

Company No.

716122	P
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**ASIAN FINANCE BANK BERHAD**

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014

Company No.

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2014**

	Note	Economic Entity and Bank	
		30-Sep-14 RM	31-Dec-13 RM
<b>Assets</b>			
Cash and short-term funds	2	546,623,476	504,992,944
Financial investments available-for-sale	3	572,510,966	557,509,107
Financial investments held-to-maturity	4	262,185,789	140,616,776
Financing and advances	5	1,769,335,404	1,648,699,828
Derivative assets	6	692,650	1,153,124
Other assets	7	3,980,777	4,416,187
Statutory deposits with			
Bank Negara Malaysia		44,173,822	40,288,822
Property, plant and equipment		1,732,689	2,421,876
Intangible assets		2,065,382	3,041,960
<b>Total assets</b>		<b>3,203,300,955</b>	<b>2,903,140,624</b>
<b>Liabilities</b>			
Deposits from customers	8	1,258,004,720	1,564,472,425
Deposits and placements of			
banks and other financial institutions	9	1,438,681,323	819,286,096
Derivative liabilities	6	4,832,200	5,484,387
Other liabilities	10	10,915,576	37,728,079
<b>Total liabilities</b>		<b>2,712,433,819</b>	<b>2,426,970,987</b>
<b>Equity</b>			
Ordinary share capital		532,530,020	532,530,020
Reserves		(41,662,884)	(56,360,383)
<b>Total equity</b>		<b>490,867,136</b>	<b>476,169,637</b>
<b>Total Liabilities and Equity</b>		<b>3,203,300,955</b>	<b>2,903,140,624</b>
<b>Commitments and contingencies</b>	18	<b>603,813,107</b>	<b>500,812,943</b>
<b>Capital Adequacy</b>	20		
		<b>Economic Entity</b>	
CET1 capital		20.252%	22.506%
Tier 1 capital		20.252%	22.506%
Total capital ratio		20.711%	22.739%
		<b>Bank</b>	
CET1 capital		20.251%	22.505%
Tier 1 capital		20.251%	22.505%
Total capital ratio		20.710%	22.738%

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**ASIAN FINANCE BANK BERHAD**  
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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

		<b>Economic Entity and Bank</b>			
	<b>Note</b>	<b>3rd Quarter Ended 30-Sep-14 RM</b>	<b>3rd Quarter Ended 30-Sep-13 RM</b>	<b>Nine Months Ended 30-Sep-14 RM</b>	<b>Nine Months Ended 30-Sep-13 RM</b>
Income derived from investment of depositors' funds	11	<b>27,180,782</b>	22,048,650	<b>76,722,970</b>	67,207,387
Income derived from investment of shareholders' funds	12	<b>7,226,271</b>	6,143,061	<b>20,794,760</b>	18,248,548
Allowances for impairment on financing and advances	13	<b>(2,695,631)</b>	(9,569,456)	<b>(7,849,839)</b>	(12,612,370)
<b>Total distributable income</b>		<b>31,711,422</b>	18,622,255	<b>89,667,891</b>	72,843,565
Income attributable to depositors	14	<b>(20,478,058)</b>	(16,047,373)	<b>(55,103,603)</b>	(50,043,728)
		<b>11,233,364</b>	2,574,882	<b>34,564,288</b>	22,799,837
Personnel expenses	15	<b>(4,282,476)</b>	(5,510,849)	<b>(11,443,172)</b>	(17,319,019)
Other overheads and expenditures	16	<b>(3,757,738)</b>	(3,545,450)	<b>(10,797,138)</b>	(10,901,729)
<b>Profit / (Loss) before taxation</b>		<b>3,193,150</b>	(6,481,417)	<b>12,323,978</b>	(5,420,910)
Taxation		-	-	-	-
<b>Net Profit / (Loss) for the financial period</b>		<b>3,193,150</b>	(6,481,417)	<b>12,323,978</b>	(5,420,910)
Profit / (Loss) attributable to:					
Owners of the parent		<b>3,193,150</b>	(6,481,417)	<b>12,323,978</b>	(5,420,910)
Non-controlling interest		-	-	-	-
		<b>3,193,150</b>	(6,481,417)	<b>12,323,978</b>	(5,420,910)
Earnings per shares (sen)					
Basic and diluted		<b>0.60</b>	(1.22)	<b>2.31</b>	(1.02)

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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014 (CONTINUED)**

	<b>Economic Entity and Bank</b>			
	<b>3rd Quarter</b>	3rd Quarter	<b>Nine Months</b>	Nine Months
	<b>Ended</b>	Ended	<b>Ended</b>	Ended
<b>Note</b>	<b>30-Sep-14</b>	30-Sep-13	<b>30-Sep-14</b>	30-Sep-13
	<b>RM</b>	RM	<b>RM</b>	RM
<b>Profit / (Loss) for the financial period</b>	<b>3,193,150</b>	(6,481,417)	<b>12,323,978</b>	(5,420,910)
<b>Other comprehensive Income / (loss):</b>				
Financial investments available-for-sale				
- Unrealised net (loss) / gain on revaluation	<b>664,057</b>	(575,703)	<b>2,373,521</b>	(2,199,545)
Income tax relating to components of other comprehensive income	-	-	-	-
<b>Other comprehensive income / (loss) for the financial period</b>	<b>664,057</b>	(575,703)	<b>2,373,521</b>	(2,199,545)
<b>Total comprehensive income / (loss) for the financial period</b>	<b>3,857,207</b>	(7,057,120)	<b>14,697,499</b>	(7,620,455)
Total comprehensive income / (loss) attributable to:				
Owners of the parent	<b>3,857,207</b>	(7,057,120)	<b>14,697,499</b>	(7,620,455)
Non-controlling interest	-	-	-	-
	<b>3,857,207</b>	(7,057,120)	<b>14,697,499</b>	(7,620,455)

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**ASIAN FINANCE BANK BERHAD**  
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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

	Share Capital RM	Accumulated Losses RM	Statutory Reserve RM	AFS Reserve RM	Total RM
<b>Economic Entity and Bank</b>					
<b>30-Sep-14</b>					
<b>Balance as at</b>					
<b>1 January 2014</b>	532,530,020	(57,437,007)	3,787,247	(2,710,623)	476,169,637
Net profit for the period	-	12,323,978	-	-	12,323,978
Transfer to statutory reserve	-	-	-	-	-
Other comprehensive income/(loss):					
Financial investment available-for-sale - Unrealised net loss on revaluation	-	-	-	2,373,521	2,373,521
Income tax relating to components of other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	-	2,373,521	2,373,521
<b>Balance as at</b>					
<b>30 September 2014</b>	<b>532,530,020</b>	<b>(45,113,029)</b>	<b>3,787,247</b>	<b>(337,102)</b>	<b>490,867,136</b>

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**ASIAN FINANCE BANK BERHAD**  
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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014 (CONTINUED)**

	Share Capital RM	Accumulated Losses RM	Statutory Reserve RM	AFS Reserve RM	Total RM
<b><u>Economic Entity and Bank</u></b>					
<b>31-Dec-13</b>					
<b>Balance as at</b>					
<b>1 January 2013</b>	532,530,020	(61,224,255)		428,824	471,734,589
Net profit for the financial year	-	7,574,495	-	-	7,574,495
Transfer to statutory reserve	-	(3,787,247)	3,787,247		-
Other comprehensive income/(loss):					
Financial investment available-for-sale - Unrealised net loss on revaluation	-			(3,032,241)	(3,032,241)
Income tax relating to components of other comprehensive income	-	-	-	(107,206)	(107,206)
Total comprehensive income	-	-	-	(3,139,447)	(3,139,447)
<b>Balance as at</b>					
<b>31 December 2013</b>	<u>532,530,020</u>	<u>(57,437,007)</u>	<u>3,787,247</u>	<u>(2,710,623)</u>	<u>476,169,637</u>

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF CASH FLOW**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b> RM	31-Dec-13 RM
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	<b>12,323,978</b>	7,467,289
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	<b>846,311</b>	1,317,546
Amortisation of intangible assets	<b>976,578</b>	1,788,275
Loss on sale of property, plant and equipment	-	8,019
Gain on sale of motor vehicle	(1,300)	-
Profit income from:		
- Investment on financial investments held-for-trading	-	(58,675)
- Investment on financial investments available-for-sale	<b>(15,978,649)</b>	(14,311,997)
- Investment on financial investments held-to-maturity	<b>(8,030,128)</b>	(4,762,678)
Net loss/(gain) on sale of financial investments held-for-trading	-	71,130
Net loss/(gain) on sale of financial investments available-for-sale	<b>184,264</b>	(204,874)
Unrealised gain from financial investments held-for-trading	-	(10,572)
Accretion of discount less amortisation of premium	<b>(21,436)</b>	341,725
Impairment losses recognised on jointly controlled entity	-	-
Share of loss in jointly controlled entity	-	-
Allowances for losses on financing and advances	<b>7,849,839</b>	10,389,750
Operating loss before working capital changes	<b>(1,850,543)</b>	2,034,938

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**ASIAN FINANCE BANK BERHAD**  
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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF CASH FLOW**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014 (CONTINUED)**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b> RM	31-Dec-13 RM
<b>CASH FLOW FROM OPERATING ACTIVITIES (CONTINUED)</b>		
<b>(Increase)/Decrease in operating assets:</b>		
Financing and advances	(128,485,415)	(178,499,041)
Derivative assets	460,474	513,389
Other assets	435,410	4,487,676
Statutory deposit with Bank Negara Malaysia	(3,885,000)	(4,320,000)
Deposits from customers	(306,467,705)	(18,999,827)
Deposits and placements of banks and other financial institutions	619,395,227	73,280,489
Derivative liabilities	(652,187)	5,053,836
Other liabilities	(26,812,503)	28,845,992
Net cash used in operating activities	<b>152,137,758</b>	(87,602,548)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets	(157,124)	(1,182,857)
Net proceeds from:		
- Sale of financial investments held-for-trading	-	11,316,857
- Purchase of financial investments available-for-sale	3,166,047	(165,627,000)
- Sale of financial investments held-to-maturity	(113,517,449)	(1,794,013)
- Sale of Property, Plant and equipment	-	8,463
- Sale of motor vehicle	1,300	-
Net cash generated/(used in) investing activities	<b>(110,507,226)</b>	(157,278,550)



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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF CASH FLOW**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2014 (CONTINUED)**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	<b>RM</b>	<b>RM</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENT</b>		
Net increase / (decrease) in cash and cash equivalents	<b>41,630,532</b>	(244,881,098)
Cash and cash equivalents at beginning of financial period/year	<b>504,992,944</b>	749,874,042
Cash and cash equivalents at end of financial period/year (Note 2)	<b>546,623,476</b>	504,992,944

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**ASIAN FINANCE BANK BERHAD**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR NINE MONTHS ENDED 30 SEPTEMBER 2014**

-PART A - EXPLANATORY NOTES PURSUANT TO GUIDELINES ON FINANCIAL REPORTING  
FOR LICENSED ISLAMIC BANK (BNM GP8-1) ISSUED BY BANK NEGARA MALAYSIA

**1. General information**

a) Performance Review

The Economic Entity and the Bank registered a profit before zakat and tax of RM12.32m each for the nine months period ended 30 September 2014.

The Economic Entity and the Bank's gross financing and advances stood at RM1.81b whilst total Deposit at RM2.70b.

b) Business Plan and outlook for 2014

The IMF forecasts global growth to average 3.3% in 2014—unchanged from 2013—and to rise to 3.8% in 2015. The weaker than expected growth outlook for 2014 reflects setbacks to economic activity in the advanced economies during the first half of 2014, and a less optimistic outlook for several emerging market economies.

In advanced economies, growth is forecast to rise to 1.8% in 2014 and 2.3% in 2015. Growth in emerging market and developing economies will continue to account for the major share of global growth at 4.4% for 2014.

Developing East Asia will grow by 6.9% this year and next, down from 7.2% in 2013. In China, growth will ease slightly to 7.4% this year and 7.2% in 2015. Excluding China, growth in developing countries in the region is expected to bottom out at 4.8% this year, before rising to 5.3% in 2015.

The World Bank's 2014 forecast for Malaysia was revised to 5.7%, up from 4.9% in April, because of robust exports in the first half of the year.

In line with its vision to empower business with Islamic banking values, the Economic Entity and the Bank will continue to leverage on its Middle East connection to create and bridge business opportunities between Malaysia and the Middle East as well as regionally, especially for funding GLCs in the sectors of oil and gas, shipping, aviation, infrastructure and real estate.

The Economic Entity and the Bank will continue to chart growth in its assets and profitability performance and also ensure sustainability going forward. Strategies and approaches will constantly be reviewed to suit business needs, customers' expectations and business requirements, with appropriate risk mitigations in place while ensuring compliance with regulatory requirements.

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**2. Cash and short-term funds**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	<b>RM</b>	<b>RM</b>
Cash and balances with banks and other financial institutions	27,045,189	16,976,833
Money at call and deposit placements maturing within one month	519,578,287	488,016,111
	<b>546,623,476</b>	<b>504,992,944</b>

**3. Financial investments available-for-sale**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	<b>RM</b>	<b>RM</b>
<b>At fair value</b>		
<b>Quoted securities:</b>		
<u>In Malaysia</u>		
Islamic Medium Term Notes	353,260,726	312,363,358
Malaysian Government sukuk	140,604,229	141,624,380
Corporate Sukuk	49,987,887	50,520,979
<u>Outside Malaysia</u>		
Corporate Sukuk	28,658,124	53,000,390
	<b>572,510,966</b>	<b>557,509,107</b>

**4. Financial investments held-to-maturity**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	<b>RM</b>	<b>RM</b>
<b>At amortised cost</b>		
<b>Quoted securities:</b>		
<u>In Malaysia</u>		
Islamic Medium Term Notes	262,185,789	110,642,416
<u>Outside Malaysia</u>		
Corporate Sukuk	-	29,974,360
	<b>262,185,789</b>	<b>140,616,776</b>

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**5. Financing and advances**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	RM	RM
<b>At amortised cost</b>		
Term financing		
- house financing	<b>33,190,596</b>	30,140,620
- syndicated term financing	<b>48,694,505</b>	65,170,873
- hire purchase receivables	<b>25,659</b>	40,629
- other term financing	<b>1,678,337,226</b>	1,524,679,483
Trusts receipts	<b>8,185,720</b>	8,550,036
Staff financing	<b>529,185</b>	542,842
Others	<b>45,409,189</b>	56,762,182
Gross financing and advances	<b>1,814,372,080</b>	1,685,886,665
Less: Allowance for impaired financing and advances:		
- individual impairment allowance	<b>(34,138,772)</b>	(32,188,875)
- collective impairment allowance	<b>(10,897,904)</b>	(4,997,962)
Net financing and advances	<b>1,769,335,404</b>	1,648,699,828
<b>(i) By type of customer</b>		
Domestic non-bank financial institution		
- Others	<b>50,072,123</b>	50,011,096
Domestic business enterprises		
- Small medium enterprise	<b>17,128,721</b>	20,093,435
- Government	-	-
- Others	<b>1,672,021,355</b>	1,520,437,415
Individuals	<b>15,279,420</b>	15,292,842
Foreign entities	<b>59,870,461</b>	80,051,877
	<b>1,814,372,080</b>	1,685,886,665
<b>(ii) By contract</b>		
Ijarah	<b>12,910,561</b>	26,713,311
Istisna	<b>61,216,691</b>	66,112,093
Qardhul Hassan	<b>495,397</b>	491,466
Bai'	<b>1,739,749,431</b>	1,592,569,795
	<b>1,814,372,080</b>	1,685,886,665

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**ASIAN FINANCE BANK BERHAD**  
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**5. Financing and advances (continued)**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b> RM	31-Dec-13 RM
<b>(iii) By profit rate sensitivity</b>		
Fixed rate		
- Housing financing	1,712,236	2,053,705
- Hire purchase receivables	39,519	66,799
- Other fixed rate financing	4,932,570	15,775,151
Variable		
- Base Financing Rate	484,547,708	473,554,401
- Cost-plus	1,322,644,650	1,193,945,143
Non-profit sensitive	495,397	491,466
	<u>1,814,372,080</u>	<u>1,685,886,665</u>
<b>(iv) By contractual maturity</b>		
Maturity within one year	1,429,541,586	1,321,315,090
More than one year to three years	115,879,264	137,119,336
More than three years to five years	165,755,923	89,574,005
More than five years	103,195,307	137,878,234
	<u>1,814,372,080</u>	<u>1,685,886,665</u>
<b>(v) By geographical distribution</b>		
Malaysia	1,769,166,293	1,624,988,993
Qatar	42,371,173	44,643,160
Indonesia	2,333,122	15,727,105
United Kingdom	501,492	527,407
	<u>1,814,372,080</u>	<u>1,685,886,665</u>

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**5. Financing and advances (continued)**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	RM	RM
<b>(vi) By economic purpose</b>		
Purchase of landed property:		
- Residential	<b>31,250,805</b>	29,189,017
- Non-Residential	<b>212,855,339</b>	173,451,043
Working Capital	<b>1,532,348,478</b>	1,442,525,982
Personal Use	<b>519,043</b>	527,328
Purchase of transport vehicles	<b>49,470</b>	4,160,595
Others	<b>37,348,945</b>	36,032,700
	<b><u>1,814,372,080</u></b>	<u>1,685,886,665</u>
<b>(vii) By sector</b>		
Agriculture	<b>339,251,027</b>	280,017,269
Mining and quarrying	<b>338,155,654</b>	279,041,548
Manufacturing	<b>194,630,058</b>	209,899,326
Electricity, gas and water	<b>110,033,973</b>	110,072,329
Construction	<b>227,516,142</b>	187,788,133
Purchase of landed property	<b>29,845,053</b>	30,241,303
Wholesale & retail trade and restaurants & hotels	<b>200,222,029</b>	206,648,907
Transport, storage and communication	<b>100,210,516</b>	102,451,667
Finance, insurance and business services	<b>220,888,834</b>	214,622,768
Education, health and others	-	-
Purchase of transport vehicles	<b>59,446</b>	92,005
Consumption credit	<b>541,054</b>	553,275
Others	<b>53,018,294</b>	64,458,135
	<b><u>1,814,372,080</u></b>	<u>1,685,886,665</u>

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**ASIAN FINANCE BANK BERHAD**  
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**5. Financing and advances (continued)**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	RM	RM
<b>(viii) Movement in the allowance for impaired advances and financing</b>		
<b>Individual Assessment Allowance</b>		
Balance beginning of financial year	32,188,875	20,003,882
Allowance made during the financial period/year	2,109,758	21,494,657
Amount written back in respect of recoveries	(159,861)	(3,333,803)
Amount written off during the financial period as uncollectible	-	(5,975,861)
Balance as at end of financial period/year	<u>34,138,772</u>	<u>32,188,875</u>
<b>Collective Assessment Allowance</b>		
Balance beginning of financial year,	4,997,962	12,769,066
Allowance made during the financial period/year	5,899,942	-
Amount written back in respect of recoveries	-	(7,771,104)
Balance as at end of financial period/year	<u>10,897,904</u>	<u>4,997,962</u>
As % of gross financing and advances less individual assessment allowances	<u>0.61%</u>	<u>0.30%</u>
<b>(ix) Movement in impaired financing and advances</b>		
Balance beginning of financial year	36,032,700	57,639,834
Classified as impaired during the financial period/year	2,032,822	25,388,655
Reclassified as non-impaired	(395,012)	(7,851,770)
Amount recovered	(321,567)	(33,168,158)
Amount written off during the financial period as uncollectible	-	(5,975,861)
Balance as at end of financial period/year	<u>37,348,943</u>	<u>36,032,700</u>
Gross impaired financing and advances ratio	<u>2.06%</u>	<u>2.14%</u>

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**ASIAN FINANCE BANK BERHAD**  
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**5. Financing and advances (continued)**

**(x) Financing by types and Shariah contracts**

**Economic Entity and Bank - 30 September 2014**

Type	Bai'	Ijarah	Istisna'	Qard	Total financing, advances and other receivables
	RM	RM	RM	RM	RM
Term Financing	361,407,013	12,910,561	61,216,691	-	435,534,266
House Financing	26,508,426	6,682,170	-	-	33,190,596
Syndicated Financing	2,565,091	3,758,241	42,371,173	-	48,694,505
Hire purchase receivables	25,659	-	-	-	25,659
Other term financing	332,307,837	2,470,150	18,845,518	-	353,623,505
Trust receipts	8,185,720	-	-	-	8,185,720
Staff financing	33,788	-	-	495,397	529,185
Revolving credit	1,324,713,721	-	-	-	1,324,713,721
Others	45,409,189	-	-	-	45,409,189
<b>Total financing, advances and other receivables</b>	<b>1,739,749,431</b>	<b>12,910,561</b>	<b>61,216,691</b>	<b>495,397</b>	<b>1,814,372,080</b>

**Economic Entity and Bank - 31 December 2013**

Type	Bai'	Ijarah	Istisna'	Qard	Total financing, advances and other receivables
	RM	RM	RM	RM	RM
Term Financing	303,189,408	26,713,311	66,112,093	-	396,014,812
House Financing	26,975,785	3,164,835	-	-	30,140,620
Syndicated Financing	-	20,527,712	44,643,161	-	65,170,873
Hire purchase receivables	40,629	-	-	-	40,629
Other term financing	276,172,994	3,020,764	21,468,932	-	300,662,690
Trust receipts	8,550,036	-	-	-	8,550,036
Staff financing	51,376	-	-	491,466	542,842
Revolving credit	1,224,016,793	-	-	-	1,224,016,793
Others	56,762,182	-	-	-	56,762,182
<b>Total financing, advances</b>	<b>1,592,569,795</b>	<b>26,713,311</b>	<b>66,112,093</b>	<b>491,466</b>	<b>1,685,886,665</b>



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**ASIAN FINANCE BANK BERHAD**  
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**5. Financing and advances (continued)**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	RM	RM
<b>(xi) Impaired financing by sector</b>		
Agriculture	2,563,779	2,563,779
Manufacturing	13,040,034	13,040,036
Construction	5,596,139	5,596,139
Wholesale & retail trade and restaurants & hotels	10,436,582	9,456,021
Purchase of landed property	5,680,389	5,331,497
Purchase of transport vehicles	9,977	19,291
Consumption credit	22,043	25,937
	<b>37,348,943</b>	<b>36,032,700</b>
<b>(xii) Impaired financing by geographical distribution</b>		
Malaysia	<b>37,348,943</b>	<b>36,032,700</b>

**6. Derivative financial instruments**

The table below shows the fair values of derivative financial instruments, recorded as assets or liabilities, together with their notional amounts. The notional amount, recorded gross, is the amount of derivative's underlying asset, reference rate or index and is the basis upon which change in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the period/year end and are indicative of neither the market risks nor the credit risk.

	<b>Economic Entity and Bank</b>					
	<b>30-Sep-14</b>			<b>31-Dec-13</b>		
	<b>Contract/ Notional amount</b>	<b>Fair value</b>		<b>Contract/ Notional amount</b>	<b>Fair value</b>	
RM	Assets RM	Liabilities RM	RM	Assets RM	Liabilities RM	
<b>Trading derivatives</b>						
<b>Foreign exchange contracts:</b>						
Currency forward						
- Less than one year	365,393,055	692,650	(4,832,200)	319,021,117	1,153,124	(5,484,387)

**7. Other assets**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	RM	RM
Other debtors, deposits and prepayments	3,980,777	4,416,187
	<b>3,980,777</b>	<b>4,416,187</b>

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**ASIAN FINANCE BANK BERHAD**  
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**8. Deposits from customers**

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	RM	RM
<b>(i) By type of deposit:</b>		
<u>Non-Mudharabah Funds:</u>		
Demand deposits	35,819,704	61,327,096
Savings deposits	739,544	658,154
Commodity Murabahah	755,666,554	119,567,996
General investment deposits	6,857,476	-
	<u>799,083,278</u>	<u>181,553,246</u>
<u>Mudharabah Funds:</u>		
Savings deposits	784,682	1,509,805
General investment deposits	43,101,811	58,515,729
Special investment deposits	415,034,949	1,322,893,645
	<u>458,921,442</u>	<u>1,382,919,179</u>
	<u>1,258,004,720</u>	<u>1,564,472,425</u>
<b>(ii) The deposits are sourced from the following classes of customers:</b>		
Business enterprises	1,242,528,341	1,546,770,278
Individuals	15,476,379	17,702,147
	<u>1,258,004,720</u>	<u>1,564,472,425</u>
<b>(iii) The maturity structure of saving deposits, amount payable on demand and term deposits are as follows:</b>		
Due within six months	1,207,109,666	1,404,880,294
More than six months to one year	46,331,203	159,490,115
More than one year to three years	4,563,851	102,016
	<u>1,258,004,720</u>	<u>1,564,472,425</u>
<b>(iv) By type of contract:</b>		
Mudharabah	458,921,442	1,382,919,179
Tawarruq	762,524,030	119,567,996
Wadiah	36,559,248	61,985,250
	<u>1,258,004,720</u>	<u>1,564,472,425</u>

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**ASIAN FINANCE BANK BERHAD**  
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**9. Deposits and placements of banks and other financial institutions**

		<b>Economic Entity and Bank</b>	
		<b>30-Sep-14</b>	31-Dec-13
		<b>RM</b>	<b>RM</b>
<b>(i) By type of deposit:</b>			
<u>Non-Mudharabah Funds:</u>			
Licensed Islamic banks		<b>120,670,207</b>	247,458,378
Other financial institutions		<b>859,524,669</b>	358,428,746
		<b>980,194,876</b>	605,887,124
<u>Mudharabah Fund:</u>			
Other financial institutions		<b>458,486,448</b>	213,398,972
		<b>458,486,448</b>	213,398,972
		<b>1,438,681,323</b>	819,286,096
<b>(ii) By type of contract:</b>			
Mudharabah		<b>458,486,448</b>	213,398,973
Tawarruq		<b>979,868,500</b>	471,898,035
Wakalah		-	133,741,076
Wadiah		<b>326,375</b>	248,012
		<b>1,438,681,323</b>	819,286,096

**10. Other liabilities**

		<b>Economic Entity and Bank</b>	
		<b>30-Sep-14</b>	31-Dec-13
		<b>RM</b>	<b>RM</b>
Sundry creditors		<b>7,819,193</b>	31,897,281
Other provisions and accruals		<b>3,096,383</b>	5,830,798
		<b>10,915,576</b>	37,728,079

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**ASIAN FINANCE BANK BERHAD**  
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**11. Income derived from investment of depositors' funds**

	<b>Economic Entity and Bank</b>	
	<b>3rd Quarter Ended 30-Sep-14 RM</b>	<b>3rd Quarter Ended 30-Sep-13 RM</b>
Income derived from investment of:		
(i) General investment deposit	<b>537,395</b>	673,831
(ii) Other deposits	<b>26,643,387</b>	21,374,819
	<b>27,180,782</b>	22,048,650
(i) Income derived from investment of general investment deposits		
<u>Finance income and hibah:</u>		
Financing and advances	<b>324,768</b>	430,825
Financial assets held-for-trading	-	-
Financial investment available-for-sale	<b>87,814</b>	85,587
Financial investment held-to-maturity	<b>47,520</b>	28,833
Money at call and deposits with financial institutions	<b>77,293</b>	128,586
	<b>537,395</b>	673,831
(ii) Income derived from investment of other deposits		
<u>Finance income and hibah:</u>		
Financing and advances	<b>16,101,569</b>	13,666,362
Financial assets held-for-trading	-	-
Financial investment available-for-sale	<b>4,353,724</b>	2,714,930
Financial investment held-to-maturity	<b>2,355,999</b>	914,614
Money at call and deposits with financial institutions	<b>3,832,095</b>	4,078,913
	<b>26,643,387</b>	21,374,819

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**ASIAN FINANCE BANK BERHAD**  
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**11. Income derived from investment of depositors' funds (continued)**

	<b>Economic Entity and Bank</b>	
	<b>Nine Months Ended</b>	Nine Months Ended
	<b>30-Sep-14</b>	30-Sep-13
	<b>RM</b>	RM
Income derived from investment of:		
(i) General investment deposit	<b>1,652,380</b>	2,059,253
(ii) Other deposits	<b>75,070,590</b>	65,148,134
	<b>76,722,970</b>	67,207,387
(i) Income derived from investment of general investment deposits		
<u>Finance income and hibah:</u>		
Financing and advances	<b>1,045,537</b>	1,287,506
Financial assets held-for-trading	-	187
Financial investment available-for-sale	<b>283,948</b>	252,416
Financial investment held-to-maturity	<b>143,513</b>	95,242
Money at call and deposits with financial institutions	<b>179,382</b>	423,902
	<b>1,652,380</b>	2,059,253
(ii) Income derived from investment of other deposits		
<u>Finance income and hibah:</u>		
Financing and advances	<b>47,374,697</b>	40,704,925
Financial assets held-for-trading	-	9,726
Financial investment available-for-sale	<b>12,881,708</b>	7,975,166
Financial investment held-to-maturity	<b>6,569,957</b>	3,008,575
Money at call and deposits with financial institutions	<b>8,244,228</b>	13,449,742
	<b>75,070,590</b>	65,148,134

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**ASIAN FINANCE BANK BERHAD**  
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**12. Income derived from investment of shareholders' funds**

	<b>Economic Entity and Bank</b>			
	<b>3rd Quarter</b>	3rd Quarter	<b>Nine Months</b>	Nine Months
	<b>Ended</b>	Ended	<b>Ended</b>	Ended
	<b>30-Sep-14</b>	30-Sep-13	<b>30-Sep-14</b>	30-Sep-13
	<b>RM</b>	RM	<b>RM</b>	RM
<u>Finance income and hibah</u>				
Financing and advances	<b>3,110,701</b>	3,021,587	<b>9,666,772</b>	8,679,442
Financial investments held-for-trading	-	-	-	1,291
Financial investments available-for-sale	<b>841,106</b>	600,262	<b>2,628,729</b>	1,701,989
Financial investments held-to-maturity	<b>455,161</b>	202,218	<b>1,338,094</b>	640,781
Money at call and deposits with financial institutions	<b>740,331</b>	901,833	<b>1,665,456</b>	2,852,958
Total finance income and hibah	<b>5,147,299</b>	4,725,900	<b>15,299,051</b>	13,876,461
Other operating income (note a - b)	<b>2,078,972</b>	1,417,161	<b>5,495,709</b>	4,372,087
	<b>7,226,271</b>	6,143,061	<b>20,794,760</b>	18,248,548
Other operating income comprise of:				
(a) Fee and other income:				
Commission	<b>351,566</b>	53,694	<b>688,846</b>	211,977
Fees and other income	<b>8,173,735</b>	(799,587)	<b>8,946,413</b>	7,094,803
Net gain/(loss) on derivatives foreign exchange contracts	<b>(6,446,329)</b>	2,163,054	<b>(4,139,550)</b>	(2,945,265)
	<b>2,078,972</b>	1,417,161	<b>5,495,709</b>	4,361,515
(b) Unrealised gain/(loss) on revaluation of:				
Financial investments held-for-trading	-	-	-	10,572
	-	-	-	10,572
Total other operating income	<b>2,078,972</b>	1,417,161	<b>5,495,709</b>	4,372,087

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**13. Allowance for impairment on financing and advances**

	<b>Economic Entity and Bank</b>	
	<b>3rd Quarter Ended</b>	3rd Quarter Ended
	<b>30-Sep-14</b>	30-Sep-13
	<b>RM</b>	RM
Allowance for impaired financing and advances:		
(a) Individual impairment allowance		
- made during the financial period	<b>17,217</b>	9,845,847
- written back during the financial period	<b>(128,396)</b>	(336,118)
(b) Collective impairment allowance		
- made during the financial period	<b>2,806,810</b>	312,850
- written back during the financial period	<b>-</b>	(253,123)
	<b>2,695,631</b>	<b>9,569,456</b>
	<b>Nine Months Ended</b>	Nine Months Ended
	<b>30-Sep-14</b>	30-Sep-13
	<b>RM</b>	RM
Allowance for impaired financing and advances:		
(a) Individual impairment allowance		
- made during the financial period	<b>2,109,757</b>	19,012,150
- written back during the financial period	<b>(159,861)</b>	(1,777,043)
(b) Collective impairment allowance		
- made during the financial period	<b>5,899,943</b>	1,578,045
- written back during the financial period	<b>-</b>	(6,200,782)
	<b>7,849,839</b>	<b>12,612,370</b>

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**14. Income attributable to depositors**

	<b>Economic Entity and Bank</b>	
	<b>3rd Quarter Ended</b>	3rd Quarter Ended
	<b>30-Sep-14</b>	30-Sep-13
	<b>RM</b>	RM
Deposits from customers:		
- Mudharabah funds	<b>6,332,308</b>	9,581,908
- Non-mudharabah funds	<b>5,831,403</b>	488,152
	<b>12,163,711</b>	10,070,060
Deposits and placements of banks and other financial institutions:		
- Mudharabah funds	<b>509,399</b>	1,431,884
- Non-mudharabah funds	<b>7,804,948</b>	4,545,429
	<b>8,314,347</b>	5,977,313
	<b>20,478,058</b>	16,047,373
	<b>Nine Months Ended</b>	Nine Months Ended
	<b>30-Sep-14</b>	30-Sep-13
	<b>RM</b>	RM
Deposits from customers:		
- Mudharabah funds	<b>15,801,769</b>	32,233,375
- Non-mudharabah funds	<b>10,736,917</b>	2,606,295
	<b>26,538,686</b>	34,839,671
Deposits and placements of banks and other financial institutions:		
- Mudharabah funds	<b>14,062,492</b>	3,298,390
- Non-mudharabah funds	<b>14,502,425</b>	11,905,667
	<b>28,564,917</b>	15,204,057
	<b>55,103,603</b>	50,043,728



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**15. Personnel expenses**

	<b>Economic Entity and Bank</b>	
	<b>3rd Quarter Ended 30-Sep-14 RM</b>	3rd Quarter Ended 30-Sep-13 RM
Salaries, allowances and bonuses	<b>3,560,484</b>	4,569,463
Contributions to Employee Provident Fund and SOCSO	<b>445,035</b>	487,968
Medical related expenses	<b>77,418</b>	236,183
Travelling and parking	<b>10,975</b>	27,059
Other staff related cost	<b>188,564</b>	190,176
	<b>4,282,476</b>	5,510,849
	<b>Nine Months Ended 30-Sep-14 RM</b>	Nine Months Ended 30-Sep-13 RM
Salaries, allowances and bonuses	<b>9,285,994</b>	14,320,623
Contributions to Employee Provident Fund and SOCSO	<b>1,369,174</b>	1,533,944
Medical related expenses	<b>352,274</b>	796,451
Travelling and parking	<b>85,744</b>	84,227
Other staff related cost	<b>349,986</b>	583,774
	<b>11,443,172</b>	17,319,019

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**16. Other overheads and expenditures**

	<b>Economic Entity and Bank</b>	
	<b>3rd Quarter Ended 30-Sep-14 RM</b>	<b>3rd Quarter Ended 30-Sep-13 RM</b>
<u>Establishment expenses</u>		
Depreciation of property, plant and equipment	280,790	314,406
Amortisation of intangible assets	310,817	463,946
Rental of premises	478,479	441,746
Software and hardware maintenance	908,268	824,045
Rental of equipment and network line	162,167	148,098
Security expenses	99,585	100,912
Others	621,016	488,568
	<b>2,861,122</b>	<b>2,781,721</b>
<u>Marketing expenses</u>		
Advertising and promotional activities	128,696	30,921
Entertainment expenses	1,933	5,462
Travelling expenses	4,699	45,612
Others	-	-
	<b>135,328</b>	<b>81,995</b>
<u>Administration and general expenses</u>		
License and association fees and levies	122,587	98,482
Travelling, transport and accommodation expenses	19,776	38,121
Printing, stationery, postage and clearing charges	58,781	42,517
Telecommunication charges	95,571	126,833
Shariah Committee remunerations	64,000	71,408
Electricity and water	61,382	71,357
Directors related fees	69,453	53,000
Other professional fees	173,067	42,093
Auditors remuneration	80,234	110,850
Donations	6,000	17,000
Others	10,437	10,073
	<b>761,288</b>	<b>681,734</b>
	<b>3,757,738</b>	<b>3,545,450</b>

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**16. Other overheads and expenditures (continued)**

	<b>Economic Entity and Bank</b>	
	<b>Nine Months Ended 30-Sep-14 RM</b>	Nine Months Ended 30-Sep-13 RM
<u>Establishment expenses</u>		
Depreciation of property, plant and equipment	851,265	1,016,335
Amortisation of intangible assets	976,578	1,427,405
Rental of premises	1,308,374	1,330,347
Software and hardware maintenance	2,561,014	2,530,274
Rental of equipment and network line	482,735	452,977
Security expenses	318,812	280,656
Others	1,888,060	1,402,795
	<b>8,386,838</b>	<b>8,440,788</b>
<u>Marketing expenses</u>		
Advertising and promotional activities	203,158	167,503
Entertainment expenses	15,799	41,027
Travelling expenses	31,467	197,890
Others	-	-
	<b>250,424</b>	<b>406,421</b>
<u>Administration and general expenses</u>		
License and association fees and levies	328,398	279,262
Travelling, transport and accommodation expenses	116,685	92,611
Printing, stationery, postage and clearing charges	176,114	145,839
Telecommunication charges	378,018	454,238
Shariah Committee remunerations	128,000	155,608
Electricity and water	205,809	220,138
Directors related fees	224,116	287,928
Other professional fees	340,648	108,390
Auditors remuneration	205,234	215,850
Donations	17,500	59,500
Others	39,354	35,156
	<b>2,159,876</b>	<b>2,054,521</b>
	<b>10,797,138</b>	<b>10,901,729</b>

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**17. Other comprehensive income**

	<b>Economic Entity and Bank</b>	
	<b>3rd Quarter Ended 30-Sep-14 RM</b>	<b>3rd Quarter Ended 30-Sep-13 RM</b>
Financial investment available-for-sale		
- Unrealised net loss on revaluation	664,057	(575,703)
Income tax relating to components of other comprehensive income	-	-
	<u>664,057</u>	<u>(575,703)</u>
	<b>Nine Months Ended 30-Sep-14 RM</b>	<b>Nine Months Ended 30-Sep-13 RM</b>
Financial investment available-for-sale		
- Unrealised net loss on revaluation	2,373,521	(2,199,545)
Income tax relating to components of other comprehensive income	-	-
	<u>2,373,521</u>	<u>(2,199,545)</u>

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**ASIAN FINANCE BANK BERHAD**  
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**18. Commitments and contingencies**

In the normal course of business, the Economic Entity and the Bank makes various commitments and incurs certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transaction, hence, they are not provided for in the financial statements.

<b>Economic Entity and Bank</b>	<b>Principal amount RM</b>	<b>Gross Positive Fair Value - Derivative Contract RM</b>	<b>Credit equivalent amount* RM</b>	<b>Risk weighted amount RM</b>
<b>30-Sep-14</b>				
Direct credit substitutes	30,636,540	-	30,636,540	30,511,102
Trade-related contingencies	419,732	-	83,946	83,946
Irrevocable commitments to extend credit:				
- one year or less	176,775,312	-	88,387,656	86,387,656
- over one year to five years	29,393,708	-	14,696,854	14,696,854
- over five years	1,194,760	-	597,380	448,884
Foreign exchange related contracts				
- one year or less	365,393,055	692,650	6,173,546	2,182,429
<b>Total</b>	<b>603,813,107</b>	<b>692,650</b>	<b>140,575,922</b>	<b>134,310,871</b>

	<b>Principal amount RM</b>	<b>Gross Positive Fair Value - Derivative Contract RM</b>	<b>Credit equivalent amount* RM</b>	<b>Risk weighted amount RM</b>
<b>31-Dec-13</b>				
Direct credit substitutes	9,068,974	-	9,068,974	8,943,536
Trade-related contingencies	1,817,773	-	363,555	363,555
Irrevocable commitments to extend credit:				
- one year or less	133,982,841	-	66,991,421	64,480,116
- over one year to five years	35,733,992	-	17,866,996	17,863,576
- over five years	1,188,246	-	594,123	445,627
Foreign exchange related contracts				
- one year or less	319,021,117	1,153,124	5,123,305	1,645,314
<b>Total</b>	<b>500,812,943</b>	<b>1,153,124</b>	<b>100,008,373</b>	<b>93,741,724</b>

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**ASIAN FINANCE BANK BERHAD**  
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**19. Financial risk management**

**19.1 Credit risk management**

**(i) Financing and advances**

Financing and advances are summarised as follows:

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	<b>RM</b>	RM
Neither past due nor impaired	<b>1,715,758,559</b>	1,586,556,640
Past due but not impaired	<b>61,264,576</b>	63,297,324
Impaired	<b>37,348,945</b>	36,032,701
Gross financing and advances	<b>1,814,372,081</b>	1,685,886,665
Less: Individual allowance	<b>(34,138,772)</b>	(32,188,875)
Collective allowance	<b>(10,897,904)</b>	(4,997,962)
Net financing and advances	<b>1,769,335,404</b>	1,648,699,828

(a) Financing and advances neither past due nor impaired

Analysis of financing and advances that are neither past due nor impaired analysed based on the Bank's internal credit grading system is as follows:

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	<b>RM</b>	RM
<u>Internal Credit Rating (CRR)</u>		
CRR1 - CRR3	<b>564,289,223</b>	443,703,827
CRR4 - CRR6	<b>1,023,199,796</b>	1,065,926,053
CRR7 - CRR10	<b>115,064,077</b>	65,145,315
Non rated CRR	<b>13,205,462</b>	11,781,445
	<b>1,715,758,558</b>	1,586,556,640

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**ASIAN FINANCE BANK BERHAD**  
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**19. Financial risk management (continued)**

**19.1 Credit risk management (continued)**

**(i) Financing and advances (continued)**

(a) Financing and advances neither past due nor impaired (continued)

The above detailed out the Bank's financing and advances which are rated using the Bank's internal risk rating, and none are rated by the External Credit Assessment Institution (ECAI). For the purpose of Pillar 3 disclosures, the Unrated and Rated Counterparties are rated specific to the credit exposures, using the issue rating of the ECAI based on the assigned risk weights as follows:-

Risk Weights	20%	50%	100%	150%	100%
ECAI	-----RATINGS-----				
S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
MOODY'S	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated
FITCH	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
RAM	AAA to AA	A+ to A-	BBB to BB	B to D	Unrated
MARC	AAA to AA	A+ to A-	BBB to BB-	B to D	Unrated

(b) Financing and advances past due but not impaired

Analysis of aging of financing and advances that are past due but not impaired is as follows:

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	RM	RM
Past due up to 30 days	<b>49,970,280</b>	51,461,557
Past due 30 to 60 days	<b>10,390,350</b>	1,168,069
Past due 60 to 90 days	<b>903,946</b>	10,667,698
	<b>61,264,576</b>	63,297,324

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**ASIAN FINANCE BANK BERHAD**  
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**19. Financial risk management (continued)**

**19.1 Credit risk management (continued)**

**(i) Financing and advances (continued)**

(c) Impaired financing and advances

Financing and advances that are individually determined to be impaired are as follows:

	<b>Economic Entity and Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	<b>RM</b>	RM
Gross impaired financing and advances	<b>37,348,943</b>	36,032,701
Less: Impairment allowance	<b>(34,138,772)</b>	(32,188,875)
Net impaired financing and advances	<b>3,210,171</b>	3,843,826

The movements of allowances for impaired financing and advances are set out in Note 6.

Credit Risk Mitigation (CRM) Disclosures

In mitigating its credit exposure, the Bank currently employs the cash collateral (one of the form of collaterals under Credit Risk Mitigants), which provides 0% risk weights. Other form of collaterals such as financing facility against charges over residential and commercial properties, pledged over shares, and supports in the form of debentures, assignments and guarantees are not taken into consideration as CRM and are therefore assigned with 100% risk weights.



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**ASIAN FINANCE BANK BERHAD**  
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**19. Financial risk management (continued)**

**19.1 Credit risk management (continued)**

**(ii) Short term funds, financial assets and investments portfolios**

Short-term funds, financial assets and investments portfolios for the Economic Entity and the Bank by rating agency designation are as follows:

<u>Economic Entity and Bank</u>	Short term funds RM	Financial investments portfolios RM	Derivative assets RM	Other assets RM
<b>30-Sep-14</b>				
<b>Neither past due nor impaired</b>				
AAA	505,224,844	492,727,833	-	-
AA and below	38,612,668	292,119,421	-	-
Unrated	33,822	-	692,650	3,980,777
	<u>543,871,334</u>	<u>784,847,254</u>	<u>692,650</u>	<u>3,980,777</u>
<b>Individually impaired</b>	-	-	-	-
	<u>543,871,334</u>	<u>784,847,254</u>	<u>692,650</u>	<u>3,980,777</u>
<b>31-Dec-13</b>				
<b>Neither past due nor impaired</b>				
AAA	369,016,548	408,647,006	-	-
AA and below	132,503,181	289,478,877	-	-
Unrated	33,807	-	1,153,124	4,416,187
	<u>501,553,536</u>	<u>698,125,883</u>	<u>1,153,124</u>	<u>4,416,187</u>
<b>Individually impaired</b>	-	-	-	-
	<u>501,553,536</u>	<u>698,125,883</u>	<u>1,153,124</u>	<u>4,416,187</u>

The amount of short term funds, financial assets and investments portfolios that are past due but not impaired is not material.

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**ASIAN FINANCE BANK BERHAD**  
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**19. Financial risk management (continued)**

**19.2 Market risk**

**(i) Profit Rate Risk**

Economic Entity and Bank	Non-trading book						Non-profit sensitive	Trading book	Total	Effective profit rate
	Up to 1 months	1-3 months	3-12 months	1-5 years	Over 5 years	RM				
	RM	RM	RM	RM	RM	RM	RM	RM		
<b>30-Sep-14</b>										
<b>Assets</b>										
Cash and short term funds	519,570,000	-	-	-	-	27,053,476	-	546,623,476	3.00	
Financial investments held-for-trading	-	-	-	-	-	-	-	-	-	
Financial investments available-for-sale	10,000,000	10,008,000	149,860,300	299,919,100	98,439,760	4,283,806	-	572,510,966	3.84	
Financial investments held-to-maturity	-	-	-	195,000,000	65,143,702	2,042,087	-	262,185,789	4.30	
Financing and advances - performing	757,050,503	495,090,528	148,305,756	279,061,431	97,514,918	(45,036,677)	-	1,731,986,458	4.78	
- non performing	-	-	-	-	-	37,348,945	-	37,348,945	-	
Derivative assets	658,450	34,200	-	-	-	-	-	692,650	-	
Other assets	-	-	-	-	-	3,980,777	-	3,980,777	-	
Statutory deposits	-	-	-	-	-	44,173,822	-	44,173,822	-	
Property and equipment	-	-	-	-	-	1,732,689	-	1,732,689	-	
Intangible assets	-	-	-	-	-	2,065,382	-	2,065,382	-	
<b>Total assets</b>	<b>1,287,278,953</b>	<b>505,132,728</b>	<b>298,166,056</b>	<b>773,980,531</b>	<b>261,098,380</b>	<b>77,644,307</b>	<b>-</b>	<b>3,203,300,955</b>		

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**ASIAN FINANCE BANK BERHAD**  
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**19. Financial risk management (continued)**

**19.2 Market risk (continued)**

**(i) Profit Rate Risk**

Economic Entity and Bank	Non-trading book						Non-profit sensitive	Trading book	Total	Effective profit rate
	Up to 1 months	1-3 months	3-12 months	1-5 years	Over 5 years					
	RM	RM	RM	RM	RM	RM	RM	RM	%	
<b>30-Sep-14</b>										
<b>Liabilities</b>										
Deposits from customers	552,031,101	490,678,032	204,381,275	4,538,874	-	6,375,438	-	1,258,004,720	3.02	
Deposits and placements of banks and other financial institutions	730,159,988	506,419,546	192,110,760	5,088,699	-	4,902,330	-	1,438,681,323	3.04	
Derivative liabilities	2,027,200	495,000	2,310,000	-	-	-	-	4,832,200		
Other liabilities	-	-	-	-	-	10,915,576	-	10,915,576	-	
<b>Total liabilities</b>	<b>1,284,218,289</b>	<b>997,592,578</b>	<b>398,802,035</b>	<b>9,627,573</b>	<b>-</b>	<b>22,193,344</b>	<b>-</b>	<b>2,712,433,819</b>		
Total shareholders equity	-	-	-	-	490,867,136	-	-	490,867,136		
	<b>1,284,218,289</b>	<b>997,592,578</b>	<b>398,802,035</b>	<b>9,627,573</b>	<b>490,867,136</b>	<b>22,193,344</b>	<b>-</b>	<b>3,203,300,955</b>		
<b>Total profit-sensitivity gap</b>	<b>3,060,664</b>	<b>(492,459,850)</b>	<b>(100,635,979)</b>	<b>764,352,958</b>	<b>(229,768,756)</b>	<b>55,450,963</b>	<b>-</b>	<b>-</b>		

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**ASIAN FINANCE BANK BERHAD**  
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**19. Financial risk management (continued)**

**19.2 Market risk (continued)**

**(i) Profit Rate Risk**

Economic Entity and Bank	Non-trading book						Non-profit sensitive	Trading book	Total	Effective profit rate
	Up to 1 months	1-3 months	3-12 months	1-5 years	Over 5 years					
	RM	RM	RM	RM	RM	RM	RM	RM	%	
31-Dec-13										
<b>Assets</b>										
Cash and short term funds	488,000,000	-	-	-	-	16,992,944	-	504,992,944	2.93	
Financial investments held-for-trading	-	-	-	-	-	-	-	-	1.57	
Financial investments available-for-sale	-	-	30,092,600	367,819,829	154,199,018	5,397,660	-	557,509,107	3.51	
Financial investments held-to-maturity	-	-	29,470,919	5,000,000	105,155,841	990,016	-	140,616,776	4.02	
Financing and advances - performing	683,078,182	440,264,870	169,853,903	224,110,271	132,546,739	(37,186,837)	-	1,612,667,128	4.77	
- non performing	-	-	-	-	-	36,032,700	-	36,032,700	-	
Derivative assets	456,543	696,581	-	-	-	-	-	1,153,124	-	
Other assets	-	-	-	-	-	4,416,187	-	4,416,187	-	
Statutory deposits	-	-	-	-	-	40,288,822	-	40,288,822	-	
Property and equipment	-	-	-	-	-	2,421,876	-	2,421,876	-	
Intangible assets	-	-	-	-	-	3,041,960	-	3,041,960	-	
<b>Total assets</b>	<b>1,171,534,725</b>	<b>440,961,451</b>	<b>229,417,422</b>	<b>596,930,101</b>	<b>391,901,597</b>	<b>72,395,328</b>	<b>-</b>	<b>2,903,140,624</b>		

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**ASIAN FINANCE BANK BERHAD**  
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**19. Financial risk management (continued)**

**19.2 Market risk (continued)**

**(i) Profit Rate Risk**

Economic Entity and Bank	<----- Non-trading book ----->						Non-profit sensitive	Trading book	Total	Effective profit rate
	Up to 1 months	1-3 months	3-12 months	1-5 years	Over 5 years					
	RM	RM	RM	RM	RM	RM	RM	RM	%	
31-Dec-13										
<b>Liabilities</b>										
Deposits from customers	668,670,768	589,749,746	299,557,997	101,323	-	6,392,591	-	1,564,472,424	3.01	
Deposits and placements of banks and other financial institutions	180,741,657	475,158,926	157,654,822	-	-	5,730,691	-	819,286,097	2.81	
Derivative liabilities	140,887	-	5,343,500	-	-	-	-	5,484,387	-	
Other liabilities	-	-	-	-	-	37,728,079	-	37,728,079	-	
Total liabilities	849,553,311	1,064,908,672	462,556,319	101,323	-	49,851,361	-	2,426,970,986	-	
Total shareholders equity	-	-	-	-	476,169,637	-	-	476,169,637	-	
	849,553,311	1,064,908,672	462,556,319	101,323	476,169,637	49,851,361	-	2,903,140,624		
<b>Total profit-sensitivity gap</b>	321,981,414	(623,947,222)	(233,138,897)	596,828,778	(84,268,040)	22,543,967	-	-		

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**20. Capital adequacy**

	<u>Economic Entity</u>	
	<u>30-Sep-14</u> RM	31-Dec-13 RM
<u>CET1 Capital</u>		
Paid-up ordinary share capital	<b>532,530,020</b>	532,530,020
Accumulated losses	<b>(57,437,008)</b>	(57,437,008)
AFS revaluation reserve	<b>(337,102)</b>	(2,710,623)
Statutory reserve	<b>3,787,247</b>	3,787,247
	<b>478,543,157</b>	476,169,637
Less : CET1 regulatory adjustments		
Deferred tax assets	-	-
Cumulative (gains)/losses of AFS financial instruments	<b>71,687</b>	1,392,682
Total CET1 capital	<b>478,614,845</b>	477,562,319
<u>Tier 1 Capital</u>		
Additional Tier 1 capital instruments	-	-
Less: Tier 1 regulatory adjustments	-	-
Total Tier 1 capital	<b>478,614,845</b>	477,562,319
<u>Tier II Capital</u>		
Collective impairment/allowance for bad and doubtful financing ^	<b>10,849,752</b>	4,940,305
Total Tier II capital	<b>10,849,752</b>	4,940,305
Total capital base	<b>489,464,596</b>	482,502,624
<u>Capital ratios *</u>		
Inclusive of market risk:		
CET1 capital (inclusive of market risk)	<b>20.252%</b>	22.506%
Tier 1 capital (inclusive of market risk)	<b>20.252%</b>	22.506%
Total capital ratio (inclusive of market risk)	<b>20.711%</b>	22.739%

^ Excludes collective assessment impairment allowance attributable to financing and advances classified as impaired but not individually assessed for impairment pursuant to BNM's Guideline on "Classification and impairment Provisions for Loans/Financing" issued on 8 January 2010 and subsequently updated on 26 January 2010 and 17 December 2010.

\* Effective January 2013, regulatory capital adequacy ratios are derived according to BNM's updated Guidelines on Capital Adequacy Framework for Islamic Banks (Capital Components) and Capital Adequacy Framework for Islamic Banks (Risk Weighted Assets) issued on 28 November 2012.

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**20. Capital adequacy (continued)**

	<b>Bank</b>	
	<b>30-Sep-14</b>	31-Dec-13
	RM	RM
<u>CET1 Capital</u>		
Paid-up ordinary share capital	532,530,020	532,530,020
Accumulated losses	(57,437,008)	(57,437,008)
AFS revaluation reserve	(337,102)	(2,710,623)
Statutory reserve	3,787,247	3,787,247
	<u>478,543,157</u>	<u>476,169,637</u>
Less : CET1 regulatory adjustments		
Deferred tax assets	-	-
Cumulative (gains)/losses of AFS financial instruments	71,687	1,392,682
Total CET1 capital	<u>478,614,845</u>	<u>477,562,319</u>
<u>Tier 1 Capital</u>		
Additional Tier 1 capital instruments	-	-
Less: Tier 1 regulatory adjustments	-	-
Total Tier 1 capital	<u>478,614,845</u>	<u>477,562,319</u>
<u>Tier II Capital</u>		
Collective impairment/allowance for bad and doubtful financing ^	10,849,752	4,940,305
Total Tier II capital	<u>10,849,752</u>	<u>4,940,305</u>
Total capital base	<u>489,464,596</u>	<u>482,502,624</u>
<u>Capital ratios *</u>		
Inclusive of market risk:		
CET1 capital (inclusive of market risk)	20.251%	22.505%
Tier 1 capital (inclusive of market risk)	20.251%	22.505%
Total capital ratio (inclusive of market risk)	<u>20.710%</u>	<u>22.738%</u>

^ Excludes collective assessment impairment allowance attributable to financing and advances classified as impaired but not individually assessed for impairment pursuant to BNM's Guideline on "Classification and Impairment Provisions for Loans/Financing" issued on 8 January 2010 and subsequently updated on 26 January 2010 and 17 December 2010.

\* Effective January 2013, regulatory capital adequacy ratios are derived according to BNM's updated Guidelines on Capital Adequacy Framework for Islamic Banks (Capital Components) and Capital Adequacy Framework for Islamic Banks (Risk Weighted Assets) issued on 28 November 2012.

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

20. Capital adequacy (continued)

Economic Entity

30-Sep-14

Exposure Class

Credit Risk

*On-Balance Sheet Exposures*

Sovereigns & Central Banks

Banks, MDBs and FDIs

Corporates

Regulatory Retail

Other Assets

Total for On-Balance Sheet

Exposures

*Off-Balance Sheet Exposures*

Off balance sheet exposures other

than OTC derivatives or credit

derivatives

Total for Off-Balance Sheet

Exposures

Total On and Off-Balance Sheet

Exposures

	Gross Exposures RM'000	Net Exposures RM'000	Risk Weighted Assets RM'000	Risk Weighted Assets Absorbed by PSIA RM'000	Total Risk Weighted Assets after effects of PSIA RM'000	Capital Requirements RM'000
Sovereigns & Central Banks	139,856	139,856	-	-	-	-
Banks, MDBs and FDIs	69,692	69,692	10,014	-	10,014	801
Corporates	2,372,854	2,372,854	2,093,034	-	2,093,034	167,443
Regulatory Retail	26,201	26,201	21,329	-	21,329	1,706
Other Assets	-	-	-	-	-	-
<b>Total for On-Balance Sheet Exposures</b>	<b>2,608,603</b>	<b>2,608,603</b>	<b>2,124,377</b>	<b>-</b>	<b>2,124,377</b>	<b>169,950</b>
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	603,814	140,576	134,311	-	134,311	10,745
<b>Total for Off-Balance Sheet Exposures</b>	<b>603,814</b>	<b>140,576</b>	<b>134,311</b>	<b>-</b>	<b>134,311</b>	<b>10,745</b>
<b>Total On and Off-Balance Sheet Exposures</b>	<b>3,212,417</b>	<b>2,749,179</b>	<b>2,258,688</b>	<b>-</b>	<b>2,258,688</b>	<b>180,695</b>
<u>Market Risk</u>						
Benchmark Rate Risk	-	-	-	-	-	-
Equity Position Risk	-	-	-	-	-	-
Foreign Currency Risk	1,877	5,099	5,099	-	5,099	408
Operational Risk	-	-	-	99,518	99,518	7,961
<b>Total RWA and Capital Requirements</b>	<b>3,214,294</b>	<b>5,099</b>	<b>2,754,278</b>	<b>2,363,305</b>	<b>2,363,305</b>	<b>189,064</b>



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**ASIAN FINANCE BANK BERHAD**  
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**20. Capital adequacy (continued)**

**Economic Entity**

**30-Sep-14**

Disclosures on Risk Weights - Expressed in nearest RM thousand (RM'000)

Risk Weights	Sovereigns & Central Banks		Banks, MDBs and FDIs		Insurance Companies, Securities Firms & Fund Managers		Corporates	
	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>
<b>Performing Exposures</b>								
0%	139,856	-	19,620	-	-	-	175,157	-
20%	-	-	55,061	11,012	-	-	252,443	50,489
50%	-	-	251	126	-	-	58,026	29,013
75%	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	1,770,337	1,770,337
150%	-	-	-	-	-	-	250,160	375,240
<b>Total</b>	<b>139,856</b>	<b>-</b>	<b>74,932</b>	<b>11,139</b>	<b>-</b>	<b>-</b>	<b>2,506,123</b>	<b>2,225,079</b>
<b>Defaulted Exposures</b>								
0%	-	-	-	-	-	-	500	-
50%	-	-	-	-	-	-	763	381
100%	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	209	314
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,472</b>	<b>695</b>
<b>Total Performing and Defaulted Exposures</b>	<b>139,856</b>	<b>-</b>	<b>74,932</b>	<b>11,139</b>	<b>-</b>	<b>-</b>	<b>2,507,595</b>	<b>2,225,774</b>

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**ASIAN FINANCE BANK BERHAD**  
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**20. Capital adequacy (continued)**

**Economic Entity**

**30-Sep-14**

Disclosures on Risk Weights - Expressed in nearest RM thousand (RM'000)

<b>Risk Weights</b>	<b>Regulatory Retail</b>		<b>Total Exposure</b>	<b>Total Risk Weighted Assets</b>
	Exposures after Netting & CRM	<b>Risk Weighted Asset</b>	Exposures after Netting & CRM	<b>Risk Weighted Asset</b>
<b>Performing Exposures</b>				
0%	-	-	334,633	-
20%	-	-	307,504	61,501
50%	-	-	58,277	29,139
75%	24,558	18,419	24,558	18,419
100%	-	-	1,770,337	1,770,337
150%	-	-	250,160	375,240
<b>Total</b>	<b>24,558</b>	<b>18,419</b>	<b>2,745,469</b>	<b>2,254,636</b>
<b>Defaulted Exposures</b>				
0%	-	-	500	-
50%	-	-	763	381
100%	-	-	-	-
150%	2,238	3,357	2,447	3,671
<b>Total</b>	<b>2,238</b>	<b>3,357</b>	<b>3,710</b>	<b>4,051</b>
<b>Total Performing and Defaulted Exposures</b>	<b>26,796</b>	<b>21,776</b>	<b>2,749,179</b>	<b>2,258,688</b>

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

20. Capital adequacy (continued)

Economic Entity

31-Dec-13 <u>Exposure Class</u>	<u>Gross Exposures</u> RM'000	<u>Net Exposures</u> RM'000	<u>Risk Weighted Assets</u> RM'000	<u>Risk Weighted Assets Absorbed by PSIA</u> RM'000	<u>Total Risk Weighted Assets after effects of PSIA</u> RM'000	<u>Capital Requirements</u> RM'000
<b><u>Credit Risk</u></b>						
<i>On-Balance Sheet Exposures</i>						
Sovereigns & Central Banks	139,758	139,758	-	-	-	-
Banks, MDBs and FDIs	76,123	76,123	13,248	-	13,248	1,060
Corporates	2,102,084	2,102,084	1,905,217	-	1,905,217	152,417
Regulatory Retail	27,472	27,472	22,067	-	22,067	1,765
Other Assets	-	-	-	-	-	-
<b>Total for On-Balance Sheet Exposures</b>	<b>2,345,437</b>	<b>2,345,437</b>	<b>1,940,532</b>	<b>-</b>	<b>1,940,532</b>	<b>155,242</b>
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	500,813	100,008	93,742	-	93,742	7,499
<b>Total for Off-Balance Sheet Exposures</b>	<b>500,813</b>	<b>100,008</b>	<b>93,742</b>	<b>-</b>	<b>93,742</b>	<b>7,499</b>
<b>Total On and Off-Balance Sheet Exposures</b>	<b>2,846,250</b>	<b>2,445,445</b>	<b>2,034,274</b>	<b>-</b>	<b>2,034,274</b>	<b>162,741</b>
<b><u>Market Risk</u></b>						
	Long Position	Short Position				
Benchmark Rate Risk	-	-	-	-	-	-
Equity Position Risk	-	-	-	-	-	-
Foreign Currency Risk	14,655	-	14,655	14,655	14,655	1,172
Operational Risk	-	-	-	73,009	73,009	5,841
<b>Total RWA and Capital Requirements</b>	<b>2,860,905</b>	<b>-</b>	<b>2,460,100</b>	<b>2,121,938</b>	<b>2,121,938</b>	<b>169,754</b>

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**20. Capital adequacy (continued)**

**Economic Entity**

Disclosures on Risk Weights - Expressed in nearest RM thousand (RM'000)

**31-Dec-13**

**Risk Weights**

	<b>Sovereigns &amp; Central Banks</b>		<b>Banks, MDBs and FDIs</b>		<b>Corporates</b>	
	Exposures after Netting & CRM	<b>Risk Weighted Asset</b>	Exposures after Netting & CRM	<b>Risk Weighted Asset</b>	Exposures after Netting & CRM	<b>Risk Weighted Asset</b>
<b>Performing Exposures</b>						
0%	139,758	-	19,620	-	75,280	-
20%	-	-	54,359	10,872	204,689	40,938
50%	-	-	6,741	3,371	117,405	58,703
75%	-	-	-	-	-	-
100%	-	-	-	-	1,596,424	1,596,424
150%	-	-	-	-	200,195	300,292
<b>Total</b>	<b>139,758</b>	<b>-</b>	<b>80,720</b>	<b>14,244</b>	<b>2,193,993</b>	<b>1,996,357</b>
<b>Defaulted Exposures</b>						
0%	-	-	-	-	1,011	-
50%	-	-	-	-	1,673	836
100%	-	-	-	-	-	-
150%	-	-	-	-	209	314
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,893</b>	<b>1,150</b>
<b>Total Performing and Defaulted Exposures</b>	<b>139,758</b>	<b>-</b>	<b>80,720</b>	<b>14,244</b>	<b>2,196,886</b>	<b>1,997,507</b>

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**20. Capital adequacy (continued)**

Economic Entity

Disclosures on Risk Weights - Expressed in nearest RM thousand (RM'000)

31-Dec-13

Risk Weights

**Performing Exposures**

	<b>Regulatory Retail</b>		<b>Total Exposure</b>	<b>Total Risk Weighted Assets</b>
	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>
0%	-	-	234,658	-
20%	-	-	259,048	51,810
50%	-	-	124,146	62,074
75%	26,120	19,590	26,120	19,590
100%	-	-	1,596,424	1,596,424
150%	-	-	200,195	300,292
<b>Total</b>	26,120	19,590	2,440,591	2,030,190

**Defaulted Exposures**

0%	-	-	1,011	-
50%	-	-	1,673	836
100%	15	15	15	15
150%	1,946	2,919	2,155	3,233
<b>Total</b>	1,961	2,934	4,854	4,083

**Total Performing and Defaulted Exposures**

	28,081	22,524	2,445,445	2,034,274
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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

20. Capital adequacy (continued)

Bank

30-Sep-14

Exposure Class

Credit Risk

*On-Balance Sheet Exposures*

Sovereigns & Central Banks

Banks, MDBs and FDIs

Corporates

Regulatory Retail

Other Assets

Total for On-Balance Sheet

Exposures

*Off-Balance Sheet Exposures*

Off balance sheet exposures other than OTC derivatives or credit derivatives

Total for Off-Balance Sheet

Exposures

Total On and Off-Balance Sheet

Exposures

Market Risk

Benchmark Rate Risk

Equity Position Risk

Foreign Currency Risk

Operational Risk

Total RWA and Capital

Requirements

	Gross Exposures RM'000	Net Exposures RM'000	Risk Weighted Assets RM'000	Risk Weighted Assets Absorbed by PSIA RM'000	Total Risk Weighted Assets after effects of PSIA RM'000	Capital Requirements RM'000
<b>Credit Risk</b>						
<i>On-Balance Sheet Exposures</i>						
Sovereigns & Central Banks	139,856	139,856	-	-	-	-
Banks, MDBs and FDIs	69,692	69,692	10,014	-	10,014	801
Corporates	2,372,854	2,372,854	2,093,034	-	2,093,034	167,443
Regulatory Retail	26,201	26,201	21,329	-	21,329	1,706
Other Assets	-	-	-	-	-	-
<b>Total for On-Balance Sheet Exposures</b>	<b>2,608,603</b>	<b>2,608,603</b>	<b>2,124,377</b>	<b>-</b>	<b>2,124,377</b>	<b>169,950</b>
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	603,814	140,576	134,311	-	134,311	10,745
<b>Total for Off-Balance Sheet Exposures</b>	<b>603,814</b>	<b>140,576</b>	<b>134,311</b>	<b>-</b>	<b>134,311</b>	<b>10,745</b>
<b>Total On and Off-Balance Sheet Exposures</b>	<b>3,212,417</b>	<b>2,749,179</b>	<b>2,258,688</b>	<b>-</b>	<b>2,258,688</b>	<b>180,695</b>
<b>Market Risk</b>						
Benchmark Rate Risk	-	-	-	-	-	-
Equity Position Risk	-	-	-	-	-	-
Foreign Currency Risk	1,877	5,099	5,099	-	5,099	408
Operational Risk	-	-	99,586	-	99,586	7,967
<b>Total RWA and Capital Requirements</b>	<b>3,214,294</b>	<b>5,099</b>	<b>2,754,278</b>	<b>2,363,373</b>	<b>2,363,373</b>	<b>189,070</b>

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**20. Capital adequacy (continued)**

Bank

Disclosures on Risk Weights - Expressed in nearest RM thousand (RM'000)

30-Sep-14

Risk Weights	Sovereigns & Central Banks		Banks, MDBs and FDIs		Insurance Companies, Securities Firms & Fund Managers		Corporates	
	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>
<b>Performing Exposures</b>								
0%	139,856	-	19,620	-	-	-	175,157	-
20%	-	-	55,061	11,012	-	-	252,443	50,489
50%	-	-	251	126	-	-	58,026	29,013
75%	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	1,770,337	1,770,337
150%	-	-	-	-	-	-	250,160	375,240
<b>Total</b>	<b>139,856</b>	<b>-</b>	<b>74,932</b>	<b>11,138</b>	<b>-</b>	<b>-</b>	<b>2,506,123</b>	<b>2,225,079</b>
<b>Defaulted Exposures</b>								
0%	-	-	-	-	-	-	500	-
50%	-	-	-	-	-	-	763	381
100%	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	209	314
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,472</b>	<b>695</b>
<b>Total Performing and Defaulted Exposures</b>	<b>139,856</b>	<b>-</b>	<b>74,932</b>	<b>11,138</b>	<b>-</b>	<b>-</b>	<b>2,507,595</b>	<b>2,225,774</b>

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**20. Capital adequacy (continued)**

Bank

Disclosures on Risk Weights - Expressed in nearest RM thousand (RM'000)

30-Sep-14

Risk Weights	Regulatory Retail		Total Exposure	Total Risk Weighted Assets
	Exposures after Netting & CRM	Risk Weighted Asset	Exposures after Netting & CRM	Risk Weighted Asset
<b>Performing Exposures</b>				
0%	-	-	334,633	-
20%	-	-	307,504	61,501
50%	-	-	58,277	29,139
75%	24,558	18,419	24,558	18,419
100%	-	-	1,770,337	1,770,337
150%	-	-	250,160	375,240
<b>Total</b>	<b>24,558</b>	<b>18,419</b>	<b>2,745,469</b>	<b>2,254,636</b>
<b>Defaulted Exposures</b>				
0%	-	-	500	-
50%	-	-	763	381
100%	-	-	-	-
150%	2,238	3,357	2,447	3,671
<b>Total</b>	<b>2,238</b>	<b>3,357</b>	<b>3,710</b>	<b>4,051</b>
<b>Total Performing and Defaulted Exposures</b>	<b>26,796</b>	<b>21,777</b>	<b>2,749,179</b>	<b>2,258,688</b>



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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

20. Capital adequacy (continued)

Bank

31-Dec-13 <u>Exposure Class</u>	<u>Gross Exposures</u> RM'000	<u>Net Exposures</u> RM'000	<u>Risk Weighted Assets</u> RM'000	<u>Risk Weighted Assets Absorbed by PSIA</u> RM'000	<u>Total Risk Weighted Assets after effects of PSIA</u> RM'000	<u>Capital Requirements</u> RM'000
<b>Credit Risk</b>						
<i>On-Balance Sheet Exposures</i>						
Sovereigns & Central Banks	139,758	139,758	-	-	-	-
Banks, MDBs and FDIs	76,123	76,123	13,248	-	13,248	1,060
Corporates	2,102,084	2,102,084	1,905,217	-	1,905,217	152,417
Regulatory Retail	27,472	27,472	22,067	-	22,067	1,765
Other Assets	-	-	-	-	-	-
<b>Total for On-Balance Sheet Exposures</b>	<b>2,345,437</b>	<b>2,345,437</b>	<b>1,940,532</b>	<b>-</b>	<b>1,940,532</b>	<b>155,242</b>
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	500,813	100,008	93,742	-	93,742	7,499
<b>Total for Off-Balance Sheet Exposures</b>	<b>500,813</b>	<b>100,008</b>	<b>93,742</b>	<b>-</b>	<b>93,742</b>	<b>7,499</b>
<b>Total On and Off-Balance Sheet Exposures</b>	<b>2,846,250</b>	<b>2,445,445</b>	<b>2,034,274</b>	<b>-</b>	<b>2,034,274</b>	<b>162,741</b>
<b>Market Risk</b>						
	<b>Long Position</b>	<b>Short Position</b>				
Benchmark Rate Risk	-	-	-	-	-	-
Equity Position Risk	-	-	-	-	-	-
Foreign Currency Risk	14,655	-	14,655	14,655	14,655	1,172
Operational Risk	-	-	-	73,078	73,078	5,846
<b>Total RWA and Capital Requirements</b>	<b>2,860,905</b>	<b>-</b>	<b>2,460,100</b>	<b>2,122,007</b>	<b>2,122,007</b>	<b>169,759</b>

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**20. Capital adequacy (continued)**

**Bank**  
**31-Dec-13**

Disclosures on Risk Weights - Expressed in nearest RM thousand (RM'000)

<b>Risk Weights</b>	<b>Sovereigns &amp; Central Banks</b>		<b>Banks, MDBs and FDIs</b>		<b>Corporates</b>	
	Exposures after Netting & CRM	<b>Risk Weighted Asset</b>	Exposures after Netting & CRM	<b>Risk Weighted Asset</b>	Exposures after Netting & CRM	<b>Risk Weighted Asset</b>
<b>Performing Exposures</b>						
0%	139,758	-	19,620	-	75,280	-
20%	-	-	54,359	10,872	204,689	40,938
50%	-	-	6,741	3,371	117,405	58,703
75%	-	-	-	-	-	-
100%	-	-	-	-	1,596,424	1,596,424
150%	-	-	-	-	200,195	300,292
<b>Total</b>	<b>139,758</b>	<b>-</b>	<b>80,720</b>	<b>14,243</b>	<b>2,193,993</b>	<b>1,996,357</b>
<b>Defaulted Exposures</b>						
0%	-	-	-	-	1,011	-
50%	-	-	-	-	1,673	836
100%	-	-	-	-	-	-
150%	-	-	-	-	209	314
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,893</b>	<b>1,150</b>
<b>Total Performing and Defaulted Exposures</b>	<b>139,758</b>	<b>-</b>	<b>80,720</b>	<b>14,243</b>	<b>2,196,886</b>	<b>1,997,507</b>

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**20. Capital adequacy (continued)**

**Bank**  
**31-Dec-13**

Disclosures on Risk Weights - Expressed in nearest RM thousand (RM'000)

<b>Risk Weights</b>	<b>Regulatory Retail</b>		<b>Total</b>	<b>Total Risk</b>
	<b>Exposures after Netting &amp; CRM</b>	<b>Risk Weighted Asset</b>	<b>Exposure after Netting &amp; CRM</b>	<b>Weighted Assets</b>
<b>Performing Exposures</b>				
0%	-	-	234,658	-
20%	-	-	259,048	51,810
50%	-	-	124,146	62,073
75%	26,120	19,590	26,120	19,590
100%	-	-	1,596,424	1,596,424
150%	-	-	200,195	300,292
<b>Total</b>	<b>26,120</b>	<b>19,590</b>	<b>2,440,591</b>	<b>2,030,189</b>
<b>Defaulted Exposures</b>				
0%	-	-	1,011	-
50%	-	-	1,673	836
100%	15	15	15	15
150%	1,946	2,919	2,155	3,233
<b>Total</b>	<b>1,961</b>	<b>2,934</b>	<b>4,854</b>	<b>4,084</b>
<b>Total Performing and Defaulted Exposures</b>	<b>28,081</b>	<b>22,524</b>	<b>2,445,445</b>	<b>2,034,273</b>

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**21. Segmental information**

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<b><u>Economic Entity and Bank</u></b>				
<b>3rd Quarter Ended</b>				
<b><u>30-Sep-14</u></b>				
External revenue	30,171,657	4,235,396	-	34,407,053
Inter-segment revenue	-	-	-	-
Total revenue	30,171,657	4,235,396	-	34,407,053
Depositors' payout	(380,087)	(20,097,971)	-	(20,478,058)
Net income	29,791,570	(15,862,575)	-	13,928,995
Operating overheads				
of which:				
Depreciation of property, plant and equipment	(15,181,477)	5,206,631	(83,171)	(10,058,017)
Amortisation of intangible assets	(534,820)	256,885	(2,857)	(280,792)
Allowance for impairment of financing advances	(676,268)	368,762	(3,311)	(310,817)
Segmental results before taxation	(1,041,509)	957,127	(1,837)	(86,219)
	<u>12,357,496</u>	<u>(9,073,170)</u>	<u>(91,176)</u>	<u>3,193,150</u>
Segmental results before taxation				3,193,150
Profit equalisation reserve				-
Profit before taxation				3,193,150
Taxation				-
Profit for the financial period				<u>3,193,150</u>

Company No.

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**21. Segmental information (continued)**

<u>Economic Entity and Bank</u>	<b>Domestic Banking RM</b>	<b>International Banking RM</b>	<b>Asset Management and Investment Banking RM</b>	<b>Total RM</b>
3rd Quarter Ended				
<u>30-Sep-13</u>				
External revenue	27,053,524	1,138,187	-	28,191,711
Inter-segment revenue	(12,985,928)	12,985,928	-	-
Total revenue	14,067,596	14,124,115	-	28,191,711
Depositors' payout	(325,534)	(15,721,840)	-	(16,047,373)
Net income	13,742,062	(1,597,725)	-	12,144,337
Operating overheads				
of which:				
Depreciation of property, plant and equipment	(5,065,310)	(3,177,535)	(35,102)	(8,277,947)
Amortisation of intangible assets	(203,668)	(108,165)	(2,574)	(314,407)
Allowance for impairment of financing advances	(268,761)	(194,735)	(450)	(463,945)
	(5,696,570)	(3,802,219)	(70,667)	(9,569,456)
Segmental results before taxation	<u>2,507,753</u>	<u>(8,880,379)</u>	<u>(108,792)</u>	<u>(6,481,417)</u>
Segmental results before taxation				(6,481,417)
Profit equalisation reserve				-
Loss before taxation				<u>(6,481,417)</u>
Taxation				-
Loss for the financial period				<u><u>(6,481,417)</u></u>

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**21. Segmental information (continued)**

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<b><u>Economic Entity and Bank</u></b>				
<b>Nine Months Ended</b>				
<b><u>30-Sep-14</u></b>				
External revenue	61,826,273	35,691,456	-	97,517,729
Inter-segment revenue	(12,764,958)	12,764,958	-	-
Total revenue	49,061,315	48,456,414	-	97,517,729
Depositors' payout	(945,700)	(54,157,903)	-	(55,103,603)
Net income	48,115,615	(5,701,489)	-	42,414,126
Operating overheads				
of which:	(26,140,719)	573,073	(208,385)	(25,776,031)
Depreciation of property, plant and equipment	(935,083)	90,901	(7,083)	(851,265)
Amortisation of intangible assets	(1,101,138)	131,275	(6,715)	(976,578)
Allowance for impairment of financing advances	(2,711,657)	237,534	(12,151)	(2,486,274)
Segmental results before taxation	<u>17,227,018</u>	<u>(4,668,706)</u>	<u>(234,334)</u>	<u>12,323,978</u>
Segmental results before taxation				12,323,978
Profit equalisation reserve				-
Profit before taxation				<u>12,323,978</u>
Taxation				-
Profit for the financial period				<u>12,323,978</u>

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

**21. Segmental information (continued)**

	<b>Domestic Banking RM</b>	<b>International Banking RM</b>	<b>Asset Management and Investment Banking RM</b>	<b>Total RM</b>
<b><u>Economic Entity and Bank</u></b>				
Nine Months Ended <u>30-Sep-13</u>				
External revenue	66,303,947	19,151,987	-	85,455,934
Inter-segment revenue	(37,081,113)	37,081,113	-	-
Total revenue	29,222,834	56,233,100	-	85,455,934
Depositors' payout	(954,191)	(49,089,534)	-	(50,043,726)
Net income	28,268,643	7,143,566	-	35,412,209
Operating overheads				
of which:				
Depreciation of property, plant and equipment	(15,379,308)	(9,952,358)	(445,342)	(25,777,008)
Amortisation of intangible assets	(681,501)	(314,947)	(19,888)	(1,016,337)
Allowance for impairment of financing advances	(856,442)	(556,688)	(14,274)	(1,427,404)
Segmental results before taxation	(6,520,815)	(5,939,266)	(152,290)	(12,612,371)
Segmental results before taxation	<u>4,830,577</u>	<u>(9,619,693)</u>	<u>(631,794)</u>	<u>(5,420,910)</u>
Segmental results before taxation				(5,420,910)
Profit equalisation reserve				-
Loss before taxation				(5,420,910)
Taxation				-
Loss for the financial period				<u>(5,420,910)</u>

Company No.

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**ASIAN FINANCE BANK BERHAD**  
(Incorporated in Malaysia)

21. Segmental information (continued)

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<b><u>Economic Entity and Bank</u></b>				
<b><u>30-Sep-14</u></b>				
Segment assets	366,120,295	2,837,180,660	-	3,203,300,955
Total assets	<u>366,120,295</u>	<u>2,837,180,660</u>	<u>-</u>	<u>3,203,300,955</u>
Segment liabilities	59,368,489	2,653,065,330	-	2,712,433,819
Total liabilities	<u>59,368,489</u>	<u>2,653,065,330</u>	<u>-</u>	<u>2,712,433,819</u>
	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<b><u>31-Dec-2013</u></b>				
Segment assets	409,636,948	2,493,503,676	-	2,903,140,624
Total assets	<u>409,636,948</u>	<u>2,493,503,676</u>	<u>-</u>	<u>2,903,140,624</u>
Segment liabilities	119,259,886	2,307,711,101	-	2,426,970,987
Total liabilities	<u>119,259,886</u>	<u>2,307,711,101</u>	<u>-</u>	<u>2,426,970,987</u>