on 18 September 2022, with the optional redemption on 18 September 2017 or any periodic payment date thereafter, subject to the prior approval of Bank Negara Malaysia. The Sukuk bears a profit rate of 4.00% per annum, payable semi-annually in arrears.

The Sukuk qualifies as Tier-2 capital for the purpose of the RWCR computation.

f) CIMB Thai Bank has issued a RM300 million Tier 2 subordinated debt ("the Subdebt") under which was approved by the CIMB Thai Board of Directors on 28 September 2012. The Subdebt was issued on 9 November 2012 and will mature on 9 November 2022, with the optional redemption on 9 November 2017. The Subdebt bears an interest rate of 4.8% per annum, payable semi-annually in arrears.

A4. DIVIDENDS PAID

A second net interim dividend of RM827,000,000 comprising approximately 4.17 sen per share less 25% income tax on 2,974,009,486 Redeemable Preference Shares ("RPS") of RM0.01 each, amounting to RM93,000,000 and single tier dividend of approximately 19.50 sen per share on 3,764,468,517 ordinary shares of RM1.00 each, amounting to RM734,000,000 in respect of the financial year ended 31 December 2011, was approved by the Board of Directors on 19 January 2012, which was paid on 15 March 2012 and 19 March 2012 respectively.

A single tier interim dividend of approximately 22.19 sen per share on 2,974,009,486 RPS of RM0.01 each, amounting to RM660,000,000 in respect of the financial year ending 31 December 2012, which was approved by the Board of Directors on 31 July 2012, was paid on 21 September 2012.

A5. STATUS OF CORPORATE PROPOSAL

1) On 21 February 2012, CIMB Bank entered into a purchase and sale agreement with a third party for the disposal of 6.8% stake in The South East Asian Strategic Assets Fund LP.

2) On 8 May 2012, CIMB Bank has entered into share purchase agreements ("SPA") with San Miguel Properties, Inc., San Miguel Corporation Retirement Plan, Q-Tech Alliance Holdings, Inc. and various minority shareholders for the proposed acquisition of 59.98% of the issued and paid-up share capital of Bank of Commerce ("BOC") ("Proposed Acquisition"), which is equivalent to 67,325,197 fully paid ordinary shares of PHP100 par value each, for a total cash consideration of PHP12,203 million (equivalent to approximately RM881 million). The approval from Bank Negara Malaysia for the proposal was obtained on 7 November 2012.

A6. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no significant events other than those disclosed under issuance and repayment of debt and equity securities and status of corporate proposal that had occurred between 30 September 2012 and the date of this announcement .

PART A - EXPLANATORY NOTES (CONTINUED)

A7. FINANCIAL ASSETS HELD FOR TRADING

	Group		Bank	
	30 Sept 2012	31 Dec 2011	30 Sept 2012	31 Dec 2011
	RM'000	RM'000	RM'000	RM'000
Money market instruments				
Unquoted				
Malaysian Government Securities	686,760	253,409	686,760	233,246
Cagamas bonds	-	52,511	-	52,511
Malaysian Government treasury bills	197,885	90,484	188,004	80,750
Other Government securities	2,770,442	2,933,501	2,770,442	2,933,501
Bank Negara Malaysia bills	1,525,131	156,856	1,525,131	156,856
Bank Negara Malaysia negotiable notes	6,608,665	1,817,293	3,194,911	11,105
Bankers' acceptances and Islamic accepted bills	943,537	575,819	450,474	428,928
Negotiable instruments of deposit	3,416,910	2,069,683	1,267,980	1,565,527
Credit-linked notes	46,038	46,059	46,038	46,059
Commercial papers	133,245	168,458	133,245	168,458
Government Investment Issue	428,304	147,201	236,698	51,745
	16,756,917	8,311,274	10,499,683	5,728,686
Quoted securities				
<u>In Malaysia</u>				
Shares	769,292	835,886	769,292	835,886
	769,292	835,886	769,292	835,886
<u>Outside Malaysia</u>				
Shares	-	2,659	-	-
Private debt securities	25,385	4,818	-	-
Other Government bonds	268,600	216,609	-	-
	293,985	224,086	-	-
Unquoted securities				
<u>In Malaysia</u>				
Shares	6,479	6,243	6,479	6,243
Private and Islamic debt securities	4,158,104	1,869,106	3,858,091	1,717,715
	4,164,583	1,875,349	3,864,570	1,723,958
<u>Outside Malaysia</u>				
Private and Islamic debt securities	2,296,909	1,322,944	2,280,381	1,182,961
Shares	58,076	58,157	-	-
	24,339,762	12,627,696	17,413,926	9,471,491
Total financial assets held-for-trading				

PART A - EXPLANATORY NOTES (CONTINUED)

A8. FINANCIAL INVESTMENTS AVAILABLE-FOR-SALE

	Group		Bank	
	30 Sept 2012	31 Dec 2011	30 Sept 2012	31 Dec 2011
	RM'000	(Restated)	RM'000	(Restated)
		RM'000		RM'000
Money market instruments				
Unquoted				
Malaysian Government Securities	1,114,151	1,422,455	1,080,182	1,388,758
Khazanah bonds	229,084	190,187	229,084	190,187
Government Investment Issue	2,429,822	1,198,283	1,765,528	749,842
Other Government securities	75,657	25,874	75,657	25,874
Commercial papers	9,997	-	9,997	-
Bank Negara Malaysia bills	493,555	-	493,555	-
Cagamas bonds	320,220	453,651	299,407	417,794
	4,672,486	3,290,450	3,953,410	2,772,455
Quoted securities:				
<u>Outside Malaysia</u>				
Shares	241	4,398	241	189
Other Government bonds	1,062,102	834,022	-	-
Unit trusts	289,687	292,209	-	-
Private debt securities	56,593	19,826	-	-
	1,408,623	1,150,455	241	189
Unquoted securities:				
<u>In Malaysia</u>				
Private debt securities	12,082,203	8,924,328	10,884,205	8,195,124
Shares	808,271	797,611	798,001	797,475
Bonds funds	-	12,790	-	-
Loan stocks	17,076	19,774	17,076	12,806
	12,907,550	9,754,503	11,699,282	9,005,405
<u>Outside Malaysia</u>				
Shares	232,102	167,240	206,631	139,855
Private equity funds	62,587	60,479	-	-
Unit trusts	18,766	21,125	-	-
Private debt securities	4,230,046	1,612,707	4,266,407	1,578,415
	4,543,501	1,861,551	4,473,038	1,718,270
	23,532,160	16,056,959	20,125,971	13,496,319
Allowance for impairment losses:				
Private debt securities	(195,437)	(210,510)	(195,437)	(210,510)
Quoted shares	-	(2,504)	-	-
Unquoted shares	(94,277)	(94,532)	(73,417)	(73,417)
Loan stocks	(13,129)	(12,806)	(13,129)	(12,806)
Unit trusts	(1,762)	(1,113)	-	-
	(304,605)	(321,465)	(281,983)	(296,733)
Total financial investments available-for-sale	23,227,555	15,735,494	19,843,988	13,199,586

On 1 January 2012, the Group and the Bank designated a previously held financial investments held-to-maturity to financial investments available-for-sale, as allowed under MFRS 1. The fair value and the carrying amount of the financial investments at the date of designation is RM4,647,899,111 and RM4,457,951,926 respectively for the Group and RM4,153,904,875 and RM3,970,660,437 respectively for the Bank.

PART A - EXPLANATORY NOTES (CONTINUED)

A9. FINANCIAL INVESTMENTS HELD-TO-MATURITY

	Group		Bank	
	30 Sept 2012	31 Dec 2011	30 Sept 2012	31 Dec 2011
	RM'000	(Restated)	RM'000	(Restated)
		RM'000	RM'000	RM'000
Money market instruments :				
Unquoted				
Malaysian Government Securities	-	13,252	-	13,252
Malaysian Government Investment Issue	20,490	11,655	20,490	7,696
Other Government securities	752,187	490,820	752,187	490,820
Cagamas bonds	4,834	5,977	4,834	5,977
	777,511	521,704	777,511	517,745
Quoted securities				
<u>Outside Malaysia</u>				
Private debt securities	2,255,667	1,835,931	-	-
	2,255,667	1,835,931	-	-
Unquoted securities				
<u>In Malaysia</u>				
Loans stocks	30,781	30,781	-	-
Danaharta Urus Sdn Bhd bonds	130,139	795,335	130,139	795,335
Private debt securities	3,702,172	4,766,854	3,021,873	4,071,675
	3,863,092	5,592,970	3,152,012	4,867,010
<u>Outside Malaysia</u>				
Private debt securities	1,621,391	1,927,082	1,585,535	1,882,423
Accretion of discount net of amortisation of premium	45,745	330,937	45,782	340,000
Less : Allowance for impairment losses	(36,292)	(36,406)	-	-
Total financial investments held-to-maturity	8,527,114	10,172,218	5,560,840	7,607,178

On 1 January 2012, the Group and the Bank designated a previously held financial investments held-to-maturity to financial investments available-for-sale, as allowed under MFRS 1. The fair value and the carrying amount of the financial investments at the date of designation is RM4,647,899,111 and RM4,457,951,926 respectively for the Group and RM4,153,904,875 and RM3,970,660,437 respectively for the Bank.

Included in the financial investments held-to-maturity of the Group as at 30 September 2012 are 10-year promissory notes of THB305 million (2011: THB450 million) maturing between 2012 to 2015, which were received from Thai Asset Management Corporation ("TAMC") for settlement of impaired loans transferred by CIMB Thai Bank to TAMC. Such promissory notes are non-transferable, bear interest at the average deposit rate of 5 major banks in Thailand and availed by the Financial Institutions Development Fund. As part of the agreement to transfer the impaired loans to TAMC, CIMB Thai Bank has a gain and loss sharing arrangement with TAMC arising from the recovery of the impaired loans. CIMB Bank Thai has recognised a gain of approximately RM133 million (2011: RM101 million) arising from the sharing agreement.

PART A - EXPLANATORY NOTES (CONTINUED)

A10. LOANS, ADVANCES AND FINANCING

	Group		Bank	
	30 Sept 2012 RM'000	31 Dec 2011 RM'000	30 Sept 2012 RM'000	31 Dec 2011 RM'000
(i) By type of financing				
At amortised cost				
Overdrafts	5,650,423	5,768,540	4,496,466	4,679,867
Term loans/financing				
- Housing loan/financing	44,063,931	41,257,312	33,781,899	32,162,693
- Syndicated term loan	9,445,063	9,654,363	9,046,105	9,388,988
- Other term loans/financing	59,218,292	55,204,174	39,378,547	35,597,859
- Factoring receivables	20,563	12,172	-	-
- Lease receivables	73,977	40,003	-	-
- Hire purchase receivables	12,470,454	11,614,260	5,065,083	5,160,996
Bills receivable	2,891,622	3,644,191	741,358	718,096
Trust receipts	2,357,683	1,230,199	648,145	540,594
Claim on customers under acceptance credit	3,672,782	3,537,136	3,345,444	3,295,642
Staff loans	406,020	384,590	358,261	345,173
Credit card receivables	4,389,480	4,649,029	4,289,644	4,544,951
Revolving credit	6,978,446	5,815,428	5,726,717	5,338,728
Share margin financing	898,371	560,088	810,703	501,297
Gross loans, advances and financing	<u>152,537,107</u>	143,371,485	<u>107,688,372</u>	102,274,884
Fair value changes arising from fair value hedges	425,053	398,797	149,892	158,115
	<u>152,962,160</u>	143,770,282	<u>107,838,264</u>	102,432,999
Less: Allowance for impairment losses				
- Individual impairment allowance	(1,941,105)	(2,062,708)	(1,635,857)	(1,633,574)
- Portfolio impairment allowance	(2,086,799)	(2,197,899)	(1,428,513)	(1,577,067)
	<u>(4,027,904)</u>	(4,260,607)	<u>(3,064,370)</u>	(3,210,641)
Total net loans, advances and financing	<u>148,934,256</u>	139,509,675	<u>104,773,894</u>	99,222,358

(a) Included in the Group's and the Bank's loans, advances and financing balances are RM65,305,000 (2011: RM69,977,000) of reinstated loans which were previously impaired and written off prior to 2005. The reinstatement of these loans has been approved by BNM on 5 February 2010 and were done selectively on the basis of either full settlement of arrears or upon regularised payments of rescheduled loan repayments.

PART A - EXPLANATORY NOTES (CONTINUED)

A10. LOANS, ADVANCES AND FINANCING (CONTINUED)

(b) The Group and the Bank have undertaken fair value hedge on the interest rate risk of loans, advances and financing with RM6,800,959,000 (2011: RM7,237,885,000) and RM1,257,723,000 (2011: RM2,884,132,000) respectively, using interest rate swaps.

	Group		Bank	
	30 Sept 2012	31 Dec 2011	30 Sept 2012	31 Dec 2011
	RM'000	RM'000	RM'000	RM'000
Gross loan hedged	6,800,959	7,237,885	1,257,723	2,844,132
Fair value changes arising from fair value hedges	425,053	398,797	149,892	158,115
	7,226,012	7,636,682	1,407,615	3,002,247

The fair value loss of interest rate swaps of the Group and the Bank in these hedge transactions as at 30 September 2012 were RM418,329,389 (2011: RM445,176,674) and RM 74,386,117 (2011: RM181,364,782) respectively.

(c) As part of an arrangement with CIMB Islamic in relation to the RPSIA, the Bank records as deposits and placements with banks and other financial institutions, its exposure in the arrangement, whereas CIMB Islamic records its exposure as loans, advances and financing. The RPSIA arrangement exposes the Bank to the risks and rewards on the financing and accordingly, the Bank accounts for all impairment allowances for bad and doubtful financing arising from the RPSIA financing.

As at 30 September 2012, the gross exposure and portfolio impairment allowance relating to RPSIA financing are RM1,782 million (2011: RM1,065 million) and RM5.4 million (2011: RM3.7 million) respectively.

There was no individual impairment allowance provided for the RPSIA financing.

	Group		Bank	
	30 Sept 2012	31 Dec 2011	30 Sept 2012	31 Dec 2011
	RM'000	RM'000	RM'000	RM'000
(ii) By type of customers				
Domestic banking institutions	49,776	57,963	-	173
Domestic non-bank financial institutions				
- Stockbroking companies	10,011	-	10,011	-
- others	1,614,722	1,703,135	900,202	1,100,559
Domestic business enterprises				
- small medium enterprises	11,200,300	11,374,308	9,011,341	9,177,518
- others	28,876,339	29,554,549	17,301,261	19,336,391
Government and statutory bodies	12,725,157	12,657,089	6,116,052	6,103,106
Individuals	81,780,566	75,553,562	58,482,013	54,598,218
Other domestic entities	3,256,081	2,331,686	3,191,002	2,230,336
Foreign entities	13,024,155	10,139,193	12,676,490	9,728,583
Gross loans, advances and financing	152,537,107	143,371,485	107,688,372	102,274,884

PART A - EXPLANATORY NOTES (CONTINUED)

A10. LOANS, ADVANCES AND FINANCING (CONTINUED)

	Group		Bank	
	30 Sept 2012 RM'000	31 Dec 2011 RM'000	30 Sept 2012 RM'000	31 Dec 2011 RM'000
(iii) By interest/profit rate sensitivity				
Fixed rate				
- Housing loans/ financing	1,758,000	1,935,416	1,169,104	1,242,704
- Hire purchase receivables	12,447,558	11,594,690	5,039,563	5,139,062
- Other fixed rate loans	31,716,925	31,267,939	18,838,273	18,697,693
Variable rate				
- BLR plus	60,688,631	55,721,316	53,073,060	48,985,065
- Cost-plus	22,612,685	23,129,879	14,833,799	16,661,688
- Other variable rates	23,313,308	19,722,245	14,734,573	11,548,672
Gross loans, advances and financing	<u>152,537,107</u>	<u>143,371,485</u>	<u>107,688,372</u>	<u>102,274,884</u>
(iv) By economic purpose				
Personal use	6,623,676	6,502,902	2,364,832	2,394,655
Credit cards	4,389,480	4,649,029	4,289,644	4,544,951
Purchase of consumer durables	10,248	464	5,982	464
Construction	5,744,957	4,568,490	2,808,494	2,448,635
Residential property (housing)	44,088,543	41,211,363	33,743,249	32,063,079
Non-residential property	14,914,442	12,593,580	12,754,395	10,666,694
Purchase of fixed assets other than land and buildings	1,914,264	1,652,118	1,315,605	985,007
Mergers and acquisitions	2,798,979	5,186,293	2,775,068	5,151,506
Purchase of securities	10,406,703	8,185,688	10,318,289	8,105,805
Purchase of transport vehicles	12,377,104	11,396,621	5,117,379	5,229,033
Working capital	32,637,057	29,512,883	21,418,617	18,338,603
Other purposes	16,631,654	17,912,054	10,776,818	12,346,452
Gross loans, advances and financing	<u>152,537,107</u>	<u>143,371,485</u>	<u>107,688,372</u>	<u>102,274,884</u>
(v) By geographical distribution				
Malaysia	122,236,159	117,273,540	90,467,699	88,651,068
Indonesia	927,517	845,404	856,642	721,588
Thailand	12,789,528	12,213,550	47,105	45,780
Singapore	11,115,905	9,165,064	11,115,905	9,165,064
United Kingdom	830,046	996,344	830,046	996,344
Hong Kong	888,659	598,442	888,659	598,442
Other countries	3,749,293	2,279,141	3,482,316	2,096,598
Gross loans, advances and financing	<u>152,537,107</u>	<u>143,371,485</u>	<u>107,688,372</u>	<u>102,274,884</u>
(vi) By residual contractual maturity				
Within one year	26,828,081	26,289,130	19,402,438	20,376,834
One year to less than three years	38,556,562	33,652,531	36,251,450	31,654,791
Three years to less than five years	11,672,243	11,357,133	7,953,036	8,519,463
Five years and more	75,480,221	72,072,691	44,081,448	41,723,796
Gross loans, advances and financing	<u>152,537,107</u>	<u>143,371,485</u>	<u>107,688,372</u>	<u>102,274,884</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A10. LOANS, ADVANCES AND FINANCING (CONTINUED)

	Group		Bank	
	30 Sept 2012 RM'000	31 Dec 2011 RM'000	30 Sept 2012 RM'000	31 Dec 2011 RM'000
(vii) Impaired loans, advances and financing by economic purpose				
Personal use	135,022	139,300	75,378	81,162
Credit cards	31,768	101,554	28,018	97,048
Purchase of consumer durables	30	80	30	80
Construction	1,107,823	1,104,991	1,060,405	992,740
Residential property (housing)	898,439	794,760	735,008	660,496
Non-residential property	247,120	243,533	207,523	216,231
Purchase of fixed assets other than land and buildings	40,608	74,320	25,516	32,045
Purchase of securities	148,041	74,793	148,038	55,502
Purchase of transport vehicles	330,704	337,612	184,634	218,544
Working capital	1,489,553	1,863,700	1,297,654	1,644,242
Other purposes	335,332	373,900	67,199	43,738
Gross impaired loans	4,764,440	5,108,543	3,829,403	4,041,828
(viii) Impaired loans, advances and financing by geographical distribution				
Malaysia	3,826,845	4,045,324	3,442,218	3,605,151
Indonesia	95,596	47,167	95,596	-
Thailand	550,407	578,032	-	-
Singapore	52,699	43,103	52,699	43,103
United Kingdom	2,809	54,025	2,809	54,025
Other countries	236,084	340,892	236,081	339,549
Gross impaired loans	4,764,440	5,108,543	3,829,403	4,041,828
(ix) Movements in impaired loans, advances and financing				
At 1 January	5,108,543	5,058,292	4,041,828	3,988,148
Classified as impaired during the financial period/year	2,155,449	3,293,236	1,747,875	2,749,184
Reclassified as not impaired during the financial period/year	(882,704)	(1,626,487)	(756,293)	(1,463,951)
Amount written back in respect of recoveries	(897,408)	(999,377)	(752,944)	(809,669)
Amount written off	(852,019)	(629,413)	(569,734)	(438,323)
Reclassification from unwinding income	142,409	-	114,742	-
Disposal of a subsidiary	(2,452)	-	-	-
Exchange fluctuation	(7,378)	12,292	3,929	16,439
At 30 September/31 December	4,764,440	5,108,543	3,829,403	4,041,828
Ratio of gross impaired loans to total loans, advances and financing	3.12%	3.56%	3.56%	3.95%

PART A - EXPLANATORY NOTES (CONTINUED)

A10. LOANS, ADVANCES AND FINANCING (CONTINUED)

(x) Movements in the allowance for impaired loans, advances and financing are as follows :

	Group		Bank	
	30 Sept 2012	31 Dec 2011	30 Sept 2012	31 Dec 2011
	RM'000	RM'000	RM'000	RM'000
<u>Individual impairment allowance</u>				
At 1 January	2,062,708	1,975,959	1,633,574	1,527,289
Net allowance made during the financial period/year	90,502	158,185	82,618	139,707
Allowance made and charged to deferred assets	1,278	140	1,278	140
Amount written off	(277,695)	(28,605)	(145,836)	(11,099)
Amount transferred from/(to) portfolio impairment allowance	1,572	(1,831)	-	-
Disposal of a subsidiary	(2,418)	-	-	-
Unwinding income	83,790	(45,829)	77,135	(31,897)
Exchange fluctuation	(18,632)	4,689	(12,912)	9,434
At 30 September/31 December	1,941,105	2,062,708	1,635,857	1,633,574
<u>Portfolio impairment allowance</u>				
At 1 January	2,197,899	2,282,616	1,577,067	1,853,963
Net allowance made during the financial period/year	310,155	504,947	144,667	289,245
Allowance (written back)/made and charged to deferred assets	(1,467)	844	(1,467)	844
Amount written off	(473,942)	(566,248)	(342,897)	(378,962)
Amount transferred (to)/from individual impairment allowance	(1,572)	1,831	-	-
Amount transferred to a subsidiary	-	-	-	(166,234)
Unwinding income	58,759	(23,389)	51,867	(18,942)
Exchange fluctuation	(3,033)	(2,702)	(724)	(2,847)
At 30 September/31 December	2,086,799	2,197,899	1,428,513	1,577,067
Portfolio impairment allowance (inclusive of regulatory reserve) as % of gross loans, advances and financing less individual impairment allowance	2.1%	2.1%	2.1%	2.1%

PART A - EXPLANATORY NOTES (CONTINUED)

A11. OTHER ASSETS

	Group		Bank	
	30 Sept 2012	31 Dec 2011	30 Sept 2012	31 Dec 2011
	RM'000	RM'000	RM'000	RM'000
Deferred assets	106,758	131,204	106,758	131,204
Foreclosed properties	103,980	116,848	-	8,557
Due from brokers and clients	-	30,723	-	-
Option premium receivables	249,613	249,461	249,613	249,461
Collateral pledged for derivative transactions	627,940	595,738	549,860	510,251
Other debtors, deposits and prepayments	1,278,469	968,445	968,986	731,977
	2,366,760	2,092,419	1,875,217	1,631,450

A12. DEPOSITS FROM CUSTOMERS

	Group		Bank	
	30 Sept 2012	31 Dec 2011	30 Sept 2012	31 Dec 2011
	RM'000	RM'000	RM'000	RM'000
(i) By type of deposit				
Demand deposits	42,429,445	40,989,837	35,303,926	35,269,691
Saving deposits	18,254,023	15,704,254	12,951,753	12,023,812
Fixed deposits	76,141,832	72,962,052	56,178,402	53,854,216
Negotiable instruments of deposit	3,207,149	3,158,825	1,064,288	620,623
Others	45,659,107	43,663,048	31,287,388	29,801,403
	185,691,556	176,478,016	136,785,757	131,569,745
(ii) By type of customer				
Government and statutory bodies	10,882,493	12,525,136	5,476,924	6,637,526
Business enterprises	70,672,767	70,929,956	49,894,001	54,538,807
Individuals	68,445,257	62,830,536	56,361,270	51,547,232
Others	35,691,039	30,192,388	25,053,562	18,846,180
	185,691,556	176,478,016	136,785,757	131,569,745
(iii) Maturity structure of fixed deposits and negotiable instruments of deposit				
Due within six months	66,801,613	63,621,905	46,887,244	43,649,293
Six months to less than one year	9,579,327	9,473,621	7,541,027	7,962,978
One year to less than three years	1,624,848	1,457,823	1,509,977	1,318,312
Three years to less than five years	500,838	1,335,103	462,087	1,311,831
Five years and more	842,355	232,425	842,355	232,425
	79,348,981	76,120,877	57,242,690	54,474,839

PART A - EXPLANATORY NOTES (CONTINUED)**A13. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS**

	Group		Bank	
	30 Sept 2012 RM'000	31 Dec 2011 RM'000	30 Sept 2012 RM'000	31 Dec 2011 RM'000
Licensed banks	10,053,115	7,938,192	15,632,726	13,513,748
Licensed finance companies	319,700	129,555	197,607	95,612
Licensed investment banks	1,879,315	1,765,936	773,078	912,853
Bank Negara Malaysia	3,000,808	372,677	3,000,808	372,677
Other financial institutions	6,621,485	3,667,053	5,876,553	3,624,387
	21,874,423	13,873,413	25,480,772	18,519,277

A14. OTHER LIABILITIES

	Group		Bank	
	30 Sept 2012 RM'000	31 Dec 2011 RM'000	30 Sept 2012 RM'000	31 Dec 2011 RM'000
Due to brokers and clients	84,613	103,439	84,613	70,715
Accrued employee benefits	10,897	10,866	10,866	10,866
Post employment benefit obligations	108,962	135,831	2,326	29,184
Sundry creditors	892,803	815,400	853,697	740,233
Expenditure payable	939,892	898,622	812,637	762,328
Allowance for commitments and contingencies	13,721	29,232	2,493	14,783
Provision for legal claims	97,420	127,216	77,573	100,852
Credit card expenditure payable	105,076	89,291	102,955	87,686
Call deposit borrowing	432,724	436,242	393,145	402,705
Others	558,112	550,721	298,584	340,392
	3,244,220	3,196,860	2,638,889	2,559,744

PART A - EXPLANATORY NOTES (CONTINUED)**A15. INTEREST INCOME**

	3rd Quarter Ended		Nine months ended	
	30 Sept 2012 RM'000	30 Sept 2011 RM'000	30 Sept 2012 RM'000	30 Sept 2011 RM'000
Group				
Loans and advances				
- interest income	1,564,652	1,455,237	4,563,362	4,198,002
- unwinding income [^]	16,539	23,579	57,584	70,131
Money at call and deposit with financial institutions	91,157	127,087	364,143	347,410
Reverse repurchase agreements	43,898	29,283	111,778	70,998
Financial assets held for trading	76,479	52,770	184,483	139,717
Financial investments available-for-sale	173,765	135,502	480,853	380,708
Financial investments held-to-maturity	83,147	97,353	264,392	285,829
Others	2,335	3,986	8,753	15,029
	<u>2,051,972</u>	<u>1,924,797</u>	<u>6,035,348</u>	<u>5,507,824</u>
Accretion of discount less amortisation of premium	50,144	36,680	156,174	112,458
	<u>2,102,116</u>	<u>1,961,477</u>	<u>6,191,522</u>	<u>5,620,282</u>
Bank				
Loans and advances				
- interest income	1,324,949	1,248,170	3,874,280	3,625,555
- unwinding income [^]	15,371	20,025	49,270	58,162
Money at call and deposit with financial institutions	174,617	206,574	611,827	600,423
Reverse repurchase agreements	41,435	22,233	107,336	52,004
Financial assets held for trading	73,941	48,926	175,936	127,779
Financial investments available-for-sale	174,118	127,206	469,571	360,636
Financial investments held-to-maturity	68,361	87,091	218,551	267,479
Others	2,335	3,815	8,753	15,029
	<u>1,875,127</u>	<u>1,764,040</u>	<u>5,515,524</u>	<u>5,107,067</u>
Accretion of discount less amortisation of premium	48,213	35,868	148,563	114,555
	<u>1,923,340</u>	<u>1,799,908</u>	<u>5,664,087</u>	<u>5,221,622</u>

[^] Unwinding income is income earned on impaired loans, advances and financing.

PART A - EXPLANATORY NOTES (CONTINUED)**A16. INTEREST EXPENSE**

Group	3rd Quarter Ended		Nine months ended	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	43,500	41,946	102,055	102,399
Deposits from other customers	750,595	727,875	2,324,556	2,005,555
Repurchase agreements	7,941	744	22,020	1,508
Loans sold to Cagamas	-	-	-	1,635
Negotiable certificates of deposits	35,441	35,629	71,519	112,241
ICULS	-	-	-	666
Redeemable preference shares	9,977	9,999	30,416	30,076
Subordinated obligations	70,876	72,075	224,363	201,840
Other borrowings	24,749	17,380	78,713	43,252
	943,079	905,648	2,853,642	2,499,172
Bank				
Deposits and placements of banks and other financial institutions	57,883	45,826	140,125	118,889
Deposits from other customers	662,610	663,691	2,074,385	1,856,397
Repurchase agreements	6,973	740	18,257	1,046
Loans sold to Cagamas	-	-	-	1,635
Negotiable certificates of deposits	35,043	35,481	70,756	111,844
ICULS	-	-	-	666
Subordinated obligations	85,217	81,176	254,521	218,674
Other borrowings	8,580	-	16,446	-
	856,306	826,914	2,574,490	2,309,151

PART A - EXPLANATORY NOTES (CONTINUED)

A17. NET NON-INTEREST INCOME

Group	3rd Quarter Ended		Nine months ended	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Net fee and commission income				
Commissions	52,800	35,538	136,727	109,439
Fee on loans and advances	82,429	88,226	276,557	268,758
Service charges and fees	116,335	80,777	307,241	238,720
Guarantee fees	11,490	12,130	34,747	53,104
Other fee income	54,949	41,035	178,883	140,532
Fee and commission income	318,003	257,706	934,155	810,553
Fee and commission expense	(73,171)	(59,903)	(213,456)	(161,523)
Net fee and commission income	244,832	197,803	720,699	649,030
Gross dividend income from:				
Financial assets held for trading	15,037	12,553	26,491	24,500
Financial investments available-for-sale	8,277	10,564	17,695	27,274
	23,314	23,117	44,186	51,774
Net loss arising from financial assets held for trading:				
- realised (loss)/gain	(2,225)	(142,398)	31,250	(229,731)
- unrealised loss	(40,438)	(97,674)	(35,925)	(111,944)
	(42,663)	(240,072)	(4,675)	(341,675)
Net gain arising from derivative financial instrument				
- realised gain	39,220	220,565	451,849	433,984
- unrealised (loss)/gain	(15,265)	167,348	34,843	316,644
	23,955	387,913	486,692	750,628
Net (loss)/gain arising from hedging derivatives	(13,815)	12,038	(34,017)	(12,483)
Net gain from sale of financial investments available-for-sale	118,222	65,358	196,682	114,499
Net gain from maturity of financial investments held-to-maturity	30,055	24,067	35,643	25,625
Brokerage income	26	9,515	22,716	19,994
Other non-interest income				
Foreign exchange gain	184,010	2,118	210,899	71,035
Rental income	2,309	3,343	6,720	10,760
Gain on disposal of property, plant and equipment/assets held for sale	1,069	1,139	4,666	6,917
Loss on disposal of foreclosed properties	(5,323)	(3,647)	(5,166)	(13,942)
Gain on revaluation of investment properties	-	2,919	351	2,919
Share of gain from recovery of impaired loans	133,464	-	133,464	-
Gain on disposal of subsidiary	8,458	-	8,458	-
Gain on disposal of associate	-	-	425	-
Others	18,879	4,928	56,851	30,939
	342,866	10,800	416,668	108,628
	726,792	490,539	1,884,594	1,366,020

PART A - EXPLANATORY NOTES (CONTINUED)

A17. NET NON-INTEREST INCOME (CONTINUED)

Bank	3rd Quarter Ended		Nine months ended	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Net fee and commission income				
Commissions	47,470	33,701	121,490	100,009
Fee on loans and advances	82,402	88,206	276,452	269,202
Service charges and fees	108,660	71,565	285,742	209,693
Guarantee fees	8,682	8,911	25,454	44,791
Other fee income	47,448	36,741	160,433	138,641
Fee and commission income	294,662	239,124	869,571	762,336
Fee and commission expense	(73,171)	(59,903)	(213,456)	(161,523)
Net fee and commission income	221,491	179,221	656,115	600,813
Gross dividend income from:				
Financial assets held for trading	15,022	12,552	26,411	24,496
Financial investments available-for-sale	36	1,015	6,242	7,702
Subsidiaries	-	29,087	-	762,435
Associates	-	-	21,763	-
	15,058	42,654	54,416	794,633
Net loss arising from financial assets held for trading				
- realised (loss)/gain	(2,414)	(144,700)	25,873	(233,452)
- unrealised loss	(40,602)	(103,308)	(40,289)	(111,134)
	(43,016)	(248,008)	(14,416)	(344,586)
Net gain arising from derivative financial instrument				
- realised gain	40,722	232,244	454,479	413,726
- unrealised (loss)/gain	(17,286)	200,781	25,818	347,013
	23,436	433,025	480,297	760,739
Net (loss)/gain arising from hedging derivatives	(14,904)	13,011	(20,853)	(11,097)
Net gain from sale of financial investments available-for-sale	114,115	58,863	184,722	100,608
Net gain from financial investments held-to-maturity	32,751	24,009	35,649	24,911
Other non-interest income				
Foreign exchange gain/(loss)	173,654	(28,511)	186,940	25,805
Rental income	1,448	1,695	4,767	6,143
Gain on disposal of property, plant and equipment	558	331	1,514	1,190
(Loss)/gain on disposal of foreclosed properties	(267)	-	6,676	68
Gain on disposal of associate	-	-	4,255	-
Other non operating income	13,550	949	34,833	11,902
	188,943	(25,536)	238,985	45,108
	537,874	477,239	1,614,915	1,971,129

PART A - EXPLANATORY NOTES (CONTINUED)

A18. OVERHEADS

Group	3rd Quarter Ended		Nine months ended	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	512,840	425,063	1,420,614	1,221,401
- Pension costs (defined contribution plan)	46,316	43,306	137,961	129,175
- Pension costs (defined benefit plan)	2,847	2,728	958	(44,925)
- Overtime	1,172	4,106	12,326	13,776
- Staff incentives and other staff payments	47,905	48,951	124,982	124,021
- Medical expenses	17,146	14,781	46,963	42,501
- Others	12,453	12,439	34,823	53,016
	640,679	551,374	1,778,627	1,538,965
Establishment costs				
- Depreciation of property, plant and equipment	43,502	50,210	149,888	147,495
- Amortisation of prepaid lease payments	74	81	224	237
- Rental	53,226	52,248	157,947	153,349
- Repair and maintenance	45,227	(1,872)	148,809	77,336
- Outsourced services	36,679	23,752	122,197	91,253
- Security expenses	23,411	26,062	69,285	72,617
- Others	22,672	20,951	71,876	71,546
	224,791	171,432	720,226	613,833
Marketing expenses				
- Sales commission	2,704	2,948	8,486	6,157
- Advertisement	37,468	28,298	123,105	78,702
- Others	2,412	5,818	14,091	16,874
	42,584	37,064	145,682	101,733
Administration and general expenses				
- Communication	12,653	17,435	45,490	46,936
- Consultancy and professional fees	14,732	11,272	40,078	34,259
- Legal expenses	(4,840)	6,195	10,526	23,356
- Stationery	9,399	8,791	26,880	29,735
- Amortisation of intangible assets	43,553	36,352	118,585	110,150
- Postages	9,712	16,229	34,155	33,026
- Administrative travelling and vehicle expenses	8,016	8,673	23,630	24,778
- Incidental expenses on banking operations	8,822	15,212	24,788	39,890
- Insurance	21,861	12,393	62,116	41,135
- Others	44,159	19,027	84,205	56,510
	168,067	151,579	470,453	439,775
Shared service cost	47,641	54,588	140,436	155,934
	1,123,762	966,037	3,255,424	2,850,240

PART A - EXPLANATORY NOTES (CONTINUED)

A18. OVERHEADS (CONTINUED)

	3rd Quarter Ended		Nine months ended	
	30 Sept 2012 RM'000	30 Sept 2011 RM'000	30 Sept 2012 RM'000	30 Sept 2011 RM'000
Bank				
Personnel costs				
- Salaries, allowances and bonuses	417,742	332,889	1,137,820	956,165
- Pension costs (defined contribution plan)	41,691	38,220	123,663	114,765
- Pension costs (defined benefit plan)	-	-	(8,000)	(60,000)
- Overtime	2,075	2,475	7,957	8,706
- Staff incentives and other staff payments	43,270	38,633	112,692	99,292
- Medical expenses	16,018	13,694	43,822	39,616
- Others	11,030	10,338	30,518	47,173
	531,826	436,249	1,448,472	1,205,717
Establishment costs				
- Depreciation of property, plant and equipment	33,467	39,004	111,547	115,947
- Rental	41,964	40,739	124,705	120,558
- Repair and maintenance	39,114	(2,159)	129,877	67,272
- Outsourced services	54,986	50,075	179,941	174,594
- Security expenses	24,507	27,609	73,706	78,131
- Others	16,921	15,065	52,574	55,825
	210,959	170,333	672,350	612,327
Marketing expenses				
- Sales commission	-	-	2,374	392
- Advertisement	33,348	25,423	111,823	69,008
- Others	3,036	4,596	9,549	12,875
	36,384	30,019	123,746	82,275
Administration and general expenses				
- Communication	11,133	15,290	40,220	41,615
- Consultancy and professional fees	13,127	9,615	35,793	29,935
- Legal expenses	(6,704)	5,375	(5,149)	20,199
- Stationery	6,888	6,509	20,368	22,935
- Amortisation of intangible assets	38,220	31,502	102,933	96,008
- Postages	7,208	13,513	26,049	25,993
- Administrative travelling and vehicle expenses	5,710	5,957	16,487	17,264
- Incidental expenses on banking operations	5,950	5,457	17,392	19,542
- Insurance	4,787	2,139	16,052	11,949
- Others	25,208	6,591	33,911	17,868
	111,527	101,948	304,056	303,308
Shared service cost	(40,197)	(2,475)	(112,307)	(21,285)
	850,499	736,074	2,436,317	2,182,342

PART A - EXPLANATORY NOTES (CONTINUED)

A19. ALLOWANCES FOR IMPAIRMENT LOSSES ON LOANS, ADVANCES AND FINANCING

	3rd Quarter Ended		Nine months ended	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Group				
Allowances for impaired loans and financing :				
Net allowance made during the financial period				
- Individual impairment allowance	29,897	82,632	90,502	76,633
- Portfolio impairment allowance	126,494	100,062	310,155	268,261
Impaired loans and advances :				
- recovered	(84,367)	(76,462)	(251,287)	(240,467)
- written off	2,544	4,646	7,987	10,669
	74,568	110,878	157,357	115,096
Bank				
Allowances for bad and doubtful debts and financing :				
Net allowance made during the financial period				
- Individual impairment allowance	37,441	49,527	82,618	80,753
- Portfolio impairment allowance	63,435	44,321	144,667	159,186
Impaired loans and advances :				
- recovered	(53,172)	(47,724)	(158,909)	(141,519)
- written off	193	3,167	834	6,472
	47,897	49,291	69,210	104,892

PART A - EXPLANATORY NOTES (CONTINUED)

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES

The following tables summarise the contractual underlying principal amounts of trading derivative and financial instruments held for hedging purpose. The principal or contractual amounts of these instruments reflect the volume of transactions outstanding at the end of the reporting period, and do not represent amounts at risk.

Trading derivative financial instruments are revalued on a gross position basis and the unrealised gains or losses are reflected in "Derivative financial instruments" Assets and Liabilities respectively.

(i) Derivative financial instruments

At 30 September 2012	The Group Fair values			The Bank Fair values		
	Principal RM'000	Assets RM'000	Liabilities RM'000	Principal RM'000	Assets RM'000	Liabilities RM'000
<u>Trading derivatives</u>						
<u>Foreign exchange derivatives</u>						
Currency forward	14,491,844	161,634	(199,272)	10,523,145	126,669	(134,627)
- Less than 1 year	11,073,688	70,573	(137,327)	7,888,087	55,464	(83,500)
- 1 year to 3 years	1,249,699	58,719	(32,147)	1,145,802	57,459	(30,601)
- More than 3 years	2,168,457	32,342	(29,798)	1,489,256	13,746	(20,526)
Currency swaps	46,239,623	419,529	(394,093)	41,076,028	360,020	(339,336)
- Less than 1 year	45,855,426	403,160	(391,640)	40,691,831	344,913	(336,883)
- 1 year to 3 years	166,198	5,503	(2,036)	166,198	5,153	(2,036)
- More than 3 years	217,999	10,866	(417)	217,999	9,954	(417)
Currency spots	5,164,519	6,334	(7,683)	4,557,601	5,657	(6,450)
- Less than 1 year	5,164,519	6,334	(7,683)	4,557,601	5,657	(6,450)
Currency options	3,041,146	14,999	(12,590)	2,522,403	10,957	(11,485)
- Less than 1 year	3,041,146	14,999	(12,590)	2,522,403	10,957	(11,485)
Cross currency interest rate swaps	18,181,570	568,489	(332,940)	17,774,846	545,836	(323,931)
- Less than 1 year	3,173,547	73,899	(100,740)	3,062,050	60,676	(99,409)
- 1 year to 3 years	7,005,897	284,263	(96,030)	7,132,447	288,313	(104,667)
- More than 3 years	8,002,126	210,327	(136,170)	7,580,349	196,847	(119,855)
	87,118,702	1,170,985	(946,578)	76,454,023	1,049,139	(815,829)
<u>Interest rate derivatives</u>						
Interest rate swaps	255,019,882	2,325,954	(1,965,439)	228,999,125	2,172,770	(1,836,961)
- Less than 1 year	36,779,235	74,188	(75,307)	28,758,412	62,640	(66,735)
- 1 year to 3 years	166,488,311	838,591	(820,309)	158,568,061	818,174	(800,807)
- More than 3 years	51,752,336	1,413,175	(1,069,823)	41,672,652	1,291,956	(969,419)
Interest rate futures	10,199,173	24,239	(694)	10,199,173	24,239	(694)
- Less than 1 year	6,002,330	10,466	(661)	6,002,330	10,466	(661)
- 1 year to 3 years	3,175,405	10,999	(33)	3,175,405	10,999	(33)
- More than 3 years	1,021,438	2,774	-	1,021,438	2,774	-
Interest rate options	640,000	1,564	(4,184)	640,000	1,564	(4,184)
- Less than 1 year	400,000	886	(4,180)	400,000	886	(4,180)
- 1 year to 3 years	220,000	605	(4)	220,000	605	(4)
- More than 3 years	20,000	73	-	20,000	73	-
	265,859,055	2,351,757	(1,970,317)	239,838,298	2,198,573	(1,841,839)
<u>Equity related derivatives</u>						
Equity swap	578,549	146	(74)	348,444	92	(21)
- More than 3 years	578,549	146	(74)	348,444	92	(21)
Equity options	9,823,073	288,516	(514,344)	8,478,217	265,446	(491,273)
- Less than 1 year	3,180,564	226,185	(456,858)	2,499,969	223,128	(453,801)
- 1 year to 3 years	2,382,167	47,488	(7,200)	2,156,089	42,697	(3,643)
- More than 3 years	4,260,342	14,843	(50,286)	3,822,159	(379)	(33,829)
Index futures	1,905	-	(17)	1,905	-	(17)
- Less than 1 year	1,905	-	(17)	1,905	-	(17)
	10,403,527	288,662	(514,435)	8,828,566	265,538	(491,311)

PART A - EXPLANATORY NOTES (CONTINUED)

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES (CONTINUED)

(i) Derivative financial instruments (continued)

At 30 September 2012	The Group Fair values			The Bank Fair values		
	Principal RM'000	Assets RM'000	Liabilities RM'000	Principal RM'000	Assets RM'000	Liabilities RM'000
<u>Commodity related derivatives</u>						
Commodity swaps	195,334	28,786	(31,038)	195,334	28,786	(31,038)
- Less than 1 year	166,499	23,671	(26,026)	166,499	23,671	(26,026)
- 1 year to 3 years	28,835	5,115	(5,012)	28,835	5,115	(5,012)
Commodity futures	10,150	1,848	(24)	10,150	1,848	(24)
- Less than 1 year	10,150	1,848	(24)	10,150	1,848	(24)
Commodity options	500,490	180,965	(180,949)	500,490	180,965	(180,949)
- Less than 1 year	428,233	58,853	(58,837)	428,233	58,853	(58,837)
- More than 3 years	72,257	122,112	(122,112)	72,257	122,112	(122,112)
	705,974	211,599	(212,011)	705,974	211,599	(212,011)
<u>Credit related contract</u>						
Credit default swaps	2,640,214	26,128	(69,222)	2,640,214	26,128	(69,222)
- Less than 1 year	283,287	717	(18,264)	283,287	717	(18,264)
- 1 year to 3 years	841,663	515	(8,816)	841,663	515	(8,816)
- More than 3 years	1,515,264	24,896	(42,142)	1,515,264	24,896	(42,142)
<u>Hedging derivatives</u>						
Cross currency interest rate swaps	801,413	6,031	(10,233)	801,413	6,031	(10,233)
- 1 year to 3 years	305,325	2,749	(114)	305,325	2,749	(114)
- More than 3 years	496,088	3,282	(10,119)	496,088	3,282	(10,119)
Interest rate swaps	16,026,709	264,631	(474,775)	22,083,473	593,227	(464,632)
- Less than 1 year	670,000	6,173	-	670,000	6,173	-
- 1 year to 3 years	81,182	70	(582)	81,182	70	(582)
- More than 3 years	15,275,527	258,388	(474,193)	21,332,291	586,984	(464,050)
Total derivatives assets/(liabilities)	383,555,594	4,319,793	(4,197,571)	351,351,961	4,350,235	(3,905,077)

PART A - EXPLANATORY NOTES (CONTINUED)

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES (CONTINUED)

(i) Derivative financial instruments (continued)

At 31 December 2011	The Group Fair values			The Bank Fair values		
	Principal RM'000	Assets RM'000	Liabilities RM'000	Principal RM'000	Assets RM'000	Liabilities RM'000
<u>Trading derivatives</u>						
<u>Foreign exchange derivatives</u>						
Currency forward	11,137,071	150,947	(171,386)	8,556,322	111,129	(151,896)
- Less than 1 year	8,880,304	106,621	(125,604)	6,270,476	63,693	(107,993)
- 1 year to 3 years	971,908	40,641	(22,110)	978,643	40,644	(21,582)
- More than 3 years	1,284,859	3,685	(23,672)	1,307,203	6,792	(22,321)
Currency swaps	38,299,915	412,444	(328,273)	34,400,531	366,975	(262,949)
- Less than 1 year	37,959,926	394,429	(323,835)	34,060,542	348,960	(258,511)
- 1 year to 3 years	128,276	6,806	(4,081)	128,276	6,806	(4,081)
- More than 3 years	211,713	11,209	(357)	211,713	11,209	(357)
Currency spots	2,864,293	1,439	(1,362)	2,498,173	1,013	(926)
- Less than 1 year	2,864,293	1,439	(1,362)	2,498,173	1,013	(926)
Currency options	1,684,491	8,983	(14,206)	1,540,387	7,718	(13,339)
- Less than 1 year	1,684,491	8,983	(14,206)	1,540,387	7,718	(13,339)
Cross currency interest rate swaps	16,804,268	537,952	(392,083)	16,657,869	522,901	(392,922)
- Less than 1 year	3,453,558	89,679	(130,104)	3,453,558	89,679	(130,104)
- 1 year to 3 years	6,073,343	258,809	(105,320)	6,260,263	257,136	(121,291)
- More than 3 years	7,277,367	189,464	(156,659)	6,944,048	176,086	(141,527)
	70,790,038	1,111,765	(907,310)	63,653,282	1,009,736	(822,032)
<u>Interest rate derivatives</u>						
Interest rate swaps	242,872,810	2,604,921	(2,279,435)	218,308,474	2,400,666	(2,059,269)
- Less than 1 year	32,514,780	85,636	(60,031)	22,921,402	68,120	(41,776)
- 1 year to 3 years	131,247,584	992,170	(1,039,857)	123,173,634	947,748	(1,019,779)
- More than 3 years	79,110,446	1,527,115	(1,179,547)	72,213,438	1,384,798	(997,714)
Interest rate futures	11,930,771	31,861	(2,279)	11,803,092	31,861	(2,278)
- Less than 1 year	5,734,380	10,485	(2,279)	5,606,701	10,485	(2,278)
- 1 year to 3 years	4,844,425	17,375	-	4,844,425	17,375	-
- More than 3 years	1,351,966	4,001	-	1,351,966	4,001	-
Interest rate options	150,000	10,408	(4,550)	150,000	10,408	(4,550)
- 1 year to 3 years	100,000	9,731	(4,543)	100,000	9,731	(4,543)
- More than 3 years	50,000	677	(7)	50,000	677	(7)
	254,953,581	2,647,190	(2,286,264)	230,261,566	2,442,935	(2,066,097)
<u>Equity related derivatives</u>						
Equity swaps	525,927	416	(385)	296,560	258	(227)
- More than 3 years	525,927	416	(385)	296,560	258	(227)
Equity options	8,603,265	60,008	(323,752)	6,928,079	49,570	(313,355)
- Less than 1 year	1,839,407	50,392	(290,103)	1,622,898	49,570	(290,103)
- 1 year to 3 years	3,039,223	351	(351)	2,236,647	-	-
- More than 3 years	3,724,635	9,265	(33,298)	3,068,534	-	(23,252)
Index futures	17,121	1	(132)	17,121	1	(132)
- Less than 1 year	17,121	1	(132)	17,121	1	(132)
	9,146,313	60,425	(324,269)	7,241,760	49,829	(313,714)

PART A - EXPLANATORY NOTES (CONTINUED)

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES (CONTINUED)

(i) Derivative financial instruments (continued)

At 31 December 2011	The Group Fair values			The Bank Fair values		
	Principal RM'000	Assets RM'000	Liabilities RM'000	Principal RM'000	Assets RM'000	Liabilities RM'000
<u>Commodity related derivatives</u>						
Commodity swaps	80,961	4,456	(5,498)	80,961	4,456	(5,498)
- Less than 1 year	44,312	3,730	(3,663)	44,312	3,730	(3,663)
- 1 year to 3 years	36,649	726	(1,835)	36,649	726	(1,835)
Commodity futures	39,643	783	(863)	39,643	783	(863)
- Less than 1 year	38,236	685	(845)	38,236	685	(845)
- 1 year to 3 years	1,407	98	(18)	1,407	98	(18)
Commodity options	203,200	48,048	(48,048)	203,200	48,048	(48,048)
- Less than 1 year	34,947	10,075	(10,075)	34,947	10,075	(10,075)
- 1 year to 3 years	168,253	37,973	(37,973)	168,253	37,973	(37,973)
	323,804	53,287	(54,409)	323,804	53,287	(54,409)
<u>Credit related contract</u>						
Credit default swaps	2,138,269	38,374	(72,394)	2,138,269	38,374	(72,394)
- Less than 1 year	317,700	24	(427)	317,700	24	(427)
- 1 year to 3 years	839,250	3,613	(10,290)	839,250	3,613	(10,290)
- More than 3 years	981,319	34,737	(61,677)	981,319	34,737	(61,677)
<u>Hedging derivatives</u>						
Cross currency interest rate swaps	71,131	-	(597)	71,131	-	(597)
- More than 3 years	71,131	-	(597)	71,131	-	(597)
Interest rate swaps	13,495,846	224,336	(442,546)	18,100,014	486,763	(448,933)
- 1 year to 3 years	720,000	18,571	(197)	720,000	18,571	(197)
- More than 3 years	12,775,846	205,765	(442,349)	17,380,014	468,192	(448,736)
Total derivatives assets/(liabilities)	350,918,982	4,135,377	(4,087,789)	321,789,826	4,080,924	(3,778,176)

PART A - EXPLANATORY NOTES (CONTINUED)

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES (CONTINUED)

(i) Derivative financial instruments (continued)

The Group's derivative financial instruments are subject to market and credit risk, as follows:

Market Risk

Market risk is defined as any fluctuation in the value arising from changes in value of market risk factors such as interest rates, currency exchange rates, credit spreads, equity prices, commodities prices and their associated volatility. The contractual amounts provide only a measure of involvement in these types of transactions and do not represent the amounts subject to market risk. The Group's risk management department monitors and manages market risk exposure via stress testing of the Group's Capital-at-Risk (CaR) model, in addition to reviewing and analysing its treasury trading strategy, positions and activities vis-à-vis changes in the financial market, monitoring limit usage, assessing limit adequacy, and verifying transaction prices.

Credit Risk

Credit risk arises when counterparties to derivative contracts, such as interest rate swaps, are not able to or willing to fulfil their obligation to pay the Group the positive fair value or receivable resulting from the execution of contract terms. As at 30 September 2012, the amount of credit risk in the Group and the Bank, measured in terms of the cost to replace the profitable contracts, was RM4,319,793,000 and RM4,350,235,000 respectively (31 December 2011: RM4,135,377,000 and RM4,080,924,000 respectively). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

There have been no changes since the end of the previous financial year in respect of the following:

- a) the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
- b) the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and
- c) the related accounting policies.

The above information, policies and procedures in respect of derivative financial instruments of the Group are discussed in the audited annual financial statements for the financial year ended 31 December 2011.

PART A - EXPLANATORY NOTES (CONTINUED)

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES (CONTINUED)

(ii) Commitments and contingencies

	30 Sept 2012	31 Dec 2011
	Principal	Principal
	RM'000	RM'000
The Group		
<u>Credit-related</u>		
Direct credit substitutes	2,991,988	2,431,001
Transaction-related contingent items	4,733,146	4,397,206
Short-term self-liquidating trade-related contingencies	2,732,560	2,549,245
Obligations under underwriting agreement	60,000	145,000
Irrevocable commitments to extend credit :		
- maturity not exceeding one year	40,915,102	36,370,852
- maturity exceeding one year	6,937,885	6,710,804
Miscellaneous commitments and contingencies	2,679,239	4,940,544
Total credit-related commitments and contingencies	61,049,920	57,544,652
<u>Treasury-related</u>		
Foreign exchange related contracts :		
- less than one year	66,844,859	54,262,216
- one year to less than 5 years	15,850,487	12,075,435
- five years and above	5,224,769	4,523,518
	87,920,115	70,861,169
Interest rate related contracts :		
- less than one year	73,785,053	58,434,217
- one year to less than 5 years	163,808,132	173,535,167
- five years and above	45,489,331	37,522,247
	283,082,516	269,491,631
Equity related contracts:		
- less than one year	3,035,308	1,852,206
- one year to less than 5 years	5,577,771	4,901,299
- five years and above	1,790,448	2,392,808
	10,403,527	9,146,313
Total treasury-related commitments and contingencies	381,406,158	349,499,113
	442,456,078	407,043,765

PART A - EXPLANATORY NOTES (CONTINUED)

A20. DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES (CONTINUED)

(ii) Commitments and contingencies (continued)

	30 Sept 2012	31 Dec 2011
	Principal	Principal
	RM'000	RM'000
The Bank		
<u>Credit-related</u>		
Direct credit substitutes	2,711,465	2,338,908
Transaction-related contingent items	3,373,446	3,205,540
Short-term self-liquidating trade-related contingencies	2,332,397	2,032,382
Obligations under underwriting agreement	60,000	145,000
Irrevocable commitments to extend credit :		
- maturity not exceeding one year	36,047,224	33,911,376
- maturity exceeding one year	6,001,576	5,835,710
Miscellaneous commitments and contingencies	1,441,498	2,884,268
Total credit-related commitments and contingencies	<u>51,967,606</u>	<u>50,353,184</u>
<u>Treasury-related</u>		
Foreign exchange related contracts :		
- less than one year	57,660,267	47,503,115
- one year to less than 5 years	15,547,632	11,844,370
- five years and above	4,047,537	4,376,928
	77,255,436	63,724,413
Interest rate related contracts :		
- less than one year	65,764,230	48,713,161
- one year to less than 5 years	154,126,350	161,029,887
- five years and above	43,227,943	39,660,736
	263,118,523	249,403,784
Equity related contracts:		
- less than one year	2,354,713	1,635,696
- one year to less than 5 years	5,139,525	3,939,189
- five years and above	1,334,328	1,666,874
	8,828,566	7,241,759
Total treasury-related commitments and contingencies	<u>349,202,525</u>	<u>320,369,956</u>
	<u>401,170,131</u>	<u>370,723,140</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A21. CAPITAL ADEQUACY

The capital adequacy ratios of the Group (other than CIMB Thai Bank) and the Bank are computed in accordance with Internal Rating-Based approach (IRB approach) for Credit Risk, where Advanced Internal Rating-Based (AIRB) is used for retail exposure and Foundation IRB for Non-Retail exposure while Operational risk is based on Basic Indicator Approach. Market Risk remained unchanged under Standardised Approach.

(a) The capital adequacy ratios of the Group and the Bank are as follows:

	The Group		The Bank*	
	30 Sept 2012	31 Dec 2011	30 Sept 2012	31 Dec 2011
Core capital ratio	10.31%	11.97%	13.02%	15.26%
Risk-weighted capital ratio	14.88%	16.87%	14.81%	17.59%
After deducting proposed dividends				
Core capital ratio	10.31% ##	11.33% #	13.02% ##	14.45% #
Risk-weighted capital ratio	14.88% ##	16.24% #	14.81% ##	16.78% #

(b) The breakdown of risk-weighted assets ("RWA") by each major risk category is as follows:

	The Group		The Bank*	
	30 Sept 2012	31 Dec 2011	30 Sept 2012	31 Dec 2011
	RM'000	RM'000	RM'000	RM'000
Credit risk	120,482,195	109,351,226	91,310,971	83,785,262
Market risk	14,219,865	8,785,131	12,933,337	8,105,302
Large exposure risk requirements	398,312	400,148	398,312	400,148
Operational risk	13,314,426	12,620,584	10,347,685	9,949,736
Total risk-weighted assets	148,414,798	131,157,089	114,990,305	102,240,448

PART A - EXPLANATORY NOTES (CONTINUED)

A21. CAPITAL ADEQUACY (Continued)

(c) Components of Tier I and Tier II capital are as follows:

	The Group		The Bank*	
	30 Sept 2012	31 Dec 2011	30 Sept 2012	31 Dec 2011
	RM'000	RM'000	RM'000	RM'000
Tier I capital				
Paid-up capital	3,764,469	3,764,469	3,764,469	3,764,469
Perpetual preference shares	200,000	200,000	200,000	200,000
Non-innovative Tier I Capital	1,000,000	1,000,000	1,000,000	1,000,000
Innovative Tier I Capital	1,612,610	1,635,400	1,612,610	1,635,400
Other reserves	13,418,509	13,816,665	12,086,061	12,676,039
Non-controlling interests	300,082	266,211	-	-
Less:				
Deferred tax assets	(107,369)	(89,327)	(134,916)	(118,506)
Goodwill	(4,885,913)	(4,899,904)	(3,555,075)	(3,555,075)
Total Tier I capital	<u>15,302,388</u>	<u>15,693,514</u>	<u>14,973,149</u>	<u>15,602,327</u>
Tier II capital				
Subordinated notes	6,045,658	5,813,057	5,000,000	5,000,000
Redeemable preference shares	29,740	29,740	29,740	29,740
Regulatory reserve	816,843	490,627	708,712	431,514
Portfolio impairment allowance ^	316,327	397,291	154,439	188,389
Surplus of total eligible provision over expected loss under IRB approach	114,662	255,860	228,304	359,190
Total Tier II capital	7,323,230	6,986,575	6,121,195	6,008,833
Less:				
Investment in subsidiaries	(136,135)	(136,135)	(3,665,949)	(3,208,833)
Securitisation exposures subject to deductions^^	(70,109)	(70,116)	(70,109)	(70,116)
Excess of total eligible liabilities over total eligible provision under the IRB approach	-	-	-	-
Investment in associates	(305,584)	(306,061)	(305,584)	(306,061)
Holding of other banking institutions' capital instruments	(27,975)	(40,990)	(27,975)	(40,990)
Total Eligible Tier II capital	<u>6,783,427</u>	<u>6,433,273</u>	<u>2,051,578</u>	<u>2,382,833</u>
Total capital base	<u>22,085,815</u>	<u>22,126,787</u>	<u>17,024,727</u>	<u>17,985,160</u>

^ The capital base of the Group and the Bank as at 30 September 2012 has excluded portfolio impairment allowance on impaired loans restricted from Tier II capital of RM352,614,607 (2011: RM463,064,140) and RM337,242,941 (2011: RM441,690,248) respectively.

^^ Financing of hire purchase under PCSB (excluding those securitised) is included in the computation of RWA under the AIRB approach;

The investment in owner's note is accounted in accordance with Securitisation Framework under Risk Weighted Capital Adequacy Framework (Basel II - Risk Weighted Assets Computation) Guideline dated 31 December 2009.

PART A - EXPLANATORY NOTES (CONTINUED)

A21. CAPITAL ADEQUACY (Continued)

(d) The capital adequacy of the banking subsidiary companies of the Bank are as follows:

As at 30 September 2012

	CIMB Islamic Bank**	CIMB Thai Bank***	CIMB Bank PLC****
Core capital ratio	9.42%	11.13%	N/A
Risk-weighted capital ratio	14.23%	15.54%	31.90%

As at 31 Dec 2011

	CIMB Islamic Bank**	CIMB Thai Bank***	CIMB Bank PLC****
Core capital ratio	10.44%	7.65%	N/A
Risk-weighted capital ratio	14.42%	13.00%	56.33%

The dividends on RPS and ordinary shares were paid on 15 March 2012 and 19 March 2012 respectively.

The dividends on RPS was paid on 21 September 2012.

* Includes the operations of CIMB Bank (L) Limited.

** The capital adequacy ratios of CIMB Islamic Bank are computed in accordance with BNM Guidelines on Risk Weighted Capital Adequacy Framework: Internal Rating-Based approach (IRB approach) for Credit Risk, where Advanced Internal Rating-Based (AIRB) is used for retail exposure and Foundation IRB for Non-Retail exposure while Operational risk is based on Basic Indicator Approach. Market Risk remained unchanged under Standardised Approach.

*** The capital adequacy ratios of CIMB Thai is based on Bank of Thailand requirements and are computed in accordance with Standardised Approach (SA approach). The approach for Credit Risk and Market Risk is Standardised Approach (SA) while Operational Risk is based on Basic Indicator Approach.

**** The amount presented here is the Solvency Ratio of CIMB Bank PLC, which is the nearest equivalent regulatory compliance ratio. This ratio is computed in accordance with Prakas B7-00-46, B7-04-206 and B7-07-135 issued by the National Bank of Cambodia. This ratio is derived at CIMB Bank PLC's net worth divided by its risk-weighted assets.

PART A - EXPLANATORY NOTES (CONTINUED)

A22. SEGMENTAL REPORT

Definition of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined the Group Management Committee as its chief operating decision-maker.

Segment information is presented in respect of the Group's business segment and geographical segment.

All inter-segment transactions are conducted on an arm's length basis and on normal commercial terms not more favourable than those generally available to the public.

The business segment results are prepared based on the Group's internal management reporting, which reflect the organisation's management reporting structure.

Business segment reporting

Definition of segments:

During the end of financial year 2011, an internal reorganisation has resulted in a change in business segment reporting. The Group has been reorganised into the following five major operating divisions:

Consumer Banking

Consumer Banking provides full-fledged financial services to individual and commercial customer. The divisions which make up the Consumer Banking are Retail Financial Services and Commercial Banking.

Retail Financial Services focuses on innovative products and services to individual customers. It offers products such as credit facilities (residential mortgages, personal loans, share financing, credit card and hire purchase), remittance services, deposit collection and wealth management.

Commercial Banking is responsible for offering products and services for customer segments comprising micro-enterprises, small and medium-scale enterprises ("SMEs") and mid-sized corporations. Their products include credit facilities (loans, banker's acceptances, revolving credit, leasing, factoring, hire purchase), remittance services and deposit collection.

Wholesale Banking

Wholesale Banking comprises Investment Banking and Corporate Banking, Treasury & Markets.

Investment Banking includes client coverage and advisory services. Client coverage focuses on marketing and delivering solutions to corporate and institutional clients.

Advisory offers financial advisory services to corporations, advising issuance of equity and equity-linked products, debt restructuring, mergers and acquisitions, initial public offerings, secondary offerings and general corporate advisory. Equities, provides services including acting as underwriter, global co-ordinator, book runner or lead manager for equity and equity-linked transactions, originating, structuring, pricing and executing equity and equity-linked issues and executing programme trades, block trades and market making, as well as provides nominee services and stock broking services to retail and corporate clients.

Corporate Banking, Treasury and Markets (CBTM) is responsible for corporate lending and deposit taking, transaction banking, treasury and markets activities. Treasury focuses on treasury activities and services which include foreign exchange, money market, derivatives and trading of capital market instruments. It includes the Group's equity derivatives which develops and issues new equity derivatives instruments such as structured warrants and over-the-counter options to provide investors with alternative investment avenues.

Investments

Investments focus on Group Strategy and Strategic Investments (GSSI) including funding operations for the group. GSSI consists of Group Strategy, Private Equity and Strategic Investments which focuses in defining and formulating strategies at the corporate and business unit levels, oversee the Group's strategic and private equity fund management businesses. It also invests in the Group's proprietary capital.

Foreign Banking Operations

Foreign Banking Operations comprise of CIMB Thai Bank Public Company Limited, Bank of Yingkou Co Ltd and CIMB Bank PLC which are involved in the provision of commercial banking and related services.

Support and others

Support services comprises unallocated middle and back-office processes and cost centres and other subsidiaries whose results are not material to the Group.

PART A - EXPLANATORY NOTES (CONTINUED)

A22. SEGMENTAL REPORT (CONTINUED)

Group
30 Sept 2012

	Consumer Banking		Wholesale Banking				Support and Others RM'000	Total RM'000
	Commercial Banking RM'000	Retail Financial Services and Cards RM'000	Corporate Banking, Treasury and Markets RM'000	Investment Banking RM'000	Investments RM'000	Foreign Banking Operations RM'000		
Net interest income								
- external income	234,700	1,586,976	1,051,317	17,333	5,096	436,036	6,422	3,337,880
- inter-segment	281,032	(112,159)	(78,373)	(10,099)	(52,664)	-	(27,737)	-
	515,732	1,474,817	972,944	7,234	(47,568)	436,036	(21,315)	3,337,880
Islamic Banking Income	89,786	428,237	236,846	1,323	302,258	-	-	1,058,450
Net non-interest income	93,145	441,075	937,369	32,894	90,304	269,662	20,145	1,884,594
Net income/(expense)	698,663	2,344,129	2,147,159	41,451	344,994	705,698	(1,170)	6,280,924
Overheads	(425,348)	(1,625,553)	(571,241)	(37,841)	(63,333)	(469,089)	(63,019)	(3,255,424)
of which:								
Depreciation of property, plant and equipment	(15,854)	(90,317)	(9,967)	(249)	(613)	(32,888)	-	(149,888)
Amortisation of prepaid lease payments	-	-	-	-	-	(224)	-	(224)
Amortisation of intangible assets	(11,045)	(84,526)	(9,039)	-	(44)	(13,931)	-	(118,585)
Profit/(loss) before allowance	273,315	718,576	1,575,918	3,610	281,661	236,609	(64,189)	3,025,500
Allowances for impairment losses on loans, advances and financing written back/(made)	63,522	(76,544)	(54,965)	(848)	-	(88,522)	-	(157,357)
Allowances for losses on other receivables written back/(made)	-	2	-	-	-	-	(270)	(268)
Allowances for commitments and contingencies written back	12,290	-	-	-	-	2,515	-	14,805
Allowances for other impairment losses written back/(made)	243	-	15	-	480	494	(9)	1,223
Segment result	349,370	642,034	1,520,968	2,762	282,141	151,096	(64,468)	2,883,903
Share of results of jointly controlled entity	-	1,368	-	-	-	-	-	1,368
Share of results of associates	-	-	-	-	3,467	66,324	-	69,791
Taxation								(593,496)
Profit for the financial period								2,361,566

PART A - EXPLANATORY NOTES (CONTINUED)

A22. SEGMENTAL REPORT (CONTINUED)

Group
30 Sept 2011

	Consumer Banking		Wholesale Banking				Support and Others RM'000	Total RM'000
	Commercial Banking RM'000	Retail Financial Services and Cards RM'000	Corporate Banking, Treasury and Markets RM'000	Investment Banking RM'000	Investments RM'000	Foreign Banking Operations RM'000		
Net interest income								
- external income	244,332	1,661,377	799,315	13,583	(7,550)	411,239	(1,186)	3,121,110
- inter-segment	271,576	(234,631)	32,642	(6,823)	(34,432)	(15)	(28,317)	-
	515,908	1,426,746	831,957	6,760	(41,982)	411,224	(29,503)	3,121,110
Islamic Banking Income	72,415	415,599	212,920	104	275,616	-	-	976,654
Net non-interest income	82,524	508,087	469,821	40,326	123,465	118,841	22,956	1,366,020
Net income/(expense)	670,847	2,350,432	1,514,698	47,190	357,099	530,065	(6,547)	5,463,784
Overheads	(387,702)	(1,470,048)	(505,978)	(30,004)	4,571	(419,166)	(41,913)	(2,850,240)
of which:								
Depreciation of property, plant and equipment	(18,128)	(95,057)	(9,696)	(284)	(524)	(23,806)	-	(147,495)
Amortisation of prepaid lease payments	-	(3)	-	-	-	(234)	-	(237)
Amortisation of intangible assets	(10,288)	(79,284)	(8,787)	-	(43)	(11,748)	-	(110,150)
Profit/(loss) before allowance	283,145	880,384	1,008,720	17,186	361,670	110,899	(48,460)	2,613,544
Allowances for impairment losses on loans, advances and financing written back/(made)	80,749	(129,808)	(5,831)	(92)	-	(60,114)	-	(115,096)
Allowances for losses on other receivables	-	(4)	-	-	-	-	(3,007)	(3,011)
Allowances for commitments and contingencies written back	-	-	20,336	-	-	1,500	-	21,836
Allowances for other impairment losses (made)/written back	-	-	(6,727)	-	985	-	1,467	(4,275)
Segment result	363,894	750,572	1,016,498	17,094	362,655	52,285	(50,000)	2,512,998
Share of results of jointly controlled entity	-	8,006	-	-	-	-	-	8,006
Share of results of associate	-	-	-	-	3,653	68,450	-	72,103
Taxation								(510,767)
Profit for the financial period								2,082,340

PART A - EXPLANATORY NOTES (CONTINUED)

A23. GROUP OPERATION OF ISLAMIC BANKING

A23a. UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2012

		Group		Bank		
	Note	30 Sept 2012	31 Dec 2011	1 Jan 2011	30 Sept 2012	31 Dec 2011
		RM'000	(Restated)	(Restated)	RM'000	RM'000
Assets						
Cash and short-term funds		3,177,822	7,732,152	7,840,258	33,562	94,841
Deposit and placement with banks and other financial institutions		1,441,868	1,567,837	1,053,053	1,038,602	532,817
Financial assets held for trading		6,768,421	2,911,603	2,549,533	176,179	158,534
Financial investments available-for-sale		2,299,403	1,436,120	656,011	372,648	184,696
Financial investments held-to-maturity		1,001,629	1,053,822	1,133,825	313,838	363,756
Islamic derivative financial instruments		193,325	147,915	157,901	12,015	307
Financing, advances and other financing/loans	A23c	31,890,497	28,360,944	22,764,498	531,980	286,840
Other assets		187,353	300,808	334,828	1,941	1,866
Deferred taxation		12,279	6,359	4,307	-	-
Amount due from holding company		763,606	560,222	505,031	-	-
Amount due from related companies		80,424	44,572	48,767	79,519	42,812
Statutory deposits with Bank Negara Malaysia		1,234,269	1,097,797	143,406	-	-
Goodwill		136,000	136,000	136,000	-	-
Intangible assets		4,185	4,170	4,287	-	-
Property, plant and equipment		3,007	3,900	1,862	-	-
TOTAL ASSETS		49,194,088	45,364,221	37,333,567	2,560,284	1,666,469
Liabilities						
Deposits from customers	A23d	31,275,764	29,758,280	23,479,669	499,289	435,978
Deposits and placements of banks and other financial institutions		11,616,169	10,874,026	10,769,939	734,591	748,783
Islamic derivative financial instruments		511,408	400,611	199,199	-	4,757
Other liabilities		1,541,968	724,399	643,911	1,270,266	422,393
Amount due to holding company		221,065	402,487	184,519	-	-
Amount due to related company		3,457	139	-	-	-
Provision for taxation and Zakat		46,995	14,853	11,228	-	-
Subordinated Sukuk		860,960	564,679	300,000	-	-
TOTAL LIABILITIES		46,077,786	42,739,474	35,588,465	2,504,146	1,611,911
Equity						
Ordinary share capital		1,000,000	1,000,000	750,000	-	-
Perpetual preference shares		70,000	70,000	70,000	-	-
Reserves		2,046,302	1,554,747	925,102	56,138	54,558
TOTAL EQUITY		3,116,302	2,624,747	1,745,102	56,138	54,558
TOTAL LIABILITIES AND EQUITY		49,194,088	45,364,221	37,333,567	2,560,284	1,666,469

PART A - EXPLANATORY NOTES (CONTINUED)

A23. GROUP OPERATION OF ISLAMIC BANKING

A23b. UNAUDITED CONSOLIDATED STATEMENT OF INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

	Group			
	3rd Quarter Ended		Nine Months Ended	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Group				
Income derived from investment of depositors' funds and others	539,379	408,321	1,444,511	1,192,992
Income derived from investment of shareholders' funds	27,071	81,424	176,775	212,597
Allowance for impairment losses on financing, advances and other financing/loans	(21,850)	(45,210)	(77,892)	(49,454)
Allowance for losses on other receivables (made)/written back	(5)	3	(91)	(9)
	<u>544,595</u>	<u>444,538</u>	<u>1,543,303</u>	<u>1,356,126</u>
Total distributable income	544,595	444,538	1,543,303	1,356,126
Income attributable to depositors	(199,265)	(157,865)	(562,836)	(428,935)
	<u>345,330</u>	<u>286,673</u>	<u>980,467</u>	<u>927,191</u>
Total net income	345,330	286,673	980,467	927,191
Other operating expenses	(118,815)	(81,694)	(338,541)	(241,895)
	<u>226,515</u>	<u>204,979</u>	<u>641,926</u>	<u>685,296</u>
Profit before taxation	226,515	204,979	641,926	685,296
Taxation	(54,075)	(48,057)	(160,241)	(166,970)
	<u>172,440</u>	<u>156,922</u>	<u>481,685</u>	<u>518,326</u>
Profit for the financial period	172,440	156,922	481,685	518,326

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

	Group			
	3rd Quarter Ended		Nine Months Ended	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Group				
Profit for the financial period	172,440	156,922	481,685	518,326
Other comprehensive income:				
Revaluation reserve of financial investments available-for-sale	8,389	(2,035)	6,699	889
- Net (loss)/gain from change in fair value				
- as previously reported	-	(3,346)	-	3,272
- movement during the period/effect of adopting MFRS1	9,735	1,400	13,338	427
- Realised gain transferred to statement of income on disposal and impairment	(924)	(954)	(6,549)	(1,117)
- Income tax effects				
- as previously reported	-	1,215	-	(1,586)
- movement during the period/effect of adopting MFRS1	(422)	(350)	(90)	(107)
Exchange fluctuation reserve	1,222	(1,863)	2,832	(365)
Other comprehensive income/(expense) for the financial period, net of tax	9,611	(3,898)	9,531	524
Total comprehensive income for the period	<u>182,051</u>	<u>153,024</u>	<u>491,216</u>	<u>518,850</u>
Total net income	345,330	286,673	980,467	927,191
Add: Allowances for impairment losses on financing, advances and other financing/loans	21,850	45,210	77,892	49,454
Add: Allowance for losses on other receivables made/(written back)	5	(3)	91	9
Income from Islamic operations (per page 2)	<u>367,185</u>	<u>331,880</u>	<u>1,058,450</u>	<u>976,654</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A23. GROUP OPERATION OF ISLAMIC BANKING

**A23b. UNAUDITED STATEMENT OF INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012**

	Bank			
	3rd Quarter Ended		Nine Months Ended	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Bank				
Income derived from investment of depositors' funds and others	12,025	4,376	22,801	10,714
Income derived from investment of shareholders' funds	1,866	4,551	3,958	4,970
Allowance for impairment losses on financing, advances and other financing/loans	(198)	-	(19,793)	-
Total distributable income	13,693	8,927	6,966	15,684
Income attributable to depositors	(3,073)	1,383	(6,091)	(533)
Total net income	10,620	10,310	875	15,151
Profit for the financial period	10,620	10,310	875	15,151

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012**

	Bank			
	3rd Quarter Ended		Nine Months Ended	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Bank				
Profit for the financial period	10,620	10,310	875	15,151
Other comprehensive income:				
Revaluation reserve of financial investments available-for-sale	2,797	(3,621)	4,905	(3,179)
- Net gain/(loss) from change in fair value	3,036	(3,349)	5,424	(2,682)
- Realised gain transferred to statement of income on disposal and impairment	(239)	(272)	(519)	(497)
Exchange fluctuation reserve	(1,936)	2,792	(251)	2,502
Other comprehensive income for the financial period, net of tax	861	(829)	4,654	(677)
Total comprehensive income for the period	11,481	9,481	5,529	14,474
Total net income	10,620	10,310	875	15,151
Add: Allowances for impairment losses on financing, advances and other financing/loans	198	-	19,793	-
Income from Islamic operations (per page 4)	10,818	10,310	20,668	15,151

PART A - EXPLANATORY NOTES (CONTINUED)

A23. GROUP OPERATION OF ISLAMIC BANKING

A23c. FINANCING, ADVANCES AND OTHER FINANCING/LOANS

	Group		Bank	
	30 Sept 2012 RM'000	31 Dec 2011 RM'000	30 Sept 2012 RM'000	31 Dec 2011 RM'000
i) By type				
Cashline	391,326	373,056	-	-
Term financing	29,815,665	27,417,934	409,189	236,706
- Housing financing	7,946,322	7,134,214	-	-
- Syndicated term financing	475,570	287,618	92,273	95,553
- Hire purchase receivables	6,163,061	5,410,652	-	-
- Other term financing	15,230,712	14,585,450	316,916	141,153
Bills receivables	2,567	2,581	-	-
Islamic trust receipts	96,520	35,391	61,134	-
Claims on customers under acceptance credit	318,428	233,479	-	-
Credit card receivables	99,836	104,078	-	-
Revolving credit	1,333,900	502,125	108,858	78,800
Share margin financing	87,667	-	-	-
Gross financing, advances and other loans	32,145,909	28,668,644	579,181	315,506
Fair value changes arising from fair value hedges	276,943	241,966	-	-
	32,422,852	28,910,610	579,181	315,506
Less: Individual impairment allowance	(108,668)	(131,922)	(47,201)	(28,666)
	32,314,184	28,778,688	531,980	286,840
Less: Portfolio impairment allowance	(423,687)	(417,744)	-	-
Total net financing, advances and other financing/loans	31,890,497	28,360,944	531,980	286,840

During the financial period, CIMB Islamic has undertaken fair value hedges on the profit rate risk of RM5,500 million (2011: RM4,350 million) financing using Islamic profit rate swaps.

	Group		Bank	
	30 Sept 2012 RM'000	31 Dec 2011 RM'000	30 Sept 2012 RM'000	31 Dec 2011 RM'000
Gross financing hedged	5,500,000	4,350,000	-	-
Fair value changes arising from fair value hedges	276,943	241,966	-	-
	5,776,943	4,591,966	-	-

The fair values loss on Islamic profit rate swaps in this hedge transaction as at 30 Sept 2012 was RM343 million (2011: RM 262.0 million)

ii) By geographical distribution

	Group		Bank	
	30 Sept 2012 RM'000	31 Dec 2011 RM'000	30 Sept 2012 RM'000	31 Dec 2011 RM'000
Malaysia	31,566,728	28,353,138	-	-
Other countries	579,181	315,506	579,181	315,506
Gross financing, advances and other financing/loans	32,145,909	28,668,644	579,181	315,506

PART A - EXPLANATORY NOTES (CONTINUED)

A23. GROUP OPERATION OF ISLAMIC BANKING

A23c. FINANCING, ADVANCES AND OTHER LOANS (CONTINUED)

iii) Impaired financing, advances and other financing/loans by geographical distribution

	Group		Bank	
	30 Sept 2012 RM'000	31 Dec 2011 RM'000	30 Sept 2012 RM'000	31 Dec 2011 RM'000
Malaysia	339,347	345,778	-	-
Other countries	92,273	95,553	92,273	95,553
Gross impaired financing, advances and other financing/loans	431,620	441,331	92,273	95,553

iv) Movements in impaired financing, advances and other loans are as follows :

	Group		Bank	
	30 Sept 2012 RM'000	31 Dec 2011 RM'000	30 Sept 2012 RM'000	31 Dec 2011 RM'000
At 1 January	441,331	335,879	95,553	-
Classified as impaired during the financial period/year	293,719	445,550	149	95,553
Reclassified as not impaired during the financial period/year	(108,188)	(122,608)	-	-
Amount written back in respect of recoveries	(56,860)	(90,543)	-	-
Amount written off	(151,778)	(126,947)	-	-
Reclassification from unwinding income	16,825	-	-	-
Exchange fluctuation	(3,429)	-	(3,429)	-
Balance as at 30 September/31 December	431,620	441,331	92,273	95,553
Ratio of gross impaired financing, advances and other loans to total financing, advances and other loans	1.34%	1.54%	15.93%	30.29%

v) Movements in the allowance for impaired financing, advances and other financing/loans

	Group		Bank	
	30 Sept 2012 RM'000	31 Dec 2011 RM'000	30 Sept 2012 RM'000	31 Dec 2011 RM'000
Individual impairment allowance				
At 1 January	131,922	92,683	28,666	-
Net allowance made during the financial period/year	21,931	44,095	19,793	27,604
Amount written off	(48,018)	(4,441)	-	-
Unwinding income	4,089	(1,477)	-	-
Exchange fluctuation	(1,256)	1,062	(1,258)	1,062
Balance as at 30 September/31 December	108,668	131,922	47,201	28,666
Portfolio impairment allowance				
At 1 January	417,744	240,490	-	-
Net allowance made during the financial period/year	98,463	135,113	-	-
Amount written off	(98,539)	(119,912)	-	-
Unwinding income	6,019	(4,181)	-	-
Transfer from intercompany	-	166,234	-	-
Balance as at 30 September/31 December	423,687	417,744	-	-
Portfolio impairment allowance (inclusive of regulatory reserve) as % of gross financing, advances and other financing/loans (excluding RPSIA financing) less individual impairment allowance	2.25%	2.28%	-	-

PART A - EXPLANATORY NOTES (CONTINUED)

A23. GROUP OPERATION OF ISLAMIC BANKING

A23d. DEPOSITS FROM CUSTOMERS

By type of deposits

	Group		Bank	
	30 Sept 2012	31 Dec 2011	30 Sept 2012	31 Dec 2011
	RM'000	RM'000	RM'000	RM'000
Non-Mudharabah				
Demand deposits	3,099,724	3,122,181	164,783	9,641
Savings deposits	1,127,832	932,787	-	-
General investment deposits	327,702	419,745	327,702	419,745
Fixed return investment account	5,230,257	5,564,248	-	-
Islamic negotiable instruments of deposit	1,994,498	2,510,276	-	-
Commodity Murabahah	515	440,600	-	-
Short term money market deposit-i	11,968,043	3,994,930	-	-
Others	40,846	37,489	-	894
	23,789,417	17,022,256	492,485	430,280
Mudharabah				
Demand deposits	3,775,232	2,550,795	-	-
Savings deposits	491,061	397,201	-	-
General investment deposits (inclusive of Special General investment deposits of RM857,815,000 (2011: 6,987,965,000))	1,895,204	8,032,067	6,804	5,698
Specific investment deposit	1,324,850	1,755,961	-	-
	7,486,347	12,736,024	6,804	5,698
Total deposits from customers	31,275,764	29,758,280	499,289	435,978

PART A - EXPLANATORY NOTES (CONTINUED)

A24. CHANGE IN ACCOUNTING POLICIES

During the financial period, the Group and the Bank changed the following accounting policy upon adoption of MFRS:

MFRS 1 "First Time Adoption of Malaysian Financial Reporting Standards" allows entity to designate a previously recognised financial asset or financial liabilities as a financial asset or financial liability at fair value through profit or loss or a financial asset as available-for-sale. Consequently, the Group and the Bank have designated a previously recognised financial investments held-to-maturity as available-for-sale in accordance with adoption of MFRS 1.

The change in accounting policy has been applied retrospectively. The adoption of the new accounting policy affected the following items:

Consolidated statement of financial position

Balances as at 31 December 2011			
Group	As previously reported RM000	Effect of adopting MFRS1 RM000	As restated RM000
Assets			
Financial investments available-for-sale	11,087,595	4,647,899	15,735,494
Financial investments held-to-maturity	14,630,170	(4,457,952)	10,172,218
Liabilities			
Deferred taxation	14,610	47,190	61,800
Equity			
Revaluation reserve-financial investments available-for-sale	451,876	142,757	594,633
Balances as at 1 January 2011			
Group	As previously reported RM000	Effect of adopting MFRS1 RM000	As restated RM000
Assets			
Financial investments available-for-sale	8,920,018	3,456,736	12,376,754
Financial investments held-to-maturity	13,511,190	(3,299,763)	10,211,427
Liabilities			
Deferred taxation	1,019	37,466	38,485
Equity			
Revaluation reserve-financial investments available-for-sale	389,033	119,507	508,540
Balances as at 31 December 2011			
Bank	As previously reported RM000	Effect of adopting MFRS1 RM000	As restated RM000
Assets			
Financial investments available-for-sale	9,045,681	4,153,905	13,199,586
Financial investments held-to-maturity	11,577,838	(3,970,660)	7,607,178
Deferred taxation	6,266	(6,266)	-
Liabilities			
Deferred taxation	-	39,249	39,249
Equity			
Revaluation reserve-financial investments available-for-sale	383,677	137,730	521,407
Balances as at 1 January 2011			
Bank	As previously reported RM000	Effect of adopting MFRS1 RM000	As restated RM000
Assets			
Financial investments available-for-sale	7,377,258	3,256,687	10,633,945
Financial investments held-to-maturity	11,185,993	(3,104,842)	8,081,151
Deferred taxation	22,096	(22,096)	-
Liabilities			
Deferred taxation	-	14,088	14,088
Equity			
Revaluation reserve-financial investments available-for-sale	324,543	115,661	440,204

PART A - EXPLANATORY NOTES (CONTINUED)

A24. CHANGE IN ACCOUNTING POLICIES (CONTINUED)

Consolidated statement of changes in equity

Group	Balances as at 31 December 2011		
	As previously reported	Effect of adopting	As restated
	RM000	MFRS1	RM000
		RM000	RM000
Revaluation reserve-financial investments available-for-sale	451,876	142,757	594,633

	Balances as at 1 January 2011		
	As previously reported	Effect of adopting	As restated
	RM000	MFRS1	RM000
		RM000	RM000
Revaluation reserve-financial investments available-for-sale	389,033	119,507	508,540

Statement of changes in equity

Bank	Balances as at 31 December 2011		
	As previously reported	Effect of adopting	As restated
	RM000	MFRS1	RM000
		RM000	RM000
Revaluation reserve-financial investments available-for-sale	383,677	137,730	521,407

	Balances as at 1 January 2011		
	As previously reported	Effect of adopting	As restated
	RM000	MFRS1	RM000
		RM000	RM000
Revaluation reserve-financial investments available-for-sale	324,543	115,661	440,204

During the end of financial year 2011, an internal re-organisation has resulted to a change in business segment reporting. The change in business segment reporting is only effective from 1 January 2012 onwards, and the comparatives for segment reporting have been restated to reflect this new Group structure.

Part B - Explanatory Notes Pursuant to BNM/GP8 Guidelines on Financial Reporting for Licensed Institutions

B1. GROUP PERFORMANCE REVIEW

The Group registered a pre-tax profit of RM2,955.1 million for the nine months period ended 30 September 2012, RM362.0 million or 14.0% higher as compared to the pre-tax profit of RM2,593.1 million registered in the previous corresponding period. The net profit improved by RM279.2 million (13.4%) to RM2,361.6 million against RM2,082.3 million reported as at 30 September 2011.

The improved profits was mainly attributable to higher net interest income by RM216.8 million (6.9%), higher net fee and commission income by RM71.7 million, higher gain from sale of financial investments available-for-sale and financial assets held for trading by RM82.2 million and RM337 million respectively, higher foreign exchange gain by RM139.9 million and share of gain from recovery of impaired loans during the financial period of RM133.5 million. The gains were slightly offset by lower gains from derivatives financial instruments by RM263.9 million. Income from Islamic Banking operations increased by RM81.8 million or 8.4% to RM1,058.5 million, mainly due to the growth in financing, advances and other loans in CIMB Islamic. Overheads increased by RM405.2 million (14.2%) mainly due to the increase in personnel cost, establishment cost, marketing expenses and administration and general expenses by RM239.7 million, RM106.4 million, RM43.9 million and RM30.7 million respectively. Allowances for impairment losses on loans, advances and financing increased by 36.7% to RM157.4 million and allowances for commitments and contingencies written back was lower by RM7.0 million to RM14.8 million.

B2. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The Group momentum is strong going into 4Q12 but so are the external headwinds as growth in the region has slowed. But the Group remains optimistic as its corporate and capital market deal pipeline is good. The Group remains focused on "CIMB 2.0" which includes implementing large scale internal changes and integrating Bank of Commerce (Philippines). These are key to strengthening the Group's competitive edge across various businesses and achieving its long term aspirations.

B3. COMPUTATION OF EARNINGS PER SHARE (EPS)

a) Basic EPS

The Group and Bank basic and fully diluted EPS is calculated by dividing the net profit for the financial period after non-controlling interests by the weighted average number of ordinary shares in issue during the financial period.

	Group			
	3rd Quarter Ended		Nine months ended	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period after non-controlling interests (RM '000)	889,678	706,452	2,349,444	2,077,464
Weighted average number of ordinary shares in issue - proforma ('000)	3,764,469	3,764,469	3,764,469	3,764,469
Basic earnings per share (expressed in sen per share)	23.63	18.77	62.41	55.19

	Bank			
	3rd Quarter Ended		Nine months ended	
	30 Sept 2012	30 Sept 2011	30 Sept 2012	30 Sept 2011
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period (RM '000)	586,896	576,397	1,762,097	2,227,138
Weighted average number of ordinary shares in issue - proforma ('000)	3,764,469	3,764,469	3,764,469	3,764,469
Basic earnings per share (expressed in sen per share)	15.59	15.31	46.81	59.16

b) Diluted EPS

There were no dilutive potential ordinary shares outstanding as at 30 September 2012 and 30 September 2011.