



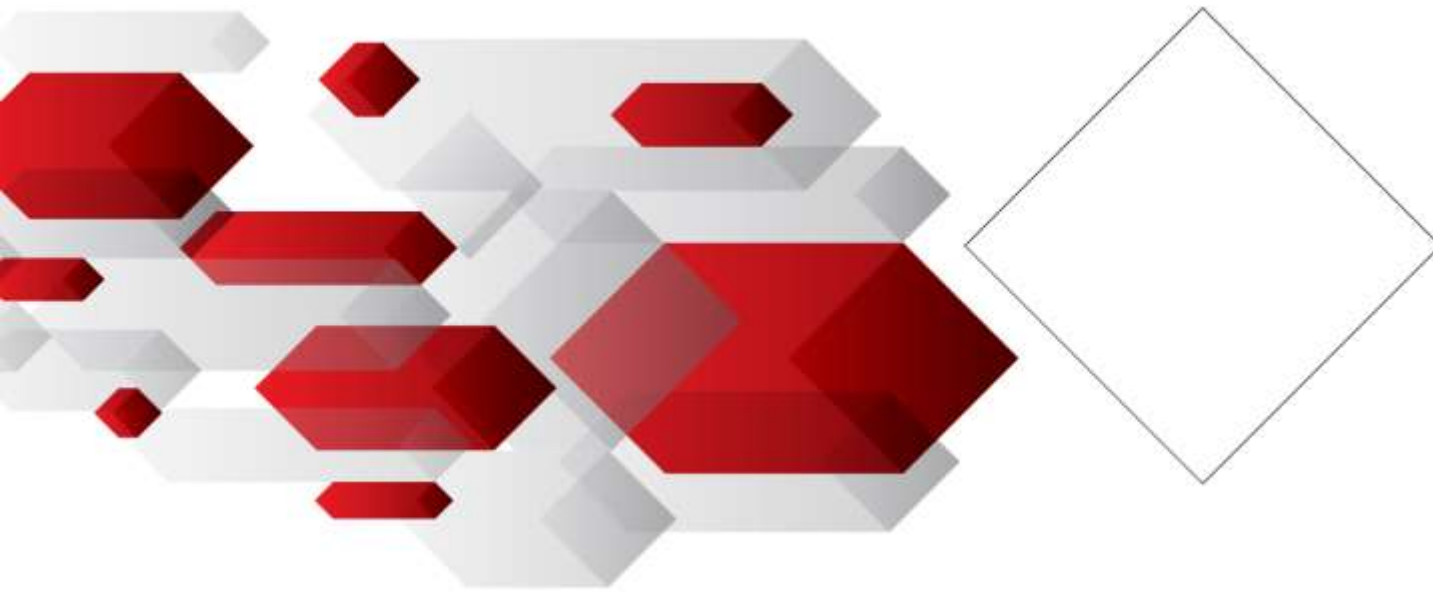
Investor Presentation

FY2012 Financial Results



Mr. Kellee Kam
Group Managing Director
RHB Banking Group
26 February 2013

RHB 
RHB Capital Berhad



AGENDA

- ◆ Executive Summary
- ◆ FY2012 Financial Results
- ◆ OSK Investment Bank - Integration Updates
- ◆ Summary

Key Messages for 2012

Financial Performance

- ◆ Improved underlying Group performance, PBT up 6.0% and net profit up 5.7%
- ◆ Strengthened balance sheet position across all dimensions:
 - Above-market loans and deposits growth at 14.4% and 19.3% respectively
 - Capital, funding, liquidity and asset quality remain strong
- ◆ Proposed final dividend of 16.09%, total FY2012 dividend of 22.09%

Business Performance

- ◆ Continued good growth momentum in targeted segments, weakness in retail loans growth recovered in 3rd quarter 2012
- ◆ Capitalising on OSKIB relationship for CIB business expansion
- ◆ Easy by RHB
 - Contribute 3.1% of Group 's PBT
 - RM5 bil loans achieved over 3 years
- ◆ Islamic Banking and Singapore loans growth continued to outperform industry

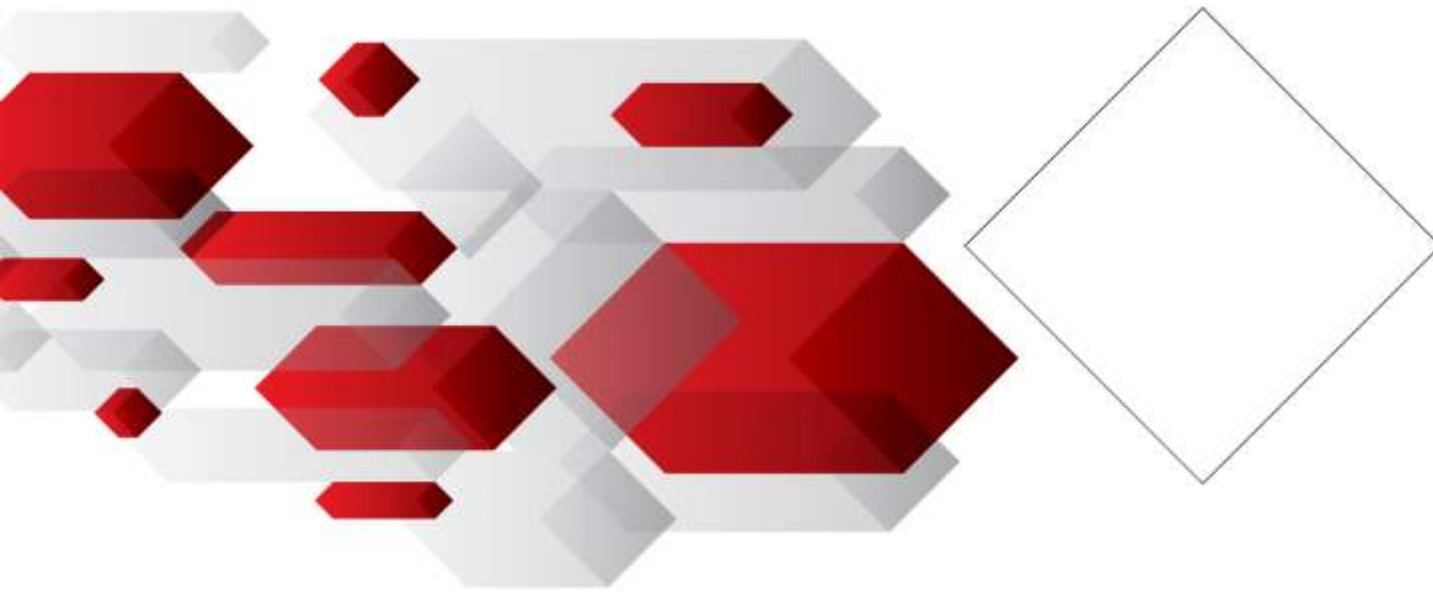
Transformational OSKIB Transaction and Bank Mestika Acquisition

- ◆ Completed acquisition of OSKIB on 9 November 2012. The merged RHB-OSK Investment Bank will become the largest and most complete investment bank and brokerage house in Malaysia
 - The Group currently has over 550 offices and 16,000 employees across 8 countries in ASEAN and Hong Kong
- ◆ Bank Mestika - Signed Amended CSPA to acquire 40% stake for RM651 million

RHB Banking Group Scorecard 2012

| Top Level Indicators | Target 2012 | Actual 2012 |
|----------------------------|-------------|---------------------|
| Loans Growth | >12.0% | 14.4% |
| Deposits Growth | >12.0% | 19.3% |
| Gross Impaired Loans Ratio | <3.0% | 2.99% |
| ROE | >14.0% | 13.4% ^{N1} |
| ROA | 1.2% | 1.0% |
| Cost to Income ratio | <44.0% | 47.5% |
| International Contribution | 10% | 6% |

N1: Should OSKIB and the acquisition related and integration costs be excluded, ROE would have been at 14.4%



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Financial Results

| RM mil | Q4 2012 | Q3 2012 | Q-o-Q Change % | FY 2012 | FY 2011 ^{N1} | Y-o-Y Change % |
|---|--------------|--------------|----------------|--------------|-----------------------|----------------|
| Net Interest Income | 774 | 745 | 4 | 2,960 | 2,853 | 4 |
| Other Operating Income | 452 | 274 | 65 | 1,380 | 1,082 | 28 |
| Income From Islamic Banking Business | 140 | 126 | 11 | 490 | 441 | 11 |
| Total Income | 1,366 | 1,145 | 19 | 4,830 | 4,376 | 10 |
| Other Operating Expenses | (717) | (526) | 36 | (2,294) | (1,903) | 21 |
| Operating Profit Before Allowances | 649 | 619 | 5 | 2,536 | 2,473 | 3 |
| Allowances for Loan Impairment | (97) | 31 | >-100 | (148) | (146) | 1 |
| Impairment Losses on Other Assets | 8 | (10) | >-100 | (4) | (77) | -95 |
| Profit Before Taxation | 560 | 640 | -13 | 2,384 | 2,250 | 6 |
| Net Profit | 408 | 487 | -16 | 1,785 | 1,688 | 6 |
| EPS (sen) | 17.1 | 21.8 | -22 | 79.0 | 77.5 | 2 |

Key Financial Indicators (%)

| | | | |
|----------------------------|------|------|-------|
| Cost to Income Ratio | 47.5 | 43.5 | 4.0 |
| ROE | 13.4 | 15.7 | -2.3 |
| ROA | 1.0 | 1.2 | -0.2 |
| Gross Impaired Loans Ratio | 2.99 | 3.59 | -0.60 |
| Credit Charge Ratio | 0.13 | 0.15 | -0.02 |

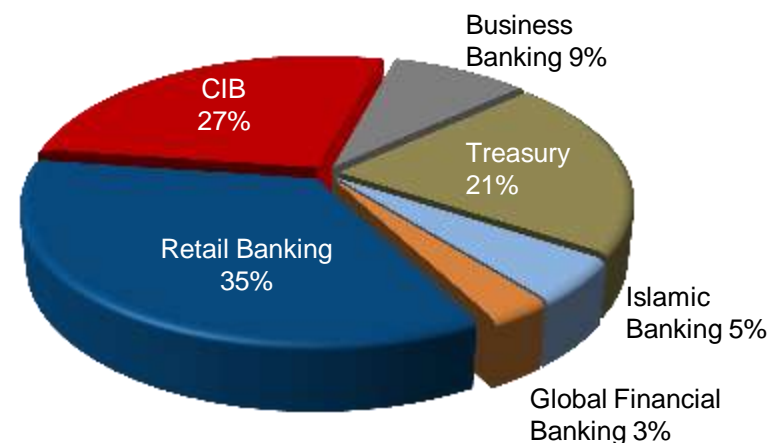
On a Y-o-Y basis:

- ◆ Underlying PBT and net profit, up 6% each
- ◆ 10% increase in total income due to strong fee income, which was up by RM135 mil, absence of unrealised loss on derivatives for hedging and lower impairment losses on other assets
- ◆ Increase in other operating expenses mainly due to higher personnel costs, consolidation of OSKIB and acquisition related & integration costs

On a Q-o-Q basis:

- ◆ PBT down by 13% mainly due to higher other operating expenses relating to acquisition of OSKIB and higher allowances for loan impairment, offset by higher net forex gain and underwriting surplus from insurance business

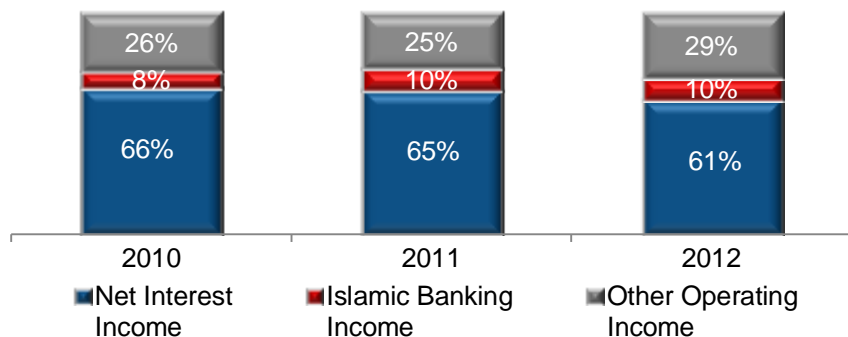
PBT by SBG



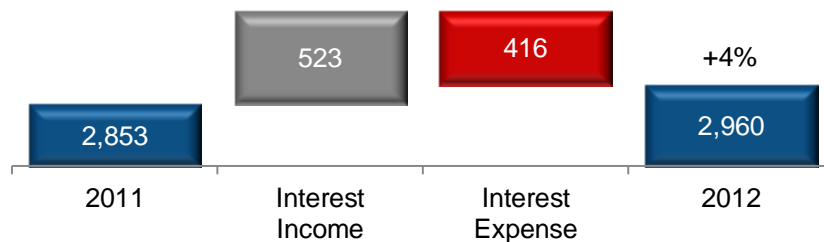
N1: Restated to conform with the application of MFRS 139

Total Income

Total Income Mix

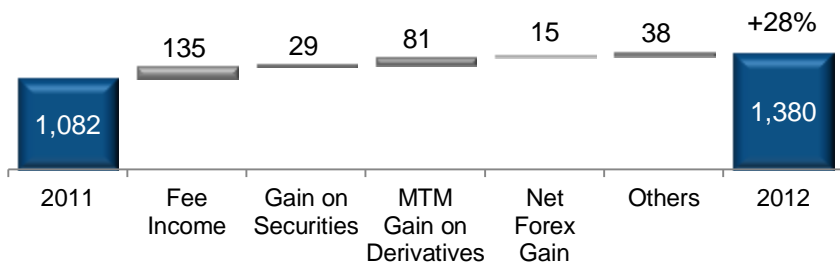


Net Interest Income (RM mil)



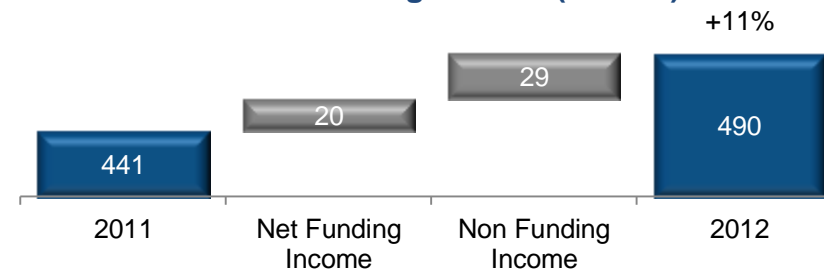
- Higher NII mainly due to higher interest income on the back of 14.4% loans growth, partly offset by higher interest expense on the back of 19.3% increase in customer deposits and higher interest expense on issuance of sub-notes and senior notes
- NIM for Q4 2012 stood at 2.35% (Q3 2012: 2.38%)

Other Operating Income (RM mil)



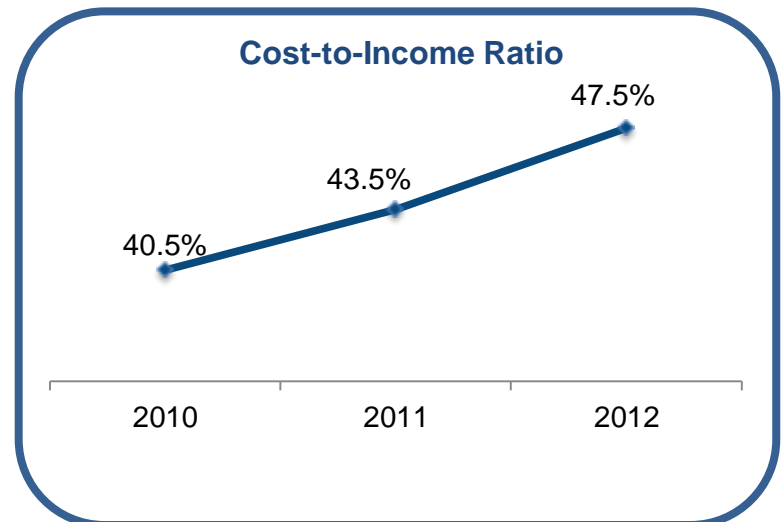
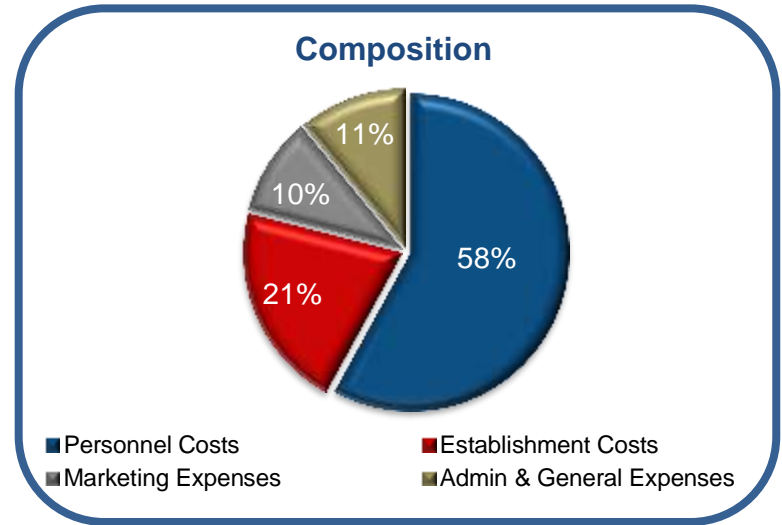
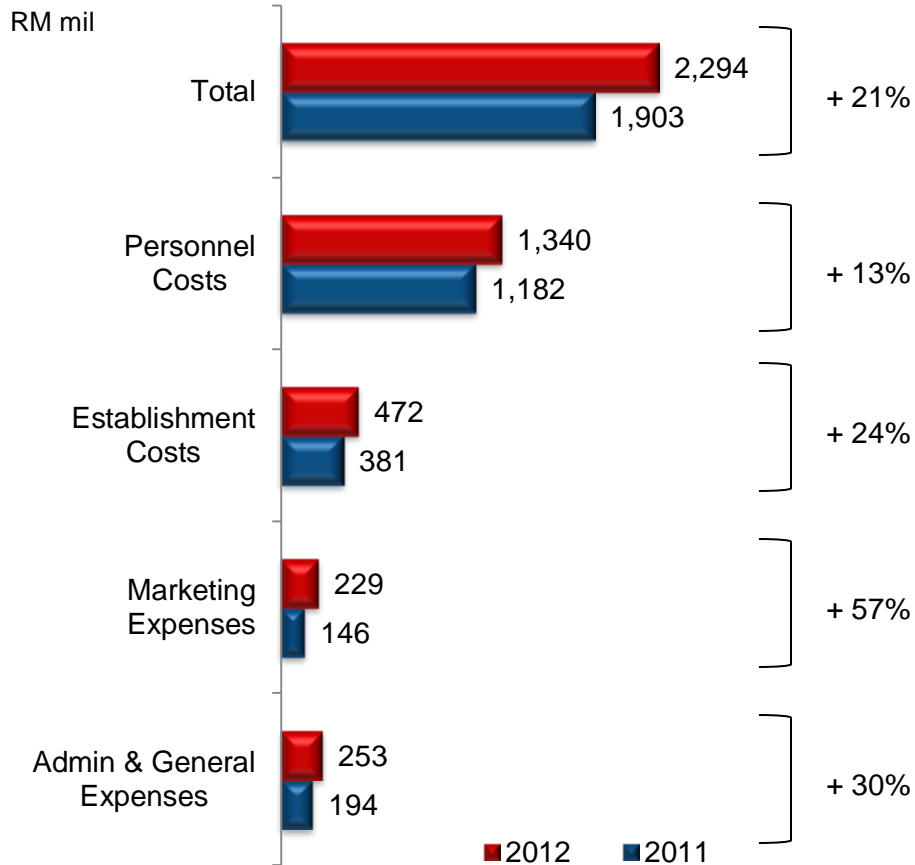
- Higher loan related fee income and fee on financial advisory mandates
- Other operating income forms 28.6% of total income, increased from 24.7% in 2011
- Reversal/non-recurrence of loss on derivatives for hedging

Islamic Banking Income (RM mil)



- Higher Islamic Banking income mainly due to higher net funding income on the back of 24.6% financing growth and higher net gains from trading and investment securities

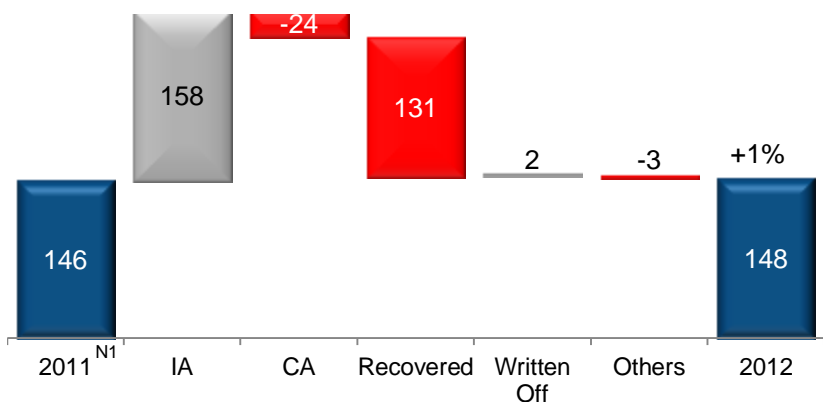
Others Operating Expenses



- ◆ Higher operating expenses due to:
 - Consolidation and integration costs incurred relating to OSKIB acquisition
 - Continuous investment into people and IT infrastructure to support business growth and branch network expansion

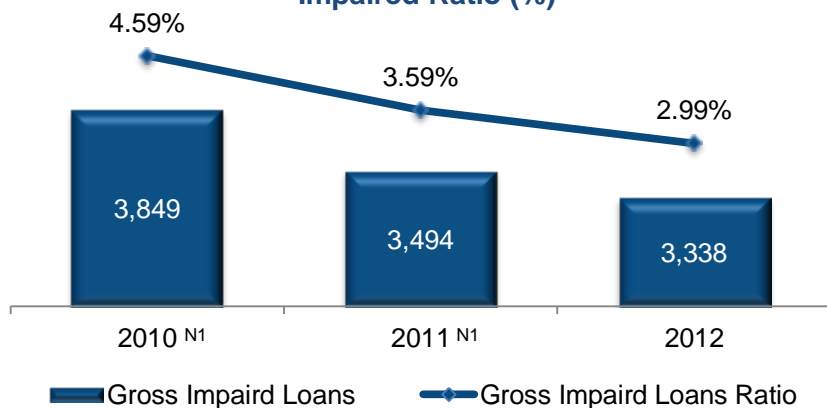
Allowances for Loan Impairment

Movement of Allowances for Loan Impairment (RM mil)

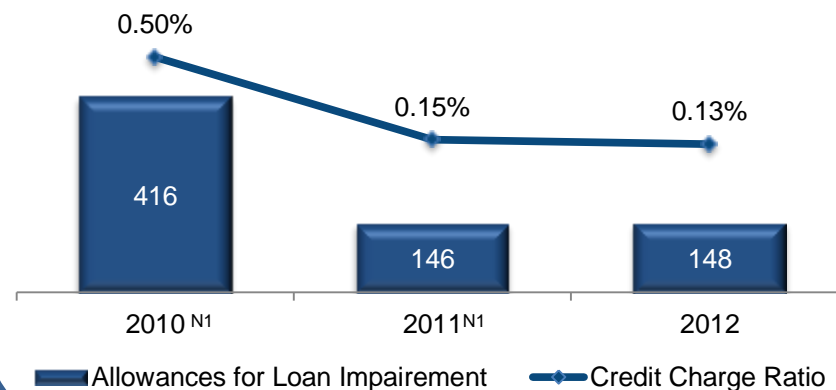


- ◆ Higher allowances for loan impairment contributed largely by higher IA, partially offset by higher bad debts recoveries and lower CA
- ◆ Absolute impaired loans down 4% to RM3.3 bil

Gross Impaired Loans (RM mil) & Impaired Ratio (%)



Allowances for Loan Impairment (RM mil) & Credit Charge Ratio (%)



N1: Restated to conform with the application of MFRS 139

Financial Position

| RM mil | Dec 2012 | Sept 2012 | Dec 2011 ^{N1} | Q-o-Q Change % | Y-o-Y Change % |
|---------------------------------------|----------------|----------------|------------------------|----------------|----------------|
| Total Assets | 189,078 | 169,479 | 152,304 | 12 | 24 |
| Total Financial Assets/Investments | 36,840 | 29,006 | 26,303 | 27 | 40 |
| - Financial Assets HFT | 2,740 | 2,088 | 1,502 | 31 | 82 |
| - Financial Investments AFS | 15,155 | 10,910 | 10,707 | 39 | 42 |
| - Financial Investments HTM | 18,945 | 16,008 | 14,094 | 18 | 34 |
| Gross Loans | 111,474 | 106,637 | 97,438 | 5 | 14 |
| Customer Deposits | 138,224 | 125,703 | 115,861 | 10 | 19 |
| Borrowings and Senior Debt Securities | 5,152 | 4,824 | 3,603 | 7 | 43 |
| Subordinated Notes | 4,719 | 4,322 | 3,516 | 9 | 34 |
| Hybrid Tier-1 Capital Securities | 601 | 597 | 601 | 1 | - |
| Shareholders' Funds | 15,117 | 12,872 | 11,615 | 17 | 30 |
| Net Assets per Share | 6.06 | 5.76 | 5.27 | 5 | 15 |

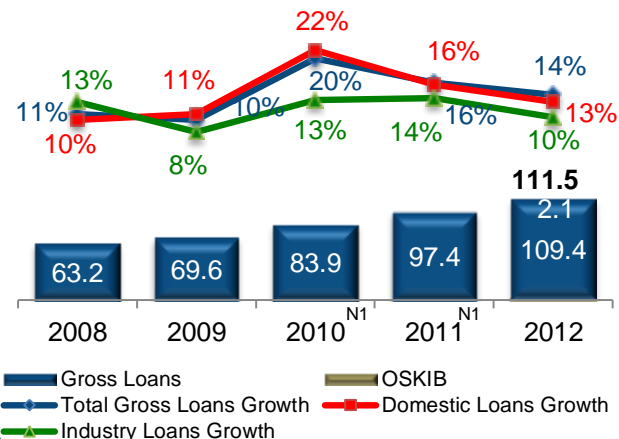
- ◆ Expansion in total assets driven by loans growth and investment portfolio
- ◆ Gross loans:
 - i. Excluding OSKIB, gross loans grew by 12.3%
 - ii. Domestic loans up 13.0%
 - Contributed largely by corporate of 22.0% and business banking of 11.2%, primarily in working capital
 - Islamic banking loans grew 24.6%, primarily from purchase of transport vehicles, residential properties and working capital
 - iii. Overseas loans growth of 43.8% mainly driven by Singapore which grew by 24.3% and acquisition of OSKIB foreign operations primarily from OSK Indochina Bank Limited, Cambodia
- ◆ Customer deposits:
 - i. Excluding OSKIB, deposits grew by 14.5%
 - ii. CASA recorded 5.9% growth
- ◆ LD ratio improved to 80.6%
- ◆ Issuance of debts securities
 - i. RM750 mil sub-notes and US\$500 mil senior debt securities by RHB Bank
 - ii. RM1.5 bil sub-notes to replace existing sub-notes called in Nov 2012 by RHB Bank and RHBIB
- ◆ Effects of OSKIB acquisition:
 - i. Additional total assets of RM11.3 bil in Dec 2012
 - ii. Goodwill amounted to RM1.2 bil

N1: Restated to conform with the application of MFRS 139

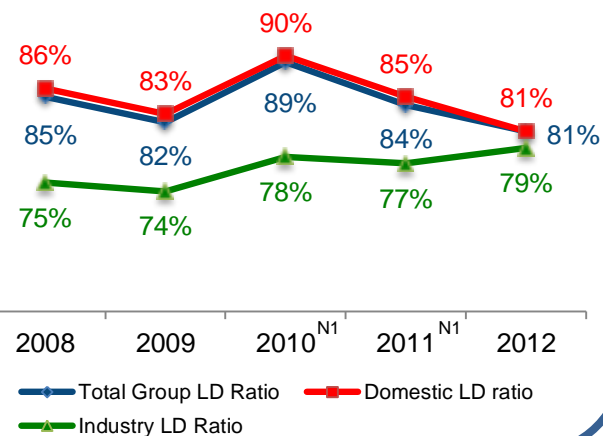
Loans, Advances and Financing

| RM mil | Dec 2012 | Sept 2012 | Dec 2011 ^{N1} | Q-o-Q Change % | Y-o-Y Change % |
|--|----------------|----------------|------------------------|----------------|----------------|
| Working Capital | 26,520 | 23,945 | 20,360 | 11 | 30 |
| Purchase of Residential Property | 22,155 | 21,668 | 20,604 | 2 | 8 |
| Purchase of Transport Vehicles | 11,448 | 11,276 | 11,743 | 2 | -3 |
| Purchase of Securities | 10,250 | 8,478 | 6,983 | 21 | 47 |
| Purchase of Non-Residential Property | 5,730 | 5,385 | 5,282 | 6 | 8 |
| Personal Use | 5,758 | 5,515 | 4,961 | 4 | 16 |
| Merger and Acquisition | 3,702 | 4,696 | 4,200 | -21 | -12 |
| Purchase of PPE Other Than Land & Bldg | 3,250 | 3,304 | 3,241 | -2 | - |
| Credit Card | 1,927 | 1,866 | 1,783 | 3 | 8 |
| Others | 20,734 | 20,504 | 18,281 | 1 | 13 |
| Gross Loans and Advances | 111,474 | 106,637 | 97,438 | 5 | 14 |
| - SME | 12,649 | 11,219 | 11,540 | 13 | 10 |
| - Individuals | 47,910 | 46,576 | 43,979 | 3 | 9 |
| - Corporate & Others | 50,915 | 48,842 | 41,919 | 4 | 21 |

Gross Loans (RM bil) & Growth (%)



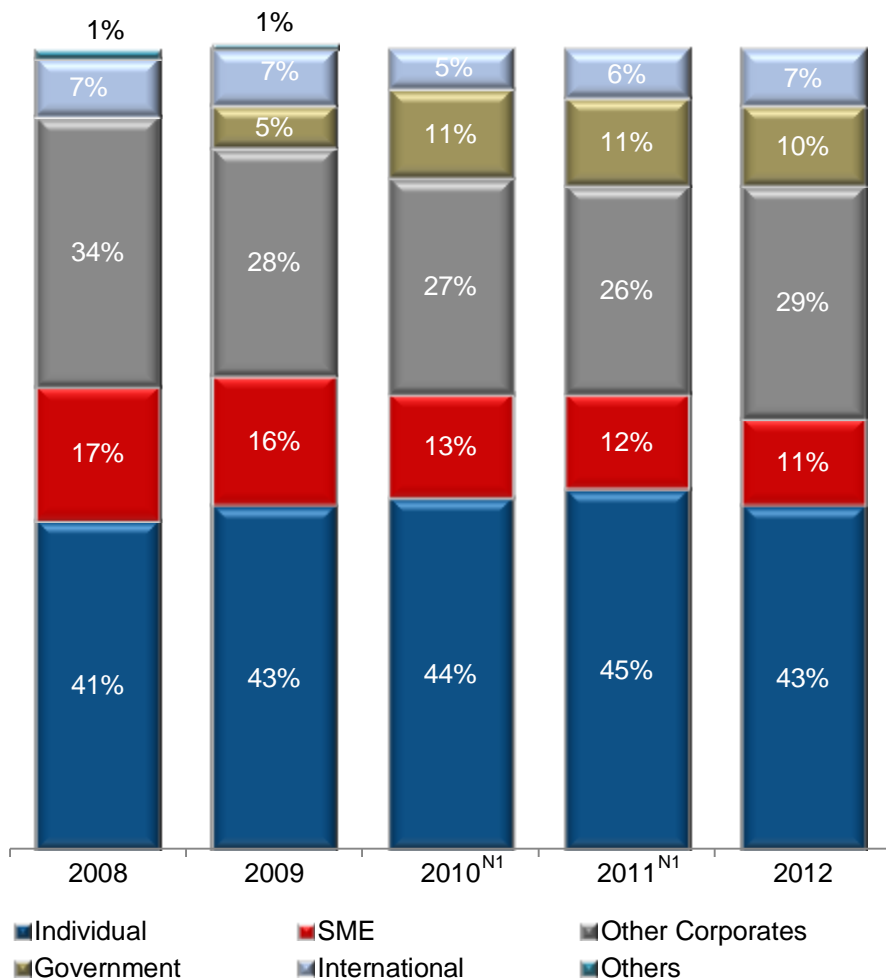
LD Ratio



N1: Restated to conform with the application of MFRS 139

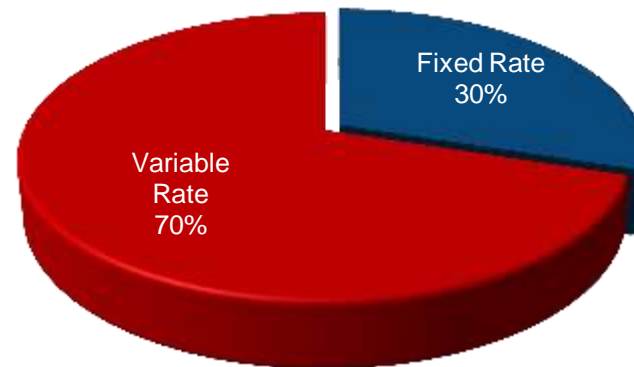
Loans Profile & Market Share

Composition by Type of Customers

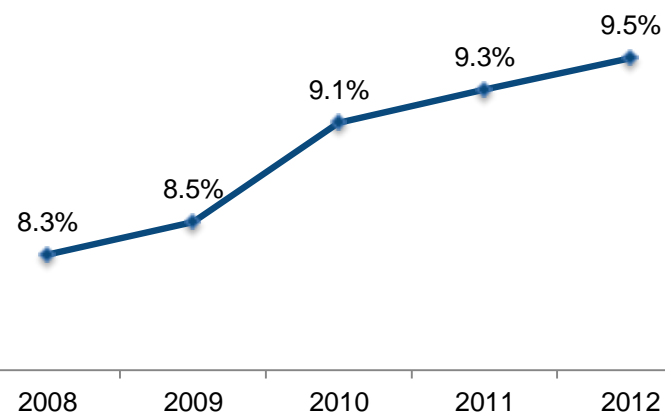


N1: Restated to conform with the application of MFRS 139

Gross Loans by Interest/Profit Rate Sensitivity



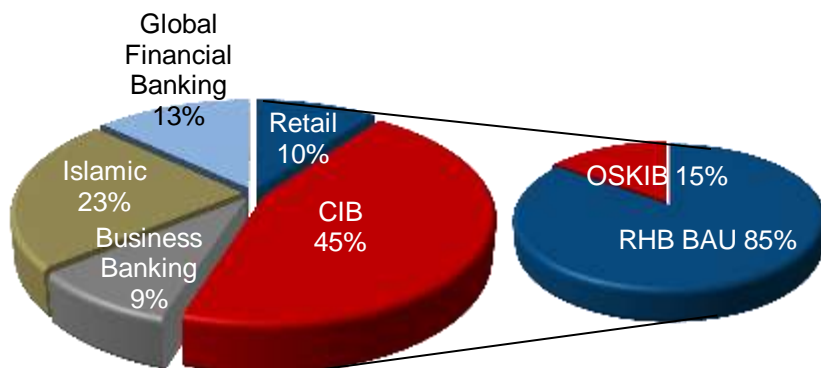
Domestic Market Share



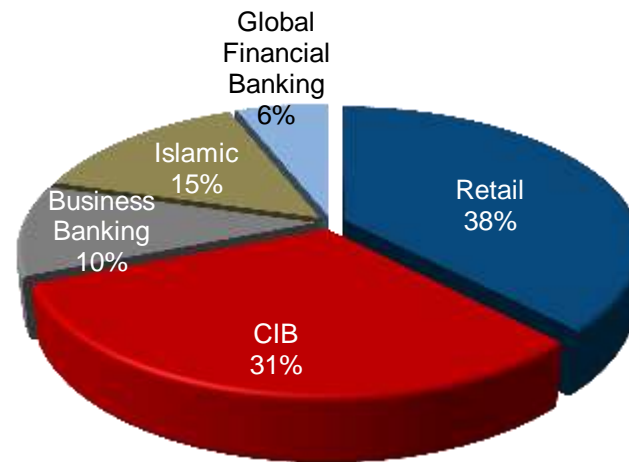
Loans, Advances and Financing by SBG

| RM mil | Dec 2012 | Sept 2012 | Dec 2011 ^{N1} | Q-o-Q Change % | Y-o-Y Change % |
|---------------------------------|----------------|----------------|------------------------|----------------|----------------|
| Retail | 42,103 | 41,523 | 40,688 | 1 | 3 |
| Business Banking | 11,695 | 11,634 | 10,519 | 1 | 11 |
| CIB | 35,108 | 32,316 | 28,788 | 9 | 22 |
| Islamic | 16,266 | 15,957 | 13,060 | 2 | 25 |
| Global Financial Banking | 6,302 | 5,207 | 4,383 | 21 | 44 |
| Total Loans and Advances | 111,474 | 106,637 | 97,438 | 5 | 14 |

Loans Growth Composition



Loans Composition by SBG



N1: Restated to conform with the application of MFRS 139

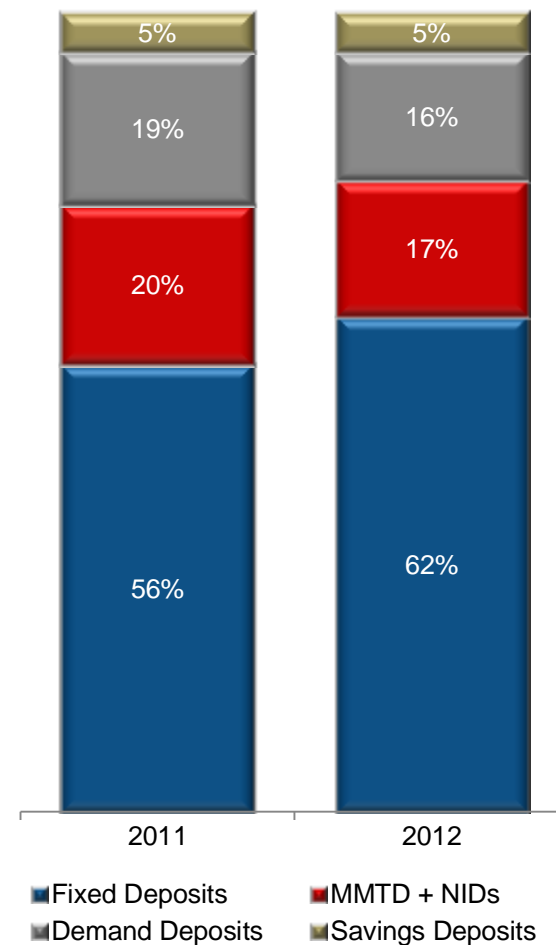
Customer Deposits

| RM mil | Dec 2012 | Sept 2012 | Dec 2011 | Q-o-Q Change % | Y-o-Y Change % |
|-----------------------|----------------|-----------|----------|----------------|----------------|
| Fixed Deposits | 108,697 | 95,650 | 87,946 | 14 | 24 |
| <i>of which: MMTD</i> | 23,368 | 22,490 | 23,259 | 4 | 0 |
| Demand Deposits | 22,504 | 23,200 | 21,436 | -3 | 5 |
| Savings Deposits | 6,933 | 6,741 | 6,360 | 3 | 9 |
| NIDs | 90 | 112 | 119 | -20 | -24 |
| Total Deposits | 138,224 | 125,703 | 115,861 | 10 | 19 |
| LD Ratio | 81% | 85% | 84% | -4 | -3 |
| CASA (Incl. MMTD) | 21%* | 24% | 24% | -3 | -3 |
| CASA (Excl. MMTD) | 26% | 29% | 30% | -3 | -4 |

Domestic Market Share

| | | | |
|--------------------------------|--------------|-------|-------|
| Demand Deposits | 8.6% | 9.5% | 9.1% |
| Savings Deposits | 5.3% | 5.3% | 5.3% |
| Fixed Deposits | 13.2% | 11.6% | 10.9% |
| Total Domestic Deposits | 9.3% | 8.5% | 8.5% |

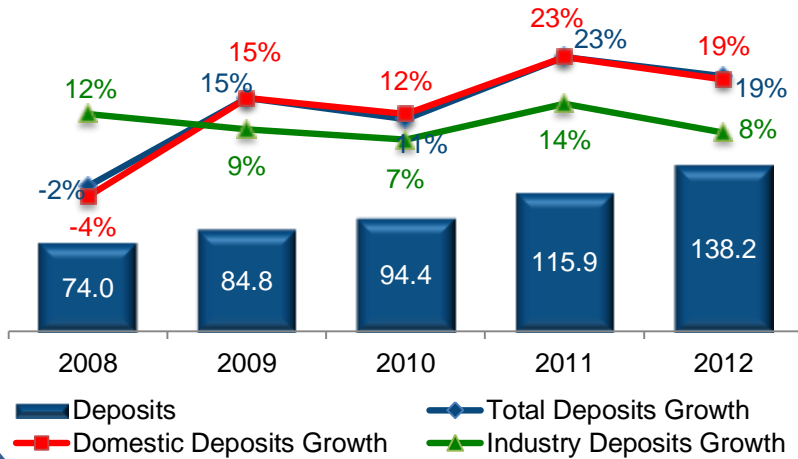
Customer Deposits Composition



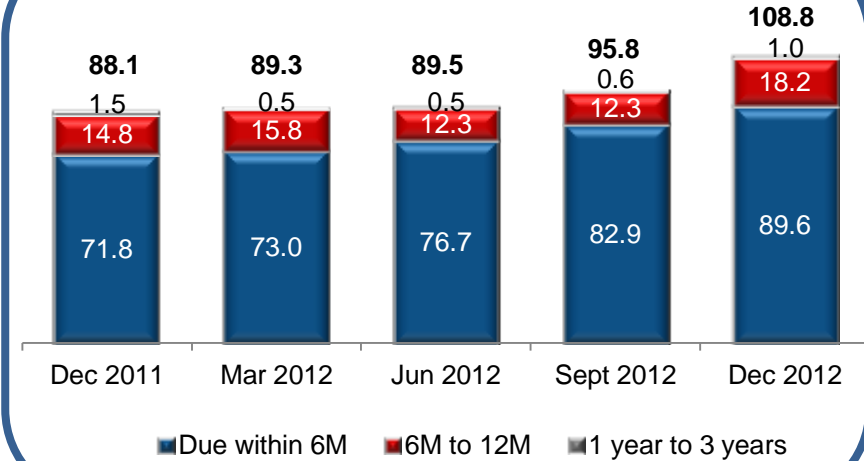
* Should OSKIB deposits be excluded, CASA (incl. MMTD) should read as 22%

Customer Deposits Profile & Market Share

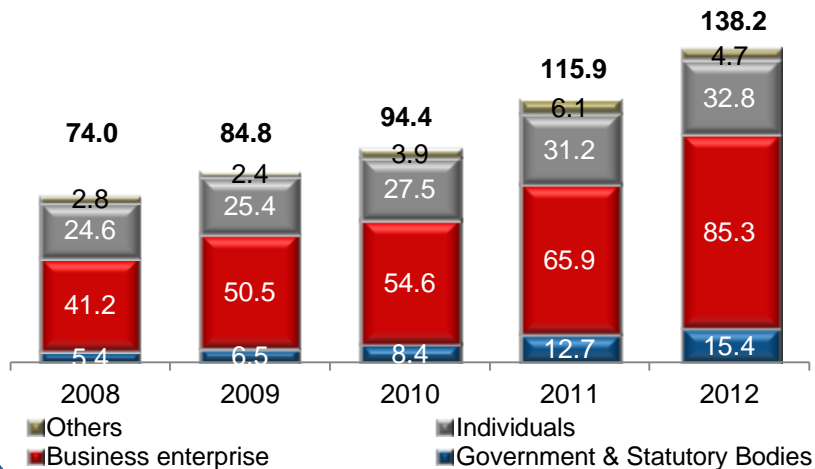
Customer Deposits (RM bil)



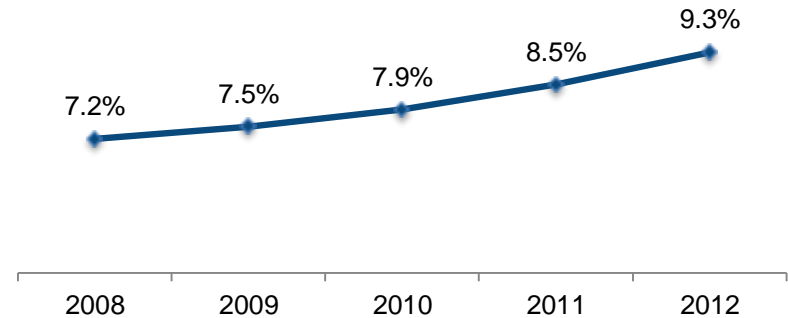
FD & NID Maturity Structure (RM bil)



Deposits by Type of Customers

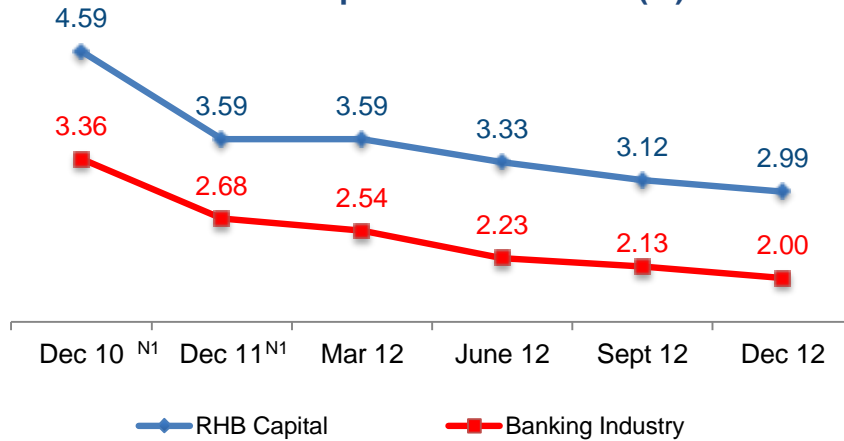


Domestic Market Share



Asset Quality

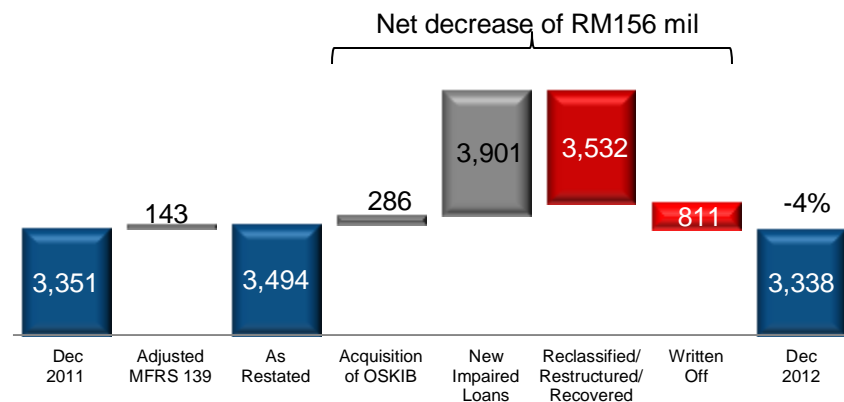
Gross Impaired Loans Ratio (%)



Gross Impaired Loans Ratio (%) by Purpose

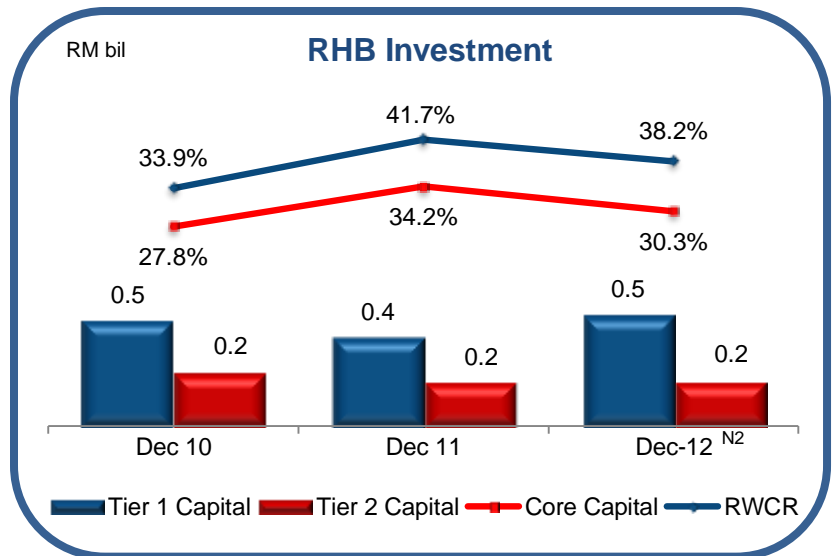
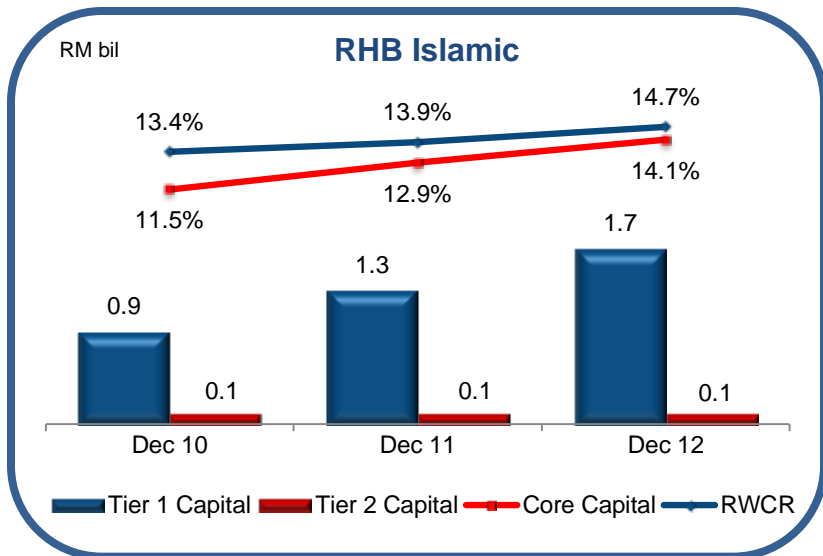
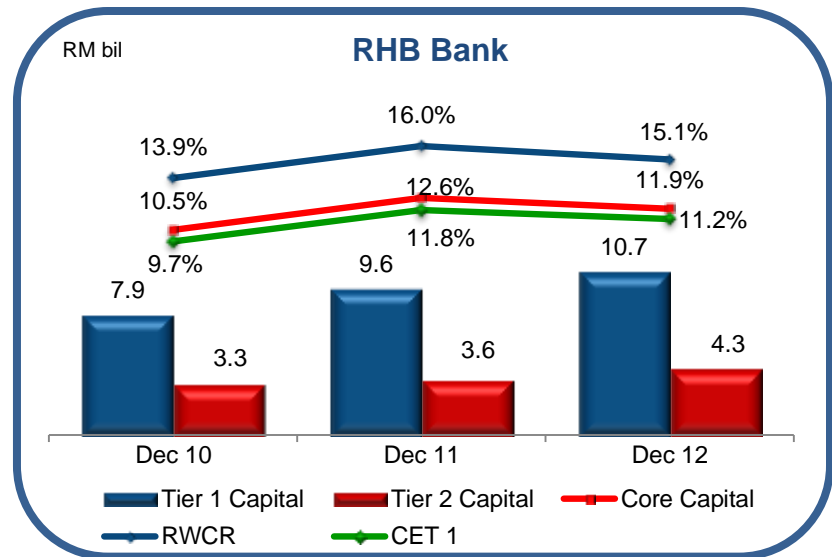
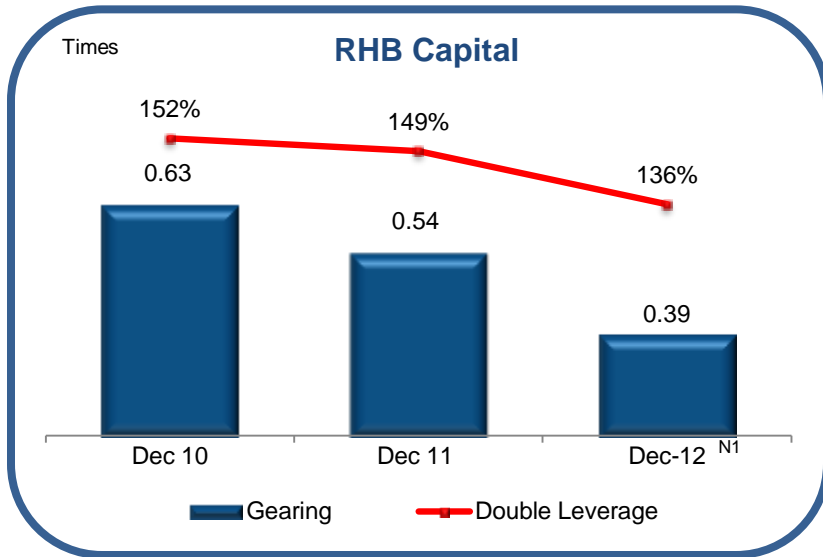


Gross Impaired Loans Movement (RM mil)



N1: Restated to conform with the application of MFRS 139

Capital Position

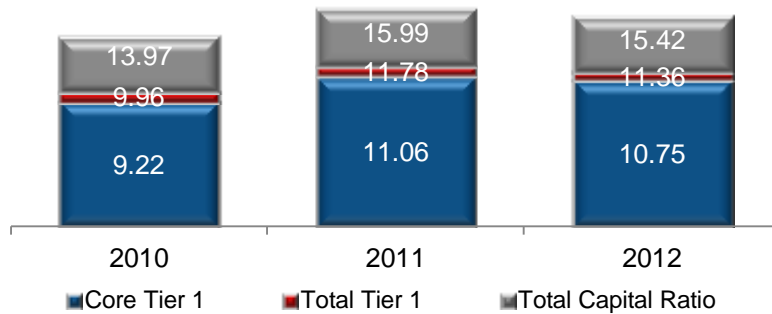


N1: Proforma Basel III CET 1, Tier 1 and RWCR of RHB Capital Group are at 8.6%, 9.1% and 13.5% respectively as at Dec 2012

N2: Core Capital and RWCR of OSKIB stood at 11.5% as at Dec 2012

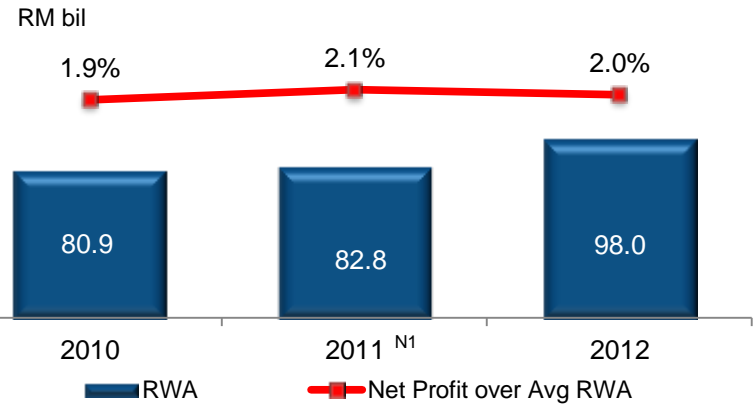
Capital Position - RHB Bank Group

Core Tier 1, Tier 1 & Total Capital Ratios (%)



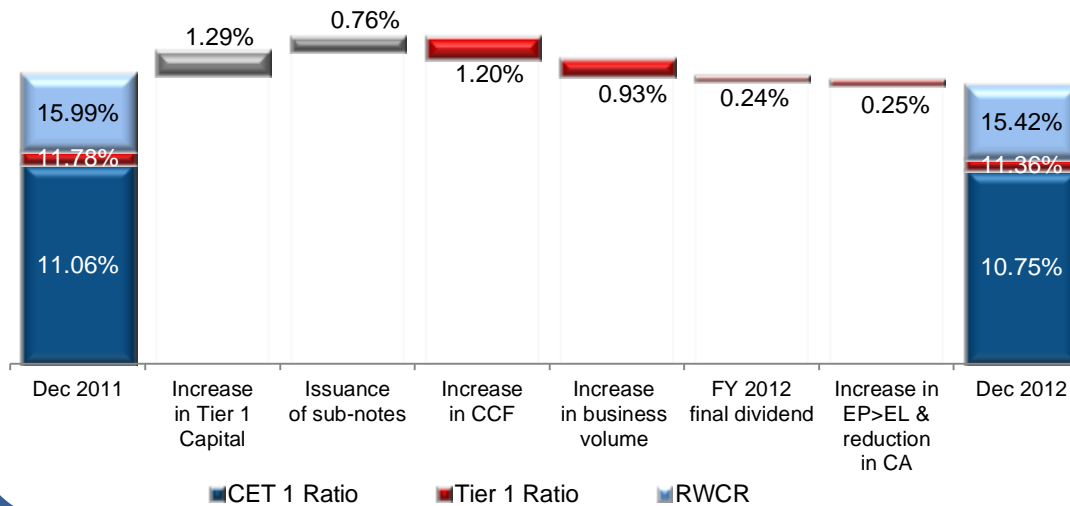
Note: Ratios are after proposed final dividend

Net Profit over Average RWA



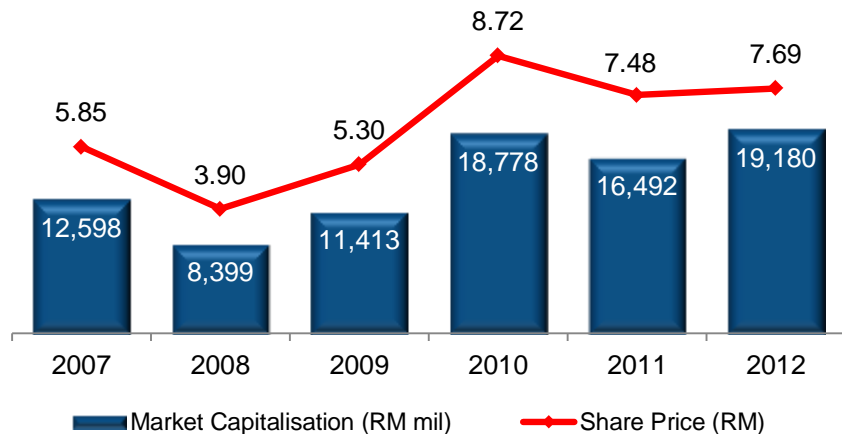
N1: Restated to conform with the application of MFRS 139

Capital Development - FY2012

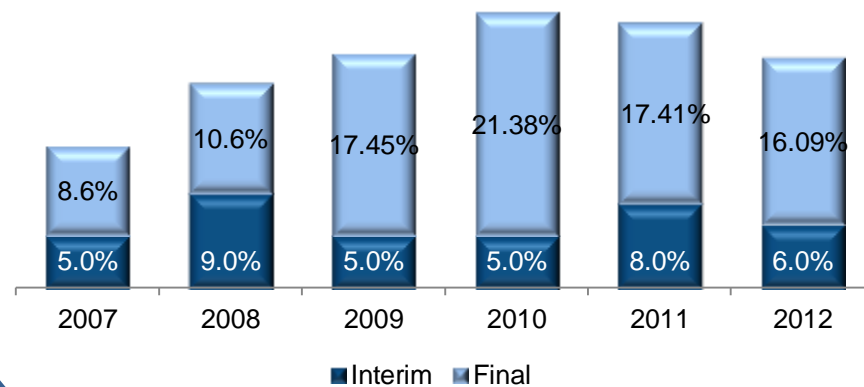


Return to Shareholders

Market Capitalisation



Dividend Per Share

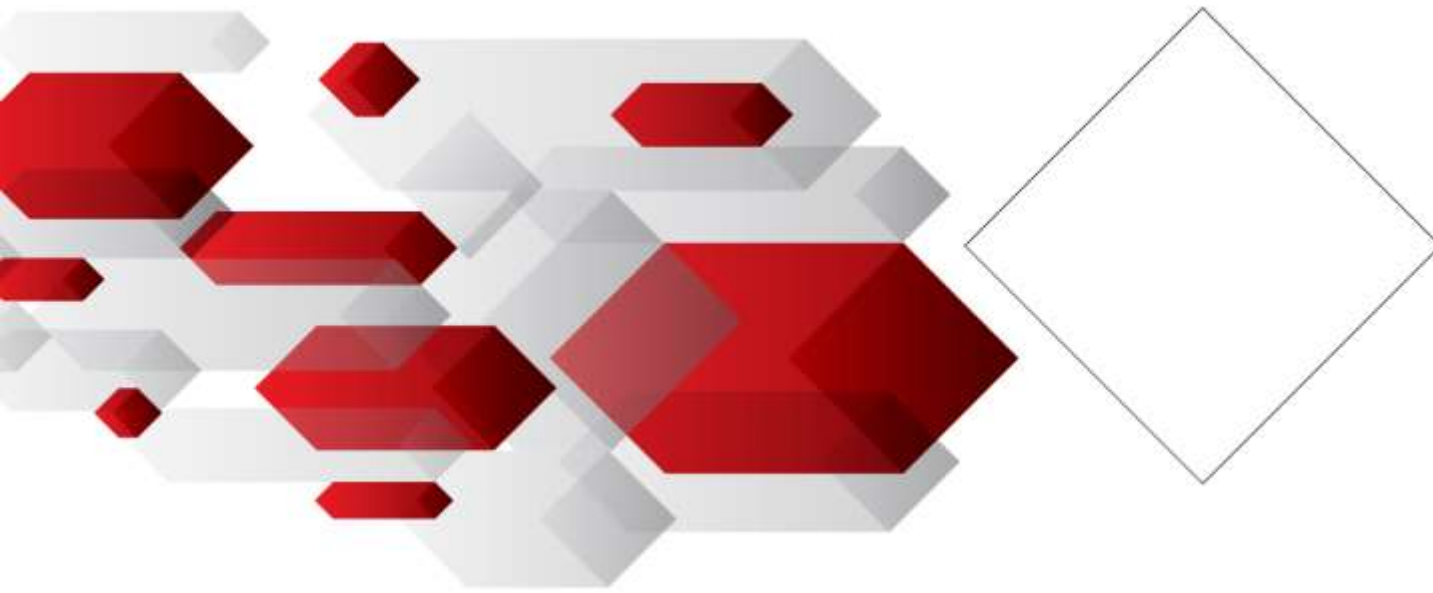


Total Shareholders' Return

| | RHB Total Shareholders' Return | | | Bursa Malaysia Finance Index Return | | |
|----------------|--------------------------------|--------|-------------|-------------------------------------|--------|-------------|
| | Dec 10 | Dec 11 | Dec 12 | Dec 10 | Dec 11 | Dec 12 |
| 1 year | 69% | -12% | 8% | 30% | 4% | 18% |
| 3 years | 62% | 102% | 57% | 38% | 124% | 57% |
| 5 years | 338% | 148% | 51% | 120% | 82% | 66% |
| 7 years | 386% | 269% | 313% | 169% | 133% | 170% |

Dividend Payout Ratio & DRP Rate

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|------------------------------|------|------|------|------|------|------------|
| Dividend Payout Ratio | 30% | 30% | 30% | 30% | 30% | 30% |
| DRP Conversion Rate | | | | 84% | 63% | 65% |



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Update on Integration - Key Initiatives

On track to achieve full integration by 2013

Teams Are Working Together

- ◆ Investment banking teams won together several marquee deals
 - ECM and DCM mandates as well as Sukuk issuance
 - Singapore DCM team being set-up
- ◆ Research coverage streamlined since mid-January 2013
- ◆ Organizational structure of merged entity defined

Single Identity Defined Across Countries

Malaysia



Region



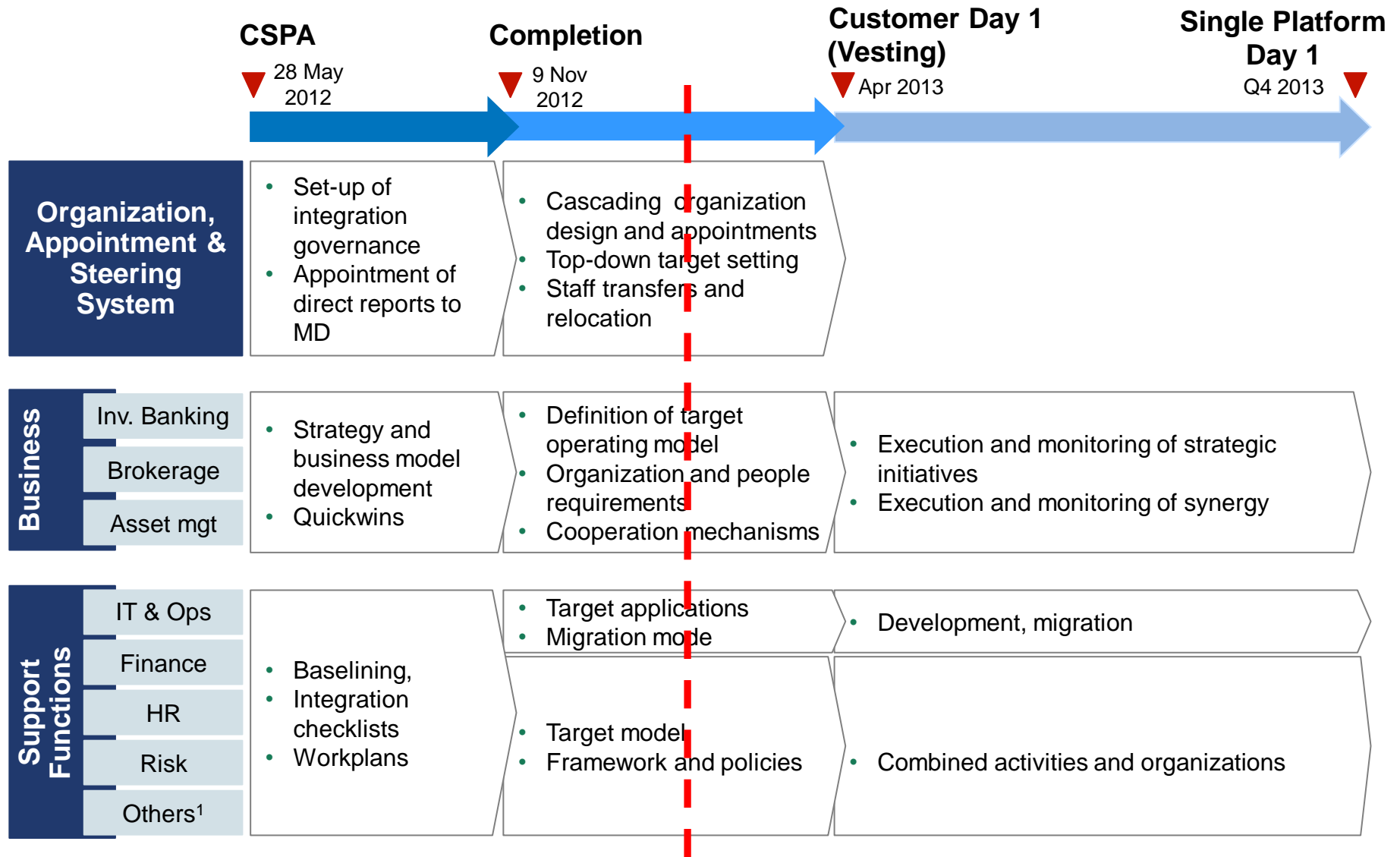
Integration Process

- ◆ Ongoing engagement with regulators
 - Application to Bursa for merger of business submitted on 31st January 2013
 - Application to court to obtain vesting order submitted on 8th February 2013
- ◆ Targeted LD1 - April 2013



Update on Integration

Overall organization is ready, teams shifting to execution mode



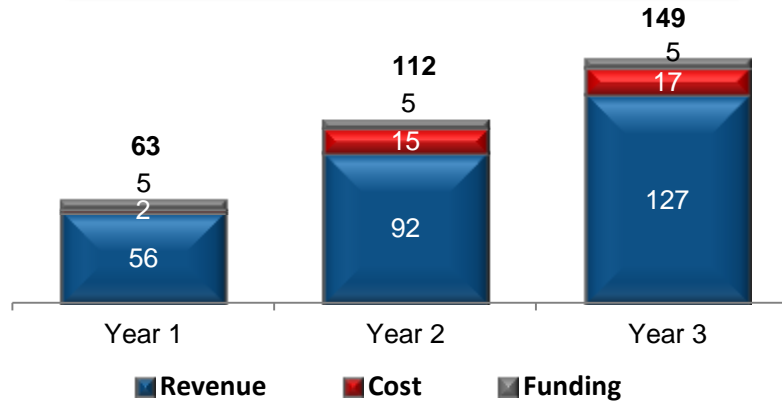
1. Legal, compliance, audit, secretariat, administration

Update on Integration

Early collaborations already translated into revenues

Business Synergies & Integration Costs

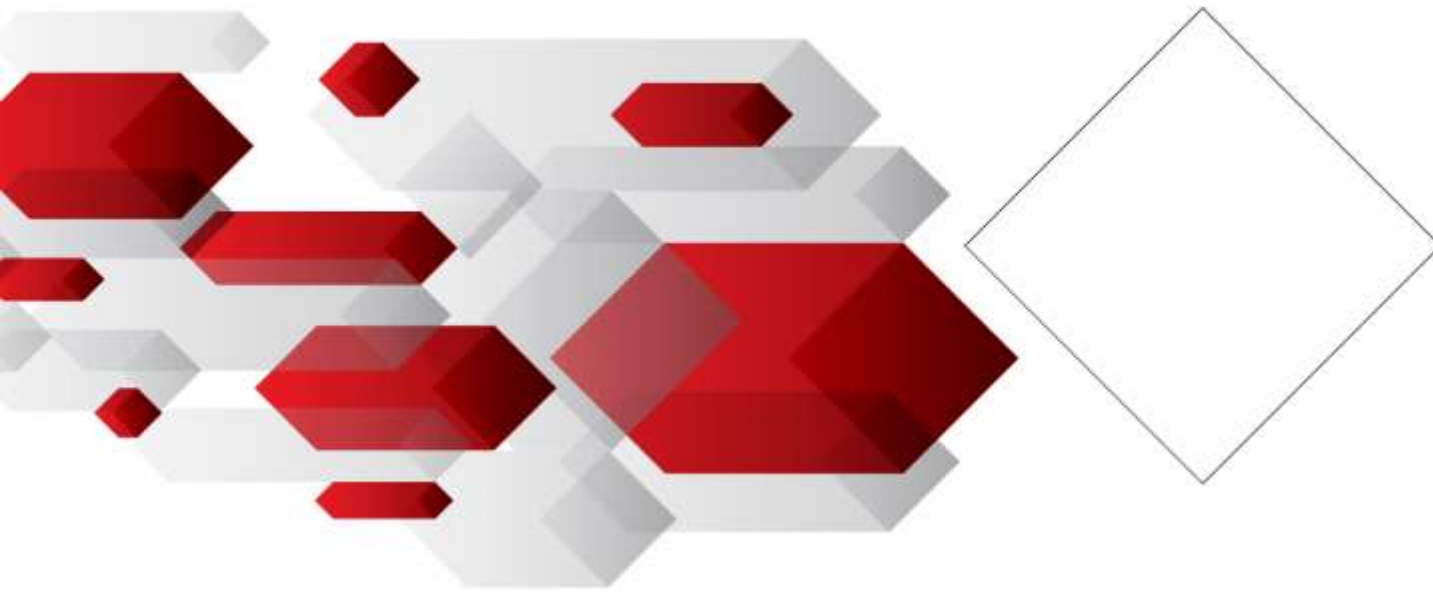
Recap: Estimated Synergies Over 3 Years



Revenue Synergy (2012)



- ◆ Integration costs incurred up to Dec 2012 amounted to RM10.5 mil, with remaining RM75.5 million to be incurred in 2013 and 2014



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2013 Outlook

| Top Level Indicators | Target 2013 N1 | Actual 2012 |
|----------------------------|----------------|-------------|
| ROE | >13.0% | 13.4% |
| Gross Impaired Loans Ratio | <2.9% | 3.0% |
| Loans Growth | 12% | 14.4% |
| Deposits Growth | 10% | 19.3% |
| Cost to Income ratio | <50% | 47.5% |
| International Contribution | 10%* | 6% |



Key Focus Areas (R.A.P.I.D) 2013-2015

Regionalisation Programme

- ◆ 30% of Group revenue from ASEAN+ by 2017
 - Strengthen regionalisation governance & risk management framework
 - Resource talent to drive regionalisation programme
 - Develop and implement a robust regionalisation strategy

Action Platform

- ◆ Speed to decision and execution
- ◆ Best in Class - Customer satisfaction

People Agenda

- ◆ Instil a high performance culture
- ◆ Stable talent pipeline to support business growth

Islamic Internationalisation

- ◆ Top 3 domestically by 2015
- ◆ International presence and profile

Digital RHB

- ◆ Digital as RHB's key differentiator - enhanced efficiency and customer experiences

N1: Target for 2013 is without Bank Mestika

Summary

- 1** Good progress against strategic initiatives, delivering satisfactory set of results
- 2** Acquisition of OSKIB marks a major milestone, providing enhanced regional footprint, product and services offering, greater scale domestically and re-positioned RHB as the 4th largest banking group in Malaysia
- 3** Indonesia is an important market for RHB and we will continue to pursue entry via the proposed acquisition of PT Bank Mestika
- 4** To execute 2013 - 2015 R.A.P.I.D Programme to release the Group's full potential for growth
- 5** 2013 Outlook - Expect market to remain competitive with pressure on margin to continue, will work towards diversifying our revenue base both from product and geography perspective



END

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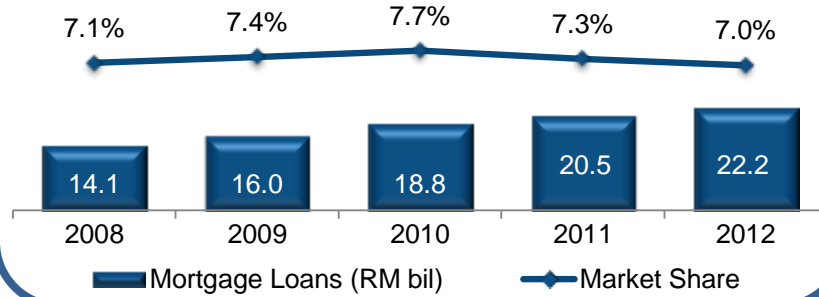
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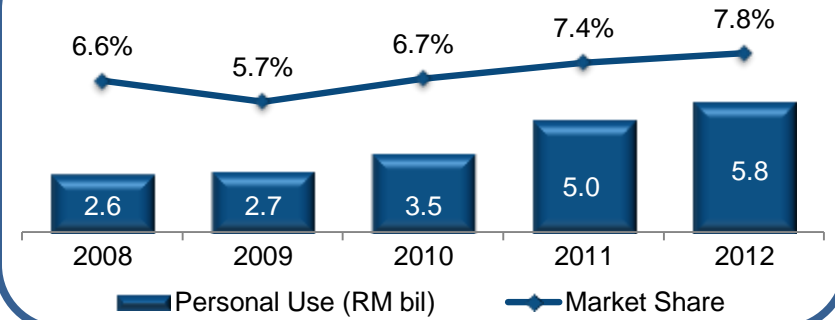
APPENDIX: KEY BUSINESS HIGHLIGHTS

Retail Business Performance

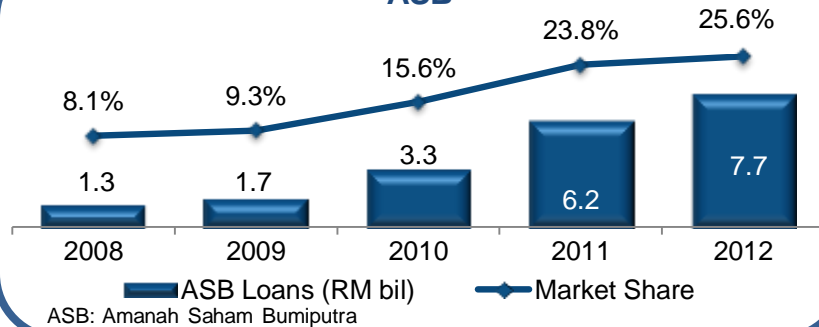
Mortgage



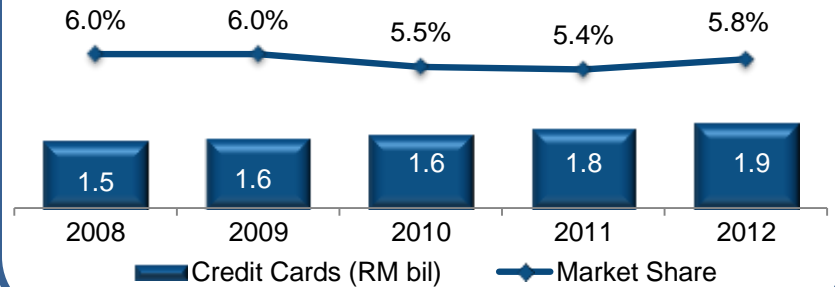
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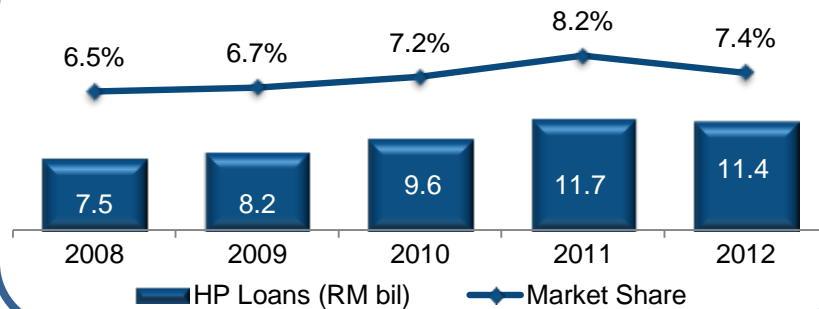
ASB



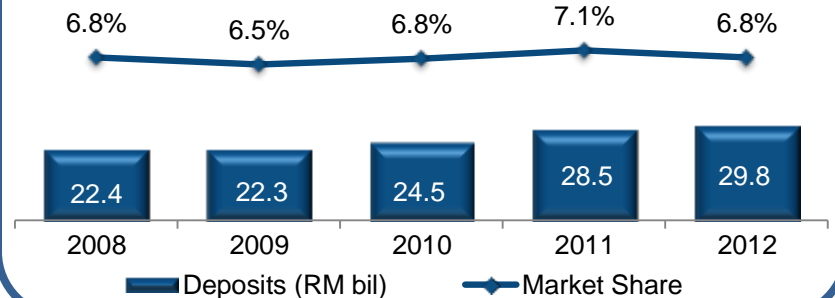
Credit Card



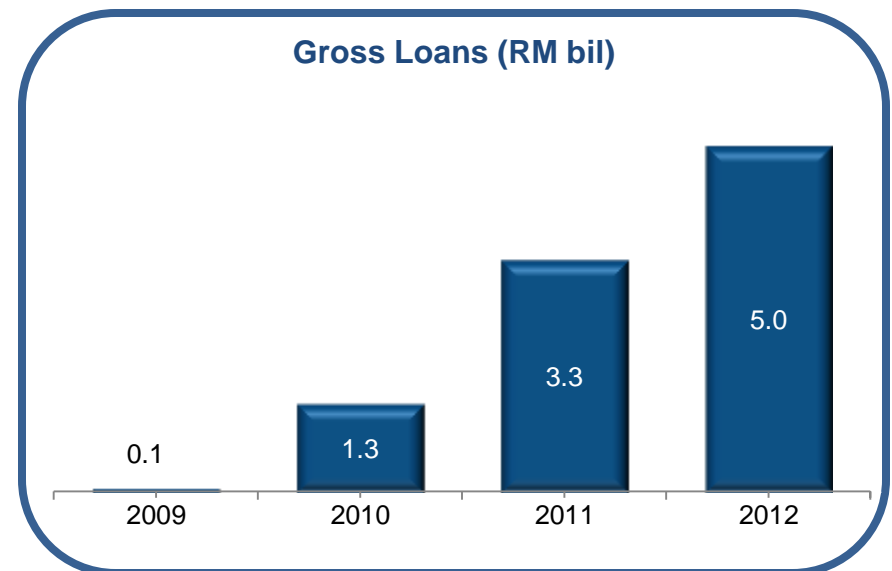
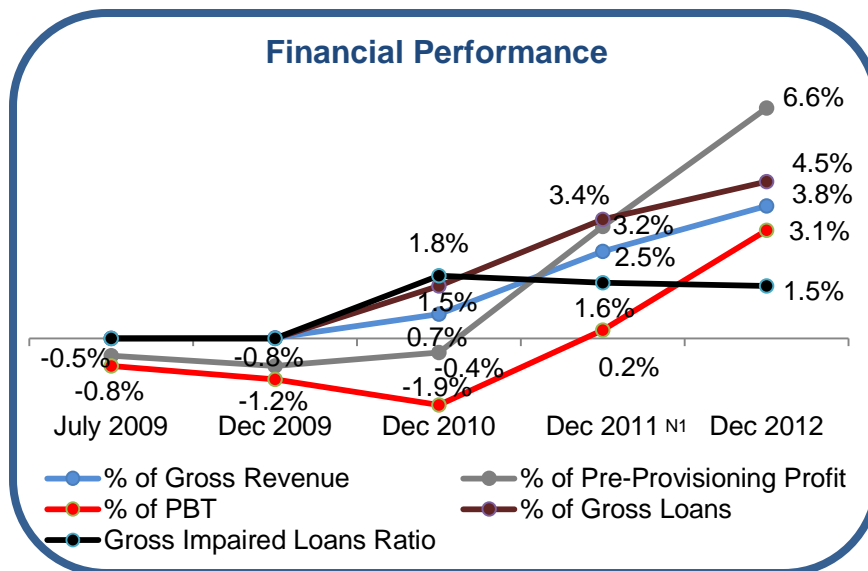
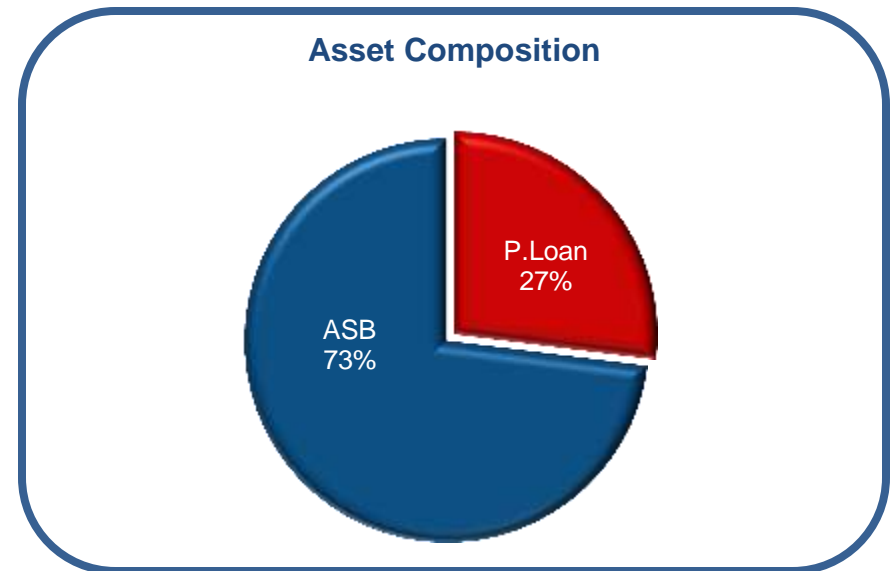
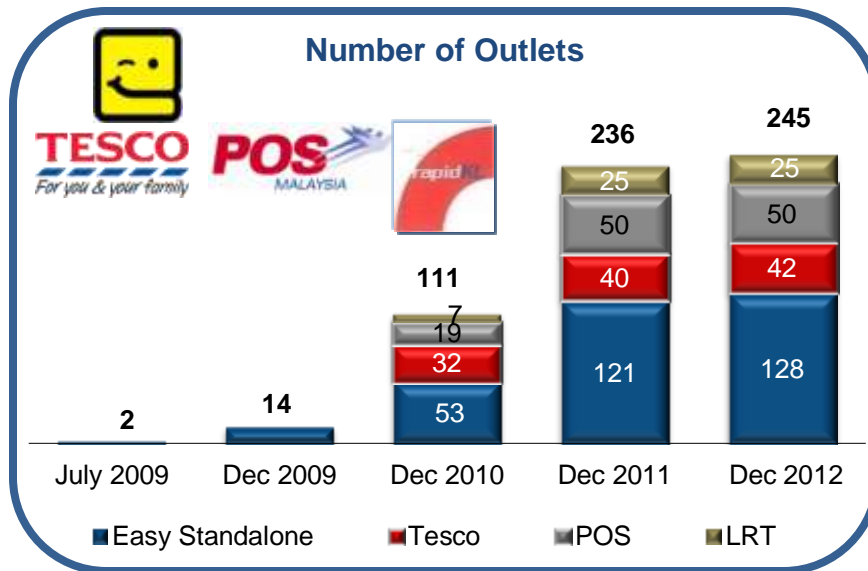
Auto Finance



Retail Deposits



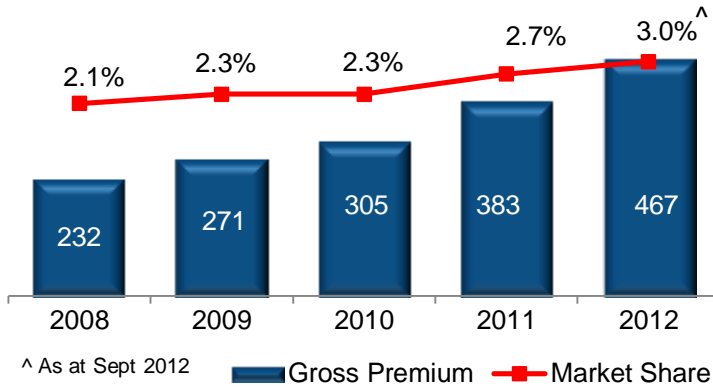
Easy by RHB



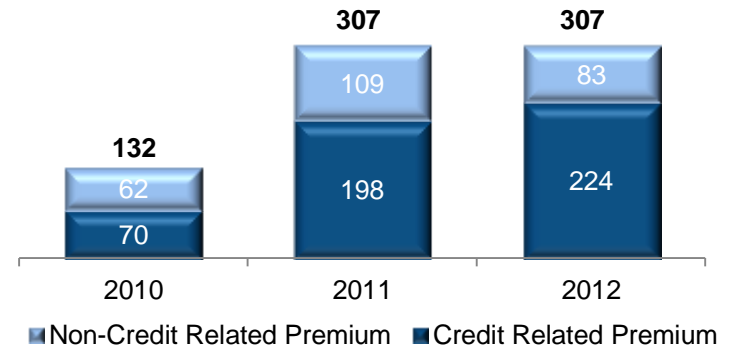
N1: Restated to conform with the application of MFRS 139

RHB Insurance Business Performance

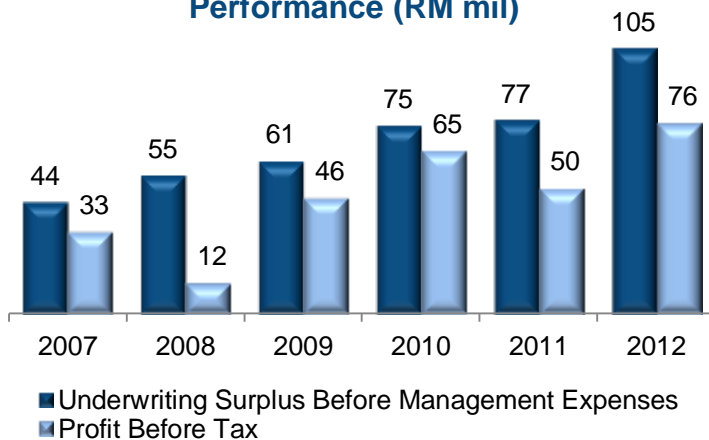
General Insurance - Gross Premium (RM mil)



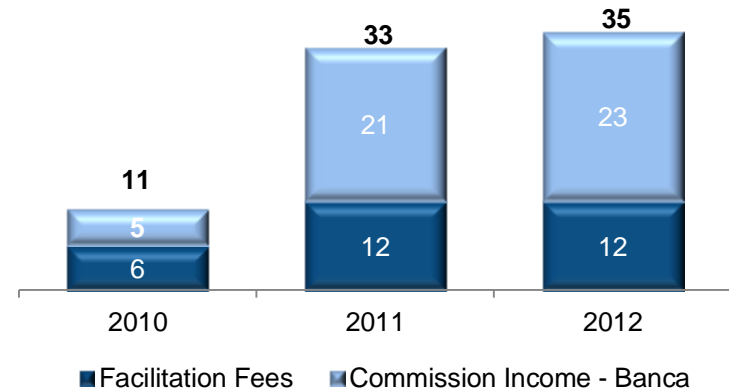
Bancassurance - Gross Premium (RM mil)



General Insurance - Financial Performance (RM mil)



Bancassurance - Fee Income (RM mil)



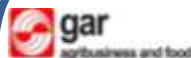
| | 2012# | | 2011 | | 2010 | |
|---------------------------|--------------|------------------|--------------|-----------------|--------------|-----------------|
| | Market Share | Ranking | Market Share | Ranking | Market Share | Ranking |
| Debt Capital Market * | 14.9% | 4 th | 9.7% | 4 th | 9.9% | 3 rd |
| Mergers & Acquisitions | 7.1% | 11 th | 16.3% | 3 rd | 58.8% | 1 st |
| Equities Capital Market ^ | 2.6% | 11 th | 6.8% | 4 th | 7.7% | 3 rd |

Combined RHBIB and OSKIB market data effective 9 Nov 2012

^ IPOs, Rights Issues & Additional Offerings
* Primary Bond Offerings

Source : Bloomberg, Bursa Malaysia & RHB

Major Mandates FY 2012



Golden Assets International Finance Ltd

RM5.0 bil - Sukuk Murabahah Programme
Joint Principal Advisers, Joint Lead Arrangers,
Joint Lead Managers, Joint Bookrunners &
Joint Underwriters (with OSK IB)



PLUS Expressways Bhd

RM30.6 bil - Sukuk Programme
Joint Lead Manager



DanaInfra Nasional Bhd

RM8.0 bil - Islamic Commercial Paper/Medium Term Note Programme
Joint Lead Arranger, Joint Lead Manager &
Joint Bookrunner



First Resources Ltd

RM2.0 bil - Sukuk Musharakah Programme
Joint Principal Advisers, Joint Lead Arrangers,
Joint Lead Managers & Joint Bookrunners
(with OSKIB)



Dijaya Corporation Bhd

RM949 mil - Assets Amalgamation Exercise
Adviser



Astro Malaysia Holdings Bhd

RM4.55 bil - Listing on Main Market of Bursa Malaysia
Joint Principal Adviser, Joint Bookrunner &
Joint Managing Underwriter



Labuan Reinsurance (L) Ltd

USD55 mil - USD Subordinated Bonds
Sole Principal Adviser & Sole Lead Arranger



Tanjung Bin Energy Issuer Bhd

RM3.29 bil - Senior Sukuk Murabahah Programme
Joint Lead Manager

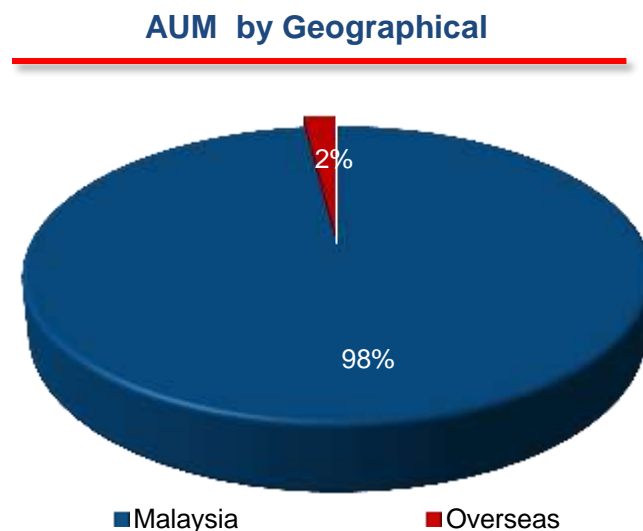
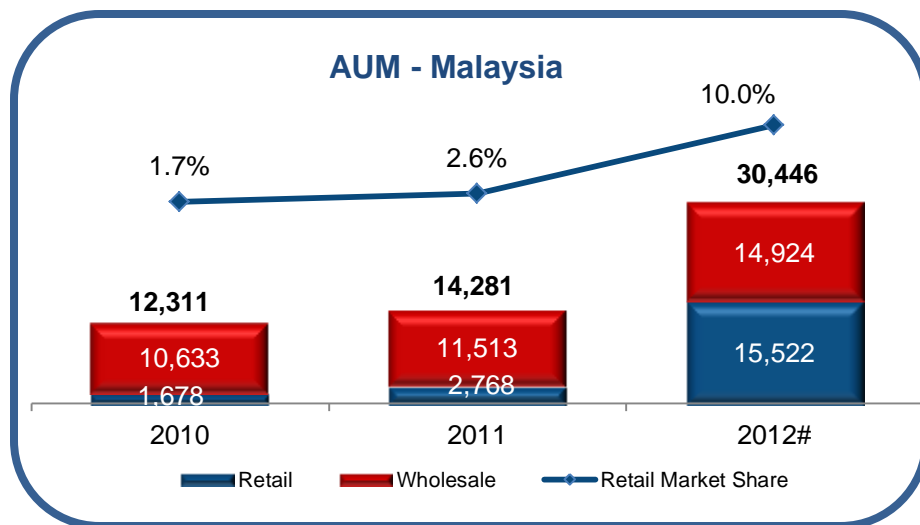


Semperit AG Holding

RM252 mil - Cross-Border Acquisition of Latex Partners Bhd
Adviser

Brokerage/Equity & AUM Market Share - by Geographical

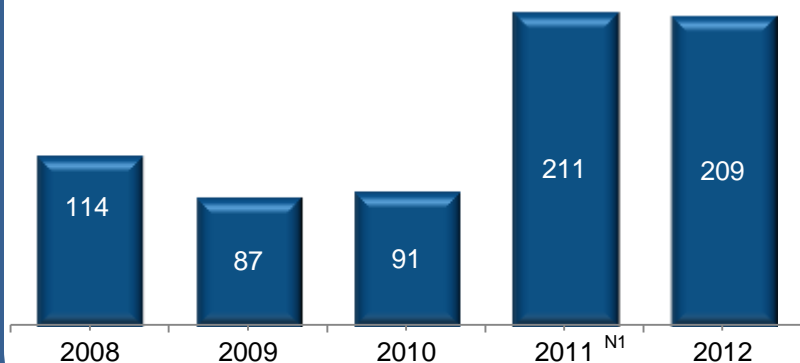
| | 2012 | |
|-----------------------|--------------|-------------------|
| | Market Share | Ranking |
| Malaysia # | | |
| - Broking (by value) | 11.6% | 2 nd |
| - Broking (by volume) | 16.2% | 1 st |
| Singapore | 7.4% | 4 th |
| Hong Kong | 0.07% | 108 th |
| Indonesia | 2.1% | 14 th |
| Thailand | 0.7% | 28 th |
| Cambodia | 8.1% | 5 th |



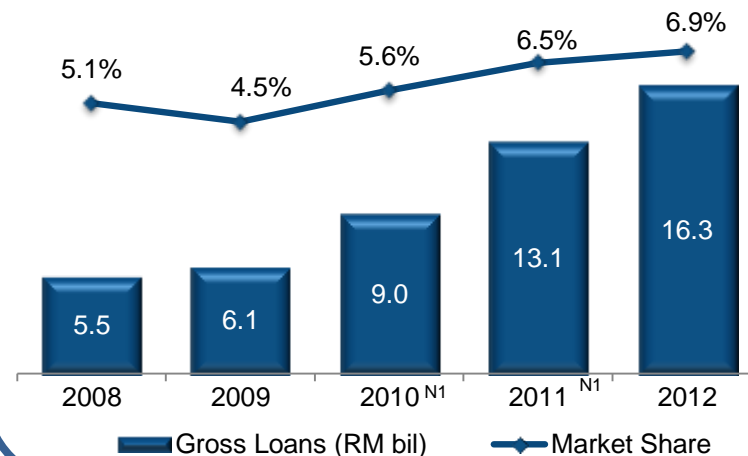
Combined RHBIB and OSKIB market data for full year 2012. 2011 and 2010 is based on RHBIB stand-alone

Islamic Business Performance

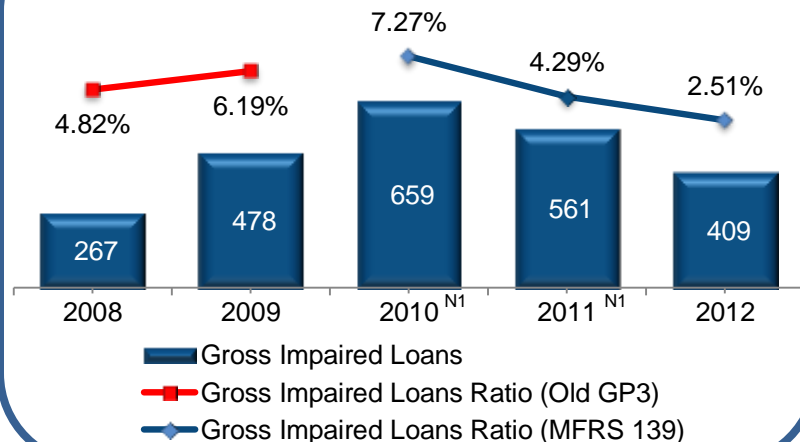
PBT (RM mil)



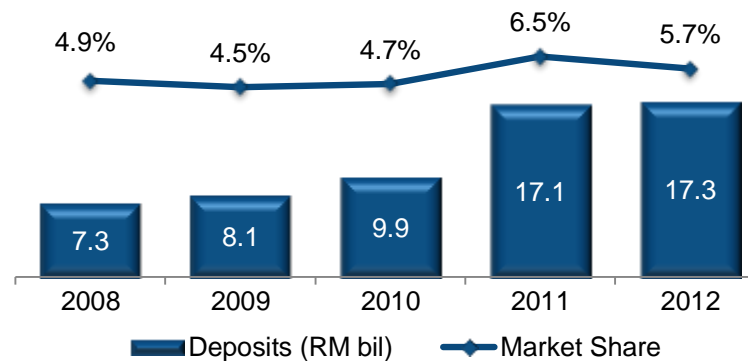
Gross Loans



Gross Impaired Loans & Impaired Loans Ratio



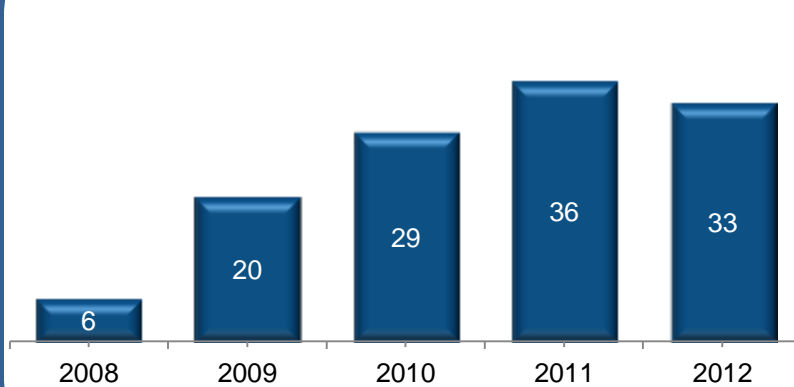
Deposits



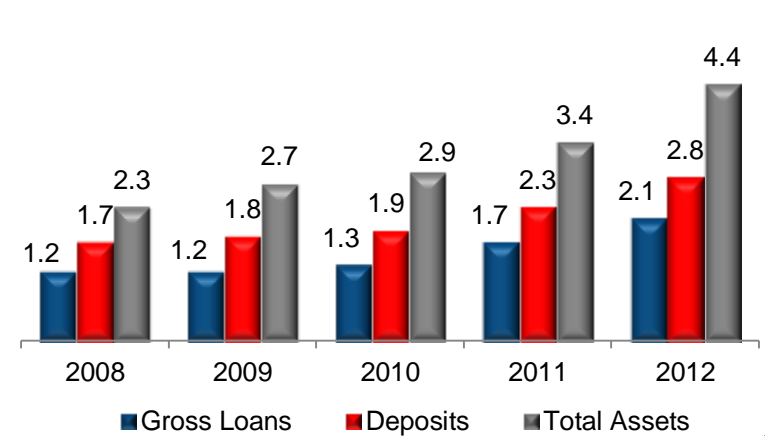
N1: Restated to conform with the application of MFRS 139

RHB Singapore Business Performance

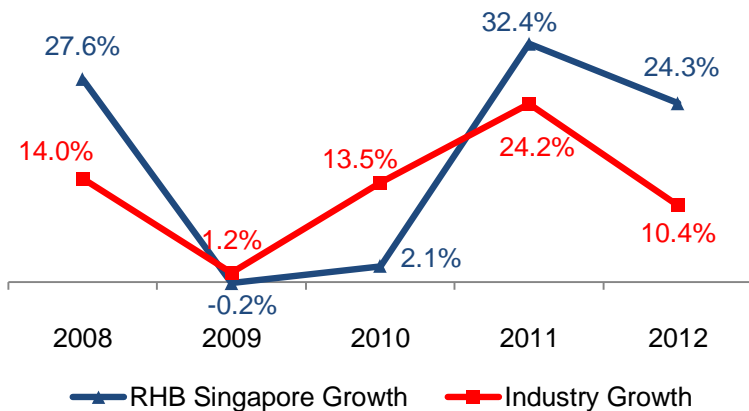
PBT (SGD mil)



Loans, Deposits & Total Assets (SGD bil)



Gross Loans Growth vs Industry



Deposits Growth vs Industry

