



**ASIAN FINANCE BANK**

بنك التمويل الآسيوي

**Interim Financial Statements  
For The Three Months Ended 31 March 2012**



**ASIAN FINANCE BANK BERHAD**

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2012**

	Note	<u>Economic Entity</u>		<u>Bank</u>	
		<u>31.03.2012</u>	<u>31.12.2011</u>	<u>31.03.2012</u>	<u>31.12.2011</u>
		<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
<b>Assets</b>					
Cash and short-term funds	2	<b>1,227,675,750</b>	1,044,235,480	<b>1,227,675,750</b>	1,044,235,480
Financial assets held-for-trading	3	<b>40,237,516</b>	34,952,550	<b>40,237,516</b>	34,952,550
Financial investments available-for-sale	4	<b>307,076,202</b>	187,695,108	<b>307,076,202</b>	187,695,108
Financial investments-held-to-maturity	5	<b>123,159,913</b>	201,370,127	<b>123,159,913</b>	201,370,127
Financing and advances	6	<b>988,349,205</b>	936,500,793	<b>988,349,205</b>	936,500,793
Other assets	7	<b>4,305,453</b>	2,499,978	<b>4,305,453</b>	2,499,978
Statutory deposits with Bank Negara Malaysia		<b>20,783,975</b>	12,283,975	<b>20,783,975</b>	12,283,975
Investment in jointly controlled entity	8	<b>7,350,101</b>	7,615,290	<b>8,111,128</b>	8,111,128
Property, plant and equipment		<b>4,588,075</b>	4,847,325	<b>4,588,075</b>	4,847,325
Intangible assets		<b>5,014,450</b>	5,778,949	<b>5,014,450</b>	5,778,949
<b>Total assets</b>		<b><u>2,728,540,640</u></b>	<u>2,437,779,575</u>	<b><u>2,729,301,667</u></b>	<u>2,438,275,413</u>
<b>Liabilities</b>					
Deposits from customers	9	<b>1,193,699,936</b>	1,090,659,995	<b>1,193,699,936</b>	1,090,659,995
Deposits and placements of banks and other financial institutions	10	<b>1,049,238,993</b>	859,617,428	<b>1,049,238,993</b>	859,617,428
Other liabilities	11	<b>8,901,676</b>	11,435,240	<b>8,901,676</b>	11,435,240
<b>Total liabilities</b>		<b><u>2,251,840,605</u></b>	<u>1,961,712,663</u>	<b><u>2,251,840,605</u></b>	<u>1,961,712,663</u>
<b>Equity</b>					
Ordinary share capital		<b>532,530,020</b>	532,530,020	<b>532,530,020</b>	532,530,020
Reserves		<b>(55,829,985)</b>	(56,463,108)	<b>(55,068,958)</b>	(55,967,270)
<b>Total equity</b>		<b><u>476,700,035</u></b>	<u>476,066,912</u>	<b><u>477,461,062</u></b>	<u>476,562,750</u>
<b>Total Liabilities and Equity</b>		<b><u>2,728,540,640</u></b>	<u>2,437,779,575</u>	<b><u>2,729,301,667</u></b>	<u>2,438,275,413</u>
<b>Commitments and contingencies</b>	19	<b><u>494,083,776</u></b>	<u>415,457,096</u>	<b><u>494,083,776</u></b>	<u>415,457,096</u>
<b>Capital Adequacy</b>					
Core capital ratio	21	<b>35.97%</b>	39.19%	<b>35.95%</b>	39.14%
Risk-weighted capital ratio	21	<b>37.06%</b>	40.34%	<b>37.04%</b>	40.28%

**ASIAN FINANCE BANK BERHAD**

(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS****UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2012**

	Note	<u>Economic Entity</u>		<u>Bank</u>	
		<u>1st Quarter</u>	<u>1st Quarter</u>	<u>1st Quarter</u>	<u>1st Quarter</u>
		<u>Ended</u>	<u>Ended</u>	<u>Ended</u>	<u>Ended</u>
		<u>31.03.2012</u>	<u>31.03.2011</u>	<u>31.03.2012</u>	<u>31.03.2011</u>
		<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Income derived from investment of depositors' funds	12	<b>20,676,526</b>	17,549,680	<b>20,676,526</b>	17,549,680
Income derived from investment of shareholders' funds	13	<b>7,635,064</b>	5,801,258	<b>7,884,994</b>	6,072,035
Allowances for impairment on financing and advances	14	<b>(1,156,953)</b>	(2,482,651)	<b>(1,156,953)</b>	(2,482,651)
Profit Equalization Reserve		-	-	-	-
<b>Total distributable income</b>		<b>27,154,637</b>	20,868,287	<b>27,404,567</b>	21,139,064
Income attributable to depositors	15	<b>(14,998,604)</b>	(11,146,089)	<b>(14,998,604)</b>	(11,146,089)
		<b>12,156,033</b>	9,722,198	<b>12,405,963</b>	9,992,975
Personnel expenses	16	<b>(6,769,691)</b>	(7,086,362)	<b>(6,769,691)</b>	(7,086,362)
Other overheads and expenditures	17	<b>(4,244,592)</b>	(4,715,053)	<b>(4,244,592)</b>	(4,715,053)
Share of profit / (loss) after tax of joint controlled entity		<b>(15,259)</b>	419,879	-	-
<b>Profit / (loss) before taxation</b>		<b>1,126,491</b>	(1,659,338)	<b>1,391,680</b>	(1,808,440)
Taxation		-	-	-	-
<b>Net profit / (loss) for the financial year</b>		<b>1,126,491</b>	(1,659,338)	<b>1,391,680</b>	(1,808,440)
Profit / (loss) attributable to :					
Owners of the parent		<b>1,126,491</b>	(1,659,338)	<b>1,391,680</b>	(1,808,440)
Minority interest		-	-	-	-
		<b>1,126,491</b>	(1,659,338)	<b>1,391,680</b>	(1,808,440)
Earnings per shares (sen)					
Basic and diluted		<b>0.21</b>	(0.31)	<b>0.26</b>	(0.34)
<b>Profit / (Loss) for the period</b>		<b>1,126,491</b>	(1,659,338)	<b>1,391,680</b>	(1,808,440)
<b>Other comprehensive income :</b>					
Financial investment available-for-sale	18				
- Unrealised net (loss) / gain on revaluation		<b>(493,368)</b>	1,607,403	<b>(493,368)</b>	1,607,403
<b>Other comprehensive (loss) / income for the period</b>		<b>(493,368)</b>	1,607,403	<b>(493,368)</b>	1,607,403
<b>Total Comprehensive Income / (Loss) For The Period</b>		<b>633,123</b>	(51,935)	<b>898,312</b>	(201,037)
Total comprehensive income / (loss) attributable to:					
Owners of the parent		<b>633,123</b>	(51,935)	<b>898,312</b>	(201,037)
Minority interest		-	-	-	-
		<b>633,123</b>	(51,935)	<b>898,312</b>	(201,037)

**ASIAN FINANCE BANK BERHAD**

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**INTERIM FINANCIAL STATEMENTS****UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2012**

<u>Economic Entity</u>	<u>Share Capital RM</u>	<u>Accumulated Losses RM</u>	<u>AFS Reserve RM</u>	<u>Total RM</u>
<b><u>31.03.2012</u></b>				
<b>Balance as at 1 January 2012</b>	<b>532,530,020</b>	<b>(56,085,808)</b>	<b>(377,300)</b>	<b>476,066,912</b>
Net profit for the period	-	<b>1,126,491</b>	-	<b>1,126,491</b>
Other comprehensive income/(loss):				
Financial investment available-for-sale				
- Unrealised net loss on revaluation	-	-	<b>(493,368)</b>	<b>(493,368)</b>
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive income	-	-	<b>(493,368)</b>	<b>(493,368)</b>
Issues of share capital	-	-	-	-
<b>Balance as at 31 March 2012</b>	<b><u>532,530,020</u></b>	<b><u>(54,959,317)</u></b>	<b><u>(870,668)</u></b>	<b><u>476,700,035</u></b>
<b><u>31.12.2011</u></b>				
Balance as at 1 January 2011	443,775,020	(56,904,026)	(3,536,739)	383,334,255
Net profit for the period	-	818,218	-	818,218
Other comprehensive income/(loss):				
Financial investment available-for-sale				
- Unrealised net gain on revaluation	-	-	3,159,439	3,159,439
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive income	-	-	3,159,439	3,159,439
Issues of share capital	88,755,000	-	-	88,755,000
<b>Balance as at 31 December 2011</b>	<b><u>532,530,020</u></b>	<b><u>(56,085,808)</u></b>	<b><u>(377,300)</u></b>	<b><u>476,066,912</u></b>

\* On 20 April 2011, the Bank increased its issued and paid up capital from RM443,775,020 to RM532,530,020 via Right Issue of one for every five ordinary shares of RM1 each totaling 88,755,000 shares.

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**INTERIM FINANCIAL STATEMENTS****UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2012**

(CONTINUED)

<b><u>Bank</u></b>	<b>Share Capital <u>RM</u></b>	<b>Accumulated Losses <u>RM</u></b>	<b>AFS Reserve <u>RM</u></b>	<b>Total <u>RM</u></b>
<b><u>31.03.2012</u></b>				
<b>Balance as at 1 January 2012</b>	<b>532,530,020</b>	<b>(55,589,970)</b>	<b>(377,300)</b>	<b>476,562,750</b>
Net profit for the period	-	<b>1,391,680</b>	-	<b>1,391,680</b>
Other comprehensive income/(loss):				
Financial investment available-for-sale				
- Unrealised net loss on revaluation	-	-	<b>(493,368)</b>	<b>(493,368)</b>
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive income	-	-	<b>(493,368)</b>	<b>(493,368)</b>
Issues of share capital	-	-	-	-
<b>Balance as at 31 March 2012</b>	<b><u>532,530,020</u></b>	<b><u>(54,198,290)</u></b>	<b><u>(870,668)</u></b>	<b><u>477,461,062</u></b>
<b><u>31.12.2011</u></b>				
Balance as at 1 January 2011	443,775,020	(55,771,729)	(3,536,739)	384,466,552
Net profit for the period	-	181,759	-	181,759
Other comprehensive income/(loss):				
Financial investment available-for-sale				
- Unrealised net gain on revaluation	-	-	3,159,439	3,159,439
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive income	-	-	3,159,439	3,159,439
Issues of share capital	88,755,000	-	-	88,755,000
<b>Balance as at 31 December 2011</b>	<b><u>532,530,020</u></b>	<b><u>(55,589,970)</u></b>	<b><u>(377,300)</u></b>	<b><u>476,562,750</u></b>

\* On 20 April 2011, the Bank increased its issued and paid up capital from RM443,775,020 to RM532,530,020 via Right Issue of one for every five ordinary shares of RM1 each totaling 88,755,000 shares.

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**INTERIM FINANCIAL STATEMENTS****UNAUDITED STATEMENT OF CASH FLOW FOR THE THREE MONTHS ENDED 31 MARCH 2012**

	Note	<u>Economic Entity</u>		<u>Bank</u>	
		<u>31.03.2012</u>	<u>31.12.2011</u>	<u>31.03.2012</u>	<u>31.12.2011</u>
		<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
Profit / (Loss) before taxation		<b>1,126,491</b>	818,218	<b>1,391,680</b>	181,759
<b>Adjustments for:</b>					
Depreciation of property, plant and equipment		<b>348,987</b>	2,083,090	<b>348,987</b>	2,083,090
Amortisation of intangible assets		<b>764,499</b>	3,659,084	<b>764,499</b>	3,659,084
Write off of property, plant and equipment		-	(139,479)	-	(139,479)
Profit income from:					
- Investment on financial assets held-for-trading		<b>(108,735)</b>	(201,765)	<b>(108,735)</b>	(201,765)
- Investment on financial investments available-for-sale		<b>(2,205,301)</b>	(5,547,597)	<b>(2,205,301)</b>	(5,547,597)
- Investment on financial investments held-to-maturity		<b>(1,261,855)</b>	(5,138,334)	<b>(1,261,855)</b>	(5,138,334)
Net gain on sale of financial assets held-for-trading		<b>(90,315)</b>	(54,886)	<b>(90,315)</b>	(54,886)
Net loss / (gain) on sale of financial investments available-for-sale		<b>35,350</b>	(1,139,509)	<b>35,350</b>	(1,139,509)
Unrealised gain from financial assets held-for-trading		<b>(339,620)</b>	(1,864,907)	<b>(339,620)</b>	(1,864,907)
Accretion of discount less amortisation of premium		<b>(331,323)</b>	2,729	<b>(331,323)</b>	2,729
Impairment losses recognized on jointly controlled entity		-	-	-	8,111,127
Share of loss in jointly controlled entity		<b>265,189</b>	5,547,324	-	-
Allowances for losses on financing and advances		<b>1,156,953</b>	(23,026,968)	<b>1,156,953</b>	(23,026,968)
Charge for profit equalisation reserve		-	(113,000)	-	(113,000)
Operating loss before working capital changes		<b>(639,680)</b>	(25,116,000)	<b>(639,680)</b>	(23,188,656)
<b>(increase) / decrease in operating assets:</b>					
Financing and advances		<b>(53,005,365)</b>	(192,444,796)	<b>(53,005,365)</b>	(192,444,796)
Other assets		<b>(1,805,475)</b>	14,181,050	<b>(1,805,475)</b>	14,181,050
Statutory deposit with Bank Negara Malaysia		<b>(8,500,000)</b>	(7,332,260)	<b>(8,500,000)</b>	(7,332,260)
<b>Increase/(decrease) in operating liabilities:</b>					
Deposits from customers		<b>103,039,941</b>	(32,301,923)	<b>103,039,941</b>	(32,301,923)
Deposits and placements of banks and other financial institutions		<b>189,621,566</b>	145,243,883	<b>189,621,566</b>	145,243,883
Other liabilities		<b>(2,533,564)</b>	(8,943,641)	<b>(2,533,564)</b>	(8,943,641)
Net cash generated from / (used in) operating activities		<b>226,177,423</b>	(106,713,687)	<b>226,177,423</b>	(104,786,343)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Purchase of property, plant and equipment and intangible assets		<b>(89,738)</b>	(3,964,600)	<b>(89,738)</b>	(3,964,600)
Net proceeds from:					
- (Purchase) / Sale of financial assets held-for-trading held-for-trading		<b>(4,746,296)</b>	84,809,982	<b>(4,746,296)</b>	84,809,982
- Purchase of financial investments available-for-sale		<b>(118,038,997)</b>	(86,032,862)	<b>(118,038,997)</b>	(86,032,862)
- Sale / (Purchase) of financial investments held-to-maturity		<b>80,137,878</b>	(82,719,522)	<b>80,137,878</b>	(82,719,522)
- Sale of Motor Vehicle		-	161,000	-	161,000
Dividends received from joint controlled entity		-	1,927,344	-	-
Net cash used in investing activities		<b>(42,737,153)</b>	(85,818,658)	<b>(42,737,153)</b>	(87,746,002)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					
Proceeds from issuance of share capital		-	88,755,000	-	88,755,000
<b>ANALYSIS OF CASH AND CASH EQUIVALENT</b>					
Net increase / (decrease) in cash and cash equivalents		<b>183,440,270</b>	(103,777,345)	<b>183,440,270</b>	(103,777,345)
Cash and cash equivalent at beginning of financial year		<b>1,044,235,480</b>	1,148,012,825	<b>1,044,235,480</b>	1,148,012,825
Cash and cash equivalent at end of financial year	2	<b>1,227,675,750</b>	1,044,235,480	<b>1,227,675,750</b>	1,044,235,480

**ASIAN FINANCE BANK BERHAD**

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**NOTES TO THE FINANCIAL STATEMENTS**

FOR THREE MONTHS ENDED 31 MARCH 2012

-PART A – EXPLANATORY NOTES PURSUANT TO GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKS (BNM GP8-I) 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 RM1.13m and RM1.39m respectively for the three months period ended 31 March 2012.

The Economic Entity and the Bank's gross financing and advances stood at RM1.01b whilst total Deposit at RM2.24b.

b) Business Plan and outlook for 2012

The global economic recovery, which began in the second half of 2009, is expected to slow in 2012 largely due to the ongoing sovereign debt issues in the advanced economies. Growth in these economies would be largely constrained by fiscal consolidation and private sector deleveraging following impairment of balance sheet of financial institutions. The extent of the moderation in global growth is largely contingent on how the debt crisis evolves and the nature and timeliness of the policy actions in restoring market confidence. In particular, given Europe's integration with the rest of the world, the spillover from the sovereign debt crisis will affect growth in both the advanced and emerging economies to varying degrees, through both trade and financial channels. Reflecting the weaker growth outlook and sentiments, global trade activity is expected to moderate, with a larger impact on the more open economies.

Amid the more challenging external environment, Malaysia's economy is projected to experience a steady pace of growth of 4 – 5% in 2012. Domestic demand is expected to remain resilient and will continue to be the anchor for growth. Following the strong expansion in 2011, the growth of both private consumption and investment is projected to soften in 2012, as both income and capital expenditure in the external-related sectors of the economy are affected by the slower global growth. Nevertheless, some measures announced in the 2012 Budget are expected to provide support to private consumption. Despite the moderation in economic growth in 2012, the underlying fundamentals of the economy are expected to continue to remain strong. Financial stability is expected to remain intact, underpinned by well-capitalized financial institutions which will continue to provide support for financial intermediation in the economy. Given the comfortable level of reserves and relatively low external debt, Malaysia is well positioned to manage volatile capital flows under the current environment of continued volatility in the international financial markets. Should growth in the advanced economies turn out to be stronger than expected, there is some upside potential to domestic growth in 2012.

In line with its vision to empower business with Islamic banking values, 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 & gas, shipping, aviation, infrastructure as well as real estate.

The Bank has recovered and improved into profitable state with its new business model. To ensure sustainability going forward, the Bank is also constantly reviewing its strategies and approaches to suit business needs, developing new products as well as the appropriate risk mitigators to address customers' expectations as well as the varied business requirements and the different risk profiles.

The Bank is confident in facing the challenges ahead in 2012 to chart further growth in its funded assets and profitability.

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**NOTES TO THE FINANCIAL STATEMENTS**

FOR THREE MONTHS ENDED 31 MARCH 2012

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

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

	<b><u>Economic Entity and Bank</u></b>	
	<b><u>31.03.2012</u></b>	<u>31.12.2011</u>
	<b><u>RM</u></b>	<u>RM</u>
Cash and balances with banks and other financial institutions	16,624,182	11,943,569
Money at call and deposit placements maturing within one month	1,211,051,568	1,032,291,911
	<b><u>1,227,675,750</u></b>	<u>1,044,235,480</u>

**3. Financial assets held-for-trading**

	<b><u>31.03.2012</u></b>	<u>31.12.2011</u>
	<b><u>RM</u></b>	<u>RM</u>
<b>At fair value</b>		
<b>Quoted securities:</b>		
<u>In Malaysia</u>		
Islamic commercial paper	24,896,750	34,952,550
Islamic medium term notes	15,340,766	-
	<b><u>40,237,516</u></b>	<u>34,952,550</u>

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

	<b><u>31.03.2012</u></b>	<u>31.12.2011</u>
	<b><u>RM</u></b>	<u>RM</u>
<b>At fair value</b>		
<b>Money market instruments:</b>		
Bank Negara Malaysia Sukuk Ijarah	-	40,191,194
<b>Quoted securities:</b>		
<u>In Malaysia</u>		
Islamic private debt securities	10,213,439	10,475,392
Islamic Medium Term Notes	107,746,033	107,475,829
Malaysian Government sukuk	160,189,706	-
<u>Outside Malaysia</u>		
Corporate Bonds	28,927,024	29,552,693
	<b><u>307,076,202</u></b>	<u>187,695,108</u>



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FOR THREE MONTHS ENDED 31 MARCH 2012

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

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

	<u>Economic Entity and Bank</u>	
	<u>31.03.2012</u>	<u>31.12.2011</u>
	<u>RM</u>	<u>RM</u>
<b>At amortised cost</b>		
<b>Money market instruments:</b>		
Bank Negara Malaysia Sukuk Ijarah	-	96,420,417
Cagamas bonds	45,184,178	45,580,534
<b>Quoted securities:</b>		
<u>In Malaysia</u>		
Corporate debt securities held	27,616,514	28,861,537
Islamic Medium Term Notes	20,227,198	-
<u>Outside Malaysia</u>		
Foreign corporate debt securities held	30,132,023	30,507,639
	<u>123,159,913</u>	<u>201,370,127</u>

**6. Financing and advances**

	<u>31.03.2012</u>	<u>31.12.2011</u>
	<u>RM</u>	<u>RM</u>
<b>At amortised cost</b>		
Term financing		
- house financing	48,038,335	49,107,503
- syndicated term financing	76,726,337	81,577,717
- hire purchase receivables	34,924	36,707
- other term financing	757,581,830	697,505,659
Trusts receipts	30,154,633	39,720,636
Staff financing	857,151	1,224,010
Others	100,456,226	91,671,840
Gross financing and advances	<u>1,013,849,436</u>	<u>960,844,072</u>
Less : Allowance for impaired financing and advances:		
- individual impairment allowance	(10,449,227)	(10,081,200)
- collective impairment allowance	(15,051,004)	(14,262,079)
Net financing and advances	<u>988,349,205</u>	<u>936,500,793</u>

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

		<u>Economic Entity and Bank</u>	
		<u>31.03.2012</u>	<u>31.12.2011</u>
		<u>RM</u>	<u>RM</u>
<b>(i)</b>	<b>By type of customer</b>		
	Domestic non-bank financial institution		
	- Others	36,390,401	37,928,369
	Domestic business enterprises		
	- Small medium enterprise	37,595,284	36,739,689
	- Others	815,528,929	755,258,275
	Individuals	17,038,240	17,839,490
	Foreign entities	107,296,582	113,078,249
		<u>1,013,849,436</u>	<u>960,844,072</u>
<b>(ii)</b>	<b>By contract</b>		
	Ijarah	38,324,865	40,824,466
	Istisna	71,823,641	75,344,137
	Murabahah	70,916,507	82,208,450
	Qardhul Hassan	493,479	702,600
	Tawarruq	832,290,944	761,764,419
		<u>1,013,849,436</u>	<u>960,844,072</u>
<b>(iii)</b>	<b>By profit rate sensitivity</b>		
	Fixed rate		
	- Housing financing	2,380,031	2,551,545
	- Hire purchase receivables	103,057	109,149
	- Other fixed rate financing	42,603,310	44,015,986
	Variable		
	- Base Financing Rate	467,122,900	499,002,057
	- Cost-plus	501,146,659	414,462,735
	Non-profit sensitive	493,479	702,600
		<u>1,013,849,436</u>	<u>960,844,072</u>

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

		<b>Economic Entity and Bank</b>	
		<b>31.03.2012</b>	31.12.2011
		<b>RM</b>	<b>RM</b>
<b>(iv)</b>	<b>By contractual maturity</b>		
	Maturity within one year	703,165,994	551,032,544
	More than one year to three years	40,443,194	112,125,368
	More than three years to five years	136,875,923	143,574,014
	More than five years	133,364,325	154,112,146
		<b>1,013,849,436</b>	<b>960,844,072</b>
<b>(v)</b>	<b>By geographical distribution</b>		
	Malaysia	906,856,333	846,322,010
	Qatar	44,810,389	47,636,658
	Indonesia	22,112,849	23,479,072
	United Kingdom	558,507	557,402
	Singapore	39,511,358	42,848,930
		<b>1,013,849,436</b>	<b>960,844,072</b>
<b>(vi)</b>	<b>By economic purpose</b>		
	Purchase of landed property:		
	- Residential	30,867,385	32,051,116
	- Non-Residential	174,016,587	179,480,484
	Working Capital	751,154,689	689,643,755
	Personal Use	748,486	939,264
	Purchase of transport vehicles	8,194,423	9,097,874
	Others	48,867,866	49,631,579
		<b>1,013,849,436</b>	<b>960,844,072</b>
<b>(vii)</b>	<b>By sector</b>		
	Agriculture	125,709,755	128,802,931
	Mining and quarrying	107,306,221	35,782,655
	Manufacturing	197,490,462	207,672,165
	Construction	59,667,413	56,551,409
	Purchase of landed property	48,422,247	49,653,575
	Wholesale & retail trade and restaurants & hotels	221,618,377	216,600,184
	Transport, storage and communication	81,118,053	90,102,002
	Finance, insurance and business services	95,442,871	93,366,918
	Education, health and others	1,161,461	1,048,068
	Purchase of transport vehicles	146,809	148,341
	Consumption credit	795,293	1,052,147
	Others	74,970,474	80,063,677
		<b>1,013,849,436</b>	<b>960,844,072</b>

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

	<b>Economic Entity and Bank</b>	
	<b>31.03.2012</b>	<b>31.12.2011</b>
	<b>RM</b>	<b>RM</b>
<b>(viii) Movement in the allowance for impaired advances and financing</b>		
<b>Individual Assessment Allowance</b>		
Balance beginning of financial year	10,081,200	34,657,214
Allowance made during the period	788,203	3,155,884
Amount written back	(420,176)	(1,893,314)
Amount written off	-	(25,838,584)
Balance as at end of period	<u>10,449,227</u>	<u>10,081,200</u>
<b>Collective Assessment Allowance</b>		
Balance beginning of financial year	14,262,079	12,713,033
Allowance made during the period	788,925	1,549,046
Balance as at end of period	<u>15,051,004</u>	<u>14,262,079</u>
<b>(ix) Movement in impaired financing and advances</b>		
Balance beginning of financial year	49,631,579	53,107,215
Classified as impaired/non-performing during the period	3,428,841	71,869,992
Reclassified as non-impaired	(3,545,186)	(24,457,670)
Amount recovered	(647,368)	(25,049,374)
Amount written off	-	(25,838,584)
Balance as at end of period	<u>48,867,866</u>	<u>49,631,579</u>
Gross impaired financing and advances ratio	<u>4.82%</u>	<u>5.17%</u>
<b>(xi) Impaired financing by sector</b>		
Agriculture	2,563,779	2,563,945
Manufacturing	8,284,826	8,284,826
Construction	14,483,595	14,483,595
Wholesale & retail trade and restaurants & hotels	263,816	263,816
Finance, insurance and business services	2,298,624	450,420
Purchase of landed property	20,926,420	23,472,092
Consumption credit	46,806	112,885
	<u>48,867,866</u>	<u>49,631,579</u>

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**7. Other assets**

	<b><u>Economic Entity and Bank</u></b>	
	<b><u>31.03.2012</u></b>	<b><u>31.12.2011</u></b>
	<b><u>RM</u></b>	<b><u>RM</u></b>
Other debtors, deposits and prepayments	<b>4,305,453</b>	2,499,978
	<b><u>4,305,453</u></b>	<u>2,499,978</u>

**8. Investment in jointly controlled entity**

	<b><u>Economic Entity</u></b>		<b><u>Bank</u></b>	
	<b><u>31.03.2012</u></b>	<b><u>31.12.2011</u></b>	<b><u>31.03.2012</u></b>	<b><u>31.12.2011</u></b>
	<b><u>RM</u></b>	<b><u>RM</u></b>	<b><u>RM</u></b>	<b><u>RM</u></b>
Unquoted share capital at cost	<b>7,615,290</b>	16,222,255	<b>8,111,128</b>	16,222,255
Less:				
Share of (profit) / loss	<b>265,189</b>	6,679,621	-	-
Individual impairment made during the period	-	-	-	8,111,127
Dividends Received	-	1,927,344	-	-
	<b><u>7,350,101</u></b>	<u>7,615,290</u>	<b><u>8,111,128</u></b>	<u>8,111,128</u>

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**9. Deposits from customers**

	<b><u>Economic Entity and Bank</u></b>	
	<b><u>31.03.2012</u></b>	<b><u>31.12.2011</u></b>
	<b><u>RM</u></b>	<b><u>RM</u></b>
<b>(i) By type of deposit:</b>		
<u>Non-Mudharabah Funds:</u>		
Demand deposits	<b>53,944,404</b>	46,724,952
Savings deposits	<b>1,407,954</b>	1,219,270
	<b><u>55,352,358</u></b>	<u>47,944,222</u>
<u>Mudharabah Funds:</u>		
Savings deposits	<b>3,909,551</b>	3,790,519
General investment deposits	<b>71,375,920</b>	74,088,767
Special investment deposits	<b>1,063,062,107</b>	964,836,487
	<b><u>1,138,347,578</u></b>	<u>1,042,715,773</u>
	<b><u>1,193,699,936</u></b>	<u>1,090,659,995</u>
<b>(ii) The deposits are sourced from the following classes of customers:</b>		
Business enterprises	<b>1,170,646,286</b>	1,067,849,158
Individuals	<b>23,053,650</b>	22,810,837
	<b><u>1,193,699,936</u></b>	<u>1,090,659,995</u>
<b>(iii) The maturity structure of saving deposits, amount payable on demand and term deposits are as follows:</b>		
Due within six months	<b>1,190,823,947</b>	1,067,849,158
More than six months to one year	<b>2,875,989</b>	22,810,837
	<b><u>1,193,699,936</u></b>	<u>1,090,659,995</u>

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**10. Deposits and placements of banks and other financial institutions**

	<b><u>Economic Entity and Bank</u></b>	
	<b><u>31.03.2012</u></b>	<u>31.12.2011</u>
	<b><u>RM</u></b>	<u>RM</u>
<b><u>Non-Mudharabah Funds:</u></b>		
Licensed Islamic banks	608,176,558	424,250,139
Other financial institutions	438,631,624	352,878,761
	<b>1,046,808,182</b>	777,128,900
<b><u>Mudharabah Fund:</u></b>		
Licensed Islamic banks	-	81,984,988
Other financial institutions	2,430,811	503,540
	<b>2,430,811</b>	82,488,528
	<b>1,049,238,993</b>	859,617,428

**11. Other liabilities**

	<b><u>Economic Entity and Bank</u></b>	
	<b><u>31.03.2012</u></b>	<u>31.12.2011</u>
	<b><u>RM</u></b>	<u>RM</u>
Sundry creditors	2,665,194	5,082,222
Other provisions and accruals	6,236,482	6,353,018
	<b>8,901,676</b>	11,435,240

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**12. INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS**

	<b>Economic Entity and Bank</b>	
	<b>31.03.2012</b>	<b>31.03.2011</b>
	<b>RM</b>	<b>RM</b>
Income derived from investment of:		
(i) General investment deposit	727,284	1,167,200
(ii) Other deposits	19,949,242	16,382,480
	<b>20,676,526</b>	<b>17,549,680</b>
(i) Income derived from investment of general investment deposits		
<u>Finance income and hibah:</u>		
Financing and advances	373,930	620,810
Financial assets held-for-trading	13,258	25,060
Financial investment available-for-sale	52,132	38,591
Financial investment held-to-maturity	54,751	80,177
Money at call and deposits with financial institutions	233,213	402,562
	<b>727,284</b>	<b>1,167,200</b>
(ii) Income derived from investment of other deposits		
<u>Finance income and hibah:</u>		
Financing and advances	10,256,809	8,713,516
Financial assets held-for-trading	363,662	351,735
Financial investment available-for-sale	1,429,972	541,658
Financial investment held-to-maturity	1,501,802	1,125,339
Money at call and deposits with financial institutions	6,396,997	5,650,232
	<b>19,949,242</b>	<b>16,382,480</b>



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**13. INCOME DERIVED FROM INVESTMENT OF SHAREHOLDERS' FUNDS**

	<b>Economic Entity</b>		<b>Bank</b>	
	<b>31.03.2012</b>	31.03.2011	<b>31.03.2012</b>	31.03.2011
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b><u>Finance income and hibah</u></b>				
Financing and advances	<b>2,534,569</b>	2,030,398	<b>2,534,569</b>	2,030,398
Financial assets held-for-trading	<b>89,865</b>	81,960	<b>89,865</b>	81,960
Financial investment available-for-sale	<b>353,361</b>	126,216	<b>353,361</b>	126,216
Financial investment held-to-maturity	<b>371,111</b>	262,223	<b>371,111</b>	262,223
Money at call and deposits with financial institutions	<b>1,580,766</b>	1,316,601	<b>1,580,766</b>	1,316,601
Total finance income and hibah	<b>4,929,672</b>	3,817,398	<b>4,929,672</b>	3,817,398
Other operating income (note a - c)	<b>2,705,392</b>	1,983,860	<b>2,955,322</b>	2,254,637
	<b>7,635,064</b>	5,801,258	<b>7,884,994</b>	6,072,035
Other operating income comprise of:				
a) Fee and other income:				
Commission	<b>114,309</b>	229,477	<b>114,309</b>	229,477
Fees and other income	<b>2,519,199</b>	1,764,451	<b>2,769,129</b>	2,035,228
	<b>2,633,508</b>	1,993,928	<b>2,883,438</b>	2,264,705
b) Unrealised gain / (loss) on revaluation of:				
Financial assets held-for-trading	<b>71,884</b>	(14,814)	<b>71,884</b>	(14,814)
	<b>71,884</b>	(14,814)	<b>71,884</b>	(14,814)
c) Gross dividend income from:				
Financial assets held-for-trading	-	4,746	-	4,746
	-	4,746	-	4,746
Total other operating income	<b>2,705,392</b>	1,983,860	<b>2,955,322</b>	2,254,637

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**14. Allowance for impairment on financing and advances****Economic Entity and Bank****31.03.2012** **31.03.2011****RM** **RM**

Allowance for impaired financing and advances:

(a) Individual impairment allowance

- made during the financial year

788,203

2,664,187

- written back during the financial year

(420,176)

(181,536)

(a) Collective impairment allowance

- made during the financial year

788,925

-

**1,156,953****2,482,651****15. Income attributable to depositors****Economic Entity and Bank****31.03.2012** **31.03.2011****RM** **RM**

Deposits from customers:

- Mudharabah funds

7,984,294

6,442,111

**7,984,294****6,442,111**

Deposits and placements of banks and other financial institutions:

- Mudharabah funds

30,418

928,388

- Non-mudharabah funds

6,983,892

3,775,590

**7,014,310****4,703,978****14,998,604****11,146,089****16. Personnel expenses****Economic Entity and Bank****31.03.2012** **31.03.2011****RM** **RM**

Salaries, allowances and bonuses

5,806,322

5,775,518

Contributions to Employee Provident Fund and SOCSO

649,611

666,492

Medical related expenses

101,555

360,334

Travelling and parking

9,820

23,144

Other staff related cost

202,382

260,874

**6,769,690****7,086,362**

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**17. Other overheads and expenditures**

	<b>Economic Entity and Bank</b>	
	<b>31.03.2012</b>	<b>31.03.2011</b>
	<b>RM</b>	<b>RM</b>
<u>Establishment expenses</u>		
Depreciation of property, plant and equipment	348,987	573,933
Amortisation of intangible assets	764,499	913,196
Rental of premises	464,004	492,236
Software and hardware maintenance	1,068,385	946,614
Rental of equipment and network line	83,459	266,121
Security expenses	56,146	70,262
Others	396,275	592,827
	<b>3,181,755</b>	<b>3,855,189</b>
<u>Marketing expenses</u>		
Advertising and promotional activities	77,773	54,583
Entertainment expenses	21,652	7,822
Travelling expenses	68,544	50,278
Others	-	312
	<b>167,969</b>	<b>112,995</b>
<u>Administration and general expenses</u>		
License and association fees and levies	174,557	98,658
Travelling, transport and accommodation expenses	36,275	32,606
Printing, stationery, postage and clearing charges	80,655	69,790
Telecommunication charges	172,200	161,715
Shariah Committee remunerations	153,818	-
Electricity and water	55,460	90,955
Directors related fees	59,500	108,101
Other professional fees	98,404	69,057
Auditors remuneration	43,000	37,500
Others	20,999	78,487
	<b>894,868</b>	<b>746,869</b>
	<b>4,244,592</b>	<b>4,715,053</b>

**18. Other comprehensive income**

	<b>Economic Entity and Bank</b>	
	<b>31.03.2012</b>	<b>31.03.2011</b>
	<b>RM</b>	<b>RM</b>
Financial investment available-for-sale		
- Unrealised net (loss) / gain on revaluation	(493,368)	1,607,403
	<b>(493,368)</b>	<b>1,607,403</b>

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**19. Commitments and contingencies**

In the normal course of business, the Bank makes various commitments and incurs certain contingent liabilities with legal recourse to customers. No material losses are anticipated as a result of this transaction, which needs to be adjusted.

**Economic Entity and Bank**

	<b>Principal amount</b>	<b>Gross Positive Fair Value - Derivative Contract</b>	<b>Credit equivalent amount*</b>	<b>Risk weighted amount</b>
	RM	RM	RM	RM
<b>31.03.2012</b>				
Transaction-related contingent items	83,005,772	-	41,502,886	41,502,886
Irrevocable commitments to extend credit:				
- one year or less	108,699,447	-	54,349,724	54,339,724
- over one year to five years	31,120,584	-	15,560,292	15,560,292
- over five years	1,653,276	-	826,638	644,979
Foreign exchange related contracts				
- one year or less	269,604,697	1,225,209	4,692,771	1,500,498
<b>Total</b>	<b>494,083,776</b>	<b>1,225,209</b>	<b>116,932,311</b>	<b>113,548,379</b>

	<b>Principal amount</b>	<b>Gross Positive Fair Value - Derivative Contract</b>	<b>Credit equivalent amount*</b>	<b>Risk weighted amount</b>
	RM	RM	RM	RM
<b>31.12.2011</b>				
Transaction-related contingent items	66,984,684	-	33,492,342	33,492,342
Irrevocable commitments to extend credit:				
- one year or less	71,482,656	-	35,741,328	35,741,328
- over one year to five years	3,080,000	-	1,540,000	1,530,000
- over five years	4,871,813	-	2,435,906	2,269,839
Foreign exchange related contracts				
- one year or less	269,037,943	1,757,954	5,196,509	2,260,962
<b>Total</b>	<b>415,457,096</b>	<b>1,757,954</b>	<b>78,406,085</b>	<b>75,294,471</b>

\* The credit equivalent and Risk Weighted Assets ('RWA) for the Bank are computed in accordance with BNM's Capital Adequacy Framework for Islamic Bank (CAFIB): Standardised Approach for Credit and Market Risk, and Basic Indicator Approach for Operational Risk (Basel II) respectively

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**20. Financial risk management****20.1 Credit risk management**

## (i) Financing and advances

Financing and advances are summarised as follows:

	<b><u>Economic Entity and Bank</u></b>	
	<b><u>31.03.2012</u></b>	<b><u>31.12.2011</u></b>
	RM	RM
Neither past due nor impaired	957,190,871	848,929,638
Past due but not impaired	7,790,699	62,282,855
Impaired	48,867,866	49,631,579
Gross financing and advances	<b>1,013,849,436</b>	960,844,072
Less: Individual allowance	<b>(10,449,227)</b>	(10,081,200)
Collective allowance	<b>(15,051,004)</b>	(14,262,079)
Net financing and advances	<b><u>988,349,205</u></b>	<b><u>936,500,793</u></b>

**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><u>Rating</u></b>		
1-3	181,667,759	134,151,977
4-6	738,810,933	678,961,542
7-10	32,136,974	31,037,501
Non rated	4,575,205	4,778,618
	<b><u>957,190,871</u></b>	<b><u>848,929,638</u></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:

Past due up to 30 days	1,924,800	53,357,656
Past due 30 to 60 days	4,424,242	894,036
Past due 60 to 90 days	1,441,657	8,031,163
	<b><u>7,790,699</u></b>	<b><u>62,282,855</u></b>

**Financing and advances impaired**

Individually impaired financing	48,867,866	49,631,579
	<b><u>48,867,866</u></b>	<b><u>49,631,579</u></b>

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

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**20. Financial risk management (continued)****20.1 Credit risk management (continued)**

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

Short term funds, financial assets and investments portfolios are summarised as follows:

<u>Economic Entity and Bank</u>	<u>Short term funds</u>	<u>Financial assets/ investments portfolios</u>	<u>Other assets</u>
<b>31.03.2012</b>			
Neither past due nor impaired	<u>1,227,675,750</u>	<u>470,473,631</u>	<u>4,305,453</u>
<u>31.12.2011</u>			
Neither past due nor impaired	<u>1,044,235,480</u>	<u>424,017,785</u>	<u>2,499,978</u>

## (a) Short term funds, financial assets and investments portfolios for the Bank by rating agency designation are as follows:

<u>Economic Entity</u>	<u>Short term funds</u>	<u>Financial assets/ investments portfolios</u>	<u>Other Asset</u>
<b>31.03.2012</b>			
AAA	971,807,387	302,482,969	-
AA and below	177,130,382	112,834,507	-
P1	-	24,896,750	-
Unrated	76,055,150	-	4,305,453
	<u>1,224,992,919</u>	<u>440,214,226</u>	<u>4,305,453</u>
Individually impaired	-	-	7,350,103
	<u>1,224,992,919</u>	<u>440,214,226</u>	<u>11,655,555</u>
<u>31.12.2011</u>			
AAA	972,500,845	274,450,470	-
AA and below	67,197,285	114,615,265	-
P1	-	34,952,050	-
Unrated	32,685	-	2,499,978
	<u>1,039,730,816</u>	<u>424,017,785</u>	<u>2,499,978</u>
Individually impaired	-	-	7,615,290
	<u>1,039,730,816</u>	<u>424,017,785</u>	<u>10,115,268</u>

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**20. Financial risk management (continued)****20.1 Credit risk management (continued)**

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

<u>Bank</u>	<u>Short term funds</u>	<u>Financial assets/ investments portfolios</u>	<u>Other Asset</u>
<b>31.03.2012</b>			
AAA	971,807,387	302,482,969	-
AA and below	177,130,382	112,834,507	-
P1	-	24,896,750	-
Unrated	76,055,150	-	4,305,453
	<u>1,224,992,919</u>	<u>440,214,226</u>	<u>4,305,453</u>
	-	-	8,111,128
Individually impaired	<u>1,224,992,919</u>	<u>440,214,226</u>	<u>12,416,581</u>
<b>31.12.2011</b>			
AAA	972,500,845	274,450,470	-
AA and below	67,197,285	114,615,265	-
P1	-	34,952,050	-
Unrated	32,685	-	2,499,978
	<u>1,039,730,816</u>	<u>424,017,785</u>	<u>2,499,978</u>
	-	-	8,111,128
Individually impaired	<u>1,039,730,816</u>	<u>424,017,785</u>	<u>10,611,106</u>

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**20. Financial risk management (continued)****20.2 Market risk**

## (i) Profit Rate Risk

<u>Economic entity</u>	<-----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					
31.03.2012	RM	RM	RM	RM	RM	RM	RM	RM	RM	%
<b><u>Assets</u></b>										
Cash and short term funds	1,211,051,568	-	-	-	-	16,624,182	-	1,227,675,750		2.96
Financial assets held-for-trading	-	-	-	-	-	-	40,237,516	40,237,516		4.80
Financial investments available-for-sale	-	-	-	283,813,138	20,634,400	2,628,664	-	307,076,202		3.06
Financial investments held-to-maturity	-	-	29,932,942	72,468,024	20,158,404	600,543	-	123,159,913		5.25
Financing and advances - performing	285,297,446	233,696,144	135,304,537	177,319,118	133,364,325	(25,500,231)	-	939,481,339		5.54
- non performing	-	-	-	-	-	48,867,866	-	48,867,866		-
Other assets	-	-	-	-	-	4,305,453	-	4,305,453		-
Statutory deposits	-	-	-	-	-	20,783,975	-	20,783,975		-
Investment in jointly controlled entity	-	-	-	-	7,350,101	-	-	7,350,101		-
Property and equipment	-	-	-	-	-	4,588,075	-	4,588,075		-
Intangible assets	-	-	-	-	-	5,014,450	-	5,014,450		-
<b>Total assets</b>	<b>1,496,349,014</b>	<b>233,696,144</b>	<b>165,237,479</b>	<b>533,600,280</b>	<b>181,507,230</b>	<b>77,912,977</b>	<b>40,237,516</b>	<b>2,728,540,640</b>		



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**20. Financial risk management objectives and policies (continued)****20.2 Market risk management (continued)**

## (i) Profit Rate Risk

&lt;-----Non-trading book-----&gt;

<u>Economic entity</u>	Up to 1 months	1-3 months	3-12 months	1-5 years	Over 5 years	Non-profit sensitive	Trading book	Total	Effective profit rate
31.03.2012	RM	RM	RM	RM	RM	RM	RM	RM	%
<b>Liabilities</b>									
Deposits from customers	692,158,072	491,124,883	9,114,911	-	-	1,302,070	-	1,193,699,936	2.81
Deposits and placements of banks and other financial institutions	394,696,145	251,632,710	397,225,947	-	-	5,684,191	-	1,049,238,993	2.37
Other liabilities	-	-	-	-	-	8,901,676	-	8,901,676	-
Total liabilities	1,086,854,217	742,757,593	406,340,858	-	-	15,887,937	-	2,251,840,605	
Total shareholders equity	-	-	-	-	476,700,035	-	-	476,700,035	-
	1,086,854,217	742,757,593	406,340,858	-	476,700,035	15,887,937	-	2,728,540,640	
<b>Total profit-sensitivity gap</b>	409,494,797	(509,061,449)	(241,103,379)	533,600,280	(295,192,805)	62,025,040	40,237,516	-	

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**20. Financial risk management objectives and policies (continued)****20.2 Market risk management (continued)**

## (i) Profit Rate Risk

<-----Non-trading book----->

<u>Economic entity</u>	<u>Up to 1</u>	<u>1-3</u>	<u>3-12</u>	<u>1-5</u>	<u>Over 5</u>	<u>Non-profit</u>	<u>Trading</u>	<u>Total</u>	<u>Effective</u>
31.12.2011	<u>months</u>	<u>months</u>	<u>months</u>	<u>years</u>	<u>years</u>	<u>sensitive</u>	<u>book</u>	<u>RM</u>	<u>profit</u>
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>rate</u>
<u>Assets</u>									<u>%</u>
Cash and short term funds	1,032,219,770	-	-	-	-	12,015,710	-	1,044,235,480	2.83
Financial assets held-for-trading	-	-	-	-	-	-	34,952,550	34,952,550	3.14
Financial investments available-for-sale	-	39,725,630	-	125,566,168	20,539,600	1,863,710	-	187,695,108	3.69
Financial investments held-to-maturity	-	95,330,000	30,312,472	73,402,557	-	2,325,098	-	201,370,127	3.27
Financing and advances									
- performing	32,066,389	282,955,935	201,753,249	255,699,382	138,737,538	(24,343,279)	-	886,869,214	6.19
- non performing	-	-	-	-	-	49,631,579	-	49,631,579	-
Other assets	-	-	-	-	-	2,499,978	-	2,499,978	-
Statutory deposits	-	-	-	-	-	12,283,975	-	12,283,975	-
Investment in jointly controlled entity	-	-	-	-	7,615,290	-	-	7,615,290	-
Property and equipment	-	-	-	-	-	4,847,325	-	4,847,325	-
Intangible assets	-	-	-	-	-	5,778,949	-	5,778,949	-
<b>Total assets</b>	<b>1,064,286,159</b>	<b>418,011,565</b>	<b>232,065,721</b>	<b>454,668,107</b>	<b>166,892,428</b>	<b>66,903,045</b>	<b>34,952,550</b>	<b>2,437,779,575</b>	

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**20. Financial risk management objectives and policies (continued)****20.2 Market risk management (continued)**

(i) Profit Rate Risk

&lt;-----Non-trading book-----&gt;

<u>Economic entity</u>	<u>Up to 1</u>	<u>1-3</u>	<u>3-12</u>	<u>1-5</u>	<u>Over 5</u>	<u>Non-profit</u>	<u>Trading</u>	<u>Total</u>	<u>Effective</u>
31.12.2011	<u>months</u>	<u>months</u>	<u>months</u>	<u>years</u>	<u>years</u>	<u>sensitive</u>	<u>book</u>	<u>RM</u>	<u>profit</u>
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>rate</u>
<b>Liabilities</b>									
Deposits from customers	974,319,963	103,398,889	9,913,781	211,242	-	2,816,120	-	1,090,659,995	2.70
Deposits and placements of banks and other financial institutions	306,864,864	309,123,529	240,873,225	-	-	2,755,810	-	859,617,428	2.80
Other liabilities	-	-	-	-	-	11,435,240	-	11,435,240	-
Total liabilities	1,281,184,827	412,522,418	250,787,006	211,242	-	17,007,170	-	1,961,712,663	
Total shareholders equity	-	-	-	-	476,066,912	-	-	476,066,912	
	1,281,184,827	412,522,418	250,787,006	211,242	476,066,912	17,007,170	-	2,437,779,575	
<b>Total profit-sensitivity gap</b>	(216,898,668)	5,489,147	(18,721,285)	454,456,865	(309,174,484)	49,895,875	34,952,550	-	

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**20. Financial risk management objectives and policies (continued)****20.2 Market risk management (continued)**

(i) Profit Rate Risk

←-----Non-trading book----->

<b>Bank</b>	<b>Up to 1</b>	<b>1-3</b>	<b>3-12</b>	<b>1-5</b>	<b>Over 5</b>	<b>Non-profit</b>	<b>Trading</b>	<b>Total</b>	<b>Effective</b>
<b>31.03.2012</b>	<b>months</b>	<b>months</b>	<b>months</b>	<b>years</b>	<b>years</b>	<b>sensitive</b>	<b>book</b>	<b>RM</b>	<b>profit</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>%</b>
<b>Assets</b>									
Cash and short term funds	1,211,051,568	-	-	-	-	16,624,182	-	1,227,675,750	2.96
Financial assets held-for-trading	-	-	-	-	-	-	40,237,516	40,237,516	4.80
Financial investments available-for-sale	-	-	-	283,813,138	20,634,400	2,628,664	-	307,076,202	3.06
Financial investments held-to-maturity	-	-	29,932,942	72,468,024	20,158,404	600,543	-	123,159,913	5.25
Financing and advances									
- performing	285,297,446	233,696,144	135,304,537	177,319,118	133,364,325	(25,500,231)	-	939,481,339	5.54
- non performing	-	-	-	-	-	48,867,866	-	48,867,866	-
Other assets	-	-	-	-	-	4,305,453	-	4,305,453	-
Statutory deposits	-	-	-	-	-	20,783,975	-	20,783,975	-
Investment in jointly controlled entity	-	-	-	-	8,111,128	-	-	8,111,128	-
Property and equipment	-	-	-	-	-	4,588,075	-	4,588,075	-
Intangible assets	-	-	-	-	-	5,014,450	-	5,014,450	-
<b>Total assets</b>	<b>1,496,349,014</b>	<b>233,696,144</b>	<b>165,237,479</b>	<b>533,600,280</b>	<b>182,268,257</b>	<b>77,912,977</b>	<b>40,237,516</b>	<b>2,729,301,667</b>	

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**20. Financial risk management objectives and policies (continued)****20.2 Market risk management (continued)**

## (i) Profit Rate Risk

&lt;-----Non-trading book-----&gt;

<b>Bank</b>	<b>Up to 1</b>	<b>1-3</b>	<b>3-12</b>	<b>1-5</b>	<b>Over 5</b>	<b>Non-profit</b>	<b>Trading</b>	<b>Total</b>	<b>Effective</b>
<b>31.03.2012</b>	<b>months</b>	<b>months</b>	<b>months</b>	<b>years</b>	<b>years</b>	<b>sensitive</b>	<b>book</b>	<b>RM</b>	<b>profit</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>rate</b>
<b>Liabilities</b>									<b>%</b>
Deposits from customers	692,158,072	491,124,883	9,114,911	-	-	1,302,070	-	1,193,699,936	2.81
Deposits and placements of banks and other financial institutions	394,696,145	251,632,710	397,225,947	-	-	5,684,191	-	1,049,238,993	2.37
Other liabilities	-	-	-	-	-	8,901,676	-	8,901,676	-
Total liabilities	1,086,854,217	742,757,593	406,340,858	-	-	15,887,937	-	2,251,840,605	
Total shareholders equity	-	-	-	-	477,461,062	-	-	477,461,062	
	1,086,854,217	742,757,593	406,340,858	-	477,461,062	15,887,937	-	2,729,301,667	
<b>Total profit-sensitivity gap</b>	<b>409,494,797</b>	<b>(509,061,449)</b>	<b>(241,103,379)</b>	<b>533,600,280</b>	<b>(295,192,805)</b>	<b>62,025,040</b>	<b>40,237,516</b>	<b>-</b>	

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**20. Financial risk management objectives and policies (continued)****20.2 Market risk management (continued)**

(i) Profit Rate Risk

&lt;-----Non-trading book-----&gt;

<b>Bank</b>	<b>Up to 1</b>	<b>1-3</b>	<b>3-12</b>	<b>1-5</b>	<b>Over 5</b>	<b>Non-profit</b>	<b>Trading</b>	<b>Total</b>	<b>Effective</b>
31.12.2011	<b>months</b>	<b>months</b>	<b>months</b>	<b>years</b>	<b>years</b>	<b>sensitive</b>	<b>book</b>	<b>RM</b>	<b>profit</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>rate</b>
<b>Assets</b>									<b>%</b>
Cash and short term funds	1,032,219,770	-	-	-	-	12,015,710	-	1,044,235,480	2.83
Financial assets held-for-trading	-	-	-	-	-	-	34,952,550	34,952,550	3.14
Financial investments available-for-sale	-	39,725,630	-	125,566,168	20,539,600	1,863,710	-	187,695,108	3.69
Financial investments held-to-maturity	-	95,330,000	30,312,472	73,402,557	-	2,325,098	-	201,370,127	3.27
Financing and advances									
- performing	32,066,389	282,955,935	201,753,249	255,699,382	138,737,538	(24,343,279)	-	886,869,214	6.19
- non performing	-	-	-	-	-	49,631,579	-	49,631,579	-
Other assets	-	-	-	-	-	2,499,978	-	2,499,978	-
Statutory deposits	-	-	-	-	-	12,283,975	-	12,283,975	-
Investment in jointly controlled entity	-	-	-	-	8,111,128	-	-	8,111,128	-
Property and equipment	-	-	-	-	-	4,847,325	-	4,847,325	-
Intangible assets	-	-	-	-	-	5,778,949	-	5,778,949	-
<b>Total assets</b>	<b>1,064,286,159</b>	<b>418,011,565</b>	<b>232,065,721</b>	<b>454,668,107</b>	<b>167,388,266</b>	<b>66,903,045</b>	<b>34,952,550</b>	<b>2,438,275,413</b>	

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**20. Financial risk management objectives and policies (continued)****20.2 Market risk management (continued)**

(i) Profit Rate Risk

←-----Non-trading book-----&gt;

<u>Bank</u>	<u>Up to 1</u>	<u>1-3</u>	<u>3-12</u>	<u>1-5</u>	<u>Over 5</u>	<u>Non-profit</u>	<u>Trading</u>	<u>Total</u>	<u>Effective</u>
31.12.2011	<u>months</u>	<u>months</u>	<u>months</u>	<u>years</u>	<u>years</u>	<u>sensitive</u>	<u>book</u>	<u>RM</u>	<u>profit</u>
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>rate</u>
<b>Liabilities</b>									
Deposits from customers	974,319,963	103,398,889	9,913,781	211,242	-	2,816,120	-	1,090,659,995	2.70
Deposits and Placements of banks and other financial institutions	306,864,864	309,123,529	240,873,225	-	-	2,755,810	-	859,617,428	2.80
Other liabilities	-	-	-	-	-	11,435,240	-	11,435,240	-
Total liabilities	1,281,184,827	412,522,418	250,787,006	211,242	-	17,007,170	-	1,961,712,663	
Total shareholders equity	-	-	-	-	476,562,750	-	-	476,562,750	
	1,281,184,827	412,522,418	250,787,006	211,242	476,562,750	17,007,170	-	2,438,275,413	
<b>Total profit-sensitivity gap</b>	(216,898,668)	5,489,147	(18,721,285)	454,456,865	(309,174,484)	49,895,875	34,952,550	-	

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**21. Capital adequacy**

	<u>Economic Entity</u>	
	<u>31.03.2012</u>	<u>31.12.2011</u>
	<u>RM</u>	<u>RM</u>
<u>Tier I Capital</u>		
Paid-up ordinary share capital	532,530,020	532,530,020
Accumulated losses	(56,085,808)	(56,085,808)
	<u>476,444,212</u>	<u>476,444,212</u>
Less :		
Deferred tax assets	-	-
Total Tier I capital	<u>476,444,212</u>	<u>476,444,212</u>
<u>Tier II Capital</u>		
Collective impairment/allowance for bad and doubtful financing ^	<u>14,474,724</u>	<u>13,899,442</u>
Total Tier II capital	<u>14,474,724</u>	<u>13,899,442</u>
Total capital base	<u>490,918,936</u>	<u>490,343,654</u>
<u>Capital ratios</u>		
Inclusive of market risk :		
Core capital ratio (inclusive of market risk)	35.97%	39.19%
Risk-weighted capital ratio (inclusive of market risk)	<u>37.06%</u>	<u>40.34%</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



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**21. Capital adequacy (continued)**

	<u>Bank</u>	
	<u>31.03.2012</u>	<u>31.12.2011</u>
	<u>RM</u>	<u>RM</u>
<u>Tier I Capital</u>		
Paid-up ordinary share capital	532,530,020	532,530,020
Accumulated losses	(55,589,970)	(55,589,970)
	<u>476,940,050</u>	<u>476,940,050</u>
Less :		
Deferred tax assets	-	-
Total Tier I capital	<u>476,940,050</u>	<u>476,940,050</u>
<u>Tier II Capital</u>		
Collective impairment/allowance for bad and doubtful financing ^	<u>14,474,724</u>	13,899,442
Total Tier II capital	<u>14,474,724</u>	<u>13,899,442</u>
Total capital base	<u>491,414,774</u>	<u>490,839,492</u>
<u>Capital ratios</u>		
Inclusive of market risk :		
Core capital ratio (inclusive of market risk)	35.95%	39.14%
Risk-weighted capital ratio (inclusive of market risk)	<u>37.04%</u>	<u>40.28%</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

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**21. Capital adequacy (continued)**

<u>Economic entity</u>				<u>Risk Weighted Assets</u>	<u>Total Risk Weighted Assets after effects of PSIA</u>	<u>Capital Requirements</u>
<u>31.03.2012</u>		<u>Net Exposures</u>	<u>Risk Weighted Assets</u>	<u>Absorbed by PSIA</u>		
<u>Exposure Class</u>	<u>Gross Exposures</u>	<u>Exposures</u>	<u>Assets</u>	<u>PSIA</u>	<u>PSIA</u>	<u>Requirements</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Credit Risk</u>						
<i>On-Balance Sheet Exposures</i>						
Sovereigns & Central Banks	159,374	159,374	-	-	-	-
Banks, MDBs and FDI's	64,803	64,803	21,485	-	21,485	1,719
Corporates	1,196,986	1,196,986	1,037,809	-	1,037,809	83,025
Regulatory Retail	49,318	49,318	52,683	-	52,683	4,215
Other Assets	7,350	7,350	11,025	-	11,025	882
<b>Total for On-Balance Sheet Exposures</b>	<b>1,477,831</b>	<b>1,477,831</b>	<b>1,123,002</b>	<b>-</b>	<b>1,123,002</b>	<b>89,841</b>
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	494,084	116,932	113,548	-	113,548	9,084
<b>Total for Off-Balance Sheet Exposures</b>	<b>494,084</b>	<b>116,932</b>	<b>113,548</b>	<b>-</b>	<b>113,548</b>	<b>9,084</b>
<b>Total On and Off-Balance Sheet Exposures</b>	<b>1,971,915</b>	<b>1,594,763</b>	<b>1,236,550</b>	<b>-</b>	<b>1,236,550</b>	<b>98,925</b>
<u>Market Risk</u>						
Benchmark Rate Risk	-	-	8,406	8,406	-	8,406
Foreign Currency Risk	5,992	5,536	5,992	5,992	-	5,992
Operational Risk	-	-	-	73,550	-	73,550
<b>Total RWA and Capital Requirements</b>	<b>1,977,907</b>	<b>5,536</b>	<b>1,609,161</b>	<b>1,324,498</b>	<b>-</b>	<b>1,324,498</b>

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**21. Capital adequacy (continued)****Economic entity - 31.03.2012**

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%	159,374	-	-	-	-	-	-	-
20%	-	-	40,381	8,076	-	-	220,864	44,173
50%	-	-	28,413	14,207	-	-	57,535	28,768
75%	-	-	-	-	-	-	-	-
100%	-	-	125	125	-	-	937,365	937,365
150%	-	-	-	-	-	-	75,780	113,670
<b>Total</b>	<b>159,374</b>	<b>-</b>	<b>68,919</b>	<b>22,408</b>	<b>-</b>	<b>-</b>	<b>1,291,544</b>	<b>1,123,976</b>
<b>Defaulted Exposures</b>								
50%	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	710	710
150%	-	-	-	-	-	-	16,782	25,173
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,492</b>	<b>25,883</b>
<b>Total Performing and Defaulted</b>	<b>159,374</b>	<b>-</b>	<b>68,919</b>	<b>22,408</b>	<b>-</b>	<b>-</b>	<b>1,309,036</b>	<b>1,149,859</b>

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**21. Capital adequacy (continued)****Economic entity - 31.03.2012**

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

Risk Weights	Regulatory Retail		Other Assets		Total Exposure	Total Risk Weighted Assets
	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%	-	-	-	-	159,374	-
20%	-	-	-	-	261,245	52,249
50%	-	-	-	-	85,948	42,975
75%	29,158	21,869	-	-	29,158	21,869
100%	-	-	-	-	937,490	937,490
150%	-	-	7,350	11,025	83,130	124,695
<b>Total</b>	<b>29,158</b>	<b>21,869</b>	<b>7,350</b>	<b>11,025</b>	<b>1,556,345</b>	<b>1,179,278</b>
<b>Defaulted Exposures</b>						
50%	-	-	-	-	-	-
100%	-	-	-	-	710	710
150%	20,926	31,389	-	-	37,708	56,562
<b>Total</b>	<b>20,926</b>	<b>31,389</b>	<b>-</b>	<b>-</b>	<b>38,418</b>	<b>57,272</b>
<b>Total Performing and Defaulted</b>	<b>50,084</b>	<b>53,258</b>	<b>7,350</b>	<b>11,025</b>	<b>1,594,763</b>	<b>1,236,550</b>

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**21. Capital adequacy (continued)**

<u>Economic entity</u> <u>31.12.2011</u> <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	135,056	135,056	-	-	-	-
Banks, MDBs and FDI's	67,224	67,224	22,234	-	22,234	1,779
Corporates	1,117,590	1,117,590	981,437	-	981,437	78,515
Regulatory Retail	50,721	50,721	44,099	-	44,099	3,528
Other Assets	7,615	7,615	11,423	-	11,423	914
<b>Total for On-Balance Sheet Exposures</b>	<b>1,378,206</b>	<b>1,378,206</b>	<b>1,059,193</b>	<b>-</b>	<b>1,059,193</b>	<b>84,736</b>
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	415,457	78,406	75,294	-	75,294	6,024
<b>Total for Off-Balance Sheet Exposures</b>	<b>415,457</b>	<b>78,406</b>	<b>75,294</b>	<b>-</b>	<b>75,294</b>	<b>6,024</b>
<b>Total On and Off-Balance Sheet Exposures</b>	<b>1,793,663</b>	<b>1,456,612</b>	<b>1,134,487</b>	<b>-</b>	<b>1,134,487</b>	<b>90,760</b>
<b><u>Market Risk</u></b>						
	Long Position	Short Position				
Benchmark Rate Risk	-	-	8,147	8,147	-	8,147
Foreign Currency Risk	4,077	-	4,077	4,077	-	4,077
Operational Risk	-	-	68,956	-	68,956	5,516
<b>Total RWA and Capital Requirements</b>	<b>1,797,740</b>	<b>-</b>	<b>1,468,836</b>	<b>1,215,667</b>	<b>1,215,667</b>	<b>97,254</b>

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**21. Capital adequacy (continued)**

Economic entity - 31.12.2011

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%	135,056	-	-	-	-	-	-	-
20%	-	-	41,598	8,320	-	-	194,106	38,821
50%	-	-	29,296	14,648	-	-	58,450	29,225
75%	-	-	-	-	-	-	-	-
100%	-	-	125	125	-	-	842,166	842,166
150%	-	-	-	-	-	-	80,614	120,921
<b>Total</b>	<b>135,056</b>	<b>-</b>	<b>71,019</b>	<b>23,093</b>	<b>-</b>	<b>-</b>	<b>1,175,336</b>	<b>1,031,133</b>
<b>Defaulted Exposures</b>								
50%	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	16,099	24,149
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,099</b>	<b>24,149</b>
<b>Total Performing and Defaulted</b>	<b>135,056</b>	<b>-</b>	<b>71,019</b>	<b>23,093</b>	<b>-</b>	<b>-</b>	<b>1,191,435</b>	<b>1,055,282</b>

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**21. Capital adequacy (continued)**

Economic entity - 31.12.2011

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

Risk Weights	Regulatory Retail		Other Assets		Total Exposure	Total Risk Weighted Assets
	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>		
<b>Performing Exposures</b>						
0%	-	-	-	-	135,056	-
20%	-	-	-	-	235,704	47,141
50%	-	-	-	-	87,746	43,873
75%	43,389	32,542	-	-	43,389	32,542
100%	-	-	-	-	842,291	842,291
150%	-	-	7,615	11,423	88,229	132,344
<b>Total</b>	<b>43,389</b>	<b>32,542</b>	<b>7,615</b>	<b>11,423</b>	<b>1,432,415</b>	<b>1,098,191</b>
<b>Defaulted Exposures</b>						
50%	-	-	-	-	-	-
100%	-	-	-	-	-	-
150%	8,098	12,147	-	-	24,197	36,296
<b>Total</b>	<b>8,098</b>	<b>12,147</b>	<b>-</b>	<b>-</b>	<b>24,197</b>	<b>36,296</b>
<b>Total Performing and Defaulted</b>	<b>51,487</b>	<b>44,689</b>	<b>7,615</b>	<b>11,423</b>	<b>1,456,612</b>	<b>1,134,487</b>

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**21. Capital adequacy (continued)**

<u>Bank</u>			<u>Risk</u>	<u>Total Risk</u>		
<u>31.03.2012</u>			<u>Weighted</u>	<u>Weighted</u>		
<u>Exposure Class</u>	<u>Gross Exposures</u>	<u>Net Exposures</u>	<u>Assets</u>	<u>Absorbed by</u>	<u>Assets after</u>	<u>Capital</u>
	RM'000	RM'000	RM'000	PSIA	PSIA	Requirements
				RM'000	RM'000	RM'000
<b><u>Credit Risk</u></b>						
<i>On-Balance Sheet Exposures</i>						
Sovereigns & Central Banks	159,374	159,374	-	-	-	-
Banks, MDBs and FDIIs	64,803	64,803	21,485	-	21,485	1,719
Corporates	1,196,986	1,196,986	1,037,809	-	1,037,809	83,025
Regulatory Retail	49,318	49,318	52,683	-	52,683	4,215
Other Assets	8,111	8,111	12,167	-	12,167	973
<b>Total for On-Balance Sheet Exposures</b>	<b>1,478,592</b>	<b>1,478,592</b>	<b>1,124,144</b>	<b>-</b>	<b>1,124,144</b>	<b>89,932</b>
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	494,084	116,932	113,548	-	113,548	9,084
<b>Total for Off-Balance Sheet Exposures</b>	<b>494,084</b>	<b>116,932</b>	<b>113,548</b>	<b>-</b>	<b>113,548</b>	<b>9,084</b>
<b>Total On and Off-Balance Sheet Exposures</b>	<b>1,972,676</b>	<b>1,595,524</b>	<b>1,237,692</b>	<b>-</b>	<b>1,237,692</b>	<b>99,016</b>
<b><u>Market Risk</u></b>						
	<b><u>Long Position</u></b>	<b><u>Short Position</u></b>				
Benchmark Rate Risk	-	-	8,406	-	8,406	672
Foreign Currency Risk	5,992	5,536	5,992	-	5,992	479
Operational Risk	-	-	74,459	-	74,459	5,957
<b>Total RWA and Capital Requirements</b>	<b>1,978,668</b>	<b>5,536</b>	<b>1,609,922</b>	<b>-</b>	<b>1,326,549</b>	<b>106,124</b>



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**21. Capital adequacy (continued)****Bank - 31.03.2012**

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

Risk Weights Performing Exposures	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>
0%	159,374	-	-	-	-	-	-	-
20%	-	-	40,381	8,076	-	-	220,864	44,173
50%	-	-	28,413	14,207	-	-	57,535	28,768
75%	-	-	-	-	-	-	-	-
100%	-	-	125	125	-	-	937,365	937,365
150%	-	-	-	-	-	-	75,780	113,670
<b>Total</b>	<b>159,374</b>	<b>-</b>	<b>68,919</b>	<b>22,408</b>	<b>-</b>	<b>-</b>	<b>1,291,544</b>	<b>1,123,976</b>
<b>Defaulted Exposures</b>								
50%	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	710	710
150%	-	-	-	-	-	-	16,782	25,173
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,492</b>	<b>25,883</b>
<b>Total Performing and Defaulted</b>	<b>159,374</b>	<b>-</b>	<b>68,919</b>	<b>22,408</b>	<b>-</b>	<b>-</b>	<b>1,309,036</b>	<b>1,149,859</b>

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**21. Capital adequacy (continued)****Bank - 31.03.2012**

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

Risk Weights	Regulatory Retail		Other Assets		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%	-	-	-	-	159,374	-
20%	-	-	-	-	261,245	52,249
50%	-	-	-	-	85,948	42,975
75%	29,158	21,869	-	-	29,158	21,869
100%	-	-	-	-	937,490	937,490
150%	-	-	8,111	12,167	83,891	125,837
<b>Total</b>	<b>29,158</b>	<b>21,869</b>	<b>8,111</b>	<b>12,167</b>	<b>1,557,106</b>	<b>1,180,420</b>
<b>Defaulted Exposures</b>						
50%	-	-	-	-	-	-
100%	-	-	-	-	710	710
150%	20,926	31,389	-	-	37,708	56,562
<b>Total</b>	<b>20,926</b>	<b>31,389</b>	<b>-</b>	<b>-</b>	<b>38,418</b>	<b>57,272</b>
<b>Total Performing and Defaulted</b>	<b>50,084</b>	<b>53,258</b>	<b>8,111</b>	<b>12,167</b>	<b>1,595,524</b>	<b>1,237,692</b>

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

**21. Capital adequacy (continued)**

<u>Bank</u> <u>31.12.2011</u> <u>Exposure Class</u>	<u>Gross Exposures</u> RM'000	<u>Net</u> <u>Exposures</u> RM'000	<u>Risk</u> <u>Weighted</u> <u>Assets</u> RM'000	<u>Risk</u> <u>Weighted</u> <u>Assets</u> <u>Absorbed by</u> <u>PSIA</u> RM'000	<u>Total Risk</u> <u>Weighted</u> <u>Assets after</u> <u>effects of</u> <u>PSIA</u> RM'000	<u>Capital</u> <u>Requirements</u> RM'000
<b><u>Credit Risk</u></b>						
<i>On-Balance Sheet Exposures</i>						
Sovereigns & Central Banks	135,056	135,056	-	-	-	-
Banks, MDBs and FDIs	67,224	67,224	22,234	-	22,234	1,779
Corporates	1,117,590	1,117,590	981,437	-	981,437	78,515
Regulatory Retail	50,721	50,721	44,099	-	44,099	3,528
Other Assets	8,111	8,111	12,167	-	12,167	973
<b>Total for On-Balance Sheet</b> Exposures	<b>1,378,702</b>	<b>1,378,702</b>	<b>1,059,937</b>	<b>-</b>	<b>1,059,937</b>	<b>84,795</b>
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	415,457	78,406	75,294	-	75,294	6,024
<b>Total for Off-Balance Sheet</b> Exposures	<b>415,457</b>	<b>78,406</b>	<b>75,294</b>	<b>-</b>	<b>75,294</b>	<b>6,024</b>
<b>Total On and Off-Balance Sheet</b> Exposures	<b>1,794,159</b>	<b>1,457,108</b>	<b>1,135,231</b>	<b>-</b>	<b>1,135,231</b>	<b>90,819</b>
<b><u>Market Risk</u></b>						
	<b>Long Position</b>	<b>Short Position</b>				
Benchmark Rate Risk	-	-	8,147	8,147	8,147	652
Foreign Currency Risk	4,077	-	4,077	4,077	4,077	326
Operational Risk	-	-	-	71,169	71,169	5,694
<b>Total RWA and Capital</b> <b>Requirements</b>	<b>1,798,236</b>	<b>-</b>	<b>1,469,332</b>	<b>1,218,624</b>	<b>1,218,624</b>	<b>97,491</b>

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**21. Capital adequacy (continued)****Bank - 31.12.2011**

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>0%</b>	<b>135,056</b>	-	-	-	-	-	-	-
<b>20%</b>	-	-	<b>41,598</b>	<b>8,320</b>	-	-	<b>194,106</b>	<b>38,821</b>
<b>50%</b>	-	-	<b>29,296</b>	<b>14,648</b>	-	-	<b>58,450</b>	<b>29,225</b>
<b>75%</b>	-	-	-	-	-	-	-	-
<b>100%</b>	-	-	<b>125</b>	<b>125</b>	-	-	<b>842,166</b>	<b>842,166</b>
<b>150%</b>	-	-	-	-	-	-	<b>80,614</b>	<b>120,921</b>
<b>Total</b>	<b>135,056</b>	-	<b>71,019</b>	<b>23,093</b>	-	-	<b>1,175,336</b>	<b>1,031,133</b>
<b>Defaulted Exposures</b>								
<b>50%</b>	-	-	-	-	-	-	-	-
<b>100%</b>	-	-	-	-	-	-	-	-
<b>150%</b>	-	-	-	-	-	-	<b>16,099</b>	<b>24,149</b>
<b>Total</b>	-	-	-	-	-	-	<b>16,099</b>	<b>24,149</b>
<b>Total Performing and Defaulted</b>	<b>135,056</b>	-	<b>71,019</b>	<b>23,093</b>	-	-	<b>1,191,435</b>	<b>1,055,282</b>

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**21. Capital adequacy (continued)****Bank - 31.12.2011**

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

<b>Risk Weights</b>	<b>Regulatory Retail</b>		<b>Other Assets</b>		<b>Total</b>	<b>Total Risk</b>
	<b>Exposures</b>	<b>Risk Weighted</b>	<b>Exposures after</b>	<b>Risk Weighted</b>	<b>Exposure</b>	<b>Weighted</b>
<b>Performing</b>	<b>after Netting</b>	<b>Asset</b>	<b>Netting &amp;</b>	<b>Asset</b>	<b>after</b>	<b>Assets</b>
<b>Exposures</b>	<b>&amp; CRM</b>		<b>CRM</b>		<b>Netting &amp;</b>	<b>Risk Weighted</b>
					<b>CRM</b>	<b>Asset</b>
0%	-	-	-	-	135,056	-
20%	-	-	-	-	235,704	47,141
50%	-	-	-	-	87,746	43,873
75%	43,389	32,542	-	-	43,389	32,542
100%	-	-	-	-	842,291	842,291
150%	-	-	8,111	12,167	88,725	133,088
<b>Total</b>	<b>43,389</b>	<b>32,542</b>	<b>8,111</b>	<b>12,167</b>	<b>1,432,911</b>	<b>1,098,935</b>
<b>Defaulted Exposures</b>						
50%	-	-	-	-	-	-
100%	-	-	-	-	-	-
150%	8,098	12,147	-	-	24,197	36,296
<b>Total</b>	<b>8,098</b>	<b>12,147</b>	<b>-</b>	<b>-</b>	<b>24,197</b>	<b>36,296</b>
<b>Total Performing and Defaulted</b>	<b>51,487</b>	<b>44,689</b>	<b>8,111</b>	<b>12,167</b>	<b>1,457,108</b>	<b>1,135,231</b>

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

**22. Segment information****Economic Entity****31.03.2012**

	<b>Domestic Banking RM</b>	<b>International Banking RM</b>	<b>Asset Management and Investment Banking RM</b>	<b>Total RM</b>
External revenue	11,105,277	17,305,768	(238,966)	28,172,079
Inter-segment revenue	(2,842,494)	2,842,494	-	-
Total revenue	8,262,783	20,148,262	(238,966)	28,172,079
Depositors' payout	(262,537)	(14,596,557)	-	(14,859,094)
Net income	8,000,246	5,551,705	(238,966)	13,312,985
Operating overheads	(7,532,581)	(4,058,853)	(579,801)	(12,171,235)
Share of results of jointly controlled entity	-	-	(15,259)	(15,259)
Segmental results / loss before taxation	467,666	1,492,852	(834,026)	1,126,491
Taxation				-
Profit for the period				1,126,491

31.03.2011

	<b>Domestic Banking RM</b>	<b>International Banking RM</b>	<b>Asset Management and Investment Banking RM</b>	<b>Total RM</b>
External revenue	10,897,280	12,021,531	432,127	23,350,938
Inter-segment revenue	(4,811,448)	5,029,979	(218,531)	-
Total revenue	6,085,832	17,051,510	213,596	23,350,938
Depositors' payout	(399,641)	(10,746,448)	-	(11,146,089)
Net income	5,686,191	6,305,062	213,596	12,204,849
Operating overheads	(6,053,611)	(7,818,645)	(411,810)	(14,284,066)
Share of results of jointly controlled entity	-	-	419,879	419,879
Segmental results / loss before taxation	(367,420)	(1,513,583)	221,665	(1,659,338)
Taxation				-
Loss for the financial period				(1,659,338)

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**22. Segment information (continued)****Bank****31.03.2012**

	<b>Domestic Banking RM</b>	<b>International Banking RM</b>	<b>Asset Management and Investment Banking RM</b>	<b>Total RM</b>
External revenue	11,105,277	17,305,768	10,964	28,422,009
Inter-segment revenue	(2,842,494)	2,842,494	-	-
Total revenue	8,262,783	20,148,262	10,964	28,422,009
Depositors' payout	(262,537)	(14,596,557)	-	(14,859,094)
Net income	8,000,246	5,551,705	10,964	13,562,915
Operating overheads	(7,532,581)	(4,058,853)	(579,801)	(12,171,235)
Segmental results / loss before taxation	467,666	1,492,852	(568,837)	1,391,680
Taxation				-
Profit for the period				1,391,680

**31.03.2011**

	<b>Domestic Banking RM</b>	<b>International Banking RM</b>	<b>Asset Management and Investment Banking RM</b>	<b>Total RM</b>
External revenue	10,897,280	12,021,531	702,903	23,621,714
Inter-segment revenue	(4,811,448)	5,029,979	(218,531)	-
Total revenue	6,085,832	17,051,510	484,372	23,621,714
Depositors' payout	(399,641)	(10,746,448)	-	(11,146,089)
Net income	5,686,191	6,305,062	484,372	12,475,625
Operating overheads	(6,053,611)	(7,818,645)	(411,809)	(14,284,065)
Segmental results / loss before taxation	(367,420)	(1,513,583)	72,563	(1,808,440)
Taxation				-
Loss for the financial period				(1,808,440)

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**22. Segment information (continued)****Economic Entity**

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<b>31.03.2012</b>				
Segment assets	278,450,934	2,441,379,520	8,710,186	2,728,540,640
Total assets	<u>278,450,934</u>	<u>2,441,379,520</u>	<u>8,710,186</u>	<u>2,728,540,640</u>
Segment liabilities	109,572,424	2,142,268,181	-	2,251,840,605
Total liabilities	<u>109,572,424</u>	<u>2,142,268,181</u>	<u>-</u>	<u>2,251,840,605</u>

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<b>31.12.2011</b>				
Segment assets	665,513,212	1,740,219,011	32,047,352	2,437,779,575
Total assets	<u>665,513,212</u>	<u>1,740,219,011</u>	<u>32,047,352</u>	<u>2,437,779,575</u>
Segment liabilities	121,300,803	1,840,312,884	98,976	1,961,712,663
Total liabilities	<u>121,300,803</u>	<u>1,840,312,884</u>	<u>98,976</u>	<u>1,961,712,663</u>

**Bank**

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<b>31.03.2012</b>				
Segment assets	278,450,934	2,441,379,520	9,471,213	2,729,301,667
Total assets	<u>278,450,934</u>	<u>2,441,379,520</u>	<u>9,471,213</u>	<u>2,729,301,667</u>
Segment liabilities	109,572,424	2,142,268,181	-	2,251,840,605
Total liabilities	<u>109,572,424</u>	<u>2,142,268,181</u>	<u>-</u>	<u>2,251,840,605</u>

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<b>31.12.2011</b>				
Segment assets	665,513,212	1,740,219,011	32,543,190	2,438,275,413
Total assets	<u>665,513,212</u>	<u>1,740,219,011</u>	<u>32,543,190</u>	<u>2,438,275,413</u>
Segment liabilities	121,300,803	1,840,312,884	98,976	1,961,712,663
Total liabilities	<u>121,300,803</u>	<u>1,840,312,884</u>	<u>98,976</u>	<u>1,961,712,663</u>