

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

- **CIMB Islamic Bank Berhad**

Abbreviations

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

Table of Contents

OVERVIEW	2
CAPITAL MANAGEMENT.....	2
CREDIT RISK	9
SECURITISATION	32
MARKET RISK.....	36
OPERATIONAL RISK.....	36
EQUITY EXPOSURES IN BANKING BOOK.....	36
RATE OF RETURN RISK IN THE BANKING BOOK.....	37

OVERVIEW

The information herein is disclosed pursuant to the requirements of Bank Negara Malaysia's RWCAF – Disclosure Requirements (Pillar 3) and CAFIB – Disclosure Requirements (Pillar 3) and is published for the period ended 30 June 2015.

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

These disclosures have been reviewed and verified by internal auditors and approved by Board of Directors of CIMBGH Group.

CAPITAL MANAGEMENT

Capital Structure and Adequacy

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

The risk weighted assets of the CIMB Bank are computed in accordance with the Capital Adequacy Framework (Basel II - Risk-Weighted Assets). The IRB Approach is applied for the major credit exposures. It prescribes two approaches, the F-IRB Approach and A-IRB Approach. The remaining credit exposures and Market Risk are on the Standardised Approach while Operational Risk is based on Basic Indicator Approach. The components of eligible regulatory capital are based on the Capital Adequacy Framework (Capital Components). The comparative capital adequacy ratios as at 30 June 2014 were based on BNM's Capital Adequacy Framework (CAF).

CAPITAL MANAGEMENT (CONTINUED)

Capital Structure and Adequacy (continued)

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

Table 1: Capital Position

(RM'000)	CIMB Islamic	
	30 June 2015	30 June 2014
Common Equity Tier 1 capital		
Ordinary shares	1,000,000	1,000,000
Other reserves	2,197,123	1,803,400
Common Equity Tier 1 capital before regulatory adjustments	3,197,123	2,803,400
<u>Less: Regulatory adjustments</u>		
Goodwill	(136,000)	(136,000)
Intangible assets	(85,627)	(9,872)
Deferred tax assets	(15,957)	(30,061)
Shortfall of eligible provisions to expected losses	(105,905)	(107,853)
Investment in capital instruments of unconsolidated financial and insurance/ takaful entities	-	-
Others	(49,730)	(249,805)
Common Equity Tier 1 capital after regulatory adjustments	2,803,903	2,269,809
Additional Tier 1 capital		
Perpetual preference shares	199,000	206,000
Additional Tier 1 capital before regulatory adjustments	199,000	206,000
<u>Less: Regulatory adjustments</u>		
Additional Tier 1 capital after regulatory adjustments	199,000	206,000
Total Tier 1 capital	3,002,903	2,475,809
Tier 2 capital		
Subordinated notes	595,000	680,000
Portfolio impairment allowance and regulatory reserves	60,225	49,498
Tier 2 capital before regulatory adjustments	655,225	729,498
<u>Less: Regulatory adjustments</u>	-	-
Total Tier 2 Capital	655,225	729,498
Total Capital	3,658,128	3,205,307

CAPITAL MANAGEMENT (CONTINUED)

Capital Structure and Adequacy (continued)

Table 1: Capital Position (continued)

(RM'000)	CIMB Islamic	
	30 June 2015	30 June 2014
RWA		
Credit risk	21,685,265	19,538,228
Market risk	600,688	763,314
Operational risk	2,055,659	1,939,902
Total RWA	24,341,612	22,241,444
Capital Adequacy Ratios		
Before deducting proposed dividend		
Common Equity Tier 1 Ratio	11.52%	10.21%
Tier 1 ratio	12.34%	11.13%
Total capital ratio	15.03%	14.41%
After deducting proposed dividend		
Common Equity Tier 1 Ratio	11.52%	10.21%
Tier 1 ratio	12.34%	11.13%
Total capital ratio	15.03%	14.41%

The increase in credit risk RWA was mainly due to growth in exposures to Corporates. The decrease in market risk RWA was due to the reduction in exposure in Government Investment Issues, Bank Negara Negotiable Notes and MYR sukuk and lower exposure to USD.

CAPITAL MANAGEMENT (CONTINUED)

Capital Structure and Adequacy (continued)

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

Table 2: Disclosure on Total RWA and Minimum Capital Requirement for CIMB Islamic

30 June 2015	CIMB Islamic				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk					
Exposures under the SA					
Sovereign/Central Banks	15,023,258	15,023,258	4,251	4,251	340
Public Sector Entities	-	-	-	-	-
Banks, DFIs & MDBs	288,360	288,360	144,180	144,180	11,534
Takaful Operators, Securities Firms & Fund Managers	1,043	523	523	523	42
Corporate	2,073,991	1,020,000	937,254	937,254	74,980
Regulatory Retail	4,799,932	4,774,086	3,660,258	3,660,258	292,821
RRE Financing	-	-	-	-	-
Higher Risk Assets	575	575	863	863	69
Other Assets	59,735	59,735	59,735	59,735	4,779
Securitisation	54,837	54,837	10,967	10,967	877
Total for SA	22,301,731	21,221,375	4,818,033	4,818,033	385,443
Exposures under the IRB Approach					
Sovereign/Central Banks	-	-	-	-	-
Public Sector Entities	-	-	-	-	-
Banks, DFIs & MDBs	2,419,319	2,419,319	492,831	492,831	39,427
Takaful Operators, Securities Firms & Fund Managers	-	-	-	-	-
Corporate	14,687,146	14,687,146	10,025,913	7,856,845	628,548
RRE Financing	8,573,538	8,573,538	2,752,435	2,752,435	220,195
Qualifying Revolving Retail	205,528	205,528	156,295	156,295	12,504
Hire Purchase	4,799,569	4,799,569	3,246,797	3,246,797	259,744
Other Retail	3,732,259	3,732,259	1,407,279	1,407,279	112,582
Securitisation	-	-	-	-	-
Total for IRB Approach	34,417,360	34,417,360	18,081,551	15,912,483	1,272,999

CAPITAL MANAGEMENT (CONTINUED)

Capital Structure and Adequacy (continued)

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

30 June 2015	CIMB Islamic				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)	56,719,092	55,638,736	23,984,476	21,685,265	1,734,821
Large Exposure Risk Requirement	-	-	-	-	-
Market Risk (SA)					
Benchmark Rate Risk			457,243	457,243	36,579
Foreign Currency Risk			143,446	143,446	11,476
Equity Risk			-	-	-
Commodity Risk			-	-	-
Options Risk			-	-	-
Total Market Risk			600,688	600,688	48,055
Operational Risk (BIA)			2,055,659	2,055,659	164,453
Total RWA and Capital Requirement			26,640,824	24,341,612	1,947,329

CAPITAL MANAGEMENT (CONTINUED)

Capital Structure and Adequacy (continued)

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

30 June 2014	CIMB Islamic				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk					
Exposures under the SA					
Sovereign/Central Banks	14,427,296	14,427,296	3,599	3,599	288
Public Sector Entities	-	-	-	-	-
Banks, DFIs & MDBs	75,355	75,355	31,177	31,177	2,494
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	1,064	589	589	589	47
Corporate	371,431	356,655	260,386	260,386	20,831
Regulatory Retail	4,645,006	4,609,420	3,613,550	3,613,550	289,084
RRE Financing	-	-	-	-	-
Higher Risk Assets	575	575	863	863	69
Other Assets	44,932	44,932	44,932	44,932	3,595
Securitisation	23,874	23,874	4,775	4,775	382
Total for SA	19,589,533	19,538,697	3,959,871	3,959,871	316,790
Exposures under the IRB Approach					
Sovereign/Central Banks	-	-	-	-	-
Public Sector Entities	-	-	-	-	-
Banks, DFIs & MDBs	2,311,680	2,311,680	502,370	502,370	40,190
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	-	-	-	-	-
Corporate	10,862,395	10,862,395	7,239,124	6,427,532	514,203
RRE Financing	8,252,171	8,252,171	2,685,222	2,685,222	214,818
Qualifying Revolving Retail	194,614	194,614	151,628	151,628	12,130
Hire Purchase	5,775,133	5,775,133	3,916,154	3,916,154	313,292
Other Retail	2,778,087	2,778,087	1,013,657	1,013,657	81,093
Securitisation	-	-	-	-	-
Total for IRB Approach	30,174,080	30,174,080	15,508,155	14,696,563	1,175,725
Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)	49,763,613	49,712,777	20,398,515	19,538,228	1,563,058
Large Exposure Risk Requirement	-	-	-	-	-

CAPITAL MANAGEMENT (CONTINUED)

Capital Structure and Adequacy (continued)

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

30 June 2014	CIMB Islamic				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Market Risk (SA)					
Benchmark Rate Risk			527,785	527,785	42,223
Foreign Currency Risk			235,529	235,529	18,842
Equity Risk			-	-	-
Commodity Risk			-	-	-
Options Risk			-	-	-
Total Market Risk			763,314	763,314	61,065
Operational Risk (BIA)			1,939,902	1,939,902	155,192
Total RWA and Capital Requirement			23,101,732	22,241,444	1,779,316

CREDIT RISK

Summary of Credit Exposures

i) Gross Credit Exposures by Geographic Distribution

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

Table 3: Geographic Distribution of Credit Exposures for CIMB Islamic

30 June 2015	CIMB Islamic				
(RM'000) Exposure Class	Malaysia	Singapore	Thailand	Other Countries	Total
Sovereign	15,023,258	-	-	-	15,023,258
Bank	2,707,679	-	-	-	2,707,679
Corporate	16,762,180	-	-	-	16,762,180
RRE Financing	8,573,538	-	-	-	8,573,538
HPE	4,799,569	-	-	-	4,799,569
QRRE	205,528	-	-	-	205,528
Other Retail	8,532,191	-	-	-	8,532,191
Other Exposures	115,148	-	-	-	115,148
Total Gross Credit Exposure	56,719,092	-	-	-	56,719,092

30 June 2014	CIMB Islamic				
(RM'000) Exposure Class	Malaysia	Singapore	Thailand	Other Countries	Total
Sovereign	14,427,296	-	-	-	14,427,296
Bank	2,387,035	-	-	-	2,387,035
Corporate	11,234,890	-	-	-	11,234,890
RRE Financing	8,252,171	-	-	-	8,252,171
HPE	5,775,133	-	-	-	5,775,133
QRRE	194,614	-	-	-	194,614
Other Retail	7,423,093	-	-	-	7,423,093
Other Exposures	69,381	-	-	-	69,381
Total Gross Credit Exposure	49,763,613	-	-	-	49,763,613

CREDIT RISK (CONTINUED)

Summary of Credit Exposures (continued)

ii) *Gross Credit Exposures by Sector*

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

Table 4: Distribution of Credit Exposures by Sector for CIMB Islamic

30 June 2015		CIMB Islamic										
(RM'000) Exposure Class	Primary Agriculture	Mining and Quarrying	Manufacturing	Electricity, Gas and Water Supply	Construction	Wholesale and Retail Trade, and Restaurants and Hotels	Transport, Storage and Communication	Islamic Finance, Insurance/Takaful, Real Estate and Business Activities	Education, Health and Others	Household	Others*	Total
Sovereign	54,545	-	-	161,138	195,370	-	81,612	5,709,865	8,820,729	-	-	15,023,258
Bank	-	-	-	-	-	-	-	2,707,679	-	-	-	2,707,679
Corporate	1,112,402	846,243	1,301,543	235,289	3,033,113	816,712	2,346,757	4,281,571	1,037,706	1,579,995	170,848	16,762,180
RRE	-	-	-	-	-	-	-	-	-	8,573,538	-	8,573,538
Financing	-	-	-	-	-	-	-	-	-	4,799,569	-	4,799,569
HPE	-	-	-	-	-	-	-	-	-	205,528	-	205,528
QRRE	-	-	-	-	-	-	-	-	-	-	-	-
Other Retail	17,599	6,996	54,218	2,026	77,366	154,287	7,215	223,500	39,945	7,906,989	42,050	8,532,191
Other Exposures	-	-	-	-	-	-	-	575	54,837	-	59,735	115,148
Total Gross Credit Exposure	1,184,546	853,239	1,355,761	398,453	3,305,849	970,998	2,435,584	12,923,190	9,953,218	23,065,620	272,634	56,719,092

Note: All sectors above are Shari'ah compliant.

*Others are exposures which are not elsewhere classified.

CREDIT RISK (CONTINUED)

Summary of Credit Exposures (continued)

ii) *Gross Credit Exposures by Sector (continued)*

Table 4: Distribution of Credit Exposures by Sector for CIMB Islamic (continued)

30 June 2014		CIMB Islamic										
(RM'000) Exposure Class	Primary Agriculture	Mining and Quarrying	Manufacturing	Electricity, Gas and Water Supply	Construction	Wholesale and Retail Trade, and Restaurants and Hotels	Transport, Storage and Communication	Islamic Finance, Insurance/Takaful, Real Estate and Business Activities	Education, Health and Others	Household	Others*	Total
Sovereign	54,025	-	-	20,088	126,225	-	65,808	-	14,161,149	-	-	14,427,296
Bank	-	-	-	-	-	-	-	2,387,035	-	-	-	2,387,035
Corporate	711,065	21,404	1,164,746	185,618	2,313,073	733,558	1,427,769	3,633,277	902,425	57,964	83,992	11,234,890
RRE	-	-	-	-	-	-	-	-	-	8,252,171	-	8,252,171
Financing	-	-	-	-	-	-	-	-	-	5,775,133	-	5,775,133
HPE	-	-	-	-	-	-	-	-	-	194,614	-	194,614
QRRE	-	-	-	-	-	-	-	-	-	6,786,264	43,972	7,423,094
Other Retail	13,598	7,391	61,142	2,240	82,446	160,710	6,929	214,282	44,120	23,874	44,932	69,381
Other Exposures	-	-	-	-	-	-	-	575	-	-	-	-
Total Gross Credit Exposure	778,688	28,795	1,225,888	207,946	2,521,744	894,268	1,500,505	6,235,169	15,131,568	21,066,146	172,896	49,763,614

Note: All sectors above are Shariah compliant.

*Others are exposures which are not elsewhere classified.

CREDIT RISK (CONTINUED)

Summary of Credit Exposures (continued)

iii) *Gross Credit Exposures by Residual Contractual Maturity*

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

Table 5: Distribution of Credit Exposures by Residual Contractual Maturity for CIMB Islamic

30 June 2015	CIMB Islamic			
(RM'000) Exposure Class	Less than 1 year	1 to 5 years	More than 5 years	Total
Sovereign	5,694,511	6,976,998	2,351,749	15,023,258
Bank	1,822,577	285,948	599,154	2,707,679
Corporate	3,706,848	4,662,810	8,392,522	16,762,180
RRE Financing	2,105	78,297	8,493,136	8,573,538
HPE	42,889	1,966,654	2,790,027	4,799,569
QRRE	205,528	-	-	205,528
Other Retail	73,534	404,213	8,054,444	8,532,191
Other Exposures	-	49,854	65,294	115,148
Total Gross Credit Exposure	11,547,993	14,424,772	30,746,326	56,719,092

30 June 2014	CIMB Islamic			
(RM'000) Exposure Class	Less than 1 year	1 to 5 years	More than 5 years	Total
Sovereign	5,818,359	2,170,279	6,438,657	14,427,296
Bank	1,896,817	331,138	159,080	2,387,035
Corporate	2,725,419	4,306,400	4,203,070	11,234,890
RRE Financing	2,230	49,534	8,200,407	8,252,171
HPE	54,115	1,991,859	3,729,160	5,775,133
QRRE	194,614	-	-	194,614
Other Retail	75,215	464,492	6,883,386	7,423,093
Other Exposures	-	23,874	45,507	69,381
Total Gross Credit Exposure	10,766,769	9,337,577	29,659,267	49,763,613

CREDIT RISK (CONTINUED)

Credit Quality of Loans, Advances and Financing

i) Past Due But Not Impaired

The following tables provide an analysis of the outstanding balances as at 30 June 2015 and 31 December 2014 which were past due but not impaired by sector and geographic respectively:

Table 6: Past Due but Not Impaired Loans, Advances and Financing by Sector for CIMB Islamic

(RM'000)	CIMB Islamic	
	30 June 2015	31 December 2014
Primary Agriculture	11,544	7,342
Mining and Quarrying	546	722
Manufacturing	6,153	8,354
Electricity, Gas and Water Supply	-	-
Construction	35,091	15,973
Wholesale and Retail Trade, and Restaurants and Hotels	19,336	13,564
Transport, Storage and Communications	2,272	2,960
Islamic Finance, takaful, Real Estate and Business Activities	14,701	9,398
Education, Health and Others	5,632	5,038
Household	2,342,186	2,671,091
Others*	2,233	21
Total	2,439,694	2,734,553

Note: All sectors above are Shariah compliant.

**Others are exposures which are not elsewhere classified.*

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

(RM'000)	CIMB Islamic	
	30 June 2015	31 December 2014
Malaysia	2,439,694	2,734,553
Singapore	-	-
Thailand	-	-
Other Countries	-	-
Total	2,439,694	2,734,553

CREDIT RISK (CONTINUED)

Credit Quality of Loans, Advances and Financing

ii) Impaired Loans/Financings

The following tables provide an analysis of the outstanding balances as at 30 June 2015 and 31 December 2014 which were impaired by sector and geographical respectively:

Table 8: Impaired Loans, Advances and Financing by Sector for CIMB Islamic

(RM'000)	CIMB Islamic	
	30 June 2015	31 December 2014
Primary Agriculture	10,463	10,547
Mining and Quarrying	558	227
Manufacturing	24,416	14,203
Electricity, Gas and Water Supply	441	557
Construction	40,082	36,039
Wholesale and Retail Trade, and Restaurants and Hotels	12,126	12,630
Transport, Storage and Communications	80,942	86,471
Islamic Finance, Takaful, Real Estate and Business Activities	5,335	5,790
Education, Health and Others	14,574	15,817
Household	251,033	275,254
Others*	85	326
Total	440,055	457,861

Note: All sectors above are Shariah compliant.

**Others are exposures which are not elsewhere classified.*

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

(RM'000)	CIMB Islamic	
	30 June 2015	31 December 2014
Malaysia	440,055	457,861
Singapore	-	-
Thailand	-	-
Other Countries	-	-
Total	440,055	457,861

CREDIT RISK (CONTINUED)

Credit Quality of Loans, Advances and Financing (continued)

ii) Impaired Loans/Financings (continued)

Table 10: Individual Impairment and Portfolio Impairment Allowances by Sector for CIMB Islamic for the period ended 30 June 2015 and 31 December 2014

(RM'000)	CIMB Islamic			
	30 June 2015		31 December 2014	
	Individual Impairment Allowance	Portfolio Impairment Allowance	Individual Impairment Allowance	Portfolio Impairment Allowance
Primary Agriculture	1,493	5,376	1,487	6,169
Mining and Quarrying	-	345	-	317
Manufacturing	666	5,930	-	8,644
Electricity, Gas and Water Supply	-	484	-	586
Construction	9,384	8,644	8,617	10,184
Wholesale and Retail Trade, and Restaurants and Hotels	2,359	7,648	2,232	10,797
Transport, Storage and Communications	33,339	3,106	22,330	2,203
Islamic Finance, Insurance/Takaful, Real Estate and Business Activities	2,540	12,296	2,766	14,560
Education, Health and Others	1,335	3,953	2,281	4,666
Household	-	276,108	-	287,736
Others*	-	506	-	568
Total	51,116	324,396	39,713	346,430

Note: All sectors above are Shariah compliant.

**Others are exposures which are not elsewhere classified.*

CREDIT RISK (CONTINUED)

Credit Quality of Loans, Advances and Financing (continued)

ii) *Impaired Loans/Financings (continued)*

Table 11: Individual Impairment and Portfolio Impairment Allowances by Geographic Distribution for CIMB Islamic for the period ended 30 June 2015 and 31 December 2014

(RM'000)	CIMB Islamic			
	30 June 2015		31 December 2014	
	Individual Impairment Allowance	Portfolio Impairment Allowance	Individual Impairment Allowance	Portfolio Impairment Allowance
Malaysia	51,116	324,496	39,713	346,430
Singapore	-	-	-	-
Thailand	-	-	-	-
Other Countries	-	-	-	-
Total	51,116	324,496	39,713	346,430

Table 12: Charges for Individual Impairment Provision and Write Offs During the Period for CIMB Islamic for the period ended 30 June 2015 and 30 June 2014

(RM'000)	CIMB Islamic			
	30 June 2015		30 June 2014	
	Charges/ (Writeback)	Write-off	Charges/ (Writeback)	Write-off
Primary Agriculture	(5)	-	42	-
Mining and Quarrying	-	-	-	-
Manufacturing	666	-	(9)	855
Electricity, Gas and Water Supply	-	-	-	-
Construction	1,569	687	(3)	-
Wholesale and Retail Trade, and Restaurants and Hotels	110	-	(905)	4,553
Transport, Storage and Communications	10,840	-	-	1,592
Islamic Finance, Insurance/Takaful, Real Estate and Business Activities	(247)	-	(265)	-
Education, Health and Others	(234)	609	1,454	-
Household	-	-	-	-
Others*	-	-	-	-
Total	12,699	1,296	314	7,000

Note: All sectors above are Shariah compliant.

*Others are exposures which are not elsewhere classified.

CREDIT RISK (CONTINUED)

Credit Quality of Loans, Advances and Financing (continued)

ii) Impaired Loans/Financings (continued)

Table 13: Analysis of movement for Financing Impairment Allowances for the Period Ended 30 June 2015 and 30 June 2014 for CIMB Islamic

(RM'000)	CIMB Islamic			
	30 June 2015		30 June 2014	
	Individual Impairment Allowance	Portfolio Impairment Allowance	Individual Impairment Allowance	Portfolio Impairment Allowance
Balance as at 1 January	39,713	346,429	29,801	376,849
Allowance (write back)/ made during the financial period	12,699	55,895	314	48,965
Amount transferred to portfolio impairment allowance	-	-	-	-
Allowance made and charged to deferred assets	-	-	-	-
Allowance made in relation to jointly controlled entity	-	-	-	-
Amount written off	(1,296)	(77,928)	(7,000)	(73,843)
Transfer (to)/from intercompany	-	-	-	-
Disposal of subsidiary	-	-	-	-
Unwinding income	-	-	-	-
Exchange fluctuation	-	-	-	-
Total	51,116	324,396	23,115	351,971

Capital Treatment for Credit Risk

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

CREDIT RISK (CONTINUED)

Credit Risk – Disclosure for Portfolios under the SA

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

Table 14: Disclosure by Risk Weight under SA for CIMB Islamic

30 June 2015											CIMB Islamic	
(RM'000) Risk Weights	Sovereign/ Central Banks	PSEs	Banks, MDBs and DFIs	Insurance Cos/ Takaful Operators, Securities Firms & Fund Managers	Corporate	Regulatory Retail	RRE Financing	Higher Risk Assets	Other Assets	Securitisation*	Total Exposures after Netting and Credit Risk Mitigation*	Total Risk- Weighted Assets
0%	15,002,001	-	-	-	-	-	-	-	-	-	15,002,001	-
20%	21,257	-	-	-	-	-	-	-	-	54,837	76,094	15,219
35%	-	-	-	-	-	-	-	-	-	-	-	-
50%	-	-	288,360	-	166,257	1,937,228	-	-	-	-	2,391,845	1,195,923
75%	-	-	-	-	-	582,882	-	-	-	-	582,882	437,162
100%	-	-	-	523	853,219	2,252,961	-	-	59,735	-	3,166,439	3,166,439
100% < RW <1250%	-	-	-	-	513	1,014	-	575	-	-	2,102	3,153
>1250%	-	-	-	-	11	-	-	-	-	-	11	138
Total	15,023,258	-	288,360	523	1,020,000	4,774,086	-	575	59,735	54,837	21,221,375	4,818,033
Average Risk Weight	0%	-	50%	100%	92%	77%	-	150%	100%	20%	23%	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	

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

CREDIT RISK (CONTINUED)

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

Table 14: Disclosure by Risk Weight under SA for CIMB Islamic (continued)

	CIMB Islamic													
30 June 2014	(RM'000)	Risk Weights	Sovereign/ Central Banks	PSEs	Banks, MDBs and DFIs	Insurance Cos/ Takaful Operators, Securities Firms & Fund Managers	Corporate	Regulatory Retail	RRE Financing	Higher Risk Assets	Other Assets	Securitisation*	Total Exposures after Netting and Credit Risk Mitigation*	Total Risk- Weighted Assets
0%	14,409,299	-	13,000	-	-	-	-	-	-	-	1	-	14,422,300	-
20%	17,997	-	-	-	-	-	-	-	-	-	-	23,874	41,871	8,374
35%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50%	-	-	62,355	-	193,430	-	1,649,604	-	-	-	-	-	1,905,388	952,694
75%	-	-	-	-	-	-	684,559	-	-	-	-	-	684,559	513,419
100%	-	-	-	-	162,774	589	2,275,114	-	-	-	44,932	-	2,483,410	2,483,410
100% < RW <1250%	-	-	-	-	431	-	144	-	-	575	-	-	1,149	1,724
>1250%	-	-	-	-	20	-	-	-	-	-	-	-	20	250
Total	14,427,296	-	75,355	-	356,655	589	4,609,420	-	-	575	44,932	23,874	19,538,697	3,959,871
Average Risk Weight	0%	-	41%	-	73%	100%	78%	-	-	150%	100%	20%	20%	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-

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

CREDIT RISK (CONTINUED)

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

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

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

30 June 2015	CIMB Islamic			
(RM '000) Exposure Class	Investment Grade	Non- Investment Grade	No Rating	Total
On and Off-Balance-Sheet Exposures				
Public Sector Entities	-	-	-	-
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	-	-	1,043	1,043
Corporate	-	-	2,073,991	2,073,991
Sovereign/Central Banks	1,418,340	-	13,604,917	15,023,258
Banks, MDBs and DFIs	288,360	-	-	288,360
Total	1,706,700	-	15,679,951	17,386,652

30 June 2014	CIMB Islamic			
(RM '000) Exposure Class	Investment Grade	Non- Investment Grade	No Rating	Total
On and Off-Balance-Sheet Exposures				
Public Sector Entities	-	-	-	-
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	-	-	1,064	1,064
Corporate	-	-	371,431	371,431
Sovereign/Central Banks	773,219	-	13,654,076	14,427,296
Banks, MDBs and DFIs	62,355	-	13,000	75,355
Total	835,574	-	14,039,572	14,875,145

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

30 June 2015	CIMB Islamic			
(RM '000) Exposure Class	Investment Grade	Non- Investment Grade	No Rating	Total
On and Off-Balance-Sheet Exposures				
Securitisation	54,837	-	-	54,837

CREDIT RISK (CONTINUED)

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

Table 16: Disclosures of Securitisation under SA according to Ratings by ECAs for CIMB Islamic (continued)

30 June 2014	CIMB Islamic			
(RM '000) Exposure Class	Investment Grade	Non- Investment Grade	No Rating	Total
On and Off-Balance-Sheet Exposures				
Securitisation	23,874	-	-	23,874

Credit Risk – Disclosure for Portfolios under the IRB Approach

Retail Exposures

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

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

Table 17: Retail Credit Exposures by PD Band for CIMB Islamic

30 June 2015	CIMB Islamic			
(RM'000) PD Range of Retail Exposures	0% ≤ PD < 2%	2% ≤ PD < 100%	100% Or Default	Total
Total Retail Exposure	15,379,830	1,684,482	246,582	17,310,895
RRE Financing	8,179,913	314,872	78,754	8,573,538
QRRE	109,254	94,156	2,118	205,528
Hire Purchase	4,020,136	654,905	124,527	4,799,569
Other Retail	3,070,528	620,549	41,183	3,732,259
Exposure Weighted Average LGD				
RRE Financing	23%	24%	31%	
QRRE	90%	90%	90%	
Hire Purchase	54%	56%	59%	
Other Retail	29%	41%	59%	
Exposure Weighted Average Risk Weight				
RRE Financing	30%	88%	25%	
QRRE	34%	126%	-	
Hire Purchase	55%	99%	314%	
Other Retail	30%	66%	148%	

CREDIT RISK (CONTINUED)

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

Retail Exposures (continued)

Table 17: Retail Credit Exposures by PD Band for CIMB Islamic (continued)

30 June 2014	CIMB Islamic			
(RM'000)				
PD Range of Retail Exposures	0% ≤ PD < 2%	2% ≤ PD < 100%	100% Or Default	Total
Total Retail Exposure	15,118,592	1,594,272	287,141	17,000,005
RRE Financing	7,930,025	247,159	74,987	8,252,171
QRRE	96,173	96,010	2,432	194,614
Hire Purchase	4,805,188	799,961	169,985	5,775,133
Other Retail	2,287,206	451,143	39,738	2,778,087
Exposure Weighted Average LGD				
RRE Financing	24%	25%	34%	
QRRE	90%	90%	90%	
Hire Purchase	53%	55%	58%	
Other Retail	25%	45%	55%	
Exposure Weighted Average Risk Weight				
RRE Financing	30%	101%	56%	
QRRE	35%	123%	-	
Hire Purchase	53%	106%	302%	
Other Retail	27%	78%	127%	

CREDIT RISK (CONTINUED)

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

Retail Exposures (continued)

Table 18: Retail Exposures under the IRB Approach by Expected Loss Range for CIMB Islamic

30 June 2015	CIMB Islamic			
(RM'000) Expected Loss Range of Retail Exposures	EL ≤ 1%	1% < EL < 100%	EL = 100%	Total
Total Retail Exposure (EAD)	15,803,267	1,506,777	851	17,310,895
RRE Financing	8,309,588	263,928	22	8,573,538
QRRE	64,989	140,540	-	205,528
Hire Purchase	4,019,046	780,174	349	4,799,569
Other Retail	3,409,645	322,135	480	3,732,259
Exposure Weighted Average LGD (%)				
RRE Financing	23%	26%	15%	
QRRE	90%	90%	-	
Hire Purchase	54%	57%	58%	
Other Retail	29%	60%	93%	

30 June 2014	CIMB Islamic			
(RM'000) Expected Loss Range of Retail Exposures	EL ≤ 1%	1% < EL < 100%	EL = 100%	Total
Total Retail Exposure (EAD)	15,343,186	1,656,282	537	17,000,005
RRE Financing	7,997,705	254,445	21	8,252,171
QRRE	57,470	137,144	-	194,614
Hire Purchase	4,792,367	982,616	150	5,775,133
Other Retail	2,495,644	282,077	366	2,778,087
Exposure Weighted Average LGD (%)				
RRE Financing	24%	28%	15%	
QRRE	90%	90%	-	
Hire Purchase	53%	56%	55%	
Other Retail	25%	61%	100%	

CREDIT RISK (CONTINUED)

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

Non-retail Exposures

The following tables summarise CIMBBG and CIMB Islamic’s non-retail credit exposures measured under F-IRB Approach:

Table 19: Credit Exposures Subject to Supervisory Risk Weight under IRB Approach for CIMB Islamic

30 June 2015	CIMB Islamic					
(RM '000) Supervisory Categories	Strong	Good	Satisfactory	Weak	Default	Total
Project Finance	124,346	-	-	-	-	124,346
Object Finance	225,532	-	52,524	-	-	278,056
Commodities Finance	-	-	-	-	-	-
Income Producing Real Estate	364,270	649,543	30,718	15,778	-	1,060,309
RWA	497,693	541,070	95,728	39,446	-	1,173,938

30 June 2014	CIMB Islamic					
(RM '000) Supervisory Categories	Strong	Good	Satisfactory	Weak	Default	Total
Project Finance	137,106	-	-	-	-	137,106
Object Finance	-	-	87,709	-	-	87,709
Commodities Finance	-	-	-	-	-	-
Income Producing Real Estate	41,440	578,620	22,476	1,312	-	643,848
RWA	122,772	489,680	126,712	3,279	-	742,443

There is no exposure to High Volatility Commercial Real Estate and Equities under the Simple Risk Weight Approach.

CREDIT RISK (CONTINUED)

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

Non-retail Exposures (continued)

Table 20: Non Retail Exposures under IRB Approach by Risk Grades for CIMB Islamic

30 June 2015	CIMB Islamic				
(RM'000) Internal Risk Grading	1 - 3	4 - 9	10 - 13	Default	Total
Total Non-Retail Exposure	5,135,084	7,776,508	2,540,282	191,879	15,643,754
Bank	2,318,113	99,629	1,577	-	2,419,319
Corporate (excluding Specialised Financing)	2,816,971	7,676,878	2,538,706	191,879	13,224,435
Exposure Weighted Average LGD					
Bank	45%	45%	45%	-	
Corporate (excluding Specialised Financing)	45%	43%	39%	40%	
Exposure Weighted Average Risk Weight					
Bank	19%	46%	125%	-	
Corporate (excluding Specialised Financing)	13%	74%	110%	-	

30 June 2014	CIMB Islamic				
(RM'000) Internal Risk Grading	1 - 3	4 - 9	10 - 13	Default	Total
Total Non-Retail Exposure	4,086,066	5,936,933	2,176,415	105,998	12,305,413
Bank	2,158,976	152,576	128	-	2,311,680
Corporate (excluding Specialised Financing)	1,927,091	5,784,357	2,176,287	105,998	9,993,732
Exposure Weighted Average LGD					
Bank	45%	45%	45%	-	
Corporate (excluding Specialised Financing)	45%	43%	40%	39%	
Exposure Weighted Average Risk Weight					
Bank	20%	46%	150%	-	
Corporate (excluding Specialised Financing)	11%	65%	116%	-	

CREDIT RISK (CONTINUED)

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

Expected Losses versus Actual Losses by Portfolio Types

The following tables summarises the actual losses by portfolio type:

Table 21: Analysis of Expected Loss versus Actual Losses by Portfolio Types for CIMB Islamic

CIMB Islamic				
(RM'000) Exposure Class	30 June 2015		30 June 2014	
	Regulatory Expected Losses as at 30 June 2014	Actual Losses for the period ended 30 June 2015	Regulatory Expected Losses as at 30 June 2013	Actual Losses for the period ended 30 June 2014
Sovereign	-	-	-	-
Bank	670	-	429	-
Corporate	96,113	(4,452)	73,860	(3,560)
RRE Financing	23,252	1,422	27,143	3,188
HPE	92,696	70,349	134,990	70,096
QRRE	8,310	4,139	8,137	4,985
Other Retail	30,461	7,666	31,986	27,669
Other Exposures	-	-	-	-
Total	251,501	79,124	276,545	102,377

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

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

CREDIT RISK (CONTINUED)

Off-Balance Sheet Exposures and Counterparty Credit Risk

In the event of a one-notch downgrade of rating, based on the terms of the existing Credit Support Annexes, International Swaps and Derivatives Association Agreement and exposure as at 30 June 2015 and 30 June 2014, there was no requirement for additional collateral to be posted.

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

Table 22: Disclosure on Off-Balance Sheet Exposures and Counterparty Credit Risk for CIMB Islamic

30 June 2015	CIMB Islamic			
(RM '000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk-Weighted Assets
Direct Credit Substitutes	139,701		139,701	113,155
Transaction Related Contingent Items	362,232		181,116	134,552
Short Term Self Liquidating Trade Related Contingencies	16,321		3,264	2,279
Assets Sold With Recourse	-		-	-
Forward Asset Purchases	-		-	-
Obligations under an On-going Underwriting Agreement	-		-	-
Commitments to buy back Islamic securities under Sales and Buy Back agreement transactions	-		-	-
Foreign Exchange Related Contracts				
One year or less	-	-	-	-
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
OTC derivative transactions subject to valid bilateral netting agreements	21,524,830	130,268	571,875	177,237
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	4,568,087		3,685,076	2,059,623
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	168,851		126,638	93,944
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a customer's creditworthiness	2,372,719		-	-
Unutilised credit card lines	219,264		93,475	55,983
Off-balance sheet items for securitisation exposures	-		-	-
Total	29,372,006	130,268	4,801,145	2,636,773

CREDIT RISK (CONTINUED)

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

Table 22: Disclosure on Off-Balance Sheet Exposures and Counterparty Credit Risk for CIMB Islamic (continued)

30 June 2014	CIMB Islamic			
(RM '000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk-Weighted Assets
Direct Credit Substitutes	164,518		164,518	117,682
Transaction Related Contingent Items	366,849		183,425	126,109
Short Term Self Liquidating Trade Related Contingencies	62,383		12,477	8,132
Assets Sold With Recourse	-		-	-
Forward Asset Purchases	-		-	-
Obligations under an On-going Underwriting Agreement	-		-	-
Commitments to buy back Islamic securities under Sales and Buy Back agreement transactions	-		-	-
Foreign Exchange Related Contracts				
One year or less	-	-	-	-
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
OTC derivative transactions subject to valid bilateral netting agreements	21,200,139	21,232	372,695	76,124
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	3,802,206		2,969,293	1,663,959
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	8,164		6,033	3,344
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a customer's creditworthiness	1,608,855		-	-
Unutilised credit card lines	205,096		90,718	60,655
Off-balance sheet items for securitisation exposures	-		-	-
Total	27,418,211	21,232	3,799,158	2,056,005

CREDIT RISK (CONTINUED)

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

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

Table 23: Disclosure on Credit Derivative Transactions for CIMB Islamic

(RM'000)	CIMB Islamic			
	30 June 2015		30 June 2014	
	Notional of Credit Derivatives			
	Protection Bought	Protection Sold	Protection Bought	Protection Sold
Own Credit Portfolio	-	-	-	-
Client Intermediation Activities	-	53,320	-	56,900
Total	-	53,320	-	56,900
Total Return Swaps	-	53,320	-	56,900
Total	-	53,320	-	56,900

CREDIT RISK (CONTINUED)

Credit Risk Mitigation

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

Table 24: Disclosure on Credit Risk Mitigation for CIMB Islamic

30 June 2015	CIMB Islamic			
(RM'000) Exposure Class	Exposures before CRM	Exposures Covered by Guarantees/ Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
<i>Performing Exposures</i>				
Sovereign/Central Banks	15,023,258	-	-	-
Public Sector Entities	-	-	-	-
Banks, DFIs & MDBs	2,707,679	-	-	-
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	1,043	-	520	-
Corporate	16,566,917	682,484	1,228,340	2,262,681
RRE Financing	8,494,785	-	-	-
Qualifying Revolving Retail	203,410	-	-	-
Hire Purchase	4,675,042	-	-	-
Other Retail	8,488,412	-	25,471	-
Securitisation	54,837	-	-	-
Higher Risk Assets	575	-	-	-
Other Assets	59,735	-	-	-
<i>Defaulted Exposures</i>	277,381	-	7,602	58,657
Total Exposures	56,553,075	682,484	1,261,933	2,321,339

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

CREDIT RISK (CONTINUED)

Credit Risk Mitigation (continued)

Table 24: Disclosure on Credit Risk Mitigation for CIMB Islamic (continued)

30 June 2014	CIMB Islamic			
(RM'000) Exposure Class	Exposures before CRM	Exposures Covered by Guarantees/ Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
<i>Performing Exposures</i>				
Sovereign/Central Banks	14,427,296	-	-	-
Public Sector Entities	-	-	-	-
Banks, DFIs & MDBs	2,387,035	-	-	-
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	1,064	-	475	-
Corporate	11,123,761	500,409	172,208	1,459,840
RRE Financing	8,177,184	-	-	-
Qualifying Revolving Retail	192,182	-	-	-
Hire Purchase	5,605,149	-	-	-
Other Retail	7,383,624	-	35,279	-
Securitisation	23,874	-	-	-
Higher Risk Assets	575	-	-	-
Other Assets	44,932	-	-	-
<i>Defaulted Exposures</i>	241,060	-	3,044	49,547
Total Exposures	49,607,736	500,409	211,006	1,509,387

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

SECURITISATION

There were no outstanding exposures securitised by CIMB Islamic as at 30 June 2015 and 30 June 2014 respectively. The tables below represent the disclosure on Securitisation under the SA for Banking Book:

Table 25: Disclosure on Securitisation under the SA for Banking Book Exposures for CIMB Islamic

(RM'000) Exposure Class	Net Exposure After CRM	Distribution of Exposures after CRM according to Applicable Risk Weights							Risk Weighted Assets	
		Rated Securitisation Exposures								
		0%	10%	20%	50%	100%	350%	1250%		
		Unrated (Look Through)							Risk Weighted Assets	
									Exposure Amount	
Traditional Securitisation (Banking Book)										
<i>Non-originating Banking Institution</i>										
<i>On-Balance Sheet</i>										
Most senior	54,837	-	-	54,837	-	-	-	-	-	10,967
Mezzanine	-	-	-	-	-	-	-	-	-	-
First loss	-	-	-	-	-	-	-	-	-	-
<i>Off-Balance Sheet</i>										
Rated eligible liquidity facilities	-									
Unrated eligible liquidity facilities (with original maturity > 1 year)	-									
Unrated eligible liquidity facilities (with original maturity < 1 year)	-									
Eligible servicer cash advance facilities	-									
Eligible underwriting facilities	-									
Guarantees and credit derivatives	-									
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-									

SECURITISATION (CONTINUED)

Table 25: Disclosure on Securitisation under the SA for Banking Book Exposures for CIMB Islamic (continued)

30 June 2015		Distribution of Exposures after CRM according to Applicable Risk Weights							CIMB Islamic		
(RM'000) Exposure Class	Net Exposure After CRM	Rated Securitisation Exposures						Unrated (Look Through)		Risk Weighted Assets	
		0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW		Exposure Amount
<u>Originating Bankina Institution</u>											
<i>On-Balance Sheet</i>											
Most senior	-	-	-	-	-	-	-	-	-	-	-
Mezzanine	-	-	-	-	-	-	-	-	-	-	-
First loss	-	-	-	-	-	-	-	-	-	-	-
<i>Off-Balance Sheet</i>											
Rated eligible liquidity facilities	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-	-	-	-	-	-	-	-	-	-
Eligible servicer cash advance facilities	-	-	-	-	-	-	-	-	-	-	-
Eligible underwriting facilities	-	-	-	-	-	-	-	-	-	-	-
Guarantees and credit derivatives	-	-	-	-	-	-	-	-	-	-	-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-	-	-	-	-	-	-	-	-	-
Total Exposures	54,837	-	-	54,837	-	-	-	-	-	-	10,967

SECURITISATION (CONTINUED)

Table 25: Disclosure on Securitisation under the SA for Banking Book Exposures for CIMB Islamic (continued)

30 June 2014		Distribution of Exposures after CRM according to Applicable Risk Weights										CIMB Islamic	
(RM'000) Exposure Class	Net Exposure After CRM	Rated Securitisation Exposures								Unrated (Look Through)		Risk Weighted Assets	
		0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount			
Traditional Securitisation (Banking Book)													
<i>Non-originating Banking Institution</i>													
<i>On-Balance Sheet</i>													
Most senior	23,874	-	-	23,874	-	-	-	-	-	-	-	-	4,775
Mezzanine	-	-	-	-	-	-	-	-	-	-	-	-	-
First loss	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Off-Balance Sheet</i>													
Rated eligible liquidity facilities	-												
Unrated eligible liquidity facilities (with original maturity > 1 year)	-												
Unrated eligible liquidity facilities (with original maturity < 1 year)	-												
Eligible servicer cash advance facilities	-												
Eligible underwriting facilities	-												
Guarantees and credit derivatives	-												
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-												

SECURITISATION (CONTINUED)

Table 25: Disclosure on Securitisation under the SA for Banking Book Exposures for CIMB Islamic (continued)

30 June 2014		Distribution of Exposures after CRM according to Applicable Risk Weights							CIMB Islamic	
(RM'000) Exposure Class	Net Exposure After CRM	Rated Securitisation Exposures					Unrated (Look Through)		Risk Weighted Assets	
		0%	10%	20%	50%	100%	350%	1250%		Weighted Average RW
<i>Originating Banking Institution</i>										
<i>On-Balance Sheet</i>										
Most senior	-	-	-	-	-	-	-	-	-	-
Mezzanine	-	-	-	-	-	-	-	-	-	-
First loss	-	-	-	-	-	-	-	-	-	-
<i>Off-Balance Sheet</i>										
Rated eligible liquidity facilities	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-	-	-	-	-	-	-	-	-
Eligible servicer cash advance facilities	-	-	-	-	-	-	-	-	-	-
Eligible underwriting facilities	-	-	-	-	-	-	-	-	-	-
Guarantees and credit derivatives	-	-	-	-	-	-	-	-	-	-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-	-	-	-	-	-	-	-	-
Total Exposures	23,874	-	-	23,874	-	-	-	-	-	4,775

SECURITISATION (CONTINUED)

As at 30 June 2015 and 30 June 2014, CIMB Islamic has no Securitisation under the SA for Trading Book Exposures subject to Market Risk Capital Charge.

MARKET RISK

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

OPERATIONAL RISK

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

EQUITY EXPOSURES IN BANKING BOOK

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

Table 26: Analysis of Equity Investments by Grouping and RWA for CIMB Islamic

in RM('000)	CIMB Islamic			
	30 June 2015		30 June 2014	
	Exposures subject to Risk-Weighting	RWA	Exposures subject to Risk-Weighting	RWA
Privately held	575	863	575	863
Publicly traded	-	-	-	-
Total	575	863	575	863

RATE OF RETURN RISK IN THE BANKING BOOK

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

The tables below illustrate the Group's RORBB under a 100 bps parallel upward benchmark rate shock from economic value and earnings perspectives:

Table 27: RORBB – Impact on Economic Value on CIMB Islamic

(RM'000)	CIMB Islamic	
	30 June 2015	30 June 2014
Currency	+100bps Increase (Decline) in Economic Value (Value in RM Equivalent)	
Ringgit Malaysia	(599,635)	(373,227)
US Dollar	(2,511)	1,358
Thai Baht	-	-
Singapore Dollar	-	-
Others	(132)	110
Total	(602,278)	(371,759)

Table 28: RORBB – Impact on Earnings on CIMB Islamic

(RM'000)	CIMB Islamic	
	30 June 2015	30 June 2014
Currency	+100bps Increase (Decline) in Earnings (Value in RM Equivalent)	
Ringgit Malaysia	(113,033)	(73,122)
US Dollar	744	(10,968)
Thai Baht	9	-
Singapore Dollar	11	(9)
Others	1,337	(870)
Total	(110,932)	(84,969)

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

- [END OF SECTION] -