



ASIAN FINANCE BANK

بنك التمويل الآسيوي

**Interim Financial Statements
For The Nine Months Ended 30 September 2011**



ASIAN FINANCE BANK BERHAD

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2011**

	Note	<u>Economic Entity</u>		<u>Bank</u>	
		<u>30.09.2011</u>	<u>31.12.2010</u>	<u>30.09.2011</u>	<u>31.12.2010</u>
		<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Assets					
Cash and short-term funds	2	962,885,370	1,148,012,825	962,885,370	1,148,012,825
Financial investments held-for-trading	3	49,489,066	117,640,973	49,489,066	117,640,973
Financial investments available-for-sale	4	144,534,596	94,372,699	144,534,596	94,372,699
Financial investments-held-to-maturity	5	199,590,699	110,958,004	199,590,699	110,958,004
Financing and advances	6	778,967,516	721,029,028	778,967,516	721,029,028
Other assets	7	2,939,244	16,681,028	2,939,244	16,681,028
Statutory deposits with Bank Negara Malaysia		10,833,975	4,951,715	10,833,975	4,951,715
Investment in jointly controlled entity	8	15,157,285	15,089,958	16,222,255	16,222,255
Property, plant and equipment		4,036,765	4,381,280	4,036,765	4,381,280
Intangible assets		6,289,114	8,044,089	6,289,114	8,044,089
Total assets		<u>2,174,723,630</u>	<u>2,241,161,599</u>	<u>2,175,788,600</u>	<u>2,242,293,896</u>
Liabilities					
Deposits from customers	9	919,224,476	1,125,717,727	919,224,476	1,125,717,727
Deposits and placements of banks and other financial institutions	10	748,616,815	711,617,736	748,616,815	711,617,736
Other liabilities	11	27,636,705	20,491,881	27,636,705	20,491,881
Total liabilities		<u>1,695,477,996</u>	<u>1,857,827,344</u>	<u>1,695,477,996</u>	<u>1,857,827,344</u>
Equity					
Ordinary share capital		532,530,020	443,775,020	532,530,020	443,775,020
Reserves		(53,284,386)	(60,440,765)	(52,219,416)	(59,308,468)
Total equity		<u>479,245,634</u>	<u>383,334,255</u>	<u>480,310,604</u>	<u>384,466,552</u>
Total Liabilities and Equity		<u>2,174,723,630</u>	<u>2,241,161,599</u>	<u>2,175,788,600</u>	<u>2,242,293,896</u>
Commitments and contingencies	19	<u>432,201,915</u>	<u>541,373,311</u>	<u>432,201,915</u>	<u>541,373,311</u>
Capital Adequacy					
Core capital ratio	21	45.74%	45.18%	45.75%	45.17%
Risk-weighted capital ratio	21	46.87%	46.63%	46.87%	46.61%

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INTERIM FINANCIAL STATEMENTS**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2011**

		Economic Entity			
	<u>Note</u>	<u>3rd Quarter Ended 30.09.2011</u> <u>RM</u>	<u>3rd Quarter Ended 30.09.2010</u> <u>RM</u>	<u>Nine Months Ended 30.09.2011</u> <u>RM</u>	<u>Nine Months Ended 30.09.2010</u> <u>RM</u>
Income derived from investment of depositors' funds	12	19,872,842	15,099,022	53,684,768	41,482,157
Income derived from investment of shareholders' funds	13	7,856,636	6,448,610	18,927,945	20,970,588
Allowances for impairment on financing and advances	14	(1,115,002)	(8,922,035)	(832,472)	(24,264,008)
Profit Equalization Reserve		-	-	-	(113,000)
Total distributable income		26,614,476	12,625,597	71,780,241	38,075,737
Income attributable to depositors	15	(11,322,019)	(8,937,804)	(33,107,137)	(23,684,124)
		15,292,457	3,687,793	38,673,104	14,391,613
Personnel expenses	16	(6,920,363)	(7,221,176)	(21,159,614)	(19,867,117)
Other overheads and expenditures	17	(5,024,878)	(4,570,322)	(14,662,584)	(13,288,391)
Share of profit after tax of joint controlled entity		533,062	310,421	1,227,210	1,212,791
Profit / (loss) before taxation		3,880,278	(7,793,284)	4,078,116	(17,551,104)
Taxation		-	1,912,377	-	4,488,702
Net profit / (loss) for the financial period		3,880,278	(5,880,907)	4,078,116	(13,062,402)
Profit / (loss) attributable to :					
Owners of the parent		3,880,278	(5,880,907)	4,078,116	(13,062,402)
Minority interest		-	-	-	-
		3,880,278	(5,880,907)	4,078,116	(13,062,402)
Earnings per shares (sen)					
Basic		0.73	(1.66)	0.82	(3.68)
Profit / (loss) for the period		3,880,278	(5,880,907)	4,078,116	(13,062,402)
Other comprehensive income :					
Financial investment available-for-sale					
- Unrealised net gain on revaluation	18	181,010	415,654	3,078,263	1,438,558
Income tax relating to components of other comprehensive income		-	-	-	-
Other comprehensive income for the period		181,010	415,654	3,078,263	1,438,558
Total Comprehensive Income/(Loss) For The Period		4,061,288	(5,465,253)	7,156,379	(11,623,844)
Total comprehensive income / (loss) attributable to:					
Owners of the parent		4,061,288	(5,465,253)	7,156,379	(11,623,844)
Minority interest		-	-	-	-
		4,061,288	(5,465,253)	7,156,379	(11,623,844)

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UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2011

	Note	Bank			
		3rd Quarter	3rd Quarter	Nine Months	Nine Months
		Ended	Ended	Ended	Ended
		30.09.2011	30.09.2010	30.09.2011	30.09.2010
		RM	RM	RM	RM
Income derived from investment of depositors' funds	12	19,872,842	15,099,022	53,684,768	41,482,157
Income derived from investment of shareholders' funds	13	7,718,032	6,448,610	20,087,828	20,970,588
Allowances for impairment on financing and advances	14	(1,115,002)	(8,922,035)	(832,472)	(24,264,008)
Profit Equalization Reserve		-	-	-	(113,000)
Total distributable income		26,475,872	12,625,597	72,940,124	38,075,737
Income attributable to depositors	15	(11,322,019)	(8,937,804)	(33,107,137)	(23,684,124)
		15,153,853	3,687,793	39,832,987	14,391,613
Personnel expenses	16	(6,920,363)	(7,221,176)	(21,159,614)	(19,867,117)
Other overheads and expenditures	17	(5,024,878)	(4,570,322)	(14,662,584)	(13,288,391)
Share of profit / (loss) after tax of joint controlled entity		-	-	-	-
Profit / (loss) before taxation		3,208,612	(8,103,705)	4,010,789	(18,763,895)
Taxation		-	1,912,377	-	4,488,702
Net profit / (loss) for the financial period		3,208,612	(6,191,328)	4,010,789	(14,275,193)
Profit / (loss) attributable to :					
Owners of the parent		3,208,612	(6,191,328)	4,010,789	(14,275,193)
Minority interest		-	-	-	-
		3,208,612	(6,191,328)	4,010,789	(14,275,193)
Earnings per shares (sen)					
Basic		0.60	(1.74)	0.81	(4.02)
Profit / (loss) for the period		3,208,612	(6,191,328)	4,010,789	(14,275,193)
Other comprehensive income :					
Financial investment available-for-sale					
- Unrealised net gain on revaluation	18	181,010	415,654	3,078,263	1,438,558
Income tax relating to components of other comprehensive income		-	-	-	-
Other comprehensive income for the period		181,010	415,654	3,078,263	1,438,558
Total Comprehensive Income/(Loss) For The Period		3,389,622	(5,775,674)	7,089,052	(12,836,635)
Total comprehensive income / (loss) attributable to:					
Owners of the parent		3,389,622	(5,775,674)	7,089,052	(12,836,635)
Minority interest		-	-	-	-
		3,389,622	(5,775,674)	7,089,052	(12,836,635)

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INTERIM FINANCIAL STATEMENTS**UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2011**

<u>Economic Entity</u>	<u>Share Capital</u> <u>RM</u>	<u>Accumulated Losses</u> <u>RM</u>	<u>AFS Reserve</u> <u>RM</u>	<u>Total</u> <u>RM</u>
<u>30.09.2011</u>				
Balance as at 1 January 2011	443,775,020	(56,904,026)	(3,536,739)	383,334,255
Net profit for the financial period	-	4,078,116	-	4,078,116
Other comprehensive income/(loss):				
Financial investment available-for-sale				
- Unrealised net gain on revaluation	-	-	3,078,263	3,078,263
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive income	-	-	3,078,263	3,078,263
Issues of share capital (2nd tranche)**	88,755,000	-	-	88,755,000
Balance as at 30 September 2011	532,530,020	(52,825,910)	(458,476)	479,245,634
<u>31.12.2010</u>				
Balance as at 1 January 2010	355,020,010	(22,475,199)	(5,179,271)	327,365,540
Effect of adopting FRS 139	-	(559,079)	-	(559,079)
As restated	355,020,010	(23,034,278)	(5,179,271)	326,806,461
Net loss for the financial year	-	(33,869,748)	-	(33,869,748)
Other comprehensive income:				
Financial investment available-for-sale				
- Unrealised net gain on revaluation	-	-	2,190,043	2,190,043
Income tax relating to components of other comprehensive income	-	-	(547,511)	(547,511)
Total comprehensive income	-	-	1,642,532	1,642,532
Issues of share capital (1st tranche)*	88,755,010	-	-	88,755,010
Balance as at 31 December 2010	443,775,020	(56,904,026)	(3,536,739)	383,334,255

* On 23 December 2010, the Bank increased its issued and paid up capital from RM355,020,010 to RM443,775,020 via Rights Issue of one for every four ordinary shares of RM1 each totaling 88,755,010 shares.

** 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 NINE MONTHS ENDED 30 SEPTEMBER 2011
(CONTINUED)**

Bank	Share Capital RM	Accumulated Losses RM	AFS Reserve RM	Total RM
<u>30.09.2011</u>				
Balance as at 1 January 2011	443,775,020	(55,771,729)	(3,536,739)	384,466,552
Net profit for the financial period	-	4,010,789	-	4,010,789
Other comprehensive income/(loss):				
Financial investment available-for-sale				
- Unrealised net gain on revaluation	-	-	3,078,263	3,078,263
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive income	-	-	3,078,263	3,078,263
Issues of share capital (2nd tranche)**	88,755,000	-	-	88,755,000
Balance as at 30 September 2011	532,530,020	(51,760,940)	(458,476)	480,310,604
<u>31.12.2010</u>				
Balance as at 1 January 2010	355,020,010	(21,456,744)	(5,179,271)	328,383,995
Effect of adopting FRS 139	-	(559,079)	-	(559,079)
As restated	355,020,010	(22,015,823)	(5,179,271)	327,824,916
Net loss for the financial year	-	(33,755,906)	-	(33,755,906)
Other comprehensive income:				
Financial investment available-for-sale				
- Unrealised net gain on revaluation	-	-	2,190,043	2,190,043
Income tax relating to components of other comprehensive income	-	-	(547,511)	(547,511)
Total comprehensive income	-	-	1,642,532	1,642,532
Issues of share capital (1st tranche)*	88,755,010	-	-	88,755,010
Balance as at 31 December 2010	443,775,020	(55,771,729)	(3,536,739)	384,466,552

* On 23 December 2010, the Bank increased its issued and paid up capital from RM355,020,010 to RM443,775,020 via Rights Issue of one for every four ordinary shares of RM1 each totaling 88,755,010 shares.

** 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 NINE MONTHS ENDED 30 SEPTEMBER 2011**

Note	Economic Entity		Bank	
	Nine Months	Twelve Months	Nine Months	Twelve Months
	30.09.2011	31.12.2010	30.09.2011	31.12.2010
	RM	RM	RM	RM
CASH FLOW FROM OPERATING ACTIVITIES				
Profit / (Loss) before taxation	4,078,116	(27,983,248)	4,010,789	(27,869,406)
Adjustments for:				
Depreciation of property, plant and equipment	1,743,618	2,057,833	1,743,618	2,057,833
Amortisation of intangible assets	2,741,295	3,522,434	2,741,295	3,522,434
Write off of property, plant and equipment	-	11,129	-	11,129
Profit from:				
- Investment on financial assets held-for-trading	(150,559)	(501,129)	(150,559)	(501,129)
- Investment on financial investments available-for-sale	(4,079,648)	(1,744,528)	(4,079,648)	(1,744,528)
- Investment on financial investments held-to-maturity	(3,523,945)	(2,842,777)	(3,523,945)	(2,842,777)
Net gain on sale of financial assets held-for-trading	(18,027)	(1,034,592)	(18,027)	(1,034,592)
Net gain on sale of financial investments available-for-sale	(1,134,206)	(109,356)	(1,134,206)	(109,356)
Unrealised loss from financial assets held-for-trading	(1,369,874)	(90,917)	(1,369,874)	(90,917)
Accretion of discount less amortisation of premium	78,712	(285,212)	78,712	(285,212)
Share of loss in jointly controlled entity	-	(1,498,790)	-	-
Allowances for losses on financing and advances	832,472	34,573,455	832,472	34,573,455
Charge for profit equalisation reserve	-	113,000	-	113,000
Operating (loss) / profit before working capital changes	(802,046)	4,187,302	(869,373)	5,799,934
(Increase) / decrease in operating assets:				
Financing and advances	(58,770,960)	(82,511,636)	(58,770,960)	(82,511,636)
Other assets	13,741,784	(10,498,207)	13,741,784	(10,498,207)
Statutory deposit with Bank Negara Malaysia	(5,882,260)	(538,000)	(5,882,260)	(538,000)
Increase/(decrease) in operating liabilities:				
Deposits from customers	(203,472,094)	46,458,069	(203,472,094)	46,458,069
Deposits and placements of banks and other financial institutions	33,977,922	60,288,194	33,977,922	60,288,194
Other liabilities	7,144,824	4,198,815	7,144,824	4,198,815
Net cash (used in) / generated from operating activities	(214,062,830)	21,584,537	(214,130,157)	23,197,169
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment and intangible assets	(2,385,423)	(1,903,100)	(2,385,423)	(1,903,100)
Net proceeds from:				
- Sale / (Purchase) of financial assets held-for-trading	69,690,368	(98,466,824)	69,690,368	(98,466,824)
- Purchase of financial investments available-for-sale	(43,791,961)	(55,458,490)	(43,791,961)	(55,458,490)
- Purchase of financial investments held-to-maturity	(83,265,282)	(37,808,615)	(83,265,282)	(37,808,615)
Investment in joint controlled entity	(67,327)	1,612,632	-	-
Repayment of advances by jointly controlled entity	-	1,000,646	-	1,000,646
Net cash used in investing activities	(59,819,625)	(191,023,751)	(59,752,298)	(192,636,383)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issuance of share capital	88,755,000	88,755,010	88,755,000	88,755,010
ANALYSIS OF CASH AND CASH EQUIVALENT				
Net decrease in cash and cash equivalents	(185,127,455)	(80,684,204)	(185,127,455)	(80,684,204)
Cash and cash equivalent at beginning of financial period	1,148,012,825	1,228,697,029	1,148,012,825	1,228,697,029
Cash and cash equivalent at end of financial period	962,885,370	1,148,012,825	962,885,370	1,148,012,825

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NOTES TO THE FINANCIAL STATEMENTS

FOR NINE MONTHS ENDED 30 SEPTEMBER 2011

-PART A – EXPLANATORY NOTES PURSUANT TO GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKS (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 RM4.078m and RM4.011m respectively for the nine months period ended 30 September 2011.

The Economic Entity and the Bank's gross financing and advances stood at RM827.17m whilst total Deposit at RM1,667.84m.

b) Business Plan and outlook for 2H2011

Global growth has moderated in the recent months as growth in the advanced economies slowed by more than expected following the greater policy uncertainties, worsening of confidence and heightened financial market volatilities, amidst continued weaknesses in labour market conditions. Key highlights would be the worse-than-expected European financial crisis with Greece still facing the risk of a potential default. The U.S economy on the other hand still faces an anemic growth stance despite undertaking various policy initiatives in hope to shape up the economy. These factors pose further downside risk towards the global economy.

In the Asian region, sustained domestic demand is expected to continue to support economic growth amid weaker external performance. Domestic growth prospects, continue to remain positive, underpinned by the expansion in private consumption and private investment boosted further by the various ETP initiatives and the social welfare measures outlined in Malaysia's 'budget 2012'. According to a survey of economist, emerging markets will outweigh developed markets in terms of growth. Malaysia's growth in the 4th quarter of 2011 is expected to range between 5.0 – 5.5%. Domestic headline inflation is expected to hover around 3.35% by the end of December 2011. The OPR is expected to be maintained at its current level of 3.00% until the middle of 2012 or upon more solid indications of a global economic recovery.

In terms of export growth, further moderation is expected for the 4th quarter of 2011 mainly due to lesser demand for top Malaysian export categories such as Palm Oil and Electrical and Electronic products due to dampening global demand.

On the brighter end, domestic demand is expected to buoy the Malaysian economy underpinned by the various ETP programs which encourage job creation as well as the newly implemented budget 2012 scheme which outlines a series of initiatives to support social welfare. This in hand is also forecasted to reduce the unemployment rate further to 3.00% by the end of 2011.

The Bank is also actively developing new products as well as risk mitigating strategies to suit varied business requirements, customer's expectations and the different risk profiles.

Based on the positive outlook, the Bank is poised to face the challenges ahead in 2H2011 to chart further growth in its funded assets and hence contribute towards improvement in its profitability.

2. Cash and short-term funds

	<u>Economic Entity and Bank</u>	
	<u>30.09.2011</u>	31.12.2010
	<u>RM</u>	<u>RM</u>
Cash and balances with banks and other financial institutions	9,260,061	6,113,261
Money at call and deposit placements maturing within one month	953,625,309	1,141,899,564
	<u>962,885,370</u>	<u>1,148,012,825</u>

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FOR NINE MONTHS ENDED 30 SEPTEMBER 2011

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

	<u>Economic Entity and Bank</u>	
	<u>30.09.2011</u>	<u>31.12.2010</u>
	<u>RM</u>	<u>RM</u>
3. Financial assets held-for-trading		
At fair value		
Money market instruments:		
Bank Negara Malaysia Sukuk Ijarah	-	50,471,043
Quoted securities:		
<u>In Malaysia</u>		
Islamic commercial paper	39,912,000	63,778,080
<u>Outside Malaysia</u>		
Foreign Islamic unit trust fund	-	3,391,850
Government Debt Securities	9,577,066	-
	<u>49,489,066</u>	<u>117,640,973</u>
4. Financial investments available-for-sale		
At fair value		
Money market instruments:		
Bank Negara Malaysia Sukuk Ijarah	39,484,993	-
Quoted securities:		
<u>In Malaysia</u>		
Islamic private debt securities	15,489,702	10,362,900
Islamic Medium Term Notes	45,888,497	10,160,596
<u>Outside Malaysia</u>		
Foreign corporate debt securities held	13,535,659	14,716,948
Corporate Bonds	30,135,745	59,132,255
	<u>144,534,596</u>	<u>94,372,699</u>

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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

	<u>Economic Entity and Bank</u>	
	<u>30.09.2011</u>	<u>31.12.2010</u>
	<u>RM</u>	<u>RM</u>
5. Financial investments held-to-maturity		
At amortised cost		
Money market instruments:		
Bank Negara Malaysia Sukuk Ijarah	95,648,701	15,143,986
Cagamas bonds	45,192,606	40,539,140
Quoted securities:		
<u>In Malaysia</u>		
Corporate debt securities held	28,717,245	28,026,254
<u>Outside Malaysia</u>		
Foreign corporate debt securities held	30,032,147	27,248,624
	<u>199,590,699</u>	<u>110,958,004</u>
6. Financing and advances		
	<u>30.09.2011</u>	<u>31.12.2010</u>
	<u>RM</u>	<u>RM</u>
Term financing		
- house financing	49,815,482	30,558,555
- syndicated term financing	82,909,877	86,357,205
- hire purchase receivables	38,444	43,470
- other term financing	561,682,966	466,049,786
Trusts receipts	71,474,788	96,064,036
Staff financing	1,446,595	1,182,048
Others	59,802,083	88,144,175
Gross financing and advances	<u>827,170,235</u>	<u>768,399,275</u>
Less : Allowance for impaired financing and advances:		
- individual impairment allowance	(35,913,709)	(34,657,214)
- collective impairment allowance	(12,289,010)	(12,713,033)
Net financing and advances	<u>778,967,516</u>	<u>721,029,028</u>

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6. Financing and advances (continued)

	<u>Economic Entity and Bank</u>	
	<u>30.09.2011</u>	<u>31.12.2010</u>
	<u>RM</u>	<u>RM</u>
(i) By type of customer		
Domestic non-bank financial institution		
- Others	39,732,112	45,230,635
Domestic business enterprises		
- Small medium enterprise	36,096,806	37,006,178
- Others	617,488,426	578,898,957
Individuals	18,864,107	5,287,614
Foreign entities	114,988,784	101,975,891
	<u>827,170,235</u>	<u>768,399,275</u>
(ii) By contract		
Ijarah	42,737,024	46,618,824
Istisna	76,215,630	116,516,197
Murabahah	116,575,993	148,444,971
Qardhul Hassan	918,038	627,559
Tawarruq	590,723,550	456,191,724
	<u>827,170,235</u>	<u>768,399,275</u>
(iii) By profit rate sensitivity		
Fixed rate		
- Housing financing	2,541,782	5,276,647
- Hire purchase receivables	115,147	26,696,708
- Other fixed rate financing	25,120,721	63,470,851
Variable		
- Base Financing Rate	497,427,050	561,346,837
- Cost-plus	301,047,497	110,980,673
Non-profit sensitive	918,038	627,559
	<u>827,170,235</u>	<u>768,399,275</u>
(iv) By contractual maturity		
Maturity within one year	441,095,193	368,487,397
More than one year to three years	74,114,423	46,866,748
More than three years to five years	165,775,052	28,362,161
More than five years	146,185,567	324,682,969
	<u>827,170,235</u>	<u>768,399,275</u>
(v) By geographical distribution		
Malaysia	709,178,216	693,143,340
Qatar	47,803,914	48,205,219
Indonesia	24,585,766	26,563,964
United Kingdom	557,288	486,752
Singapore	45,045,051	-
	<u>827,170,235</u>	<u>768,399,275</u>

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6. Financing and advances (continued)

		<u>Economic Entity and Bank</u>	
		<u>30.09.2011</u>	<u>31.12.2010</u>
		<u>RM</u>	<u>RM</u>
(vi)	By economic purpose		
	Purchase of landed property:		
	- Residential	38,019,139	54,413,085
	- Non-Residential	182,103,689	71,286,855
	Working Capital	523,599,209	468,576,739
	Personal Use	1,204,161	1,165,951
	Purchase of transport vehicles	9,785,102	119,849,431
	Others	72,458,935	53,107,214
		<u>827,170,235</u>	<u>768,399,275</u>
(vii)	By sector		
	Agriculture	113,258,192	188,465,568
	Mining and quarrying	6,067,104	5,987,633
	Manufacturing	190,093,721	95,312,096
	Construction	50,794,092	64,061,429
	Purchase of landed property	50,366,758	31,141,490
	Wholesale & retail trade and restaurants & hotels	176,297,946	47,941,721
	Transport, storage and communication	71,867,582	78,437,592
	Finance, insurance and business services	84,215,630	104,528,846
	Education, health and others	723,078	15,581,852
	Purchase of transport vehicles	156,080	178,905
	Consumption credit	1,314,194	1,173,929
	Others	82,015,858	135,588,214
		<u>827,170,235</u>	<u>768,399,275</u>
(viii)	Movement in the allowance for impaired advances and financing		
	Individual Assessment Allowance		
	Balance beginning of period	34,657,214	3,020,481
	Allowance made during the period / year	3,025,383	36,644,046
	Amount written back	(1,768,888)	(5,007,313)
	Balance as at end of period	<u>35,913,709</u>	<u>34,657,214</u>
	Collective Assessment Allowance		
	Balance beginning of period	12,713,033	10,335,393
	Allowance made during the period / year	1,354,967	2,377,640
	Amount written back	(1,778,990)	-
	Balance as at end of period	<u>12,289,010</u>	<u>12,713,033</u>
	As % of gross advances and financing less individual assessment allowances	<u>1.55%</u>	<u>1.73%</u>

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6. Financing and advances (continued)

	<u>Economic Entity and Bank</u>	
	<u>30.09.2011</u>	<u>31.12.2010</u>
	<u>RM</u>	<u>RM</u>
(ix) Movement in impaired financing and advances		
Balance beginning of period / year	53,107,215	3,020,481
Classified as impaired/non-performing during the period / year	47,673,484	78,666,012
Reclassified as non-impaired	(7,810,850)	-
Amount recovered	(20,510,914)	(28,579,279)
Balance as at end of period	<u>72,458,935</u>	<u>53,107,214</u>
Gross impaired financing and advances ratio	<u>8.76%</u>	<u>6.91%</u>
(xi) Impaired financing by sector		
Agriculture	9,816,069	4,816,069
Manufacturing	18,133,375	35,527,553
Construction	15,721,042	-
Wholesale & retail trade and restaurants & hotels	3,801,341	4,494,449
Finance, insurance and business services	6,382,006	7,879,407
Education, Health & Others	-	381,758
Working Capital	170,886	-
Purchase of landed property	18,324,183	-
Consumption credit	110,033	7,978
	<u>72,458,935</u>	<u>53,107,214</u>

7. Other assets

	<u>Economic Entity and Bank</u>	
	<u>30.09.2011</u>	<u>31.12.2010</u>
	<u>RM</u>	<u>RM</u>
Other debtors, deposits and prepayments	2,939,244	16,681,028
	<u>2,939,244</u>	<u>16,681,028</u>

8. Investment in jointly controlled entity

	<u>Economic Entity</u>		<u>Bank</u>	
	<u>30.09.2011</u>	<u>31.12.2010</u>	<u>30.09.2011</u>	<u>31.12.2010</u>
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Unquoted share at cost	16,222,255	16,222,255	16,222,255	16,222,255
Less: Share of net asset	(1,064,970)	(1,132,297)	-	-
	<u>15,157,285</u>	<u>15,089,958</u>	<u>16,222,255</u>	<u>16,222,255</u>

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9. Deposits from customers

	<u>Economic Entity and Bank</u>	
	<u>30.09.2011</u>	<u>31.12.2010</u>
	<u>RM</u>	<u>RM</u>
(i) By type of deposit:		
<u>Non-Mudharabah Funds:</u>		
Demand deposits	57,784,272	70,863,842
Savings deposits	1,155,979	2,922,145
	<u>58,940,251</u>	<u>73,785,987</u>
 <u>Mudharabah Funds:</u>		
Savings deposits	4,137,078	1,078,946
General investment deposits	75,568,813	121,787,153
Special investment deposits	780,578,334	929,065,641
	<u>860,284,225</u>	<u>1,051,931,740</u>
	<u>919,224,476</u>	<u>1,125,717,727</u>
 (ii) The deposits are sourced from the following classes of customers:		
Business enterprises	892,548,454	1,092,906,096
Individuals	26,676,022	32,811,631
	<u>919,224,476</u>	<u>1,125,717,727</u>
 (iii) The maturity structure of the deposits are as follows:		
Due within six months	911,915,375	1,120,790,738
More than six months to one year	7,309,101	4,926,989
	<u>919,224,476</u>	<u>1,125,717,727</u>

10. Deposits and placements of banks and other financial institutions

	<u>Economic Entity and Bank</u>	
	<u>30.09.2011</u>	<u>31.12.2010</u>
	<u>RM</u>	<u>RM</u>
<u>Non-Mudharabah Funds:</u>		
Licensed Islamic banks	421,705,563	284,957,384
Other financial institutions	301,828,690	273,921,915
	<u>723,534,253</u>	<u>558,879,299</u>
 <u>Mudharabah Fund:</u>		
Licensed Islamic banks	7,797,514	120,000,000
Other financial institutions	17,285,048	32,738,437
	<u>25,082,562</u>	<u>152,738,437</u>
	<u>748,616,815</u>	<u>711,617,736</u>

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11. Other liabilities

	<u>Economic Entity and Bank</u>	
	<u>30.09.2011</u>	<u>31.12.2010</u>
	<u>RM</u>	<u>RM</u>
Sundry creditors	18,897,347	14,963,544
Other provisions and accruals	8,626,358	5,415,337
Profit equalisation reserve	113,000	113,000
	<u>27,636,705</u>	<u>20,491,881</u>

12. INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS

	<u>Economic Entity and Bank</u>			
	<u>3rd Quarter Ended</u>	<u>3rd Quarter Ended</u>	<u>Nine Months Ended</u>	<u>Nine Months Ended</u>
	<u>30.09.2011</u>	<u>30.09.2010</u>	<u>30.09.2011</u>	<u>30.09.2010</u>
	<u>RM</u>	<u>RM</u>	<u>RM</u>	<u>RM</u>
Income derived from investment of:				
(i) General investment deposit	888,537	1,432,779	3,040,480	4,004,288
(ii) Other deposits	18,984,305	13,666,243	50,644,288	37,477,869
	<u>19,872,842</u>	<u>15,099,022</u>	<u>53,684,768</u>	<u>41,482,157</u>
(i) Income derived from investment of general investment deposits				
<u>Finance income and hibah:</u>				
Financing and advances	483,692	875,689	1,617,769	2,506,980
Financial assets held-for-trading	90,246	45,201	115,955	59,048
Financial investment available-for-sale	60,762	(10,311)	142,180	(21,080)
Financial investment held-to-maturity	30,469	99,762	188,801	289,988
Money at call and deposits with financial institutions	223,368	422,438	975,775	1,169,352
	<u>888,537</u>	<u>1,432,779</u>	<u>3,040,480</u>	<u>4,004,288</u>
(ii) Income derived from investment of other deposits				
<u>Finance income and hibah:</u>				
Financing and advances	10,271,185	8,352,571	26,947,619	23,457,254
Financial assets held-for-trading	1,652,376	431,139	2,014,190	559,384
Financial investment available-for-sale	1,230,186	(98,346)	2,436,264	(198,059)
Financial investment held-to-maturity	774,185	951,554	3,112,041	2,712,896
Money at call and deposits with financial institutions	5,056,373	4,029,325	16,134,174	10,946,394
	<u>18,984,305</u>	<u>13,666,243</u>	<u>50,644,288</u>	<u>37,477,869</u>

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13. INCOME DERIVED FROM INVESTMENT OF SHAREHOLDERS' FUNDS

	<u>Economic Entity</u>			
	<u>3rd Quarter Ended 30.09.2011</u> RM	<u>3rd Quarter Ended 30.09.2010</u> RM	<u>Nine Months Ended 30.09.2011</u> RM	<u>Nine Months Ended 30.09.2010</u> RM
<u>Finance income and hibah</u>				
Financing and advances	3,216,028	2,171,255	7,679,952	6,248,408
Financial assets held-for-trading	512,006	112,075	597,046	146,344
Financial investment available-for-sale	383,963	(25,565)	713,230	(52,552)
Financial investment held-to-maturity	244,995	247,357	877,772	723,078
Money at call and deposits with financial institutions	1,589,582	1,047,424	4,564,887	2,902,903
Total finance income and hibah	5,946,574	3,552,546	14,432,887	9,968,181
Other operating income (note a - c)	1,910,062	2,896,064	4,495,058	11,002,407
	7,856,636	6,448,610	18,927,945	20,970,588
Other operating income comprise of:				
a) Fee and other income:				
Commission	129,272	288,605	534,844	1,381,799
Fees and other income	1,779,319	2,259,553	3,960,145	9,128,158
	1,908,591	2,548,158	4,494,989	10,509,957
b) Unrealised gain / (loss) on revaluation of:				
Financial assets held-for-trading	1,471	265,021	(10,496)	287,552
	1,471	265,021	(10,496)	287,552
c) Gross dividend income from:				
Financial assets held-for-trading	-	82,885	10,565	204,898
	-	82,885	10,565	204,898
Total other operating income	1,910,062	2,896,064	4,495,058	11,002,407

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13. INCOME DERIVED FROM INVESTMENT OF SHAREHOLDERS' FUNDS (Continued)

	Bank			
	3rd Quarter Ended 30.09.2011	3rd Quarter Ended 30.09.2010	Nine Months Ended 30.09.2011	Nine Months Ended 30.09.2010
	RM	RM	RM	RM
Finance income and hibah				
Financing and advances	3,216,028	2,171,255	7,679,952	6,248,408
Financial assets held-for-trading	512,006	112,075	597,046	146,344
Financial investment available-for-sale	383,963	(25,565)	713,230	(52,552)
Financial investment held-to-maturity	244,995	247,357	877,772	723,078
Money at call and deposits with financial institutions	1,589,582	1,047,424	4,564,887	2,902,903
Total finance income and hibah	<u>5,946,574</u>	3,552,546	<u>14,432,887</u>	9,968,181
Other operating income (note a - c)	<u>1,771,458</u>	2,896,064	<u>5,654,941</u>	11,002,407
	<u>7,718,032</u>	<u>6,448,610</u>	<u>20,087,828</u>	<u>20,970,588</u>
Other operating income comprise of:				
a) Fee and other income:				
Commission	129,272	288,605	534,844	1,381,799
Fees and other income	<u>1,640,715</u>	2,259,553	<u>5,120,028</u>	9,128,158
	<u>1,769,987</u>	2,548,158	<u>5,654,872</u>	10,509,957
b) Unrealised gain / (loss) on revaluation of:				
Financial assets held-for-trading	<u>1,471</u>	265,021	<u>(10,496)</u>	287,552
	<u>1,471</u>	265,021	<u>(10,496)</u>	287,552
c) Gross dividend income from:				
Financial assets held-for-trading	-	82,885	10,565	204,898
	-	82,885	10,565	204,898
Total other operating income	<u>1,771,458</u>	<u>2,896,064</u>	<u>5,654,941</u>	<u>11,002,407</u>

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14. Allowance for impairment on financing and advances

	Economic Entity and Bank			
	3rd Quarter Ended 30.09.2011	3rd Quarter Ended 30.09.2010	Nine Months Ended 30.09.2011	Nine Months Ended 30.09.2010
	RM	RM	RM	RM
Allowance for impaired financing and advances:				
(a) Individual impairment allowance				
- made during the financial year	57,540	8,785,530	3,025,383	24,086,852
- written back during the financial year	(297,505)	(160,495)	(1,768,888)	(160,495)
(b) Collective impairment allowance				
- made during the financial year	1,354,967	525,000	1,354,967	793,651
- written back during the financial year	-	(228,000)	(1,778,990)	(228,000)
	1,115,002	8,922,035	832,472	24,492,008

15. Income attributable to depositors

	Economic Entity and Bank			
	3rd Quarter Ended 30.09.2011	3rd Quarter Ended 30.09.2010	Nine Months Ended 30.09.2011	Nine Months Ended 30.09.2010
	RM	RM	RM	RM
Deposits from customers:				
- Mudharabah funds	6,227,252	4,950,287	18,699,053	15,325,766
	6,227,252	4,950,287	18,699,053	15,325,766
Deposits and placements of banks and other financial institutions:				
- Mudharabah funds	243,551	252,963	1,839,519	797,144
- Non-mudharabah funds	4,851,216	3,734,554	12,568,565	7,561,214
	5,094,767	3,987,517	14,408,084	8,358,358
	11,322,019	8,937,804	33,107,137	23,684,124

16. Personnel expenses

	Economic Entity and Bank			
	3rd Quarter Ended 30.09.2011	3rd Quarter Ended 30.09.2010	Nine Months Ended 30.09.2011	Nine Months Ended 30.09.2010
	RM	RM	RM	RM
Salaries, allowances and bonuses	5,540,609	5,941,099	17,140,829	16,569,612
Contributions to Employee Provident Fund and SOCSO	626,409	660,220	1,943,579	1,966,537
Medical related expenses	323,501	32,027	952,021	117,787
Travelling and parking	20,819	31,290	73,583	89,009
Other staff related cost	409,025	556,540	1,049,602	1,124,172
	6,920,363	7,221,176	21,159,614	19,867,117

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17. Other overheads and expenditures

	Economic Entity and Bank			
	3rd Quarter Ended 30.09.2011	3rd Quarter Ended 30.09.2010	Nine Months Ended 30.09.2011	Nine Months Ended 30.09.2010
	RM	RM	RM	RM
<u>Establishment expenses</u>				
Depreciation of property, plant and equipment	605,846	514,829	1,743,617	1,518,009
Amortisation of intangible assets	914,380	869,941	2,741,295	2,609,293
Rental of premises	472,217	228,196	1,472,126	1,175,885
Software and hardware maintenance	955,437	1,262,026	2,839,899	2,905,764
Rental of equipment and network line	269,607	104,241	806,215	459,382
Security expenses	48,304	73,379	190,510	213,046
Others	423,156	363,675	1,442,126	1,222,830
	3,688,947	3,416,287	11,235,788	10,104,209
<u>Marketing expenses</u>				
Advertising and promotional activities	38,030	114,123	143,641	392,187
Entertainment expenses	7,344	8,663	27,438	64,322
Travelling expenses	94,128	91,787	309,551	274,752
Others	1,191	88	1,700	88
	140,693	214,661	482,330	731,349
<u>Administration and general expenses</u>				
License and association fees and levies	121,774	63,839	327,083	219,185
Travelling, transport and accommodation expenses	42,337	68,102	182,666	166,269
Printing, stationery, postage and clearing charges	7,928	102,585	125,037	287,844
Telecommunication charges	166,056	75,971	459,808	326,817
Shariah Committee remunerations	12,579	73,500	98,175	242,984
Electricity and water	79,233	72,787	219,101	203,326
Directors related fees	198,209	243,942	397,177	533,597
Other professional fees	26,198	25,223	140,227	113,394
Auditors remuneration	37,500	68,150	112,500	149,650
Donations	-	-	12,000	-
Others	503,424	145,275	870,692	209,767
	1,195,238	939,374	2,944,466	2,452,833
	5,024,878	4,570,322	14,662,584	13,288,391

18. Other comprehensive income

	Economic Entity and Bank			
	3rd Quarter Ended 30.09.2011	3rd Quarter Ended 30.09.2010	Nine Months Ended 30.09.2011	Nine Months Ended 30.09.2010
	RM	RM	RM	RM
Financial investment available-for-sale				
- Unrealised net gain on revaluation	181,010	415,654	3,078,263	1,438,558
Income tax relating to components of other comprehensive components	-	-	-	-
	181,010	415,654	3,078,263	1,438,558

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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

	Principal amount	Gross Positive Fair Value - Derivative Contract	Credit equivalent amount*	Risk weighted amount
<u>30.09.2011</u>	RM	RM	RM	RM
Transaction-related contingent items	79,896,301	-	39,948,151	39,948,151
Irrevocable commitments to extend credit:				
- one year or less	77,749,594	-	38,874,797	38,874,797
- over one year to five years	4,500,000	-	2,250,000	2,250,000
- over five years	1,693,877	-	846,939	660,204
Foreign exchange related contracts				
- one year or less	268,362,143	2,165,318	5,334,432	2,408,750
Total	<u>432,201,915</u>	<u>2,165,318</u>	<u>87,254,319</u>	<u>84,141,902</u>

	Principal amount	Gross Positive Fair Value - Derivative Contract	Credit equivalent amount*	Risk weighted amount
<u>31.12.2010</u>	RM	RM	RM	RM
Transaction-related contingent items	70,812,658	-	35,406,329	35,406,329
Irrevocable commitments to extend credit:				
- one year or less	167,073,767	-	-	-
- over one year to five years	5,570,840	-	-	-
- over five years	13,682,415	-	-	-
Foreign exchange related contracts				
- one year or less	284,233,631	6,940,130	9,763,691	2,633,780
Total	<u>541,373,311</u>	<u>6,940,130</u>	<u>45,170,020</u>	<u>38,040,109</u>

* 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:

	<u>Economic Entity and Bank</u>	
	<u>30.09.2011</u>	31.12.2010
	RM	RM
Neither past due nor impaired	697,595,738	710,218,074
Past due but not impaired	57,115,563	5,073,986
Impaired	72,458,934	53,107,215
Gross financing and advances	<u>827,170,235</u>	<u>768,399,275</u>
Less: Individual allowance	(35,913,709)	(34,657,214)
Collective allowance	<u>(12,289,010)</u>	<u>(12,713,033)</u>
Net financing and advances	<u>778,967,516</u>	<u>721,029,028</u>

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:

	<u>30.09.2011</u>	31.12.2010
	RM	RM
Non rated	697,595,738	710,218,074
	<u>697,595,738</u>	<u>710,218,074</u>

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:

	<u>30.09.2011</u>	31.12.2010
	RM	RM
Past due up to 30 days	38,573,864	5,073,986
Past due 30 to 60 days	13,006,031	-
Past due 60 to 90 days	5,535,668	-
	<u>57,115,563</u>	<u>5,073,986</u>

Fair value of collateral

	<u>29,089,740</u>	<u>2,500,000</u>
--	-------------------	------------------

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

	<u>Balance</u>	<u>Fair value</u>
	RM	of collateral
	RM	RM
<u>30.09.2011</u>		
Individually impaired financing	<u>72,458,934</u>	<u>85,084,000</u>
<u>31.12.2010</u>		
Individually impaired financing	<u>53,107,215</u>	<u>18,450,000</u>

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>Short term funds</u>	<u>Financial assets/ investments portfolios</u>	<u>Other assets</u>
<u>30.09.2011</u>			
Neither past due nor impaired	<u>953,625,309</u>	<u>1,091,021,098</u>	<u>2,939,244</u>
 <u>31.12.2010</u>			
Neither past due nor impaired	<u>1,141,899,564</u>	<u>1,033,189,750</u>	<u>16,681,028</u>

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

	<u>Short term funds</u>	<u>Financial assets/ investments portfolios</u>
<u>30.09.2011</u>		
AAA	877,584,425	251,153,348
AA and below	66,585,646	58,749,391
P1	-	39,912,000
Unrated	16,008,337	870,969,837
Bank Guaranteed	-	-
	<u>960,178,408</u>	<u>1,220,784,576</u>
 <u>31.12.2010</u>		
AAA	1,062,120,376	187,107,167
AA and below	85,892,449	54,656,375
P1	-	3,967,080
Unrated	-	798,270,082
Bank Guaranteed	-	-
	<u>1,148,012,825</u>	<u>1,044,000,704</u>

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

(i) Profit Rate Risk

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

<u>Economic entity</u>	Up to 1	1-3	3-12	1-5	Over 5	Non-profit	Trading	Total	Effective
30.09.2011	months	months	months	years	years	sensitive	book	RM	profit
		RM	RM	RM	RM	RM	RM	RM	rate
									%
<u>Assets</u>									
Cash and short term funds	953,625,309	-	-	-	-	9,260,061	-	962,885,370	2.82
Financial assets held-for-trading	-	-	-	-	-	-	49,489,066	49,489,066	4.14
Financial investments available-for-sale	-	-	39,314,822	90,452,235	13,519,367	1,248,172	-	144,534,596	3.71
Financial investments held-to-maturity	-	-	125,178,437	73,561,829	-	850,433	-	199,590,699	3.28
Financing and advances									
- performing	22,826,853	287,624,782	58,184,622	239,889,475	146,185,568	(48,202,719)	-	706,508,581	6.31
- non performing	-	-	-	-	-	72,458,935	-	72,458,935	-
Other assets	-	-	-	-	-	2,939,244	-	2,939,244	-
Statutory deposits	-	-	-	-	-	10,833,975	-	10,833,975	-
Investment in jointly									
controlled entity	-	-	-	-	15,157,285	-	-	15,157,285	-
Property and equipment	-	-	-	-	-	4,036,765	-	4,036,765	-
Intangible assets	-	-	-	-	-	6,289,114	-	6,289,114	-
Total assets	976,452,162	287,624,782	222,677,881	403,903,539	174,862,220	59,713,980	49,489,066	2,174,723,630	

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20. Financial risk management (continued)

20.2 Market risk (continued)

(i) Profit Rate Risk

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

<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
30.09.2011		RM	RM	RM	RM	RM	RM	RM	%
<u>Liabilities</u>									
Deposits from customers	842,833,387	60,996,266	13,176,966	-	-	2,217,857	-	919,224,476	2.53
Deposits and placements of banks and other financial institutions	219,247,181	448,624,782	77,723,695	-	-	3,021,157	-	748,616,815	2.81
Other liabilities	-	-	-	-	-	27,636,705	-	27,636,705	-
Total liabilities	1,062,080,568	509,621,048	90,900,661	-	-	32,875,719	-	1,695,477,996	
Total shareholders' equity	-	-	-	-	479,245,634	-	-	479,245,634	-
	1,062,080,568	509,621,048	90,900,661	-	479,245,634	32,875,719	-	2,174,723,630	
Total profit-sensitivity gap	(85,628,406)	(221,996,266)	131,777,220	403,903,539	(304,383,414)	26,838,261	49,489,066	-	

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20. Financial risk management (continued)

20.2 Market risk (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>
31.12.2010	<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>rate</u>
									<u>%</u>
Assets									
Cash and short term funds	1,141,383,801	-	-	-	-	6,629,024	-	1,148,012,825	2.51
Financial assets held-for-trading	-	-	-	-	-	484,043	117,156,930	117,640,973	-
Financial investments available-for-sale	-	-	-	78,830,266	14,610,008	932,425	-	94,372,699	3.98
Financial investments held-to-maturity	-	15,000,000	-	94,672,723	-	1,285,281	-	110,958,004	3.24
Financing and advances									
- performing	30,528,043	122,137,985	162,714,154	75,228,910	324,682,969	(47,370,247)	-	667,921,814	6.19
- non performing	-	-	-	-	-	53,107,214	-	53,107,214	-
Other assets	-	-	-	-	-	16,681,028	-	16,681,028	-
Statutory deposits	-	-	-	-	-	4,951,715	-	4,951,715	-
Investment in jointly									
controlled entity	-	-	-	-	15,089,958	-	-	15,089,958	-
Property and equipment	-	-	-	-	-	4,381,280	-	4,381,280	-
Intangible assets	-	-	-	-	-	8,044,089	-	8,044,089	-
Total assets	1,171,911,844	137,137,985	162,714,154	248,731,899	354,382,935	49,125,852	117,156,930	2,241,161,599	

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20. Financial risk management (continued)

20.2 Market risk (continued)

(i) Profit Rate Risk

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

<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
		RM	RM	RM	RM	RM	RM	RM	%
31.12.2010									
Liabilities									
Deposits from customers	788,941,151	104,566,778	229,982,863	-	-	2,226,935	-	1,125,717,727	2.32
Deposits and placements of banks and other financial institutions	299,980,736	273,460,692	135,468,831	-	-	2,707,477	-	711,617,736	2.54
Other liabilities	-	-	-	-	-	20,491,881	-	20,491,881	-
Total liabilities	1,088,921,887	378,027,470	365,451,694	-	-	25,426,293	-	1,857,827,344	
Total shareholders' equity	-	-	-	-	383,334,255	-	-	383,334,255	
	<u>1,088,921,887</u>	<u>378,027,470</u>	<u>365,451,694</u>	<u>-</u>	<u>383,334,255</u>	<u>25,426,293</u>	<u>-</u>	<u>2,241,161,599</u>	
Total profit-sensitivity gap	82,989,957	(240,889,485)	(202,737,540)	248,731,899	(28,951,320)	23,699,559	117,156,930	-	

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

(i) Profit Rate Risk

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

<u>Bank</u>	Up to 1	1-3	3-12	1-5	Over 5	Non-profit	Trading	Total	Effective
30.09.2011	months	months	months	years	years	sensitive	book	RM	profit
		RM	RM	RM	RM	RM	RM	RM	rate
<u>Assets</u>									%
Cash and short term funds	953,625,309	-	-	-	-	9,260,061	-	962,885,370	2.82
Financial assets held-for-trading	-	-	-	-	-	-	49,489,066	49,489,066	4.14
Financial investments available-for-sale	-	-	39,314,822	90,452,235	13,519,367	1,248,172	-	144,534,596	3.71
Financial investments held-to-maturity	-	-	125,178,437	73,561,829	-	850,433	-	199,590,699	3.28
Financing and advances	-	-	-	-	-	-	-	-	-
- performing	22,826,853	287,624,782	58,184,622	239,889,475	146,185,568	(48,202,719)	-	706,508,581	6.31
- non performing	-	-	-	-	-	72,458,935	-	72,458,935	-
Other assets	-	-	-	-	-	2,939,244	-	2,939,244	-
Statutory deposits	-	-	-	-	-	10,833,975	-	10,833,975	-
Investment in jointly	-	-	-	-	-	-	-	-	-
controlled entity	-	-	-	-	16,222,255	-	-	16,222,255	-
Property and equipment	-	-	-	-	-	4,036,765	-	4,036,765	-
Intangible assets	-	-	-	-	-	6,289,114	-	6,289,114	-
Total assets	976,452,162	287,624,782	222,677,881	403,903,539	175,927,190	59,713,980	49,489,066	2,175,788,600	

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20. Financial risk management (continued)

20.2 Market risk (continued)

(i) Profit Rate Risk

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

<u>Bank</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
30.09.2011	RM	RM	RM	RM	RM	RM	RM	RM	%
Liabilities									
Deposits from customers	842,833,387	60,996,266	13,176,966	-	-	2,217,857	-	919,224,476	2.53
Deposits and placements of banks and other financial institutions	-	-	-	-	-	-	-	-	-
	219,247,181	448,624,782	77,723,695	-	-	3,021,157	-	748,616,815	2.81
Other liabilities	-	-	-	-	-	27,636,705	-	27,636,705	-
Total liabilities	1,062,080,568	509,621,048	90,900,661	-	-	32,875,719	-	1,695,477,996	
Total shareholders' equity	-	-	-	-	480,310,604	-	-	480,310,604	
	1,062,080,568	509,621,048	90,900,661	-	480,310,604	32,875,719	-	2,175,788,600	
Total profit-sensitivity gap	(85,628,406)	(221,996,266)	131,777,220	403,903,539	(304,383,414)	26,838,261	49,489,066	-	

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

(i) Profit Rate Risk

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

<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>
31.12.2010	<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>rate</u>
									<u>%</u>
Assets									
Cash and short term funds	1,141,383,801	-	-	-	-	6,629,024	-	1,148,012,825	2.51
Financial assets held-for-trading	-	-	-	-	-	484,043	117,156,930	117,640,973	-
Financial investments available-for-sale	-	-	-	78,830,266	14,610,008	932,425	-	94,372,699	3.98
Financial investments held-to-maturity	-	15,000,000	-	94,672,723	-	1,285,281	-	110,958,004	3.24
Financing and advances									
- performing	30,528,043	122,137,985	162,714,154	75,228,910	324,682,969	(47,370,247)	-	667,921,814	6.19
- non performing	-	-	-	-	-	53,107,214	-	53,107,214	-
Other assets	-	-	-	-	-	16,681,028	-	16,681,028	-
Statutory deposits	-	-	-	-	-	4,951,715	-	4,951,715	-
Investment in jointly									
controlled entity	-	-	-	-	16,222,255	-	-	16,222,255	-
Property and equipment	-	-	-	-	-	4,381,280	-	4,381,280	-
Intangible assets	-	-	-	-	-	8,044,089	-	8,044,089	-
	-	-	-	-	-	-	-	-	-
Total assets	1,171,911,844	137,137,985	162,714,154	248,731,899	355,515,232	49,125,852	117,156,930	2,242,293,896	

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20. Financial risk management (continued)

20.2 Market risk (continued)

(i) Profit Rate Risk

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

<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>
31.12.2010	<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>rate</u>
									<u>%</u>
Liabilities									
Deposits from customers	788,941,151	104,566,778	229,982,863	-	-	2,226,935	-	1,125,717,727	2.32
Deposits and placements of banks and other financial institutions	299,980,736	273,460,692	135,468,831	-	-	2,707,477	-	711,617,736	2.54
Other liabilities	-	-	-	-	-	20,491,881	-	20,491,881	-
Total liabilities	1,088,921,887	378,027,470	365,451,694	-	-	25,426,293	-	1,857,827,344	
Total shareholders' equity					384,466,552			384,466,552	
	1,088,921,887	378,027,470	365,451,694	-	384,466,552	25,426,293	-	2,242,293,896	
Total profit-sensitivity gap	82,989,957	(240,889,485)	(202,737,540)	248,731,899	(28,951,320)	23,699,559	117,156,930	-	

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21. Capital adequacy

	<u>Economic Entity</u>	
	<u>30.09.2011</u>	<u>31.12.2010</u>
	<u>RM</u>	<u>RM</u>
<u>Tier I Capital</u>		
Paid-up ordinary share capital	532,530,020	443,775,020
Accumulated losses	<u>(56,904,026)</u>	<u>(56,904,026)</u>
	475,625,994	386,870,994
Less :		
Deferred tax assets	<u>-</u>	<u>-</u>
Total Tier I capital	<u>475,625,994</u>	<u>386,870,994</u>
<u>Tier II Capital</u>		
Collective impairment/allowance for bad and doubtful financing ^	<u>11,740,831</u>	<u>12,436,283</u>
Total Tier II capital	<u>11,740,831</u>	<u>12,436,283</u>
Total capital base	<u>487,366,825</u>	<u>399,307,277</u>
<u>Capital ratios</u>		
Inclusive of market risk :		
Core capital ratio (inclusive of market risk)	45.74%	45.18%
Risk-weighted capital ratio (inclusive of market risk)	<u>46.87%</u>	<u>46.63%</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>30.09.2011</u>	<u>31.12.2010</u>
	<u>RM</u>	<u>RM</u>
<u>Tier I Capital</u>		
Paid-up ordinary share capital	532,530,020	443,775,020
Accumulated losses	<u>(55,771,729)</u>	<u>(55,771,729)</u>
	476,758,291	388,003,291
Less :		
Deferred tax assets	-	-
Total Tier I capital	<u>476,758,291</u>	<u>388,003,289</u>
<u>Tier II Capital</u>		
Collective impairment/allowance for bad and doubtful financing ^	<u>11,740,831</u>	<u>12,436,283</u>
Total Tier II capital	<u>11,740,831</u>	<u>12,436,283</u>
Total capital base	<u>488,499,122</u>	<u>400,439,574</u>
<u>Capital ratios</u>		
Inclusive of market risk :		
Core capital ratio (inclusive of market risk)	45.75%	45.17%
Risk-weighted capital ratio (inclusive of market risk)	<u>46.87%</u>	<u>46.61%</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</u>	<u>Total Risk</u>	
<u>30.09.2011</u>		<u>Net</u>	<u>Risk</u>	<u>Weighted</u>	<u>Weighted</u>	<u>Capital</u>
<u>Exposure Class</u>	<u>Gross Exposures</u>	<u>Exposures</u>	<u>Assets</u>	<u>Absorbed</u>	<u>Assets after</u>	<u>Requirements</u>
	RM'000	RM'000	RM'000	by PSIA	effects of	RM'000
				RM'000	PSIA	
					RM'000	
<u>Credit Risk</u>						
<i>On-Balance Sheet Exposures</i>						
Sovereigns & Central Banks	144,154	144,154	-	-	-	-
Banks, MDBs and FDIs	69,333	69,333	22,747	-	22,747	1,820
Corporates	917,491	917,491	774,717	-	774,717	61,977
Regulatory Retail	51,727	51,727	52,538	-	52,538	4,203
Other Assets	15,157	15,157	22,736	-	22,736	1,819
Total for On-Balance Sheet Exposures	1,197,862	1,197,862	872,738	-	872,738	69,819
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	432,202	87,254	84,142	-	84,142	6,731
Total for Off-Balance Sheet Exposures	432,202	87,254	84,142	-	84,142	6,731
Total On and Off-Balance Sheet Exposures	1,630,064	1,285,116	956,880	-	956,880	76,550
<u>Market Risk</u>						
Benchmark Rate Risk	-	-	5,125	5,125	-	5,125
Equity Position Risk	-	-	-	-	-	-
Foreign Currency Risk	4,702	6,269	1,567	6,269	-	502
Operational Risk	-	-	-	71,633	-	71,633
Total RWA and Capital Requirements	1,634,766	6,269	1,291,808	1,039,907	-	1,039,907

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21. Capital adequacy (continued)

Economic entity - 30.09.2011

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%	144,154	-	-	-	-	-	-	-
20%	-	-	43,389	8,678	-	-	183,515	36,703
50%	-	-	29,601	14,801	-	-	58,575	29,288
75%	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	686,599	686,599
150%	-	-	-	-	-	-	53,431	80,147
Total	144,154	-	72,990	23,479	-	-	982,120	832,737
Defaulted Exposures								
50%	-	-	-	-	-	-	2,500	1,250
100%	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	15,721	23,582
Total	-	-	-	-	-	-	18,221	24,832
Total Performing and Defaulted	144,154	-	72,990	23,479	-	-	1,000,341	857,569

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21. Capital adequacy (continued)

Economic entity - 30.09.2011

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	Risk Weighted Asset	Exposures after Netting & CRM	Risk Weighted Asset	Exposures after Netting & CRM	Risk Weighted Asset
0%	-	-	-	-	144,154	-
20%	-	-	-	-	226,904	45,381
50%	-	-	-	-	88,176	44,088
75%	34,150	25,613	-	-	34,150	25,613
100%	-	-	-	-	686,598	686,598
150%	-	-	-	-	53,432	80,147
Total	34,150	25,613	-	-	1,233,414	881,827
Defaulted Exposures						
50%	-	-	-	-	2,500	1,250
100%	-	-	-	-	-	-
150%	18,324	27,486	15,157	22,736	49,202	73,803
Total	18,324	27,486	15,157	22,736	51,702	75,053
Total Performing and Defaulted	52,474	53,099	15,157	22,736	1,285,116	956,880

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21. Capital adequacy (continued)

<u>Economic entity</u>				<u>Risk</u>	<u>Total Risk</u>	
31.12.2010		<u>Net</u>	<u>Risk</u>	<u>Weighted</u>	<u>Weighted</u>	<u>Capital</u>
<u>Exposure Class</u>	<u>Gross Exposures</u>	<u>Exposures</u>	<u>Assets</u>	<u>Assets</u>	<u>Assets after</u>	<u>Requirements</u>
	RM'000	RM'000	RM'000	<u>Absorbed</u>	<u>effects of</u>	RM'000
				<u>by PSIA</u>	<u>PSIA</u>	
				RM'000	RM'000	
<u>Credit Risk</u>						
<i>On-Balance Sheet Exposures</i>						
Sovereigns & Central Banks	64,987	64,987	-	-	-	-
Banks, MDBs and FDIs	103,794	103,794	38,328	-	38,328	3,066
Corporates	849,353	849,353	661,728	-	661,728	52,938
Regulatory Retail	32,486	32,486	24,365	-	24,365	1,949
Other Assets	18,482	18,482	26,028	-	26,028	2,082
Total for On-Balance Sheet Exposures	1,069,102	1,069,102	750,449	-	750,449	60,036
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	541,372	45,170	38,040	-	38,040	3,043
Total for Off-Balance Sheet Exposures	541,372	45,170	38,040	-	38,040	3,043
Total On and Off-Balance Sheet Exposures	1,610,474	1,114,272	788,489	-	788,489	63,079
<u>Market Risk</u>						
	Long Position	Short Position				
Benchmark Rate Risk	-	-	4,814	4,814	-	4,814
Equity Position Risk	-	-	-	-	-	-
Foreign Currency Risk	3,188	-	3,188	3,188	-	3,188
Operational Risk	-	-	-	59,861	-	59,861
Total RWA and Capital Requirements	1,613,662	-	1,122,274	856,352	-	856,352

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21. Capital adequacy (continued)

Economic entity - 31.12.2010

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>
Performing Exposures								
0%	64,987	-	-	-	-	-	-	-
20%	-	-	54,143	10,829	-	-	199,352	39,870
50%	-	-	58,563	29,282	-	-	57,696	28,848
75%	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	595,503	595,503
150%	-	-	-	-	-	-	14,610	21,915
Total	64,987	-	112,706	40,110	-	-	867,161	686,136
Defaulted Exposures								
50%	-	-	-	-	-	-	15,700	7,850
100%	-	-	-	-	-	-	250	250
150%	-	-	-	-	-	-	2,500	3,750
Total	-	-	-	-	-	-	18,450	11,850
Total Performing and Defaulted	64,987	-	112,706	40,110	-	-	885,611	697,986

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21. Capital adequacy (continued)

Economic entity - 31.12.2010

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	Exposures after Netting & CRM	Risk Weighted Asset
Performing Exposures						
0%	-	-	-	-	64,987	-
20%	-	-	-	-	253,495	50,699
50%	-	-	-	-	116,259	58,130
75%	32,486	24,365	-	-	32,486	24,365
100%	-	-	3,392	3,392	598,895	598,895
150%	-	-	15,090	22,635	29,700	44,550
Total	32,486	24,365	18,482	26,027	1,095,822	776,639
Defaulted Exposures						
50%	-	-	-	-	15,700	7,850
100%	-	-	-	-	250	250
150%	-	-	-	-	2,500	3,750
Total	-	-	-	-	18,450	11,850
Total Performing and Defaulted	32,486	24,365	18,482	26,027	1,114,272	788,489

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21. Capital adequacy (continued)

<u>Bank</u> <u>30.09.2011</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
<u>Credit Risk</u>						
<i>On-Balance Sheet Exposures</i>						
Sovereigns & Central Banks	144,154	144,154	-	-	-	-
Banks, MDBs and FDIs	69,333	69,333	22,747	-	22,747	1,820
Corporates	917,491	917,491	774,717	-	774,717	61,977
Regulatory Retail	51,727	51,727	52,538	-	52,538	4,203
Other Assets	16,222	16,222	24,334	-	24,334	1,947
Total for On-Balance Sheet Exposures	1,198,927	1,198,927	874,336	-	874,336	69,947
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	432,202	87,254	84,142	-	84,142	6,731
Total for Off-Balance Sheet Exposures	432,202	87,254	84,142	-	84,142	6,731
Total On and Off-Balance Sheet Exposures	1,631,129	1,286,181	958,478	-	958,478	76,678
<u>Market Risk</u>	Long Position	Short Position				
Benchmark Rate Risk	-	-	5,125	5,125	5,125	410
Equity Position Risk	-	-	-	-	-	-
Foreign Currency Risk	4,702	6,269	1,567	6,269	6,269	502
Operational Risk	-	-	-	72,328	72,328	5,786
Total RWA and Capital Requirements	1,635,831	6,269	1,292,873	1,042,200	1,042,200	83,376

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21. Capital adequacy (continued)**Bank - 30.09.2011**

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	Risk Weighted Asset	Exposures after Netting & CRM	Risk Weighted Asset	Exposures after Netting & CRM	Risk Weighted Asset	Exposures after Netting & CRM	Risk Weighted Asset
Performing Exposures								
0%	144,154	-	-	-	-	-	-	-
20%	-	-	43,389	8,678	-	-	183,515	36,703
50%	-	-	29,601	14,801	-	-	58,575	29,288
75%	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	686,599	686,599
150%	-	-	-	-	-	-	53,431	80,147
Total	144,154	-	72,990	23,479	-	-	982,120	832,737
Defaulted Exposures								
50%	-	-	-	-	-	-	2,500	1,250
100%	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	15,721	23,582
Total	-	-	-	-	-	-	18,221	24,832
Total Performing and Defaulted	144,154	-	72,990	23,479	-	-	1,000,341	857,569

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21. Capital adequacy (continued)

Bank - 30.09.2011

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	Risk Weighted Asset	Exposures after Netting & CRM	Risk Weighted Asset	Exposures after Netting & CRM	Risk Weighted Asset
Performing Exposures						
0%	-	-	-	-	144,154	-
20%	-	-	-	-	226,904	45,381
50%	-	-	-	-	88,176	44,088
75%	34,150	25,613	-	-	34,150	25,613
100%	-	-	-	-	686,598	686,598
150%	-	-	16,222	24,334	69,654	104,480
Total	34,150	25,613	16,222	24,334	1,249,636	906,160
Defaulted Exposures						
50%	-	-	-	-	2,500	1,250
100%	-	-	-	-	-	-
150%	18,324	27,486	-	-	34,045	51,068
Total	18,324	27,486	-	-	36,545	52,318
Total Performing and Defaulted	52,474	53,099	16,222	24,334	1,286,181	958,478

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21. Capital adequacy (continued)

<u>Bank</u> 31.12.2010 <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
<u>Credit Risk</u>						
<i>On-Balance Sheet Exposures</i>						
Sovereigns & Central Banks	64,987	64,987	-	-	-	-
Banks, MDBs and FDIs	103,794	103,794	38,328	-	38,328	3,066
Corporates	849,353	849,353	661,728	-	661,728	52,938
Regulatory Retail	32,486	32,486	24,365	-	24,365	1,949
Other Assets	19,614	19,614	27,725	-	27,725	2,218
Total for On-Balance Sheet Exposures	1,070,234	1,070,234	752,146	-	752,146	60,171
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	541,372	45,170	38,040	-	38,040	3,043
Total for Off-Balance Sheet Exposures	541,372	45,170	38,040	-	38,040	3,043
Total On and Off-Balance Sheet Exposures	1,611,606	1,115,404	790,186	-	790,186	63,214
<u>Market Risk</u>						
	Long Position	Short Position				
Benchmark Rate Risk	-	-	4,814	4,814	-	385
Equity Position Risk	-	-	-	-	-	-
Foreign Currency Risk	3,188	-	3,188	-	3,188	255
Operational Risk	-	-	60,869	-	60,869	4,870
Total RWA and Capital Requirements	1,614,794	-	1,123,406	859,057	859,057	68,724

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21. Capital adequacy (continued)

Bank - 31.12.2010

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	Risk Weighted Asset	Exposures after Netting & CRM	Risk Weighted Asset	Exposures after Netting & CRM	Risk Weighted Asset	Exposures after Netting & CRM	Risk Weighted Asset
Performing Exposures								
0%	64,987	-	-	-	-	-	-	-
20%	-	-	54,143	10,829	-	-	199,352	39,870
50%	-	-	58,563	29,282	-	-	57,696	28,848
75%	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	595,503	595,503
150%	-	-	-	-	-	-	14,610	21,915
Total	64,987	-	112,706	40,110	-	-	867,161	686,136
Defaulted Exposures								
50%	-	-	-	-	-	-	15,700	7,850
100%	-	-	-	-	-	-	250	250
150%	-	-	-	-	-	-	2,500	3,750
Total	-	-	-	-	-	-	18,450	11,850
Total Performing and Defaulted	64,987	-	112,706	40,110	-	-	885,611	697,986

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21. Capital adequacy (continued)

Bank - 31.12.2010

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

Risk Weights	Regulatory Retail		Other Assets		Total Exposure Exposures after Netting & CRM	Total Risk Weighted Assets <i>Risk Weighted Asset</i>
	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>		
Performing Exposures						
0%	-	-	-	-	64,987	-
20%	-	-	-	-	253,495	50,699
50%	-	-	-	-	116,259	58,130
75%	32,486	24,365	-	-	32,486	24,365
100%	-	-	3,392	3,392	598,895	598,895
150%	-	-	16,222	24,333	30,832	46,247
Total	32,486	24,365	19,614	27,725	1,096,954	778,336
Defaulted Exposures						
50%	-	-	-	-	15,700	7,850
100%	-	-	-	-	250	250
150%	-	-	-	-	2,500	3,750
Total	-	-	-	-	18,450	11,850
Total Performing and Defaulted	32,486	24,365	19,614	27,725	1,115,404	790,186

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FOR NINE MONTHS ENDED 30 SEPTEMBER 2011

-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****3rd Quarter Ended****30.09.2011**

	Domestic Banking	International Banking	Asset Management and Investment Banking	Total
	RM	RM	RM	RM
External revenue	12,040,721	15,025,701	663,056	27,729,478
Inter-segment revenue	(4,952,971)	5,156,931	(203,960)	-
Total revenue	<u>7,087,750</u>	<u>20,182,632</u>	<u>459,096</u>	<u>27,729,478</u>
Depositors' payout	(355,666)	(10,966,353)	-	(11,322,019)
Net income	6,732,084	9,216,279	459,094	16,407,459
Operating overheads	(5,447,113)	(7,284,056)	(329,074)	(13,060,243)
Share of results of jointly controlled entity	-	-	533,062	533,062
Segmental results / (loss) before taxation	<u>1,284,971</u>	<u>1,932,223</u>	<u>663,084</u>	<u>3,880,278</u>
Taxation				-
Profit for the period				<u>3,880,278</u>

3rd Quarter Ended**30.09.2010**

	Domestic Banking	International Banking	Asset Management and Investment Banking	Total
	RM	RM	RM	RM
External revenue	10,793,077	12,680,231	(1,925,676)	21,547,632
Inter-segment revenue	(3,295,319)	2,992,772	302,547	-
Total revenue	<u>7,497,758</u>	<u>15,673,003</u>	<u>(1,623,129)</u>	<u>21,547,632</u>
Depositors' payout	(600,056)	(8,337,748)	-	(8,937,804)
Net income	6,897,702	7,335,255	(1,623,129)	12,609,828
Operating overheads	(15,426,901)	(6,604,448)	1,317,816	(20,713,533)
Share of results of jointly controlled entity	-	-	310,421	310,421
Segmental results / (loss) before taxation	<u>(8,529,199)</u>	<u>730,807</u>	<u>5,108</u>	<u>(7,793,284)</u>
Taxation				1,912,377
Loss for the period				<u>(5,880,907)</u>

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FOR NINE MONTHS ENDED 30 SEPTEMBER 2011

-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****Nine Months Ended****30.09.2011**

	Domestic Banking	International Banking	Asset Management and Investment Banking	Total
	RM	RM	RM	RM
External revenue	33,520,799	37,293,356	1,798,558	72,612,713
Inter-segment revenue	(14,538,356)	15,166,771	(628,415)	-
Total revenue	18,982,443	52,460,127	1,170,143	72,612,713
Depositors' payout	(1,091,314)	(32,015,823)	-	(33,107,137)
Net income	17,891,129	20,444,304	1,170,143	39,505,576
Operating overheads	(16,255,134)	(18,079,738)	(2,319,798)	(36,654,670)
Share of results of jointly controlled entity	-	-	1,227,210	1,227,210
Segmental results / (loss) before taxation	1,635,995	2,364,566	77,555	4,078,116
Taxation				-
Profit for the period				4,078,116

Nine Months Ended**30.09.2010**

	Domestic Banking	International Banking	Asset Management and Investment Banking	Total
	RM	RM	RM	RM
External revenue	34,758,570	27,649,175	45,000	62,452,745
Inter-segment revenue	(9,236,710)	9,236,710	-	-
Total revenue	25,521,860	36,885,885	45,000	62,452,745
Depositors' payout	(1,634,578)	(22,049,546)	-	(23,684,124)
Net income	23,887,282	14,836,339	45,000	38,768,623
Operating overheads	(44,093,172)	(12,682,500)	(756,844)	(57,532,516)
Share of results of jointly controlled entity	-	-	1,212,791	1,212,791
Segmental results / (loss) before taxation	(20,205,890)	2,153,839	500,947	(17,551,104)
Taxation				4,488,702
Loss for the period				(13,062,402)

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FOR NINE MONTHS ENDED 30 SEPTEMBER 2011

-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 (continued)**Bank****3rd Quarter Ended****30.09.2011**

	Domestic Banking	International Banking	Asset Management and Investment Banking	Total
	RM	RM	RM	RM
External revenue	12,040,721	15,025,701	524,452	27,590,874
Inter-segment revenue	<u>(4,952,971)</u>	<u>5,156,931</u>	<u>(203,960)</u>	<u>-</u>
Total revenue	7,087,750	20,182,632	320,492	27,590,874
Depositors' payout	<u>(355,666)</u>	<u>(10,966,353)</u>	<u>-</u>	<u>(11,322,019)</u>
Net income	6,732,084	9,216,279	320,492	16,268,855
Operating overheads	<u>(5,447,113)</u>	<u>(7,284,056)</u>	<u>(329,074)</u>	<u>(13,060,243)</u>
Segmental results / (loss) before taxation	<u>1,284,971</u>	<u>1,932,223</u>	<u>(8,582)</u>	<u>3,208,612</u>
Taxation				<u>-</u>
Profit for the period				<u>3,208,612</u>

3rd Quarter Ended**30.09.2010**

	Domestic Banking	International Banking	Asset Management and Investment Banking	Total
	RM	RM	RM	RM
External revenue	10,793,077	12,680,231	(1,925,676)	21,547,632
Inter-segment revenue	<u>(3,295,319)</u>	<u>2,992,772</u>	<u>302,547</u>	<u>-</u>
Total revenue	7,497,758	15,673,003	(1,623,129)	21,547,631
Depositors' payout	<u>(600,056)</u>	<u>(8,337,748)</u>	<u>-</u>	<u>(8,937,804)</u>
Net income	6,897,702	7,335,255	(1,623,129)	12,609,828
Operating overheads	<u>(15,426,901)</u>	<u>(6,604,448)</u>	<u>1,317,816</u>	<u>(20,713,533)</u>
Segmental results / (loss) before taxation	<u>(8,529,199)</u>	<u>730,807</u>	<u>(305,313)</u>	<u>(8,103,705)</u>
Taxation				<u>1,912,377</u>
Loss for the period				<u>(6,191,328)</u>

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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 (continued)**Bank****Nine Months Ended****30.09.2011**

	Domestic Banking	International Banking	Asset Management and Investment Banking	Total
	RM	RM	RM	RM
External revenue	33,520,799	37,293,356	2,958,441	73,772,596
Inter-segment revenue	<u>(14,538,356)</u>	<u>15,166,771</u>	<u>(628,415)</u>	-
Total revenue	18,982,443	52,460,127	2,330,026	73,772,596
Depositors' payout	<u>(1,091,314)</u>	<u>(32,015,823)</u>	-	<u>(33,107,137)</u>
Net income	17,891,129	20,444,304	2,330,026	40,665,459
Operating overheads	<u>(16,255,134)</u>	<u>(18,079,738)</u>	<u>(2,319,798)</u>	<u>(36,654,670)</u>
Segmental results / (loss) before taxation	<u>1,635,995</u>	<u>2,364,566</u>	<u>10,228</u>	4,010,789
Taxation				-
Profit for the period				<u>4,010,789</u>

Nine Months Ended**30.09.2010**

	Domestic Banking	International Banking	Asset Management and Investment Banking	Total
	RM	RM	RM	RM
External revenue	34,758,570	27,649,175	45,000	62,452,745
Inter-segment revenue	<u>(9,236,710)</u>	<u>9,236,710</u>	-	-
Total revenue	25,521,860	36,885,885	45,000	62,452,745
Depositors' payout	<u>(1,634,578)</u>	<u>(22,049,546)</u>	-	<u>(23,684,124)</u>
Net income	23,887,282	14,836,338	45,000	38,768,623
Operating overheads	<u>(44,093,172)</u>	<u>(12,682,500)</u>	<u>(756,844)</u>	<u>(57,532,516)</u>
Segmental results / (loss) before taxation	<u>(20,205,890)</u>	<u>2,153,839</u>	<u>(711,844)</u>	(18,763,895)
Taxation				4,488,702
Loss for the period				<u>(14,275,193)</u>

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22. Segment information (continued)**Economic Entity****30.09.2011**

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
Segment assets	677,003,437	1,458,223,933	39,496,260	2,174,723,630
Deferred tax assets	-	-	-	-
Total assets	<u>677,003,437</u>	<u>1,458,223,933</u>	<u>39,496,260</u>	<u>2,174,723,630</u>
Segment liabilities	<u>144,851,455</u>	<u>1,550,527,020</u>	<u>99,521</u>	<u>1,695,477,996</u>
Total liabilities	<u>144,851,455</u>	<u>1,550,527,020</u>	<u>99,521</u>	<u>1,695,477,996</u>

31.12.2010

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
Segment assets	732,116,749	1,493,717,619	15,327,231	2,241,161,599
Deferred tax assets	-	-	-	-
Total assets	<u>732,116,749</u>	<u>1,493,717,619</u>	<u>15,327,231</u>	<u>2,241,161,599</u>
Segment liabilities	200,295,131	1,657,532,213	-	1,857,827,344
Total liabilities	<u>200,295,131</u>	<u>1,657,532,213</u>	<u>-</u>	<u>1,857,827,344</u>

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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 (continued)**Bank****30.09.2011**

	Domestic Banking	International Banking	Asset Management and Investment Banking	Total
	RM	RM	RM	RM
Segment assets	677,003,437	1,458,223,933	40,561,230	2,175,788,600
Deferred tax assets	-	-	-	-
Total assets	677,003,437	1,458,223,933	40,561,230	2,175,788,600
Segment liabilities	144,851,455	1,550,527,020	99,521	1,695,477,996
Total liabilities	144,851,455	1,550,527,020	99,521	1,695,477,996

31.12.2010

	Domestic Banking	International Banking	Asset Management and Investment Banking	Total
	RM	RM	RM	RM
Segment assets	732,116,749	1,493,717,619	16,459,528	2,242,293,896
Deferred tax assets	-	-	-	-
Total assets	732,116,749	1,493,717,619	16,459,528	2,242,293,896
Segment liabilities	200,295,131	1,657,532,213	-	1,857,827,344
Total liabilities	200,295,131	1,657,532,213	-	1,857,827,344