

**MALAYAN BANKING BERHAD**  
(3813-K)  
(Incorporated in Malaysia)

**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED INCOME STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2013**

<u>Group</u>	Note	First Quarter Ended		Cumulative 3 Months Ended	
		31 March 2013 RM'000	31 March 2012 (Restated) RM'000	31 March 2013 RM'000	31 March 2012 (Restated) RM'000
Interest income	A17	3,926,169	3,753,728	3,926,169	3,753,728
Interest expense	A18	(1,514,869)	(1,542,448)	(1,514,869)	(1,542,448)
Net interest income		<b>2,411,300</b>	2,211,280	<b>2,411,300</b>	2,211,280
Income from Islamic Banking Scheme operations	A32a	<b>619,318</b>	534,826	<b>619,318</b>	534,826
		<b>3,030,618</b>	2,746,106	<b>3,030,618</b>	2,746,106
Net income from insurance and takaful business:	A19				
Net earned premiums		<b>1,126,867</b>	1,020,827	<b>1,126,867</b>	1,020,827
Net benefits and claims		<b>(1,107,900)</b>	(1,182,371)	<b>(1,107,900)</b>	(1,182,371)
		<b>18,967</b>	(161,544)	<b>18,967</b>	(161,544)
		<b>3,049,585</b>	2,584,562	<b>3,049,585</b>	2,584,562
Non-interest income	A20	<b>1,420,361</b>	1,624,740	<b>1,420,361</b>	1,624,740
Net income		<b>4,469,946</b>	4,209,302	<b>4,469,946</b>	4,209,302
Overhead expenses	A21	<b>(2,296,570)</b>	(2,162,476)	<b>(2,296,570)</b>	(2,162,476)
Operating profit before impairment losses		<b>2,173,376</b>	2,046,826	<b>2,173,376</b>	2,046,826
Allowances for impairment losses on loans, advances and financing, net	A22	<b>(84,523)</b>	(185,156)	<b>(84,523)</b>	(185,156)
Impairment losses on financial investments, net		<b>2,415</b>	(2,089)	<b>2,415</b>	(2,089)
Operating profit		<b>2,091,268</b>	1,859,581	<b>2,091,268</b>	1,859,581
Share of profits of associates		<b>35,458</b>	34,991	<b>35,458</b>	34,991
<b>Profit before taxation and zakat</b>		<b>2,126,726</b>	1,894,572	<b>2,126,726</b>	1,894,572
Taxation and zakat	B5	<b>(568,431)</b>	(528,902)	<b>(568,431)</b>	(528,902)
<b>Profit for the period</b>		<b>1,558,295</b>	1,365,670	<b>1,558,295</b>	1,365,670
<b>Attributable to:</b>					
Equity holders of the Bank		<b>1,506,214</b>	1,346,881	<b>1,506,214</b>	1,346,881
Non-controlling interest		<b>52,081</b>	18,789	<b>52,081</b>	18,789
		<b>1,558,295</b>	1,365,670	<b>1,558,295</b>	1,365,670
<b>Earnings per share attributable to equity holders of the Bank</b>	B12				
Basic		<b>17.87 sen</b>	17.63 sen	<b>17.87 sen</b>	17.63 sen
Fully diluted		<b>17.85 sen</b>	17.59 sen	<b>17.85 sen</b>	17.59 sen

(These unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements)

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2013**

<u>Group</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2013 RM'000	31 March 2012 RM'000	31 March 2013 RM'000	31 March 2012 RM'000
<b>Profit for the period</b>	<b>1,558,295</b>	1,365,670	<b>1,558,295</b>	1,365,670
<b>Other comprehensive income/(loss):</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Net loss on financial investments available-for-sale	(156,684)	(48,096)	(156,684)	(48,096)
Foreign currency translation differences for foreign operations	93,974	(590,731)	93,974	(590,731)
Income tax effect	34,987	26,231	34,987	26,231
Other reserves	(3,662)	1,465	(3,662)	1,465
Other comprehensive income/(loss) for the period, net of tax	(31,385)	(611,131)	(31,385)	(611,131)
<b>Total comprehensive income for the period</b>	<b>1,526,910</b>	754,539	<b>1,526,910</b>	754,539
<b>Total comprehensive income for the period attributable to:</b>				
Equity holders of the Bank	1,485,619	737,015	1,485,619	737,015
Non-controlling interest	41,291	17,524	41,291	17,524
	<b>1,526,910</b>	754,539	<b>1,526,910</b>	754,539

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**UNAUDITED INCOME STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2013**

<u>Bank</u>	Note	First Quarter Ended		Cumulative 3 Months Ended	
		31 March 2013 RM'000	31 March 2012 RM'000	31 March 2013 RM'000	31 March 2012 RM'000
Interest income	A17	<b>2,755,918</b>	2,702,561	<b>2,755,918</b>	2,702,561
Interest expense	A18	<b>(1,127,628)</b>	(1,192,177)	<b>(1,127,628)</b>	(1,192,177)
Net interest income		<b>1,628,290</b>	1,510,384	<b>1,628,290</b>	1,510,384
Non-interest income	A20	<b>873,631</b>	1,095,774	<b>873,631</b>	1,095,774
Net income		<b>2,501,921</b>	2,606,158	<b>2,501,921</b>	2,606,158
Overhead expenses	A21	<b>(1,084,615)</b>	(1,068,805)	<b>(1,084,615)</b>	(1,068,805)
Operating profit before impairment losses		<b>1,417,306</b>	1,537,353	<b>1,417,306</b>	1,537,353
Allowances for impairment losses on loans, advances and financing, net	A22	<b>(70,368)</b>	(144,724)	<b>(70,368)</b>	(144,724)
Impairment losses on financial investments, net		<b>20,601</b>	13,787	<b>20,601</b>	13,787
<b>Profit before taxation and zakat</b>		<b>1,367,539</b>	1,406,416	<b>1,367,539</b>	1,406,416
Taxation and zakat	B5	<b>(331,009)</b>	(324,769)	<b>(331,009)</b>	(324,769)
<b>Profit for the period</b>		<b>1,036,530</b>	1,081,647	<b>1,036,530</b>	1,081,647

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2013**

<u>Bank</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period</b>	<b>1,036,530</b>	1,081,647	<b>1,036,530</b>	1,081,647
<b>Other comprehensive income/(loss):</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Net loss on financial investments available-for-sale	<b>(64,339)</b>	(98,221)	<b>(64,339)</b>	(98,221)
Foreign currency translation differences for foreign operations	<b>18,248</b>	(50,756)	<b>18,248</b>	(50,756)
Income tax effect	<b>16,085</b>	24,555	<b>16,085</b>	24,555
Other comprehensive income/(loss) for the period, net of tax	<b>(30,006)</b>	(124,422)	<b>(30,006)</b>	(124,422)
<b>Total comprehensive income for the period</b>	<b>1,006,524</b>	957,225	<b>1,006,524</b>	957,225

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013**

	Note	Group		Bank	
		31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
<b>ASSETS</b>					
Cash and short-term funds		43,155,120	40,018,633	27,255,514	23,153,242
Deposits and placements with financial institutions		13,052,354	11,949,150	14,568,855	10,039,999
Financial assets purchased under resale agreements		682,570	798,180	534,892	650,314
Financial assets at fair value through profit or loss	A10(i)	28,332,919	29,156,692	8,315,270	10,719,937
Financial investments available-for-sale	A10(ii)	66,921,165	60,792,374	52,704,807	47,366,309
Financial investments held-to-maturity	A10(iii)	3,346,892	2,870,768	2,427,082	2,556,849
Loans, advances and financing	A11	316,469,377	311,824,735	215,202,035	214,852,046
Derivative assets	A29	3,171,842	2,880,492	3,107,680	2,812,148
Reinsurance/retakaful assets and other insurance receivables		2,352,385	2,555,727	-	-
Other assets	A12	8,872,502	6,680,257	2,947,602	2,713,063
Investment properties		581,312	572,662	-	-
Statutory deposits with central banks		12,983,701	12,298,362	7,084,010	6,888,916
Investment in subsidiaries		-	-	17,970,969	17,634,469
Interest in associates		2,267,620	2,235,233	456,512	456,512
Property, plant and equipment		2,410,911	2,402,821	1,217,634	1,205,788
Intangible assets		6,560,645	6,531,336	731,363	697,066
Deferred tax assets		1,341,900	1,298,871	849,918	810,015
<b>TOTAL ASSETS</b>		<b>512,503,215</b>	<b>494,866,293</b>	<b>355,374,143</b>	<b>342,556,673</b>
<b>LIABILITIES</b>					
Deposits from customers	A13	355,439,871	347,155,510	245,712,865	237,402,079
Deposits and placements from financial institutions	A14	37,792,819	33,887,376	31,331,118	29,198,776
Obligations on financial assets sold under repurchase agreements		502,150	-	502,150	-
Bills and acceptances payable		2,238,403	2,269,513	1,456,106	1,553,312
Derivative liabilities	A29	2,958,045	2,376,979	2,798,070	2,243,617
Insurance/takaful contract liabilities and other insurance payables		21,668,843	21,928,872	-	-
Other liabilities	A16	12,146,465	9,597,742	9,180,919	8,645,423
Recourse obligation on loans and financing sold to Cagamas		1,430,011	1,592,974	680,134	687,793
Provision for taxation and zakat		1,127,240	1,051,798	814,542	758,446
Deferred tax liabilities		665,232	676,514	-	-
Borrowings	A15(i)	11,623,117	10,714,266	7,444,392	7,382,719
Subordinated obligations	A15(ii)	13,578,392	13,510,041	11,694,382	11,638,850
Capital securities	A15(iii)	6,166,013	6,150,351	6,166,013	6,150,351
<b>TOTAL LIABILITIES</b>		<b>467,336,601</b>	<b>450,911,936</b>	<b>317,780,691</b>	<b>305,661,366</b>
<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE BANK</b>					
Share capital		8,440,922	8,440,046	8,440,922	8,440,046
Share premium		15,646,807	15,639,646	15,646,807	15,639,646
Shares held-in-trust		(102,405)	(102,405)	(102,405)	(102,405)
Retained profits		12,025,212	11,115,006	4,620,293	4,179,482
Other reserves		7,395,294	7,136,600	8,987,835	8,738,538
		43,405,830	42,228,893	37,593,452	36,895,307
<b>Non-controlling interests</b>		<b>1,760,784</b>	<b>1,725,464</b>	<b>-</b>	<b>-</b>
		45,166,614	43,954,357	37,593,452	36,895,307
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>512,503,215</b>	<b>494,866,293</b>	<b>355,374,143</b>	<b>342,556,673</b>

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(3813-K)  
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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2013**

	Note	Group		Bank	
		31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
<b>COMMITMENTS AND CONTINGENCIES</b>	A27	<b>417,524,019</b>	379,695,035	<b>373,022,752</b>	338,799,380
<b><u>CAPITAL ADEQUACY</u></b>	A28				
Based on credit, market and operational risk:					
<b>Before deducting electable portion dividend to be reinvested:</b>					
CET1 capital ratio		10.20%	-	15.27%	-
Tier 1 capital ratio		12.11%	-	15.27%	-
Total capital ratio		14.86%	-	15.27%	-
<b>After deducting electable portion dividend to be reinvested:</b>					
CET1 capital ratio:					
- full electable portion paid in cash		9.51%	-	14.31%	-
- full electable portion reinvested		10.20%	-	15.27%	-
Tier 1 capital ratio:					
- full electable portion paid in cash		11.41%	-	14.31%	-
- full electable portion reinvested		12.11%	-	15.27%	-
Total capital ratio:					
- full electable portion paid in cash		14.17%	-	14.31%	-
- full electable portion reinvested		14.86%	-	15.27%	-
<b>Before deducting proposed dividend:</b>					
Core capital ratio		-	13.66%	-	17.43%
Risk-weighted capital ratio		-	17.47%	-	17.43%
<b>After deducting proposed dividend:</b>					
Core capital ratio:					
- full electable portion paid in cash		-	12.81%	-	16.27%
- full electable portion reinvested		-	13.54%	-	17.27%
Risk-weighted capital ratio:					
- full electable portion paid in cash		-	16.62%	-	16.27%
- full electable portion reinvested		-	17.35%	-	17.27%
Net assets per share attributable to equity holders of the Bank		RM5.14	RM5.00	RM4.45	RM4.37

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**MALAYAN BANKING BERHAD**  
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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2013**

<----- Non-Distributable ----->

<u>Group</u>	Share Capital RM'000	Share Premium RM'000	Shares held-in-trust RM'000	Statutory Reserve RM'000	Capital Reserve RM'000	Unrealised Holding Reserve RM'000	Exchange Fluctuation Reserve RM'000	Revaluation Reserve RM'000	ESS Reserve RM'000	Profit Equalisation Reserve RM'000	Retained Profits RM'000	Total Shareholders' Equity RM'000	Non- controlling Interests RM'000	Total Equity RM'000
<b>At 1 January 2013</b>	8,440,046	15,639,646	(102,405)	8,023,712	14,254	707,690	(1,877,640)	7,986	226,142	34,456	11,115,006	42,228,893	1,725,464	43,954,357
Profit for the period	-	-	-	-	-	-	-	-	-	-	1,506,214	1,506,214	52,081	1,558,295
Other comprehensive (loss)/income	-	-	-	-	(3,242)	(104,687)	87,321	13	-	-	-	(20,595)	(10,790)	(31,385)
<b>Total comprehensive (loss)/income for the period</b>	-	-	-	-	(3,242)	(104,687)	87,321	13	-	-	1,506,214	1,485,619	41,291	1,526,910
Share-based payment under Employees' Share Scheme ("ESS")	-	-	-	-	-	-	-	-	21,221	-	-	21,221	-	21,221
Effect of net acquisition from/disposal to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(303)	(303)	2,977	2,674
Transfer to statutory reserves	-	-	-	258,068	-	-	-	-	-	-	(258,068)	-	-	-
Issue of shares pursuant to ESS (Note A8(A)(i))	876	7,161	-	-	-	-	-	-	-	-	-	8,037	-	8,037
Dividends payable (Note A9(a)&(b))	-	-	-	-	-	-	-	-	-	-	(337,637)	(337,637)	(8,948)	(346,585)
<b>Total transactions with shareholders</b>	<b>876</b>	<b>7,161</b>	<b>-</b>	<b>258,068</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,221</b>	<b>-</b>	<b>(596,008)</b>	<b>(308,682)</b>	<b>(5,971)</b>	<b>(314,653)</b>
<b>At 31 March 2013</b>	<b>8,440,922</b>	<b>15,646,807</b>	<b>(102,405)</b>	<b>8,281,780</b>	<b>11,012</b>	<b>603,003</b>	<b>(1,790,319)</b>	<b>7,999</b>	<b>247,363</b>	<b>34,456</b>	<b>12,025,212</b>	<b>43,405,830</b>	<b>1,760,784</b>	<b>45,166,614</b>

<sup>1</sup> The retained profits of the Group include the non-distributable non-par surplus from an insurance subsidiary, net of tax at 25% which amounted to RM727.0 million. This non-distributable non-par surplus is only available for distribution to shareholder on the amount recommended by the Appointed Actuary in accordance with the Insurance Act, 1996.

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**FOR THE FIRST QUARTER ENDED 31 MARCH 2013**

<===== Non-Distributable =====>

<u>Group</u>	Share Capital RM'000	Share Premium RM'000	Statutory Reserve RM'000	Capital Reserve RM'000	Unrealised Holding Reserve RM'000	Exchange Fluctuation Reserve RM'000	Revaluation Reserve RM'000	ESS Reserve RM'000	Profit Equalisation Reserve RM'000	Retained Profits RM'000	Total Shareholders' Equity RM'000	Non- controlling Interests RM'000	Total Equity RM'000
<b>At 1 January 2012</b>	7,639,437	9,598,847	6,926,383	15,250	681,351	(969,382)	8,817	127,317	34,456	10,393,767	34,456,243	1,554,320	36,010,563
Profit for the period	-	-	-	-	-	-	-	-	-	1,346,881	1,346,881	18,789	1,365,670
Other comprehensive income/(loss)	-	-	62	200	(25,808)	(584,320)	-	-	-	-	(609,866)	(1,265)	(611,131)
<b>Total comprehensive income/ (loss) for the period</b>	-	-	62	200	(25,808)	(584,320)	-	-	-	1,346,881	737,015	17,524	754,539
Effect of net acquisition from/ disposal to non-controlling interests	-	-	-	(315)	-	2,236	-	-	-	12,908	14,829	7,582	22,411
Share-based payment under Employees' Share Scheme ("ESS")	-	-	-	-	-	-	31,314	-	-	-	31,314	-	31,314
Transfer to statutory reserves	-	-	270,411	-	-	-	-	-	-	(270,411)	-	-	-
Issue of shares pursuant to ESS	4	35	-	-	-	-	-	(3)	-	-	36	-	36
Dividends payable	-	-	-	-	-	-	-	-	-	(229,183)	(229,183)	-	(229,183)
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(7,485)	(7,485)
<b>Total transactions with shareholders</b>	4	35	270,411	(315)	-	2,236	-	31,311	-	(486,686)	(183,004)	97	(182,907)
<b>At 31 March 2012</b>	7,639,441	9,598,882	7,196,856	15,135	655,543	(1,551,466)	8,817	158,628	34,456	11,253,962	35,010,254	1,571,941	36,582,195

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**FOR THE FIRST QUARTER ENDED 31 MARCH 2013**

<u>Bank</u>	<===== Non-Distributable =====>							Distributable Retained Profits RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Shares held-in-trust RM'000	Statutory Reserve RM'000	Unrealised Holding Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESS Reserve RM'000		
<b>At 1 January 2013</b>	8,440,046	15,639,646	(102,405)	7,805,342	393,286	313,768	226,142	4,179,482	36,895,307
Profit for the period	-	-	-	-	-	-	-	1,036,530	1,036,530
Other comprehensive (loss)/income	-	-	-	-	(48,254)	18,248	-	-	(30,006)
<b>Total comprehensive (loss)/income for the period</b>	-	-	-	-	(48,254)	18,248	-	1,036,530	1,006,524
Share-based payment under Employees' Share Scheme ("ESS")	-	-	-	-	-	-	21,221	-	21,221
Transfer to statutory reserve	-	-	-	258,082	-	-	-	(258,082)	-
Issue of shares pursuant to ESS (Note A8(A)(i))	876	7,161	-	-	-	-	-	-	8,037
Dividends payable (Note A9(a))	-	-	-	-	-	-	-	(337,637)	(337,637)
<b>Total transactions with shareholders</b>	<b>876</b>	<b>7,161</b>	<b>-</b>	<b>258,082</b>	<b>-</b>	<b>-</b>	<b>21,221</b>	<b>(595,719)</b>	<b>(308,379)</b>
<b>At 31 March 2013</b>	<b>8,440,922</b>	<b>15,646,807</b>	<b>(102,405)</b>	<b>8,063,424</b>	<b>345,032</b>	<b>332,016</b>	<b>247,363</b>	<b>4,620,293</b>	<b>37,593,452</b>

(These unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements)

**MALAYAN BANKING BERHAD**  
(3813-K)  
(Incorporated in Malaysia)

**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2013**

	<===== Non-Distributable =====>						Distributable	Total
	Share Capital RM'000	Share Premium RM'000	Statutory Reserve RM'000	Unrealised Holding Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESS Reserve RM'000		
<b>Bank</b>								
<b>At 1 January 2012</b>	7,639,437	9,598,847	6,728,866	417,205	227,772	127,317	4,895,012	29,634,456
Profit for the period	-	-	-	-	-	-	1,081,647	1,081,647
Other comprehensive (loss)/income	-	-	-	(73,666)	(50,756)	-	-	(124,422)
<b>Total comprehensive (loss)/income for the period</b>	-	-	-	(73,666)	(50,756)	-	1,081,647	957,225
Transfer to statutory reserves	-	-	270,411	-	-	-	(270,411)	-
Share-based payment under Employees' Share Scheme ("ESS")	-	-	-	-	-	31,314	-	31,314
Issue of shares pursuant to ESS	4	35	-	-	-	(3)	-	36
Dividends payable	-	-	-	-	-	-	(229,183)	(229,183)
<b>Total transactions with shareholders</b>	4	35	270,411	-	-	31,311	(499,594)	(197,833)
<b>At 31 March 2012</b>	7,639,441	9,598,882	6,999,277	343,539	177,016	158,628	5,477,065	30,393,848

(These unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements)

**MALAYAN BANKING BERHAD**  
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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CASH FLOW STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2013**

	Group		Bank	
	31 March 2013 RM'000	31 March 2012 RM'000	31 March 2013 RM'000	31 March 2012 RM'000
<b>Cash flows from operating activities</b>				
Profit before taxation and zakat	2,126,726	1,894,572	1,367,539	1,406,416
Adjustments for non-operating and non-cash items:				
Depreciation of property, plant and equipment	65,171	53,624	34,139	29,300
Share of associates' profit	(35,458)	(34,991)	-	-
Amortisation of intangible assets	46,890	38,618	22,103	10,623
Net gain on disposal of financial assets at fair value through profit or loss	(116,257)	(82,304)	(72,920)	(25,087)
Net gain on disposal of financial investments available-for-sale	(318,615)	(272,489)	(99,828)	(73,446)
Net (gain)/loss on redemption of financial investments held-to-maturity	1	(17)	1	(17)
Unrealised (gain)/loss on revaluation of financial assets held-for-trading and derivatives	222,245	(143,545)	159,685	(146,483)
Allowances for losses on loans, advances and financing, net	284,772	417,774	223,280	301,946
Allowance made for other debts	(15,760)	(8,228)	94	729
Dividend income	(20,383)	(14,132)	(208,785)	(228,722)
Share options granted under ESS	21,174	31,291	17,336	26,961
Impairment losses/(writeback of impairment losses) on financial investments, net	(2,415)	2,089	(20,601)	(13,787)
Other adjustments for non-operating and non-cash items	17,289	(31,101)	(18,242)	(30,344)
Operating profit before working capital changes	<b>2,275,380</b>	1,851,161	<b>1,403,801</b>	1,258,089
Change in deposits and placements with financial institutions	(1,532,096)	(6,109,059)	(5,788,590)	(5,069,877)
Change in financial investments portfolio	(5,490,300)	(3,654,650)	(2,656,778)	(3,115,806)
Change in loans, advances and financing	(4,929,411)	(4,971,046)	(573,268)	(3,822,179)
Change in statutory deposits with central banks	(685,339)	(536,746)	(195,094)	(373,275)
Change in deposits from customer	8,284,361	5,542,572	8,310,786	4,590,779
Change in deposits and placements from financial institutions	3,404,162	2,526,055	2,132,342	787,512
Change in reinsurance/retakaful assets and other insurance receivables	1,179,158	990,639	-	-
Change in insurance/takaful contract liabilities and other related liabilities	(1,235,845)	(1,143,667)	-	-
Change in other operating activities	1,257,141	2,282,195	635,676	305,972
Exchange fluctuation	245,761	204,493	(39,886)	603,930
Cash generated from/(used in) operations	<b>2,772,972</b>	(3,018,053)	<b>3,228,989</b>	(4,834,855)
Taxes and zakat paid	(566,732)	(557,327)	(298,681)	(296,143)
Net cash generated from/(used in) operating activities	<b>2,206,240</b>	(3,575,380)	<b>2,930,308</b>	(5,130,998)

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CASH FLOW STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2013**

	Group		Bank	
	31 March 2013 RM'000	31 March 2012 RM'000	31 March 2013 RM'000	31 March 2012 RM'000
<b>Cash flows from investing activities</b>				
Dividend received				
- from securities	20,383	14,132	764	1,070
- from associates	-	6,452	-	6,452
- from subsidiaries	-	-	208,021	221,200
Purchase of property, plant and equipment	(65,393)	(189,193)	(46,058)	(164,686)
Proceeds from disposal of property, plant and equipment	1,224	88,843	93	60,268
Purchase of intangible assets	(63,973)	(19,996)	(60,842)	(12,859)
Subscription to additional ordinary shares and private debt securities in associates	-	-	(335,800)	(31,000)
Proceeds from transaction with non-controlling interests	2,674	22,411	-	-
Net cash (used in)/generated from investing activities	<b>(105,085)</b>	<b>(77,351)</b>	<b>(233,822)</b>	<b>80,445</b>
<b>Cash flows from financing activities</b>				
Proceeds from share issuance	8,037	36	8,037	36
Drawdown of borrowings	622,355	1,248,348	24,450	1,410,155
Loans sold to Cagamas, net	(162,963)	(108,240)	(7,659)	(7,340)
Dividends paid to non-controlling interests	(8,948)	(7,485)	-	-
Net cash generated from financing activities	<b>458,481</b>	<b>1,132,659</b>	<b>24,828</b>	<b>1,402,851</b>
Net change in cash and cash equivalents	<b>2,559,636</b>	<b>(2,520,072)</b>	<b>2,721,314</b>	<b>(3,647,702)</b>
Cash and cash equivalents at beginning of period *	<b>42,327,981</b>	<b>50,454,943</b>	<b>25,755,639</b>	<b>36,156,851</b>
Cash and cash equivalents at end of period	<b>44,887,617</b>	<b>47,934,871</b>	<b>28,476,953</b>	<b>32,509,149</b>

Cash and cash equivalents included in the cash flow statements comprise the following amounts in Statements of Financial Position:

	Group		Bank	
	31 March 2013 RM'000	31 March 2012 RM'000	31 March 2013 RM'000	31 March 2012 RM'000
Cash and short-term funds	43,155,120	46,299,887	27,255,514	31,443,825
Deposits with financial institution maturing within 1 month	1,732,497	1,634,984	1,221,439	1,065,324
	<b>44,887,617</b>	<b>47,934,871</b>	<b>28,476,953</b>	<b>32,509,149</b>

\* Cash and cash equivalents at beginning of period

Cash and short-term funds as previously reported	42,180,023	51,022,866	25,634,415	37,031,903
Effects of foreign exchange rate changes	147,958	(567,923)	121,224	(875,052)
As restated	<b>42,327,981</b>	<b>50,454,943</b>	<b>25,755,639</b>	<b>36,156,851</b>

(These unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying explanatory notes attached to the interim financial statements)

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**Part A: Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting**

**A1. Basis of Preparation**

The unaudited condensed interim financial statements for the Group and the Bank have been prepared under the historical cost convention except for the following assets and liabilities that are stated at fair values: financial investments available-for-sale, financial assets at fair value through profit or loss, derivative financial instruments and investment properties.

The unaudited condensed interim financial statements have been prepared in accordance with the requirements of Chapter 9, part K of the Listing Requirements of Bursa Malaysia Securities Berhad, MFRS 134 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting* issued by the International Accounting Standards Board ("IASB").

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012. These explanatory notes attached to the unaudited 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 year ended 31 December 2012.

The unaudited condensed interim financial statements incorporated those activities relating to the businesses of banking and finance, Islamic banking, investment banking including stock broking, underwriting of general and life insurance, general and family takaful, trustee and nominee services, asset management and venture capital, which have been undertaken by the Group.

The significant accounting policies and methods of computation applied by the Group and the Bank are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2012 except for adoption of the following Malaysian Financial Reporting Standards ("MFRSs"), amendments to MFRSs, Interpretations of the Issues Committee ("IC Interpretations") and Annual Improvements 2009-2011 Cycle with effective dates of 1 July 2012 and 1 January 2013:

- MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards - Government Loans (Amendments to MFRS 1)*
- MFRS 3 *Business Combinations (IFRS Business Combinations issued by IASB March 2004)*
- MFRS 7 *Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities (Amendments to MFRS 7)*
- MFRS 10 *Consolidated Financial Statements*
- MFRS 11 *Joint Arrangements*
- MFRS 12 *Disclosure of Interests in Other Entities*
- MFRS 13 *Fair Value Measurement*
- MFRS 101 *Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income (Amendments to MFRS 101)*
- MFRS 119 *Employee Benefits (IAS 19 as amended by IASB in June 2011)*
- MFRS 127 *Consolidated and Separate Financial Statements (IAS 27 Consolidated and Separate Financial Statements revised by IASB in December 2013)*
- MFRS 127 *Separate Financial Statements (IAS 27 as amended by IASB in May 2011)*
- MFRS 128 *Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)*
- IC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine*

**Annual Improvements 2009-2011 Cycle:**

- MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards - Repeated application of MFRS 1 and borrowing costs*
- MFRS 101 *Presentation of Financial Statements - Clarification of the requirements for comparative information*
- MFRS 116 *Property, Plant and Equipment - Classification of servicing equipment*
- MFRS 132 *Financial Instruments: Presentation - Tax effect of distribution to holders of equity instruments*
- MFRS 134 *Interim Financial Reporting - Interim financial reporting and segment information for total assets and liabilities*

The adoption of the above MFRSs, amendments to MFRSs, IC Interpretations and Annual Improvements 2009-2011 Cycle did not have any material impact on the financial statements of the Group and the Bank, except for the adoption of following MFRSs and amendments to MFRSs:

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**A1. Basis of Preparation (cont'd.)**

**MFRS 101 Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income (Amendments to MFRS 101)**

The amendments to MFRS 101 change the grouping of items presented in other comprehensive income. Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, net gains on hedges of net investments, exchange differences on translation of foreign operations, net movements on cash flow hedges and net losses or gains on financial investments available-for-sale) would be presented separately from items that will never be reclassified (for example, actuarial gains and losses on defined benefit plans).

The Group and the Bank have adopted the amendment and the new presentation requirements for other comprehensive income has been effected retrospectively, as disclosed in the Statement of Comprehensive Income of the Group and the Bank.

**MFRS 10 Consolidated Financial Statements ("MFRS 10")**

MFRS 10 replaces the requirements of MFRS 127 Consolidated and Separate Financial Statements that address the accounting for consolidated financial statements and IC Interpretation 112 Consolidation – Special Purpose Entities. Under MFRS 10, subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group has power over an entity, is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect these returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The Group has applied MFRS 10 retrospectively in accordance with the transition provisions of MFRS 10.

Based on the preliminary assessment performed, the Group assessed that adoption of MFRS 10 did not result in any change in the consolidation status of its subsidiaries as at 31 March 2013.

**MFRS 13 Fair Value Measurement ("MFRS 13")**

MFRS 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to measure the fair value of financial and non-financial assets and liabilities when required or permitted by MFRS. MFRS 13 also requires fair value disclosures for financial instruments to be included in the interim financial report.

The Group and the Bank have adopted the above standard and the fair value disclosures for financial instruments are disclosed in Note A31.

**MFRS 119 Employee Benefits (IAS 19 as amended by IASB in June 2011)**

The main changes set out in the amendment to MFRS 119 are:

- The option to delay the recognition of actuarial variances (i.e. the 'corridor' approach) has been removed. Actuarial gains/losses are recognised immediately in other comprehensive income as they occur, and are not subsequently recycled to the income statement.
- Unvested past service costs can no longer be deferred over the future vesting period, instead they are recognised immediately in the income statement as incurred.
- Any changes in asset ceiling and the differences between the net interest income and the actual asset returns are recognised in other comprehensive income.

The adoption of this amendment will result in a change in accounting policy and to be accounted for retrospectively in accordance with MFRS 108 *Accounting Policies, Change in Accounting Estimates and Errors*.

The Group is currently in the process of assessing the financial impact of adopting the amendment to MFRS 119.

**Change in Presentation of "Net income from insurance and takaful business" in Income Statement of the Group**

Prior to this, the Group has been reporting the other income (mainly comprised of fee and commission income, investment income, realised gains/losses and fair value gains/losses) and other expenses (mainly comprised of management expenses, change in expense liabilities, fee and commission expenses and other operating expenses) derived from insurance and takaful business in the "Net income from insurance and takaful business", a line item in the income statements of the Group.

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**A1. Basis of Preparation (cont'd.)**

**Change in Presentation of "Net income from insurance and takaful business" in Income Statement of the Group (cont'd.)**

Upon adoption of new standards such as MFRS 10 *Consolidated Financial Statements* and MFRS 12 *Disclosure of Interests in Other Entities*, the Group has decided to improve the presentation of "Net income from insurance and takaful business" by reclassifying other income (RM0.82 billion) and other expenses (RM1.07 billion) that form part of "Net income from insurance and takaful business" to respective line items in the income statements of the Group. The effects of reclassification are disclosed in Note A30.

**A2. Significant accounting policies**

The audited financial statements of the Group and the Bank for the year ended 31 December 2012 were prepared in accordance with MFRS and International Financial Reporting Standards ("IFRS"). The significant accounting policies adopted in preparing these unaudited condensed interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2012 except for those disclosed in Note A1 above.

**A3. Significant Accounting Estimates and Judgments**

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving higher degree of judgment and complexity, are as follows:

**(i) Fair Value Estimation of Financial Assets at Fair Value Through Profit or Loss (Note A10(i)), Financial Investments Available-For-Sale (Note A10(ii)) and Derivative Financial Instruments (Note A29)**

The fair value of financial assets and derivatives that are not traded in an active market are determined using appropriate valuation techniques. Valuation techniques include the discounted cash flows method, options pricing models, credit models and other relevant valuation models.

**(ii) Valuation of Investment Properties**

The measurement of the fair value for investment properties is arrived at by reference to market evidence of transaction prices for similar properties and is performed by independent valuers who hold a recognised and relevant professional qualification and recent experience in the locations and category of the properties being valued.

**(iii) Impairment of Goodwill**

The Group tests annually whether the goodwill that has an indefinite life is impaired by measuring the recoverable amount of the goodwill based on the value-in-use method, which requires the use of estimates of future cash flow projections, terminal growth rates and discount rates. Changes to the assumptions used by management, particularly the discount rate and the terminal value, may affect the results of the impairment assessment.

**(iv) Amortisation of Other Intangible Assets**

The Group's and the Bank's intangible assets that can be separated and sold, and have a finite useful life are amortised over their estimated useful life. The determination of the estimated useful life of these intangible assets requires management's judgment which includes analysing the circumstances, the industry and market practice.

**(v) Liabilities of Insurance Business**

**(a) Life insurance and family takaful businesses**

There are several sources of uncertainty that need to be considered in the estimation of life insurance and family takaful liabilities.

The main assumptions used relate to mortality, morbidity, longevity, expenses, withdrawal rates and discount rates.

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**A3. Significant Accounting Estimates and Judgments (cont'd.)**

**(v) Liabilities of Insurance Business (cont'd.)**

**(a) Life insurance and family takaful businesses (cont'd.)**

These estimates, adjusted when appropriate to reflect the subsidiary's unique risk exposure, provide the basis for the valuation of future policy benefits payable.

For family takaful certificates, estimates are made for future deaths, disabilities, maturities, investment returns in accordance with the subsidiary's experience. The family takaful fund bases the estimate of expected number of deaths on applied mortality tables, adjusted where appropriate to reflect the fund's unique risk exposures. The estimated number of deaths determines the value of possible future benefits to be paid out, which will be factored into ensuring sufficient cover by reserves, which in return is monitored against current and future contributions.

For those certificates that cover risks related to disability, estimates are made based on recent past experience and emerging trends.

At each reporting date, these estimates are reassessed for adequacy and changes will be reflected as adjustments to the liability.

**(b) General insurance and general takaful businesses**

The principal uncertainty in the general business and general takaful business arises from the technical provisions which include the premium/ contribution liabilities and claim liabilities.

Premium liabilities for general insurance are reported at the higher of the aggregate of the unearned premium reserves for all lines of business or the best estimate value of the reinsurer's unexpired risk reserves ("URR") at the end of the financial year and a provision of risk margin for adverse deviation calculated at the overall fund level. The URR is set at above 75% level of sufficiency.

Contribution liabilities for takaful business are reported at the higher of the aggregate of the unearned contribution reserves for all line of business or the total general takaful fund's unexpired risk reserves at above 75% confidence level at the end of the financial year.

Generally, claim liabilities are determined based upon historical claims experience, existing knowledge of events, the terms and conditions of the relevant policies and interpretation of circumstances. Particularly relevant is past experience with similar cases, historical claims, development trends, legislative changes, judicial decisions, economic conditions and claims handling procedures. It is certain that actual future contribution and claim liabilities will not exactly develop as projected and they vary from the projections.

**(vi) Deferred Tax and Income Taxes**

The Group and the Bank are subject to income taxes in many jurisdictions and significant judgment is required in estimating the provision for income taxes. There are many transactions and interpretations of tax law for which the final outcome will not be established until some time later. Liabilities for taxation are recognised based on estimates of whether additional taxes will be payable. The estimation process includes seeking advice on the tax treatment where appropriate. Where the final liability for taxation is different from the amounts that were initially recorded, the differences will affect the income tax and deferred tax provisions in the period in which the estimate is revised or the final liability is established.

Deferred tax assets are recognised in respect of tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. Judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, together with future tax planning strategies.



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**A3. Significant Accounting Estimates and Judgments (cont'd.)**

**(vii) Impairment Losses on Loans, Advances and Financing**

The Group and the Bank review its individually significant loans, advances and financing at each reporting date to assess whether an impairment loss should be recorded in the income statements. In particular, management's judgment is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. In estimating these cash flows, the Group and the Bank make judgments about the borrower's or the customer's financial situation and the net realisable value of collateral. These estimates are based on assumptions about a number of factors and actual results may differ, resulting in future changes to the allowances.

Loans, advances and financing that have been assessed individually but for which no impairment is required and all individually insignificant loans, advances and financing are then assessed collectively, in groups of assets with similar credit risk characteristics, to determine whether provision should be made due to incurred loss events for which there is objective evidence but whose effects of which are not yet evident. The collective assessment takes account of data from the loans, advances and financing portfolio (such as credit quality, levels of arrears, credit utilisation, loan to collateral ratios etc.) and judgments on the effects of concentrations of risks (such as the performance of different individual groups).

**(viii) Impairment of Investments in Subsidiaries and Interests in Associates**

The Group assesses whether there is any indication that an investment in subsidiaries and interest in associates may be impaired at each reporting date.

If indicators are present, these investments are subjected to impairment review. The impairment review comprises a comparison of the carrying amount of the investment and the investment's estimated recoverable amount.

Judgments made by management in the process of applying the Group's accounting policies in respect of investment in subsidiaries and interest in associates are as follows:

- (i) The Group determines whether its investments are impaired following certain indications of impairment such as, amongst others, prolonged shortfall between market value and carrying amount, significant changes with adverse effects on the investment and deteriorating financial performance of the investment due to observed changes in the economic environment; and
- (ii) Depending on their nature and the location in which the investments relate to, judgments are made by management to select suitable methods of valuation such as, amongst others, discounted future cash flows or estimated fair value based on quoted market price of the most recent transactions.

Once a suitable method of valuation is selected, management makes certain assumptions concerning the future to estimate the recoverable amount of the specific individual investment. These assumptions and other key sources of estimation uncertainty at the reporting date, may have a significant risk of causing a material adjustment to the carrying amounts of the investments within the next financial year. Depending on the specific individual investment, assumptions made by management may include, amongst others, assumptions on expected future cash flows, revenue growth, terminal value, discount rate used for purposes of discounting future cash flows which incorporates the relevant risks, and expected future outcome of certain past trends.

Sensitivity to changes in assumptions

Management believes that no reasonably expected possible change in the key assumptions described above would cause the carrying amounts of the investments to materially exceed their recoverable amounts.

**(ix) Impairment of Financial Investments Portfolio**

The Group and the Bank review the financial investments portfolio of financial assets at FVTPL, financial investments AFS and financial investments HTM at each reporting date to assess whether there is any objective evidence that the investment is impaired. If there are indicators or objective evidence, the investments are subject to impairment review.

In carrying out the impairment review, the following management's judgment are required :

- (i) Determination whether the investment is impaired based on certain indicators such as, amongst others, prolonged decline in fair value, significant financial difficulties of the issuers or obligors, the disappearance of an active trading market and deterioration of the credit quality of the issuers or obligors; and
- (ii) Determination of "significant" or "prolonged" requires judgment and management evaluation on various factors, such as historical fair value movement, the duration and extent of reduction in fair value.

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**A4. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2012 was not qualified.

**A5. Seasonal or Cyclical Factors**

The operations of the Group and of the Bank were not materially affected by any seasonal or cyclical factors in the first quarter ended 31 March 2013.

**A6. Unusual Items Due to Their Nature, Size or Incidence**

During the first quarter ended 31 March 2013, save as disclosed in Note A8 below, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and of the Bank.

**A7. Changes in Estimates**

There were no material changes in estimates during the first quarter ended 31 March 2013.

**A8. Changes in Debt and Equity Securities**

(A) The following are the changes in debt and equity securities that were issued by the Group and the Bank during the three-month ended 31 March 2013:

(i) **Issuance of Shares**

The issued and paid-up share capital of the Bank increased from RM8,440,046,735 as at 31 December 2012 to RM8,440,922,535 as at 31 March 2013 via issuance of 875,800 new ordinary shares of RM1 each, to eligible employees who exercised their options under the current Maybank Group Employees' Share Scheme ("ESS") which commenced on 23 June 2011, for a period of 7 years.

(ii) **Redemption of bonds, medium term notes and borrowings by PT Bank Internasional Indonesia Tbk and its subsidiaries**

During the three-month ended 31 March 2013, PT Bank Internasional Indonesia Tbk ("BII") and its subsidiaries, the subsidiaries of Maybank, had redeemed bonds, medium term notes and borrowings amounting to approximately RM6.03 million.

(iii) **Issuance of medium term notes by Maybank Kim Eng Holdings Ltd.**

During the three-month ended 31 March 2013, Maybank Kim Eng Holdings Ltd., the subsidiary of Maybank, had issued medium term notes amounting to approximately RM249.6 million under the SGD100 million Multicurrency Medium Term Note Programme.

(B) The following are the changes in debt securities that were issued by the Bank subsequent to the first quarter ended 31 March 2013 and have not been reflected in the financial statements for the current financial quarter ended 31 March 2013:

(a) **Issuance of USD200.0 million Senior Notes under USD5.0 billion Multicurrency Medium Term Note Programme**

On 15 May 2013, Maybank issued USD200.0 million Senior Notes in nominal value under the USD5.0 billion Multicurrency Medium Term Note Programme.

(b) **Redemption of Islamic Subordinated Bonds of RM1.5 billion with a tenure of 12 years from issue date on a 12 non-callable 7 basis**

On 15 May 2013, Maybank had fully redeemed the Islamic Subordinated Bonds of RM1.5 billion. The Islamic Subordinated Bonds were issued on 15 May 2006 under the Shariah principle of Bai' Bithaman Ajil.

Save as disclosed above, there were no cancellations, share buy-backs, resale of shares bought back and repayment of debt and equity securities by the Group and Bank.

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**A9. Dividends Paid**

- (a) There was no dividend paid during the quarter ended 31 March 2013.

During the Annual General Meeting held on 28 March 2013, a final dividend in respect of the financial year ended 31 December 2012 of 18 sen less 25% taxation and 15 sen single-tier dividend on 8,440,922,535 ordinary shares of RM1.00 each, amounting to a net dividend payable of RM2,405,662,922 (net 28.5 sen per ordinary share) was approved by the shareholders.

The dividend consists of cash portion of 4 sen single-tier dividend per ordinary share to be paid in cash amounting to RM337,636,901 and an electable portion of 29 sen (net 24.5 sen) per ordinary share amounting to RM2,068,026,021, where the electable portion comprises of 11 sen single-tier dividend and 18 sen franked dividend (net 13.5 sen) per ordinary shares of RM1.00 each.

The financial statements for the current financial quarter do not reflect the electable portion of 29 sen (net 24.5 sen) per ordinary share as approvals from certain regulatory bodies in regards to the implementation of DRP have not been obtained as at 31 March 2013.

- (b) Dividends paid by Maybank's subsidiaries to non-controlling interest amounting to RM8,948,000 during the quarter ended 31 March 2013.

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**A10. Financial investments portfolio**

Group	Note	Group		Bank	
		31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
Financial assets at fair value through profit or loss	(i)	28,332,919	29,156,692	8,315,270	10,719,937
Financial investments available-for-sale	(ii)	66,921,165	60,792,374	52,704,807	47,366,309
Financial investments held-to-maturity	(iii)	3,346,892	2,870,768	2,427,082	2,556,849
		<b>98,600,976</b>	<b>92,819,834</b>	<b>63,447,159</b>	<b>60,643,095</b>

**(i) Financial assets at fair value through profit or loss**

Group	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
(a) Financial assets designated upon initial recognition	12,479,348	12,436,881	-	-
(b) Financial assets held-for-trading	15,853,571	16,719,811	8,315,270	10,719,937
	<b>28,332,919</b>	<b>29,156,692</b>	<b>8,315,270</b>	<b>10,719,937</b>

(a) Financial assets designated upon initial recognition are as follows:

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
<b>At fair value</b>				
<b>Money market instruments:</b>				
Malaysian Government Securities	349,644	383,210	-	-
Malaysian Government Investment Issues	1,014,642	1,015,317	-	-
Negotiable Islamic certificates of deposits	385,161	409,798	-	-
	<b>1,749,447</b>	<b>1,808,325</b>	<b>-</b>	<b>-</b>
<b>Quoted securities:</b>				
In Malaysia:				
Shares, warrants, trust units and loan stocks	19,252	33,024	-	-
Outside Malaysia:				
Shares, warrants, trust units and loan stocks	54,998	57,783	-	-
	<b>74,250</b>	<b>90,807</b>	<b>-</b>	<b>-</b>

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**A10. Financial investments portfolio (cont'd.)**

**(i) Financial assets at fair value through profit or loss (cont'd.)**

(a) Financial assets designated upon initial recognition are as follows (cont'd.):

	<b>Group</b>		<b>Bank</b>	
	<b>31 March 2013 RM'000</b>	<b>31 December 2012 RM'000</b>	<b>31 March 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
<b>Unquoted securities:</b>				
Shares, trust units and loan stocks in Malaysia	49,990	53,683	-	-
Private and Islamic debt securities in Malaysia	10,427,338	10,309,201	-	-
Structured deposits	178,323	174,865	-	-
	<b>10,655,651</b>	<b>10,537,749</b>	<b>-</b>	<b>-</b>
<b>Total financial assets designated upon initial recognition</b>	<b>12,479,348</b>	<b>12,436,881</b>	<b>-</b>	<b>-</b>

(b) Financial assets held-for-trading are as follows:

	<b>Group</b>		<b>Bank</b>	
	<b>31 March 2013 RM'000</b>	<b>31 December 2012 RM'000</b>	<b>31 March 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
<b>At fair value</b>				
<b>Money market instruments:</b>				
Malaysian Government Securities	15,246	273,752	15,246	273,752
Malaysian Government Treasury Bills	107,170	-	107,170	-
Malaysian Government Investment Issues	1,087,104	86,256	1,018,270	10,098
Bank Negara Malaysia Bills and Notes	4,659,392	5,945,044	4,659,392	5,945,044
Khazanah Bonds	-	50,399	-	50,399
Bank Negara Malaysia Monetary Notes	6,022,598	6,945,597	952,088	2,897,212
Foreign Government Securities	653,622	196,235	-	-
Foreign Certificates of Deposits	-	132,982	-	-
Cagamas Bonds	18,007	43,781	18,007	43,781
Negotiable instruments of deposits	205,901	15,389	-	-
	<b>12,769,040</b>	<b>13,689,435</b>	<b>6,770,173</b>	<b>9,220,286</b>
<b>Quoted securities:</b>				
In Malaysia:				
Shares, warrants, trust units and loan stocks	376,354	412,620	-	-
Outside Malaysia:				
Shares, warrants, trust units and loan stocks	136,115	165,125	-	4,269
	<b>512,469</b>	<b>577,745</b>	<b>-</b>	<b>4,269</b>

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**A10. Financial investments portfolio (cont'd.)**

**(i) Financial assets at fair value through profit or loss (cont'd.)**

(b) Financial assets held-for-trading are as follows (cont'd.):

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
<b>Unquoted securities:</b>				
Private and Islamic debt securities in Malaysia	1,281,811	1,474,973	736,962	952,615
Foreign private debt securities	1,019,131	696,590	808,135	539,532
Malaysian Government Bonds	-	3,235	-	3,235
Credit linked note	262,996	261,960	-	-
Equity linked note	-	7,731	-	-
Mutual funds	8,124	8,142	-	-
	<b>2,572,062</b>	<b>2,452,631</b>	<b>1,545,097</b>	<b>1,495,382</b>
<b>Total financial assets held-for-trading</b>	<b>15,853,571</b>	<b>16,719,811</b>	<b>8,315,270</b>	<b>10,719,937</b>

**(ii) Financial investments available-for-sale**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
<b>At fair value, or at cost less impairment losses for certain unquoted equity instruments</b>				
<b>Money market instruments:</b>				
Malaysian Government Securities	5,665,861	5,121,448	5,644,943	5,095,673
Sukuk Bank Negara Malaysia Ijarah	7,066	7,013	7,066	7,013
Cagamas Bonds	329,665	323,934	319,533	293,349
Foreign Government Securities	6,950,836	8,294,004	4,828,154	5,602,205
Malaysian Government Investment Issues	7,059,943	3,783,570	3,775,680	1,453,972
Foreign Government Treasury Bills	5,982,215	5,170,641	5,982,215	4,735,477
Negotiable instruments of deposits	713,361	1,441,463	2,328,595	4,557,768
Bankers' acceptances and Islamic accepted bills	2,011,466	1,930,357	1,793,941	1,409,568
Khazanah Bonds	1,759,250	1,710,195	1,497,904	1,530,073
Bank Negara Malaysia Monetary Notes	365,108	771,005	365,108	503,994
Malaysian Government Treasury Bills	78,367	65,113	78,367	65,113
Foreign Certificates of Deposits	41,264	69,762	41,264	69,762
	<b>30,964,402</b>	<b>28,688,505</b>	<b>26,662,770</b>	<b>25,323,967</b>

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**A10. Financial investments portfolio (cont'd.)**

**(ii) Financial investments available-for-sale (cont'd.)**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
<b>Quoted securities:</b>				
In Malaysia:				
Shares, warrants, trust units and loan stocks	1,860,524	2,470,261	66,434	77,318
Outside Malaysia:				
Shares, warrants, trust units and loan stocks	273,575	267,440	11,411	15,045
	<b>2,134,099</b>	<b>2,737,701</b>	<b>77,845</b>	<b>92,363</b>
<b>Unquoted securities:</b>				
Shares, trust units and loan stocks in Malaysia	690,948	636,886	386,565	382,884
Shares, trust units and loan stocks outside Malaysia	15,924	15,703	5,760	5,711
Private and Islamic debt securities in Malaysia	15,298,245	14,216,359	9,175,024	8,343,202
Malaysian Government Bonds	573,212	387,805	386,348	202,172
Foreign Government Bonds	1,854,741	1,263,050	1,776,845	1,181,207
Foreign private and Islamic debt securities	15,361,235	12,818,785	14,233,650	11,834,803
Structured deposits	28,359	27,580	-	-
	<b>33,822,664</b>	<b>29,366,168</b>	<b>25,964,192</b>	<b>21,949,979</b>
<b>Total financial investments available-for-sale</b>	<b>66,921,165</b>	<b>60,792,374</b>	<b>52,704,807</b>	<b>47,366,309</b>

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**A10. Financial investments portfolio (cont'd.)**

**(iii) Financial investments held-to-maturity**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
<b>At amortised cost less impairment losses</b>				
<b>Money market instruments:</b>				
Malaysian Government Securities	107	101,423	-	101,314
Foreign Government Securities	298,888	303,894	-	-
Malaysian Government Investment Issues	40,427	40,907	40,427	40,907
Foreign Government Treasury Bills	442,025	-	-	-
Khazanah Bonds	791,239	784,033	791,239	784,033
Foreign Certificate of Deposit	156,997	-	-	-
	<b>1,729,683</b>	<b>1,230,257</b>	<b>831,666</b>	<b>926,254</b>
<b>Unquoted securities:</b>				
Private and Islamic debt securities in Malaysia	1,560,893	1,578,372	1,560,860	1,578,338
Foreign Government Bonds	47,651	70,246	47,392	69,993
Foreign private and Islamic debt securities	24,725	12,843	-	-
Others	2,044	2,044	2,044	2,044
	<b>1,635,313</b>	<b>1,663,505</b>	<b>1,610,296</b>	<b>1,650,375</b>
Accumulated impairment losses	<b>(18,104)</b>	<b>(22,994)</b>	<b>(14,880)</b>	<b>(19,780)</b>
<b>Total financial investments held-to-maturity</b>	<b>3,346,892</b>	<b>2,870,768</b>	<b>2,427,082</b>	<b>2,556,849</b>



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**A11. Loans, advances and financing**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
Overdrafts/cashline	16,907,513	16,805,906	10,794,356	10,846,799
Term loans				
- Housing loans/financing	51,713,582	50,522,923	36,984,490	36,797,266
- Syndicated loan/financing	24,185,527	23,784,574	20,665,904	20,055,951
- Hire purchase receivables	53,893,122	53,237,139	26,558,348	27,241,916
- Lease receivables	18,754	18,952	3,272	3,272
- Other loans/financing	165,911,684	157,176,667	86,174,696	85,667,989
Credit card receivables	6,276,530	6,384,428	5,315,014	5,401,470
Bills receivable	4,635,841	5,239,068	4,579,430	5,123,928
Trust receipts	2,885,951	3,025,183	2,270,335	2,457,392
Claims on customers under acceptance credits	10,507,866	11,591,582	6,910,820	7,885,049
Loans/financing to financial institutions	3,875,392	3,498,525	3,471,061	3,137,467
Revolving credits	28,201,433	27,321,888	18,098,453	16,902,982
Staff loans	2,312,320	2,265,706	940,162	965,668
Loans to				
- Executive directors of subsidiaries	2,401	3,633	83	89
Others	2,920,959	2,384,062	-	-
	<b>374,248,875</b>	<b>363,260,236</b>	<b>222,766,424</b>	<b>222,487,238</b>
Unearned interest and income	<b>(51,759,953)</b>	<b>(45,461,972)</b>	<b>(3,044,424)</b>	<b>(3,188,888)</b>
Gross loans, advances and financing	<b>322,488,922</b>	<b>317,798,264</b>	<b>219,722,000</b>	<b>219,298,350</b>
Allowances for impaired loans, advances and financing				
- Individual allowance	<b>(2,295,667)</b>	<b>(2,228,535)</b>	<b>(1,769,849)</b>	<b>(1,719,455)</b>
- Collective allowance	<b>(3,723,878)</b>	<b>(3,744,994)</b>	<b>(2,750,116)</b>	<b>(2,726,849)</b>
Net loans, advances and financing	<b>316,469,377</b>	<b>311,824,735</b>	<b>215,202,035</b>	<b>214,852,046</b>

**(i) By type of customer**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
Domestic banking institutions	33,370	32,783	33,370	32,783
Domestic non-bank financial institutions				
- Stockbroking companies	-	328	-	328
- Others	18,080,591	17,738,858	12,319,121	11,984,198
Domestic business enterprise				
- Small and medium enterprise	62,798,337	60,719,447	46,012,617	44,736,984
- Others	66,468,135	68,664,118	50,103,076	50,738,758
Government and statutory bodies	3,251,116	3,351,642	2,449,108	2,541,100
Individuals	144,297,742	140,275,982	88,934,597	89,603,634
Other domestic entities	3,098,720	2,690,875	341,895	240,043
Foreign entities	24,460,911	24,324,231	19,528,216	19,420,522
Gross loans, advances and financing	<b>322,488,922</b>	<b>317,798,264</b>	<b>219,722,000</b>	<b>219,298,350</b>

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**A11. Loans, advances and financing (cont'd.)**

**(ii) By geographical distribution**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
Malaysia	203,932,079	201,304,578	138,230,734	139,271,620
Singapore	69,943,107	68,857,389	69,256,763	68,234,190
Indonesia	26,279,181	26,319,888	-	-
Hong Kong SAR	7,652,731	7,130,389	7,507,087	7,039,787
Labuan Offshore	5,134,219	5,157,739	-	-
Philippines	2,414,786	2,396,795	-	-
People's Republic of China	1,378,987	1,448,137	1,378,987	1,448,137
United Kingdom	1,293,709	1,315,839	1,293,645	1,315,781
United States of America	1,043,242	1,014,176	1,042,805	1,013,744
Vietnam	378,690	409,880	343,278	379,544
Cambodia	734,165	732,966	-	-
Bahrain	396,141	307,445	396,141	307,445
Brunei	271,773	288,102	271,773	288,102
Papua New Guinea	168,356	152,330	-	-
Thailand	1,438,528	934,561	-	-
Laos	787	-	787	-
Others	28,441	28,050	-	-
Gross loans, advances and financing	<b>322,488,922</b>	317,798,264	<b>219,722,000</b>	219,298,350

**(iii) By interest/profit rate sensitivity**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
Fixed rate				
- Housing loans/financing	12,323,612	11,752,382	9,371,960	8,777,190
- Hire purchase receivables	43,634,011	43,062,478	23,223,978	23,746,588
- Other fixed rate loans/financing	50,227,253	50,705,753	33,252,563	34,011,928
Variable rate				
- Base lending rate plus	116,830,558	113,308,022	87,482,013	87,141,642
- Cost plus	42,674,726	42,241,585	38,290,326	37,316,635
- Other variable rates	56,798,762	56,728,044	28,101,160	28,304,367
Gross loans, advances and financing	<b>322,488,922</b>	317,798,264	<b>219,722,000</b>	219,298,350

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**A11. Loans, advances and financing (cont'd.)**

**(iv) Total loans by economic purpose**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
Purchase of securities	27,717,512	25,836,149	12,826,779	13,308,681
Purchase of transport vehicles	44,735,219	44,535,008	22,804,651	23,287,778
Purchase of landed properties				
- Residential	59,494,956	57,852,853	45,474,707	44,803,229
- Non-residential	25,187,087	23,967,058	21,672,095	20,748,526
Purchase of fixed assets (excluding landed properties)	4,608,788	4,348,868	4,544,301	4,298,286
Personal use	7,700,808	7,802,384	6,148,518	6,334,909
Credit card	6,280,570	6,434,284	5,318,033	5,450,367
Purchase of consumer durables	304,469	316,346	304,462	316,338
Construction	13,450,555	14,089,293	10,320,872	10,878,595
Merger and acquisitions	3,898,575	3,989,396	3,898,575	3,989,396
Working capital	96,248,748	111,403,485	75,485,340	75,121,156
Others	32,861,635	17,223,140	10,923,667	10,761,089
Gross loans, advances and financing	<b>322,488,922</b>	<b>317,798,264</b>	<b>219,722,000</b>	<b>219,298,350</b>

**(v) The maturity structure of loans, advances and financing are as follows:**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
Maturing within one year	84,235,741	87,158,292	65,449,865	66,393,924
One year to three years	45,192,878	44,301,625	34,267,377	32,875,684
Three years to five years	44,762,902	44,782,443	29,418,820	28,706,237
After five years	148,297,401	141,555,904	90,585,938	91,322,505
Gross loans, advances and financing	<b>322,488,922</b>	<b>317,798,264</b>	<b>219,722,000</b>	<b>219,298,350</b>

**(vi) Movements in impaired loans, advances and financing ("impaired loans") are as follows:**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
Gross impaired loans at 1 January 2013/2012	5,654,352	8,036,844	4,162,301	6,245,836
Newly impaired	1,359,952	4,154,947	985,283	2,651,324
Reclassified as non-impaired	(306,236)	(2,144,303)	(125,032)	(1,509,585)
Amount recovered	(441,053)	(2,106,649)	(258,449)	(1,691,603)
Amount written off	(209,256)	(2,291,938)	(117,529)	(1,533,675)
Converted to financial investments				
available-for-sale	-	(13,792)	-	(13,792)
Exchange differences and expenses debited	20,993	21,457	14,380	53,289
Disposal of subsidiaries	-	(2,214)	-	-
Transferred to a newly incorporated subsidiary	-	-	-	(39,493)
Gross impaired loans at 31 March 2013/ 31 December 2012	<b>6,078,752</b>	<b>5,654,352</b>	<b>4,660,954</b>	<b>4,162,301</b>
Less: Individual allowance	<b>(2,295,667)</b>	<b>(2,228,535)</b>	<b>(1,769,849)</b>	<b>(1,719,455)</b>
Net impaired loans, advances and financing	<b>3,783,085</b>	<b>3,425,817</b>	<b>2,891,105</b>	<b>2,442,846</b>
Ratio of net impaired loans	<b>1.18%</b>	<b>1.09%</b>	<b>1.33%</b>	<b>1.12%</b>

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**A11. Loans, advances and financing (cont'd.)**

(vii) Impaired loans, advances and financing by economic purpose are as follows:

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
Purchase of securities	49,007	69,999	15,653	39,201
Purchase of transport vehicles	273,974	228,932	129,995	88,835
Purchase of landed properties				
- Residential	535,721	566,412	426,633	464,062
- Non-residential	147,796	139,013	113,245	86,285
Personal use	110,192	121,789	67,725	76,925
Credit card	75,954	77,528	56,671	58,058
Purchase of consumer durables	229	232	226	230
Construction	265,156	227,472	169,313	136,180
Working capital	3,956,407	3,504,561	3,200,690	2,697,689
Others	664,316	718,414	480,803	514,836
	<b>6,078,752</b>	<b>5,654,352</b>	<b>4,660,954</b>	<b>4,162,301</b>

(viii) Impaired loans, advances and financing by geographical distribution are as follows:

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
Malaysia	4,486,187	4,007,515	3,950,635	3,469,194
Singapore	346,572	363,344	300,218	289,364
Indonesia	517,232	572,768	-	-
Labuan Offshore	139,266	138,160	-	-
Hong Kong SAR	16,554	16,367	15,709	15,531
Brunei	3,683	2,107	3,683	2,107
Vietnam	19,012	19,051	19,012	19,051
United Kingdom	280,969	277,477	280,969	277,477
Cambodia	30,549	31,653	-	-
Papua New Guinea	928	-	-	-
Philippines	92,891	83,971	-	-
United States of America	437	431	-	-
Bahrain	90,728	89,577	90,728	89,577
Thailand	26,944	25,486	-	-
Others	26,800	26,445	-	-
	<b>6,078,752</b>	<b>5,654,352</b>	<b>4,660,954</b>	<b>4,162,301</b>

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**A11. Loans, advances and financing (cont'd.)**

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

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
<b>Individual Allowance</b>				
At 1 January 2013/2012	2,228,535	2,813,107	1,719,455	2,102,421
Allowance made	166,834	1,172,015	127,311	985,402
Amount written back	(74,398)	(437,932)	(51,755)	(368,351)
Amount written off	(10,695)	(1,222,716)	(10,695)	(904,764)
Transferred to collective allowance	(5,019)	(60,216)	(4,782)	(57,882)
Disposal of subsidiaries	-	(2,720)	-	-
Transferred to a newly incorporated subsidiary	-	-	-	(36,822)
Exchange differences	(9,590)	(33,003)	(9,685)	(549)
At 31 March 2013/31 December 2012	<u>2,295,667</u>	<u>2,228,535</u>	<u>1,769,849</u>	<u>1,719,455</u>
<b>Collective Allowance</b>				
At 1 January 2013/2012	3,744,994	4,169,974	2,726,849	3,097,366
Allowance made	197,824	628,222	125,031	205,091
Amount written back	(30,966)	-	-	-
Amount written off	(198,561)	(1,069,222)	(106,834)	(628,911)
Transferred from individual allowance	5,019	60,216	4,782	57,882
Transferred to a newly incorporated subsidiary	-	-	-	(5,488)
Exchange differences	5,568	(44,196)	288	909
At 31 March 2013/31 December 2012	<u>3,723,878</u>	<u>3,744,994</u>	<u>2,750,116</u>	<u>2,726,849</u>
As a percentage of total loans less individual allowance	<u>1.16%</u>	<u>1.19%</u>	<u>1.26%</u>	<u>1.25%</u>

**A12. Other assets**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
Other debtors	4,506,573	4,038,562	2,591,588	2,528,814
Amount due from brokers and clients	3,397,763	2,001,113	-	-
Development properties	61,070	60,287	-	-
Prepayments and deposits	737,830	469,615	320,014	148,248
Tax recoverable	58,098	1,070	-	-
Foreclosed properties	111,168	109,610	36,000	36,001
	<u>8,872,502</u>	<u>6,680,257</u>	<u>2,947,602</u>	<u>2,713,063</u>

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**A13. Deposits from customers**

**(i) By type of deposit**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
	Fixed deposits and negotiable instruments of deposits			
- One year or less	202,006,435	196,782,059	130,499,128	125,296,329
- More than one year	10,442,578	8,647,667	9,666,868	7,880,567
	<b>212,449,013</b>	<b>205,429,726</b>	<b>140,165,996</b>	<b>133,176,896</b>
Money market deposits	16,033,886	16,650,666	16,033,886	16,650,666
Savings deposits	52,886,429	50,360,812	36,428,499	35,261,690
Demand deposits	71,284,748	71,743,387	50,734,210	49,689,559
Structured deposits *	2,785,795	2,970,919	2,350,274	2,623,268
	<b>355,439,871</b>	<b>347,155,510</b>	<b>245,712,865</b>	<b>237,402,079</b>

\* Structured deposits represent time deposits with embedded foreign exchange and commodity-linked time deposits.

**(ii) By type of customer**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
	Business enterprises	158,611,601	157,471,152	109,272,556
Individuals	157,595,919	151,607,808	119,746,757	114,881,786
Government and statutory bodies	15,814,563	15,575,973	4,692,282	5,596,117
Others	23,417,788	22,500,577	12,001,270	10,338,213
	<b>355,439,871</b>	<b>347,155,510</b>	<b>245,712,865</b>	<b>237,402,079</b>

**(iii) The maturity structure of fixed deposits and negotiable instruments of deposits are as follows:**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
	Due within six months	161,691,252	164,637,372	101,167,652
Six months to one year	40,315,183	32,144,687	29,331,476	24,624,463
One year to three years	9,905,042	8,111,389	9,519,194	7,733,734
Three years to five years	537,536	536,278	147,674	146,834
	<b>212,449,013</b>	<b>205,429,726</b>	<b>140,165,996</b>	<b>133,176,896</b>

**A14. Deposits and placements from financial institutions**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
	Licensed banks	33,919,304	30,144,507	28,824,725
Licensed finance companies	271,276	383,162	224,292	337,539
Licensed investment banks	240,284	236,162	80,384	218,162
Other financial institutions	3,361,955	3,123,545	2,201,717	2,536,171
	<b>37,792,819</b>	<b>33,887,376</b>	<b>31,331,118</b>	<b>29,198,776</b>

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**A14. Deposits and placements from financial institutions (cont'd.)**

The maturity structure of deposits and placements from financial institutions are as follows:

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
One year or less	36,571,034	32,037,435	30,206,520	27,524,525
More than one year	1,221,785	1,849,941	1,124,598	1,674,251
	<b>37,792,819</b>	<b>33,887,376</b>	<b>31,331,118</b>	<b>29,198,776</b>

**A15. Borrowings, Subordinated obligations and Capital securities**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
(i) Borrowings				
Secured				
- Less than one year	379,184	440,727	-	-
- More than one year	902,347	902,832	-	-
	<b>1,281,531</b>	<b>1,343,559</b>	<b>-</b>	<b>-</b>
Unsecured				
- Less than one year	2,064,361	1,093,098	249,956	168,248
- More than one year	8,277,225	8,277,609	7,194,436	7,214,471
	<b>10,341,586</b>	<b>9,370,707</b>	<b>7,444,392</b>	<b>7,382,719</b>
	<b>11,623,117</b>	<b>10,714,266</b>	<b>7,444,392</b>	<b>7,382,719</b>
(ii) Subordinated obligations				
Unsecured				
- More than one year	<b>13,578,392</b>	<b>13,510,041</b>	<b>11,694,382</b>	<b>11,638,850</b>
(iii) Capital Securities				
Unsecured				
- More than one year	<b>6,166,013</b>	<b>6,150,351</b>	<b>6,166,013</b>	<b>6,150,351</b>

**A16. Other liabilities**

	Group		Bank	
	31 March 2013 RM'000	31 December 2012 RM'000	31 March 2013 RM'000	31 December 2012 RM'000
Due to brokers and clients	3,199,602	1,841,282	-	-
Deposits and other creditors	5,811,293	4,720,114	7,638,224	6,988,101
Provisions and accruals	3,118,110	2,976,494	1,542,695	1,657,322
Profit equalisation reserves	17,460	59,852	-	-
	<b>12,146,465</b>	<b>9,597,742</b>	<b>9,180,919</b>	<b>8,645,423</b>

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**A17. Interest income**

<b>Group</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2013</b>	<b>31 March 2012 (Restated)</b>	<b>31 March 2013</b>	<b>31 March 2012 (Restated)</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Loans, advances and financing	<b>3,157,813</b>	2,869,506	<b>3,157,813</b>	2,869,506
Money at call and deposits and placements with financial institutions	<b>122,836</b>	179,241	<b>122,836</b>	179,241
Financial assets purchased under resale agreements	<b>2,116</b>	1,053	<b>2,116</b>	1,053
Financial assets at FVTPL	<b>125,079</b>	118,547	<b>125,079</b>	118,547
Financial investments available-for-sale	<b>519,839</b>	433,231	<b>519,839</b>	433,231
Financial investments held-to-maturity	<b>17,310</b>	117,905	<b>17,310</b>	117,905
	<b>3,944,993</b>	3,719,483	<b>3,944,993</b>	3,719,483
Amortisation of premium less accretion of discounts, net	<b>(18,824)</b>	34,245	<b>(18,824)</b>	34,245
	<b>3,926,169</b>	3,753,728	<b>3,926,169</b>	3,753,728
<b>Bank</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2013</b>	<b>31 March 2012</b>	<b>31 March 2013</b>	<b>31 March 2012</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Loans, advances and financing	<b>2,258,370</b>	2,076,408	<b>2,258,370</b>	2,076,408
Money at call and deposits and placements with financial institutions	<b>97,256</b>	147,287	<b>97,256</b>	147,287
Financial assets purchased under resale agreements	<b>340</b>	72	<b>340</b>	72
Financial assets at FVTPL	<b>20,254</b>	28,788	<b>20,254</b>	28,788
Financial investments available-for-sale	<b>379,111</b>	316,194	<b>379,111</b>	316,194
Financial investments held-to-maturity	<b>18,115</b>	103,175	<b>18,115</b>	103,175
	<b>2,773,446</b>	2,671,924	<b>2,773,446</b>	2,671,924
Amortisation of premium less accretion of discounts, net	<b>(17,528)</b>	30,637	<b>(17,528)</b>	30,637
	<b>2,755,918</b>	2,702,561	<b>2,755,918</b>	2,702,561

Included in interest income for the 3 months financial period ended 31 March 2013 was interest on impaired assets amounting to approximately RM40,627,000 (31 March 2012: RM48,262,000) for the Group and RM33,011,000 (31 March 2012: RM37,694,000) for the Bank.



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**A18. Interest expense**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2013	31 March 2012 (Restated)	31 March 2013	31 March 2012 (Restated)
	RM'000	RM'000	RM'000	RM'000
Deposits and placements from financial institutions	89,324	119,567	89,324	119,567
Deposits from customers	1,141,577	1,084,366	1,141,577	1,084,366
Floating rate certificates of deposits	3,527	642	3,527	642
Borrowings	104,053	112,968	104,053	112,968
Subordinated notes	120,209	87,201	120,209	87,201
Subordinated bonds	18,646	33,709	18,646	33,709
Capital Securities	98,693	98,972	98,693	98,972
Net interest on derivatives	(61,160)	5,023	(61,160)	5,023
	<b>1,514,869</b>	<b>1,542,448</b>	<b>1,514,869</b>	<b>1,542,448</b>

Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
	RM'000	RM'000	RM'000	RM'000
Deposits and placements from financial institutions	92,642	122,891	92,642	122,891
Deposits from customers	846,425	825,369	846,425	825,369
Floating rate certificates of deposits	3,527	642	3,527	642
Borrowings	35,093	23,285	35,093	23,285
Subordinated notes	96,351	87,201	96,351	87,201
Subordinated bonds	18,646	33,709	18,646	33,709
Capital Securities	98,693	98,972	98,693	98,972
Net interest on derivatives	(63,749)	108	(63,749)	108
	<b>1,127,628</b>	<b>1,192,177</b>	<b>1,127,628</b>	<b>1,192,177</b>

**A19. Net income from insurance and takaful business**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2013	31 March 2012 (Restated)	31 March 2013	31 March 2012 (Restated)
	RM'000	RM'000	RM'000	RM'000
Gross earned premiums	1,770,621	1,474,427	1,770,621	1,474,427
Premium ceded to reinsurers	(643,754)	(453,600)	(643,754)	(453,600)
<b>Net earned premiums</b>	<b>1,126,867</b>	<b>1,020,827</b>	<b>1,126,867</b>	<b>1,020,827</b>
Gross benefits and claims paid	(820,131)	(1,047,875)	(820,131)	(1,047,875)
Claims ceded to reinsurers	43,078	56,178	43,078	56,178
Gross change to contract liabilities	(344,237)	(198,847)	(344,237)	(198,847)
Change in contract liabilities ceded to reinsurers	13,390	8,173	13,390	8,173
<b>Net benefits and claims</b>	<b>(1,107,900)</b>	<b>(1,182,371)</b>	<b>(1,107,900)</b>	<b>(1,182,371)</b>
Total net income from insurance and takaful business	<b>18,967</b>	<b>(161,544)</b>	<b>18,967</b>	<b>(161,544)</b>

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**A20. Non-interest income**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2013	31 March 2012 (Restated)	31 March 2013	31 March 2012 (Restated)
	RM'000	RM'000	RM'000	RM'000
(a) Fee income:				
Commission	260,850	221,226	260,850	221,226
Service charges and fees	303,094	254,387	303,094	254,387
Underwriting fees	14,263	8,939	14,263	8,939
Brokerage income	229,695	145,593	229,695	145,593
Fees on loans, advances and financing	98,910	138,697	98,910	138,697
	<b>906,812</b>	<b>768,842</b>	<b>906,812</b>	<b>768,842</b>
(b) Investment income:				
Net gain on disposal of financial assets at FVTPL	116,257	82,304	116,257	82,304
Net gain on disposal of financial investments available-for-sale	318,615	272,489	318,615	272,489
Net (loss)/gain on redemption of financial investments held-to-maturity	(1)	17	(1)	17
	<b>434,871</b>	<b>354,810</b>	<b>434,871</b>	<b>354,810</b>
(c) Gross dividend from financial investments portfolio	20,383	14,132	20,383	14,132
(d) Unrealised (loss)/gain on revaluation of:				
Financial assets at FVTPL	(15,579)	5,410	(15,579)	5,410
Derivatives	(206,666)	138,135	(206,666)	138,135
	<b>(222,245)</b>	<b>143,545</b>	<b>(222,245)</b>	<b>143,545</b>
(e) Other income:				
Foreign exchange gain, net	192,686	227,462	192,686	227,462
Rental income	5,481	10,865	5,481	10,865
Gain on disposal of property, plant and equipment	814	1,725	814	1,725
Gain on disposal of foreclosed properties	743	179	743	179
Sale of development properties	844	11,820	844	11,820
Others	79,972	91,360	79,972	91,360
	<b>280,540</b>	<b>343,411</b>	<b>280,540</b>	<b>343,411</b>
Total non-interest income	<b>1,420,361</b>	<b>1,624,740</b>	<b>1,420,361</b>	<b>1,624,740</b>

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**A20. Non-interest income (cont'd.)**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
<b>Bank</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
(a) Fee income:				
Commission	198,723	173,626	198,723	173,626
Service charges and fees	234,853	217,839	234,853	217,839
Underwriting fees	10,934	6,690	10,934	6,690
Brokerage income	54	65	54	65
Fees on loans, advances and financing	26,699	50,789	26,699	50,789
	<b>471,263</b>	<b>449,009</b>	<b>471,263</b>	<b>449,009</b>
(b) Investment income:				
Net gain on disposal of financial assets at FVTPL	72,920	25,087	72,920	25,087
Net gain on disposal of financial investments available-for-sale	99,828	73,446	99,828	73,446
Gain on disposal of subsidiaries	700	-	700	-
Net gain on redemption of financial investments held-to-maturity	(1)	17	(1)	17
	<b>173,447</b>	<b>98,550</b>	<b>173,447</b>	<b>98,550</b>
(c) Gross dividend income from:				
Financial investments portfolio	764	1,070	764	1,070
Subsidiaries	208,021	221,200	208,021	221,200
Associates	-	6,452	-	6,452
	<b>208,785</b>	<b>228,722</b>	<b>208,785</b>	<b>228,722</b>
(d) Unrealised gain/(loss) on revaluation of:				
Financial assets at FVTPL	748	(11,910)	748	(11,910)
Derivatives	(160,433)	158,393	(160,433)	158,393
	<b>(159,685)</b>	<b>146,483</b>	<b>(159,685)</b>	<b>146,483</b>
(e) Other income:				
Foreign exchange gain, net	160,706	146,462	160,706	146,462
Rental income	5,366	5,434	5,366	5,434
Gain on disposal of property, plant and equipment	32	1,377	32	1,377
Others	13,717	19,737	13,717	19,737
	<b>179,821</b>	<b>173,010</b>	<b>179,821</b>	<b>173,010</b>
Total non-interest income	<b>873,631</b>	<b>1,095,774</b>	<b>873,631</b>	<b>1,095,774</b>

**A21. Overhead expenses**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
<b>Group</b>	<b>RM'000</b>	<b>(Restated) RM'000</b>	<b>RM'000</b>	<b>(Restated) RM'000</b>
(a) Personnel expenses				
Salaries, allowances and bonuses	947,482	871,772	947,482	871,772
Pension costs - defined contribution plan	110,562	100,381	110,562	100,381
ESS expenses	21,174	31,291	21,174	31,291
Other staff related expenses	138,820	149,168	138,820	149,168
	<b>1,218,038</b>	<b>1,152,612</b>	<b>1,218,038</b>	<b>1,152,612</b>

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**A21. Overhead expenses (cont'd.)**

Group (cont'd.)	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2013 RM'000	31 March 2012 (Restated) RM'000	31 March 2013 RM'000	31 March 2012 (Restated) RM'000
(b) Establishment costs				
Depreciation of property, plant and equipment	65,171	53,624	65,171	53,624
Amortisation of intangible assets	46,890	38,618	46,890	38,618
Rental of leasehold land and premises	65,780	55,478	65,780	55,478
Repairs and maintenance of property, plant and equipment	33,045	33,591	33,045	33,591
Information technology expenses	142,497	134,361	142,497	134,361
Others	(545)	2,439	(545)	2,439
	<b>352,838</b>	<b>318,111</b>	<b>352,838</b>	<b>318,111</b>
(c) Marketing expenses				
Advertisement and publicity	209,319	190,697	209,319	190,697
Others	39,920	32,208	39,920	32,208
	<b>249,239</b>	<b>222,905</b>	<b>249,239</b>	<b>222,905</b>
(d) Administration and general expenses				
Fees and brokerage	145,014	134,960	145,014	134,960
Administrative expenses	166,180	147,910	166,180	147,910
General expenses	160,440	164,800	160,440	164,800
Cost of development property	579	10,573	579	10,573
Others	4,242	10,605	4,242	10,605
	<b>476,455</b>	<b>468,848</b>	<b>476,455</b>	<b>468,848</b>
Total overhead expenses	<b>2,296,570</b>	<b>2,162,476</b>	<b>2,296,570</b>	<b>2,162,476</b>
<b>Cost to income ratio ("CIR")<sup>1</sup></b>	<b>51.0%</b>	<b>50.9%</b>	<b>51.0%</b>	<b>50.9%</b>

<sup>1</sup> Cost to income ratio ("CIR") is computed using the total cost over the net income and after incorporating the effect of change in presentation of "Net income from insurance and takaful business" in the income statement. Total cost of the Group is the total overhead expenses, excluding amortisation of intangible assets for PT Bank Internasional Indonesia Tbk and Maybank Kim Eng Holdings Limited. Income is referring to net income amount, as stated on the face of income statement.

Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2013 RM'000	31 March 2012 RM'000	31 March 2013 RM'000	31 March 2012 RM'000
(a) Personnel expenses				
Salaries, allowances and bonuses	573,885	548,880	573,885	548,880
Pension costs - defined contribution plan	84,304	80,786	84,304	80,786
ESS expenses	17,336	26,961	17,336	26,961
Other staff related expenses	77,494	95,563	77,494	95,563
	<b>753,019</b>	<b>752,190</b>	<b>753,019</b>	<b>752,190</b>
(b) Establishment costs				
Depreciation of property, plant and equipment	34,139	29,300	34,139	29,300
Amortisation of computer software	22,103	10,623	22,103	10,623
Rental of leasehold land and premises	25,710	25,456	25,710	25,456
Repairs and maintenance of property, plant and equipment	15,664	14,866	15,664	14,866
Information technology expenses	111,145	106,240	111,145	106,240
Others	1,470	1,603	1,470	1,603
	<b>210,231</b>	<b>188,088</b>	<b>210,231</b>	<b>188,088</b>

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**A21. Overhead expenses (cont'd.)**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
<b>Bank (cont'd.)</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
(c) Marketing expenses				
Advertisement and publicity	62,098	47,859	62,098	47,859
Others	34,129	26,760	34,129	26,760
	<u>96,227</u>	<u>74,619</u>	<u>96,227</u>	<u>74,619</u>
(d) Administration and general expenses				
Fees and brokerage	113,541	111,968	113,541	111,968
Administrative expenses	55,016	56,067	55,016	56,067
General expenses	48,093	39,183	48,093	39,183
Others	3,957	1,832	3,957	1,832
	<u>220,607</u>	<u>209,050</u>	<u>220,607</u>	<u>209,050</u>
(e) Overhead expenses allocated to subsidiaries	(195,469)	(155,142)	(195,469)	(155,142)
Total overhead expenses	<u>1,084,615</u>	<u>1,068,805</u>	<u>1,084,615</u>	<u>1,068,805</u>
<b>Cost to income ratio ("CIR")<sup>2</sup></b>	<b>43.4%</b>	<b>41.0%</b>	<b>43.4%</b>	<b>41.0%</b>

<sup>2</sup> Cost to income ratio ("CIR") is computed using the total cost over the net income. Income is referring to net income amount, as stated on the face of income statement.

**A22. Allowances for impairment losses on loans, advances and financing, net**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2013	31 March 2012 (Restated)	31 March 2013	31 March 2012 (Restated)
<b>Group</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Allowances for loans, advances and financing:				
- collective allowance made	166,858	236,246	166,858	236,246
- individual allowance made	166,834	290,052	166,834	290,052
- individual allowance written back	(74,398)	(133,998)	(74,398)	(133,998)
Bad debts and financing written off	25,478	25,474	25,478	25,474
Bad debts and financing recovered	(184,489)	(224,390)	(184,489)	(224,390)
Allowance for other debts	(15,760)	(8,228)	(15,760)	(8,228)
	<u>84,523</u>	<u>185,156</u>	<u>84,523</u>	<u>185,156</u>
<b>Bank</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Allowances for loans, advances and financing:				
- collective allowance made	125,031	131,999	125,031	131,999
- individual allowance made	127,311	262,323	127,311	262,323
- individual allowance written back	(51,755)	(115,978)	(51,755)	(115,978)
Bad debts and financing written off	22,693	23,602	22,693	23,602
Bad debts and financing recovered	(153,006)	(157,951)	(153,006)	(157,951)
Allowance for other debts	94	729	94	729
	<u>70,368</u>	<u>144,724</u>	<u>70,368</u>	<u>144,724</u>

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**A23. Segment Information**

**By business segments**

The Group determines and presents operating segments based on information provided to the Board and senior management of the Group.

The Group is organised into four (4) segments based on services and products available within the group as follows:

(a) Community Financial Services ("CFS")

(i) Consumer Banking

Consumer banking comprises the full range of products and services offered to individuals in Malaysia, including savings and fixed deposits, remittance services, current accounts, consumer loans such as housing loans and personal loans, hire purchases, unit trusts, bancassurance products and credit cards.

(ii) Small, Medium Enterprise ("SME") Banking

Small, Medium Enterprise banking comprises the full range of products and services offered to small and medium enterprises in Malaysia. The products and services offered include long-term loans such as project financing, short-term credit such as overdrafts and trade financing, and fee-based services such as cash management and custodian services.

(iii) Business Banking

Business banking comprises the full range of products and services offered to commercial enterprises in Malaysia. The products and services offered include long-term loans such as project financing, short-term credit such as overdrafts and trade financing, and fee-based services such as cash management and custodian services.

(b) Global Banking ("GB")

(i) Corporate Banking Malaysia

Corporate Banking comprises the full range of products and services offered to business customers in the region, ranging from large corporate and the public sector. The products and services offered include long-term loans such as project financing, short-term credit such as overdrafts and trade financing, and fee-based services such as cash management and custodian services.

(ii) Global Markets Malaysia

Global Markets comprise the full range of products and services relating to treasury activities and services, including foreign exchange, money market, derivatives and trading of capital market.

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**A23. Segment Information (cont'd.)**

(b) Global Banking ("GB") (cont'd.)

(iii) Investment Banking (Maybank IB and Maybank Kim Eng Group)

Investment banking comprises the investment banking and securities broking business. This segment focuses on business needs of mainly large corporate customers and financial institutions. The products and services offered to customers include corporate advisory services, bond issuance, equity issuance, syndicated acquisition advisory services, debt restructuring advisory services, and share and futures dealings.

(c) Insurance, Takaful and Asset Management

Insurance, takaful and asset management comprise the business of underwriting all classes of general and life insurance businesses, offshore investment life insurance business, general takaful and family takaful businesses, asset and fund management, nominee and trustee services and custodian services.

(d) International banking

On the International front, the domestic CFS business is driven in-country whilst the wholesale banking for each country has a reporting line to the Global Banking ("GB"). For purpose of management information reporting, the GB performance is shown separately and comprises Corporate Banking and Global Markets in Malaysia as well as the investment banking business, whilst the International banking performance comprises both the wholesale banking and CFS banking outside of Malaysia for example, Singapore and Indonesia.

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**A23. Segment Information (cont'd.)**

**By Business Segments**

Three Months Ended 31 March 2013	<===== Business Segments =====>							Total RM'000
	<===== GB =====>							
	Community Financial Services RM'000	Corporate Banking RM'000	Global Markets RM'000	Investment Banking RM'000	International Banking RM'000	Insurance, Takaful and Asset Management RM'000	Head Office and Others RM'000	
Net interest income and Islamic banking income								
- External	1,385,755	410,068	187,561	65,100	936,743	218,896	(173,505)	3,030,618
- Inter-segment	-	-	-	(1,015)	(6,110)	7,659	(534)	-
	<b>1,385,755</b>	<b>410,068</b>	<b>187,561</b>	<b>64,085</b>	<b>930,633</b>	<b>226,555</b>	<b>(174,039)</b>	<b>3,030,618</b>
Net interest income and Islamic banking income	1,385,755	410,068	187,561	64,085	930,633	226,555	(174,039)	3,030,618
Net income from insurance and takaful business	-	-	-	-	-	18,967	-	18,967
Non-interest income	354,041	142,641	239,514	331,037	398,010	238,529	(283,411)	1,420,361
Net income	1,739,796	552,709	427,075	395,122	1,328,643	484,051	(457,450)	4,469,946
Overhead expenses	(879,334)	(99,066)	(59,369)	(256,160)	(706,761)	(295,880)	-	(2,296,570)
Operating profit before impairment losses	860,462	453,643	367,706	138,962	621,882	188,171	(457,450)	2,173,376
Allowance for impairment losses on loans, advances and financing, net	(29,990)	1,267	-	(147)	(72,229)	16,576	-	(84,523)
Impairment losses on financial investments, net	-	-	20,346	(7,918)	(1,574)	(8,439)	-	2,415
Operating profit	830,472	454,910	388,052	130,897	548,079	196,308	(457,450)	2,091,268
Share of profits in associates	-	-	-	390	35,068	-	-	35,458
<b>Profit before taxation and zakat</b>	<b>830,472</b>	<b>454,910</b>	<b>388,052</b>	<b>131,287</b>	<b>583,147</b>	<b>196,308</b>	<b>(457,450)</b>	<b>2,126,726</b>
Taxation and zakat								(568,431)
<b>Profit after taxation and zakat</b>								<b>1,558,295</b>
Non-controlling interests								(52,081)
<b>Profit for the period</b>								<b>1,506,214</b>
<b>Included in overhead expenses are:</b>								
Depreciation of property, plant and equipment	(24,216)	(2,007)	(1,293)	(10,623)	(23,720)	(3,312)	-	(65,171)
Amortisation of intangible assets	(12,953)	(2,819)	(3,067)	(10,296)	(14,360)	(3,395)	-	(46,890)



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**A23. Segment Information (cont'd.)**

**By Business Segments (cont'd.)**

Three Months Ended 31 March 2012	<----- Business Segments ----->							Total RM'000
	<----- GB ----->							
	Community Financial Services RM'000	Corporate Banking RM'000	Global Markets RM'000	Investment Banking RM'000	International Banking RM'000	Insurance, Takaful and Asset Management RM'000	Head Office and Others RM'000	
Net interest income and Islamic banking income								
- External	1,255,521	312,475	199,792	106,165	839,071	208,055	(174,973)	2,746,106
- Inter-segment	-	-	-	(442)	(6,320)	5,654	1,108	-
	<b>1,255,521</b>	<b>312,475</b>	<b>199,792</b>	<b>105,723</b>	<b>832,751</b>	<b>213,709</b>	<b>(173,865)</b>	<b>2,746,106</b>
Net interest income and Islamic banking income	1,255,521	312,475	199,792	105,723	832,751	213,709	(173,865)	2,746,106
Net income from insurance and takaful business	-	-	-	-	-	(161,544)	-	(161,544)
Non-interest income	358,467	152,781	261,817	229,694	475,680	300,114	(153,813)	1,624,740
Net income	1,613,988	465,256	461,609	335,417	1,308,431	352,279	(327,678)	4,209,302
Overhead expenses	(880,753)	(93,907)	(60,718)	(219,086)	(647,955)	(260,057)	-	(2,162,476)
Operating profit before impairment losses	733,235	371,349	400,891	116,331	660,476	92,222	(327,678)	2,046,826
Allowance for impairment losses on loans, advances and financing, net	(2,024)	32,903	-	281	(225,188)	8,872	-	(185,156)
Impairment losses on financial investments, net	-	-	7,004	(1,043)	(6,460)	(1,590)	-	(2,089)
Operating profit	731,211	404,252	407,895	115,569	428,828	99,504	(327,678)	1,859,581
Share of profits in associates	-	-	-	822	34,169	-	-	34,991
<b>Profit before taxation and zakat</b>	<b>731,211</b>	<b>404,252</b>	<b>407,895</b>	<b>116,391</b>	<b>462,997</b>	<b>99,504</b>	<b>(327,678)</b>	<b>1,894,572</b>
Taxation and zakat								(528,902)
<b>Profit after taxation and zakat</b>								<b>1,365,670</b>
Non-controlling interests								(18,789)
<b>Profit for the period</b>								<b>1,346,881</b>
<b>Included in overhead expenses are:</b>								
Depreciation of property, plant and equipment	(21,115)	(1,549)	(497)	(8,597)	(19,431)	(2,435)	-	(53,624)
Amortisation of intangible assets	(6,161)	(1,268)	(1,125)	(11,971)	(15,495)	(2,598)	-	(38,618)

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**A24. Carrying Amount of Revalued Assets**

The Group's and the Bank's property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. There was no change in the valuation of property and equipment that were brought forward from the previous audited annual financial statements for the financial year ended 31 December 2012.

**A25. Subsequent Events**

There were no material events subsequent to the reporting date, other than as disclosed in Note A8(B) and B6.

**A26. Changes in the Composition of the Group**

There were no changes to the composition of the Group during the first quarter ended 31 March 2013.

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**A27. Commitments and contingencies**

In the normal course of business, the Bank and its subsidiaries make various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

The risk-weighted exposures of the Bank and its subsidiaries as at the following dates are as follows:

Group	As at 31 March 2013			As at 31 December 2012		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk weighted amount* RM'000
<b><u>Credit-related</u></b>						
Direct credit substitutes	9,937,388	8,726,628	5,864,452	9,835,215	9,330,230	5,923,432
Certain transaction-related contingent items	13,512,153	5,725,587	4,229,145	12,386,664	6,086,424	4,548,217
Short-term self-liquidating trade-related contingencies	4,520,424	973,935	736,086	4,149,665	968,455	702,003
Obligations under underwriting agreements	30,000	15,000	3,000	30,000	15,000	3,000
Irrevocable commitments to extend credit:						
- Maturity within one year	90,395,797	16,058,973	9,864,991	92,616,125	15,352,562	9,652,404
- Maturity exceeding one year	38,896,216	22,848,878	9,584,630	34,602,180	20,418,739	8,169,932
Miscellaneous commitments and contingencies	7,233,354	958,794	491,866	9,773,807	798,322	201,617
Total credit-related commitment and contingencies	<b>164,525,332</b>	<b>55,307,795</b>	<b>30,774,170</b>	<b>163,393,656</b>	<b>52,969,732</b>	<b>29,200,605</b>
<b><u>Derivative financial instruments</u></b>						
Foreign exchange related contracts:						
- Less than one year	120,650,960	2,791,556	754,559	95,679,030	1,897,261	520,511
- One year to less than five years	20,068,847	4,130,705	1,497,575	18,646,950	3,391,757	1,444,007
- Five years and above	2,508,996	29,052	22,367	1,780,543	1,780,543	891,778
	<b>143,228,803</b>	<b>6,951,313</b>	<b>2,274,501</b>	<b>116,106,523</b>	<b>7,069,561</b>	<b>2,856,296</b>
Interest rate related contracts:						
- Less than one year	16,367,167	554,353	186,312	19,401,506	550,359	199,287
- One year to less than five years	73,982,165	1,474,187	628,071	63,714,009	1,824,999	569,365
- Five years and above	17,914,682	2,289,645	875,333	16,401,202	9,974	2,286
	<b>108,264,014</b>	<b>4,318,185</b>	<b>1,689,716</b>	<b>99,516,717</b>	<b>2,385,332</b>	<b>770,938</b>
Equity and commodity related contracts:						
- Less than one year	650,714	-	-	260,907	-	-
- One year to less than five years	803,283	-	-	365,646	-	-
- Five years and above	30,198	-	-	30,198	-	-
	<b>1,484,195</b>	<b>-</b>	<b>-</b>	<b>656,751</b>	<b>-</b>	<b>-</b>
Credit related contract						
- Five years and above	21,675	-	-	21,388	-	-
Total treasury-related commitments and contingencies	<b>252,998,687</b>	<b>11,269,498</b>	<b>3,964,217</b>	<b>216,301,379</b>	<b>9,454,893</b>	<b>3,627,234</b>
Total commitments and contingencies	<b>417,524,019</b>	<b>66,577,293</b>	<b>34,738,387</b>	<b>379,695,035</b>	<b>62,424,625</b>	<b>32,827,839</b>

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**A27. Commitments and contingencies (cont'd.)**

Bank	As at 31 March 2013			As at 31 December 2012		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk weighted amount* RM'000
<b><u>Credit-related</u></b>						
Direct credit substitutes	7,768,239	7,116,333	4,357,344	7,442,874	7,442,874	4,459,633
Certain transaction-related contingent items	11,663,039	5,111,693	3,658,653	10,752,852	5,156,128	3,749,803
Short-term self-liquidating trade-related contingencies	4,167,555	750,265	552,559	3,775,633	652,838	390,388
Irrevocable commitments to extend credit:						
- Maturity within one year	71,026,436	13,586,740	8,054,576	74,529,072	12,760,456	7,776,780
- Maturity exceeding one year	33,168,227	19,585,680	8,428,457	29,371,486	16,843,478	6,482,755
Miscellaneous commitments and contingencies	7,094,058	480,196	144,129	9,616,211	613,053	149,236
Total credit-related commitment and contingencies	<b>134,887,554</b>	<b>46,630,907</b>	<b>25,195,718</b>	<b>135,488,128</b>	<b>43,468,827</b>	<b>23,008,595</b>
<b><u>Derivative financial instruments</u></b>						
Foreign exchange related contracts:						
- Less than one year	113,756,905	2,599,052	692,271	90,499,688	1,842,737	501,780
- One year to less than five years	18,882,686	4,130,705	1,497,575	17,371,300	3,289,005	1,354,451
- Five years and above	2,508,996	26,884	21,283	1,780,543	1,780,543	890,710
	<b>135,148,587</b>	<b>6,756,641</b>	<b>2,211,129</b>	<b>109,651,531</b>	<b>6,912,285</b>	<b>2,746,941</b>
Interest rate related contracts:						
- Less than one year	16,336,240	526,325	180,178	18,785,656	510,253	188,501
- One year to less than five years	68,374,440	1,268,787	486,892	58,128,406	1,589,845	393,724
- Five years and above	17,821,893	2,286,552	872,240	16,340,036	9,974	2,286
	<b>102,532,573</b>	<b>4,081,664</b>	<b>1,539,310</b>	<b>93,254,098</b>	<b>2,110,072</b>	<b>584,511</b>
Equity and commodity related contracts:						
- Less than one year	274,494	-	-	260,907	-	-
- One year to less than five years	179,544	-	-	144,716	-	-
	<b>454,038</b>	<b>-</b>	<b>-</b>	<b>405,623</b>	<b>-</b>	<b>-</b>
Total treasury-related commitments and contingencies	<b>238,135,198</b>	<b>10,838,305</b>	<b>3,750,439</b>	<b>203,311,252</b>	<b>9,022,357</b>	<b>3,331,452</b>
Total commitments and contingencies	<b>373,022,752</b>	<b>57,469,212</b>	<b>28,946,157</b>	<b>338,799,380</b>	<b>52,491,184</b>	<b>26,340,047</b>

\* The credit equivalent amount and the risk weighted amount are arrived at using credit conversion factors and risk weights respectively as specified by Bank Negara Malaysia.

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**A27. Commitments and contingencies (cont'd.)**

- (i) The Group's and the Bank's derivative financial instruments are subject to market, credit and liquidity risk, as follows:

Market Risk

Market risk on derivatives is the potential loss to the value of these contracts due to changes in price of the underlying items such as equities, interest rates, foreign exchange, credit spreads, commodities or other indices. The notional or contractual amounts provide only the volume of transactions outstanding at the reporting date and do not represent the amount at risk. Exposure to market risk may be reduced through offsetting items from on and off-balance sheet positions.

Credit Risk

Credit risk arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Bank and certain subsidiaries have a gain position. As at 31 March 2013, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM3,171.8 million (31 December 2012: RM2,880.5 million). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity Risk

Liquidity risk on derivatives is the risk that the derivative position cannot be closed out promptly. Exposure to liquidity risk is reduced through contracting derivatives where the underlying items are widely traded.

- (ii) Cash requirements of the derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at 31 March 2013, the Group and the Bank have posted cash collateral of RM640.8 million (31 December 2012: RM321.0 million) on their derivative contracts.

- (iii) There have been no changes since the end of the previous financial period 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.

**A28. Capital adequacy**

**(a) Capital Adequacy Framework**

- (i) Bank Negara Malaysia ("BNM") had on 28 November 2012 released the updated guidelines for the computation of capital and capital adequacy ratios in accordance with Capital Adequacy Framework (Capital Components) commencing from 1 January 2013 and subjected to the transitional arrangements as set out in paragraphs 36.1 to 36.17 of the said framework.

- (ii) The minimum regulatory capital adequacy ratios are set out as follows:

Calendar Year	Common Equity Tier I (CET1) Capital Ratio	Tier 1 Capital Ratio	Total Capital Ratio
2013	3.5%	4.5%	8.0%
2014	4.0%	5.5%	8.0%
2015 onwards	4.5%	6.0%	8.0%

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**A28. Capital adequacy (cont'd.)**

**(a) Capital Adequacy Framework (cont'd.)**

- (iii) Total risk-weighted assets ("RWA") shall be calculated as the sum of credit RWA, market RWA, operational RWA, and large exposure risk requirements as determined in accordance with the Capital Adequacy Framework (Basel II – Risk-Weighted Assets) issued by BNM on 28 November 2012.

The sum of the above shall be further adjusted to take into account any profit-sharing investment accounts ("PSIA") recognised as risk absorbent for capital adequacy purposes, in the manner stipulated under the Guidelines on Recognition and Measurement of PSIA as Risk Absorbent.

Any exposures which are deducted in the calculation of CET1 Capital, Tier 1 Capital, and Total Capital shall not be subjected to any further capital charges in the computation of RWA.

**(b) Compliance and Application of Capital Adequacy Ratios**

On 29 June 2010, the Bank and its subsidiary, Maybank Islamic Berhad ("MIB") have received approval from BNM to migrate to Internal Ratings-Based ("IRB") approach for credit risk under BNM's Risk Weighted Capital Adequacy Framework (Basel II) ("RWCAF") from 1 July 2010 onwards.

- (a) The capital adequacy ratios of the Group and the Bank are computed in accordance with Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework (Basel II - Risk Weighted Assets) issued on 28 November 2012. For MIB, the computation of capital is based on Capital Adequacy Framework for Islamic Banks (Capital Components) issued on 28 November 2012. The total risk weighted assets are computed based on the following approaches:

- (i) Credit risk under Internal Ratings-Based ("IRB") Approach
- (ii) Market risk under Standardised Approach
- (iii) Operational risk under Basic Indicator Approach

The minimum regulatory capital adequacy requirement remains at 8% for the total capital ratios.

- (b) Maybank Investment Bank Berhad's ratio, on a standalone basis, is also computed in accordance with BNM's Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework (Basel II - Risk Weighted Assets) issued on 28 November 2012. The total risk weighted assets are computed based on Standardised Approach for credit risk and market risk and Basic Indicator Approach for operational risk. The minimum regulatory capital adequacy requirement is 8% for the total capital ratio.
- (c) PT Bank Internasional Indonesia Tbk's ratio, on a standalone basis, is computed in accordance with Bank Indonesia requirements, which is based on Standardised Approach for credit risk and market risk and Basic Indicator Approach for operational risk. The minimum regulatory capital adequacy requirement is 8% of total risk weighted assets.

Capital adequacy disclosures relating to dates prior to 1 January 2013 are calculated in accordance with the then prevailing RWCAF and are thus not directly comparable to those pertaining to dates from 1 January 2013 which are calculated in accordance with Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components).

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**A28. Capital adequacy (cont'd.)**

**(c) The capital adequacy ratios of the Group and the Bank as at the following dates:**

In determining the capital adequacy ratios, the proposed gross final dividend for 31 December 2012 consists of an electable portion of 29 sen (net 24.5 sen) per ordinary share, where the electable portion comprises of 11 sen single-tier dividend and 18 sen franked dividend (net 13.5 sen) per ordinary shares of RM1.00 each. The electable portion can be elected to be reinvested in new ordinary shares in accordance with the Dividend Reinvestment Plan ("DRP").

Thereof, there will be a range of extreme possibilities that the full electable portion is reinvested in new ordinary shares or the full electable portion is not reinvested but paid in cash.

There is no proposed dividend for the quarter ended 31 March 2013.

Based on the above, the range of capital adequacy ratios of the Group and the Bank after deducting the electable portion dividend are as follows:

	Group		Bank	
	31 March 2013	31 December 2012	31 March 2013	31 December 2012
<b>Before deducting electable portion dividend to be reinvested:</b>				
CET1 capital ratio	10.20%	-	15.27%	-
Tier 1 capital ratio	12.11%	-	15.27%	-
Total capital ratio	14.86%	-	15.27%	-
<b>After deducting electable portion dividend to be reinvested:</b>				
CET1 capital ratio:				
- full electable portion paid in cash	9.51%	-	14.31%	-
- full electable portion reinvested	10.20%	-	15.27%	-
Tier 1 capital ratio:				
- full electable portion paid in cash	11.41%	-	14.31%	-
- full electable portion reinvested	12.11%	-	15.27%	-
Total capital ratio:				
- full electable portion paid in cash	14.17%	-	14.31%	-
- full electable portion reinvested	14.86%	-	15.27%	-
<b>Before deducting proposed dividend:</b>				
Core capital ratio	-	13.66%	-	17.43%
Risk-weighted capital ratio	-	17.47%	-	17.43%
<b>After deducting proposed dividend:</b>				
Core capital ratio:				
- full electable portion paid in cash	-	12.81%	-	16.27%
- full electable portion reinvested	-	13.54%	-	17.27%
Risk-weighted capital ratio:				
- full electable portion paid in cash	-	16.62%	-	16.27%
- full electable portion reinvested	-	17.35%	-	17.27%

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**A28. Capital adequacy (cont'd.)**

**(d) Components of Tier 1 and Tier 2 capital:**

<u>At 31 March 2013</u>	Group RM '000	Bank RM '000
Paid-up share capital	8,440,922	8,440,922
Share premium	15,646,807	15,646,807
Other reserves	15,558,857	13,474,408
Qualifying non-controlling interests	83,786	-
Less: Shares-held-in-trust	<u>(102,405)</u>	<u>(102,405)</u>
CET1 capital before regulatory adjustments	39,627,967	37,459,732
Less: Deferred tax assets	(1,327,498)	(849,918)
Goodwill	(5,601,948)	(81,015)
Other intangibles	(925,891)	(650,856)
Gains on financial instruments classified as 'available-for-sale'	(297,500)	(205,454)
Profit equalisation reserve	(34,456)	-
Surplus of total eligible provision over total expected loss	(1,049,322)	(692,145)
Regulatory adjustments due to insufficient additional Tier 1 and Tier 2 capital	-	<u>(2,135,810)</u>
<b>Total CET1 capital</b>	<b>30,391,352</b>	<b>32,844,534</b>
Capital securities	5,490,972	5,490,972
Qualifying CET1 and additional Tier 1 capital instruments held by third parties	187,075	-
Less: Regulatory adjustment due to insufficient Tier 2 capital	-	<u>(5,490,972)</u>
<b>Total Tier 1 capital</b>	<b>36,069,399</b>	<b>32,844,534</b>
Subordinated obligations	10,393,740	10,393,740
Qualifying CET1, additional Tier 1 and Tier 2 capital instruments held by third parties	29,129	-
Collective allowance <sup>1</sup>	697,270	286,413
Less: Regulatory adjustment not deducted from CET1 capital or additional Tier 1 capital provided under the transitional arrangements	<u>(2,915,598)</u>	<u>(10,680,153)</u>
<b>Total Tier 2 capital</b>	<b>8,204,541</b>	<b>-</b>
<b>Total Capital</b>	<b>44,273,940</b>	<b>32,844,534</b>



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**A28. Capital adequacy (cont'd.)**

**(d) Components of Tier 1 and Tier 2 capital (cont.d):**

<u>At 31 December 2012</u>	<b>Group</b> RM '000	<b>Bank</b> RM '000
<b>Eligible Tier 1 capital</b>		
Paid-up share capital	8,440,046	8,440,046
Share premium	15,639,646	15,639,646
Other reserves	15,354,878	13,139,299
Capital securities	6,093,421	6,093,421
Less: Shares held-in-trust	(102,405)	(102,405)
<b>Total Tier 1 capital</b>	<u>45,425,586</u>	<u>43,210,007</u>
Less: Deferred tax assets	(1,281,136)	(810,015)
Goodwill	(5,588,553)	(81,015)
Deductions in excess of Tier 2 capital	-	(6,299,127)
<b>Total Eligible Tier 1 capital</b>	<u>38,555,897</u>	<u>36,019,850</u>
<b>Eligible Tier 2 capital</b>		
Subordinated obligations	13,394,620	11,546,020
Collective allowance <sup>1</sup>	728,806	294,552
Surplus of total eligible provision over total expected loss	(664,291)	(267,512)
<b>Total Tier 2 capital (subject to limits)</b>	<u>13,459,135</u>	<u>11,573,060</u>
Less: Investment in subsidiaries and associates <sup>2</sup>	(2,709,503)	(17,872,187)
<b>Total deductions</b>	<u>(2,709,503)</u>	<u>(17,872,187)</u>
<b>Total deductions from Tier 2 capital</b>	(2,709,503)	(11,573,060)
<b>Total Eligible Tier 2 capital</b>	<u>10,749,632</u>	<u>-</u>
<b>Capital base</b>	<u>49,305,529</u>	<u>36,019,850</u>

<sup>1</sup> Excluding collective allowance for certain loans, advances and financing.

<sup>2</sup> Excludes the cost of investment in subsidiaries and associates, except for: (i) Myfin Berhad of RM18,993,759, as its business, assets and liabilities have been transferred to the Bank; (ii) Maybank International (L) Ltd. of RM176,385,000 and (iii) Mayban Agro Fund Sdn Bhd of RM11,041,000, as its assets are included in the Bank's risk-weighted assets. For the Group, the cost of investment in insurance companies and associates are deducted from capital base.

The capital adequacy ratios of the Group consist of total capital/capital base and risk-weighted assets derived from consolidated balances of the Bank and its subsidiaries, excluding the investments in insurance entities and associates.

The capital adequacy ratios of the Bank consist of total capital/capital base and risk-weighted assets derived from the Bank and its wholly-owned offshore banking subsidiary, Maybank International (L) Ltd., excluding the cost of investment in subsidiaries and associates (except for Myfin Berhad and Maybank International (L) Ltd. and Mayban Agro Fund Sdn Bhd as disclosed above).

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**A28. Capital adequacy (cont'd.)**

(e) The capital adequacy ratios of the banking subsidiaries of the Group are as follows:

	Maybank Islamic Berhad	Maybank Investment Bank Berhad	PT Bank Internasional Indonesia Tbk
<b><u>At 31 March 2013</u></b>			
CET1 capital ratio	9.77%	24.05%	-
Tier 1 capital ratio	9.77%	24.05%	-
Total capital ratio	<u>12.21%</u>	<u>24.05%</u>	<u>13.29%</u>
<b><u>At 31 December 2012</u></b>			
<b>Before deducting proposed dividends*:</b>			
Core capital ratio	10.83%	40.30%	-
Risk-weighted capital ratio	<u>12.59%</u>	<u>40.30%</u>	<u>12.83%</u>
<b>After deducting proposed dividends:</b>			
Core capital ratio	10.83%	30.10%	-
Risk-weighted capital ratio	<u>12.59%</u>	<u>30.10%</u>	<u>12.83%</u>

\* In arriving at the capital adequacy ratio calculations of banking subsidiaries of the Group, the proposed dividend for respective financial year were not deducted.

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**A28. Capital adequacy (cont'd.)**

(f) The breakdown of assets and credit equivalent values (including Off-Balance Sheet items) according to risk-weights is as follows:

**At 31 March 2013**

	Group RM'000	Bank RM'000	Maybank Islamic Berhad RM'000	Maybank Investment Bank Berhad RM'000	PT Bank Internasional Indonesia Tbk RM'000
Standardised Approach exposure	62,519,215	23,443,538	3,167,062	1,088,730	25,503,204
Internal Ratings-Based Approach exposure after scaling factor	198,038,398	166,757,356	32,996,699	-	-
Total risk-weighted assets for credit risk	260,557,613	190,200,894	36,163,761	1,088,730	25,503,204
Total risk-weighted assets for credit risk absorbed by Malayan Banking Berhad*	-	-	(165,791)	-	-
Total risk-weighted assets for market risk	8,942,094	6,513,233	616,193	320,615	418,103
Total risk-weighted assets for operational risk	28,432,179	18,336,726	3,144,975	777,291	3,801,001
Total risk-weighted assets	297,931,886	215,050,853	39,759,138	2,186,636	29,722,308

**At 31 December 2012**

	Group RM'000	Bank RM'000	Maybank Islamic Berhad RM'000	Maybank Investment Bank Berhad RM'000	PT Bank Internasional Indonesia Tbk RM'000
Standardised Approach exposure	60,849,458	27,460,623	2,411,358	813,260	24,835,685
Internal Ratings-Based Approach exposure after scaling factor	184,779,754	154,769,118	32,563,904	-	-
Total risk-weighted assets for credit risk	245,629,212	182,229,741	34,975,262	813,260	24,835,685
Total risk-weighted assets for credit risk absorbed by Malayan Banking Berhad*	-	-	(127,317)	-	-
Total risk-weighted assets for market risk	8,913,850	6,200,948	747,905	200,322	637,943
Total risk-weighted assets for operational risk	27,685,920	18,180,446	2,959,425	716,690	3,282,868
Additional risk-weighted assets due to capital floor	-	-	968,148	-	-
Total risk-weighted assets	282,228,982	206,611,135	39,523,423	1,730,272	28,756,496

\* In accordance with BNM's guideline on the recognition and measurement of Restricted Profit Sharing Investment Account ("RPSIA") as Risk Absorbent, the credit risk on the assets funded by the RPSIA are excluded from the capital adequacy ratios calculation.

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**A29. Derivative financial instruments**

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

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.

	Group			Bank		
	Principal Amount RM'000	<---- Fair Value ---->		Principal Amount RM'000	<---- Fair Value ---->	
<u>At 31 March 2013</u>	Assets Amount RM'000	Liabilities Amount RM'000	Assets Amount RM'000	Liabilities Amount RM'000	Assets Amount RM'000	Liabilities Amount RM'000
<b><u>Trading derivatives</u></b>						
<b><u>Foreign exchange related contracts</u></b>						
Currency forward						
- Less than one year	14,756,355	80,361	(87,615)	11,621,900	70,554	(62,425)
- One year to three years	285,224	3,233	(926)	285,224	3,233	(926)
- More than three years	223,748	1,233	(2,182)	223,748	1,233	(2,182)
	<u>15,265,327</u>	<u>84,827</u>	<u>(90,723)</u>	<u>12,130,872</u>	<u>75,020</u>	<u>(65,533)</u>
Currency swaps						
- Less than one year	87,244,971	1,284,319	(1,296,452)	83,631,866	1,286,756	(1,290,811)
- One year to three years	298,898	3,286	(4,954)	275,427	3,108	(4,954)
- More than three years	210,369	2,690	(983)	210,369	2,690	(983)
	<u>87,754,238</u>	<u>1,290,295</u>	<u>(1,302,389)</u>	<u>84,117,662</u>	<u>1,292,554</u>	<u>(1,296,748)</u>
Currency spots						
- Less than one year	10,230,426	7,326	(8,881)	10,226,597	7,319	(8,891)
Currency options						
- Less than one year	4,591,631	9,970	(6,751)	4,591,631	9,970	(6,751)
Cross currency interest rate swaps						
- Less than one year	2,450,042	71,029	(29,306)	2,307,375	70,113	(29,306)
- One year to three years	11,407,150	759,289	(170,326)	10,805,501	718,344	(130,434)
- More than three years	7,062,009	65,484	(61,210)	6,761,509	65,484	(61,210)
	<u>20,919,201</u>	<u>895,802</u>	<u>(260,842)</u>	<u>19,874,385</u>	<u>853,941</u>	<u>(220,950)</u>
<b><u>Interest rate derivatives</u></b>						
Interest rate swaps						
- Less than one year	11,523,791	30,379	(23,046)	11,492,864	30,379	(23,046)
- One year to three years	32,260,265	140,412	(163,881)	30,639,307	147,180	(173,726)
- More than three years	46,380,994	457,263	(653,902)	46,319,141	474,849	(655,359)
	<u>90,165,050</u>	<u>628,054</u>	<u>(840,829)</u>	<u>88,451,312</u>	<u>652,408</u>	<u>(852,131)</u>
Interest rate futures						
- Less than one year	2,132,978	669	-	2,132,978	669	-
- One year to three years	4,856,004	1	-	4,856,004	1	-
	<u>6,988,982</u>	<u>670</u>	<u>-</u>	<u>6,988,982</u>	<u>670</u>	<u>-</u>
Interest rate options						
- Less than one year	2,595,933	8,662	(851)	2,595,933	8,662	(851)
- One year to three years	1,448,050	3,065	(5,853)	1,448,050	3,065	(5,853)
- More than three years	1,778,357	1,894	(234,310)	1,278,357	1,730	(159,613)
	<u>5,822,340</u>	<u>13,621</u>	<u>(241,014)</u>	<u>5,322,340</u>	<u>13,457</u>	<u>(166,317)</u>

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**A29. Derivative financial instruments (cont'd.)**

	Group			Bank		
	Principal Amount RM'000	<---- Fair Value ---->		Principal Amount RM'000	<---- Fair Value ---->	
<b>At 31 March 2013 (cont'd.)</b>	Assets Amount RM'000	Liabilities Amount RM'000		Assets Amount RM'000	Liabilities Amount RM'000	
<b>Trading derivatives (cont'd.)</b>						
<u>Equity related derivatives</u>						
Index futures						
- Less than one year	3,171	40	-	-	-	-
- More than three years	30,198	4,312	-	-	-	-
	<u>33,369</u>	<u>4,352</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Equity options						
- Less than one year	571,861	177	(19,804)	222,161	177	-
- One year to three years	54,355	7,194	(7,194)	54,355	7,194	(7,194)
- More than three years	488,008	8,053	(5,616)	85,199	3,725	(3,725)
	<u>1,114,224</u>	<u>15,424</u>	<u>(32,614)</u>	<u>361,715</u>	<u>11,096</u>	<u>(10,919)</u>
Commodity options						
- Less than one year	38,205	6	(10)	14,855	6	(6)
- One year to three years	260,919	2,843	(2,787)	39,990	2,787	(2,787)
	<u>299,124</u>	<u>2,849</u>	<u>(2,797)</u>	<u>54,845</u>	<u>2,793</u>	<u>(2,793)</u>
Commodity swaps						
- Less than one year	37,478	1,027	(1,027)	37,478	1,027	(1,027)
<u>Credit-Related Contract</u>						
Credit Default Swaps						
- More than three years	21,675	-	(1,532)	-	-	-
<b>Hedging derivatives</b>						
<u>Interest rate related contracts</u>						
Interest rate swaps						
- Less than one year	114,465	2,880	(17,734)	114,465	2,880	(17,734)
- One year to three years	2,366,261	115	(80,219)	1,448,204	-	(79,594)
- More than three years	2,806,919	19,404	(8,941)	207,272	-	(6,931)
	<u>5,287,645</u>	<u>22,399</u>	<u>(106,894)</u>	<u>1,769,941</u>	<u>2,880</u>	<u>(104,259)</u>
<u>Foreign exchange related contract</u>						
Cross currency interest rate swaps						
- Less than one year	1,377,536	135,493	(1,135)	1,377,536	135,493	(1,135)
- One year to three years	2,182,390	59,517	(18,749)	1,921,851	48,836	(18,749)
- More than three years	908,051	216	(41,868)	908,051	216	(41,867)
	<u>4,467,977</u>	<u>195,226</u>	<u>(61,752)</u>	<u>4,207,438</u>	<u>184,545</u>	<u>(61,751)</u>
Total derivative assets / (liabilities)	<u>252,998,687</u>	<u>3,171,842</u>	<u>(2,958,045)</u>	<u>238,135,198</u>	<u>3,107,680</u>	<u>(2,798,070)</u>

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**A29. Derivative financial instruments (cont'd.)**

	Group			Bank		
	Principal Amount RM'000	<---- Fair Value ---->		Principal Amount RM'000	<---- Fair Value ---->	
<b>At 31 December 2012</b>	Assets Amount RM'000	Liabilities Amount RM'000		Assets Amount RM'000	Liabilities Amount RM'000	
<b>Trading derivatives</b>						
<u>Foreign exchange related contracts</u>						
Currency forward						
- Less than one year	17,931,505	55,353	(121,763)	15,004,518	50,619	(102,114)
- One year to three years	307,943	4,128	(3,954)	307,943	4,128	(3,954)
- More than three years	236,062	2,322	(1,248)	236,062	2,322	(1,248)
	<u>18,475,510</u>	<u>61,803</u>	<u>(126,965)</u>	<u>15,548,523</u>	<u>57,069</u>	<u>(107,316)</u>
Currency swaps						
- Less than one year	64,567,969	961,146	(759,016)	62,457,833	953,162	(763,205)
- One year to three years	342,969	6,887	(7,283)	319,497	6,704	(7,283)
- More than three years	219,423	1,770	(2,044)	219,423	1,770	(2,044)
	<u>65,130,361</u>	<u>969,803</u>	<u>(768,343)</u>	<u>62,996,753</u>	<u>961,636</u>	<u>(772,532)</u>
Currency spots						
- Less than one year	6,340,973	979	(2,355)	6,340,973	979	(2,360)
Currency options						
- Less than one year	2,984,579	8,617	(5,668)	2,984,579	8,617	(5,668)
Cross currency interest rate swaps						
- Less than one year	2,174,209	86,411	(13,332)	2,031,990	61,234	-
- One year to three years	9,119,061	277,161	(147,441)	8,426,014	255,495	(123,314)
- More than three years	7,108,208	456,930	(38,661)	6,807,708	456,930	(38,661)
	<u>18,401,478</u>	<u>820,502</u>	<u>(199,434)</u>	<u>17,265,712</u>	<u>773,659</u>	<u>(161,975)</u>
<u>Interest rate related contracts</u>						
Interest rate swaps						
- Less than one year	14,669,864	54,680	(24,895)	14,654,014	51,680	(38,980)
- One year to three years	27,815,331	127,052	(150,011)	26,207,026	127,787	(145,252)
- More than three years	44,295,713	514,800	(731,117)	44,164,209	544,443	(732,653)
	<u>86,780,908</u>	<u>696,532</u>	<u>(906,023)</u>	<u>85,025,249</u>	<u>723,910</u>	<u>(916,885)</u>
Interest rate futures						
- Less than one year	1,217,263	2	-	1,217,263	2	-
- One year to three years	764,613	1	-	764,613	1	-
	<u>1,981,876</u>	<u>3</u>	<u>-</u>	<u>1,981,876</u>	<u>3</u>	<u>-</u>
Interest rate options						
- Less than one year	2,695,396	10,029	(499)	2,695,396	10,029	(499)
- One year to three years	375,270	1,400	(440)	375,270	1,400	(440)
- More than three years	1,651,417	4,395	(191,387)	1,251,417	4,395	(128,992)
	<u>4,722,083</u>	<u>15,824</u>	<u>(192,326)</u>	<u>4,322,083</u>	<u>15,824</u>	<u>(129,931)</u>

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**A29. Derivative financial instruments (cont'd.)**

	Group			Bank		
	Principal Amount RM'000	<---- Fair Value ---->		Principal Amount RM'000	<---- Fair Value ---->	
<b>At 31 December 2012 (cont'd.)</b>	<b>Assets Amount RM'000</b>	<b>Liabilities Amount RM'000</b>		<b>Assets Amount RM'000</b>	<b>Liabilities Amount RM'000</b>	
<b>Trading derivatives (cont'd.)</b>						
<u>Equity related contracts</u>						
Index futures						
- More than three years	30,198	4,545	-	-	-	-
Equity options						
- Less than one year	222,813	582	(22,577)	222,813	548	-
- One year to three years	53,841	6,092	(6,779)	53,841	6,092	(6,779)
- More than three years	48,246	322	(322)	48,245	322	(322)
	<u>324,900</u>	<u>6,996</u>	<u>(29,678)</u>	<u>324,899</u>	<u>6,962</u>	<u>(7,101)</u>
Commodity options						
- One year to three years	263,559	3,121	(3,035)	42,630	3,035	(3,035)
Commodity swaps						
- Less than one year	38,094	590	(590)	38,094	590	(590)
<u>Credit-related contract</u>						
Credit default swaps						
- More than three years	21,388	-	(2,015)	-	-	-
<b>Hedging derivatives</b>						
<u>Interest rate related contracts</u>						
Interest rate swaps						
- Less than one year	818,983	-	(1,869)	218,983	-	(1,869)
- One year to three years	2,234,750	-	(80,089)	1,384,750	-	(80,089)
- More than three years	2,978,117	21,472	(25,882)	321,157	-	(21,560)
	<u>6,031,850</u>	<u>21,472</u>	<u>(107,840)</u>	<u>1,924,890</u>	<u>-</u>	<u>(103,518)</u>
<u>Foreign exchange related contract</u>						
Cross currency interest rate swaps						
- Less than one year	1,679,795	191,777	-	1,679,795	191,777	-
- One year to three years	2,179,835	71,600	(10,766)	1,921,203	61,758	(10,767)
- More than three years	913,992	6,328	(21,941)	913,993	6,329	(21,939)
	<u>4,773,622</u>	<u>269,705</u>	<u>(32,707)</u>	<u>4,514,991</u>	<u>259,864</u>	<u>(32,706)</u>
Total derivative assets / (liabilities)	<u>216,301,379</u>	<u>2,880,492</u>	<u>(2,376,979)</u>	<u>203,311,252</u>	<u>2,812,148</u>	<u>(2,243,617)</u>

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**A30. Restatement of Prior Year Figures as a Result of Change in Presentation of "Net income from insurance and takaful business" in Income Statements of the Group**

As stated in Note A1, the Group has reclassified the other income and other expenses that form part of "Net Income from insurance and takaful business" to respective line items in the income statements of the Group for the period ended 31 March 2012. The line items affected by the reclassification are disclosed as below:

(a) Reconciliation of income statement for the period ended 31 March 2012

<b>Group</b>	<b>31 March 2012 RM'000</b>	<b>Reclassification RM'000</b>	<b>31 March 2012 (Restated) RM'000</b>
Interest income	3,567,381	186,347	3,753,728
Interest expense	<u>(1,546,681)</u>	4,233	<u>(1,542,448)</u>
Net interest income	2,020,700	190,580	2,211,280
Income from Islamic Banking Scheme operations	<u>534,826</u>	-	<u>534,826</u>
	2,555,526	190,580	2,746,106
Net income from insurance and takaful business:			
Net earned premiums	<u>200,675</u>	<u>820,152</u>	<u>1,020,827</u>
Net benefits and claims	<u>(113,449)</u>	<u>(1,068,922)</u>	<u>(1,182,371)</u>
	87,226	(248,770)	(161,544)
	2,642,752	(58,190)	2,584,562
Non-interest income	<u>1,408,015</u>	<u>216,725</u>	<u>1,624,740</u>
Net income	4,050,767	158,535	4,209,302
Overhead expenses	<u>(1,994,808)</u>	<u>(167,668)</u>	<u>(2,162,476)</u>
Operating profit before impairment losses	2,055,959	(9,133)	2,046,826
Allowance for impairment losses on loans, advances and financing, net	<u>(195,908)</u>	10,752	<u>(185,156)</u>
Impairment losses on financial investments, net	<u>(470)</u>	<u>(1,619)</u>	<u>(2,089)</u>
Operating profit	1,859,581	-	1,859,581
Share of profits in associates	<u>34,991</u>	-	<u>34,991</u>
<b>Profit before taxation and zakat</b>	<u>1,894,572</u>	-	<u>1,894,572</u>
Taxation and zakat	<u>(528,902)</u>	-	<u>(528,902)</u>
<b>Profit for the period</b>	<u>1,365,670</u>	-	<u>1,365,670</u>
<b>Attributable to:</b>			
Equity holders of the Bank	1,346,881	-	1,346,881
Non-controlling interest	<u>18,789</u>	-	<u>18,789</u>
	<u>1,365,670</u>	-	<u>1,365,670</u>



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**A31. Fair value of financial instruments**

**Fair value hierarchy**

The Group and the Bank classify its financial instruments measured at fair value according to the following hierarchy, reflecting the significance of the inputs in making the fair value measurements:

(a) Level 1: Quoted prices

Refers to financial instruments which are regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, and those prices which represent actual and regularly occurring market transactions in an arm's length basis. Such financial instruments include actively traded government securities, listed derivatives and cash products traded on exchange.

(b) Level 2: Valuation techniques using observable inputs

Refers to inputs other than quoted prices included those within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices). Examples of Level 2 financial instruments include over-the-counter ("OTC") derivatives, corporate and other government bonds and less liquid equities.

(c) Level 3: Valuation techniques using significant unobservable inputs

Refers to financial instruments where fair value is measured using significant unobservable market inputs. The valuation technique is consistent with the Level 2. The chosen valuation technique incorporates the Banks' own assumptions and data. Examples of Level 3 instruments include corporate bonds in illiquid markets and private equity investments.

The following table shows the Group's and the Bank's financial assets and liabilities that are measured at fair value analysed by level within the fair value hierarchy as at 31 March 2013 and 31 December 2012.

Group	<u>Valuation technique using</u>			Total RM'000
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
<b>At 31 March 2013</b>				
Financial assets measured at fair value:				
<b>Financial assets held-for-trading</b>	<b>6,718,459</b>	<b>8,872,116</b>	<b>262,996</b>	<b>15,853,571</b>
Money market instruments	5,320,294	7,448,746	-	12,769,040
Non-money market instruments	1,398,165	1,423,370	262,996	3,084,531
<b>Financial assets designated at fair value through profit or loss</b>	<b>61,328</b>	<b>12,189,707</b>	<b>228,313</b>	<b>12,479,348</b>
Money market instruments	-	1,749,447	-	1,749,447
Non-money market instruments	61,328	10,440,260	228,313	10,729,901
<b>Financial investments available-for-sale</b>	<b>20,696,982</b>	<b>45,454,362</b>	<b>769,821</b>	<b>66,921,165</b>
Money market instruments	10,883,820	19,959,397	121,185	30,964,402
Non-money market instruments	9,813,162	25,494,965	648,636	35,956,763
<b>Derivative assets</b>	<b>249</b>	<b>3,146,448</b>	<b>25,145</b>	<b>3,171,842</b>
Foreign exchange related contracts	209	2,482,058	1,179	2,483,446
Interest rate related contracts	-	663,187	1,557	664,744
Equity related contracts	40	1,203	22,409	23,652
	<b>27,477,018</b>	<b>69,662,633</b>	<b>1,286,275</b>	<b>98,425,926</b>
Financial liabilities measured at fair value:				
<b>Derivative liabilities</b>	<b>7,108</b>	<b>2,702,887</b>	<b>248,050</b>	<b>2,958,045</b>
Foreign exchange related contracts	13	1,730,602	723	1,731,338
Interest rate related contracts	-	955,123	233,614	1,188,737
Equity related contracts	6,066	16,659	13,713	36,438
Credit related contracts	1,029	503	-	1,532

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**A31. Fair value of financial instruments (cont'd.)**

<b>Group</b> <b>At 31 December 2012</b>	<b>Quoted Market Price (Level 1) RM'000</b>	<b>Valuation technique using</b>		<b>Total RM'000</b>
		<b>Observable Inputs (Level 2) RM'000</b>	<b>Unobservable Inputs (Level 3) RM'000</b>	
Financial assets measured at fair value:				
<b>Financial assets held-for-trading</b>	5,464,675	10,985,444	269,692	16,719,811
Money market instruments	4,137,789	9,551,646	-	13,689,435
Non-money market instruments	1,326,886	1,433,798	269,692	3,030,376
<b>Financial assets designated at fair value through profit or loss</b>	90,807	12,117,527	228,547	12,436,881
Money market instruments	-	1,808,325	-	1,808,325
Non-money market instruments	90,807	10,309,202	228,547	10,628,556
<b>Financial investments available-for-sale</b>	20,955,786	39,051,749	784,839	60,792,374
Money market instruments	10,869,085	17,680,187	139,233	28,688,505
Non-money market instruments	10,086,701	21,371,562	645,606	32,103,869
<b>Derivative assets</b>	-	2,861,433	19,059	2,880,492
Foreign exchange related contracts	-	2,130,403	1,006	2,131,409
Interest rate related contracts	-	729,911	3,920	733,831
Equity related contracts	-	1,119	14,133	15,252
	<b>26,511,268</b>	<b>65,016,153</b>	<b>1,302,137</b>	<b>92,829,558</b>
Financial liabilities measured at fair value:				
<b>Derivative liabilities</b>	-	2,175,613	201,366	2,376,979
Foreign exchange related contracts	-	1,135,068	404	1,135,472
Interest rate related contracts	-	1,015,416	190,773	1,206,189
Equity related contracts	-	23,114	10,189	33,303
Credit related contracts	-	2,015	-	2,015

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**A31. Fair value of financial instruments (cont'd.)**

<b>Bank</b>	<u>Valuation technique using</u>			<b>Total</b>
	<b>Quoted</b>	<b>Observable</b>	<b>Unobservable</b>	
<b>At 31 March 2013</b>	<b>Market Price</b>	<b>Inputs</b>	<b>Inputs</b>	<b>RM'000</b>
	<b>(Level 1)</b>	<b>(Level 2)</b>	<b>(Level 3)</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Financial assets measured at fair value:				
<b>Financial assets held-for-trading</b>	746,613	7,568,657	-	8,315,270
Money market instruments	-	6,770,173	-	6,770,173
Non-money market instruments	746,613	798,484	-	1,545,097
<b>Financial investments available-for-sale</b>	17,796,772	34,463,740	444,295	52,704,807
Money market instruments	10,730,447	15,811,138	121,185	26,662,770
Non-money market instruments	7,066,325	18,652,602	323,110	26,042,037
<b>Derivative assets</b>	209	3,091,642	15,829	3,107,680
Foreign exchange related contracts	209	2,422,417	723	2,423,349
Interest rate related contracts	-	668,022	1,393	669,415
Equity related contracts	-	1,203	13,713	14,916
	<b>18,543,594</b>	<b>45,124,039</b>	<b>460,124</b>	<b>64,127,757</b>

Financial liabilities measured at fair value:

<b>Derivative liabilities</b>	13	2,624,704	173,353	2,798,070
Foreign exchange related contracts	13	1,659,888	723	1,660,624
Interest rate related contracts	-	963,790	158,917	1,122,707
Equity related contracts	-	1,026	13,713	14,739

<b>Bank</b>	<u>Valuation technique using</u>			<b>Total</b>
	<b>Quoted</b>	<b>Observable</b>	<b>Unobservable</b>	
<b>At 31 December 2012</b>	<b>Market Price</b>	<b>Inputs</b>	<b>Inputs</b>	<b>RM'000</b>
	<b>(Level 1)</b>	<b>(Level 2)</b>	<b>(Level 3)</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Financial assets measured at fair value:				
<b>Financial assets held-for-trading</b>	474,388	10,245,549	-	10,719,937
Money market instruments	-	9,220,286	-	9,220,286
Non-money market instruments	474,388	1,025,263	-	1,499,651
<b>Financial investments available-for-sale</b>	17,066,506	29,836,767	463,036	47,366,309
Money market instruments	10,268,211	14,916,524	139,232	25,323,967
Non-money market instruments	6,798,295	14,920,243	323,804	22,042,342
<b>Derivative assets</b>	-	2,798,322	13,826	2,812,148
Foreign exchange related contracts	-	2,061,420	404	2,061,824
Interest rate related contracts	-	735,817	3,920	739,737
Equity related contracts	-	1,085	9,502	10,587
	<b>17,540,894</b>	<b>42,880,638</b>	<b>476,862</b>	<b>60,898,394</b>

Financial liabilities measured at fair value:

<b>Derivative liabilities</b>	-	2,104,645	138,972	2,243,617
Foreign exchange related contracts	-	1,082,153	404	1,082,557
Interest rate related contracts	-	1,021,955	128,379	1,150,334
Equity related contracts	-	537	10,189	10,726

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**A31. Fair value of financial instruments (cont'd.)**

**Valuation techniques**

The valuation techniques used for the financial instruments that are not determined by reference to quoted prices (Level 1), are described below:

*Derivatives*

The fair values of the Group's and the Bank's derivative instruments are derived using discounted cash flows analysis, option pricing and benchmarking models.

*Financial assets designated at fair value through profit or loss, financial assets held-for-trading and financial investments available-for-sale*

The fair values of financial assets and financial investments are determined by reference to prices quoted by independent data providers and independent broker quotations.

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**A31. Fair value of financial instruments (cont'd.)**

Reconciliation of fair value measurements in Level 3 of the fair value hierarchy:

Group	At 1 January 2013 RM'000	Total realised gains/(losses) recognised in income statements*	Total unrealised gains/(losses) recognised in income statements*	Total gains/(losses) recognised in other comprehensive income RM'000	Purchases RM'000	Sales RM'000	Settlements RM'000	Transfer in to Level 3 RM'000	Transfer out of Level 3 RM'000	At
										31 March 2013 RM'000
<b>Financial assets held-for-trading</b>										
Non-money market instruments	269,692	1,662	146	-	-	(8,504)	-	-	-	262,996
	269,692	1,662	146	-	-	(8,504)	-	-	-	262,996
<b>Financial assets designated at fair value through profit or loss</b>										
Non-money market instruments	228,547	(3,528)	3,448	-	-	(154)	-	-	-	228,313
	228,547	(3,528)	3,448	-	-	(154)	-	-	-	228,313
<b>Financial investments available-for-sale</b>										
Money market instruments	139,233	-	-	(1,953)	-	-	-	-	(16,095)	121,185
Non-money market instruments	645,606	(755)	-	3,809	4	(407)	-	11,172	(10,793)	648,636
	784,839	(755)	-	1,856	4	(407)	-	11,172	(26,888)	769,821
<b>Derivative assets</b>										
Foreign exchange related contracts	1,006	(577)	534	-	620	(404)	-	-	-	1,179
Interest rate related contracts	3,920	285	(577)	-	210	(2,281)	-	-	-	1,557
Equity related contracts	14,133	-	2,151	-	6,125	-	-	-	-	22,409
	19,059	(292)	2,108	-	6,955	(2,685)	-	-	-	25,145
<b>Total Level 3 financial assets</b>	<b>1,302,137</b>	<b>(2,913)</b>	<b>5,702</b>	<b>1,856</b>	<b>6,959</b>	<b>(11,750)</b>	<b>-</b>	<b>11,172</b>	<b>(26,888)</b>	<b>1,286,275</b>
<b>Derivative liabilities</b>										
Foreign exchange related contracts	(404)	577	(680)	-	(620)	404	-	-	-	(723)
Interest rate related contracts	(190,773)	3,446	10,594	-	(94,425)	37,544	-	-	-	(233,614)
Equity related contracts	(10,189)	-	(1,399)	-	(2,125)	-	-	-	-	(13,713)
<b>Total Level 3 financial liabilities</b>	<b>(201,366)</b>	<b>4,023</b>	<b>8,515</b>	<b>-</b>	<b>(97,170)</b>	<b>37,948</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(248,050)</b>
<b>Total net Level 3 financial assets/ (liabilities)</b>	<b>1,100,771</b>	<b>1,110</b>	<b>14,217</b>	<b>1,856</b>	<b>(90,211)</b>	<b>26,198</b>	<b>-</b>	<b>11,172</b>	<b>(26,888)</b>	<b>1,038,225</b>

\* Included within 'Non-interest income'.

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**A31. Fair value of financial instruments (cont'd.)**

Reconciliation of fair value measurements in Level 3 of the fair value hierarchy (cont'd):

Group	Total realised gains/(losses) recognised in		Total unrealised gains/(losses) recognised in		Total gains/(losses) recognised in other		Transfer out of Level 3		At
	At 1 January 2012 RM'000	income statements* RM'000	income statements* RM'000	comprehensive income RM'000	Purchases RM'000	Sales RM'000	Settlements RM'000	RM'000	31 December 2012 RM'000
<b>Financial assets held-for-trading</b>									
Non-money market instruments	8,506	(4,430)	1,053	-	266,103	(1,540)	-	-	269,692
	8,506	(4,430)	1,053	-	266,103	(1,540)	-	-	269,692
<b>Financial assets designated at fair value through profit or loss</b>									
Non-money market instruments	254,183	(10)	7,935	-	50,000	(83,561)	-	-	228,547
	254,183	(10)	7,935	-	50,000	(83,561)	-	-	228,547
<b>Financial investments available-for-sale</b>									
Money market instruments	2,359,034	-	-	-	-	-	(43,584)	(2,176,217)	139,233
Non-money market instruments	1,171,384	31,754	-	14,459	17,866	(589,359)	(450)	(48)	645,606
	3,530,418	31,754	-	14,459	17,866	(589,359)	(44,034)	(2,176,265)	784,839
<b>Derivative assets</b>									
Foreign exchange related contracts	32,979	-	(31,973)	-	-	-	-	-	1,006
Interest rate related contracts	7,890	1	(3,248)	-	-	(723)	-	-	3,920
Equity related contracts	10,859	(16,415)	14,406	-	5,406	(123)	-	-	14,133
	51,728	(16,414)	(20,815)	-	5,406	(846)	-	-	19,059
<b>Total Level 3 financial assets</b>	<b>3,844,835</b>	<b>10,900</b>	<b>(11,827)</b>	<b>14,459</b>	<b>339,375</b>	<b>(675,306)</b>	<b>(44,034)</b>	<b>(2,176,265)</b>	<b>1,302,137</b>
<b>Derivative liabilities</b>									
Foreign exchange related contracts	-	-	(404)	-	-	-	-	-	(404)
Interest rate related contracts	(89,074)	(7,674)	5,780	-	(202,043)	102,238	-	-	(190,773)
Equity related contracts	(10,831)	-	642	-	-	-	-	-	(10,189)
<b>Total Level 3 financial liabilities</b>	<b>(99,905)</b>	<b>(7,674)</b>	<b>6,018</b>	<b>-</b>	<b>(202,043)</b>	<b>102,238</b>	<b>-</b>	<b>-</b>	<b>(201,366)</b>
<b>Total net Level 3 financial assets/(liabilities)</b>	<b>3,744,930</b>	<b>3,226</b>	<b>(5,809)</b>	<b>14,459</b>	<b>137,332</b>	<b>(573,068)</b>	<b>(44,034)</b>	<b>(2,176,265)</b>	<b>1,100,771</b>

\* Included within 'Non-interest income'.

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**A31. Fair value of financial instruments (cont'd.)**

Reconciliation of fair value measurements in Level 3 of the fair value hierarchy (cont'd):

	At 1 January 2013 RM'000	Total realised gains/(losses) recognised in income statements*	Total unrealised gains/(losses) recognised in income statements*	Total gains/(losses) recognised in other comprehensive income	Purchases RM'000	Sales RM'000	Settlements RM'000	Transfer out of Level 3 RM'000	At 31 March 2013 RM'000
<b>Bank</b>									
<b>At 31 March 2013</b>									
<b>Financial investments available-for-sale</b>									
Money market instruments	139,232	-	-	(1,953)	-	-	-	(16,094)	121,185
Non-money market instruments	323,804	(470)	-	-	4	(228)	-	-	323,110
	<u>463,036</u>	<u>(470)</u>	<u>-</u>	<u>(1,953)</u>	<u>4</u>	<u>(228)</u>	<u>-</u>	<u>(16,094)</u>	<u>444,295</u>
<b>Derivative assets</b>									
Foreign exchange related contracts	404	(577)	680	-	620	(404)	-	-	723
Interest rate related contracts	3,920	285	(741)	-	210	(2,281)	-	-	1,393
Equity related contracts	9,502	-	2,087	-	2,124	-	-	-	13,713
	<u>13,826</u>	<u>(292)</u>	<u>2,026</u>	<u>-</u>	<u>2,954</u>	<u>(2,685)</u>	<u>-</u>	<u>-</u>	<u>15,829</u>
<b>Total Level 3 financial assets</b>	<u>476,862</u>	<u>(762)</u>	<u>2,026</u>	<u>(1,953)</u>	<u>2,958</u>	<u>(2,913)</u>	<u>-</u>	<u>(16,094)</u>	<u>460,124</u>
<b>Derivative liabilities</b>									
Foreign exchange related contracts	(404)	577	(680)	-	(620)	404	-	-	(723)
Interest rate related contracts	(128,379)	3,446	7,694	-	(79,223)	37,545	-	-	(158,917)
Equity related contracts	(10,189)	-	(1,399)	-	(2,125)	-	-	-	(13,713)
<b>Total Level 3 financial liabilities</b>	<u>(138,972)</u>	<u>4,023</u>	<u>5,615</u>	<u>-</u>	<u>(81,968)</u>	<u>37,949</u>	<u>-</u>	<u>-</u>	<u>(173,353)</u>
<b>Total net Level 3 financial assets/ (liabilities)</b>	<u>337,890</u>	<u>3,261</u>	<u>7,641</u>	<u>(1,953)</u>	<u>(79,010)</u>	<u>35,036</u>	<u>-</u>	<u>(16,094)</u>	<u>286,771</u>

\* Included within 'Non-interest income'.

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**A31. Fair value of financial instruments (cont'd.)**

Reconciliation of fair value measurements in Level 3 of the fair value hierarchy (cont'd):

	At 1 January 2012 RM'000	Total realised gains/(losses) recognised in income statements*	Total unrealised gains/(losses) recognised in income statements*	Total gains/(losses) recognised in other comprehensive income RM'000	Purchases RM'000	Sales RM'000	Settlements RM'000	Transfer out of Level 3 RM'000	At 31 December 2012 RM'000
<b>Bank</b>									
<b>At 31 December 2012</b>									
<b>Financial investments available-for-sale</b>									
Money market instruments	2,359,033	-	-	-	-	-	(43,584)	(2,176,217)	139,232
Non-money market instruments	847,265	(2,618)	-	(5,113)	17,867	(533,597)	-	-	323,804
	<u>3,206,298</u>	<u>(2,618)</u>	<u>-</u>	<u>(5,113)</u>	<u>17,867</u>	<u>(533,597)</u>	<u>(43,584)</u>	<u>(2,176,217)</u>	<u>463,036</u>
<b>Derivative assets</b>									
Foreign exchange related contracts	-	-	404	-	-	-	-	-	404
Interest rate related contracts	7,168	-	(3,248)	-	-	-	-	-	3,920
Equity related contracts	10,831	-	(1,329)	-	-	-	-	-	9,502
	<u>17,999</u>	<u>-</u>	<u>(4,173)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,826</u>
<b>Total Level 3 financial assets</b>	<u>3,224,297</u>	<u>(2,618)</u>	<u>(4,173)</u>	<u>(5,113)</u>	<u>17,867</u>	<u>(533,597)</u>	<u>(43,584)</u>	<u>(2,176,217)</u>	<u>476,862</u>
<b>Derivative liabilities</b>									
Foreign exchange related contracts	-	-	(404)	-	-	-	-	-	(404)
Interest rate related contracts	(48,193)	(7,674)	8,592	-	(115,713)	34,609	-	-	(128,379)
Equity related contracts	(10,831)	-	642	-	-	-	-	-	(10,189)
<b>Total Level 3 financial liabilities</b>	<u>(59,024)</u>	<u>(7,674)</u>	<u>8,830</u>	<u>-</u>	<u>(115,713)</u>	<u>34,609</u>	<u>-</u>	<u>-</u>	<u>(138,972)</u>
<b>Total net Level 3 financial assets/ (liabilities)</b>	<u>3,165,273</u>	<u>(10,292)</u>	<u>4,657</u>	<u>(5,113)</u>	<u>(97,846)</u>	<u>(498,988)</u>	<u>(43,584)</u>	<u>(2,176,217)</u>	<u>337,890</u>

\* Included within 'Non-interest income'.



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**A31. Fair value of financial instruments (cont'd.)**

The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the end of the reporting period.

There were no transfers between Level 1 and Level 2 for the Group and the Bank during the first quarter ended 31 March 2013.

**Movements in Level 3 financial instruments measured at fair value**

For the quarter ended 31 March 2013, the Group transferred certain financial investments available-for-sale from Level 2 into Level 3 of the fair value hierarchy. The reason for the transfer is that inputs to the valuation models ceased to be observable. Prior to transfer, the fair value of the instruments was determined using observable market transactions or binding broker quotes for the same or similar instruments. Since the transfer, these instruments have been valued using valuation models incorporating significant unobservable market inputs.

The Group has transferred certain financial investments available-for-sale out from Level 3 due to the market for some securities became more liquid, which led to a change in the method used to determine fair value. Prior to transfer, the fair value of the instruments was determined using unobservable market transactions or binding broker quotes for the same or similar instruments. Since the transfer, these instruments have been valued using valuation models incorporating significant observable market inputs.

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**A32. The Operations of Islamic Banking Scheme**

**A32a. Unaudited Income Statements for the First Quarter Ended 31 March 2013**

<b>Group</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2013 RM'000</b>	<b>31 March 2012 RM'000</b>	<b>31 March 2013 RM'000</b>	<b>31 March 2012 RM'000</b>
Income derived from investment of depositors' funds	1,017,568	813,738	1,017,568	813,738
Expenses directly attributable to depositors and Islamic Banking Funds	-	(391)	-	(391)
Gross attributable income	1,017,568	813,347	1,017,568	813,347
Writeback of/ (Allowance for) impairment losses on financing and advances	6,781	40,078	6,781	40,078
<b>Total attributable income</b>	<b>1,024,349</b>	<b>853,425</b>	<b>1,024,349</b>	<b>853,425</b>
Income attributable to the depositors	(497,795)	(416,698)	(497,795)	(416,698)
<b>Income attributable to the Group</b>	<b>526,554</b>	<b>436,727</b>	<b>526,554</b>	<b>436,727</b>
Income derived from investment of Islamic Banking Funds	70,355	120,328	70,355	120,328
Finance cost	596,909	557,055	596,909	557,055
Overhead expenses	(10,549)	(10,608)	(10,549)	(10,608)
<b>Profit before taxation and zakat</b>	<b>(223,520)</b>	<b>(193,518)</b>	<b>(223,520)</b>	<b>(193,518)</b>
Taxation	362,840	352,929	362,840	352,929
Zakat	(87,248)	(84,706)	(87,248)	(84,706)
<b>Profit for the period</b>	<b>(3,229)</b>	<b>(3,495)</b>	<b>(3,229)</b>	<b>(3,495)</b>
	<b>272,363</b>	<b>264,728</b>	<b>272,363</b>	<b>264,728</b>

For consolidation and amalgamation with the conventional operations, net income from Islamic Banking Scheme comprises the following items:

<b>Group</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2013 RM'000</b>	<b>31 March 2012 RM'000</b>	<b>31 March 2013 RM'000</b>	<b>31 March 2012 RM'000</b>
Gross attributable income	1,017,568	813,347	1,017,568	813,347
Income derived from investment of Islamic Banking Funds	70,355	120,328	70,355	120,328
Total income before allowance for impairment on financing and advances and overhead expenses	1,087,923	933,675	1,087,923	933,675
Income attributable to the depositors	(497,795)	(416,698)	(497,795)	(416,698)
Finance cost	590,128	516,977	590,128	516,977
Net of intercompany income and expenses	(10,549)	(10,608)	(10,549)	(10,608)
Income from Islamic Banking Scheme	39,739	28,457	39,739	28,457
	<b>619,318</b>	<b>534,826</b>	<b>619,318</b>	<b>534,826</b>

**A32b. Unaudited Statements of Comprehensive Income for the First Quarter Ended 31 March 2013**

<b>Group</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2013 RM'000</b>	<b>31 March 2012 RM'000</b>	<b>31 March 2013 RM'000</b>	<b>31 March 2012 RM'000</b>
<b>Profit for the period</b>	<b>272,363</b>	<b>264,728</b>	<b>272,363</b>	<b>264,728</b>
<b>Other comprehensive income/(loss):</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Net gain/(loss) on financial investments available-for-sale	(7,492)	2,050	(7,492)	2,050
Foreign currency translation differences for foreign operations	38,360	(33,858)	38,360	(33,858)
Income tax effect	1,846	1,378	1,846	1,378
Other comprehensive income/(loss) for the period, net of tax	32,714	(30,430)	32,714	(30,430)
<b>Total comprehensive income for the period</b>	<b>305,077</b>	<b>234,298</b>	<b>305,077</b>	<b>234,298</b>

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**A32. The Operations of Islamic Banking Scheme (cont'd.)**

**A32c. Unaudited Statements of Financial Position as at 31 March 2013**

<b>Group</b>	<b>Note</b>	<b>31 March 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
<b>ASSETS</b>			
Cash and short-term funds		13,230,390	13,026,886
Deposits and placements with financial institutions		78,439	293,552
Financial investments portfolio		10,982,352	9,810,498
Financing and advances	A32e	66,036,599	62,230,793
Derivative assets		48,746	48,227
Other assets		5,354,503	4,891,200
Statutory deposit with central banks		2,493,000	2,399,000
Intangible assets		2,575	3,117
Property, plant and equipment		1,718	1,808
Deferred tax assets		200,705	199,408
<b>Total Assets</b>		<b>98,429,027</b>	<b>92,904,489</b>
<b>LIABILITIES</b>			
Deposits from customers	A32f	71,753,703	71,319,635
Deposits and placements from financial institutions		17,822,271	13,206,242
Bills and acceptances payable		376,678	419,749
Derivatives liabilities		124,995	113,980
Other liabilities		656,032	281,481
Recourse obligation on financing sold to Cagamas		749,877	905,181
Provision for taxation and zakat		142,734	162,043
Subordinated sukuk	A32g	1,021,215	1,010,782
<b>Total Liabilities</b>		<b>92,647,505</b>	<b>87,419,093</b>
<b>ISLAMIC BANKING CAPITAL FUNDS</b>			
Islamic Banking Funds		892,266	863,719
Share premium		2,687,480	2,687,480
Retained profits		1,987,146	1,714,988
Other reserves		214,630	219,209
		5,781,522	5,485,396
<b>Total Liabilities and Islamic Banking Funds</b>		<b>98,429,027</b>	<b>92,904,489</b>
<b>COMMITMENTS AND CONTINGENCIES</b>			
		<b>31,629,563</b>	<b>29,167,879</b>

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**A32. The Operations of Islamic Banking Scheme (cont'd.)**

**A32d. Unaudited Statements of Changes in Islamic Banking Fund for the First Quarter Ended 31 March 2013**

Group	----- Non-distributable ----->								Total RM'000
	Islamic Banking Funds RM'000	Share Premium RM'000	Unrealised Holding Reserve RM'000	Exchange Fluctuation Reserve RM'000	Statutory Reserve RM'000	*Equity contribution from the holding company RM'000	Profit Equalisation Reserve RM'000	Distributable Retained Profits RM'000	
<b>At 1 January 2013</b>	863,719	2,687,480	36,751	(1,033)	147,338	1,697	34,456	1,714,988	5,485,396
Profit for the period	-	-	-	-	-	-	-	272,363	272,363
Other comprehensive income	-	-	(5,646)	38,360	-	-	-	-	32,714
<b>Total comprehensive income for the period</b>	-	-	(5,646)	38,360	-	-	-	272,363	305,077
Transfer from/(to) Head Office	28,547	-	-	(37,293)	-	-	-	(205)	(8,951)
<b>At 31 March 2013</b>	<b>892,266</b>	<b>2,687,480</b>	<b>31,105</b>	<b>34</b>	<b>147,338</b>	<b>1,697</b>	<b>34,456</b>	<b>1,987,146</b>	<b>5,781,522</b>

Group	----- Non-distributable ----->								Total RM'000
	Islamic Banking Funds RM'000	Share Premium RM'000	Unrealised Holding Reserve RM'000	Exchange Fluctuation Reserve RM'000	Statutory Reserve RM'000	*Equity contribution from the holding company RM'000	Profit Equalisation Reserve RM'000	Distributable Retained Profits RM'000	
<b>At 1 January 2012</b>	943,296	2,488,400	57,652	794	147,338	1,697	34,456	1,383,544	5,057,177
Profit for the period	-	-	-	-	-	-	-	264,728	264,728
Other comprehensive income	-	-	3,428	(33,858)	-	-	-	-	(30,430)
<b>Total comprehensive income for the period</b>	-	-	3,428	(33,858)	-	-	-	264,728	234,298
Transfer from/(to) Head Office	(480,568)	-	-	33,024	-	-	-	(3,680)	(451,224)
Dividends paid	-	-	-	-	-	-	-	(221,200)	(221,200)
<b>At 31 March 2012</b>	<b>462,728</b>	<b>2,488,400</b>	<b>61,080</b>	<b>(40)</b>	<b>147,338</b>	<b>1,697</b>	<b>34,456</b>	<b>1,423,392</b>	<b>4,619,051</b>

\* Arose from waiver of intercompany balance between respective subsidiaries on the instruction of the holding company.

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**A32. The Operations of Islamic Banking Scheme (cont'd.)**

**A32e. Financing and advances**

<u>Group</u>	<b>31 March 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
Cashline	2,327,018	2,327,525
Term financing		
- Housing financing	10,846,509	10,046,199
- Syndicated financing	314,047	292,290
- Hire purchase receivables	21,251,377	20,080,150
- Other term financing	71,076,891	62,592,868
Bills receivable	647	123
Trust receipts	183,253	184,782
Claims on customers under acceptance credits	3,251,630	3,706,533
Staff financing	1,110,986	1,048,592
Credit card receivables	356,995	365,908
Revolving credit	4,732,109	4,554,279
	<b>115,451,462</b>	<b>105,199,249</b>
Unearned income	<b>(48,708,599)</b>	<b>(42,264,783)</b>
Gross financing and advances*	<b>66,742,863</b>	<b>62,934,466</b>
Allowances for impaired financing and advances:		
- Individual allowance	<b>(111,395)</b>	<b>(95,836)</b>
- Collective allowance	<b>(594,869)</b>	<b>(607,837)</b>
Net financing and advances	<b>66,036,599</b>	<b>62,230,793</b>

\* Included in gross financing and advances are exposures to Restricted Profit Sharing Investment Accounts ("RPSIA") amounting to RM750.0 million (31 December 2012: RM650.0 million), an arrangement between Maybank Islamic Berhad ("MIB") and the Bank, where the risks and rewards of the RPSIA will be accounted by the Bank including the individual and collective allowances for the impaired financing arising thereon.

(i) Movements in impaired financing and advances ("impaired financing") are as follows:

<u>Group</u>	<b>31 March 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
Gross impaired financing and advances at 1 January 2013/2012	531,048	811,973
Newly impaired	170,231	554,416
Reclassified as non-impaired	(150,620)	(241,010)
Amount recovered	-	(319,372)
Amount written off	(12,205)	(299,925)
Expenses debited to customers' accounts	881	24,966
Gross impaired financing and advances at 31 March 2013/31 December 2012	<b>539,335</b>	<b>531,048</b>
Less: Individual allowance	<b>(111,395)</b>	<b>(95,836)</b>
Net impaired financing and advances at 31 March 2013/ 31 December 2012	<b>427,940</b>	<b>435,212</b>
Gross financing and advances (excluding RPSIA financing)	<b>65,992,863</b>	<b>62,284,466</b>
Less: Individual allowance	<b>(111,395)</b>	<b>(95,836)</b>
Net financing and advances	<b>65,881,468</b>	<b>62,188,630</b>
Net impaired financing and advances as a percentage of net financing and advances	<b>0.65%</b>	<b>0.70%</b>

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**A32. The Operations of Islamic Banking Scheme (cont'd.)**

**A32e. Financing and advances (cont'd.)**

(ii) Movements in the allowances for impaired financing and advances are as follows:

<b>Group</b>	<b>31 March 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
<u>Individual allowance</u>		
At 1 January 2013/2012	95,836	298,840
Allowance made	31,639	63,616
Amount written back in respect of recoveries	(16,008)	(61,863)
Amount written off	-	(204,688)
Transferred to collective allowance	(74)	-
Exchange differences	2	(69)
At 31 March 2013/31 December 2012	<b>111,395</b>	<b>95,836</b>
<u>Collective allowance</u>		
At 1 January 2013/2012	607,837	647,427
Allowance made *	(923)	56,496
Amount written off	(12,205)	(95,237)
Transferred from individual allowance	74	-
Exchange differences	86	(849)
At 31 March 2013/31 December 2012	<b>594,869</b>	<b>607,837</b>
As a percentage of gross financing and advances (excluding RPSIA financing) less individual allowance	<b>0.90%</b>	0.98%

\* As at 31 December 2012, the gross exposures to RPSIA financing of RM750.0 million (31 December 2012: RM650.0 million) is excluded from gross financing and advances for the individual and collective allowances computation. The collective allowance relating to this RPSIA amounting RM1.0 million (31 December 2012: RM1.0 million) is recognised in the Group's conventional operations. There was no individual allowance provided for this RPSIA financing.

**A32f. Deposits from customers**

<b>Group</b>	<b>31 March 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
<b>(i) By type of deposit</b>		
<u>Mudharabah Fund</u>		
Demand deposits	6,149,816	7,044,116
Savings deposits	648,929	579,823
General investment deposits	19,571,638	15,909,017
Negotiable instruments of deposits	295,725	242,623
	<b>26,666,108</b>	<b>23,775,579</b>
<u>Non-Mudharabah Fund</u>		
Demand deposits	7,744,943	7,961,812
Savings deposits	8,564,178	8,011,365
Fixed return investment deposits	28,342,952	31,223,265
Structured deposits	435,522	347,614
	<b>45,087,595</b>	<b>47,544,056</b>
Total deposits from customers	<b>71,753,703</b>	<b>71,319,635</b>

**A32g. Subordinated sukuk**

<b>Group</b>	<b>31 March 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
RM1.0 billion Islamic subordinated sukuk due in 2021	<b>1,021,215</b>	<b>1,010,782</b>

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**Part B: Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**B1. Performance Review**

**Current Quarter and Period-to-Date vs Previous Corresponding Quarter and Period-to-Date**

The Group posted profit after tax attributable to equity holders of RM1,506.2 million for the 3 months financial period ended 31 March 2013, an increase of RM159.3 million or 11.8% over the corresponding 3 months financial period ended 31 March 2012.

The Group's net interest income and Islamic banking income for the 3 months financial period ended 31 March 2013 increased by RM284.5 million or 10.4% compared to the corresponding 3 months financial period ended 31 March 2012. This was largely due to the 13.3% year-on-year growth in the Group's net loans and advances (including Islamic finance).

Non-interest income of the Group for the 3 months financial period ended 31 March 2013 recorded a decrease of RM204.4 million or 12.6% to RM1,420.4 million. The decrease was mainly due to higher unrealised loss on revaluation of financial assets at FVTPL and derivatives of RM365.8 million. The decrease was, however, offset by higher fee income of RM138.0 million which mainly contributed by higher brokerage income from Maybank Kim Eng and higher service charges and fees from Maybank Investment Bank.

The Group's overhead expenses for the 3 months financial period ended 31 March 2013 increased by RM134.1 million or 6.2% compared to the corresponding 3 months financial period ended 31 March 2012. The major contributors to the increase in overhead expenses were Maybank Kim Eng, Maybank Investment Bank, PT Bank Internasional Indonesia Tbk ("BII") and the Bank itself. The Group's personnel costs increased by RM65.4 million and formed 48.8% of the total increase in Group's overhead expenses. The increase in personnel costs was in line with the Group's business growth and its expansion plan.

Allowance for impairment losses on loans, advances and financing decreased by RM100.6 million to RM84.5 million for the 3 months financial period ended 31 March 2013. The decrease was mainly due to lower individual allowance and collective allowance made. The Group's net impaired loans ratio improved to 1.18% as at 31 March 2013, compared to 1.57% as at 31 March 2012.

The improvement in Group's profit before tax for the 3 months financial period ended 31 March 2013 as compared to corresponding 3 months financial period ended 31 March 2012 is analysed based on the operating segments of the Group as follows:

**Community Financial Services ("CFS"), Malaysia**

CFS' profit before tax increased by RM99.3 million or 13.6% to RM830.5 for the 3 months financial period ended 31 March 2013 from RM731.2 million for the corresponding 3 months financial period ended 31 March 2012. The increase was driven by higher net interest income of RM130.2 million or 10.4% arising from strong loan growth in unit trust loans of 20.9% and retail mortgage of 14.3%. The increase was, however, offset by higher allowance for impairment losses on loans, advances and financing of RM28.0 million and lower non-interest income of RM4.4 million or 1.2%.

**Global Banking**

**a) Corporate Banking, Malaysia**

Corporate Banking's profit before tax increased by RM50.6 million or 12.5% to RM454.9 million for the 3 months financial period ended 31 March 2013 from RM404.3 million for the corresponding 3 months financial period ended 31 March 2012. The increase was driven by higher net interest income of RM97.6 million or 31.2% arising from strong loan growth of 6.6%. This increase was, however, offset by lower writeback of allowance for impairment losses on loans, advances and financing of RM31.6 million, lower non-interest income of RM10.1 million and higher overhead expenses of RM5.2 million.

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**B1. Performance Review (cont'd.)**

**Current Quarter and Period-to-Date vs Previous Corresponding Quarter and Period-to-Date (cont'd.)**

**Global Banking (cont'd.)**

**b) Global Markets, Malaysia**

Global Markets' profit before tax decreased by RM19.8 million or 4.9% to RM388.1 million for the 3 months financial period ended 31 March 2013 from RM407.9 million for the corresponding 3 months financial period ended 31 March 2012. The decrease was due to lower non-interest income of RM22.3 million or 8.5% primarily from lower gains on trading activities (derivatives portfolio) and lower net interest income of RM12.2 million. This decrease was, however, mitigated by higher writeback of impairment losses on financial investments of RM13.3 million.

**c) Investment Banking (Maybank IB and Maybank Kim Eng)**

Investment Banking's profit before tax increased by RM14.9 million or 12.8% to RM131.3 million for the 3 months financial period ended 31 March 2013 from RM116.4 million for the corresponding 3 months financial period ended 31 March 2012. The increase was driven by higher non-interest income of RM101.3 million primarily from higher brokerage income and service charges and fees. The increase was, however, offset by lower net interest income and Islamic banking income of RM41.6 million, higher overhead expenses of RM37.1 million and higher impairment losses on financial investments of RM6.9 million. Maybank Kim Eng recorded profit before tax of RM70.3 million for the 3 months financial period ended 31 March 2013, mainly attributable to brokerage income of RM197.4 million.

**International Banking**

International Banking's profit before tax increased by RM120.2 million or 26.0% to RM583.2 million for the 3 months financial period ended 31 March 2013 from RM463.0 million for the corresponding 3 months financial period ended 31 March 2012. The increase was driven by higher net interest income of RM97.9 million or 11.8% arising from loan growth of 13.7% and lower allowance for impairment losses on loans, advances and financing of RM153.0 million. The increase was, however, offset by lower non-interest income of RM77.7 million and higher overhead expenses of RM58.8 million.

Higher net interest income was contributed by strong loan growth of 16.3% at Singapore branch, 15.7% at MILL and 10.0% at BII.

**Insurance, Takaful and Asset Management**

Etiqa Group's combined gross premium grew by 11% with Life/Family business and General business increased by 8% and 14% respectively.

Insurance, Takaful and Asset Management registered an increase in profit before tax by RM96.8 million or 97.3% to RM196.3 million for the 3 months financial period ended 31 March 2013 from RM99.5 million for the corresponding 3 months financial period ended 31 March 2012. The increase was contributed mainly by higher net income from insurance and takaful business of RM180.5 million and net interest income of RM12.8 million. The increase was, however, offset by lower non-interest income of RM61.6 million and higher overhead expenses of RM35.8 million.

**B2. Variation of Current Quarter Results Against Preceding Quarter**

The Group's profit after tax attributable to equity holders increased by RM46.6 million or 3.2% to RM1,506.2 million over the preceding quarter ended 31 December 2012.

The Group's net interest income for the quarter ended 31 March 2013 increased by RM23.4 million or 1.0% to RM2,411.3 million against the preceding quarter of RM2,387.9 million which was in line with the growth in loans portfolio. Income from Islamic Banking Scheme operations recorded an increase of RM92.9 million to RM619.3 million over RM526.4 million recorded in the preceding quarter.

Net income from insurance and takaful business for the quarter ended 31 March 2013 decreased by RM274.4 million to RM19.0 million which contributed largely by Etiqa Takaful Bhd (RM184.5 million) and Etiqa Insurance Bhd (RM82.6 million).



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**B2. Variation of Current Quarter Results Against Preceding Quarter (cont'd.)**

Non-interest income for the quarter ended 31 March 2013 increased by RM219.0 million or 18.2% to RM1,420.4 million comparing to that in the preceding quarter. The increase was mainly due to higher gain on disposal of financial assets at FVTPL and financial investments available-for-sale and higher foreign exchange gain of RM275.8 million and RM122.4 million respectively. The increase was, however, mitigated by higher unrealised loss on revaluation of financial assets at FVTPL and derivatives of RM206.8 million.

Overhead expenses for the quarter increased by RM52.5 million or 2.3% to RM2,296.6 million over that of the preceding quarter.

Allowance for impairment losses on loans, advances and financing for the quarter decreased by RM117.5 million or 58.2% to RM84.5 million comparing to that in the preceding quarter. The decrease was mainly due to lower individual allowance made.

Impairment losses on financial investments was lower by RM50.1 million for the quarter ended 31 March 2013 as compared to the preceding quarter ended 31 December 2012.

**B3. Prospects**

In its latest World Economic Outlook (WEO), the International Monetary Fund (IMF) expects the global real GDP growth to stabilise at 3.3% in 2013 after the 3.2% growth in 2012. This steady momentum reflects a mixed economic and policy landscapes, characterised by subdued growth in the US amid monetary accommodation and fiscal consolidation; recession in the Eurozone on the impact of austerity measures in the aftermath of the sovereign debt crisis; the adoption of aggressive reflation policy in Japan to end deflation and boost the economy; a shift in China growth towards a more sustainable pace that is consumption-driven instead of investment-driven; pick up in Asian NIEs and continued expansion in ASEAN. The IMF projects the ASEAN 5 economies of Indonesia, Malaysia, Philippines, Thailand and Vietnam to remain robust with growth of 5.9% (2012: 6.1%) on the strength of domestic demand, especially the expansion in investment.

Maybank's three home markets consisting of Malaysia, Singapore and Indonesia, which contribute more than 90% of the Group's income and profit, are expected to record positive revenue growth on the back of further economic expansion. Despite the slower growth in the first quarter of the year, Malaysia is expected to see full-year economic growth above-5% (2012: 5.6%) on the back of domestic demand that is underpinned by strong investment momentum, mainly from the implementation of infrastructure projects and business capital expenditures under the Economic Transformation Programme. In Indonesia, robust domestic demand and inflows of foreign direct investments (FDI) should enable the economy to carry on with the trend of above-6% GDP growth i.e. 6.7% (2012: 6.2%). Meanwhile, Singapore's economic growth is expected to improve to 2.3% (2012: 1.3%), largely reflecting the mildly better global economic conditions and improvement in world trade growth.

Maybank's business momentum is expected to gather pace in the upcoming financial quarters on the back of loan growth opportunities in its three home markets and other markets in the region, non-interest income contribution arising from the continued deal pipeline for the investment banking business, and revenue contribution from regional initiatives.

Having established its presence in all ten countries in ASEAN in 2012, the Group is focused on building a truly regional organisation. Global Banking's global relationship coverage model is being extended to realise merger synergies with Maybank Kim Eng and will see closer collaboration with overseas units especially in Singapore, Indonesia and Philippines.

Adherence to good corporate governance and continued upgrading of IT infrastructure will further improve business capability in the Group's global banking, investment banking, credit cards, treasury and payment operations. The Group will continue to raise the quality of customer services, embed a robust right risk culture to sustain its strong asset quality, and improve effectiveness and efficiency through an optimal cost structure.

The Group is poised to remain well capitalised for 2013 in accordance with Bank Negara Malaysia's Capital Adequacy Framework on Basel III which was issued on 28 November 2012. With the continued conservation of capital from the Dividend Reinvestment Plan coupled with active capital management across the Group, the Group is expected to maintain a Common Equity Tier 1 capital ("CET1") ratio of above 7% well ahead of the minimum level of CET1 ratio (inclusive of capital conservation buffer) as required by 2019.

Barring any unforeseen circumstances, the Group expects its financial performance for the financial year ending 31 December 2013 to be in line with the targets that have been set for the year. The Group has set two Headline Key Performance Indicators ("KPI") of Return on Equity ("ROE") of 15.0% (based on enlarged equity capital from private placement and dividend reinvestment plan) and Group Loans Growth of 12.0% for the year ending 31 December 2013.



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**B6. Status of Corporate Proposals Announced but Not Completed**

- (a) (i) **Proposed acquisition of 858,499 ordinary shares of Saudi Riyal (“SAR”) 10 each in Anfaal Capital (“Anfaal”) by Maybank Investment Bank Berhad (“Maybank IB”), a wholly-owned subsidiary of Maybank, representing 17.17% of the ordinary share capital of Anfaal; and**
- (ii) **Proposed assignment of the subordinated loan of SAR2,070,000 from Al Numu Real Estate Company (“Al Numu”) to Maybank IB**

On 9 April 2012, Maybank announced that Maybank IB, a wholly-owned subsidiary of Maybank, has entered into a conditional Share Purchase Agreement (“SPA”) with Al Numu and Anfaal for the following:

- (i) proposed acquisition of 858,499 ordinary shares of SAR10 each in Anfaal (“Anfaal Shares”), representing approximately 17.17% of the ordinary share capital of Anfaal for a cash consideration of SAR10,516,613, being SAR12.25 for each Anfaal Share; and
- (ii) proposed assignment of the subordinated loan of SAR2,070,000 (“Subordinated Loan”) from Al Numu to Maybank IB.

[(i) and (ii) collectively referred to as the "Proposals"].

Subject to the approval of the Capital Market Authority (“CMA”) of the Kingdom of Saudi Arabia, the Subordinated Loan will be converted into 207,000 new Anfaal Shares at par and shall rank equally with the existing Anfaal Shares.

The total purchase consideration of SAR12,586,613 (equivalent to approximately RM10,308,864) for the Proposals is to be satisfied in cash (“Purchase Consideration”).

The Proposals are subject to conditions precedent as spelt out in the SPA being fulfilled by 30 September 2012 or such other date as mutually agreed in writing by Al Numu and Maybank IB.

To the extent permitted by applicable laws, Maybank IB reserves the right to waive (in whole or in part) in writing the requirement to satisfy any of the conditions precedent and thereafter the parties may proceed to completion.

The Proposals will enable Maybank IB to increase its equity interest in Anfaal from 18.00% to 35.17%. It also represents a good opportunity for Maybank IB to increase its presence in Saudi Arabia and play a more significant role in unlocking Anfaal's potential, especially in the area of syndication, sukuk structuring and project financing in Saudi Arabia.

The Proposals are subject to approvals being obtained from the following:

- (i) SC;
- (ii) CMA; and
- (iii) Saudi Arabian General Investment Authority for the issuance of Anfaal's amended foreign investment licence.

Maybank had on 1 April 2013 announced that Maybank IB, Al Numu and Anfaal have mutually agreed to extend the period for the fulfillment of the conditions precedent of the SPA in relation to the Proposals from 31 March 2013 to 30 June 2013.

**B7. Deposits and Placements of Financial Institutions and Debt Securities**

Please refer to note A13, A14 and A15.

**B8. Derivative Financial Instruments**

Please refer to note A29.

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**B9. Changes in Material Litigation**

- (a) In 2005, a subsidiary, Maybank Trustees Berhad (formerly known as Mayban Trustees Berhad) ("MTB") and eleven other defendants were served with a writ of summons by ten plaintiffs/bondholders all of which are institutions, for an amount of approximately RM149.3 million. MTB was alleged to have acted in breach of trust and negligently in its capacity as Trustee for the bonds issued. MTB has defended the suit.

On 7 July 2008, the plaintiffs entered judgment by consent against certain defendants (which included the issuer of the bonds but not MTB) for the sum of RM149.3 million. The entering of the said judgment by consent is not in any way an admission of liability on the part of MTB.

On 4 August 2008, a defendant (the issuer of the bonds) served a counterclaim on MTB for approximately RM535.0 million being losses allegedly incurred by it as a result of MTB unlawfully declaring an Event Of Default on the bonds. The defendant had however on 25 August 2009 withdrawn the counterclaim against MTB.

The High Court on 30 June 2010 awarded judgment against MTB and another defendant, being the Arranger for the bonds, for RM149.3 million. The judgment sum in favour of the plaintiffs/bondholders was apportioned at 40% against MTB and 60% against the other defendant. The High Court also dismissed MTB's other claims.

Upon appeal by the parties, the Court of Appeal on 8 November 2011 ruled that MTB and the other defendant were instead to be equally liable to the plaintiffs/bondholders. In addition, the Court of Appeal ordered them to pay penalty charges on the judgment sum at the rate of 3% from 30 September 2005 to date of judgment. However, the Court of Appeal allowed MTB and the other defendant to seek indemnity against the issuer of the bonds for 2/3 of the total liability and also allowed MTB to seek indemnity against the issuer's Chief Executive Officer, one of the issuer's directors and associate companies of the said Chief Executive Officer and the said director for one half of the 2/3 of the total liability. Further, the Court of Appeal allowed MTB to seek an indemnity against one of the plaintiffs for 1/3 of its liability (after deducting the sum to be indemnified by the issuer, the issuer's Chief Executive Officer, one of the issuer's directors and associate companies of the said Chief Executive Officer and the said director). The Federal Court had on 5 April 2012 granted MTB and the other parties to the suit leave to appeal against the decision of the Court of Appeal. The appeal concluded on 4 January 2013. The Federal Court will deliver its decision on a date to be fixed.

Separately, and unrelated to this suit, a third party had, pursuant to a winding-up petition against a defendant (the issuer of the bonds) (Winding-Up Petition), appointed a provisional liquidator against the said defendant on 16 February 2012 until 15 March 2012 for the purpose of monitoring and completing the sale of assets charged to the third party.

As a result of the appointment of the said provisional liquidator, all pending proceedings by all parties against the said defendant were effectively stayed and these initially included MTB's applications for leave at the Federal Court referred to above [Leave Applications]. Subsequently, MTB on 9 March 2012 obtained leave of the court to proceed with the successful Leave Applications.

Further to the Winding-Up Petition, the third party had on 22 March 2013 obtained the order of the High Court to wind up the said defendant. Subsequently, MTB had on 16 April 2013 obtained the leave of the High Court to continue with the pending actions against the said defendant given that the Federal Court has yet to deliver its decision.

The above contingent liability is covered by an existing Banker Blanket Bond Policy between the Bank and a subsidiary, Etiqa Insurance Berhad, which had entered into a facultative reinsurance contract for an insured sum of RM150.0 million with three (3) other re-insurers.

- (b) In 2004, Etiqa Takaful Berhad ("ETB"), commenced a civil suit against a borrower ("the 1st Defendant") and three guarantors, for the sum of approximately RM25.8 million, following the recall of the relevant facility which was preceded by the 1st Defendant's failure to pay quarterly installments.

The 1st Defendant counterclaimed for loss and damage amounting to approximately RM284.0 million as a result of ETB's alleged failure to release the balance of the facility of RM7.5 million. It was alleged that the 1st Defendant was unable to carry on its project and therefore suffered loss and damage.

On 14 May 2009, the Court allowed ETB's application for summary judgment, the Court had also dismissed the 1st Defendant's counterclaim against ETB with costs. All 4 Defendants filed their respective applications for stay of execution of the summary judgment. However, the stay applications were dismissed with costs on 1 September 2009.

On 4 March 2010, the Court of Appeal reversed the decision of the High Court granting the earlier summary judgment and the dismissal of the 1st Defendant's counterclaim and ordered the matter to be reverted to the High Court for full trial. The full trial including the counterclaim concluded on 29 June 2011.

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**B9. Changes in Material Litigation (cont'd.)**

(b) (cont'd.)

On 21 September 2011, the High Court entered judgment in favour of ETB and allowed ETB's claim (with costs) for the sum of approximately RM25.8 million less unearned profit as at the date of full settlement and dismissed the 1st Defendant's counterclaim (with costs). All 4 Defendants have filed Notices of Appeal against the said decision and also applied for a stay of the judgment. The stay applications were dismissed with costs on 25 January 2012.

On 16 April 2013, the Court of Appeal dismissed all appeals with costs. The Appellants have applied for leave to appeal the decision to the Federal Court and the hearing date for the said application has yet to be fixed.

(c) A corporate borrower had issued a writ of summons and statement of claim against a subsidiary, Maybank Investment Bank Berhad ("Maybank IB"), in 2005 in the latter's capacity as agent bank for three financial institutions, claiming general, special and exemplary damages arising from alleged breach of duty owed by Maybank IB in connection with a syndicated facility.

The credit facilities consist of a bridging loan of RM58.5 million and a revolving credit facility of RM4.0 million which were granted by Maybank IB and the three syndicated lenders. The loan was subsequently restructured to RM38.0 million with terms for repayment. In 2006, Maybank IB and the three syndicated lenders filed a suit against the corporate borrower for the recovery of the said credit facilities. The two claims were heard together.

The High Court on 6 May 2009 entered judgment against Maybank IB as agent for the syndicated lenders for, inter alia, a sum of RM115.5 million with interest at 6% per annum from date of disbursement to realisation, with the balance of the corporate borrower's claim (including general damages) ordered to be assessed at a later date. In the same Judgment, the recovery action by Maybank IB and the three syndicated lenders was also dismissed.

At this juncture, Maybank as one of the syndicated lenders has an exposure of RM48.0 million out of the RM115.5 million awarded pursuant to the Judgment.

Maybank IB filed an appeal against the Judgment ("Appeal") and an application for stay of execution of the Judgment on 8 May 2009. On 24 June 2009, Maybank IB successfully obtained a stay order for execution of the Judgment pending the disposal of the Appeal against the Judgment. The corporate borrower's appeal to the Court of Appeal against the decision on the stay order was dismissed on 23 November 2009.

The Appeal came up for hearing on 10 February 2012, wherein all parties agreed for the matter to be mediated.

As the parties could not come to any consensus at the mediation on 9 March 2012, they proceeded with the Appeal which concluded on 23 January 2013. The Court of Appeal has yet to fix a date to deliver its decision.

The corporate borrower was wound up on 22 February 2013 but the winding up order has been stayed pending the decision of the Appeal.

Maybank IB's solicitors are of the view that Maybank IB has a more than even chance of succeeding in the Appeal against the said Judgment.

(d) Maybank Trustees Berhad (formerly known as Mayban Trustees Berhad)("MTB"), as Trustee and Maybank Investment Bank Berhad ("Maybank IB") as Security Agent for the Senior Bonds and Junior Notes issued by a corporation were served with a Writ of Summons, Statement of Claim and Amended Statement of Claim on 29 December 2010 and 30 December 2010 respectively.

An individual as the sole Junior Noteholder of the Junior Notes issued, claimed against both MTB and Maybank IB, the sum of RM556.5 million together with interests and costs arising from the declaration made by MTB of an Event Of Default of the Senior Bonds and subsequent Event Of Default of the Junior Notes and for an alleged breach of fiduciary duties and duty of care by Maybank IB. MTB and Maybank IB do not admit any liability to this claim and are defending the suit. On 30 September 2011, the High Court gave judgment in favour of Maybank IB and MTB and dismissed the claim against Maybank IB and MTB with costs. The individual had filed an appeal to the Court of Appeal against the said decision which was heard on 5 and 6 March 2012 and dismissed on 7 March 2012.

The individual is applying for leave to appeal from the Federal Court against the Court of Appeal's decision in favour of MTB (but not Maybank IB).

On 29 April 2013, the Federal Court dismissed the individual's leave application unanimously.

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**B9. Changes in Material Litigation (cont'd.)**

- (e) On 8 April 2010, a corporate borrower (“the Plaintiff”) had filed a civil suit against Malayan Banking Berhad (“Maybank”) and two other Defendants at the Johor Bahru High Court (“JB High Court Suit”) alleging that Maybank was in breach of its obligations to the Plaintiff under several banking facilities between them for refusing to allow the drawdown and/or refusing to allow the further drawdown of the banking facilities.

Maybank had offered several banking facilities to finance the Plaintiff’s development in a mixed development project. Amongst the many securities granted were several debentures which gave Maybank a right to appoint a receiver and manager over the Plaintiff in the event of default of the banking facilities.

The 2nd and 3rd Defendants were receivers and managers (“R&Ms”) appointed by Maybank under debentures given by the Plaintiff.

The Plaintiff had defaulted under the banking facilities granted by Maybank resulting in Maybank appointing the R&Ms.

Concurrent with this suit, the Plaintiff had also filed an application for an interlocutory injunction to restrain Maybank from exercising its right to appoint a R&Ms. The application was heard on 23 November 2010 and allowed by the Johor Bahru High Court (“JB High Court”). Maybank has appealed against this decision. On 29 May 2012, the Court of Appeal allowed Maybank’s appeal with costs of RM15,000 and ordered damages to be assessed by the registrar at the Kuala Lumpur High Court (“KL High Court”). On 28 June 2012, the Plaintiff served an unsealed copy of a Notice of Motion filed at the Federal Court for leave to appeal against the Court of Appeal’s decision on 29 May 2012. That motion was fixed for case management on 9 October 2012. On 6 December 2012, the Federal Court struck out the motion with costs to Maybank.

The Plaintiff filed another civil suit against Maybank on 25 March 2011 at the Kuala Lumpur High Court (“KL High Court Suit”) claiming a sum of approximately RM1.2 billion alleging that the appointment of the R&Ms was mala fide and with malice and that as a consequence thereof, the Plaintiff has purportedly suffered loss and damages.

Maybank filed a counterclaim in the JB High Court Suit against the Plaintiff and its guarantors to recover all sums due and owing under the banking facilities granted to the Plaintiff. Pursuant thereto, Maybank had also filed an application for summary judgment against the Plaintiff and its guarantors that was fixed for case management on 13 May 2011. The case management was deferred to 31 May 2011 where the JB High Court allowed Maybank’s application to transfer the JB High Court Suit to the KL High Court, and consolidate the JB High Court Suit with the KL High Court to be heard at the KL High Court.

On 24 October 2011, the KL High Court had allowed Maybank’s counterclaim against the Plaintiff and the guarantors with costs on an indemnity basis, and dismissed the Plaintiff’s actions against Maybank i.e. the KL High Court Suit and the JB High Court Suit, with costs on an indemnity basis. The Plaintiff has filed an appeal at the Court of Appeal against this decision. The Plaintiff’s application for a stay of execution of the decision of KL High Court on 24 October 2011 was dismissed by the KL High Court on 13 December 2011.

In the meantime, Maybank has filed an application for security for cost against the Plaintiff at the Court of Appeal. On 8 May 2012, the Court of Appeal ordered the Plaintiff to pay RM50,000 as security for Maybank’s cost in the appeal and further ordered that the Plaintiff’s appeal be stayed pending payment of that sum. On 11 January 2013, the Court of Appeal ordered that this sum be paid within 14 days otherwise the appeal will be struck off. The Plaintiff has paid the said sum. The Court of Appeal on 16 May 2013 adjourned the hearing to 19 August 2013.

Maybank has been advised by its solicitors that the Plaintiff’s appeal to the Court of Appeal against the decision dated 24 October 2011 is without merit.

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**B10. Disclosure of Realised and Unrealised Retained Earnings**

The breakdown of the retained profits of the Group as at the statements of financial position date into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	<b>31 March 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
Retained profits of the Bank and its subsidiaries:		
- Realised	9,278,329	7,576,687
- Unrealised	1,502,481	2,195,259
	<b>10,780,810</b>	<b>9,771,946</b>
Share of retained profits from associates:		
- Realised	294,847	218,054
- Unrealised	35,458	76,793
	<b>330,305</b>	<b>294,847</b>
Consolidation adjustments	914,097	1,048,213
Total Group's retained profits as per consolidated financial statements	<b>12,025,212</b>	<b>11,115,006</b>

**B11. Proposed Dividend**

No interim dividend has been recommended during the quarter ended 31 March 2013.

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**B12. Earnings Per Share ("EPS")**

**Basic**

The basic EPS of the Group is calculated by dividing the net profit for the quarter/period attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the quarter/period.

	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2013</b>	<b>31 March 2012</b>	<b>31 March 2013</b>	<b>31 March 2012</b>
Net profit for the quarter/period (RM'000)	<b>1,506,214</b>	1,346,881	<b>1,506,214</b>	1,346,881
Weighted average number of ordinary shares in issue ('000)	<b>8,428,948</b>	7,639,441	<b>8,428,948</b>	7,639,441
Basic earnings per share	<b>17.87 sen</b>	17.63 sen	<b>17.87 sen</b>	17.63 sen

**Diluted**

The diluted EPS of the Group is calculated by dividing the net profit for the quarter/period attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue, which has been adjusted for the number of shares that could have been issued under the Maybank Group Employee Share Scheme ("ESS") and the Dividend Reinvestment Plan ("DRP").

In the diluted EPS calculation, it was assumed that certain number of shares under the ESS relating to the RSU were vested and awarded to employees through issuance of additional ordinary shares and the electable portion of the dividends issued under the DRP were exercised into ordinary shares. A calculation is done to determine the number of shares that could have been issued at fair value (determined as the average price of the Bank's shares during the quarter/period) based on the monetary value of the ESS entitlement attached to the outstanding RSU granted and the number of shares that could have been issued at an assumed price (determined as the 5-day average price of the Bank's shares as at 31 March 2013) based on the electable portion of the dividends issued under the DRP. These calculations serve to determine the number of dilutive shares to be added to the weighted average ordinary shares in issue for the purpose of computing the dilution. No adjustment was made to the net profit for the quarter/period.

	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2013</b>	<b>31 March 2012</b>	<b>31 March 2013</b>	<b>31 March 2012</b>
Net profit for the quarter/period (RM'000)	<b>1,506,214</b>	1,346,881	<b>1,506,214</b>	1,346,881
Weighted average number of ordinary shares in issue ('000)	<b>8,428,948</b>	7,639,441	<b>8,428,948</b>	7,639,441
Effects of dilution ('000)	<b>10,527</b>	18,765	<b>10,527</b>	18,765
Adjusted weighted average number of ordinary shares in issue ('000)	<b>8,439,475</b>	7,658,206	<b>8,439,475</b>	7,658,206
Diluted earnings per share	<b>17.85 sen</b>	17.59 sen	<b>17.85 sen</b>	17.59 sen

By Order of the Board

**Mohd Nazlan Mohd Ghazali**  
LS0008977  
Company Secretary  
23 May 2013