

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2013

		Economic Entity and Bank	
		30-Sep-13	31-Dec-12
		RM	RM
	Note		
Assets			
Cash and short-term funds	2	265,287,022	749,874,042
Financial investments held-for-trading	3	-	11,257,974
Financial investments available-for-sale	4	436,508,887	380,833,148
Financial investments held-to-maturity	5	90,161,239	134,026,904
Financing and advances	6	1,578,795,858	1,480,590,537
Derivative assets	7	1,167,985	1,666,513
Other assets	8	1,429,394	8,903,863
Statutory deposits with			
Bank Negara Malaysia		35,228,822	35,968,822
Property, plant and equipment		2,715,987	3,715,720
Intangible assets		3,402,831	3,687,563
Total assets		2,414,698,025	2,810,525,086
Liabilities			
Deposits from customers	9	1,214,543,929	1,583,472,252
Deposits and placements of			
banks and other financial institutions	10	717,931,424	746,005,607
Derivative liabilities	7	4,113,250	430,551
Other liabilities	11	13,995,288	8,882,087
Total liabilities		1,950,583,891	2,338,790,497
Equity			
Ordinary share capital		532,530,020	532,530,020
Reserves		(68,415,886)	(60,795,431)
Total equity		464,114,134	471,734,589
Total Liabilities and Equity		2,414,698,025	2,810,525,086
Commitments and contingencies	20	428,654,204	602,865,138
Capital Adequacy	22		
		Economic Entity	
CET1 capital		24.100%	25.106%
Tier 1 capital		24.100%	25.106%
Total capital ratio		24.503%	25.756%
		Bank	
CET1 capital		24.106%	25.096%
Tier 1 capital		24.106%	25.096%
Total capital ratio		24.509%	25.745%

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)
INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

Economic Entity					
	Note	3rd Quarter Ended 30-Sep-13 RM	3rd Quarter Ended 30-Sep-12 RM	Nine Months Ended 30-Sep-13 RM	Nine Months Ended 30-Sep-12 RM
Income derived from investment of depositors' funds	12	22,048,650	21,410,694	67,207,387	63,428,044
Income derived from investment of shareholders' funds	13	6,143,061	5,875,446	18,248,548	21,249,588
Allowances for impairment on financing and advances	14	(9,569,456)	(1,259,285)	(12,612,370)	(5,664,129)
Total distributable income		18,622,255	26,026,855	72,843,565	79,013,503
Income attributable to depositors	16	(16,047,373)	(14,819,945)	(50,043,727)	(44,788,344)
		2,574,882	11,206,910	22,799,838	34,225,159
Personnel expenses	17	(5,510,849)	(6,384,115)	(17,319,019)	(20,040,765)
Other overheads and expenditures	18	(3,545,450)	(3,960,409)	(10,901,729)	(12,361,728)
Share of loss after tax of jointly controlled entity		-	(3,736,814)	-	(7,597,326)
Loss before taxation		(6,481,417)	(2,874,428)	(5,420,910)	(5,774,660)
Taxation		-	-	-	-
Net loss for the financial period		(6,481,417)	(2,874,428)	(5,420,910)	(5,774,660)
Loss attributable to:					
Owners of the parent		(6,481,417)	(2,874,428)	(5,420,910)	(5,774,660)
Non-controlling interest		-	-	-	-
		(6,481,417)	(2,874,428)	(5,420,910)	(5,774,660)
Earnings per shares (sen) Basic and diluted		(1.22)	(0.54)	(1.02)	(1.08)

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013 (CONTINUED)

	Economic Entity				
		3rd Quarter	3rd Quarter	Nine Months	Nine Months
	Note	Ended	Ended	Ended	Ended
	30-Sep-13	30-Sep-12	30-Sep-13	30-Sep-12	
	RM	RM	RM	RM	
Loss for the financial period	(6,481,417)	(2,874,428)	(5,420,910)	(5,774,660)	
Other comprehensive (loss) / income:					
Financial investments available-for-sale 19					
- Unrealised net (loss) / gain on revaluation	(575,703)	(128,730)	(2,199,545)	892,868	
Income tax relating to components of other comprehensive income	-	-	-	-	
Other comprehensive (loss) / income for the financial period	(575,703)	(128,730)	(2,199,545)	892,868	
Total comprehensive loss for the financial period	(7,057,120)	(3,003,158)	(7,620,456)	(4,881,792)	
Total comprehensive loss attributable to:					
Owners of the parent	(7,057,120)	(3,003,158)	(7,620,456)	(4,881,792)	
Non-controlling interest	-	-	-	-	
	(7,057,120)	(3,003,158)	(7,620,456)	(4,881,792)	

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013 (CONTINUED)

		Bank				
		3rd Quarter Ended 30-Sep-13 RM	3rd Quarter Ended 30-Sep-12 RM	Nine Months Ended 30-Sep-13 RM	Nine Months Ended 30-Sep-12 RM	
Note						
	Income derived from investment of depositors' funds	12	22,048,650	21,410,694	67,207,387	63,428,044
	Income derived from investment of shareholders' funds	13	6,143,061	5,914,730	18,248,548	21,267,552
	Allowances for impairment on financing and advances	14	(9,569,456)	(1,259,285)	(12,612,370)	(5,664,129)
	Impairment loss	15	-	(4,055,565)	-	(8,111,128)
	Total distributable income		18,622,255	22,010,574	72,843,564	70,920,339
	Income attributable to depositors	16	(16,047,373)	(14,819,945)	(50,043,727)	(44,788,344)
			2,574,882	7,190,629	22,799,838	26,131,995
	Personnel expenses	17	(5,510,849)	(6,384,115)	(17,319,019)	(20,040,765)
	Other overheads and expenditures	18	(3,545,450)	(3,960,409)	(10,901,729)	(12,361,728)
	Loss before taxation		(6,481,417)	(3,153,895)	(5,420,910)	(6,270,498)
	Taxation		-	-	-	-
	Net loss for the financial period		(6,481,417)	(3,153,895)	(5,420,910)	(6,270,498)
	Loss attributable to:					
	Owners of the parent		(6,481,417)	(3,153,895)	(5,420,910)	(6,270,498)
	Non-controlling interest		-	-	-	-
			(6,481,417)	(3,153,895)	(5,420,910)	(6,270,498)
	Earnings per shares (sen)					
	Basic and diluted		(1.22)	(0.59)	(1.02)	(1.18)

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013 (CONTINUED)

	Bank				
		3rd Quarter	3rd Quarter	Nine Months	Nine Months
	Note	Ended	Ended	Ended	Ended
	30-Sep-13	30-Sep-12	30-Sep-13	30-Sep-12	
	RM	RM	RM	RM	
Loss for the financial period	(6,481,417)	(3,153,895)	(5,420,910)	(6,270,498)	
Other comprehensive (loss) / income:					
Financial investments available-for-sale 19					
- Unrealised net (loss) / gain on revaluation	(575,703)	(128,730)	(2,199,545)	892,868	
Income tax relating to components of other comprehensive income	-	-	-	-	
Other comprehensive (loss) / income for the financial period	(575,703)	(128,730)	(2,199,545)	892,868	
Total comprehensive loss for the financial period	(7,057,120)	(3,282,625)	(7,620,456)	(5,377,630)	
Total comprehensive loss attributable to:					
Owners of the parent	(7,057,120)	(3,282,625)	(7,620,456)	(5,377,630)	
Non-controlling interest	-	-	-	-	
	(7,057,120)	(3,282,625)	(7,620,456)	(5,377,630)	

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013

	Share Capital RM	Accumulated Losses RM	AFS Reserve RM	Total RM
Economic Entity				
30-Sep-13				
Balance as at				
1 January 2013	532,530,020	(61,224,255)	428,824	471,734,589
Net loss for the period	-	(5,420,910)	-	(5,420,910)
Other comprehensive income/(loss):				
Financial investments available-for-sale - Unrealised net loss on revaluation	-	-	(2,199,545)	(2,199,545)
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(2,199,545)	(2,199,545)
Balance as at				
30 September 2013	532,530,020	(66,645,165)	(1,770,721)	464,114,134

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 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	532,530,020	(61,224,255)	428,824	471,734,589

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013 (CONTINUED)

	Share Capital RM	Accumulated Losses RM	AFS Reserve RM	Total RM
Bank				
30-Sep-13				
Balance as at				
1 January 2013	532,530,020	(61,224,255)	428,824	471,734,589
Net loss for the period	-	(5,420,910)	-	(5,420,910)
Other comprehensive income/(loss):				
Financial investments available-for-sale - Unrealised net loss on revaluation	-	-	(2,199,545)	(2,199,545)
Income tax relating to components of other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(2,199,545)	(2,199,545)
Balance as at				
30 September 2013	532,530,020	(66,645,165)	(1,770,721)	464,114,134

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 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 NINE MONTHS ENDED 30 SEPTEMBER 2013

	Economic Entity		Bank	
	30-Sep-13 RM	31-Dec-12 RM	30-Sep-13 RM	31-Dec-12 RM
CASH FLOW FROM OPERATING ACTIVITIES				
Loss before taxation	(5,420,910)	(7,844,316)	(5,420,910)	(8,340,154)
Adjustments for:				
Depreciation of property, plant and equipment	1,016,335	1,391,558	1,016,335	1,391,558
Amortisation of intangible assets	1,427,405	2,458,551	1,427,405	2,458,551
Loss on sale of property, plant and equipment	8,020	-	8,020	-
Gain on sale of motor vehicle	-	(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	(10,223,897)	(11,026,277)	(10,223,897)	(11,026,277)
- Investment on financial investments held-to-maturity	(3,721,102)	(5,102,351)	(3,721,102)	(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	294,325	(997,552)	294,325	(997,552)
Unrealised gain from financial investments held-for-trading	(10,572)	(696,763)	(10,572)	(696,763)
Accretion of discount less amortisation of premium	(84,263)	731,772	(84,263)	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	11,705,978	9,956,625	11,705,978	9,956,625
Operating loss before working capital changes	(4,959,120)	(4,233,054)	(4,959,120)	(4,233,054)

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CASH FLOW
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013 (CONTINUED)

	Economic Entity		Bank	
	30-Sep-13 RM	31-Dec-12 RM	30-Sep-13 RM	31-Dec-12 RM
CASH FLOW FROM OPERATING ACTIVITIES (CONTINUED)				
(Increase)/Decrease in operating assets:				
Financing and advances	(109,911,300)	(552,519,413)	(109,911,300)	(552,519,413)
Derivative assets	498,528	91,441	498,528	91,441
Other assets	7,474,469	(6,403,885)	7,474,469	(6,403,885)
Statutory deposit with Bank Negara Malaysia	740,000	(23,684,847)	740,000	(23,684,847)
(Increase)/Decrease in operating liabilities:				
Deposits from customers	(368,928,323)	492,812,257	(368,928,323)	492,812,257
Deposits and placements of banks and other financial institutions	(28,074,183)	(113,611,821)	(28,074,183)	(113,611,821)
Derivative liabilities	3,682,699	(3,342,601)	3,682,699	(3,342,601)
Other liabilities	5,113,201	640,958	5,113,201	640,958
Net cash used in operating activities	(494,364,029)	(210,250,965)	(494,364,029)	(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
- Purchase of financial investments available-for-sale	(47,945,713)	(182,446,653)	(47,945,713)	(182,446,653)
- Sale of financial investments held-to-maturity	47,610,265	73,852,368	47,610,265	73,852,368
- Sale of Property, Plant and equipment	8,463	-	8,463	-
- Sale of motor vehicle	-	85,680	-	85,680
Net cash generated/(used in) investing activities	9,777,008	(84,110,473)	9,777,008	(84,110,473)

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CASH FLOW
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2013 (CONTINUED)

	Economic Entity		Bank	
	30-Sep-13 RM	31-Dec-12 RM	30-Sep-13 RM	31-Dec-12 RM
ANALYSIS OF CASH AND CASH EQUIVALENT				
Net decrease in cash and cash equivalents	(484,587,020)	(294,361,438)	(484,587,020)	(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)	265,287,022	749,874,042	265,287,022	749,874,042

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED 30 SEPTEMBER 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 loss before zakat and tax of RM5.42m each for the nine months period ended 30 September 2013.

The Economic Entity and the Bank's gross financing and advances stood at RM1.62b whilst total Deposit at RM1.93b.

b) Business Plan and outlook for 2013

Global growth is in low gear, the drivers of activity are changing, and downside risks persist. China and a growing number of emerging market economies are coming off cyclical peaks. Their growth rates are projected to remain much above those of the advanced economies but below the elevated levels seen in recent years, for both cyclical and structural reasons. The United States has seen several quarters of solid private demand. Although public sector demand has been pushing in the opposite direction, this counterforce will diminish in 2014, setting the stage for higher growth. Japan's economy is enjoying a vigorous rebound but will lose steam in 2014 as fiscal policy tightens. The euro area is crawling out of recession, but activity is forecast to stay tepid. In these three advanced economies, much slack remains and inflation pressure is expected to stay subdued.

The global economy is expected to grow 2.9% year-over-year in 2013 and 3.6% in 2014, revised down from earlier estimates. Overall, the GDP growth forecasts for the advanced economies remain unchanged at 1.2% in 2013 and 2% in 2014. In the US, growth in the world's largest economy would tick along at 1.6% in 2013, picking up to a 2.6% pace next year. Growth forecasts for China were lowered a few tenths of a point for both years, to 7.6% in 2013 and 7.3% in 2014.

Malaysia's GDP expanded 4.2% in the first six months compared to 5.9% in the previous six months. On the demand side, the weakness can be attributed primarily to exports, whereas domestic demand remained robust, with the value added produced and absorbed domestically expanding by a faster rate in the first half of 2013 compared to the previous six months (9.3% compared to 8.8%). An improvement in Malaysia's growth is expected in the second half of the year on an anticipated bottoming-out of external demand and an increase in confidence in the recovery of advanced economies. The country's GDP growth this year might come in at 4.3%. Domestic demand will start facing headwinds from fiscal consolidation earlier and more extensively than previously anticipated, although investment growth should retain some momentum given the extended implementation period of many on-going projects. (*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.

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

2. Cash and short-term funds

	<u>Economic Entity and Bank</u>	
	30-Sep-13	31-Dec-12
	RM	RM
Cash and balances with banks and other financial institutions	11,048,328	10,749,347
Money at call and deposit placements maturing within one month	254,238,694	739,124,695
	<u>265,287,022</u>	<u>749,874,042</u>

3. Financial investments held-for-trading

	<u>Economic Entity and Bank</u>	
	30-Sep-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
	<u>-</u>	<u>11,257,974</u>

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

4. Financial investments available-for-sale

	Economic Entity and Bank	
	30-Sep-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	197,106,762	153,244,829
Malaysian Government sukuk	140,471,480	161,994,035
Corporate Bonds	50,184,932	-
<u>Outside Malaysia</u>		
Corporate Bonds	48,745,713	55,336,478
	436,508,887	380,833,148

5. Financial investments held-to-maturity

	Economic Entity and Bank	
	30-Sep-13	31-Dec-12
	RM	RM
At amortised cost		
Money market instruments:		
Cagamas bonds	-	45,574,379
Quoted securities:		
<u>In Malaysia</u>		
Islamic Medium Term Notes	60,676,929	88,452,525
<u>Outside Malaysia</u>		
Corporate Bonds	29,484,310	-
	90,161,239	134,026,904

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

6. Financing and advances

	Economic Entity and Bank	
	30-Sep-13	31-Dec-12
	RM	RM
At amortised cost		
Term financing		
- house financing	42,383,063	46,592,183
- syndicated term financing	66,224,102	71,121,219
- hire purchase receivables	43,501	29,358
- other term financing	1,439,568,956	1,275,521,621
Trusts receipts	13,721,053	18,733,101
Staff financing	672,230	970,721
Others	60,661,878	100,395,282
Gross financing and advances	1,623,274,783	1,513,363,485
Less: Allowance for impaired financing and advances:		
- individual impairment allowance	(36,332,596)	(20,003,882)
- collective impairment allowance	(8,146,329)	(12,769,066)
Net financing and advances	1,578,795,858	1,480,590,537
(i) By type of customer		
Domestic non-bank financial institution		
- Others	50,073,903	121,892
Domestic business enterprises		
- Small medium enterprise	26,495,080	36,528,197
- Government	-	185,300,723
- Others	1,438,063,820	1,173,939,468
Individuals	15,539,275	17,096,190
Foreign entities	93,102,705	100,377,015
	1,623,274,783	1,513,363,485
(ii) By contract		
Ijarah	28,350,401	36,896,443
Istisna	66,580,138	68,524,707
Murabahah	13,821,886	18,976,729
Qardhul Hassan	615,847	615,455
Tawarruq	1,513,906,511	1,388,350,151
	1,623,274,783	1,513,363,485

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

6. Financing and advances (continued)

	Economic Entity and Bank	
	30-Sep-13	31-Dec-12
	RM	RM
(iii) By profit rate sensitivity		
Fixed rate		
- Housing financing	2,086,276	2,121,533
- Hire purchase receivables	73,813	89,436
- Other fixed rate financing	16,457,456	19,767,604
Variable		
- Base Financing Rate	506,620,064	480,773,358
- Cost-plus	1,097,421,327	1,009,996,099
Non-profit sensitive	615,847	615,455
	<u>1,623,274,783</u>	<u>1,513,363,485</u>
(iv) By contractual maturity		
Maturity within one year	1,279,733,687	1,205,995,419
More than one year to three years	63,929,522	48,824,658
More than three years to five years	127,469,529	71,479,488
More than five years	152,142,045	187,063,920
	<u>1,623,274,783</u>	<u>1,513,363,485</u>
(v) By geographical distribution		
Malaysia	1,562,065,687	1,449,502,802
Qatar	44,273,874	43,785,675
Indonesia	16,399,509	19,539,275
United Kingdom	535,713	535,733
	<u>1,623,274,783</u>	<u>1,513,363,485</u>

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

6. Financing and advances (continued)

	Economic Entity and Bank	
	30-Sep-13	31-Dec-12
	RM	RM
(vi) By economic purpose		
Purchase of landed property:		
- Residential	29,688,626	31,924,506
- Non-Residential	149,599,351	147,479,048
Working Capital	1,377,818,146	1,269,144,446
Personal Use	650,104	830,715
Purchase of transport vehicles	4,788,102	6,344,935
Others	60,730,453	57,639,835
	<u>1,623,274,783</u>	<u>1,513,363,485</u>
(vii) By sector		
Agriculture	303,068,066	235,356,591
Mining and quarrying	212,972,387	199,189,556
Manufacturing	219,739,978	245,409,079
Electricity, gas and water	110,096,438	110,216,393
Construction	172,058,157	72,628,222
Purchase of landed property	42,487,410	46,959,536
Wholesale & retail trade and restaurants & hotels	218,081,437	234,235,461
Transport, storage and communication	85,522,203	120,381,894
Finance, insurance and business services	193,094,138	127,466,279
Education, health and others	-	51,006,803
Purchase of transport vehicles	100,775	121,678
Consumption credit	673,772	843,784
Others	65,380,022	69,548,209
	<u>1,623,274,783</u>	<u>1,513,363,485</u>

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

6. Financing and advances (continued)

	Economic Entity and Bank	
	30-Sep-13	31-Dec-12
	RM	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	19,012,150	11,382,408
Amount written back in respect of recoveries	(1,777,044)	(1,459,726)
Amount written off during the financial period as uncollectible	(906,392)	-
Balance as at end of financial period/year	36,332,596	20,003,882
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	1,578,045	33,944
Amount written back in respect of recoveries	(6,200,782)	-
Balance as at end of financial period/year	8,146,329	12,769,066
As % of gross financing and advances less individual assessment allowances	0.51%	0.86%
(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/year	24,860,349	24,160,131
Reclassified as non-impaired	(8,318,867)	(8,241,377)
Amount recovered	(12,544,471)	(7,910,499)
Amount written off during the financial period as uncollectible	(906,392)	-
Balance as at end of financial period/year	60,730,453	57,639,834
Gross impaired financing and advances ratio	3.74%	3.81%

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

6. Financing and advances (continued)

	Economic Entity and Bank	
	30-Sep-13	31-Dec-12
	RM	RM
(xi) Impaired financing by sector		
Agriculture	2,563,779	2,563,779
Manufacturing	19,648,599	17,389,065
Construction	12,174,270	16,271,957
Wholesale & retail trade and restaurants & hotels	9,030,302	1,260,580
Purchase of landed property	17,270,525	20,141,385
Purchase of transport vehicles	19,291	-
Consumption credit	23,687	13,068
	60,730,453	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.

	Economic Entity and Bank					
	30-Sep-13			31-Dec-12		
	Contract/ Notional amount	Fair value		Contract/ Notional amount	Fair value	
	RM	Assets RM	Liabilities RM	RM	Assets RM	Liabilities RM
<u>Trading derivatives</u>						
<u>Foreign exchange contracts:</u>						
Currency forward						
- Less than one year	222,970,727	1,167,985	(4,113,250)	242,672,117	1,666,513	(430,551)

8. Other assets

	Economic Entity and Bank	
	30-Sep-13	31-Dec-12
	RM	RM
Other debtors, deposits and prepayments	1,429,394	8,903,863
	1,429,394	8,903,863

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

9. Deposits from customers

	Economic Entity and Bank	
	30-Sep-13	31-Dec-12
	RM	RM
(i) By type of deposit:		
<u>Non-Mudharabah Funds:</u>		
Demand deposits	29,810,920	35,638,009
Savings deposits	673,753	627,246
Commodity Murabahah	133,553,168	182,314,718
	164,037,841	218,579,973
<u>Mudharabah Funds:</u>		
Savings deposits	1,661,986	1,692,397
General investment deposits	61,103,218	74,042,171
Special investment deposits	987,740,884	1,289,157,711
	1,050,506,088	1,364,892,279
	1,214,543,929	1,583,472,252
(ii) The deposits are sourced from the following classes of customers:		
Business enterprises	1,192,139,642	1,563,820,088
Individuals	22,404,287	19,652,164
	1,214,543,929	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	1,182,972,010	1,573,441,554
More than six months to one year	31,470,440	10,030,698
More than one year to three years	101,479	-
	1,214,543,929	1,583,472,252

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

10. Deposits and placements of banks and other financial institutions

	Economic Entity and Bank	
	30-Sep-13	31-Dec-12
	RM	RM
<u>Non-Mudharabah Funds:</u>		
Licensed Islamic banks	298,846,751	177,598,370
Other financial institutions	311,588,048	386,580,622
	610,434,799	564,178,992
<u>Mudharabah Fund:</u>		
Other financial institutions	107,496,625	181,826,615
	107,496,625	181,826,615
	717,931,424	746,005,607

11. Other liabilities

	Economic Entity and Bank	
	30-Sep-13	31-Dec-12
	RM	RM
Sundry creditors	5,745,022	2,054,192
Other provisions and accruals	8,250,266	6,827,895
	13,995,288	8,882,087

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

12. Income derived from investment of depositors' funds

	Economic Entity and Bank	
	3rd Quarter Ended 30-Sep-13 RM	3rd Quarter Ended 30-Sep-12 RM
Income derived from investment of:		
(i) General investment deposit	673,831	840,797
(ii) Other deposits	21,374,819	20,569,897
	22,048,650	21,410,694
(i) Income derived from investment of general investment deposits		
<u>Finance income and hibah:</u>		
Financing and advances	430,825	469,444
Financial assets held-for-trading	-	9,329
Financial investment available-for-sale	85,587	89,924
Financial investment held-to-maturity	28,833	46,290
Money at call and deposits with financial institutions	128,586	225,810
	673,831	840,797
(ii) Income derived from investment of other deposits		
<u>Finance income and hibah:</u>		
Financing and advances	13,666,362	11,502,140
Financial assets held-for-trading	-	232,497
Financial investment available-for-sale	2,714,930	2,240,716
Financial investment held-to-maturity	914,614	1,109,596
Money at call and deposits with financial institutions	4,078,913	5,484,948
	21,374,819	20,569,897

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

12. Income derived from investment of depositors' funds (continued)

	Economic Entity and Bank	
	Nine Months Ended 30-Sep-13 RM	Nine Months Ended 30-Sep-12 RM
Income derived from investment of:		
(i) General investment deposit	2,059,253	2,300,441
(ii) Other deposits	65,148,134	61,127,603
	67,207,387	63,428,044
(i) Income derived from investment of general investment deposits		
<u>Finance income and hibah:</u>		
Financing and advances	1,287,506	1,243,467
Financial assets held-for-trading	187	28,535
Financial investment available-for-sale	252,416	199,639
Financial investment held-to-maturity	95,242	153,015
Money at call and deposits with financial institutions	423,902	675,785
	2,059,253	2,300,441
(ii) Income derived from investment of other deposits		
<u>Finance income and hibah:</u>		
Financing and advances	40,704,925	33,017,488
Financial assets held-for-trading	9,726	763,555
Financial investment available-for-sale	7,975,166	5,291,059
Financial investment held-to-maturity	3,008,575	4,073,941
Money at call and deposits with financial institutions	13,449,742	17,981,560
	65,148,134	61,127,603

Company No.

716122 P

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

	Economic Entity			
	3rd Quarter Ended	3rd Quarter Ended	Nine Months Ended	Nine Months Ended
	30-Sep-13	30-Sep-12	30-Sep-13	30-Sep-12
	RM	RM	RM	RM
<u>Finance income and hibah</u>				
Financing and advances	3,021,587	2,737,501	8,679,442	7,834,263
Financial investments				
held-for-trading	-	55,017	1,291	182,978
available-for-sale	600,262	530,272	1,701,989	1,252,394
held-to-maturity	202,218	266,066	640,781	970,019
Money at call and deposits with financial institutions	901,833	1,309,262	2,852,958	4,278,167
Total finance income and hibah	4,725,900	4,898,118	13,876,461	14,517,821
Other operating income (note a - b)	1,417,161	977,328	4,372,087	6,731,767
	6,143,061	5,875,446	18,248,548	21,249,588
Other operating income comprise of:				
(a) Fee and other income:				
Commission	53,694	70,332	211,977	297,918
Fees and other income	(799,587)	(5,885,366)	7,094,803	3,090,219
Net gain/(loss) on derivatives foreign exchange contracts	2,163,054	6,779,169	(2,945,265)	3,238,658
	1,417,161	964,135	4,361,515	6,626,795
(b) Unrealised gain/(loss) on revaluation of:				
Financial investments held-for-trading	-	13,193	10,572	104,972
	-	13,193	10,572	104,972
Total other operating income	1,417,161	977,328	4,372,087	6,731,767

Company No.

716122 P

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

	Bank			
	3rd Quarter Ended	3rd Quarter Ended	Nine Months Ended	Nine Months Ended
	30-Sep-13	30-Sep-12	30-Sep-13	30-Sep-12
	RM	RM	RM	RM
<u>Finance income and hibah</u>				
Financing and advances	3,021,587	2,737,501	8,679,442	7,834,263
Financial investments				
held-for-trading	-	55,017	1,291	182,978
Financial investments				
available-for-sale	600,262	530,272	1,701,989	1,252,394
Financial investments				
held-to-maturity	202,218	266,066	640,781	970,019
Money at call and deposits with financial institutions	901,833	1,309,262	2,852,958	4,278,167
Total finance income and hibah	4,725,900	4,898,118	13,876,461	14,517,821
Other operating income (note a - b)	1,417,161	1,016,612	4,372,087	6,749,731
	6,143,061	5,914,730	18,248,548	21,267,552
Other operating income comprise of:				
(a) Fee and other income:				
Commission	53,694	70,332	211,977	297,918
Fees and other income	(799,587)	(5,846,082)	7,094,803	3,108,183
Net gain/(loss) on derivatives foreign exchange contracts	2,163,054	6,779,169	(2,945,265)	3,238,658
	1,417,161	1,003,419	4,361,515	6,644,759
(b) Unrealised gain/(loss) on revaluation of:				
Financial investments				
held-for-trading	-	13,193	10,572	104,972
	-	13,193	10,572	104,972
Total other operating income	1,417,161	1,016,612	4,372,087	6,749,731

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

14. Allowance for impairment on financing and advances

	Economic Entity and Bank	
	3rd Quarter Ended	3rd Quarter Ended
	30-Sep-13	30-Sep-12
	RM	RM
Allowance for impaired financing and advances:		
(a) Individual impairment allowance		
- made during the financial period	9,845,847	8,899
- written back during the financial period	(336,118)	(114,351)
(b) Collective impairment allowance		
- made during the financial period	312,850	2,152,554
- written back during the financial period	(253,123)	(787,817)
	9,569,456	1,259,285
	Nine Months Ended	Nine Months Ended
	30-Sep-13	30-Sep-12
	RM	RM
Allowance for impaired financing and advances:		
(a) Individual impairment allowance		
- made during the financial period	19,012,150	1,208,137
- written back during the financial period	(1,777,043)	(575,435)
(b) Collective impairment allowance		
- made during the financial period	1,578,045	5,819,244
- written back during the financial period	(6,200,782)	(787,817)
	12,612,370	5,664,129

15. Impairment loss

	Bank	
	3rd Quarter Ended	3rd Quarter Ended
	30-Sep-13	30-Sep-12
	RM	RM
Impairment loss		
- made during the financial period	-	4,055,565
	-	4,055,565
	Nine Months Ended	Nine Months Ended
	30-Sep-13	30-Sep-12
	RM	RM
Impairment loss		
- made during the financial period	-	8,111,128
	-	8,111,128

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

16. Income attributable to depositors

	Economic Entity and Bank	
	3rd Quarter Ended 30-Sep-13 RM	3rd Quarter Ended 30-Sep-12 RM
Deposits from customers:		
- Mudharabah funds	9,581,908	10,032,716
- Non-mudharabah funds	488,152	1,370,905
	10,070,060	11,403,621
Deposits and placements of banks and other financial institutions:		
- Mudharabah funds	1,431,884	256,445
- Non-mudharabah funds	4,545,429	3,159,879
	5,977,313	3,416,324
	16,047,373	14,819,945
	Nine Months Ended 30-Sep-13 RM	Nine Months Ended 30-Sep-12 RM
Deposits from customers:		
- Mudharabah funds	32,233,375	26,861,350
- Non-mudharabah funds	2,606,295	1,370,905
	34,839,670	28,232,255
Deposits and placements of banks and other financial institutions:		
- Mudharabah funds	3,298,390	337,444
- Non-mudharabah funds	11,905,667	16,218,645
	15,204,057	16,556,089
	50,043,727	44,788,344

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

17. Personnel expenses

	Economic Entity and Bank	
	3rd Quarter Ended 30-Sep-13 RM	3rd Quarter Ended 30-Sep-12 RM
Salaries, allowances and bonuses	4,569,463	5,262,281
Contributions to Employee Provident Fund and SOCSO	487,968	576,568
Medical related expenses	236,183	191,381
Travelling and parking	27,059	27,069
Other staff related cost	190,176	326,815
	5,510,849	6,384,115

	Nine Months Ended 30-Sep-13 RM	Nine Months Ended 30-Sep-12 RM
Salaries, allowances and bonuses	14,320,623	16,787,900
Contributions to Employee Provident Fund and SOCSO	1,533,944	1,845,669
Medical related expenses	796,451	676,747
Travelling and parking	84,227	50,586
Other staff related cost	583,774	679,863
	17,319,019	20,040,765

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

18. Other overheads and expenditures

	<u>Economic Entity and Bank</u>	
	3rd Quarter Ended 30-Sep-13 RM	3rd Quarter Ended 30-Sep-12 RM
<u>Establishment expenses</u>		
Depreciation of property, plant and equipment	314,406	315,074
Amortisation of intangible assets	463,946	517,908
Rental of premises	441,746	438,517
Software and hardware maintenance	824,045	1,057,129
Rental of equipment and network line	148,098	8,480
Security expenses	100,912	112,116
Others	488,568	580,799
	2,781,721	3,030,023
<u>Marketing expenses</u>		
Advertising and promotional activities	30,921	12,376
Entertainment expenses	5,462	40,250
Travelling expenses	45,612	37,310
	81,995	89,936
<u>Administration and general expenses</u>		
License and association fees and levies	98,482	70,953
Travelling, transport and accomodation expenses	38,121	21,542
Printing, stationery, postage and clearing charges	42,517	48,165
Telecommunication charges	126,833	257,026
Shariah Committee remunerations	71,408	-
Electricity and water	71,357	101,746
Directors related fees	53,000	63,894
Other professional fees	42,093	204,103
Auditors remuneration	110,850	37,500
Donations	17,000	22,880
Others	10,073	12,641
	681,734	840,450
	3,545,450	3,960,409

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

18. Other overheads and expenditures (continued)

	<u>Economic Entity and Bank</u>	
	Nine Months Ended	Nine Months Ended
	30-Sep-13	30-Sep-12
	RM	RM
<u>Establishment expenses</u>		
Depreciation of property, plant and equipment	1,016,335	987,071
Amortisation of intangible assets	1,427,405	1,953,294
Rental of premises	1,330,347	1,361,250
Software and hardware maintenance	2,530,274	3,143,341
Rental of equipment and network line	452,977	304,037
Security expenses	280,656	258,549
Others	1,402,795	1,497,827
	8,440,789	9,505,369
<u>Marketing expenses</u>		
Advertising and promotional activities	167,503	140,487
Entertainment expenses	41,027	81,917
Travelling expenses	197,890	150,900
	406,420	373,304
<u>Administration and general expenses</u>		
License and association fees and levies	279,262	295,939
Travelling, transport and accomodation expenses	92,611	138,711
Printing, stationery, postage and clearing charges	145,839	197,971
Telecommunication charges	454,238	657,082
Shariah Committee remunerations	155,608	176,036
Electricity and water	220,138	236,445
Directors related fees	287,928	218,587
Other professional fees	108,390	373,315
Auditors remuneration	215,850	121,772
Donations	59,500	22,880
Others	35,156	44,317
	2,054,520	2,483,055
	10,901,729	12,361,728

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

19. Other comprehensive income

	<u>Economic Entity and Bank</u>	
	3rd Quarter Ended 30-Sep-13 RM	3rd Quarter Ended 30-Sep-12 RM
Financial investment available-for-sale		
- Unrealised net loss on revaluation	(575,703)	(128,730)
Income tax relating to components of other comprehensive income	-	-
	<u>(575,703)</u>	<u>(128,730)</u>
	Nine Months Ended 30-Sep-13 RM	Nine Months Ended 30-Sep-12 RM
Financial investment available-for-sale		
- Unrealised net loss on revaluation	(2,199,545)	892,868
Income tax relating to components of other comprehensive income	-	-
	<u>(2,199,545)</u>	<u>892,868</u>

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

20. 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.

Economic Entity and Bank	Principal amount RM	Gross Positive Fair Value - Derivative Contract RM	Credit equivalent amount* RM	Risk weighted amount RM
30-Sep-13				
Transaction-related contingent items	10,187,629	-	5,093,815	5,093,815
Irrevocable commitments to extend credit:				
- one year or less	183,113,350	-	91,556,675	89,556,675
- over one year to five years	10,694,252	-	5,347,126	5,343,706
- over five years	1,688,246	-	844,123	695,627
Foreign exchange related contracts				
- one year or less	222,970,727	1,167,985	3,344,561	668,912
Total	428,654,204	1,167,985	106,186,300	101,358,735

	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

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

21. Financial risk management

21.1 Credit risk management

(i) Financing and advances

Financing and advances are summarised as follows:

	Economic Entity and Bank	
	30-Sep-13	31-Dec-12
	RM	RM
Neither past due nor impaired	1,500,230,267	1,382,218,430
Past due but not impaired	62,314,063	73,505,221
Impaired	60,730,453	57,639,834
Gross financing and advances	1,623,274,783	1,513,363,485
Less: Individual allowance	(36,332,596)	(20,003,882)
Collective allowance	(8,146,329)	(12,769,066)
Net financing and advances	1,578,795,858	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-Sep-13	31-Dec-12
	RM	RM
<u>Internal Credit Rating (CRR)</u>		
CRR1 - CRR3	491,465,037	319,601,960
CRR4 - CRR6	964,915,877	1,024,379,577
CRR7 - CRR10	34,764,488	28,056,064
Non rated CRR	9,084,865	10,180,829
	1,500,230,267	1,382,218,430

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

21. Financial risk management (continued)

21.1 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-Sep-13	31-Dec-12
	RM	RM
Past due up to 30 days	49,354,700	58,738,626
Past due 30 to 60 days	1,294,563	14,086,054
Past due 60 to 90 days	11,664,800	680,541
	62,314,063	73,505,221

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

21. Financial risk management (continued)

21.1 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-Sep-13	31-Dec-12
	RM	RM
Gross impaired financing and advances	60,730,453	57,639,834
Less: Impairment allowance	(36,332,596)	(20,003,882)
Net impaired financing and advances	24,397,857	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.

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

21. Financial risk management (continued)

21.1 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-Sep-13				
Neither past due nor impaired				
AAA	157,230,819	372,167,927	-	-
AA and below	94,756,035	154,502,199	-	-
Unrated	9,815,868	-	1,167,985	1,429,394
	<u>261,802,722</u>	<u>526,670,126</u>	<u>1,167,985</u>	<u>1,429,394</u>
Individually impaired	-	-	-	-
	<u>261,802,722</u>	<u>526,670,126</u>	<u>1,167,985</u>	<u>1,429,394</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.

Company No.

716122 | P

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

21. Financial risk management (continued)

21.2 Market risk

(i) Profit Rate Risk

Economic Entity and Bank	<----- Non-trading book ----->						Non-profit sensitive	Trading book	Total	Effective profit rate
	Up to 1 months	1-3 months	3-12 months	1-5 years	Over 5 years					
	RM	RM	RM	RM	RM	RM	RM	RM	RM	%
30-Sep-13										
Assets										
Cash and short term funds	254,238,694	-	-	-	-	11,048,328	-	265,287,022	2.93	
Financial investments held-for-trading	-	-	-	-	-	-	-	-	0.58	
Financial investments available-for-sale	-	-	10,020,000	353,549,172	69,817,000	3,122,715	-	436,508,887	3.39	
Financial investments held-to-maturity	-	-	29,295,312	5,000,000	55,159,751	706,176	-	90,161,239	3.96	
Financing and advances - performing	705,333,506	469,233,461	64,289,861	188,815,981	134,871,521	(44,478,925)	-	1,518,065,405	4.58	
- non performing	-	-	-	-	-	60,730,453	-	60,730,453	-	
Derivative assets	-	4,985	1,163,000	-	-	-	-	1,167,985	-	
Other assets	-	-	-	-	-	1,429,394	-	1,429,394	-	
Statutory deposits	-	-	-	-	-	35,228,822	-	35,228,822	-	
Property and equipment	-	-	-	-	-	2,715,987	-	2,715,987	-	
Intangible assets	-	-	-	-	-	3,402,831	-	3,402,831	-	
Total assets	959,572,200	469,238,446	104,768,173	547,365,153	259,848,272	73,905,781	-	2,414,698,025		

Company No.

716122 | P

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

21. Financial risk management (continued)

21.2 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-Sep-13										
Liabilities										
Deposits from customers	686,533,960	408,515,867	114,081,214	201,323	-	5,211,565	-	1,214,543,929		3.02
Deposits and placements of banks and other financial institutions	174,518,250	281,436,242	258,245,822	-	-	3,731,110	-	717,931,424		2.69
Derivative liabilities	738,750	3,374,500	-	-	-	-	-	4,113,250		
Other liabilities	-	-	-	-	-	13,995,288	-	13,995,288		-
Total liabilities	861,790,960	693,326,609	372,327,036	201,323	-	22,937,963	-	1,950,583,891		
Total shareholders equity	-	-	-	-	464,114,134	-	-	464,114,134		
	861,790,960	693,326,609	372,327,036	201,323	464,114,134	22,937,963	-	2,414,698,025		
Total profit-sensitivity gap	97,781,240	(224,088,163)	(267,558,863)	547,163,830	(204,265,862)	50,967,818	-	-		

Company No.

716122 | P

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

21. Financial risk management (continued)

21.2 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		

Company No.

716122 | P

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

21. Financial risk management (continued)

21.2 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	-		

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Capital adequacy

	Economic Entity	
	30-Sep-13	31-Dec-12
	RM	RM
		Restated
<u>CET1 Capital</u>		
Paid-up ordinary share capital	532,530,020	532,530,020
Accumulated losses	(66,645,165)	(61,224,255)
AFS revaluation reserve	(1,770,721)	428,824
	464,114,134	471,734,589
Less : CET1 regulatory adjustments		
Deferred tax assets	-	-
Cumulative (gains)/losses of AFS financial instruments	890,206	(285,562)
Total CET1 capital	465,004,340	471,449,027
<u>Tier 1 Capital</u>		
Additional Tier 1 capital instruments	-	-
Less: Tier 1 regulatory adjustments	-	-
Total Tier 1 capital	465,004,340	471,449,027
<u>Tier II Capital</u>		
Collective impairment/allowance for bad and doubtful financing [^]	7,780,362	12,204,527
Total Tier II capital	7,780,362	12,204,527
Total capital base	472,784,701	483,653,554
<u>Capital ratios *</u>		
Inclusive of market risk:		
CET1 capital (inclusive of market risk)	24.100%	25.106%
Tier 1 capital (inclusive of market risk)	24.100%	25.106%
Total capital ratio (inclusive of market risk)	24.503%	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.

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Capital adequacy (continued)

	Bank	
	30-Sep-13	31-Dec-12
	RM	RM
		Restated
<u>CET1 Capital</u>		
Paid-up ordinary share capital	532,530,020	532,530,020
Accumulated losses	(66,645,165)	(61,224,255)
AFS revaluation reserve	(1,770,721)	428,824
	464,114,134	471,734,589
Less : CET1 regulatory adjustments		
Deferred tax assets	-	-
Cumulative (gains)/losses of AFS financial instruments	890,206	(285,562)
Total CET1 capital	465,004,340	471,449,027
<u>Tier 1 Capital</u>		
Additional Tier 1 capital instruments	-	-
Less: Tier 1 regulatory adjustments	-	-
Total Tier 1 capital	465,004,340	471,449,027
<u>Tier II Capital</u>		
Collective impairment/allowance for bad and doubtful financing [^]	7,780,362	12,204,527
Total Tier II capital	7,780,362	12,204,527
Total capital base	472,784,701	483,653,554
<u>Capital ratios *</u>		
Inclusive of market risk:		
CET1 capital (inclusive of market risk)	24.106%	25.096%
Tier 1 capital (inclusive of market risk)	24.106%	25.096%
Total capital ratio (inclusive of market risk)	24.509%	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.

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Capital adequacy (continued)

Economic Entity

30-Sep-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

	Gross Exposures RM'000	Net Exposures RM'000	Risk Weighted Assets RM'000	Risk Weighted Assets Absorbed by PSIA RM'000	Total Risk Weighted Assets after effects of PSIA RM'000	Capital Requirements RM'000
Long Position						
Short Position						
<i>Sovereigns & Central Banks</i>	139,720	139,720	-	-	-	-
<i>Banks, MDBs and FDIs</i>	102,138	102,138	26,237	-	26,237	2,099
<i>Corporates</i>	1,826,145	1,826,145	1,678,320	-	1,678,320	134,266
<i>Regulatory Retail</i>	41,780	41,780	43,200	-	43,200	3,456
<i>Other Assets</i>	-	-	-	-	-	-
<i>Total for On-Balance Sheet Exposures</i>	2,109,783	2,109,783	1,747,757	-	1,747,757	139,821
<i>Off balance sheet exposures other than OTC derivatives or credit derivatives</i>	428,654	106,187	101,359	-	101,359	8,109
<i>Total for Off-Balance Sheet Exposures</i>	428,654	106,187	101,359	-	101,359	8,109
<i>Total On and Off-Balance Sheet Exposures</i>	2,538,437	2,215,970	1,849,116	-	1,849,116	147,930
<i>Benchmark Rate Risk</i>	-	-	-	-	-	-
<i>Equity Position Risk</i>	-	-	-	-	-	-
<i>Foreign Currency Risk</i>	6,967	6,967	6,967	-	6,967	557
<i>Operational Risk</i>	-	-	73,375	-	73,375	5,870
<i>Total RWA and Capital Requirements</i>	2,545,404	-	2,222,937	1,929,458	1,929,458	154,359

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Capital adequacy (continued)

Economic Entity

30-Sep-13

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

Risk Weights	Sovereigns & Central Banks		Banks, MDBs and FDIs		Insurance Companies, Securities Firms & Fund Managers		Corporates	
	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>	Exposures after Netting & CRM	<i>Risk Weighted Asset</i>
Performing Exposures								
0%	139,720	-	19,620	-	-	-	40,021	-
20%	-	-	53,418	10,684	-	-	169,944	33,989
50%	-	-	32,444	16,222	-	-	72,117	36,059
75%	-	-	-	-	-	-	-	-
100%	-	-	125	125	-	-	1,516,843	1,516,843
150%	-	-	-	-	-	-	120,264	180,396
Total	139,720	-	105,607	27,031	-	-	1,919,189	1,767,287
Defaulted Exposures								
0%	-	-	-	-	-	-	500	-
50%	-	-	-	-	-	-	1,709	855
100%	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	6,858	10,287
Total	-	-	-	-	-	-	9,067	11,142
Total Performing and Defaulted Exposures	139,720	-	105,607	27,031	-	-	1,928,256	1,778,429

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Capital adequacy (continued)

Economic Entity

30-Sep-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%	-	-	-	-	199,361	-
20%	-	-	-	-	223,362	44,673
50%	-	-	-	-	104,561	52,281
75%	26,556	19,917	-	-	26,556	19,917
100%	-	-	-	-	1,516,968	1,516,968
150%	-	-	-	-	120,264	180,396
Total	26,556	19,917	-	-	2,191,072	1,814,235
Defaulted Exposures						
0%	-	-	-	-	500	-
50%	-	-	-	-	1,709	855
100%	15	15	-	-	15	15
150%	15,816	23,724	-	-	22,674	34,011
Total	15,831	23,739	-	-	24,898	34,881
Total Performing and Defaulted Exposures	42,387	43,656	-	-	2,215,970	1,849,116

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. 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

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. 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

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. 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	<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%	-	-	-	-	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

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Capital adequacy (continued)

Bank

30-Sep-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

	Gross Exposures RM'000	Net Exposures RM'000	Risk Weighted Assets RM'000	Risk Weighted Assets Absorbed by PSIA RM'000	Total Risk Weighted Assets after effects of PSIA RM'000	Capital Requirements RM'000
	139,720	139,720	-	-	-	-
	102,138	102,138	26,237	-	26,237	2,099
	1,826,145	1,826,145	1,678,320	-	1,678,320	134,266
	41,780	41,780	43,200	-	43,200	3,456
	-	-	-	-	-	-
	2,109,783	2,109,783	1,747,757	-	1,747,757	139,821
	428,654	106,187	101,359	-	101,359	8,109
	428,654	106,187	101,359	-	101,359	8,109
	2,538,437	2,215,970	1,849,116	-	1,849,116	147,930
	-	-	-	-	-	-
	-	-	-	-	-	-
	6,967	6,967	6,967	-	6,967	557
	-	-	72,943	-	72,943	5,835
	2,545,404	2,222,937	1,929,026	-	1,929,026	154,322

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Capital adequacy (continued)

Bank

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

30-Sep-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%	139,720	-	19,620	-	-	-	40,021	-
20%	-	-	53,418	10,684	-	-	169,944	33,989
50%	-	-	32,444	16,222	-	-	72,117	36,059
75%	-	-	-	-	-	-	-	-
100%	-	-	125	125	-	-	1,516,843	1,516,843
150%	-	-	-	-	-	-	120,264	180,396
Total	139,720	-	105,607	27,031	-	-	1,919,189	1,767,287
Defaulted Exposures								
0%	-	-	-	-	-	-	500	-
50%	-	-	-	-	-	-	1,709	855
100%	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	6,858	10,287
Total	-	-	-	-	-	-	9,067	11,142
Total Performing and Defaulted Exposures	139,720	-	105,607	27,031	-	-	1,928,256	1,778,429

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Capital adequacy (continued)

Bank

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

30-Sep-13

<u>Risk Weights</u>	<u>Regulatory Retail</u>		<u>Other Assets</u>		<u>Total Exposure</u>	<u>Total Risk Weighted Assets</u>
	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%	-	-	-	-	199,361	-
20%	-	-	-	-	223,362	44,673
50%	-	-	-	-	104,561	52,281
75%	26,556	19,917	-	-	26,556	19,917
100%	-	-	-	-	1,516,968	1,516,968
150%	-	-	-	-	120,264	180,396
Total	26,556	19,917	-	-	2,191,072	1,814,235
Defaulted Exposures						
0%	-	-	-	-	500	-
50%	-	-	-	-	1,709	855
100%	15	15	-	-	15	15
150%	15,816	23,724	-	-	22,674	34,011
Total	15,831	23,739	-	-	24,898	34,881
Total Performing and Defaulted Exposures	42,387	43,656	-	-	2,215,970	1,849,116

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. Capital adequacy (continued)

Bank

<u>31-Dec-12</u> <u>Exposure Class</u>	<u>Gross Exposures</u> RM'000	<u>Net</u> <u>Exposures</u> RM'000	<u>Risk</u> <u>Weighted</u> <u>Assets</u> RM'000	<u>Risk</u> <u>Weighted</u> <u>Assets</u> <u>Absorbed</u> <u>by PSIA</u> RM'000	<u>Total Risk</u> <u>Weighted</u> <u>Assets after</u> <u>effects of PSIA</u> RM'000	<u>Capital</u> <u>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	-	-	-	74,004	-	74,004
Total RWA and Capital Requirements	2,626,290	-	2,212,131	1,878,605	-	1,878,605

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. 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

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

22. 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

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Segmental information

<u>Economic Entity</u>	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
3rd Quarter Ended				
30-Sep-13				
External revenue	27,053,524	1,138,187	-	28,191,711
Inter-segment revenue	(12,985,928)	12,985,928	-	-
Total revenue	14,067,596	14,124,115	-	28,191,711
Depositors' payout	(325,533)	(15,721,840)	-	(16,047,373)
Net income	13,742,063	(1,597,725)	-	12,144,338
Operating overheads				
of which:				
Depreciation of property, plant and equipment	(5,065,310)	(3,177,535)	(35,102)	(8,277,947)
Amortisation of intangible assets	(203,668)	(108,165)	(2,574)	(314,407)
Allowance for impairment of financing advances	(268,761)	(194,735)	(450)	(463,946)
Segmental results before taxation	(5,696,570)	(3,802,219)	(70,666)	(9,569,455)
	2,507,754	(8,880,379)	(108,792)	(6,481,417)
Segmental results before taxation				(6,481,417)
Profit equalisation reserve				-
Loss before taxation				(6,481,417)
Taxation				-
Loss for the financial period				(6,481,417)

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Segmental information (continued)

<u>Economic Entity</u>	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<u>3rd Quarter Ended 30-Sep-12</u>				
External revenue	4,834,430	22,295,035	156,675	27,286,140
Inter-segment revenue	(423,125)	422,623	502	-
Total revenue	<u>4,411,305</u>	<u>22,717,658</u>	<u>157,177</u>	<u>27,286,140</u>
Depositors' payout	(321,774)	(14,498,171)	-	(14,819,945)
Net income	<u>4,089,531</u>	<u>8,219,487</u>	<u>157,177</u>	<u>12,466,195</u>
Operating overheads				
of which:	(3,896,255)	(5,161,991)	(453,296)	(9,511,542)
Depreciation of property, plant and equipment	(139,333)	(166,949)	(8,792)	(315,074)
Amortisation of intangible assets	(82,905)	(426,356)	(8,646)	(517,907)
Allowance for impairment of financing advances	(1,205,772)	(38,676)	(14,837)	(1,259,285)
Share of results of jointly controlled entity	-	-	(3,736,814)	(3,736,814)
Segmental results before taxation	<u>(1,234,734)</u>	<u>2,425,515</u>	<u>(4,065,208)</u>	<u>(2,874,427)</u>
Segmental results before taxation				(2,874,427)
Profit equalisation reserve				-
Loss before taxation				<u>(2,874,427)</u>
Taxation				-
Loss for the financial period				<u>(2,874,427)</u>

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Segmental information (continued)

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<u>Economic Entity</u>				
Nine Months Ended				
30-Sep-13				
External revenue	66,303,947	19,151,987	-	85,455,934
Inter-segment revenue	(37,081,113)	37,081,113	-	-
Total revenue	<u>29,222,834</u>	<u>56,233,100</u>	-	<u>85,455,934</u>
Depositors' payout	(954,191)	(49,089,534)	-	(50,043,725)
Net income	<u>28,268,643</u>	<u>7,143,566</u>	-	<u>35,412,209</u>
Operating overheads				
of which:	(15,379,308)	(9,952,358)	(445,342)	(25,777,008)
Depreciation of property, plant and equipment	(681,501)	(314,947)	(19,888)	(1,016,336)
Amortisation of intangible assets	(856,442)	(556,688)	(14,274)	(1,427,404)
Allowance for impairment of financing advances	<u>(6,520,815)</u>	<u>(5,939,266)</u>	<u>(152,290)</u>	<u>(12,612,371)</u>
Segmental results before taxation	<u>4,830,577</u>	<u>(9,619,693)</u>	<u>(631,794)</u>	<u>(5,420,910)</u>
Segmental results before taxation				(5,420,910)
Profit equalisation reserve				-
Loss before taxation				<u>(5,420,910)</u>
Taxation				-
Loss for the financial period				<u>(5,420,910)</u>

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Segmental information (continued)

<u>Economic Entity</u>	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<u>Nine Months Ended 30-Sep-12</u>				
External revenue	42,773,224	41,454,003	450,405	84,677,632
Inter-segment revenue	(3,709,469)	3,707,190	2,279	-
Total revenue	<u>39,063,755</u>	<u>45,161,193</u>	<u>452,684</u>	<u>84,677,632</u>
Depositors' payout	(852,815)	(43,935,529)	-	(44,788,344)
Net income	<u>38,210,940</u>	<u>1,225,664</u>	<u>452,684</u>	<u>39,889,288</u>
Operating overheads				
of which:	(26,326,780)	(1,503,472)	(1,631,877)	(29,462,129)
Depreciation of property, plant and equipment	(922,938)	(27,867)	(36,266)	(987,071)
Amortisation of intangible assets	(1,870,289)	(59,991)	(23,014)	(1,953,294)
Allowance for impairment of financing advances	(5,610,615)	(38,676)	(14,837)	(5,664,128)
Share of results of jointly controlled entity	-	-	(7,597,326)	(7,597,326)
Segmental results before taxation	<u>3,480,318</u>	<u>(404,342)</u>	<u>(8,850,636)</u>	<u>(5,774,660)</u>
Segmental results before taxation				(5,774,660)
Profit equalisation reserve				-
Loss before taxation				<u>(5,774,660)</u>
Taxation				-
Loss for the financial period				<u>(5,774,660)</u>

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Segmental information (continued)

<u>Bank</u>	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
3rd Quarter Ended				
30-Sep-13				
External revenue	27,053,524	1,138,187	-	28,191,711
Inter-segment revenue	(12,985,928)	12,985,928	-	-
Total revenue	14,067,596	14,124,115	-	28,191,711
Depositors' payout	(325,533)	(15,721,840)	-	(16,047,373)
Net income	13,742,063	(1,597,725)	-	12,144,338
Operating overheads				
of which:				
Depreciation of property, plant and equipment	(5,065,310)	(3,177,535)	(35,102)	(8,277,947)
Amortisation of intangible assets	(203,668)	(108,165)	(2,574)	(314,407)
Allowance for impairment of financing advances	(268,761)	(194,735)	(450)	(463,946)
	(5,696,570)	(3,802,219)	(70,666)	(9,569,455)
Segmental results before taxation	2,507,754	(8,880,379)	(108,792)	(6,481,417)
Segmental results before taxation				(6,481,417)
Profit equalisation reserve				-
Loss before taxation				(6,481,417)
Taxation				-
Loss for the financial period				(6,481,417)

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Segmental information (continued)

<u>Bank</u>	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
3rd Quarter Ended 30-Sep-12				
External revenue	4,834,430	22,295,035	195,959	27,325,424
Inter-segment revenue	(423,125)	422,623	502	-
Total revenue	<u>4,411,305</u>	<u>22,717,658</u>	<u>196,461</u>	<u>27,325,424</u>
Depositors' payout	(321,774)	(14,498,171)	-	(14,819,945)
Net income	<u>4,089,531</u>	<u>8,219,487</u>	<u>196,461</u>	<u>12,505,479</u>
Operating overheads				
of which:	(3,896,255)	(5,161,991)	(8,564,423)	(17,622,669)
Depreciation of property, plant and equipment	(139,333)	(166,949)	(8,792)	(315,074)
Amortisation of intangible assets	(82,905)	(426,356)	(8,647)	(517,908)
Allowance for impairment of financing advances	(1,205,772)	(38,676)	(14,837)	(1,259,285)
Impairment loss	-	-	4,055,563	4,055,563
Segmental results before taxation	<u>(1,234,734)</u>	<u>2,425,515</u>	<u>(4,344,675)</u>	<u>(3,153,894)</u>
Segmental results before taxation				(3,153,894)
Profit equalisation reserve				-
Loss before taxation				<u>(3,153,894)</u>
Taxation				-
Loss for the financial period				<u>(3,153,894)</u>

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Segmental information (continued)

<u>Bank</u>	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
Nine Months Ended				
30-Sep-13				
External revenue	66,303,947	19,151,987	-	85,455,934
Inter-segment revenue	(37,081,113)	37,081,113	-	-
Total revenue	<u>29,222,834</u>	<u>56,233,100</u>	-	<u>85,455,934</u>
Depositors' payout	(954,191)	(49,089,534)	-	(50,043,725)
Net income	<u>28,268,643</u>	<u>7,143,566</u>	-	<u>35,412,209</u>
Operating overheads				
of which:				
Depreciation of property, plant and equipment	(15,379,308)	(9,952,358)	(445,342)	(25,777,008)
Amortisation of intangible assets	(681,501)	(314,947)	(19,888)	(1,016,336)
Allowance for impairment of financing advances	(856,442)	(556,688)	(14,274)	(1,427,404)
Segmental results before taxation	<u>(6,520,815)</u>	<u>(5,939,266)</u>	<u>(152,290)</u>	<u>(12,612,371)</u>
Segmental results before taxation	<u>4,830,577</u>	<u>(9,619,693)</u>	<u>(631,794)</u>	<u>(5,420,910)</u>
Segmental results before taxation				(5,420,910)
Profit equalisation reserve				-
Loss before taxation				<u>(5,420,910)</u>
Taxation				-
Loss for the financial period				<u>(5,420,910)</u>

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Segmental information (continued)

<u>Bank</u>	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
Nine Months Ended 30-Sep-12				
External revenue	42,773,224	41,454,003	468,369	84,695,596
Inter-segment revenue	(3,709,469)	3,707,190	2,279	-
Total revenue	<u>39,063,755</u>	<u>45,161,193</u>	<u>470,648</u>	<u>84,695,596</u>
Depositors' payout	(852,815)	(43,935,529)	-	(44,788,344)
Net income	<u>38,210,940</u>	<u>1,225,664</u>	<u>470,648</u>	<u>39,907,252</u>
Operating overheads				
of which:	(26,326,780)	(1,503,472)	(9,743,005)	(37,573,257)
Depreciation of property, plant and equipment	(922,938)	(27,867)	(36,266)	(987,071)
Amortisation of intangible assets	(1,870,289)	(59,991)	(23,014)	(1,953,294)
Allowance for impairment of financing advances	(5,610,615)	(38,676)	(14,837)	(5,664,128)
Impairment loss	-	-	-	-
Segmental results before taxation	<u>3,480,318</u>	<u>(404,342)</u>	<u>(9,346,474)</u>	<u>(6,270,498)</u>
Segmental results before taxation				(6,270,498)
Profit equalisation reserve				-
Loss before taxation				<u>(6,270,498)</u>
Taxation				-
Loss for the financial period				<u>(6,270,498)</u>

Company No.

716122	P
--------	---

ASIAN FINANCE BANK BERHAD
(Incorporated in Malaysia)

23. Segmental information (continued)

	Domestic Banking RM	International Banking RM	Asset Management and Investment Banking RM	Total RM
<u>Economic Entity and Bank</u>				
<u>30-Sep-13</u>				
Segment assets	337,277,520	2,077,420,505	-	2,414,698,025
Total assets	<u>337,277,520</u>	<u>2,077,420,505</u>	<u>-</u>	<u>2,414,698,025</u>
Segment liabilities	67,547,715	1,883,036,176	-	1,950,583,891
Total liabilities	<u>67,547,715</u>	<u>1,883,036,176</u>	<u>-</u>	<u>1,950,583,891</u>
<u>31-Dec-2012</u>				
Segment assets	286,858,333	2,523,666,753	-	2,810,525,086
Total assets	<u>286,858,333</u>	<u>2,523,666,753</u>	<u>-</u>	<u>2,810,525,086</u>
Segment liabilities	83,577,781	2,255,212,716	-	2,338,790,497
Total liabilities	<u>83,577,781</u>	<u>2,255,212,716</u>	<u>-</u>	<u>2,338,790,497</u>