

Company No.

716122	P
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ASIAN FINANCE BANK BERHAD

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2013

Company No.

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2013

		<u>Economic Entity and Bank</u>	
		<u>30-Jun-13</u>	31-Dec-12
		RM	RM
	Note		
Assets			
Cash and short-term funds	2	729,904,687	749,874,042
Financial investments held-for-trading	3	-	11,257,974
Financial investments available-for-sale	4	381,852,498	380,833,148
Financial investments held-to-maturity	5	134,976,013	134,026,904
Financing and advances	6	1,445,486,558	1,480,590,537
Derivative assets	7	321,700	1,666,513
Other assets	8	3,953,008	8,903,863
Statutory deposits with Bank Negara Malaysia		36,048,822	35,968,822
Property, plant and equipment		3,046,876	3,715,720
Intangible assets		3,866,777	3,687,563
Total assets		<u>2,739,456,939</u>	<u>2,810,525,086</u>
Liabilities			
Deposits from customers	9	1,586,696,991	1,583,472,252
Deposits and placements of banks and other financial institutions	10	664,297,961	746,005,607
Derivative liabilities	7	5,682,719	430,551
Other liabilities	11	11,608,015	8,882,087
Total liabilities		<u>2,268,285,686</u>	<u>2,338,790,497</u>
Equity			
Ordinary share capital		532,530,020	532,530,020
Reserves		(61,358,767)	(60,795,431)
Total equity		<u>471,171,253</u>	<u>471,734,589</u>
Total Liabilities and Equity		<u>2,739,456,939</u>	<u>2,810,525,086</u>
Commitments and contingencies	21	<u>589,951,967</u>	<u>602,865,138</u>
Capital Adequacy	23	Economic Entity	
CET1 capital		25.383%	25.106%
Tier 1 capital		25.383%	25.106%
Total capital ratio		25.793%	25.756%
		Bank	
CET1 capital		25.389%	25.096%
Tier 1 capital		25.389%	25.096%
Total capital ratio		25.799%	25.745%

ASIAN FINANCE BANK BERHAD
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 JUNE 2013

Economic Entity					
	2nd Quarter	2nd Quarter	Half Year	Half Year	
	Ended	Ended	Ended	Ended	
Note	30-Jun-13	30-Jun-12	30-Jun-13	30-Jun-12	
	RM	RM	RM	RM	
Income derived from investment of depositors' funds	12	21,578,161	21,340,824	45,158,739	42,017,350
Income derived from investment of shareholders' funds	13	6,152,380	7,739,078	12,105,485	15,374,142
Allowances for impairment on financing and advances	14	(4,947,377)	(3,247,890)	(3,042,915)	(4,404,843)
Total distributable income		22,783,164	25,832,012	54,221,309	52,986,649
Income attributable to depositors	16	(16,303,764)	(14,969,795)	(33,996,353)	(29,968,399)
		6,479,400	10,862,217	20,224,956	23,018,250
Personnel expenses	17	(5,648,318)	(6,886,960)	(11,808,170)	(13,656,651)
Other overheads and expenditures	18	(3,735,727)	(4,156,727)	(7,356,279)	(8,401,319)
Share of loss after tax of jointly controlled entity		-	(3,845,253)	-	(3,860,512)
(Loss) / profit before taxation		(2,904,645)	(4,026,723)	1,060,507	(2,900,232)
Taxation		-	-	-	-
Net (loss) / profit for the financial period		(2,904,645)	(4,026,723)	1,060,507	(2,900,232)
(Loss) / profit attributable to:					
Owners of the parent		(2,904,645)	(4,026,723)	1,060,507	(2,900,232)
Non-controlling interest		-	-	-	-
		(2,904,645)	(4,026,723)	1,060,507	(2,900,232)
Earnings per shares (sen)					
Basic and diluted		(0.55)	(0.76)	0.20	(0.54)

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UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 JUNE 2013 (CONTINUED)

	Economic Entity				
		2nd Quarter	2nd Quarter	Half Year	Half Year
	Note	Ended	Ended	Ended	Ended
	30-Jun-13	30-Jun-12	30-Jun-13	30-Jun-12	
	RM	RM	RM	RM	
(Loss) / profit for the financial period	(2,904,645)	(4,026,723)	1,060,507	(2,900,232)	
Other comprehensive (loss) / income:					
Financial investments available-for-sale 19					
- Unrealised net (loss) / gain on revaluation	(1,397,844)	1,514,966	(1,623,843)	1,021,598	
Income tax relating to components of other comprehensive income	-	-	-	-	
Other comprehensive (loss) / income for the financial period	(1,397,844)	1,514,966	(1,623,843)	1,021,598	
Total comprehensive loss for the financial period	(4,302,489)	(2,511,757)	(563,336)	(1,878,634)	
Total comprehensive loss attributable to:					
Owners of the parent	(4,302,489)	(2,511,757)	(563,336)	(1,878,634)	
Non-controlling interest	-	-	-	-	
	(4,302,489)	(2,511,757)	(563,336)	(1,878,634)	

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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 JUNE 2013 (CONTINUED)

		Bank			
		2nd Quarter Ended	2nd Quarter Ended	Half Year Ended	Half Year Ended
Note	30-Jun-13	30-Jun-12	30-Jun-13	30-Jun-12	
		RM	RM	RM	RM
Income derived from investment of depositors' funds	12	21,578,161	21,340,824	45,158,739	42,017,350
Income derived from investment of shareholders' funds	13	6,152,380	7,467,827	12,105,485	15,352,821
Allowances for impairment on financing and advances	14	(4,947,377)	(3,247,890)	(3,042,915)	(4,404,843)
Impairment loss	15	-	(4,055,563)	-	(4,055,563)
Total distributable income		22,783,164	21,505,198	54,221,309	48,909,765
Income attributable to depositors	16	(16,303,764)	(14,969,795)	(33,996,353)	(29,968,399)
		6,479,400	6,535,403	20,224,956	18,941,366
Personnel expenses	17	(5,648,318)	(6,886,960)	(11,808,170)	(13,656,651)
Other overheads and expenditures	18	(3,735,727)	(4,156,727)	(7,356,279)	(8,401,319)
(Loss) / profit before taxation		(2,904,645)	(4,508,284)	1,060,507	(3,116,604)
Taxation		-	-	-	-
Net (loss) / profit for the financial period		(2,904,645)	(4,508,284)	1,060,507	(3,116,604)
(Loss) / profit attributable to:					
Owners of the parent		(2,904,645)	(4,508,284)	1,060,507	(3,116,604)
Non-controlling interest		-	-	-	-
		(2,904,645)	(4,508,284)	1,060,507	(3,116,604)
Earnings per shares (sen)					
Basic and diluted		(0.55)	(0.85)	0.20	(0.59)

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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 30 JUNE 2013 (CONTINUED)

	Bank				
		2nd Quarter	2nd Quarter	Half Year	Half Year
	Note	Ended	Ended	Ended	Ended
	30-Jun-13	30-Jun-12	30-Jun-13	30-Jun-12	
	RM	RM	RM	RM	
(Loss) / profit for the financial period	(2,904,645)	(4,508,284)	1,060,507	(3,116,604)	
Other comprehensive (loss) / income:					
Financial investments available-for-sale 19					
- Unrealised net (loss) / gain on revaluation	(1,397,844)	1,514,966	(1,623,843)	1,021,598	
Income tax relating to components of other comprehensive income	-	-	-	-	
Other comprehensive (loss) / income for the financial period	(1,397,844)	1,514,966	(1,623,843)	1,021,598	
Total comprehensive loss for the financial period	(4,302,489)	(2,993,318)	(563,336)	(2,095,006)	
Total comprehensive loss attributable to:					
Owners of the parent	(4,302,489)	(2,993,318)	(563,336)	(2,095,006)	
Non-controlling interest	-	-	-	-	
	(4,302,489)	(2,993,318)	(563,336)	(2,095,006)	

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ASIAN FINANCE BANK BERHAD
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2013

	Share Capital RM	Accumulated Losses RM	AFS Reserve RM	Total RM
Economic Entity				
30-Jun-13				
Balance as at 1 January 2013	532,530,020	(61,224,255)	428,824	471,734,589
Net profit for the period	-	1,060,507	-	1,060,507
Other comprehensive income/(loss):				
Financial investments available-for-sale - Unrealised net loss on revaluation	-	-	(1,623,843)	(1,623,843)
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(1,623,843)	(1,623,843)
Balance as at 30 June 2013	532,530,020	(60,163,748)	(1,195,019)	471,171,253

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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2013 (CONTINUED)

	Share Capital RM	Accumulated Losses RM	AFS Reserve RM	Total RM
Economic Entity				
31-Dec-12				
Balance as at 1 January 2012	532,530,020	(54,558,851)	(377,300)	477,593,869
Net loss for the financial year	-	(6,665,404)	-	(6,665,404)
Other comprehensive income/(loss):				
Financial investments available-for-sale - Unrealised net gain on revaluation	-	-	806,124	806,124
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive income	-	-	806,124	806,124
Balance as at 31 December 2012	<u>532,530,020</u>	<u>(61,224,255)</u>	<u>428,824</u>	<u>471,734,589</u>

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INTERIM FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2013 (CONTINUED)

	Share Capital RM	Accumulated Losses RM	AFS Reserve RM	Total RM
Bank				
30-Jun-13				
Balance as at				
1 January 2013	532,530,020	(61,224,255)	428,824	471,734,589
Net profit for the period	-	1,060,507	-	1,060,507
Other comprehensive income/(loss):				
Financial investments available-for-sale				
- Unrealised net loss on revaluation	-	-	(1,623,843)	(1,623,843)
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(1,623,843)	(1,623,843)
Balance as at				
30 June 2013	532,530,020	(60,163,748)	(1,195,019)	471,171,253

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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 30 JUNE 2013 (CONTINUED)

	Share Capital RM	Accumulated Losses RM	AFS Reserve RM	Total RM
Bank				
31-Dec-12				
Balance as at 1 January 2012	532,530,020	(54,063,013)	(377,300)	478,089,707
Net loss for the financial year	-	(7,161,242)	-	(7,161,242)
Other comprehensive income/(loss):				
Financial investments available-for-sale - Unrealised net gain on revaluation	-	-	806,124	806,124
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive income	-	-	806,124	806,124
Balance as at 31 December 2012	532,530,020	(61,224,255)	428,824	471,734,589

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CASH FLOW
FOR THE HALF YEAR ENDED 30 JUNE 2013

	Economic Entity		Bank	
	30-Jun-13 RM	31-Dec-12 RM	30-Jun-13 RM	31-Dec-12 RM
CASH FLOW FROM OPERATING ACTIVITIES				
Profit/(loss) before taxation	1,060,507	(7,844,316)	1,060,507	(8,340,154)
Adjustments for:				
Depreciation of property, plant and equipment	701,929	1,391,558	701,929	1,391,558
Amortisation of intangible assets	963,458	2,458,551	963,458	2,458,551
Gain on sale of property, plant and equipment	-	(53,300)	-	(53,300)
Profit income from:				
- Investment on financial investments held-for-trading	(58,618)	(422,750)	(58,618)	(422,750)
- Investment on financial investments available-for-sale	(6,748,017)	(11,026,277)	(6,748,017)	(11,026,277)
- Investment on financial investments held-to-maturity	(2,584,293)	(5,102,351)	(2,584,293)	(5,102,351)
Net loss/(gain) on sale of financial investments held-for-trading	108,179	(243,541)	108,179	(243,541)
Net loss/(gain) on sale of financial investments available-for-sale	219,224	(997,552)	219,224	(997,552)
Unrealised gain from financial investments held-for-trading	(71,338)	(696,763)	(71,338)	(696,763)
Accretion of discount less amortisation of premium	(14,640)	731,772	(14,640)	731,772
Impairment losses recognised on jointly controlled entity	-	-	-	8,111,128
Share of loss in jointly controlled entity	-	7,615,290	-	-
Allowances for losses on financing and advances	2,136,523	9,956,625	2,136,523	9,956,625
Operating loss before working capital changes	(4,287,086)	(4,233,054)	(4,287,086)	(4,233,054)

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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CASH FLOW
FOR THE HALF YEAR ENDED 30 JUNE 2013 (CONTINUED)

	Economic Entity		Bank	
	30-Jun-13 RM	31-Dec-12 RM	30-Jun-13 RM	31-Dec-12 RM
CASH FLOW FROM OPERATING ACTIVITIES (CONTINUED)				
Decrease/(Increase) in operating assets:				
Financing and advances	32,967,455	(552,519,413)	32,967,455	(552,519,413)
Derivative assets	1,344,813	91,441	1,344,813	91,441
Other assets	4,950,855	(6,403,885)	4,950,855	(6,403,885)
Statutory deposit with Bank Negara Malaysia	(80,000)	(23,684,847)	(80,000)	(23,684,847)
Decrease/(Increase) in operating liabilities:				
Deposits from customers	3,224,739	492,812,257	3,224,739	492,812,257
Deposits and placements of banks and other financial institutions	(81,707,646)	(113,611,821)	(81,707,646)	(113,611,821)
Derivative liabilities	5,252,168	(3,342,601)	5,252,168	(3,342,601)
Other liabilities	2,725,928	640,958	2,725,928	640,958
Net cash used in operating activities	(35,608,774)	(210,250,965)	(35,608,774)	(210,250,965)
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment and intangible assets	(1,175,757)	(659,498)	(1,175,757)	(659,498)
Net proceeds from:				
- Sale of financial investments held-for-trading	11,279,751	25,057,630	11,279,751	25,057,630
- Sale/(Purchase) of financial investments available-for-sale	3,885,600	(182,446,653)	3,885,600	(182,446,653)
- Sale of financial investments held-to-maturity	1,649,825	73,852,368	1,649,825	73,852,368
- Sale of motor vehicle	-	85,680	-	85,680
Dividends received from jointly controlled entity	-	-	-	-
Net cash generated/(used in) investing activities	15,639,419	(84,110,473)	15,639,419	(84,110,473)

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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CASH FLOW
FOR THE HALF YEAR ENDED 30 JUNE 2013 (CONTINUED)

	Economic Entity		Bank	
	30-Jun-13 RM	31-Dec-12 RM	30-Jun-13 RM	31-Dec-12 RM
CASH FLOW FROM FINANCING ACTIVITY				
Proceeds from issuance of share capital	-	-	-	-
ANALYSIS OF CASH AND CASH EQUIVALENT				
Net decrease in cash and cash equivalents	(19,969,355)	(294,361,438)	(19,969,355)	(294,361,438)
Cash and cash equivalents at beginning of financial period/year	749,874,042	1,044,235,480	749,874,042	1,044,235,480
Cash and cash equivalents at end of financial period/year (Note 2)	<u>729,904,687</u>	<u>749,874,042</u>	<u>729,904,687</u>	<u>749,874,042</u>

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ASIAN FINANCE BANK BERHAD
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NOTES TO THE FINANCIAL STATEMENTS
FOR SIX MONTHS ENDED 30 JUNE 2013

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

1. General information

a) Performance Review

The Economic Entity and the Bank registered a profit before zakat and tax of RM1.06m each for the six months period ended 30 June 2013.

The Economic Entity and the Bank's gross financing and advances stood at RM1.48b whilst total Deposit at RM2.25b.

b) Business Plan and outlook for 2013

The world economy is set to grow at 2.2% in 2013, and predicted to expand at 3% in 2014 and 3.3% in 2015. However, the recovery remains hesitant and uneven.

GDP, in Europe, reeling under austerity measures and weak consumer sentiment is expected to contract by 0.6%. Overall, growth in high-income countries is projected to accelerate slowly, with GDP expanding a modest 1.2% this year, but firming to 2.0% and 2.3% in 2014 and 2015, respectively. Outlook for the economies of U.S. and Japan, which have benefited from aggressive stimulus measures are somewhat raised.

Developing countries collectively is predicted to expand at 5.1%, with China's at 7.7%, Brazil's at 2.9% and India's at 5.7%.

The Malaysian economy is projected to grow by 5.1% in 2013 and 2014 on the back of resilient domestic demand driven by higher consumer and business spending; albeit decelerating in 2013 from the buoyant levels of 2012, it will remain Malaysia's main source of growth. As the global recovery gathers speed in 2014, Malaysia's external sector will increase its contribution to growth, offsetting the impact of tighter fiscal policies on the domestic economy. This year's growth will be supported by strong momentum in investments, accommodative fiscal and monetary policies, and higher household income, in addition to low unemployment. (*World Bank*).

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 and gas, shipping, aviation, infrastructure as well as real estate.

The Bank is poised to chart further growth and will continue to intensify its efforts in ensuring improved performance and sustainability going forward. The Bank is also constantly reviewing its strategies and approaches to suit business needs, developing new products and the appropriate risk mitigants to address customers expectations as well as the varied business requirements and the different risk profiles.

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2. Cash and short-term funds

	<u>Economic Entity and Bank</u>	
	30-Jun-13	31-Dec-12
	RM	RM
Cash and balances with banks and other financial institutions	7,877,884	10,749,347
Money at call and deposit placements maturing within one month	722,026,803	739,124,695
	729,904,687	749,874,042

3. Financial investments held-for-trading

	<u>Economic Entity and Bank</u>	
	30-Jun-13	31-Dec-12
	RM	RM
At fair value		
Quoted securities:		
<u>In Malaysia</u>		
Islamic Medium Term Notes	-	5,112,287
<u>Outside Malaysia</u>		
Corporate Bonds	-	6,145,687
	-	11,257,974

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4. Financial investments available-for-sale

	Economic Entity and Bank	
	30-Jun-13	31-Dec-12
	RM	RM
At fair value		
Quoted securities:		
<u>In Malaysia</u>		
Islamic private debt securities	-	10,257,806
Islamic Medium Term Notes	168,438,640	153,244,829
Malaysian Government sukuk	141,874,554	161,994,035
<u>Outside Malaysia</u>		
Corporate Bonds	71,539,304	55,336,478
	381,852,498	380,833,148

5. Financial investments held-to-maturity

	Economic Entity and Bank	
	30-Jun-13	31-Dec-12
	RM	RM
At amortised cost		
Money market instruments:		
Cagamas bonds	45,571,544	45,574,379
Quoted securities:		
<u>In Malaysia</u>		
Islamic Medium Term Notes	60,534,647	88,452,525
<u>Outside Malaysia</u>		
Corporate Bonds	28,869,822	-
	134,976,013	134,026,904

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6. Financing and advances

	Economic Entity and Bank	
	30-Jun-13	31-Dec-12
	RM	RM
At amortised cost		
Term financing		
- house financing	45,231,725	46,592,183
- syndicated term financing	67,966,057	71,121,219
- hire purchase receivables	44,719	29,358
- other term financing	1,281,968,127	1,275,521,621
Trusts receipts	12,811,747	18,733,101
Staff financing	269,687	970,721
Others	72,103,966	100,395,282
Gross financing and advances	1,480,396,028	1,513,363,485
Less: Allowance for impaired financing and advances:		
- individual impairment allowance	(26,822,867)	(20,003,882)
- collective impairment allowance	(8,086,603)	(12,769,066)
Net financing and advances	1,445,486,558	1,480,590,537
(i) By type of customer		
Domestic non-bank financial institution		
- Others	-	121,892
Domestic business enterprises		
- Small medium enterprise	34,097,706	36,528,197
- Government	-	185,300,723
- Others	1,333,709,406	1,173,939,468
Individuals	15,217,868	17,096,190
Foreign entities	97,371,048	100,377,015
	1,480,396,028	1,513,363,485
(ii) By contract		
Ijarah	33,075,526	36,896,443
Istisna	67,217,620	68,524,707
Murabahah	12,919,319	18,976,729
Qardhul Hassan	207,783	615,455
Tawarruq	1,366,975,780	1,388,350,151
	1,480,396,028	1,513,363,485

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6. Financing and advances (continued)

	<u>Economic Entity and Bank</u>	
	30-Jun-13 RM	31-Dec-12 RM
(iii) By profit rate sensitivity		
Fixed rate		
- Housing financing	2,096,497	2,121,533
- Hire purchase receivables	78,793	89,436
- Other fixed rate financing	17,656,870	19,767,604
Variable		
- Base Financing Rate	484,135,136	480,773,358
- Cost-plus	976,220,949	1,009,996,099
Non-profit sensitive	207,783	615,455
	<u>1,480,396,028</u>	<u>1,513,363,485</u>
(iv) By contractual maturity		
Maturity within one year	1,163,014,002	1,205,995,419
More than one year to three years	72,916,293	48,824,658
More than three years to five years	39,505,711	71,479,488
More than five years	204,960,022	187,063,920
	<u>1,480,396,028</u>	<u>1,513,363,485</u>
(v) By geographical distribution		
Malaysia	1,418,186,054	1,449,502,802
Qatar	44,089,922	43,785,675
Indonesia	17,576,194	19,539,275
United Kingdom	543,858	535,733
	<u>1,480,396,028</u>	<u>1,513,363,485</u>

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6. Financing and advances (continued)

	Economic Entity and Bank	
	30-Jun-13	31-Dec-12
	RM	RM
(vi) By economic purpose		
Purchase of landed property:		
- Residential	31,417,583	31,924,506
- Non-Residential	139,464,708	147,479,048
Working Capital	1,245,419,193	1,269,144,446
Personal Use	262,556	830,715
Purchase of transport vehicles	5,274,330	6,344,935
Others	58,557,658	57,639,835
	<u>1,480,396,028</u>	<u>1,513,363,485</u>
(vii) By sector		
Agriculture	222,804,571	235,356,591
Mining and quarrying	205,821,875	199,189,556
Manufacturing	231,166,900	245,409,079
Electricity, gas and water	110,132,603	110,216,393
Construction	119,995,801	72,628,222
Purchase of landed property	45,340,721	46,959,536
Wholesale & retail trade and restaurants & hotels	231,896,149	234,235,461
Transport, storage and communication	71,295,146	120,381,894
Finance, insurance and business services	124,181,738	127,466,279
Education, health and others	50,512,329	51,006,803
Purchase of transport vehicles	107,514	121,678
Consumption credit	288,436	843,784
Others	66,852,245	69,548,209
	<u>1,480,396,028</u>	<u>1,513,363,485</u>

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ASIAN FINANCE BANK BERHAD
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6. Financing and advances (continued)

	Economic Entity and Bank	
	30-Jun-13 RM	31-Dec-12 RM
(viii) Movement in the allowance for impaired advances and financing		
Individual Assessment Allowance		
Balance beginning of financial year	20,003,882	10,081,200
Allowance made during the financial period/year	9,166,303	11,382,408
Amount written back	(1,440,926)	(1,459,726)
Amount written off during the financial period as uncollectible	(906,392)	-
Balance as at end of financial period/year	<u>26,822,867</u>	<u>20,003,882</u>
Collective Assessment Allowance		
Balance beginning of financial year, under FRS	12,769,066	14,262,078
Effect of full adoption of MFRS 139	-	(1,526,956)
Balance beginning of financial year, under MFRS	12,769,066	12,735,122
Allowance made during the financial period/year	1,265,194	33,944
Amount written back in respect of recoveries	(5,947,657)	-
Balance as at end of financial period/year	<u>8,086,603</u>	<u>12,769,066</u>
As % of gross financing and advances less individual assessment allowances	<u>0.56%</u>	<u>0.86%</u>
(ix) Movement in impaired financing and advances		
Balance beginning of financial year	57,639,834	49,631,579
Classified as impaired during the financial period	13,579,893	24,160,131
Reclassified as non-impaired	(4,519,522)	(8,241,377)
Amount recovered	(7,236,154)	(7,910,499)
Amount written off during the financial period as uncollectible	(906,392)	-
Balance as at end of financial period/year	<u>58,557,659</u>	<u>57,639,834</u>
Gross impaired financing and advances ratio	<u>3.96%</u>	<u>3.81%</u>

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6. Financing and advances (continued)

	<u>Economic Entity and Bank</u>	
	30-Jun-13	31-Dec-12
	RM	RM
(xi) Impaired financing by sector		
Agriculture	2,563,779	2,563,779
Manufacturing	24,005,759	17,389,065
Construction	12,674,270	16,271,957
Wholesale & retail trade and restaurants & hotels	611,782	1,260,580
Purchase of landed property	18,656,876	20,141,385
Purchase of transport vehicles	19,290	-
Consumption credit	25,903	13,068
	58,557,659	57,639,834

7. Derivative financial instruments

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

	<u>Economic Entity and Bank</u>					
	30-Jun-13			31-Dec-12		
	Contract/ Notional amount RM	Fair value		Contract/ Notional amount RM	Fair value	
	Assets RM	Liabilities RM		Assets RM	Liabilities RM	
<u>Trading derivatives</u>						
<u>Foreign exchange contracts:</u>						
Currency forward						
- Less than one year	237,454,429	321,700	(5,682,719)	242,672,117	1,666,513	(430,551)

8. Other assets

	<u>Economic Entity and Bank</u>	
	30-Jun-13	31-Dec-12
	RM	RM
Other debtors, deposits and prepayments	3,953,008	8,903,863
	3,953,008	8,903,863

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ASIAN FINANCE BANK BERHAD
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9. Deposits from customers

	Economic Entity and Bank	
	30-Jun-13	31-Dec-12
	RM	RM
(i) By type of deposit:		
<u>Non-Mudharabah Funds:</u>		
Demand deposits	41,705,325	35,638,009
Savings deposits	641,599	627,246
Commodity Murabahah	158,076,323	182,314,718
	200,423,247	218,579,973
<u>Mudharabah Funds:</u>		
Savings deposits	1,583,162	1,692,397
General investment deposits	75,617,099	74,042,171
Special investment deposits	1,309,073,483	1,289,157,711
	1,386,273,744	1,364,892,279
	1,586,696,991	1,583,472,252
(ii) The deposits are sourced from the following classes of customers:		
Business enterprises	1,563,309,932	1,563,820,088
Individuals	23,387,059	19,652,164
	1,586,696,991	1,583,472,252
(iii) The maturity structure of saving deposits, amount payable on demand and term deposits are as follows:		
Due within six months	1,557,107,479	1,573,441,554
More than six months to one year	25,112,035	10,030,698
More than one year to three years	4,477,477	-
	1,586,696,991	1,583,472,252

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10. Deposits and placements of banks and other financial institutions

	<u>Economic Entity and Bank</u>	
	30-Jun-13	31-Dec-12
	RM	RM
<u>Non-Mudharabah Funds:</u>		
Licensed Islamic banks	214,043,900	177,598,370
Other financial institutions	336,023,584	386,580,622
	550,067,484	564,178,992
<u>Mudharabah Fund:</u>		
Other financial institutions	114,230,477	181,826,615
	114,230,477	181,826,615
	664,297,961	746,005,607

11. Other liabilities

	<u>Economic Entity and Bank</u>	
	30-Jun-13	31-Dec-12
	RM	RM
Sundry creditors	4,507,942	2,054,192
Other provisions and accruals	7,100,073	6,827,895
	11,608,015	8,882,087

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12. Income derived from investment of depositors' funds

	Economic Entity and Bank	
	2nd Quarter Ended 30-Jun-13 RM	2nd Quarter Ended 30-Jun-12 RM
Income derived from investment of:		
(i) General investment deposit	698,175	732,361
(ii) Other deposits	20,879,986	20,608,463
	21,578,161	21,340,824
(i) Income derived from investment of general investment deposits		
<u>Finance income and hibah:</u>		
Financing and advances	440,195	400,093
Financial assets held-for-trading	(1,029)	5,949
Financial investment available-for-sale	87,259	57,583
Financial investment held-to-maturity	34,726	51,974
Money at call and deposits with financial institutions	137,024	216,762
	698,175	732,361
(ii) Income derived from investment of other deposits		
<u>Finance income and hibah:</u>		
Financing and advances	13,164,688	11,258,538
Financial assets held-for-trading	(30,771)	167,396
Financial investment available-for-sale	2,609,617	1,620,371
Financial investment held-to-maturity	1,038,546	1,462,543
Money at call and deposits with financial institutions	4,097,906	6,099,615
	20,879,986	20,608,463

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

	Economic Entity and Bank	
	Half Year Ended	Half Year Ended
	30-Jun-13	30-Jun-12
	RM	RM
Income derived from investment of:		
(i) General investment deposit	1,385,422	1,459,645
(ii) Other deposits	43,773,317	40,557,705
	45,158,739	42,017,350
(i) Income derived from investment of general investment deposits		
<u>Finance income and hibah:</u>		
Financing and advances	856,681	774,023
Financial assets held-for-trading	187	19,207
Financial investment available-for-sale	166,829	109,715
Financial investment held-to-maturity	66,409	106,725
Money at call and deposits with financial institutions	295,316	449,975
	1,385,422	1,459,645
(ii) Income derived from investment of other deposits		
<u>Finance income and hibah:</u>		
Financing and advances	27,038,564	21,515,347
Financial assets held-for-trading	9,726	531,058
Financial investment available-for-sale	5,260,237	3,050,343
Financial investment held-to-maturity	2,093,961	2,964,345
Money at call and deposits with financial institutions	9,370,829	12,496,612
	43,773,317	40,557,705

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

	Economic Entity			
	2nd Quarter	2nd Quarter	Half Year	Half Year
	Ended	Ended	Ended	Ended
	30-Jun-13	30-Jun-12	30-Jun-13	30-Jun-12
	RM	RM	RM	RM
<u>Finance income and hibah</u>				
Financing and advances	2,896,238	2,562,193	5,657,854	5,096,762
Financial investments				
held-for-trading	(6,770)	38,095	1,291	127,960
Financial investments				
available-for-sale	574,117	368,761	1,101,727	722,122
Financial investments				
held-to-maturity	228,481	332,843	438,563	703,954
Money at call and deposits with				
financial institutions	901,542	1,388,139	1,951,125	2,968,905
Total finance income and hibah	4,593,608	4,690,031	9,150,560	9,619,703
Other operating income				
(note a - b)	1,558,772	3,049,047	2,954,925	5,754,439
	6,152,380	7,739,078	12,105,485	15,374,142
Other operating income				
comprise of:				
(a) Fee and other income:				
Commission	99,712	113,277	158,283	227,586
Fees and other				
income	5,223,418	7,086,832	7,894,389	8,975,586
Net gain/(loss) on				
derivatives foreign				
exchange contracts	(3,751,803)	(4,170,956)	(5,108,319)	(3,540,511)
	1,571,327	3,029,153	2,944,353	5,662,661
(b) Unrealised gain/(loss)				
on revaluation of:				
Financial investments				
held-for-trading	(12,555)	19,894	10,572	91,778
	(12,555)	19,894	10,572	91,778
Total other operating income	1,558,772	3,049,047	2,954,925	5,754,439

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)
13. Income derived from investment of shareholders' funds (continued)

	Bank			
	2nd Quarter Ended	2nd Quarter Ended	Half Year Ended	Half Year Ended
	30-Jun-13	30-Jun-12	30-Jun-13	30-Jun-12
	RM	RM	RM	RM
<u>Finance income and hibah</u>				
Financing and advances	2,896,238	2,562,193	5,657,854	5,096,762
Financial investments				
held-for-trading	(6,770)	38,095	1,291	127,960
available-for-sale	574,117	368,761	1,101,727	722,122
held-to-maturity	228,481	332,843	438,563	703,954
Money at call and deposits with financial institutions	901,542	1,388,139	1,951,125	2,968,905
Total finance income and hibah	4,593,608	4,690,031	9,150,560	9,619,703
Other operating income (note a - b)	1,558,772	2,777,796	2,954,925	5,733,118
	6,152,380	7,467,827	12,105,485	15,352,821
Other operating income comprise of:				
(a) Fee and other income:				
Commission	99,712	113,277	158,283	227,586
Fees and other income	5,223,418	6,815,581	7,894,389	8,954,265
Net gain/(loss) on derivatives foreign exchange contracts	(3,751,803)	(4,170,956)	(5,108,319)	(3,540,511)
	1,571,327	2,757,902	2,944,353	5,641,340
(b) Unrealised gain/(loss) on revaluation of:				
Financial investments held-for-trading	(12,555)	19,894	10,572	91,778
	(12,555)	19,894	10,572	91,778
Total other operating income	1,558,772	2,777,796	2,954,925	5,733,118

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ASIAN FINANCE BANK BERHAD
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14. Allowance for impairment on financing and advances

	Economic Entity and Bank	
	2nd Quarter Ended	2nd Quarter Ended
	30-Jun-13	30-Jun-12
	RM	RM
Allowance for impaired financing and advances:		
(a) Individual impairment allowance		
- made during the financial period	8,825,840	411,033
- written back during the financial period	(252,912)	(40,908)
(b) Collective impairment allowance		
- made during the financial period	507,091	2,877,765
- written back during the financial period	(4,132,642)	-
	4,947,377	3,247,890
	Half Year Ended	Half Year Ended
	30-Jun-13	30-Jun-12
	RM	RM
Allowance for impaired financing and advances:		
(a) Individual impairment allowance		
- made during the financial period	9,166,303	1,199,237
- written back during the financial period	(1,440,926)	(461,084)
(b) Collective impairment allowance		
- made during the financial period	1,265,195	3,666,690
- written back during the financial period	(5,947,657)	-
	3,042,915	4,404,843

15. Impairment loss

	Economic Entity and Bank	
	2nd Quarter Ended	2nd Quarter Ended
	30-Jun-13	30-Jun-12
	RM	RM
Impairment loss		
- made during the financial period	-	4,055,563
	-	4,055,563
	Half Year Ended	Half Year Ended
	30-Jun-13	30-Jun-12
	RM	RM
Impairment loss		
- made during the financial period	-	4,055,563
	-	4,055,563

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16. Income attributable to depositors

	Economic Entity and Bank	
	2nd Quarter Ended 30-Jun-13 RM	2nd Quarter Ended 30-Jun-12 RM
Deposits from customers:		
- Mudharabah funds	10,322,609	8,844,340
- Non-mudharabah funds	623,851	-
	10,946,460	8,844,340
Deposits and placements of banks and other financial institutions:		
- Mudharabah funds	1,366,249	50,581
- Non-mudharabah funds	3,991,055	6,074,874
	5,357,304	6,125,455
	16,303,764	14,969,795
	Half Year Ended 30-Jun-13 RM	Half Year Ended 30-Jun-12 RM
Deposits from customers:		
- Mudharabah funds	22,651,467	16,828,634
- Non-mudharabah funds	2,118,142	-
	24,769,609	16,828,634
Deposits and placements of banks and other financial institutions:		
- Mudharabah funds	1,866,506	80,999
- Non-mudharabah funds	7,360,238	13,058,766
	9,226,744	13,139,765
	33,996,353	29,968,399

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ASIAN FINANCE BANK BERHAD
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17. Personnel expenses

	Economic Entity and Bank	
	2nd Quarter Ended 30-Jun-13 RM	2nd Quarter Ended 30-Jun-12 RM
Salaries, allowances and bonuses	4,605,511	5,719,297
Contributions to Employee Provident Fund and SOCSO	494,210	619,490
Medical related expenses	304,811	383,811
Travelling and parking	37,426	13,697
Other staff related cost	206,360	150,665
	5,648,318	6,886,960
	Half Year Ended 30-Jun-13 RM	Half Year Ended 30-Jun-12 RM
Salaries, allowances and bonuses	9,751,160	11,525,619
Contributions to Employee Provident Fund and SOCSO	1,045,976	1,269,101
Medical related expenses	560,267	485,366
Travelling and parking	57,168	23,517
Other staff related cost	393,599	353,048
	11,808,170	13,656,651

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18. Other overheads and expenditures

	<u>Economic Entity and Bank</u>	
	2nd Quarter Ended 30-Jun-13 RM	2nd Quarter Ended 30-Jun-12 RM
<u>Establishment expenses</u>		
Depreciation of property, plant and equipment	325,355	323,010
Amortisation of intangible assets	491,188	670,887
Rental of premises	454,109	458,728
Software and hardware maintenance	868,379	1,017,829
Rental of equipment and network line	296,197	212,098
Security expenses	91,773	90,287
Others	482,806	520,752
	3,009,807	3,293,591
<u>Marketing expenses</u>		
Advertising and promotional activities	55,343	50,338
Entertainment expenses	20,944	20,015
Travelling expenses	58,555	45,046
Others	-	-
	134,842	115,399
<u>Administration and general expenses</u>		
License and association fees and levies	68,967	50,429
Travelling, transport and accommodation expenses	31,931	80,894
Printing, stationery, postage and clearing charges	69,646	69,151
Telecommunication charges	144,155	227,855
Shariah Committee remunerations	19,237	22,218
Electricity and water	75,968	79,240
Directors related fees	91,544	95,193
Other professional fees	23,398	70,808
Auditors remuneration	52,500	41,272
Others	13,732	10,677
	591,077	747,737
	3,735,727	4,156,727

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18. Other overheads and expenditures (continued)

	Economic Entity and Bank	
	Half Year Ended 30-Jun-13 RM	Half Year Ended 30-Jun-12 RM
<u>Establishment expenses</u>		
Depreciation of property, plant and equipment	701,929	671,997
Amortisation of intangible assets	963,458	1,435,386
Rental of premises	888,601	922,732
Software and hardware maintenance	1,706,229	2,086,214
Rental of equipment and network line	304,878	295,557
Security expenses	179,744	146,433
Others	914,228	917,027
	5,659,067	6,475,346
<u>Marketing expenses</u>		
Advertising and promotional activities	136,583	128,111
Entertainment expenses	35,565	41,667
Travelling expenses	152,278	113,590
Others	-	-
	324,426	283,368
<u>Administration and general expenses</u>		
License and association fees and levies	180,780	224,986
Travelling, transport and accomodation expenses	54,490	117,169
Printing, stationery, postage and clearing charges	103,322	149,806
Telecommunication charges	327,405	400,055
Shariah Committee remunerations	84,200	176,036
Electricity and water	148,781	134,700
Directors related fees	234,928	154,693
Other professional fees	66,297	169,212
Auditors remuneration	105,000	84,272
Donations	42,500	-
Others	25,083	31,676
	1,372,786	1,642,605
	7,356,279	8,401,319

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19. Other comprehensive income

	<u>Economic Entity and Bank</u>	
	2nd Quarter Ended 30-Jun-13 RM	2nd Quarter Ended 30-Jun-12 RM
Financial investment available-for-sale		
- Unrealised net loss on revaluation	(1,397,844)	1,514,966
Income tax relating to components of other comprehensive income	-	-
	<u>(1,397,844)</u>	<u>1,514,966</u>
	Half Year Ended 30-Jun-13 RM	Half Year Ended 30-Jun-12 RM
Financial investment available-for-sale		
- Unrealised net loss on revaluation	(1,623,843)	1,021,598
Income tax relating to components of other comprehensive income	-	-
	<u>(1,623,843)</u>	<u>1,021,598</u>

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ASIAN FINANCE BANK BERHAD
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20. Significant related party balances and transactions

Credit exposures arising from transactions with connected parties

Credit exposures with connected parties as per Bank Negara Malaysia's revised Guidelines on Credit Transactions and Exposures with Connected Parties ('Revised BNM/GP6') are as follows:

	Economic Entity and Bank	
	30-Jun-13	31-Dec-12
	RM	RM
Outstanding credit exposures with connected parties	184,900,000	188,000,000
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	5.40%	5.15%
Percentage of outstanding credit exposures to connected parties which is non-performing or in default	0.00%	0.00%

The credit exposures above are derived based on Bank Negara Malaysia's revised Guidelines on Credit Transactions and Exposures with Connected Parties, which are effective on 1 January 2008.

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21. Commitments and contingencies

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

<u>Economic Entity and Bank</u>	Principal amount RM	Gross Positive Fair Value - Derivative Contract RM	Credit equivalent amount* RM	Risk weighted amount RM
30-Jun-13				
Transaction-related contingent items	61,831,470	-	30,915,735	30,915,735
Irrevocable commitments to extend credit:				
- one year or less	278,376,211	-	139,188,106	136,188,106
- over one year to five years	3,313,200	-	1,656,600	1,656,600
- over five years	8,976,657	-	4,488,329	4,335,031
Foreign exchange related contracts				
- one year or less	237,454,429	321,700	3,561,816	747,630
Total	589,951,967	321,700	179,810,586	173,843,102

	Principal amount RM	Gross Positive Fair Value - Derivative Contract RM	Credit equivalent amount* RM	Risk weighted amount RM
31-Dec-12				
Transaction-related contingent items	58,699,685	-	29,349,842	29,349,842
Irrevocable commitments to extend credit:				
- one year or less	247,480,813	-	123,740,407	120,737,419
- over one year to five years	16,000,000	-	8,000,000	8,000,000
- over five years	38,012,523	-	19,006,262	18,842,231
Foreign exchange related contracts				
- one year or less	242,672,117	1,666,513	5,127,364	1,095,195
Total	602,865,138	1,666,513	185,223,875	178,024,687

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ASIAN FINANCE BANK BERHAD
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22. Financial risk management

22.1 Credit risk management

(i) Financing and advances

Financing and advances are summarised as follows:

	Economic Entity and Bank	
	30-Jun-13	31-Dec-12
	RM	RM
Neither past due nor impaired	1,342,807,967	1,382,218,430
Past due but not impaired	79,030,402	73,505,221
Impaired	58,557,659	57,639,834
Gross financing and advances	1,480,396,028	1,513,363,485
Less: Individual allowance	(26,822,867)	(20,003,882)
Collective allowance	(8,086,603)	(12,769,066)
Net financing and advances	1,445,486,558	1,480,590,537

(a) Financing and advances neither past due nor impaired

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

	Economic Entity and Bank	
	30-Jun-13	31-Dec-12
	RM	RM
<u>Internal Credit Rating (CRR)</u>		
CRR1 - CRR3	459,221,225	319,601,960
CRR4 - CRR6	829,454,707	1,024,379,577
CRR7 - CRR10	43,335,525	28,056,064
Non rated CRR	10,796,510	10,180,829
	1,342,807,967	1,382,218,430

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ASIAN FINANCE BANK BERHAD
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22. Financial risk management (continued)

22.1 Credit risk management (continued)

(i) Financing and advances (continued)

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

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

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

(b) Financing and advances past due but not impaired

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

	Economic Entity and Bank	
	30-Jun-13	31-Dec-12
	RM	RM
Past due up to 30 days	60,729,566	58,738,626
Past due 30 to 60 days	18,300,836	14,086,054
Past due 60 to 90 days	-	680,541
	79,030,402	73,505,221

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ASIAN FINANCE BANK BERHAD
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22. Financial risk management (continued)

22.1 Credit risk management (continued)

(i) Financing and advances (continued)

(c) Impaired financing and advances

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

	Economic Entity and Bank	
	30-Jun-13	31-Dec-12
	RM	RM
Gross impaired financing and advances	58,557,659	57,639,834
Less: Impairment allowance	(26,822,867)	(20,003,882)
Net impaired financing and advances	31,734,792	37,635,952

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

Credit Risk Mitigation (CRM) Disclosures

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

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ASIAN FINANCE BANK BERHAD
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22. Financial risk management (continued)

22.1 Credit risk management (continued)

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

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

<u>Economic Entity and Bank</u>	<u>Short term funds</u> RM	<u>Financial investments portfolios</u> RM	<u>Derivative assets</u> RM	<u>Other assets</u> RM
30-Jun-13				
Neither past due nor impaired				
AAA	672,039,246	339,239,951	-	-
AA and below	54,354,460	177,588,560	-	-
Unrated	32,588	-	321,700	3,953,008
	<u>726,426,294</u>	<u>516,828,511</u>	<u>321,700</u>	<u>3,953,008</u>
Individually impaired	-	-	-	-
	<u>726,426,294</u>	<u>516,828,511</u>	<u>321,700</u>	<u>3,953,008</u>
31-Dec-12				
Neither past due nor impaired				
AAA	370,388,900	369,971,768	-	-
AA and below	306,806,034	156,146,258	-	-
Unrated	70,031,632	-	1,666,513	8,903,863
	<u>747,226,566</u>	<u>526,118,026</u>	<u>1,666,513</u>	<u>8,903,863</u>
Individually impaired	-	-	-	-
	<u>747,226,566</u>	<u>526,118,026</u>	<u>1,666,513</u>	<u>8,903,863</u>

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

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ASIAN FINANCE BANK BERHAD
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22. Financial risk management (continued)

22.2 Market risk

(i) Profit Rate Risk

Economic Entity and Bank	<----- Non-trading book ----->						Non-profit sensitive	Trading book	Total	Effective profit rate
	Up to 1 months	1-3 months	3-12 months	1-5 years	Over 5 years					
	RM	RM	RM	RM	RM	RM	RM	RM	%	
30-Jun-13										
Assets										
Cash and short term funds	722,026,803	-	-	-	-	7,877,884	-	729,904,687	2.90	
Financial investments held-for-trading	-	-	-	-	-	-	-	-	0.58	
Financial investments available-for-sale	5,001,600	-	-	332,213,153	40,610,200	4,027,545	-	381,852,498	3.35	
Financial investments held-to-maturity	-	45,000,516	-	33,383,875	55,163,661	1,427,961	-	134,976,013	3.92	
Financing and advances - performing	586,672,048	300,698,773	238,325,468	109,371,838	186,770,242	(34,909,470)	-	1,386,928,899	4.57	
- non performing	-	-	-	-	-	58,557,659	-	58,557,659	-	
Derivative assets	321,700	-	-	-	-	-	-	321,700	-	
Other assets	-	-	-	-	-	3,953,008	-	3,953,008	-	
Statutory deposits	-	-	-	-	-	36,048,822	-	36,048,822	-	
Property and equipment	-	-	-	-	-	3,046,876	-	3,046,876	-	
Intangible assets	-	-	-	-	-	3,866,777	-	3,866,777	-	
Total assets	1,314,022,151	345,699,289	238,325,468	474,968,866	282,544,103	83,897,062	-	2,739,456,939		

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ASIAN FINANCE BANK BERHAD
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22. Financial risk management (continued)

22.2 Market risk (continued)

(i) Profit Rate Risk

Economic Entity and Bank	<----- Non-trading book ----->						Non-profit sensitive	Trading book	Total	Effective profit rate
	Up to 1 months	1-3 months	3-12 months	1-5 years	Over 5 years					
	RM	RM	RM	RM	RM	RM	RM	RM	RM	%
30-Jun-13										
Liabilities										
Deposits from customers	913,105,137	495,666,025	167,670,130	4,475,889	-	5,779,810	-	1,586,696,991	3.03	
Deposits and placements of banks and other financial institutions	198,963,939	279,198,131	183,785,464	-	-	2,350,427	-	664,297,961	2.68	
Derivative liabilities	2,415,218	2,282,072	985,429	-	-	-	-	5,682,719		
Other liabilities	-	-	-	-	-	11,608,015	-	11,608,015		-
Total liabilities	1,114,484,294	777,146,228	352,441,023	4,475,889	-	19,738,252	-	2,268,285,686		
Total shareholders equity	-	-	-	-	471,171,253	-	-	471,171,253		
	1,114,484,294	777,146,228	352,441,023	4,475,889	471,171,253	19,738,252	-	2,739,456,939		
Total profit-sensitivity gap	199,537,857	(431,446,939)	(114,115,555)	470,492,977	(188,627,149)	64,158,810	-	-		

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Financial risk management (continued)

22.2 Market risk (continued)

(i) Profit Rate Risk

Economic Entity and Bank	<----- Non-trading book ----->							Trading book	Total	Effective profit rate
	Up to 1 months	1-3 months	3-12 months	1-5 years	Over 5 years	Non-profit sensitive	RM			
	RM	RM	RM	RM	RM	RM	RM	RM	RM	%
31-Dec-12										
Assets										
Cash and short term funds	739,124,695	-	-	-	-	10,749,347	-	749,874,042	2.95	
Financial investments										
held-for-trading	-	-	-	-	-	-	11,257,974	11,257,974	4.50	
Financial investments available-for-sale	-	-	5,009,300	330,921,593	40,523,600	4,378,655	-	380,833,148	3.16	
Financial investments held-to-maturity	-	-	45,003,351	32,438,444	55,171,330	1,413,779	-	134,026,904	4.75	
Financing and advances										
- performing	657,338,659	262,982,948	228,033,976	120,304,147	187,063,920	(32,772,947)	-	1,422,950,703	5.03	
- non performing	-	-	-	-	-	57,639,834	-	57,639,834	-	
Derivative assets	630,000	901,513	135,000	-	-	-	-	1,666,513	-	
Other assets	-	-	-	-	-	8,903,863	-	8,903,863	-	
Statutory deposits	-	-	-	-	-	35,968,822	-	35,968,822	-	
Property and equipment	-	-	-	-	-	3,715,720	-	3,715,720	-	
Intangible assets	-	-	-	-	-	3,687,563	-	3,687,563	-	
Total assets	1,397,093,354	263,884,461	278,181,627	483,664,184	282,758,850	93,684,636	11,257,974	2,810,525,086		

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Financial risk management (continued)

22.2 Market risk (continued)

(i) Profit Rate Risk

Economic Entity and Bank	<----- Non-trading book ----->							Trading book	Total	Effective profit rate
	Up to 1 months	1-3 months	3-12 months	1-5 years	Over 5 years	Non-profit sensitive	RM			
	RM	RM	RM	RM	RM	RM	RM	RM	RM	
31-Dec-12										
Liabilities										
Deposits from customers	761,461,994	540,936,697	270,568,684	4,100,996	-	6,403,881	-	1,583,472,252	2.95	
Deposits and placements of banks and other financial institutions	384,099,233	339,771,292	18,008,000	-	-	4,127,082	-	746,005,607	2.83	
Derivative liabilities	263,200	22,851	144,500	-	-	-	-	430,551		
Other liabilities	-	-	-	-	-	8,882,087	-	8,882,087		-
Total liabilities	1,145,824,427	880,730,840	288,721,184	4,100,996	-	19,413,050	-	2,338,790,497		
Total shareholders equity	-	-	-	-	471,734,589	-	-	471,734,589		
	1,145,824,427	880,730,840	288,721,184	4,100,996	471,734,589	19,413,050	-	2,810,525,086		
Total profit-sensitivity gap	251,268,927	(616,846,379)	(10,539,557)	479,563,188	(188,975,739)	74,271,586	11,257,974	-		

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Financial risk management (continued)

22.2 Market Risk (continued)

(ii) Foreign Exchange Risk

Economic Entity and Bank				
30-Jun-13	USD	MYR	Others	Total
RM'000				
Assets				
Cash and short-term funds	1,792	725,530	2,582	729,905
Financial investments held-for-trading	-	-	-	-
Financial investments available-for-sale	71,539	310,313	-	381,852
Financial investments-held-to-maturity	28,870	106,106	-	134,976
Financing and advances	340,759	1,104,727	-	1,445,487
Derivative assets	-	322	-	322
Other assets	-	3,953	-	3,953
Statutory deposits with				
Bank Negara Malaysia	-	36,049	-	36,049
Property, plant and equipment	-	3,047	-	3,047
Intangible assets	-	3,866	-	3,866
Total Assets	442,960	2,293,913	2,582	2,739,457
Liabilities				
Deposits from customers	7,613	1,578,607	477	1,586,697
Deposits and placements of banks and other financial institutions	220,988	443,310	-	664,298
Derivative liabilities	-	5,683	-	5,683
Other liabilities	-	11,608	-	11,608
Total Liabilities	228,601	2,039,208	477	2,268,286
Net on-balance sheet financial position	214,359	254,705	2,105	471,171

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Financial risk management (continued)

22.2 Market Risk (continued)

(ii) Foreign Exchange Risk (continued)

Economic Entity and Bank

31-Dec-2012	USD	MYR	Others	Total
RM'000				
Assets				
Cash and short-term funds	414,035	333,182	2,657	749,874
Financial investments held-for-trading	6,146	5,112	-	11,258
Financial investments available-for-sale	55,336	325,497	-	380,833
Financial investments-held-to-maturity	27,906	106,121	-	134,027
Financing and advances	335,452	1,145,138	-	1,480,590
Derivative assets	-	1,667	-	1,667
Other assets	-	8,904	-	8,904
Statutory deposits with				
Bank Negara Malaysia	-	35,969	-	35,969
Property, plant and equipment	-	3,716	-	3,716
Intangible assets	-	3,688	-	3,688
Total Assets	838,875	1,968,994	2,657	2,810,526
Liabilities				
Deposits from customers	6,682	1,575,979	811	1,583,472
Deposits and placements of banks and other financial institutions	255,799	490,207	-	746,006
Derivative liabilities	-	431	-	431
Other liabilities	-	8,882	-	8,882
Total Liabilities	262,481	2,075,499	811	2,338,791
Net on-balance sheet financial position	576,394	(106,505)	1,846	471,735

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy

	Economic Entity	
	30-Jun-13	31-Dec-12
	RM	RM
		Restated
<u>CET1 Capital</u>		
Paid-up ordinary share capital	532,530,020	532,530,020
Accumulated losses	(61,224,255)	(61,224,255)
AFS revaluation reserve	(1,195,019)	428,824
	470,110,746	471,734,589
Less : CET1 regulatory adjustments		
Deferred tax assets	-	-
Cumulative gains of AFS financial instruments	607,072	(285,562)
Total CET1 capital	470,717,818	471,449,027
<u>Tier 1 Capital</u>		
Additional Tier 1 capital instruments	-	-
Less: Tier 1 regulatory adjustments	-	-
Total Tier 1 capital	470,717,818	471,449,027
<u>Tier II Capital</u>		
Collective impairment/allowance for bad and doubtful financing [^]	7,610,581	12,204,527
Total Tier II capital	7,610,581	12,204,527
Total capital base	478,328,399	483,653,554
<u>Capital ratios *</u>		
Inclusive of market risk:		
CET1 capital (inclusive of market risk)	25.383%	25.106%
Tier 1 capital (inclusive of market risk)	25.383%	25.106%
Total capital ratio (inclusive of market risk)	25.793%	25.756%

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

^{*} Effective January 2013, regulatory capital adequacy ratios are derived according to BNM's updated Guidelines on Capital Adequacy Framework for Islamic Banks (Capital Components) and Capital Adequacy Framework for Islamic Banks (Risk Weighted Assets) issued on 28 November 2012. Consequently, 31 December 2012 capital ratios have been restated accordingly for comparative purpose.

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

	Bank	
	30-Jun-13	31-Dec-12
	RM	RM
		Restated
<u>CET1 Capital</u>		
Paid-up ordinary share capital	532,530,020	532,530,020
Accumulated losses	(61,224,255)	(61,224,255)
AFS revaluation reserve	(1,195,019)	428,824
	470,110,746	471,734,589
Less : CET1 regulatory adjustments		
Deferred tax assets	-	-
Cumulative gains of AFS financial instruments	607,072	(285,562)
Total CET1 capital	470,717,818	471,449,027
<u>Tier 1 Capital</u>		
Additional Tier 1 capital instruments	-	-
Less: Tier 1 regulatory adjustments	-	-
Total Tier 1 capital	470,717,818	471,449,027
<u>Tier II Capital</u>		
Collective impairment/allowance for bad and doubtful financing [^]	7,610,581	12,204,527
Total Tier II capital	7,610,581	12,204,527
Total capital base	478,328,399	483,653,554
<u>Capital ratios *</u>		
Inclusive of market risk:		
CET1 capital (inclusive of market risk)	25.389%	25.096%
Tier 1 capital (inclusive of market risk)	25.389%	25.096%
Total capital ratio (inclusive of market risk)	25.799%	25.745%

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

^{*} Effective January 2013, regulatory capital adequacy ratios are derived according to BNM's updated Guidelines on Capital Adequacy Framework for Islamic Banks (Capital Components) and Capital Adequacy Framework for Islamic Banks (Risk Weighted Assets) issued on 28 November 2012. Consequently, 31 December 2012 capital ratios have been restated accordingly for comparative purpose.

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ASIAN FINANCE BANK BERHAD
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23. Capital adequacy (continued)

Economic Entity

30-Jun-13

Exposure Class

Credit Risk

On-Balance Sheet Exposures

Sovereigns & Central Banks

Banks, MDBs and FDIs

Corporates

Regulatory Retail

Other Assets

Total for On-Balance Sheet

Exposures

Off-Balance Sheet Exposures

Off balance sheet exposures other than OTC derivatives or credit derivatives

Total for Off-Balance Sheet

Exposures

Total On and Off-Balance Sheet

Exposures

Market Risk

Benchmark Rate Risk

Equity Position Risk

Foreign Currency Risk

Operational Risk

Total RWA and Capital

Requirements

			Risk	Risk	Total Risk	Capital
	Gross Exposures	Net	Weighted	Weighted	Assets after	Requirements
	RM'000	Exposures	Assets	Assets	effects of PSIA	RM'000
		RM'000	RM'000	by PSIA	RM'000	
				RM'000		
<i>Sovereigns & Central Banks</i>	140,014	140,014	-	-	-	-
<i>Banks, MDBs and FDIs</i>	75,942	75,942	28,010	-	28,010	2,241
<i>Corporates</i>	1,704,794	1,704,794	1,523,105	-	1,523,105	121,848
<i>Regulatory Retail</i>	44,196	44,196	46,019	-	46,019	3,681
<i>Other Assets</i>	-	-	-	-	-	-
<i>Total for On-Balance Sheet</i>						
<i>Exposures</i>	1,964,946	1,964,946	1,597,133	-	1,597,133	127,770
<i>Off-Balance Sheet Exposures</i>						
<i>Off balance sheet exposures other than OTC derivatives or credit derivatives</i>	589,952	179,811	173,843	-	173,843	13,907
<i>Total for Off-Balance Sheet</i>						
<i>Exposures</i>	589,952	179,811	173,843	-	173,843	13,907
<i>Total On and Off-Balance Sheet</i>						
<i>Exposures</i>	2,554,898	2,144,757	1,770,977	-	1,770,977	141,677
<u>Market Risk</u>						
<i>Benchmark Rate Risk</i>	-	-	-	-	-	-
<i>Equity Position Risk</i>	-	-	-	-	-	-
<i>Foreign Currency Risk</i>	1,420	10,425	10,425	-	10,425	834
<i>Operational Risk</i>	-	-	73,058	-	73,058	5,845
<i>Total RWA and Capital</i>						
<i>Requirements</i>	2,556,318	10,425	2,155,182	1,854,460	1,854,460	148,356

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Economic Entity

30-Jun-13

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

Risk Weights	Insurance Companies, Securities Firms & Fund Managers							
	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%	140,014	-	19,922	-	-	-	40,022	-
20%	-	-	3,517	703	-	-	184,749	36,950
50%	-	-	56,020	28,010	-	-	72,412	36,206
75%	-	-	-	-	-	-	-	-
100%	-	-	125	125	-	-	1,496,762	1,496,762
150%	-	-	-	-	-	-	71,331	106,997
Total	140,014	-	79,584	28,838	-	-	1,865,276	1,676,915
Defaulted Exposures								
0%	-	-	-	-	-	-	500	-
50%	-	-	-	-	-	-	3,114	1,557
100%	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	11,459	17,189
Total	-	-	-	-	-	-	15,073	18,746
Total Performing and Defaulted Exposures	140,014	-	79,584	28,838	-	-	1,880,349	1,695,661

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Economic Entity

30-Jun-13

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>
Performing Exposures						
0%	-	-	-	-	199,958	-
20%	-	-	-	-	188,266	37,653
50%	-	-	-	-	128,432	64,216
75%	27,648	20,736	-	-	27,648	20,736
100%	-	-	-	-	1,496,887	1,496,887
150%	-	-	-	-	71,331	106,997
Total	27,648	20,736	-	-	2,112,522	1,726,489
Defaulted Exposures						
0%	-	-	-	-	500	-
50%	-	-	-	-	3,114	1,557
100%	-	-	-	-	-	-
150%	17,162	25,743	-	-	28,621	42,932
Total	17,162	25,743	-	-	32,235	44,489
Total Performing and Defaulted Exposures	44,810	46,479	-	-	2,144,757	1,770,977

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Geographic Distribution of Gross Credit Exposures

	Inside Malaysia RM'000	Outside Malaysia RM'000	Total RM'000
Economic entity			
30-Jun-13			
<u>Exposure Class</u>			
<u>Gross Credit Exposures</u>			
<i>On-Balance Sheet Exposures</i>			
Sovereigns & Central Banks	140,014	-	140,014
Banks, MDBs and FDIs	19,922	56,020	75,942
Corporates	1,622,986	81,808	1,704,794
Regulatory Retail	43,652	544	44,196
Other Assets	-	-	-
Total for On-Balance Sheet Exposures	1,826,574	138,372	1,964,946
<i>Off-Balance Sheet Exposures</i>			
Off balance sheet exposures other than OTC derivatives or credit derivatives	589,631	321	589,952
Total for Off-Balance Sheet Exposures	589,631	321	589,952
Total On and Off-Balance Sheet Exposures	2,416,205	138,693	2,554,898

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Contractual Maturity of Gross Credit Exposures

	One Year or Less RM'000	Over One Year to Five Years RM'000	Over Five Years RM'000	Total RM'000
Economic entity				
30-Jun-13				
<u>Exposure Class</u>				
<u>Gross Credit Exposures</u>				
<i>On-Balance Sheet Exposures</i>				
Sovereigns & Central Banks	-	140,014	-	140,014
Banks, MDBs and FDIs	-	56,020	19,922	75,942
Corporates	1,185,012	304,410	215,372	1,704,794
Regulatory Retail	258	701	43,237	44,196
Other Assets	-	-	-	-
Total for On-Balance Sheet Exposures	1,185,270	501,145	278,531	1,964,946
<i>Off-Balance Sheet Exposures</i>				
Off balance sheet exposures other than OTC derivatives or credit derivatives	569,396	10,588	9,968	589,952
Total for Off-Balance Sheet Exposures	569,396	10,588	9,968	589,952
Total On and Off-Balance Sheet Exposures	1,754,666	511,733	288,499	2,554,898

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Economic Entity

31-Dec-12 <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	159,861	159,861	-	-	-	-
Banks, MDBs and FDIs	81,137	81,137	30,594	-	30,594	2,448
Corporates	1,726,089	1,726,089	1,533,761	-	1,533,761	122,701
Regulatory Retail	46,456	46,456	48,857	-	48,857	3,909
Other Assets	-	-	-	-	-	-
Total for On-Balance Sheet Exposures	2,013,543	2,013,543	1,613,212	-	1,613,212	129,058
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	602,865	185,224	178,025	-	178,025	14,242
Total for Off-Balance Sheet Exposures	602,865	185,224	178,025	-	178,025	14,242
Total On and Off-Balance Sheet Exposures	2,616,408	2,198,767	1,791,237	-	1,791,237	143,300
<u>Market Risk</u>						
	Long Position	Short Position				
Benchmark Rate Risk	-	-	3,482	3,482	-	3,482
Equity Position Risk	-	-	-	-	-	-
Foreign Currency Risk	9,882	-	9,882	9,882	-	9,882
Operational Risk	-	-	-	73,240	-	73,240
Total RWA and Capital Requirements	2,626,290	-	2,212,131	1,877,841	-	1,877,841

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Economic Entity

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

31-Dec-12

<u>Risk Weights</u>	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%	159,861	-	19,876	-	-	-	40,023	-
20%	-	-	5,162	1,032	-	-	199,887	39,977
50%	-	-	61,139	30,570	-	-	56,565	28,283
75%	-	-	-	-	-	-	-	-
100%	-	-	125	125	-	-	1,533,818	1,533,818
150%	-	-	-	-	-	-	55,745	83,618
Total	159,861	-	86,302	31,727	-	-	1,886,038	1,685,696
Defaulted Exposures								
0%	-	-	-	-	-	-	503	-
50%	-	-	-	-	-	-	3,363	1,682
100%	-	-	-	-	-	-	1,195	1,195
150%	-	-	-	-	-	-	14,392	21,588
Total	-	-	-	-	-	-	19,453	24,465
Total Performing and Defaulted Exposures	159,861	-	86,302	31,727	-	-	1,905,491	1,710,161

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Economic Entity

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

31-Dec-12

<u>Risk Weights</u>	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%	-	-	-	-	219,760	-
20%	-	-	-	-	205,049	41,009
50%	-	-	-	-	117,704	58,853
75%	28,427	21,320	-	-	28,427	21,320
100%	-	-	-	-	1,533,943	1,533,943
150%	-	-	-	-	55,745	83,618
Total	28,427	21,320	-	-	2,160,628	1,738,743
Defaulted Exposures						
0%	-	-	-	-	503	-
50%	-	-	-	-	3,363	1,682
100%	-	-	-	-	1,195	1,195
150%	18,686	28,029	-	-	33,078	49,617
Total	18,686	28,029	-	-	38,139	52,494
Total Performing and Defaulted Exposures	47,113	49,349	-	-	2,198,767	1,791,237

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Geographic Distribution of Gross Credit Exposures

	Inside Malaysia RM'000	Outside Malaysia RM'000	Total RM'000
Economic entity			
31-Dec-12			
<u>Exposure Class</u>			
<u>Gross Credit Exposures</u>			
<i>On-Balance Sheet Exposures</i>			
Sovereigns & Central Banks	159,861	-	159,861
Banks, MDBs and FDIs	19,998	61,139	81,137
Corporates	1,642,750	83,339	1,726,089
Regulatory Retail	34,543	11,913	46,456
Other Assets	-	-	-
Total for On-Balance Sheet Exposures	<u>1,857,152</u>	<u>156,391</u>	<u>2,013,543</u>
<i>Off-Balance Sheet Exposures</i>			
Off balance sheet exposures other than OTC derivatives or credit derivatives	602,520	345	602,865
Total for Off-Balance Sheet Exposures	<u>602,520</u>	<u>345</u>	<u>602,865</u>
Total On and Off-Balance Sheet Exposures	<u><u>2,459,672</u></u>	<u><u>156,736</u></u>	<u><u>2,616,408</u></u>

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Contractual Maturity of Gross Credit Exposures

	One Year or Less	Over One Year to Five Years	Over Five Years	Total
	RM'000	RM'000	RM'000	RM'000
Economic entity				
31-Dec-12				
<u>Exposure Class</u>				
<u>Gross Credit Exposures</u>				
<i>On-Balance Sheet Exposures</i>				
Sovereigns & Central Banks	-	159,861	-	159,861
Banks, MDBs and FDIs	122	61,139	19,876	81,137
Corporates	1,216,080	273,067	236,942	1,726,089
Regulatory Retail	1,115	714	44,627	46,456
Other Assets	-	-	-	-
Total for On-Balance Sheet Exposures	<u>1,217,317</u>	<u>494,781</u>	<u>301,445</u>	<u>2,013,543</u>
<i>Off-Balance Sheet Exposures</i>				
Off balance sheet exposures other than OTC derivatives or credit derivatives	546,583	17,278	39,004	602,865
Total for Off-Balance Sheet Exposures	<u>546,583</u>	<u>17,278</u>	<u>39,004</u>	<u>602,865</u>
Total On and Off-Balance Sheet Exposures	<u><u>1,763,900</u></u>	<u><u>512,059</u></u>	<u><u>340,449</u></u>	<u><u>2,616,408</u></u>

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Bank

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

30-Jun-13

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%	140,014	-	19,922	-	-	-	40,022	-
20%	-	-	3,517	703	-	-	184,749	36,950
50%	-	-	56,020	28,010	-	-	72,412	36,206
75%	-	-	-	-	-	-	-	-
100%	-	-	125	125	-	-	1,496,762	1,496,762
150%	-	-	-	-	-	-	71,331	106,997
Total	140,014	-	79,584	28,838	-	-	1,865,276	1,676,915
Defaulted Exposures								
0%	-	-	-	-	-	-	500	-
50%	-	-	-	-	-	-	3,114	1,557
100%	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	11,459	17,189
Total	-	-	-	-	-	-	15,073	18,746
Total Performing and Defaulted Exposures	140,014	-	79,584	28,838	-	-	1,880,349	1,695,661

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Bank

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

30-Jun-13

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>
Performing Exposures						
0%	-	-	-	-	199,958	-
20%	-	-	-	-	188,266	37,653
50%	-	-	-	-	128,432	64,216
75%	27,648	20,736	-	-	27,648	20,736
100%	-	-	-	-	1,496,887	1,496,887
150%	-	-	-	-	71,331	106,997
Total	27,648	20,736	-	-	2,112,522	1,726,489
Defaulted Exposures						
0%	-	-	-	-	500	-
50%	-	-	-	-	3,114	1,557
100%	-	-	-	-	-	-
150%	17,162	25,743	-	-	28,621	42,932
Total	17,162	25,743	-	-	32,235	44,489
Total Performing and Defaulted Exposures	44,810	46,479	-	-	2,144,757	1,770,977

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Geographic Distribution of Gross Credit Exposures

	Inside Malaysia RM'000	Outside Malaysia RM'000	Total RM'000
Bank			
30-Jun-13			
<u>Exposure Class</u>			
<u>Gross Credit Exposures</u>			
<i>On-Balance Sheet Exposures</i>			
Sovereigns & Central Banks	140,014	-	140,014
Banks, MDBs and FDIs	19,922	56,020	75,942
Corporates	1,622,986	81,808	1,704,794
Regulatory Retail	43,652	544	44,196
Other Assets	-	-	-
Total for On-Balance Sheet Exposures	1,826,574	138,372	1,964,946
<i>Off-Balance Sheet Exposures</i>			
Off balance sheet exposures other than OTC derivatives or credit derivatives	589,631	321	589,952
Total for Off-Balance Sheet Exposures	589,631	321	589,952
Total On and Off-Balance Sheet Exposures	2,416,205	138,693	2,554,898

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Contractual Maturity of Gross Credit Exposures

	One Year or Less RM'000	Over One Year to Five Years RM'000	Over Five Years RM'000	Total RM'000
Bank				
30-Jun-13				
<u>Exposure Class</u>				
<u>Gross Credit Exposures</u>				
<i>On-Balance Sheet Exposures</i>				
Sovereigns & Central Banks	-	140,014	-	140,014
Banks, MDBs and FDIs	-	56,020	19,922	75,942
Corporates	1,185,012	304,410	215,372	1,704,794
Regulatory Retail	258	701	43,237	44,196
Other Assets	-	-	-	-
Total for On-Balance Sheet Exposures	1,185,270	501,145	278,531	1,964,946
<i>Off-Balance Sheet Exposures</i>				
Off balance sheet exposures other than OTC derivatives or credit derivatives	569,396	10,588	9,968	589,952
Total for Off-Balance Sheet Exposures	569,396	10,588	9,968	589,952
Total On and Off-Balance Sheet Exposures	1,754,666	511,733	288,499	2,554,898

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Bank

31-Dec-12 <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	159,861	159,861	-	-	-	-
Banks, MDBs and FDIs	81,137	81,137	30,594	-	30,594	2,448
Corporates	1,726,089	1,726,089	1,533,761	-	1,533,761	122,701
Regulatory Retail	46,456	46,456	48,857	-	48,857	3,909
Other Assets	-	-	-	-	-	-
Total for On-Balance Sheet Exposures	2,013,543	2,013,543	1,613,212	-	1,613,212	129,058
<i>Off-Balance Sheet Exposures</i>						
Off balance sheet exposures other than OTC derivatives or credit derivatives	602,865	185,224	178,025	-	178,025	14,242
Total for Off-Balance Sheet Exposures	602,865	185,224	178,025	-	178,025	14,242
Total On and Off-Balance Sheet Exposures	2,616,408	2,198,767	1,791,237	-	1,791,237	143,300
<u>Market Risk</u>						
	Long Position	Short Position				
Benchmark Rate Risk	-	-	3,482	3,482	3,482	279
Equity Position Risk	-	-	-	-	-	-
Foreign Currency Risk	9,882	-	9,882	9,882	9,882	791
Operational Risk	-	-	74,004	74,004	74,004	5,920
Total RWA and Capital Requirements	2,626,290	-	2,212,131	1,878,605	1,878,605	150,290

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Bank
31-Dec-12

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%	159,861	-	19,876	-	-	-	40,023	-
20%	-	-	5,162	1,032	-	-	199,887	39,977
50%	-	-	61,139	30,570	-	-	56,565	28,283
75%	-	-	-	-	-	-	-	-
100%	-	-	125	125	-	-	1,533,818	1,533,818
150%	-	-	-	-	-	-	55,745	83,618
Total	159,861	-	86,302	31,727	-	-	1,886,038	1,685,695
Defaulted Exposures								
0%	-	-	-	-	-	-	503	-
50%	-	-	-	-	-	-	3,363	1,682
100%	-	-	-	-	-	-	1,195	1,195
150%	-	-	-	-	-	-	14,392	21,588
Total	-	-	-	-	-	-	19,453	24,465
Total Performing and Defaulted Exposures	159,861	-	86,302	31,727	-	-	1,905,491	1,710,161

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Bank
31-Dec-12

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%	-	-	-	-	219,760	-
20%	-	-	-	-	205,049	41,009
50%	-	-	-	-	117,704	58,853
75%	28,427	21,320	-	-	28,427	21,320
100%	-	-	-	-	1,533,943	1,533,943
150%	-	-	-	-	55,745	83,618
Total	28,427	21,320	-	-	2,160,628	1,738,743
Defaulted Exposures						
0%	-	-	-	-	503	-
50%	-	-	-	-	3,363	1,682
100%	-	-	-	-	1,195	1,195
150%	18,686	28,029	-	-	33,078	49,617
Total	18,686	28,029	-	-	38,139	52,494
Total Performing and Defaulted Exposures	47,113	49,349	-	-	2,198,767	1,791,237

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Geographic Distribution of Gross Credit Exposures

	Inside Malaysia RM'000	Outside Malaysia RM'000	Total RM'000
Bank			
31-Dec-12			
<u>Exposure Class</u>			
<u>Gross Credit Exposures</u>			
<i>On-Balance Sheet Exposures</i>			
Sovereigns & Central Banks	159,861	-	159,861
Banks, MDBs and FDIs	19,998	61,139	81,137
Corporates	1,642,750	83,339	1,726,089
Regulatory Retail	34,543	11,913	46,456
Other Assets	-	-	-
Total for On-Balance Sheet Exposures	1,857,152	156,391	2,013,543
<i>Off-Balance Sheet Exposures</i>			
Off balance sheet exposures other than OTC derivatives or credit derivatives	602,520	345	602,865
Total for Off-Balance Sheet Exposures	602,520	345	602,865
Total On and Off-Balance Sheet Exposures	2,459,672	156,736	2,616,408

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Contractual Maturity of Gross Credit Exposures

	One Year or Less	Over One Year to Five Years	Over Five Years	Total
	RM'000	RM'000	RM'000	RM'000
Bank				
31-Dec-12				
<u>Exposure Class</u>				
<u>Gross Credit Exposures</u>				
<i>On-Balance Sheet Exposures</i>				
Sovereigns & Central Banks	-	159,861	-	159,861
Banks, MDBs and FDIs	122	61,139	19,876	81,137
Corporates	1,216,080	273,067	236,942	1,726,089
Regulatory Retail	1,115	714	44,627	46,456
Other Assets	-	-	-	-
Total for On-Balance Sheet Exposures	<u>1,217,317</u>	<u>494,781</u>	<u>301,445</u>	<u>2,013,543</u>
<i>Off-Balance Sheet Exposures</i>				
Off balance sheet exposures other than OTC derivatives or credit derivatives	546,583	17,278	39,004	602,865
Total for Off-Balance Sheet Exposures	<u>546,583</u>	<u>17,278</u>	<u>39,004</u>	<u>602,865</u>
Total On and Off-Balance Sheet Exposures	<u><u>1,763,900</u></u>	<u><u>512,059</u></u>	<u><u>340,449</u></u>	<u><u>2,616,408</u></u>

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Disclosure of rated and unrated exposures according to rating by ECAs

Economic Entity and Bank

30-Jun-13

Exposure Class	Rating of Corporate by approved ECAs					
	MOODY'S	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B+ to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	FITCH	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB to BB	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
<u>On and Off Balance Sheet Exposures</u>						
<u>Credit exposure (using Corporate Risk Weights)</u>						
Public Sector Entity (applicable for entities risk weighted based on their external rating as	-	-	-	-	-	-
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-
Corporates	-	161,700,000	92,341,029	-	-	1,820,112,887
Total	-	161,700,000	92,341,029	-	-	1,820,112,887

Company No.

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Disclosure of rated and unrated exposures according to rating by ECAs (continued)

Economic Entity and Bank

30-Jun-13

Exposure Class	Rating of Sovereign Central Banks by approved ECAs					
	MOODY'S	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B+ to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	FITCH	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB to BB	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
<u>On and Off Balance Sheet Exposures</u>						
Sovereign Central Banks	-	-	-	-	-	140,014,000
Total	-	-	-	-	-	140,014,000

Exposure Class	Rating of Banking Institutions by approved ECAs					
	MOODY'S	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B+ to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	FITCH	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB to BB	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
<u>On and Off Balance Sheet Exposures</u>						
Banks, MDBs and FDI	-	-	56,272,703	-	-	19,922,000
Total	-	-	56,272,703	-	-	19,922,000

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Disclosure of rated and unrated exposures according to rating by ECAs

Economic Entity and Bank
31-Dec-12

Exposure Class	Rating of Corporate by approved ECAs					
	MOODY'S	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B+ to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	FITCH	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB to BB	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
<u>On and Off Balance Sheet Exposures</u>						
<u>Credit exposure (using Corporate Risk Weights)</u>						
Public Sector Entity (applicable for entities risk weighted based on their external rating as	-	-	-	-	-	-
Insurance Companies, Securities Firms & Fund Managers	-	-	-	-	-	-
Corporates	-	212,006,924	-	-	-	75,646,431
Total	-	212,006,924	-	-	-	75,646,431

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Capital adequacy (continued)

Disclosure of rated and unrated exposures according to rating by ECAs (continued)

Economic Entity and Bank
31-Dec-12

Exposure Class	Rating of Sovereign Central Banks by approved ECAs					
	MOODY'S	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B+ to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	FITCH	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB to BB	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
<u>On and Off Balance Sheet Exposures</u>						
Sovereign Central Banks	-	162,264,434	-	-	-	-
Total	-	162,264,434	-	-	-	-

Exposure Class	Rating of Banking Institutions by approved ECAs					
	MOODY'S	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B+ to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	FITCH	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB to BB	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
<u>On and Off Balance Sheet Exposures</u>						
Banks, MDBs and FDI	-	55,349,357	-	-	-	20,278,137
Total	-	55,349,357	-	-	-	20,278,137

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

24. Segmental information

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<u>Economic Entity</u>				
2nd Quarter Ended				
30-Jun-13				
External revenue	20,445,837	7,284,705	-	27,730,542
Inter-segment revenue	(12,244,178)	12,244,178	-	-
Total revenue	<u>8,201,659</u>	<u>19,528,884</u>	-	<u>27,730,542</u>
Depositors' payout	(344,061)	(15,959,703)	-	(16,303,764)
Net income	<u>7,857,598</u>	<u>3,569,180</u>	-	<u>11,426,778</u>
Operating overheads				
of which:	(5,146,984)	(3,121,597)	(298,922)	(8,567,503)
Depreciation of property, plant and equipment	(233,185)	(81,438)	(10,732)	(325,355)
Amortisation of intangible assets	(324,745)	(155,669)	(10,774)	(491,188)
Allowance for impairment of financing advances	<u>(2,254,405)</u>	<u>(2,611,350)</u>	<u>(81,622)</u>	<u>(4,947,377)</u>
Segmental results before taxation	<u>(101,721)</u>	<u>(2,400,874)</u>	<u>(402,050)</u>	<u>(2,904,645)</u>
Segmental results before taxation				(2,904,645)
Profit equalisation reserve				-
Loss before taxation				<u>(2,904,645)</u>
Taxation				-
Loss for the financial period				<u>(2,904,645)</u>

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

24. Segmental information (continued)

<u>Economic Entity</u>	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<u>2nd Quarter Ended 30-Jun-12</u>				
External revenue	26,833,517	1,713,690	532,697	29,079,904
Inter-segment revenue	(443,850)	442,073	1,777	-
Total revenue	<u>26,389,667</u>	<u>2,155,763</u>	<u>534,474</u>	<u>29,079,904</u>
Depositors' payout	(268,505)	(14,701,290)	-	(14,969,795)
Net income	<u>26,121,162</u>	<u>(12,545,527)</u>	<u>534,474</u>	<u>14,110,109</u>
Operating overheads				
of which:	(16,408,960)	6,971,020	(611,852)	(10,049,792)
Depreciation of property, plant and equipment	(652,354)	344,366	(15,022)	(323,010)
Amortisation of intangible assets	(1,564,573)	907,434	(13,748)	(670,887)
Allowance for impairment of financing advances	(3,247,890)	-	-	(3,247,890)
Share of results of jointly controlled entity	-	-	(3,845,253)	(3,845,253)
Segmental results before taxation	<u>4,247,385</u>	<u>(4,322,707)</u>	<u>(3,951,401)</u>	<u>(4,026,723)</u>
Segmental results before taxation				(4,026,723)
Profit equalisation reserve				-
Loss before taxation				<u>(4,026,723)</u>
Taxation				-
Loss for the financial period				<u>(4,026,723)</u>

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

24. Segmental information (continued)

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<u>Economic Entity</u>				
Half Year Ended				
30-Jun-13				
External revenue	39,250,424	18,013,800	-	57,264,224
Inter-segment revenue	(24,095,185)	24,095,185	-	-
Total revenue	15,155,239	42,108,985	-	57,264,224
Depositors' payout	(628,658)	(33,367,695)	-	(33,996,353)
Net income	14,526,581	8,741,290	-	23,267,871
Operating overheads				
of which:				
Depreciation of property, plant and equipment	(10,313,999)	(6,774,823)	(410,240)	(17,499,062)
Amortisation of intangible assets	(477,833)	(206,782)	(17,314)	(701,929)
Allowance for impairment of financing advances	(587,681)	(361,953)	(13,824)	(963,458)
	(824,245)	(2,137,047)	(81,623)	(3,042,915)
Segmental results before taxation	<u>2,322,823</u>	<u>(739,315)</u>	<u>(523,001)</u>	<u>1,060,507</u>
Segmental results before taxation				1,060,507
Profit equalisation reserve				-
Profit before taxation				1,060,507
Taxation				-
Profit for the financial period				<u>1,060,507</u>

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

24. Segmental information (continued)

<u>Economic Entity</u>	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
Half Year Ended				
<u>30-Jun-12</u>				
External revenue	37,938,794	19,158,967	293,731	57,391,492
Inter-segment revenue	(3,286,344)	3,284,567	1,777	-
Total revenue	<u>34,652,450</u>	<u>22,443,534</u>	<u>295,508</u>	<u>57,391,492</u>
Depositors' payout	(531,042)	(29,437,357)	-	(29,968,399)
Net income	<u>34,121,408</u>	<u>(6,993,823)</u>	<u>295,508</u>	<u>27,423,093</u>
Operating overheads				
of which:	(22,430,525)	3,658,520	(1,178,582)	(19,950,587)
Depreciation of property, plant and equipment	(783,605)	139,082	(27,474)	(671,997)
Amortisation of intangible assets	(1,787,384)	366,365	(14,368)	(1,435,386)
Allowance for impairment of financing advances	(4,404,843)	-	-	(4,404,843)
Share of results of jointly controlled entity	-	-	(3,860,512)	(3,860,512)
Segmental results before taxation	<u>4,715,051</u>	<u>(2,829,856)</u>	<u>(4,785,428)</u>	<u>(2,900,232)</u>
Segmental results before taxation				(2,900,232)
Profit equalisation reserve				-
Loss before taxation				<u>(2,900,232)</u>
Taxation				-
Loss for the financial period				<u>(2,900,232)</u>

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

24. Segmental information (continued)

<u>Bank</u>	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
2nd Quarter Ended				
30-Jun-13				
External revenue	20,445,837	7,284,705	-	27,730,542
Inter-segment revenue	(12,244,178)	12,244,178	-	-
Total revenue	8,201,659	19,528,883	-	27,730,542
Depositors' payout	(344,061)	(15,959,703)	-	(16,303,764)
Net income	7,857,598	3,569,180	-	11,426,778
Operating overheads				
of which:				
Depreciation of property, plant and equipment	(5,146,984)	(3,121,597)	(298,922)	(8,567,503)
Amortisation of intangible assets	(233,185)	(81,438)	(10,732)	(325,355)
Allowance for impairment of financing advances	(324,745)	(155,669)	(10,774)	(491,188)
Segmental results before taxation	(2,254,405)	(2,611,350)	(81,622)	(4,947,377)
Segmental results before taxation	(101,721)	(2,400,874)	(402,050)	(2,904,645)
Segmental results before taxation				(2,904,645)
Profit equalisation reserve				-
Loss before taxation				(2,904,645)
Taxation				-
Loss for the financial period				(2,904,645)

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

24. Segmental information (continued)

<u>Bank</u>	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
2nd Quarter Ended 30-Jun-12				
External revenue	26,833,517	1,713,690	261,446	28,808,653
Inter-segment revenue	(443,850)	442,073	1,777	-
Total revenue	<u>26,389,667</u>	<u>2,155,763</u>	<u>263,223</u>	<u>28,808,653</u>
Depositors' payout	(268,505)	(14,701,290)	-	(14,969,795)
Net income	<u>26,121,162</u>	<u>(12,545,527)</u>	<u>263,223</u>	<u>13,838,858</u>
Operating overheads				
of which:	(16,408,960)	6,971,020	(611,852)	(10,049,792)
Depreciation of property, plant and equipment	(652,354)	344,366	(15,022)	(323,010)
Amortisation of intangible assets	(1,564,573)	907,434	(13,748)	(670,887)
Allowance for impairment of financing advances	(3,247,890)	-	-	(3,247,890)
Impairment loss	-	-	(4,055,563)	(4,055,563)
Segmental results before taxation	<u>4,247,385</u>	<u>(4,322,707)</u>	<u>(4,432,962)</u>	<u>(4,508,284)</u>
Segmental results before taxation				(4,508,284)
Profit equalisation reserve				-
Loss before taxation				<u>(4,508,284)</u>
Taxation				-
Loss for the financial period				<u><u>(4,508,284)</u></u>

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

24. Segmental information (continued)

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
Bank				
Half Year Ended				
30-Jun-13				
External revenue	39,250,424	18,013,800	-	57,264,224
Inter-segment revenue	(24,095,185)	24,095,185	-	-
Total revenue	15,155,239	42,108,985	-	57,264,224
Depositors' payout	(628,658)	(33,367,695)	-	(33,996,353)
Net income	14,526,581	8,741,290	-	23,267,871
Operating overheads				
of which:				
Depreciation of property, plant and equipment	(10,313,999)	(6,774,823)	(410,240)	(17,499,062)
Amortisation of intangible assets	(477,833)	(206,782)	(17,314)	(701,929)
Allowance for impairment of financing advances	(587,681)	(361,953)	(13,824)	(963,458)
Segmental results before taxation	(824,245)	(2,137,047)	(81,623)	(3,042,915)
	2,322,823	(739,315)	(523,001)	1,060,507
Segmental results before taxation				1,060,507
Profit equalisation reserve				-
Profit before taxation				1,060,507
Taxation				-
Profit for the financial period				1,060,507

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

24. Segmental information (continued)

<u>Bank</u>	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
Half Year Ended				
<u>30-Jun-12</u>				
External revenue	37,938,794	19,158,967	272,410	57,370,171
Inter-segment revenue	(3,286,344)	3,284,567	1,777	-
Total revenue	<u>34,652,450</u>	<u>22,443,534</u>	<u>274,187</u>	<u>57,370,171</u>
Depositors' payout	(531,042)	(29,437,357)	-	(29,968,399)
Net income	<u>34,121,408</u>	<u>(6,993,823)</u>	<u>274,187</u>	<u>27,401,772</u>
Operating overheads				
of which:	(22,430,525)	3,658,520	(1,178,582)	(19,950,587)
Depreciation of property, plant and equipment	(783,605)	139,082	(27,474)	(671,997)
Amortisation of intangible assets	(1,787,384)	366,365	(14,368)	(1,435,386)
Allowance for impairment of financing advances	(4,404,843)	-	-	(4,404,843)
Impairment loss	-	-	(4,055,563)	(4,055,563)
Segmental results before taxation	<u>4,715,051</u>	<u>(2,829,856)</u>	<u>(5,001,799)</u>	<u>(3,116,604)</u>
Segmental results before taxation				(3,116,604)
Profit equalisation reserve				-
Loss before taxation				<u>(3,116,604)</u>
Taxation				-
Loss for the financial period				<u><u>(3,116,604)</u></u>

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

24. Segmental information (continued)

	Domestic Banking RM	International Banking RM	Asset Management and Investment	Total RM
			Banking RM	
<u>Economic Entity and Bank</u>				
<u>30-Jun-13</u>				
Segment assets	341,581,038	2,397,875,901	-	2,739,456,939
Total assets	341,581,038	2,397,875,901	-	2,739,456,939
Segment liabilities	93,996,750	2,174,288,936	-	2,268,285,686
Total liabilities	93,996,750	2,174,288,936	-	2,268,285,686
			Asset Management and Investment	
	Domestic Banking RM	International Banking RM	Banking RM	Total RM
<u>31-Dec-2012</u>				
Segment assets	286,858,333	2,523,666,753	-	2,810,525,086
Total assets	286,858,333	2,523,666,753	-	2,810,525,086
Segment liabilities	83,577,781	2,255,212,716	-	2,338,790,497
Total liabilities	83,577,781	2,255,212,716	-	2,338,790,497

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ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

Pillar 3, Basell II - Capital Adequacy Framework for Islamic Banks (CAFIB) Disclosures - Chief Executive Officer Attestation

In accordance with Bank Negara Malaysia's Capital Adequacy Framework for Islamic Bank (CAFIB) Pillar 3 Disclosure Requirement, it is hereby attested that the disclosures as set forth in the accompanying notes to the financial statements related to significant business and operations risks of Asian Finance Bank Berhad for the half year ended 30 June 2013 are consistent with the manner in which the Bank assesses and manages its risks, and are not misleading in any particular way.



DATUK MOHAMED AZAHARI MOHAMED KAMIL
CHIEF EXECUTIVE OFFICER