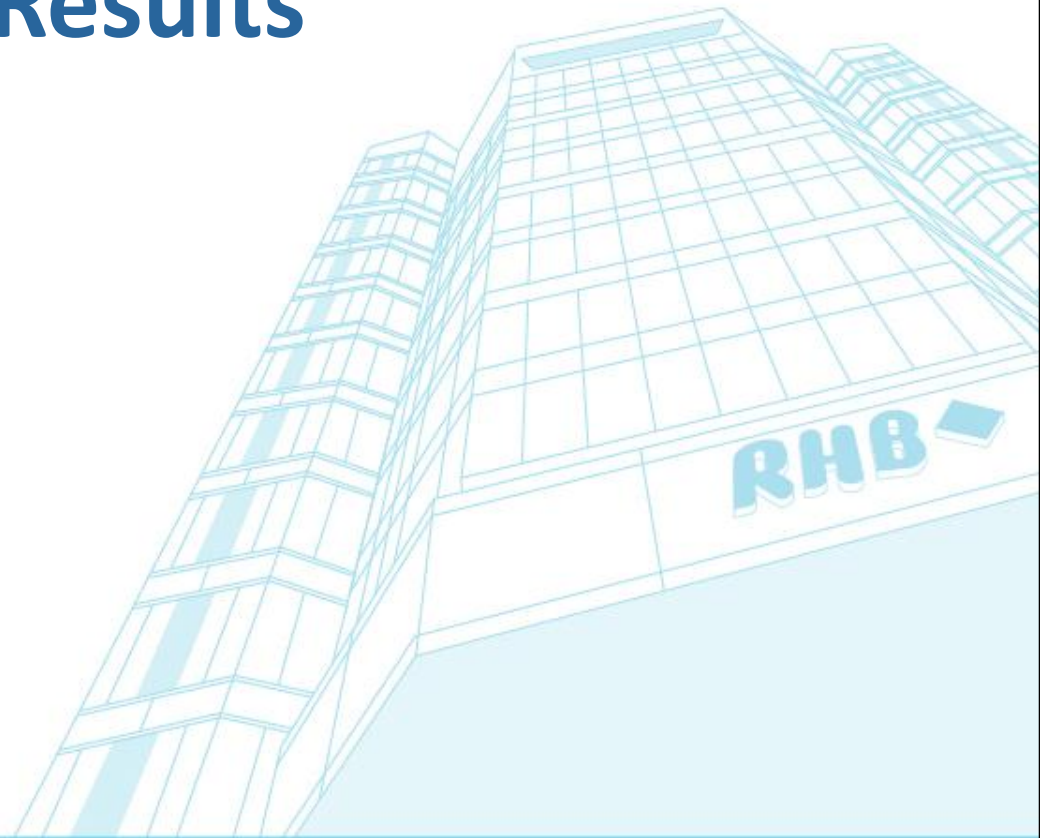


Investor Presentation

FY2015 Financial Results

Dato' Khairussaleh Ramli
Group Managing Director
RHB Banking Group
26 February 2016



AGENDA

Executive Summary

FY 2015 Financial Results

Corporate and Strategy Update

Summary and Outlook



Executive Summary (1/2)

1

FY 2015 pre-tax profit excluding one-off CTS expenses, at RM2.4 billion, 11.7% lower year-on-year

2

Results generally underpinned by lower investment banking and securities market related fee income in Malaysia and Singapore, lower trading income, higher impairment charges and absence of large one-off items

3

Gross loans grew by 6.2% to RM151.4 billion

4

Customer deposits relatively stable, up 0.6% to RM158.2 billion

- CASA balances registered strong growth of 11.0% year-on-year
- CASA ratio strengthened to 24.0% as at December 2015 versus 21.7% in December 2014

5

- Islamic business growth momentum continues. RHB Islamic recorded a pre-tax profit growth of 14.8% on the back of a 22.0% increase in financing to reach RM31.1 billion
- Islamic financing represents 23.0% of Group's total domestic gross loans and financing from 19.5% in 2014

Executive Summary (2/2)

6

ROE at 7.3%. Normalised ROE at 8.4%

7

- RM2.343 billion Rights Issue completed in December 2015
- Proposed internal reorganisation targeted to be completed by Q1 2016 and listing of RHB Bank expected by Q2 2016

8

- Declared an interim single tier cash dividend of 12 sen per share representing 24.4% dividend payout ratio, highest in 3 years

RHB Banking Group Scorecard 2015

Key Indicators	Target 2015	Actual 2015
ROE	>11.5%	7.3% (Exclude CTS: 8.4%)
Loans Growth	10%	6.2%
CASA Growth	>10%	11.0%
Gross Impaired Loans Ratio	<1.8%	1.88%
Cost to Income Ratio	<51%	61.3% (Exclude CTS: 56.3%)
Overseas Revenue Contribution	>13%	14.4%

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Financial Results

RM mil	Q4 2015	Q3 2015	Q-o-Q Change %	FY 2015	FY 2014	Y-o-Y Change %
Net Interest Income	872	844	3	3,300	3,291	-
Net Islamic Fund Base Income	206	207	-	783	650	20
Total Net Fund Based Income (A)	1,078	1,051	3	4,083	3,941	4
Other Operating Income	573	447	28	2,015	2,211	-9
Islamic Non-Fund Based Income	31	16	94	93	83	12
Total Non Fund Based Income (B)	604	463	30	2,108	2,294	-8
Total Income (A+B)	1,682	1,514	11	6,191	6,235	-1
Operating Expenses	(962)	(1,169)	-18	(3,793)	(3,411)	11
Operating Expenses (excluding CTS)	(962)	(860)	12	(3,484)	(3,411)	2
Operating Profit Before Allowances	720	345	>100	2,398	2,824	-15
Allowances for Loan Impairment	(234)	(96)	>100	(340)	(206)	65
Impairment Losses (Made)/Written Back on Other Assets	(10)	45	>100	49	117	-58
Profit Before Taxation	476	294	62	2,107	2,735	-23
Profit Before Taxation (excluding CTS)	476	603	-21	2,416	2,735	-12
Net Profit	316	194	63	1,511	2,038	-26
Net Profit (excluding CTS)	316	426	-26	1,743	2,038	-14
EPS (sen)	11.9	7.5	59	58.1	79.7	-27

Year-on-Year Performance:

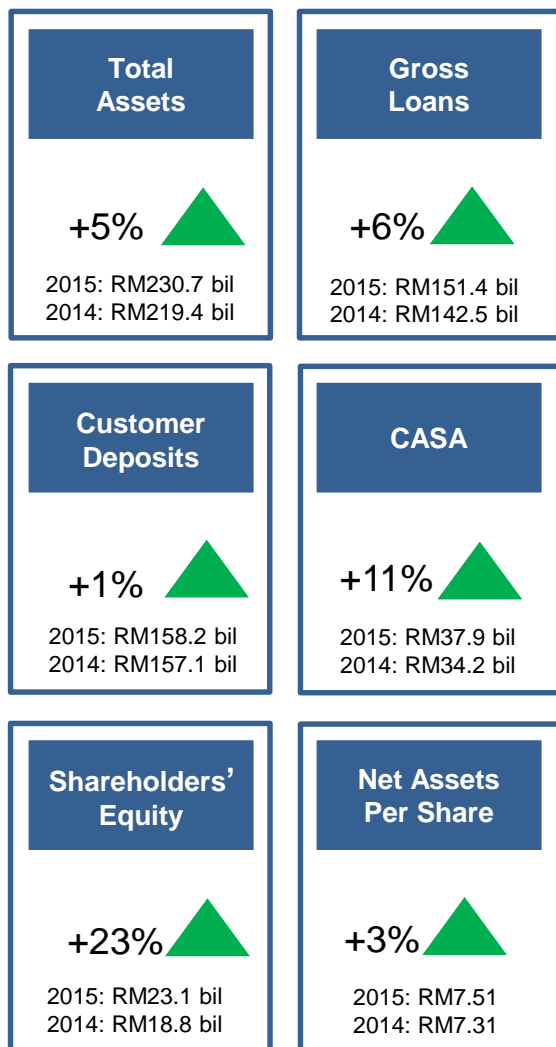
- ♦ Gross fund based income increased by 9.7% on the back of 6.2% increase in gross loans and financing.
- ♦ Funding and interest expense higher by 14.5% due to higher customer deposits and higher funding expense on sukuk and sub-debts totaling RM1.5 billion and USD300 million senior unsecured notes issued during second half of 2014.
- ♦ Total non fund based income lower due mainly to lower investment banking and securities market related fee income, lower trading income and absence of gain on disposal of investment, partly offset by higher wealth management fee income.
- ♦ Excluding CTS expenses, other operating expenses was higher by 2.1%, reflecting a strong cost discipline across the Group.
- ♦ Increase in allowance for impairment on loans and financing was primarily due to higher individual allowance and absence of one-off major recoveries in 2014, partially mitigated by lower collective allowance.
- ♦ Lower write back on impairment on other assets mainly due to a large one-off recovery in 2014 not repeated.

Quarter-on-Quarter Performance:

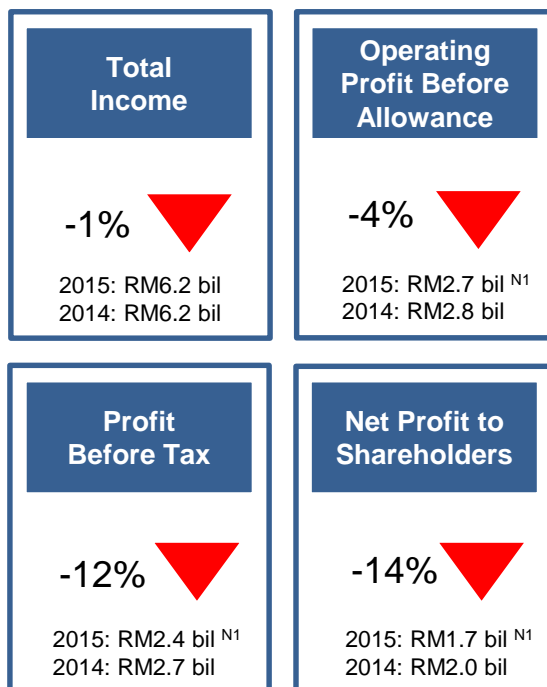
- ♦ Normalised PBT was lower by 21.2% mainly due to higher impairment on loans and financing, higher operating expenses and higher impairment losses on other assets, partly offset by higher non-fund based and net fund based income.

Key Financial Highlights

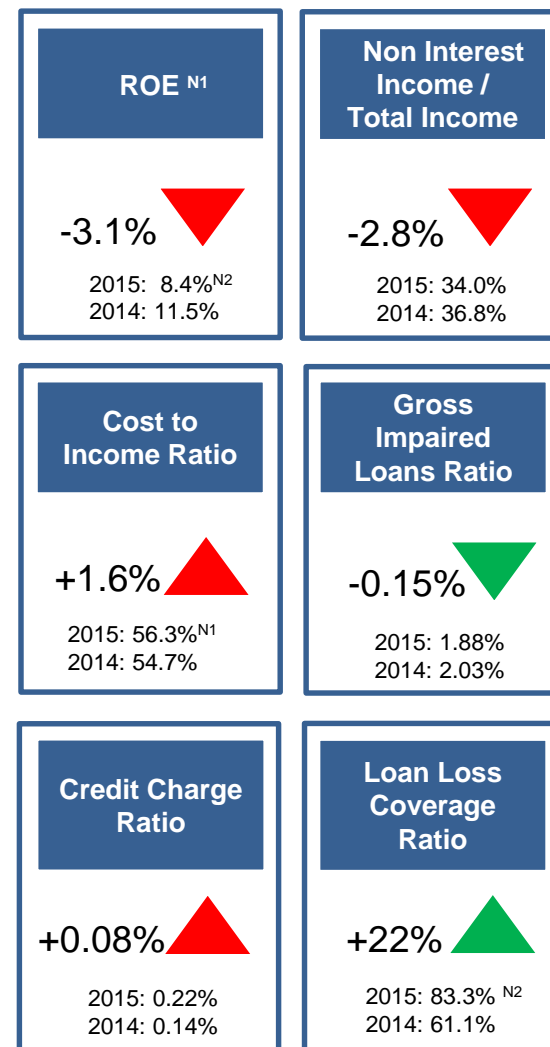
Financial Position



Financial Results



Key Financial Ratios



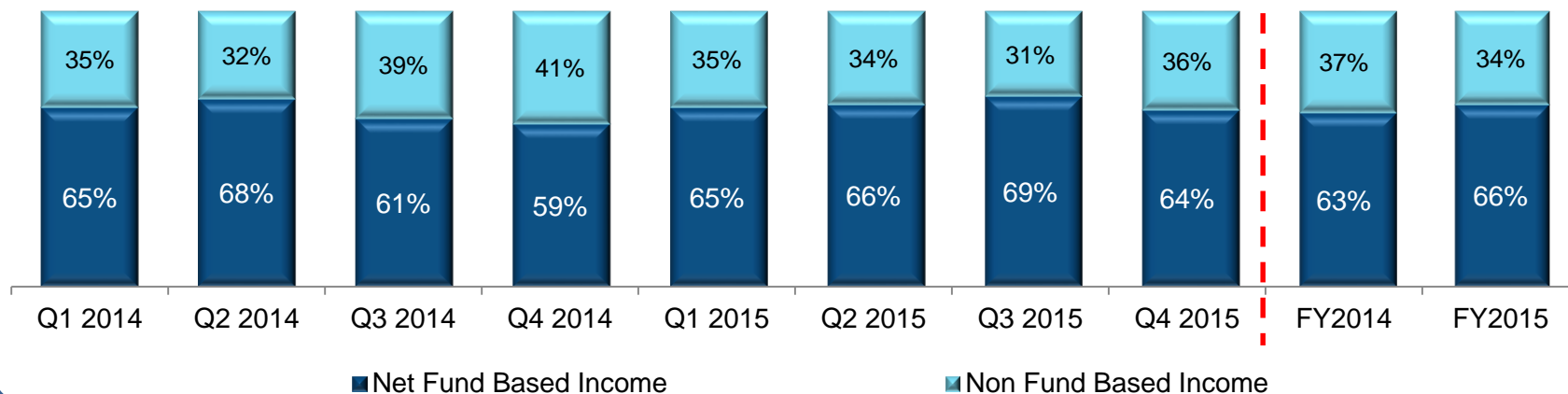
N1 : Excluding CTS expenses

N2 : Inclusive of 1.2% Regulatory Reserve

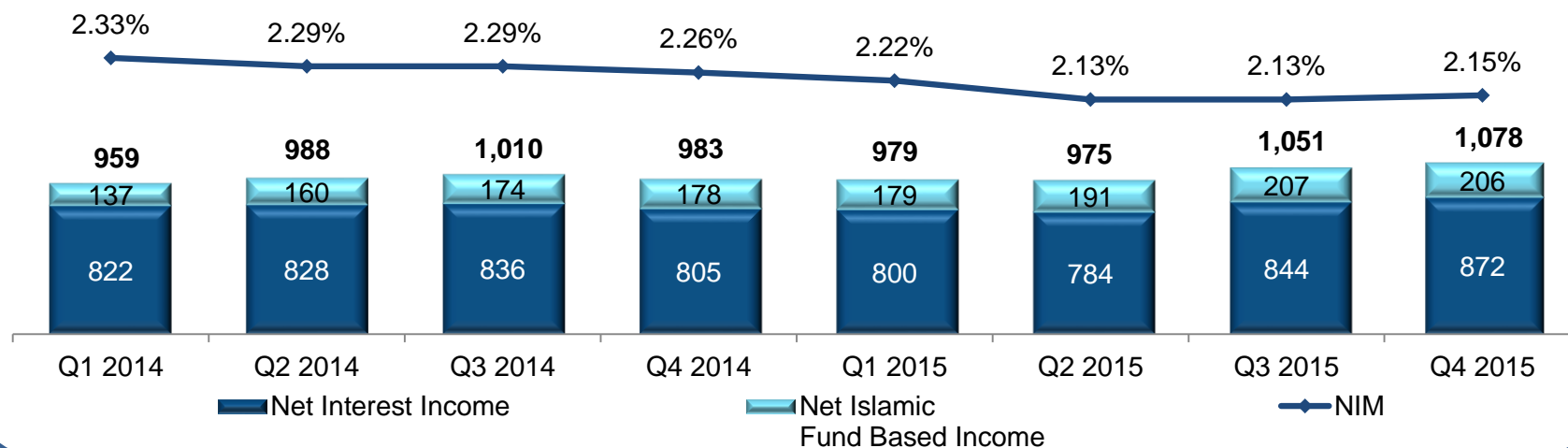
Income Mix & NIM

Non fund based affected by lower investment banking and securities market related fee, margin stabilised

Income Mix



Net Interest Income & NIM

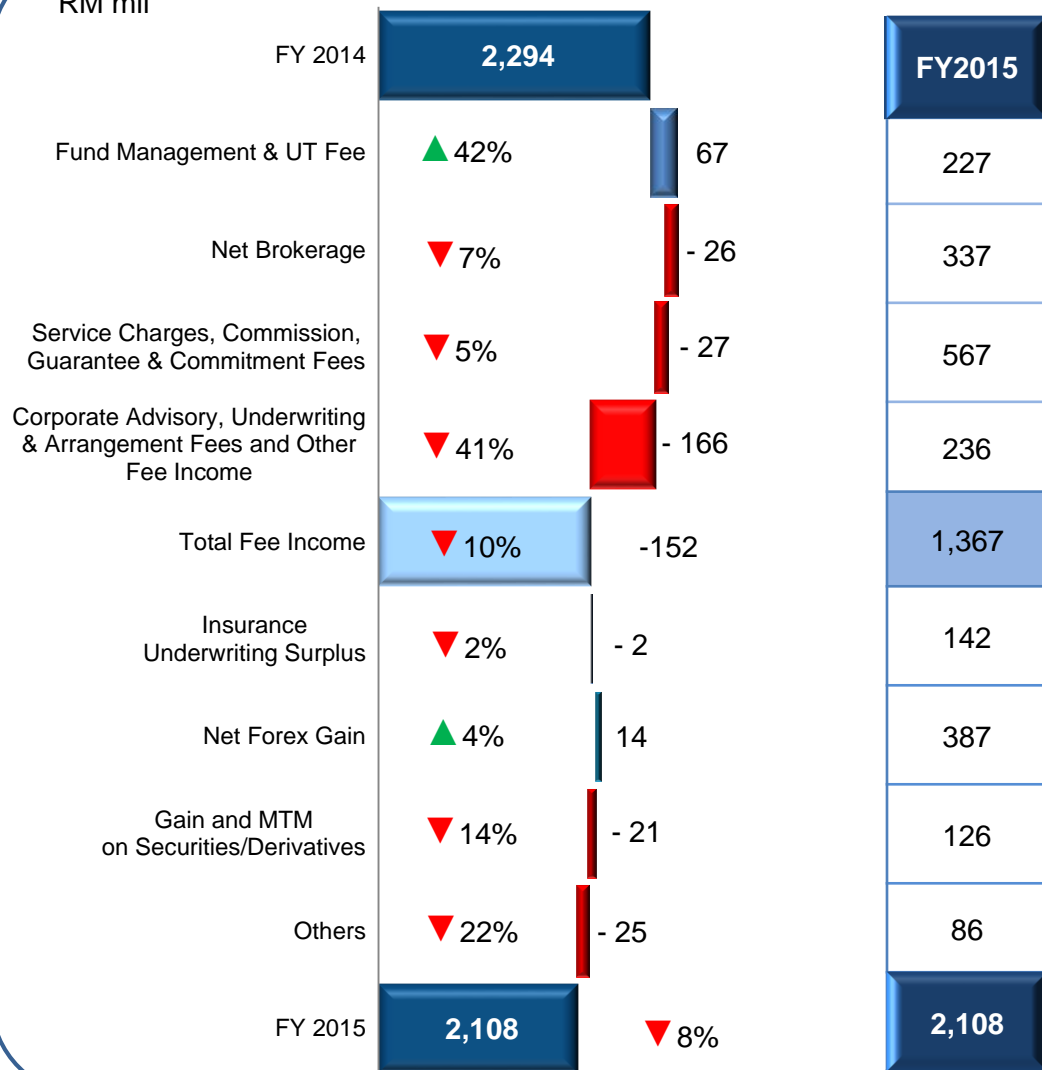


Note: FY2015 NIM : 2.14%
FY2014 NIM : 2.30%

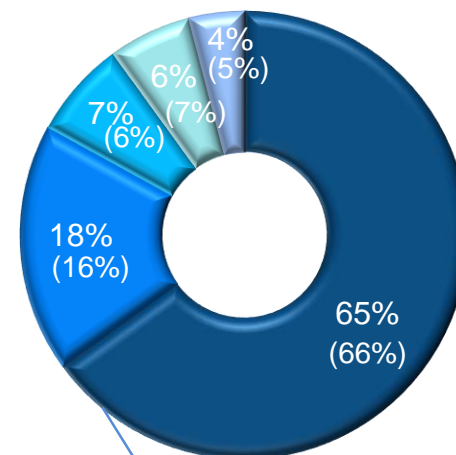
Non Fund Based Income

Lower investment and securities related fee, mitigated by growth in wealth management

RM mil



Composition



Brokerage income:
16% (16%)

Fund Management &
UT Fee: 11% (7%)

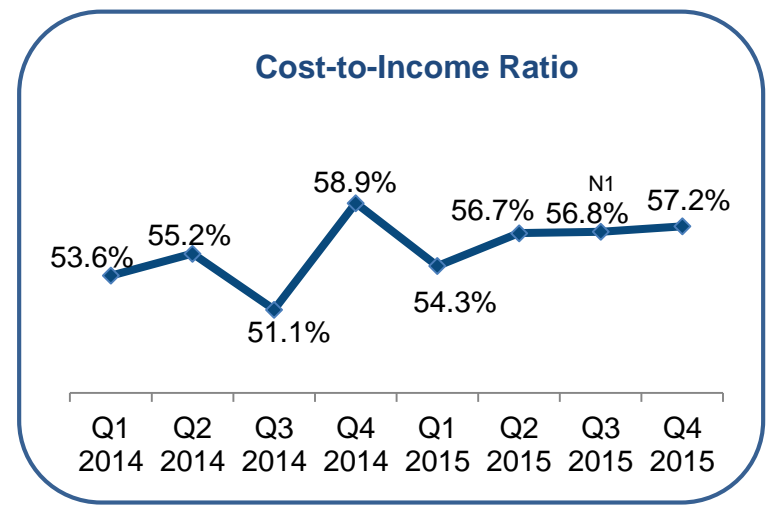
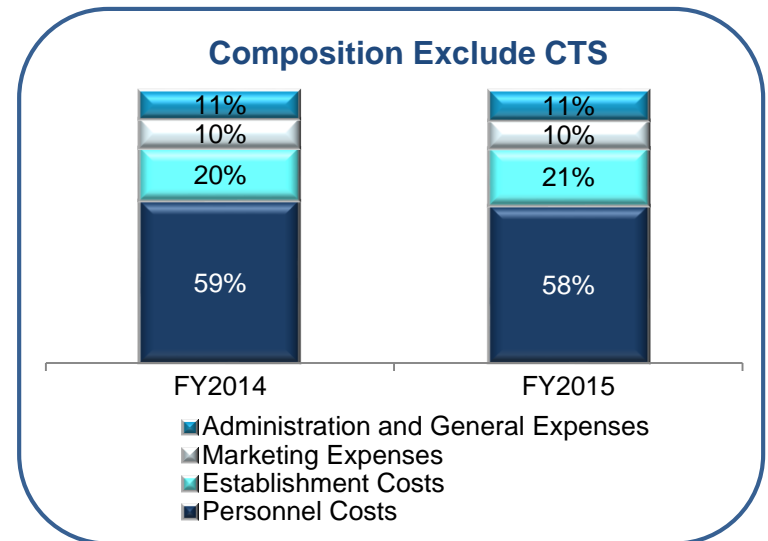
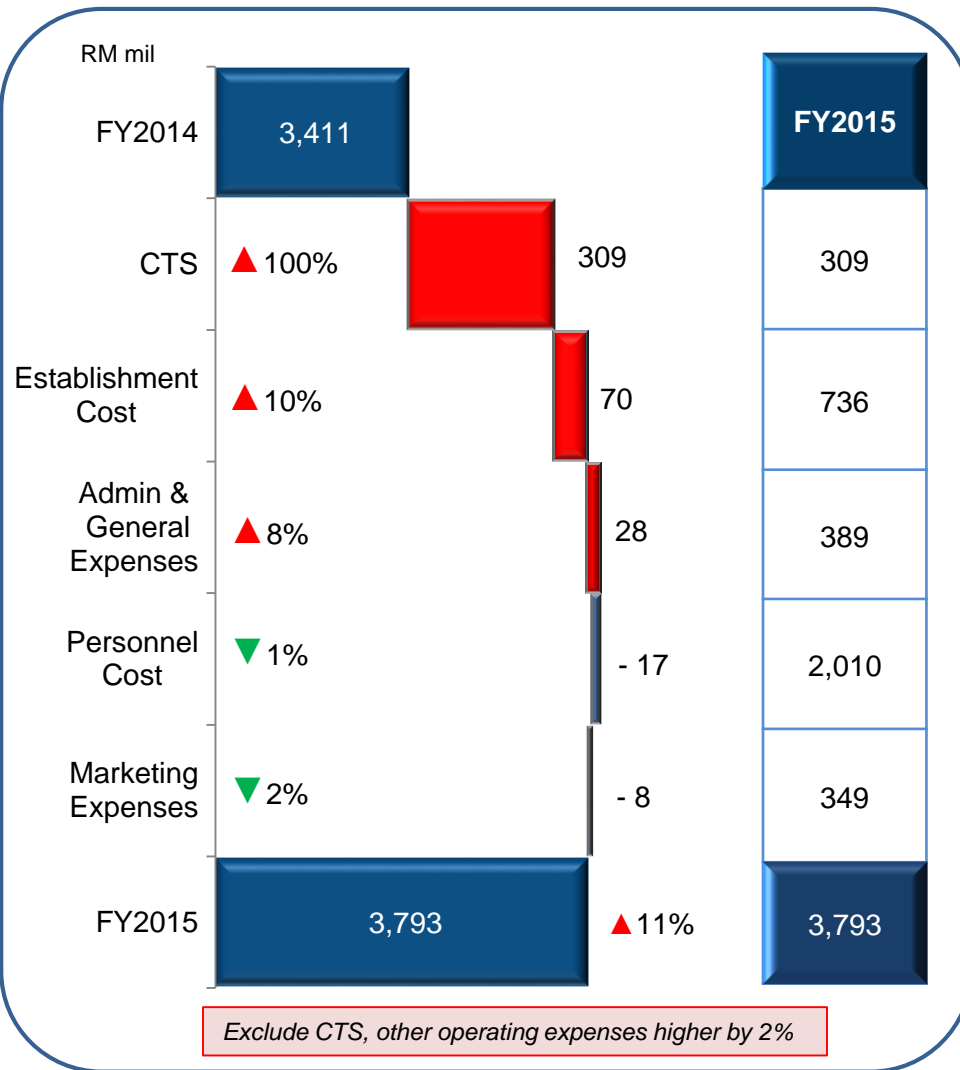
Other fee income:
38% (43%)

- Fee Income
- Net Forex Gain
- Insurance Underwriting Surplus
- Gain and MTM on Securities/Derivatives
- Others

Note: Composition represents position for FY2015 (FY 2014)

Operating Expenses

Cost relatively well contained arising from strategic cost management

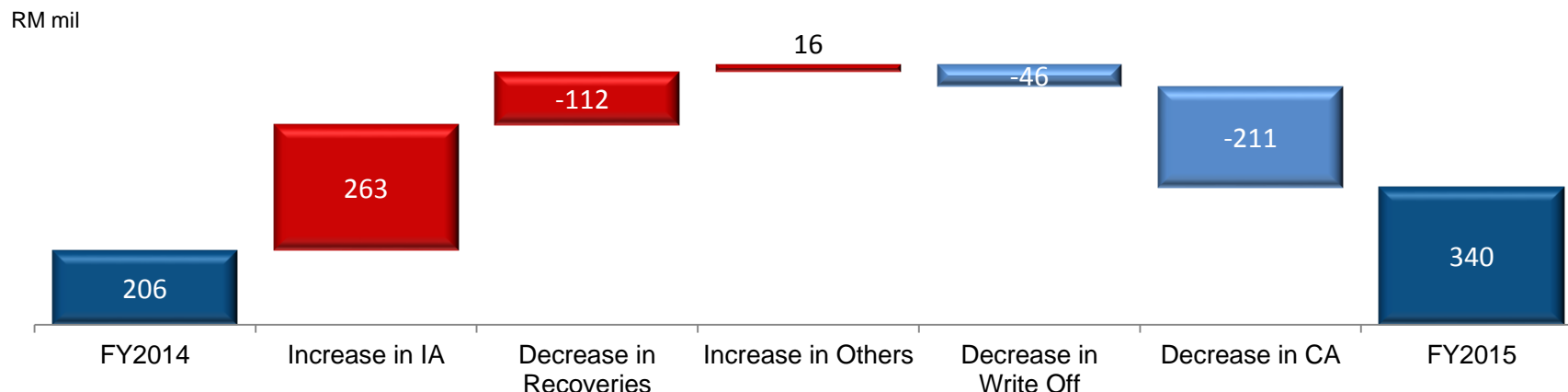


N1: Excluding CTS

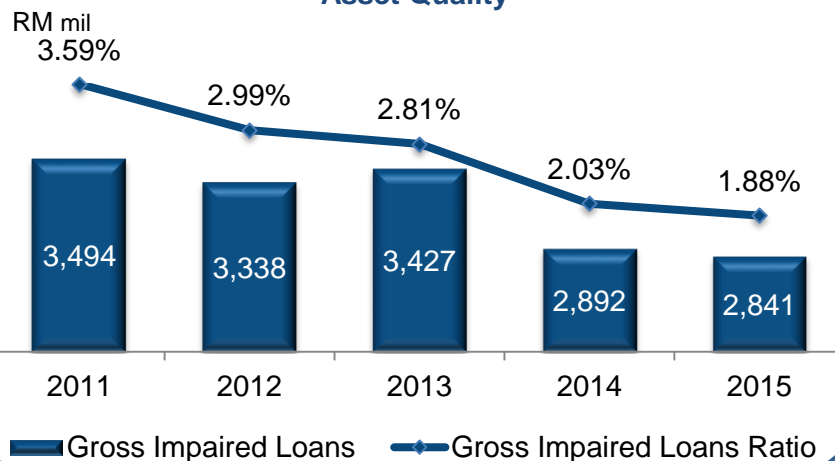
Allowances for Loan Impairment

Improving asset quality

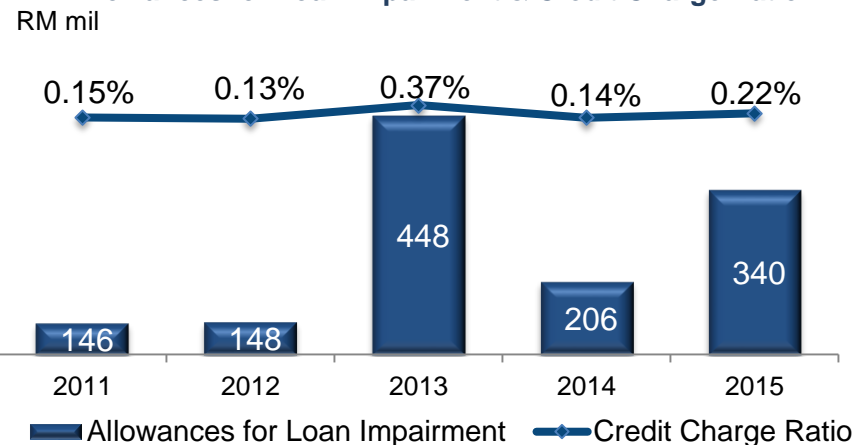
Increase/Decrease in Allowances for Loan Impairment



Asset Quality



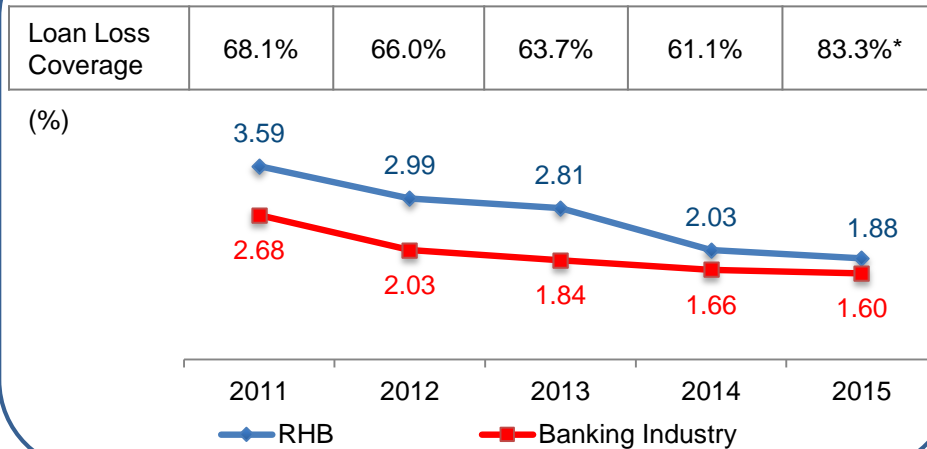
Allowances for Loan Impairment & Credit Charge Ratio



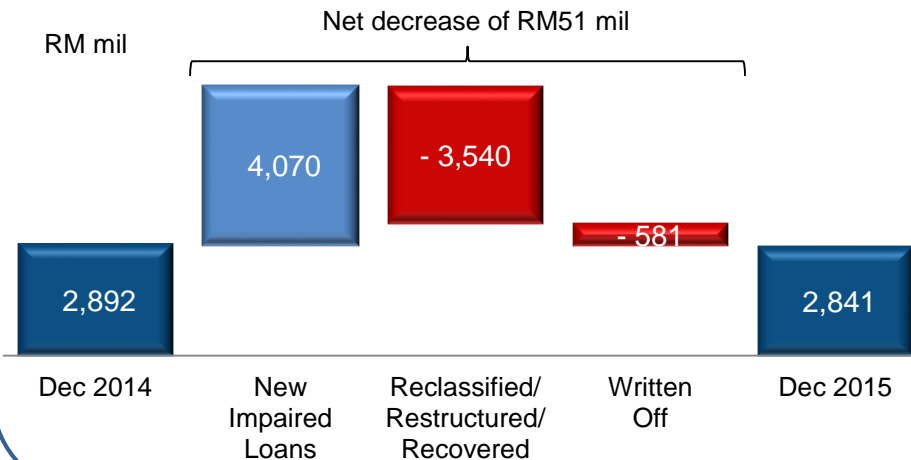
Asset Quality

Additional allowances made to build loan loss coverage

Gross Impaired Loans Ratio

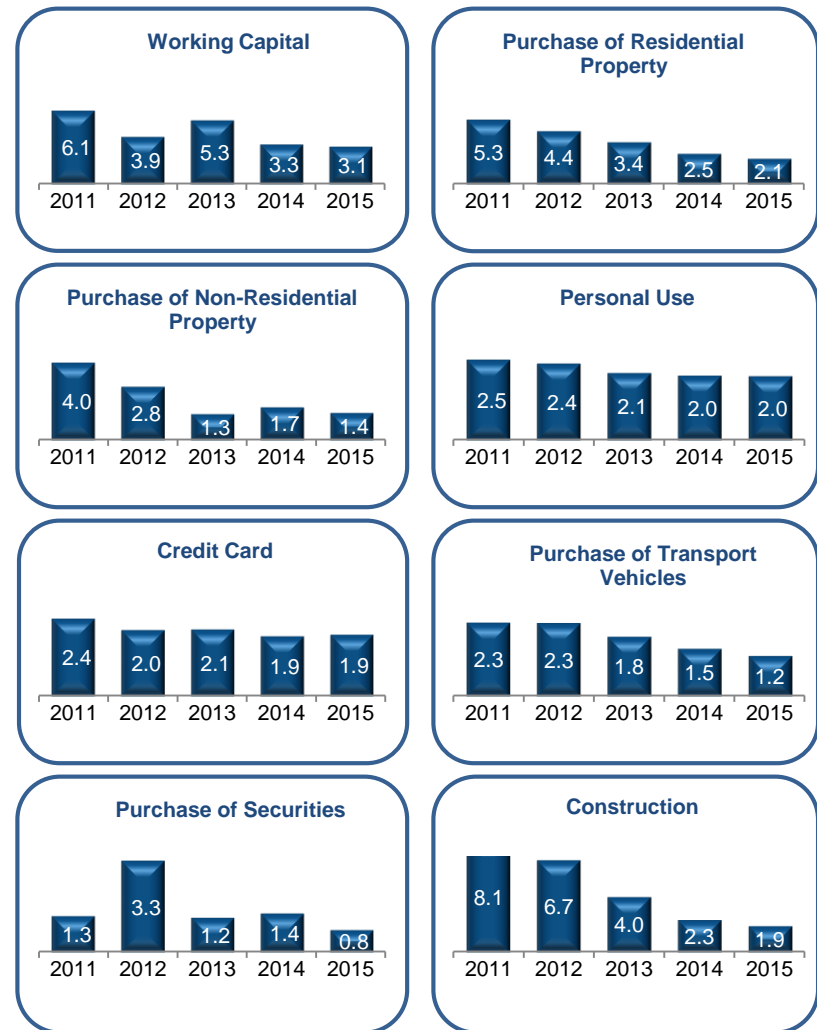


Gross Impaired Loans Movement



* Inclusive of 1.2% regulatory reserve amounting to RM583 million

Gross Impaired Loans Ratio (%) by Purpose



Financial Position as at 31 December 2015

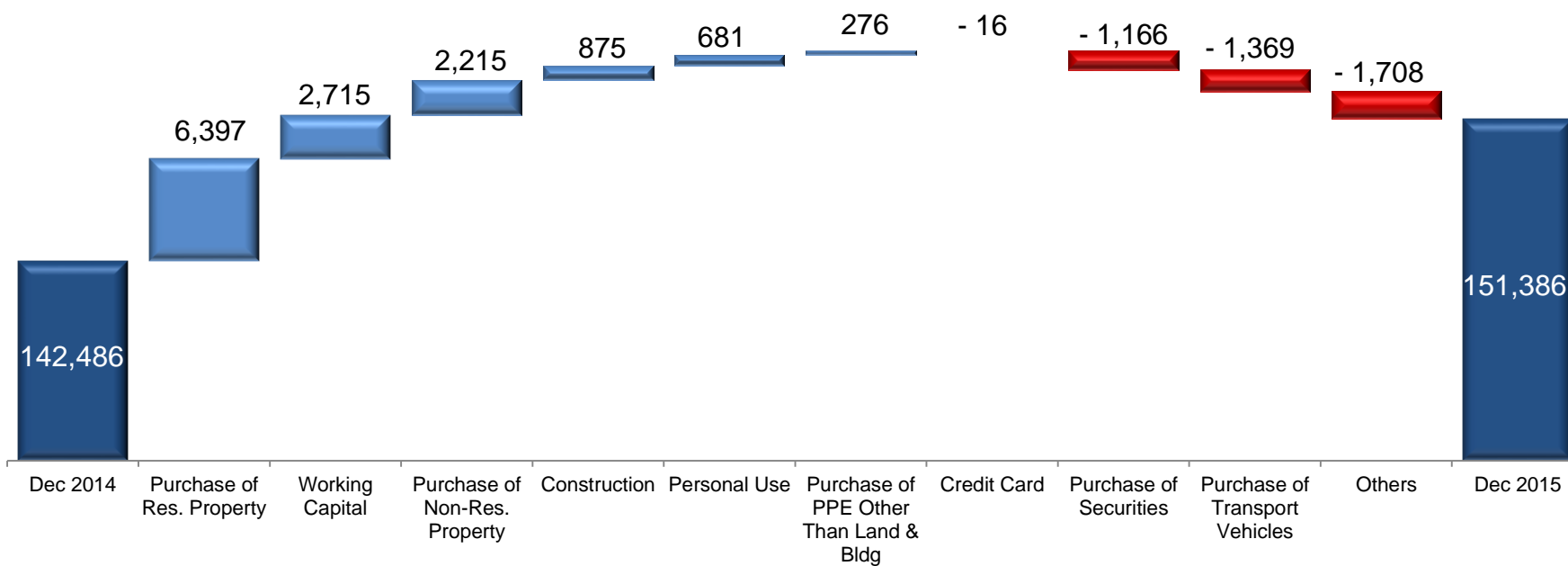
RM mil	Dec 2015	Sep 2015	Dec 2014	Q-o-Q Change %	Y-o-Y Change %
Total Assets	230,718	229,558	219,354	1	5
Total Financial Assets/Investments	47,024	46,319	43,003	2	9
- Financial Assets FVTPL	1,753	2,182	2,931	-20	-40
- Financial Investments AFS	24,739	25,104	19,602	-1	26
- Financial Investments HTM	20,532	19,033	20,470	8	-
Gross Loans	151,386	149,552	142,486	1	6
Customer Deposits	158,151	158,968	157,134	-1	1
Borrowings and Senior Debt Securities	5,888	6,385	5,685	-8	4
Subordinated Notes	5,896	5,941	6,099	-1	-3
Hybrid Tier-1 Capital Securities	602	598	602	1	-
Shareholders' Funds	23,085	20,547	18,794	12	23
Net Assets per Share	7.51	7.94	7.31	-5	3

- ♦ Increase in total assets driven mainly by growth in loans and financing and financial investments AFS.
- ♦ Growth was broad based, predominantly from purchase of residential and non-residential properties, working capital and construction.
- ♦ Customer deposits registered marginal increase as the Group continues to rebalance its liquidity and funding position.
- ♦ Group current and savings account ('CASA') balances increased by 11.0%
 - Domestic current account grew at 11.3% versus industry 2.1%
 - Domestic savings account grew at 5.7% versus industry 0.5%
- ♦ CASA composition improved to 24.0% from 21.7% in December 2014.

Loans, Advances and Financing

Loans growth driven mainly by Retail and Business Banking

RM mil

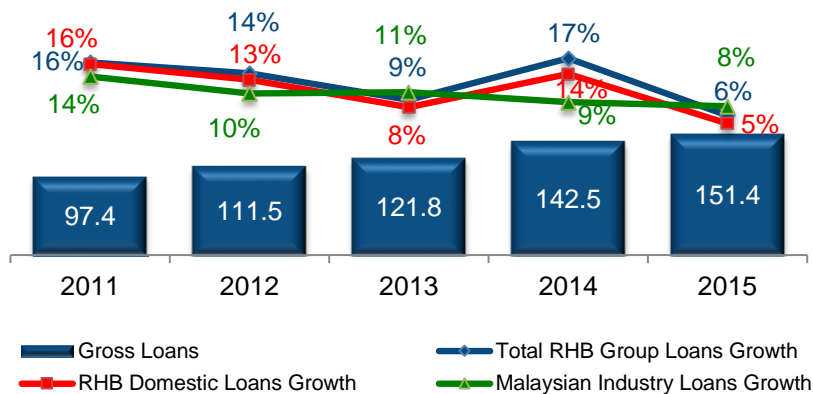


December 2015	37,866	37,776	12,849	5,804	8,332	3,952	1,979	14,440	10,854	17,534	151,386
Y-o-Y Growth	▲ 20%	▲ 8%	▲ 21%	▲ 18%	▲ 9%	▲ 8%	▼ 1%	▼ 7%	▼ 11%	▼ 9%	▲ 6%
Y-o-Y Loans Growth Composition	72%	30%	25%	10%	8%	3%	-	-13%	-16%	-19%	100%

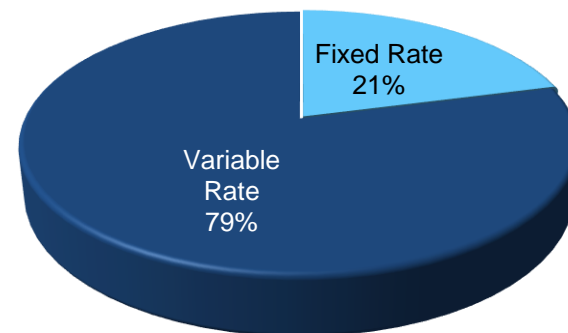
Loans Profile and Market Share

Gross Loans

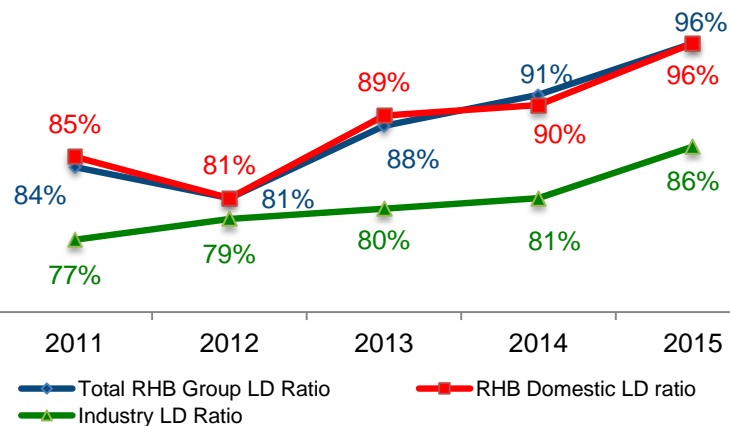
RM bil



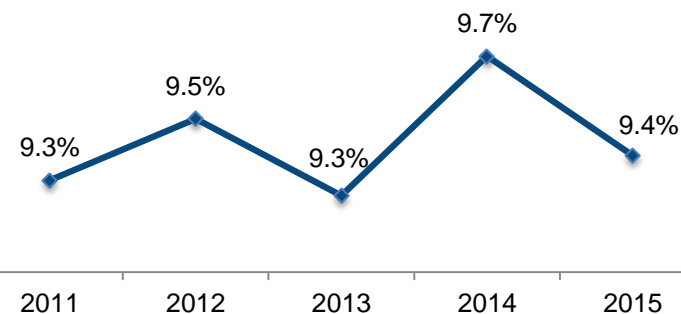
Gross Loans by Interest/ Profit Rate Sensitivity



LD Ratio



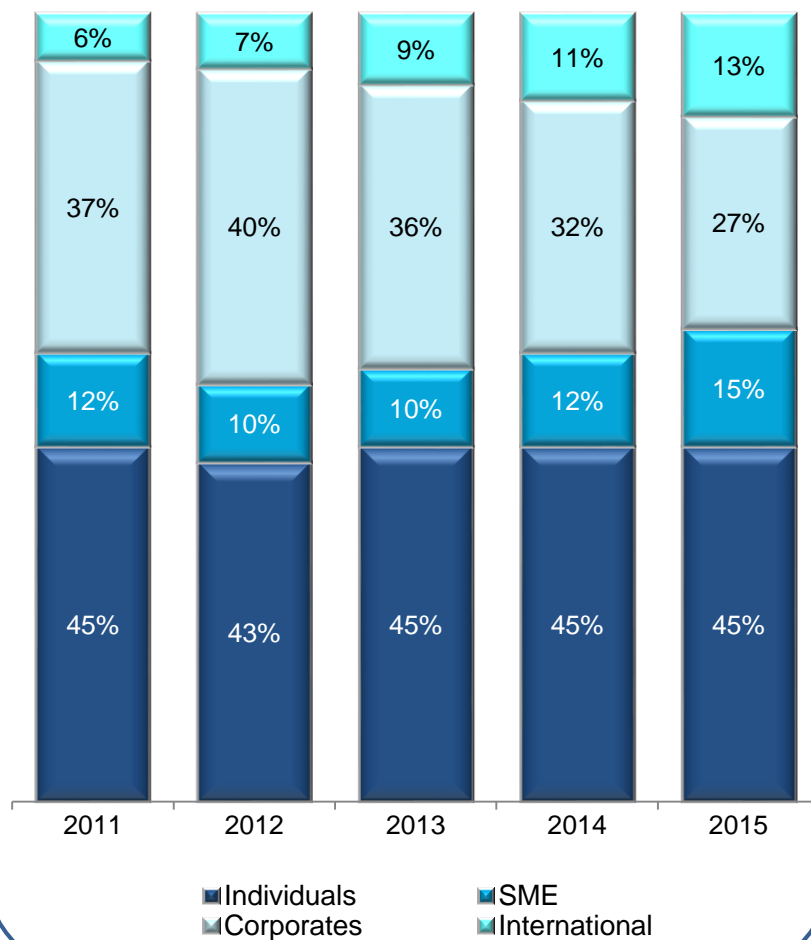
Domestic Loans Market Share



Loans By Type of Customers

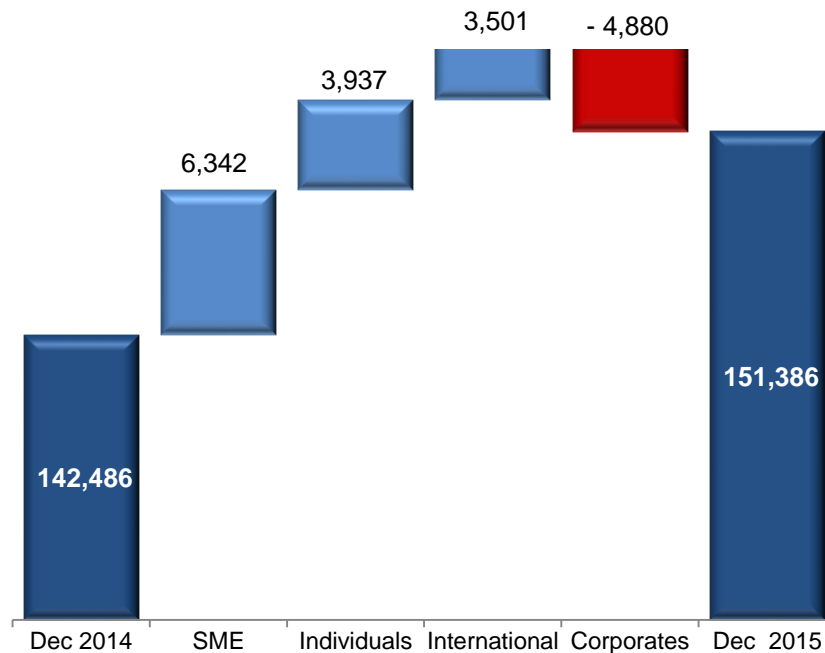
Rebalancing of portfolio

Composition



Loans by Type of Customers

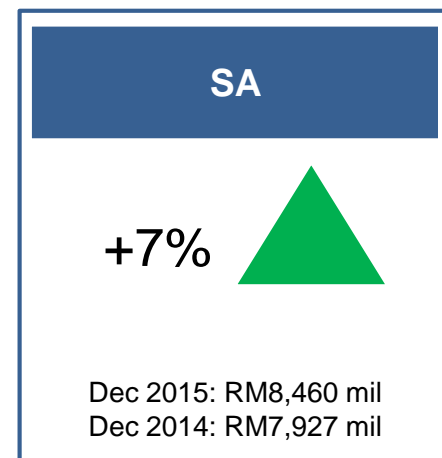
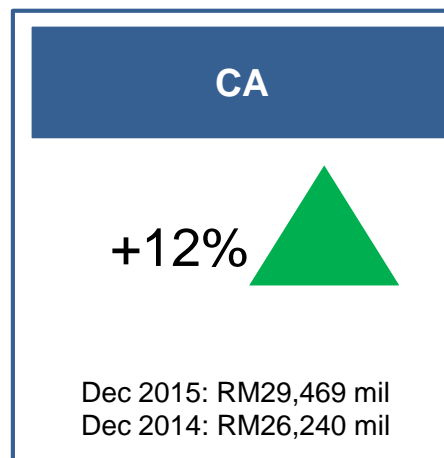
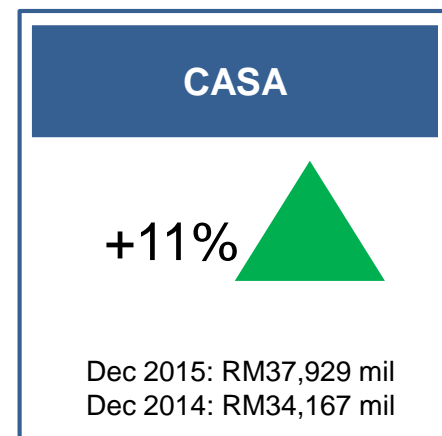
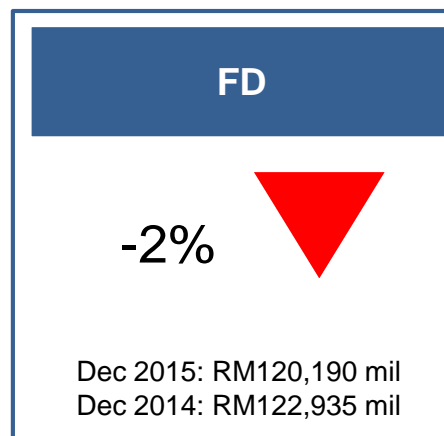
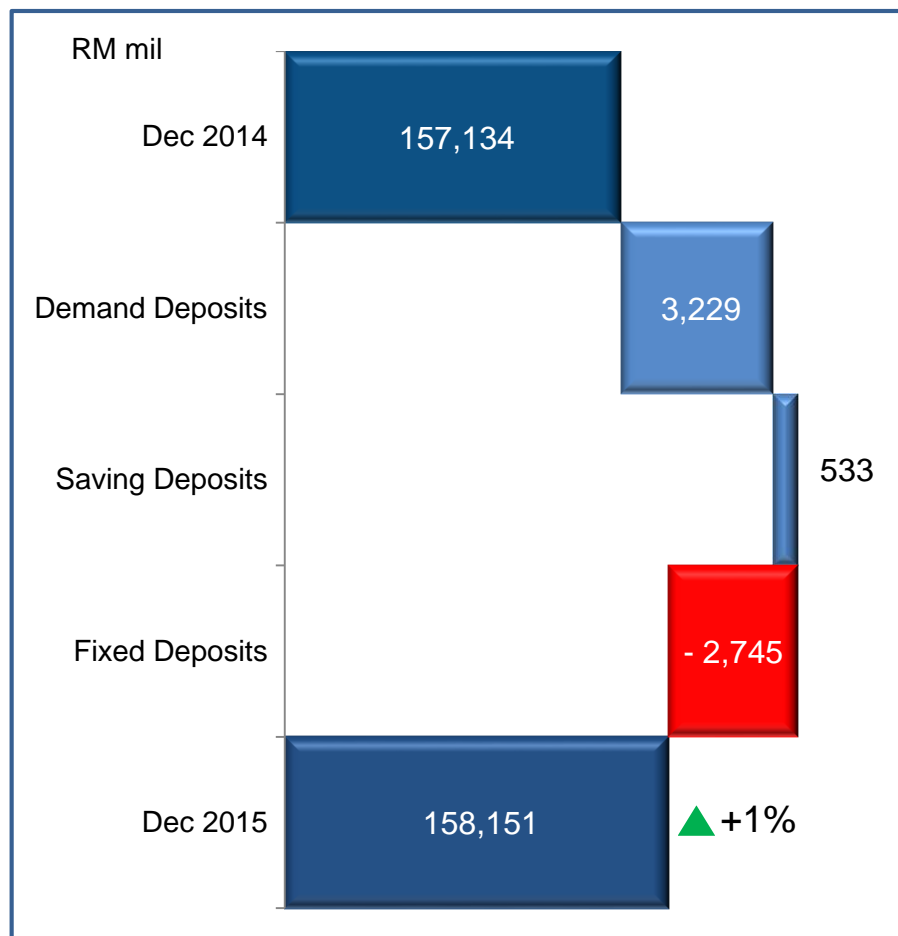
RM mil



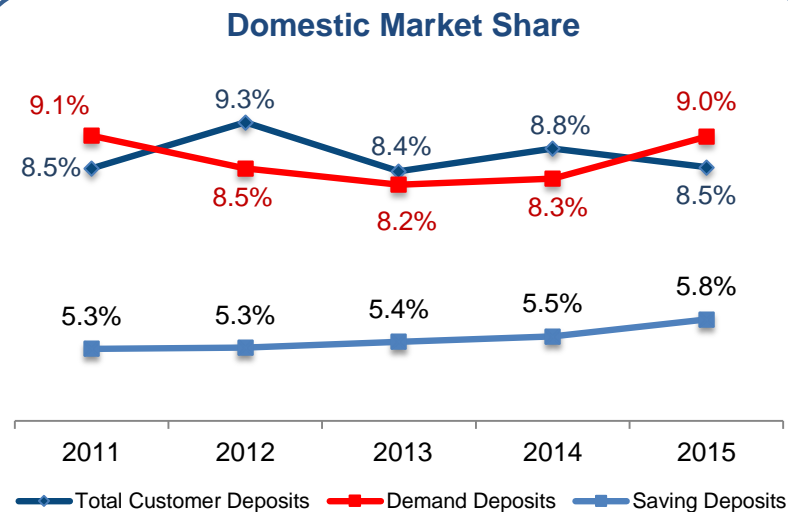
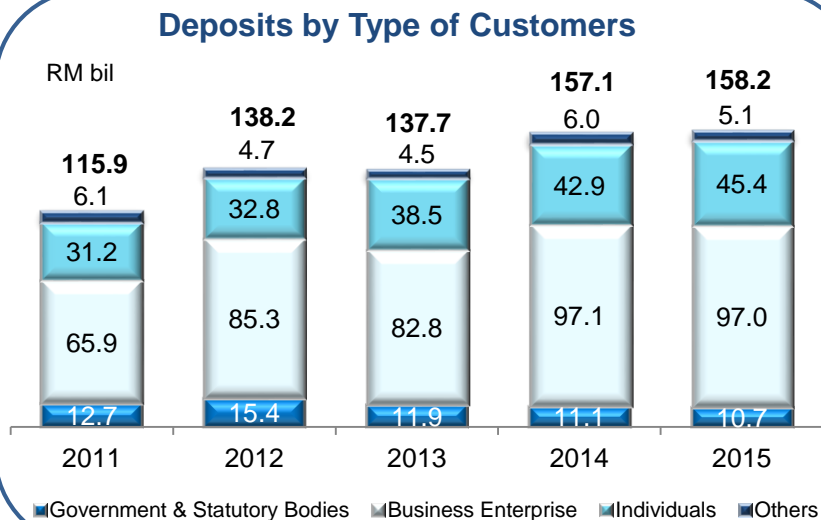
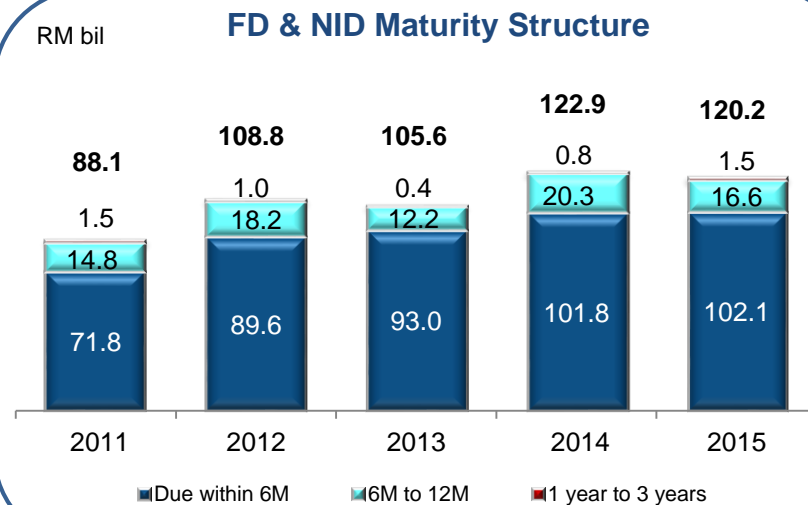
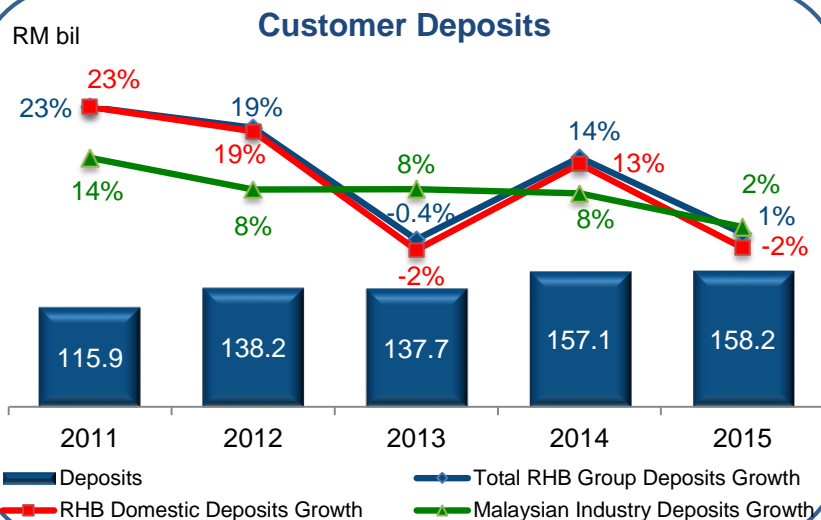
December 2015	22,598	68,212	19,286	41,290	151,386
Y-o-Y Growth	▲ 39%	▲ 6%	▲ 22%	▼ 11%	▲ 6%

Customer Deposits

Strong CASA growth



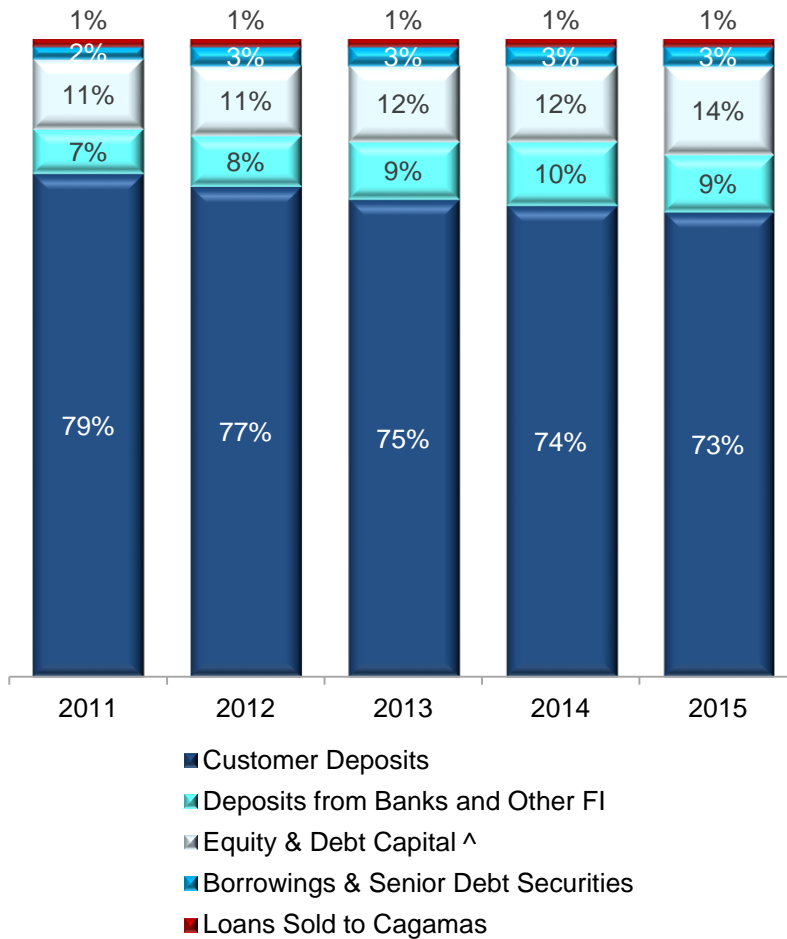
Customer Deposits Profile & Market Share



Funding

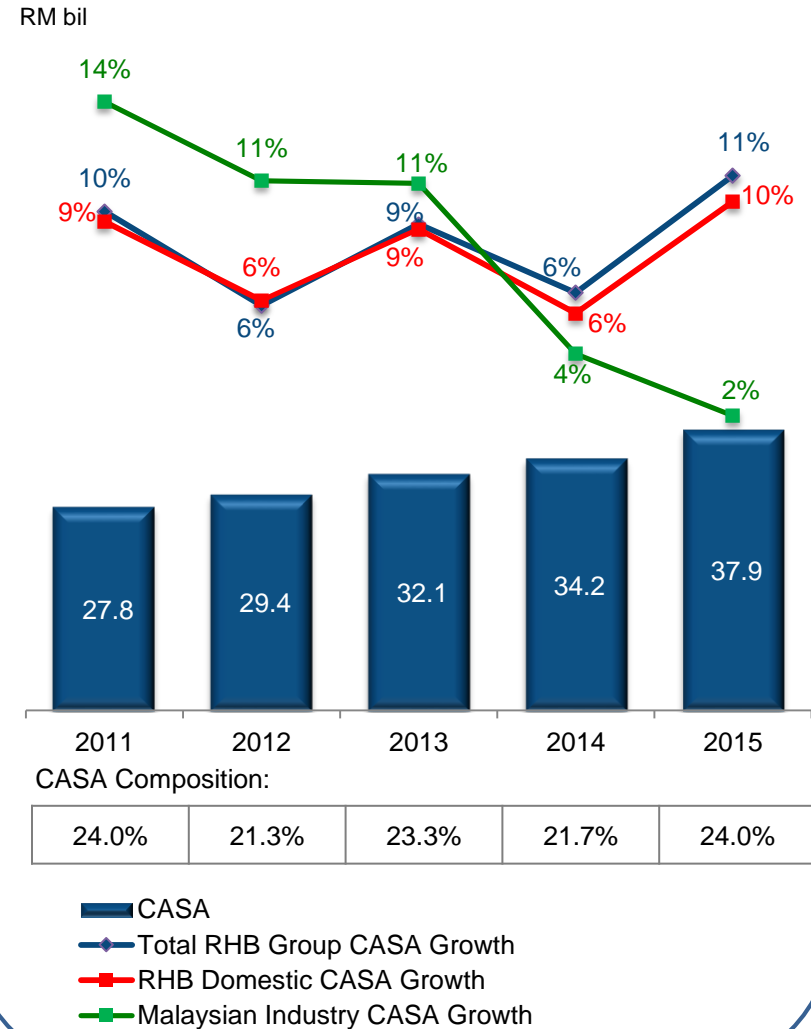
Casa growth at five-fold vs industry

Funding Composition

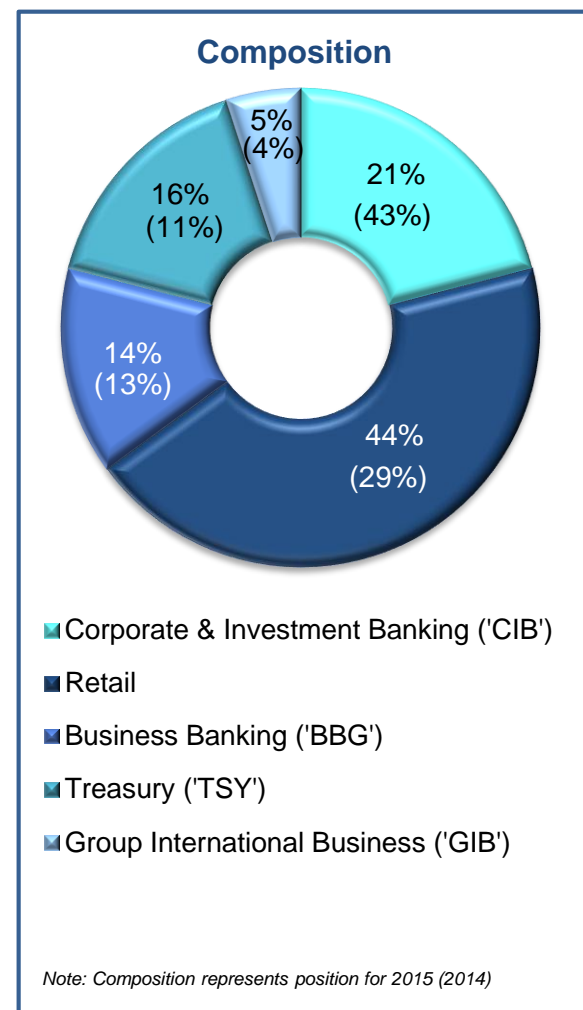
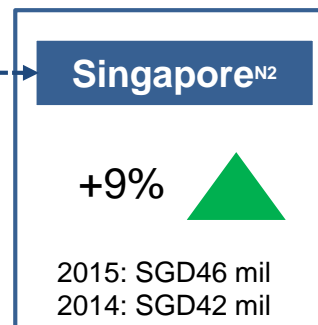
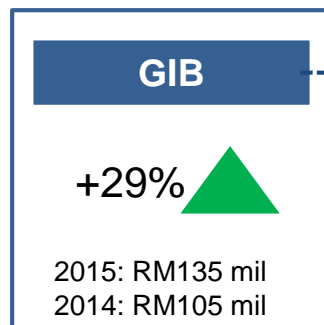
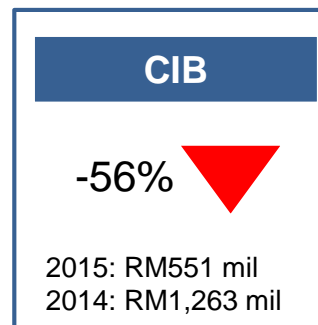
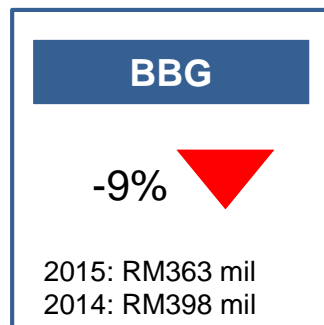
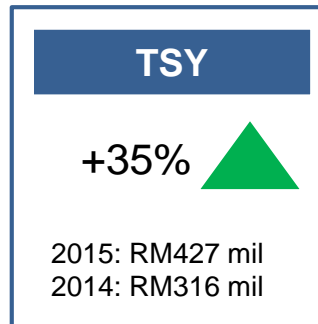
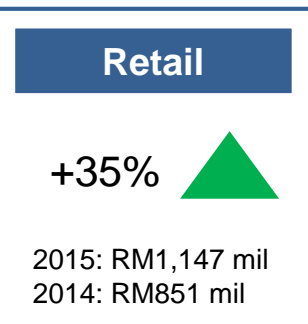
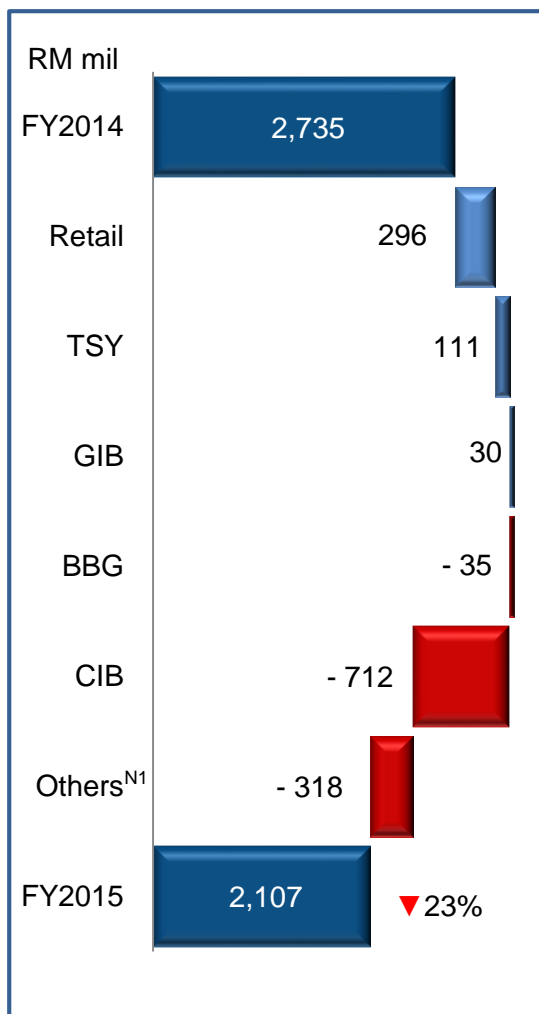


^ Debt capital include subordinated obligations and hybrid tier 1 capital securities

CASA Composition



PBT by SBG



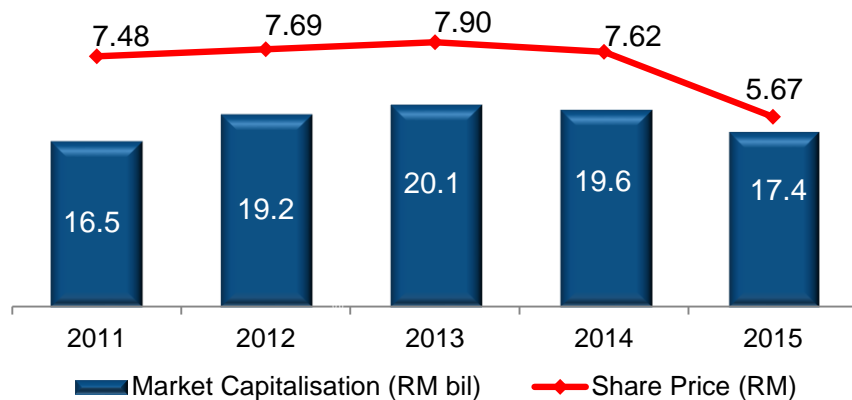
N1 Others refer to support center, other business segments and CTS

N2 RHB Bank Singapore only

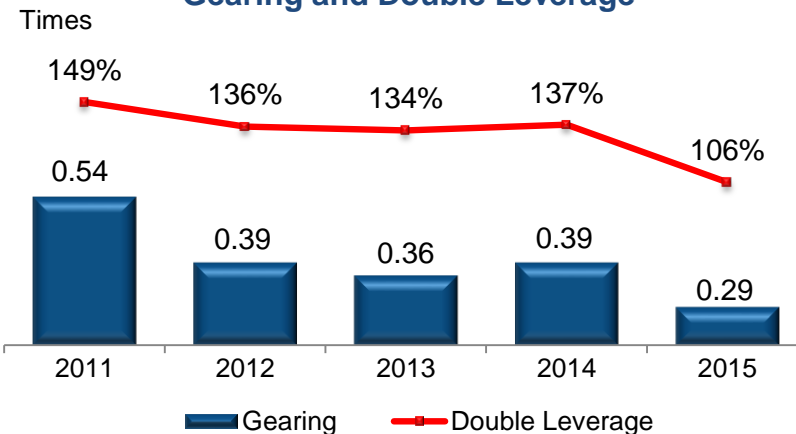
Market Capitalisation and Dividend

Highest cash dividend payout in 5 years

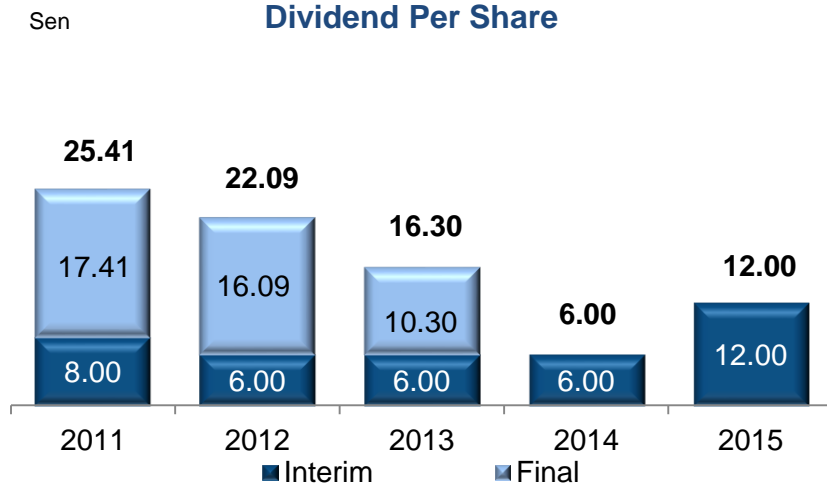
Market Capitalisation



Gearing and Double Leverage^{N1}



Dividend Per Share



Dividend Payout Ratio & DRP Rate

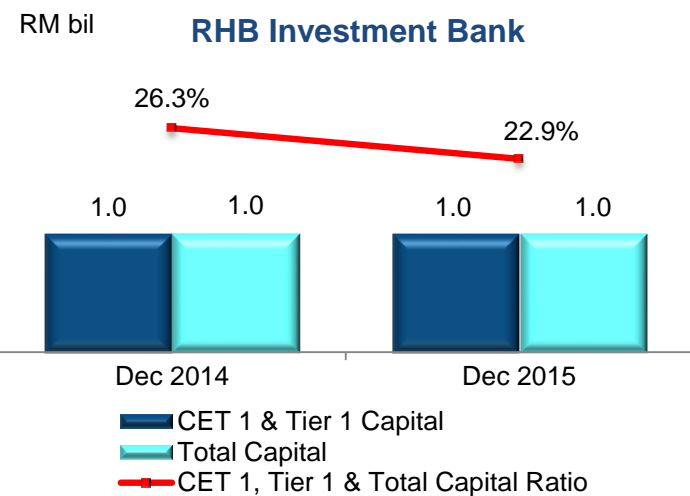
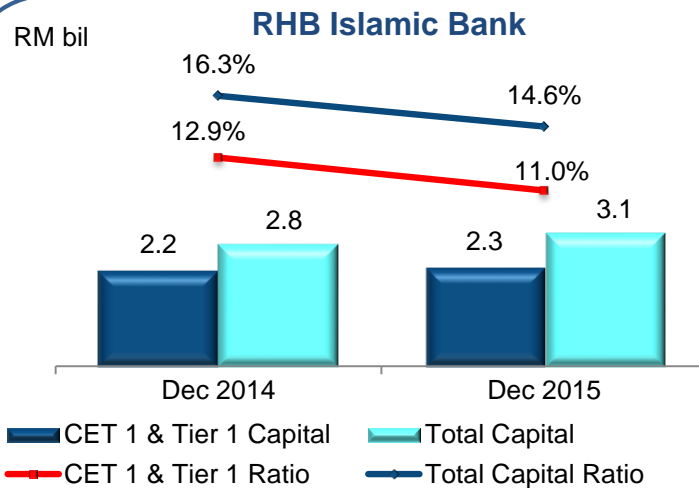
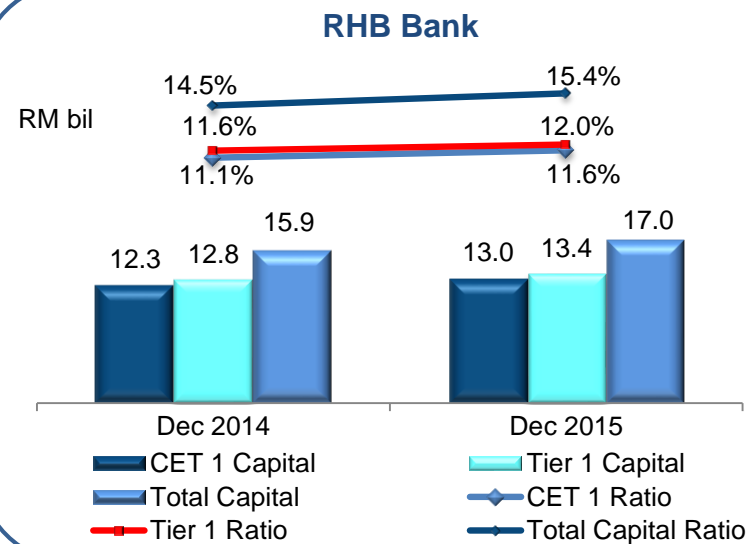
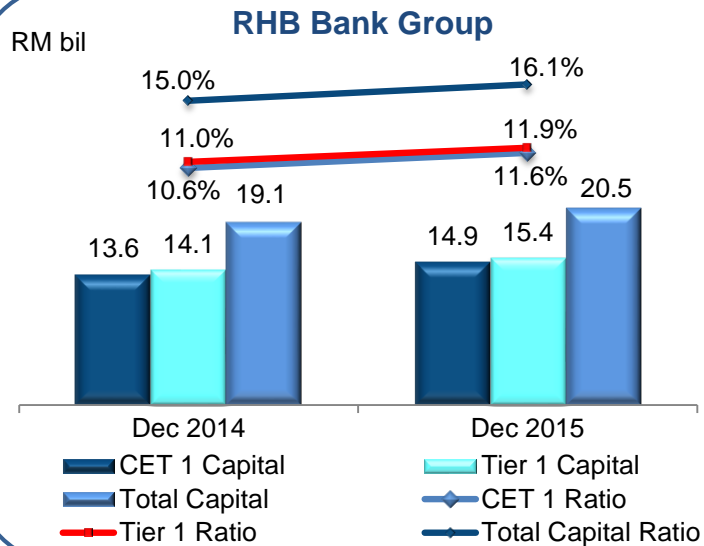
	2011	2012	2013	2014	2015 ^{N2}
Dividend Payout Ratio	30%	30%	23%	8%	24%
Average DRP Conversion Rate	63%	68%	72%	73%	-

N1: Proforma Basel III CET 1 of RHB Capital Group stood at 12.4% as at 31 Dec 2015

N2: Total dividend for FY2015 amounted to RM369 million and is expected to be paid by April 2016

Capital Position

Capital adequacy ratios remain strong



AGENDA

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FY 2015 Financial Results

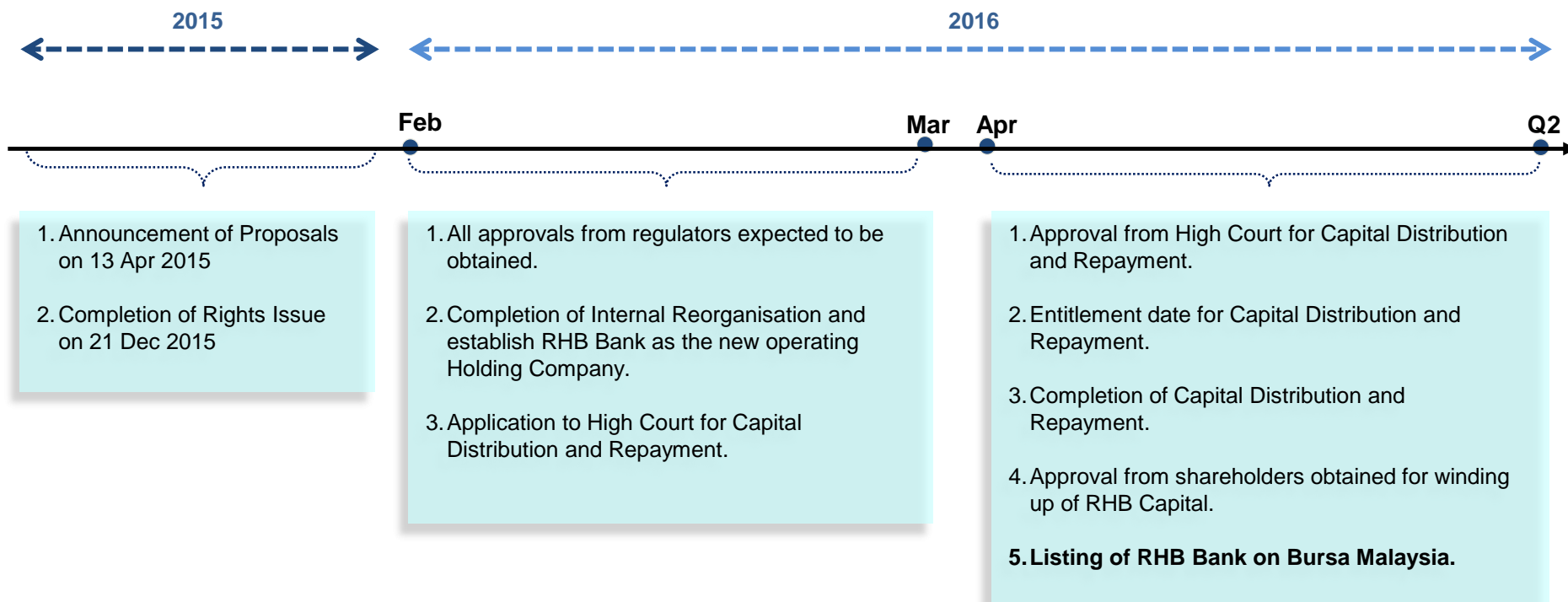
Corporate and Strategy Update

Summary and Outlook

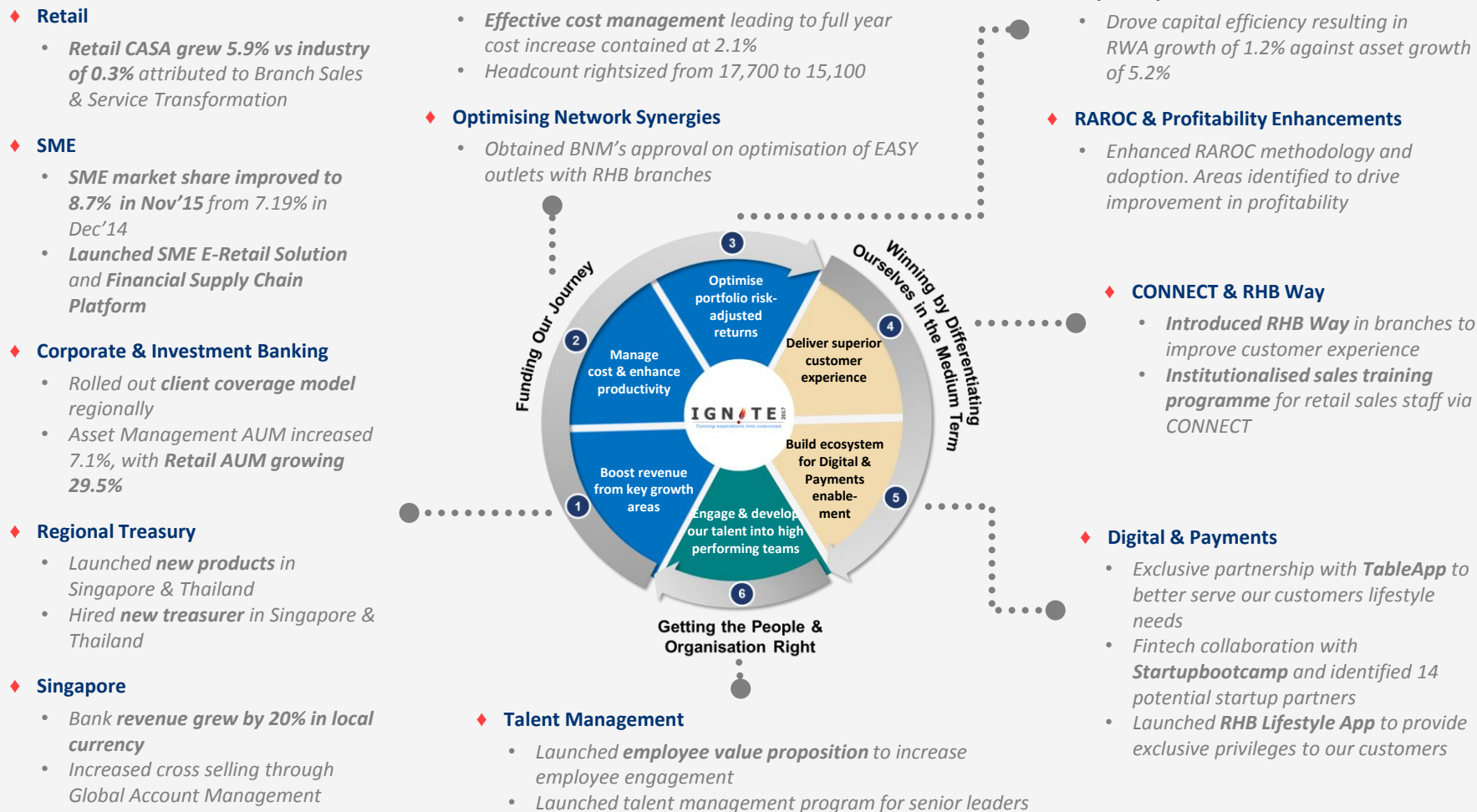


Corporate Exercise: Key Milestones

Transaction timeline



We have reframed our strategy and made significant progress across the 17 initiatives under IGNITE 2017



We will remain focused in 2016 on executing our strategies anchoring on the 3 key themes



Affluent Segment Strategy

Relaunch Premier Banking with enhanced value proposition, services and offerings



Mass Affluent Segment Strategy

Increase segment base and profitability through differentiated products



CIB Growth Strategy

Boost returns via reinforcement of Client Coverage Model



Asset Management Strategy

Scale AUM growth through expansion of agency sales team and collaboration across the Group



SME Growth Strategy

Capture SME's end-to-end value chain by creating an integrated ecosystem



Regional Treasury Strategy

Establish Singapore as regional non-MYR treasury hub to widen regional coverage and optimise funding across the Group



Singapore Growth Strategy

Invigorate key growth pillars – Retail, Business Banking, CIB – through enhanced cross-entity and cross-border collaboration



Tactical Cost Savings

Reduce cost through strategic sourcing, procurement and inculcating a cost-saving culture



Productivity Improvements

Continue to drive productivity improvements across the Group and improve efficiency



Optimising Network Synergies

Optimise and reposition our distribution network to effectively reach out to target customer segments



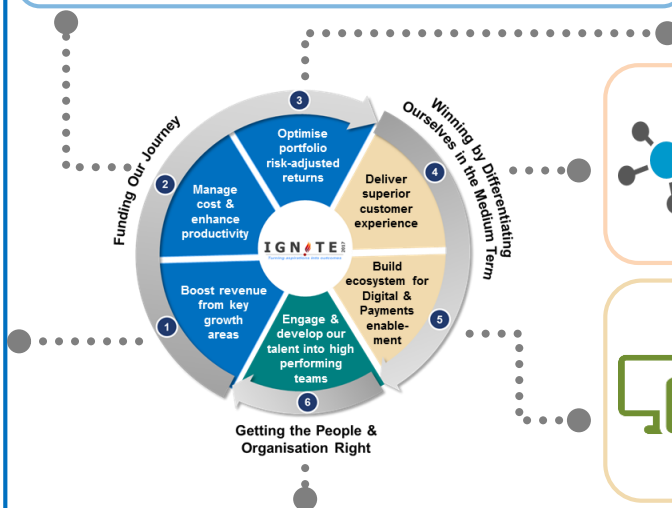
Capital Optimisation

Enhance capital efficiency through ongoing efforts on internal ratings based (IRB) approach adoption, further optimisation of balance sheet and risk-weighted assets



RAROC & Profitability Enhancements

Focus and drive risk-adjusted returns from portfolio and pricing reviews



Enhance Customer Experience

- Improve customer experience through streamlined processes and automation
- Strengthen and embed service oriented culture across all touch points



Digital & Payments Strategy

- Build and develop a digital ecosystem to cater to our customers lifestyle needs
- Launch new RHB Now mobile banking app
- Collaborate with Startupbootcamp on KL Fintech Hackathon



Talent Management & Human Resource

- Strengthen leadership pipeline through identification and development of talents
- Focus on employee engagement and development

AGENDA

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Economic Outlook

- 1** Real GDP expected to slow down to 3.9% from 5.0% in 2015.

- 2** Domestic demand will remain as the key driver of growth, driven mainly by private consumption and investment. A modest improvement in exports will benefit as well.

- 3** Malaysian loans growth anticipated to moderate versus last year, following slow down in consumption and investment activities.

- 4** Net interest margin remains under pressure as liquidity tightens amidst a more stringent liquidity coverage ratio ("LCR") requirements.

Summary and Concluding Remarks

- 1** FY2015 results affected by weak financial and capital market conditions, intensified deposit competition and one-off HR cost rebaseline. Additional allowances were made to build up loan loss coverage to 83% from 61% in FY2014.

- 2** Continued focus on cost optimisation and productivity in 2016 will help set new baseline and mitigate the impact of top line slow down. Additionally, the Group will invest in key growth areas and pay extra attention on asset quality.

- 3** Completion of the corporate exercise will strengthen capital position of RHB Bank and support the Group's business growth by enhancing profitability while meeting the capital requirements of Basel III. The proposed internal reorganisation is expected to be completed by Q1 2016, and listing of RHB Bank on Bursa Securities by Q2 2016.

- 4** The Group is well placed to carry through IGNITE 2017 strategic aspirations and plans.

RHB Banking Group Scorecard For 2016

Top Level Indicators	Target 2016	Actual 2015
ROE	10%	7.3% (Exclude CTS: 8.4%)
Loans Growth	8%	6.2%
CASA Growth	8%	11.0%
Gross Impaired Loans Ratio	≤ 2.0%	1.88%
Cost to Income Ratio	≤ 53%	61.3% (Exclude CTS: 56.3%)
Overseas Profit Contribution	10%	6.0%

END

www.rhbgroup.com

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TOGETHER WE PROGRESS



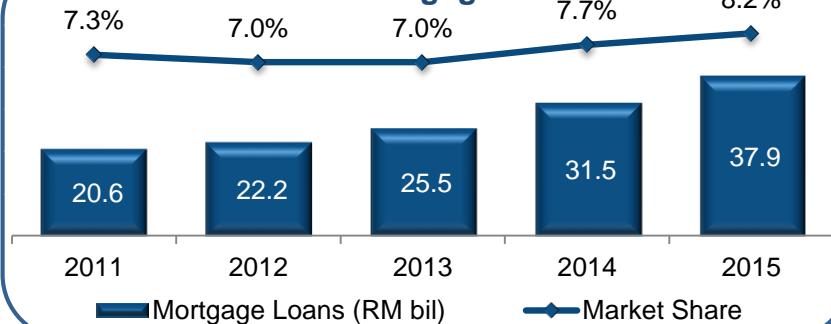
APPENDIX

Key Business Highlights

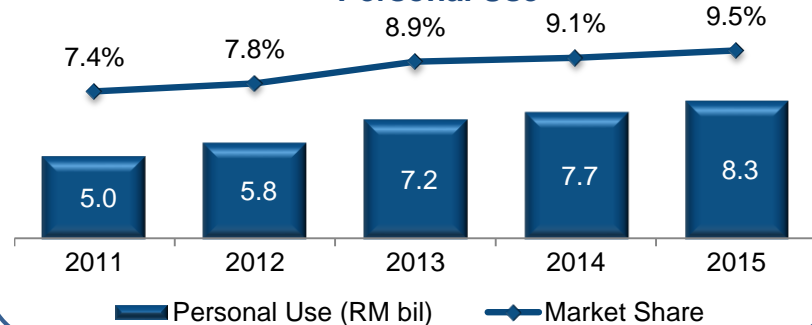


Retail

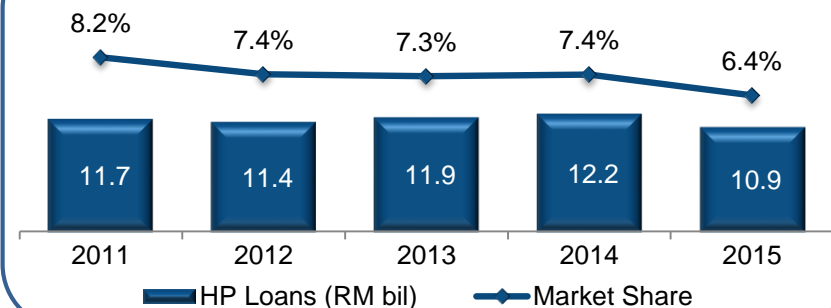
Mortgage



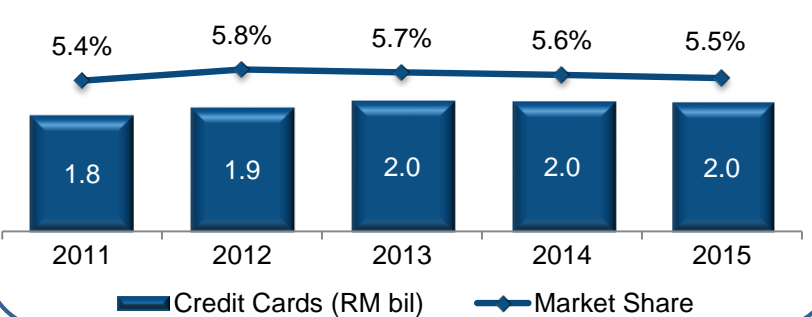
Personal Use



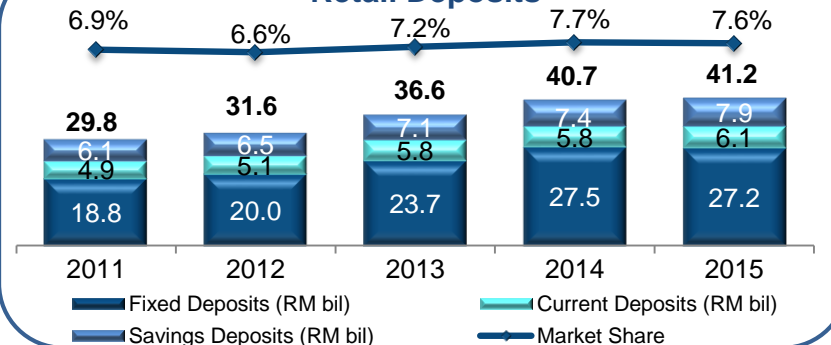
Auto Finance



Credit Card



Retail Deposits



	FY 2015		FY 2014		FY 2013	
	Market Share	Ranking	Market Share	Ranking	Market Share	Ranking
Debt Capital Markets - MYR sukuk*	20.61%	2	12.4%	4	17.6%	4
- conventional & Islamic bonds	17.64%	4	11.5%	4	16.3%	4
Mergers & Acquisitions - by value	5.65%	11	22.4%	1	11.8%	3
- by deal count	21 deals	1	27 deals	1	26 deals	1
Equity Capital Markets ^	12.90%	3	8.6%	4	7.9%	3

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

Source : Bloomberg & Bursa Malaysia

Major Mandates

DCM



MMC Corporation Berhad
RM1.2 bil issuance out of
RM1.5 bil Islamic Medium Term
Notes Programme
*Sole Principal Adviser, Sole
Lead Arranger & Sole Lead
Manager*



OSK Holdings Berhad
RM750 mil issuance out of
RM990 mil Medium Term Notes
Programme
*Principal Adviser, Lead Arranger
& Lead Manager*



Alliance Bank Malaysia Berhad
RM900 mil issuance out of
RM2.0 bil Subordinated Medium
Term Notes Programme
*Joint Lead Manager & Joint
Bookrunner*

ECM



Red Sena Berhad
RM400 mil
Main Market IPO
*Principal Adviser, Joint
Managing Underwriter & Joint
Placement Agent*



RHB Capital Berhad
RM2.34 bil
Rights Issue
*Principal Adviser, Managing
Underwriter & Joint Underwriter*



Kim Teck Cheong Consolidated Berhad
RM21.3 mil
ACE Market IPO
*Adviser, Sponsor, Underwriter &
Placement Agent*

M&As and Syndicated Loan



MMC Port Holdings
RM1.45 bil
Take over of NCB
Holdings Berhad
*Sole Principal
Adviser*



Tanjung Pinang Development Sdn Bhd
RM1.084 bil
Commodity Murabahah
Term Financing
*Joint Mandated Lead
Arranger*



Malaysian Resources Corporation Berhad
RM740 mil
Disposal of Platinum
Sentral to MRCB-
Quill REIT
(formerly known as
Quill Capita Trust)
Joint Adviser

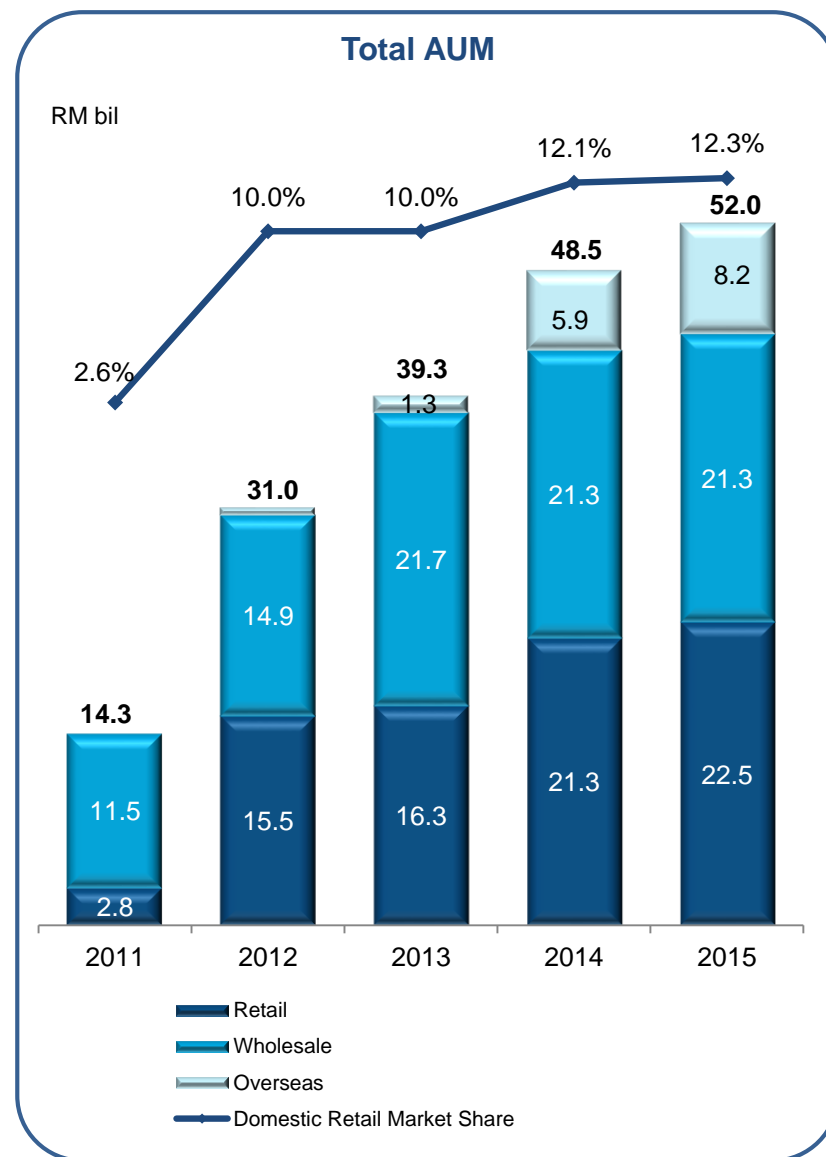


OSK Holdings Berhad
RM1.52 bil
Acquisition of equity
interests in and subsequent
General Offers for OSK
Property Holdings Berhad
and PJ Development
Holdings Berhad
Sole Principal Adviser

Equities, Futures & Asset Management

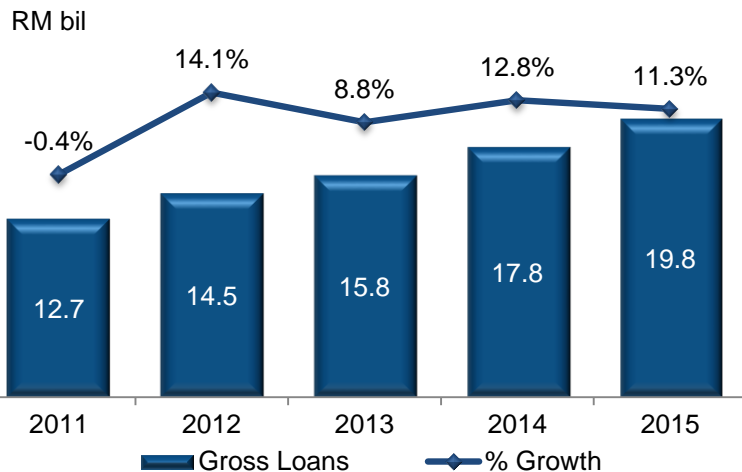
Equities (by value)	FY 2015		FY 2014	
	Market Share	Ranking	Market Share	Ranking
Malaysia				
- By value	8.6%	5 th	9.5%	3 rd
- By volume	12.4%	3 rd	13.7%	2 nd
Singapore	4.3%	10 th	5.4%	10 th
Hong Kong	0.1%	100 th	0.1%	97 th
Indonesia	2.6%	14 th	2.3%	15 th
Thailand	1.3%	28 th	1.3%	27 th
Cambodia	3.2%	6 th	2.5%	7 th

Futures (by volume)	FY 2015		FY 2014	
	Market Share	Ranking	Market Share	Ranking
Malaysia - FKLI	7.1%	6 th	7.5%	4 th
Malaysia - FCPO	7.0%	3 rd	9.6%	3 rd
Thailand	5.4%	4 th	4.0%	8 th
Hong Kong - HSIF	0.1%	73 rd	0.1%	71 st

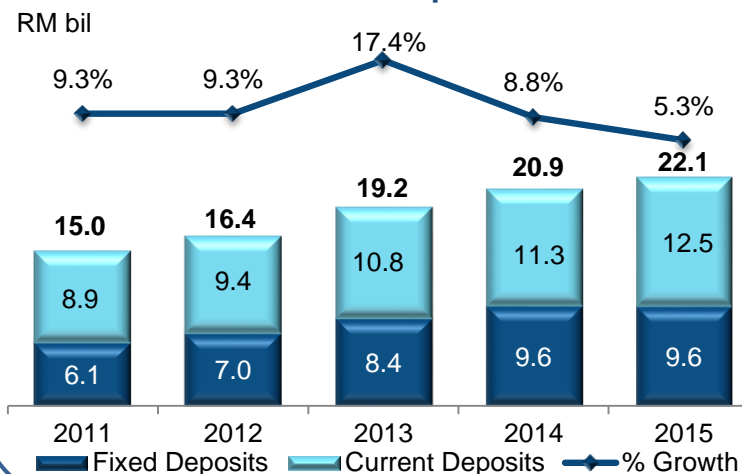


Business Banking and SME

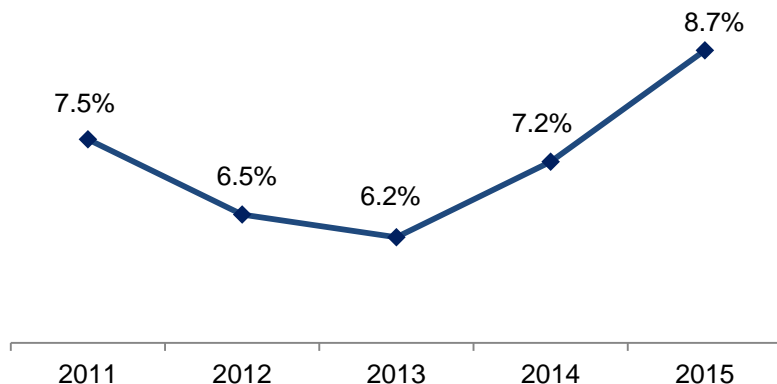
Gross Loans



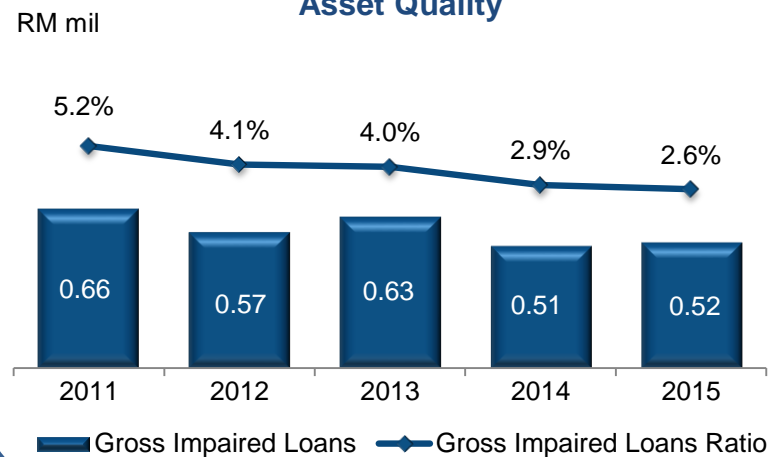
Customer Deposits



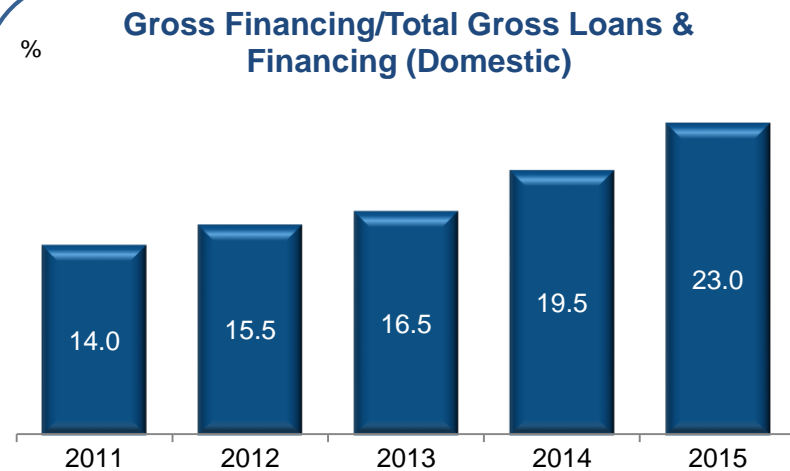
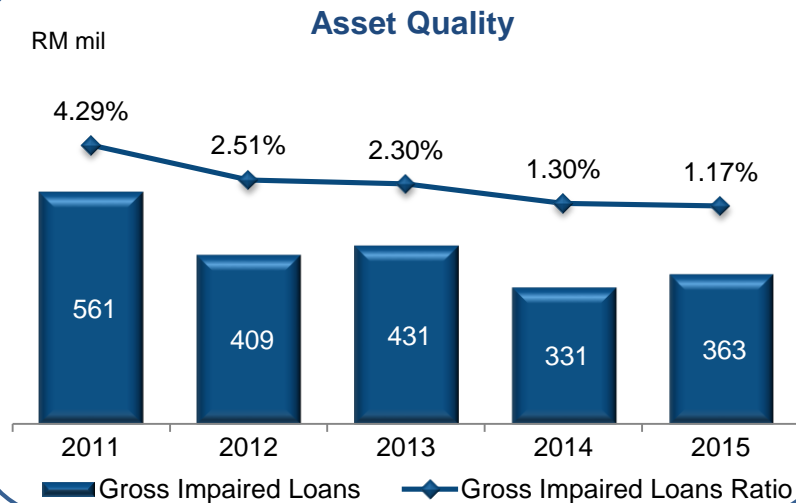
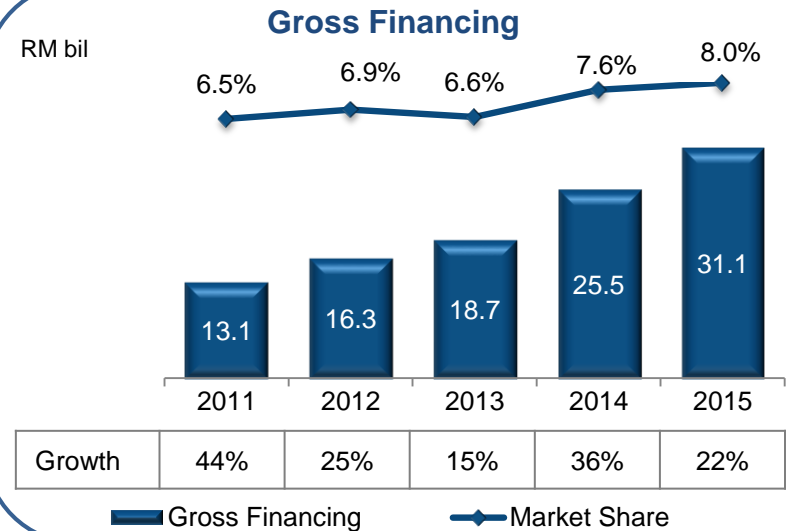
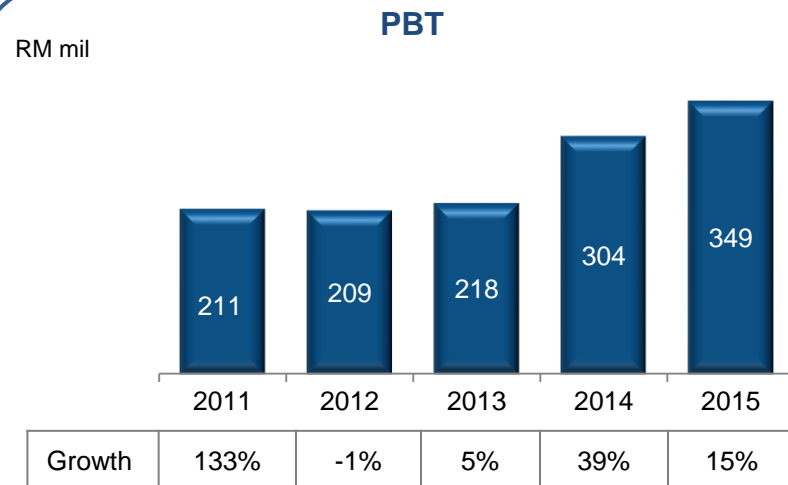
SME Market Share



Asset Quality



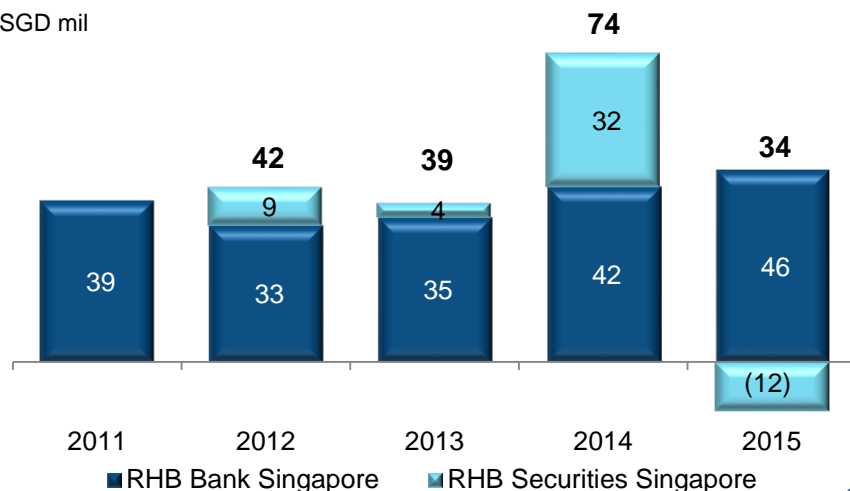
Islamic Financial Performance



RHB Singapore

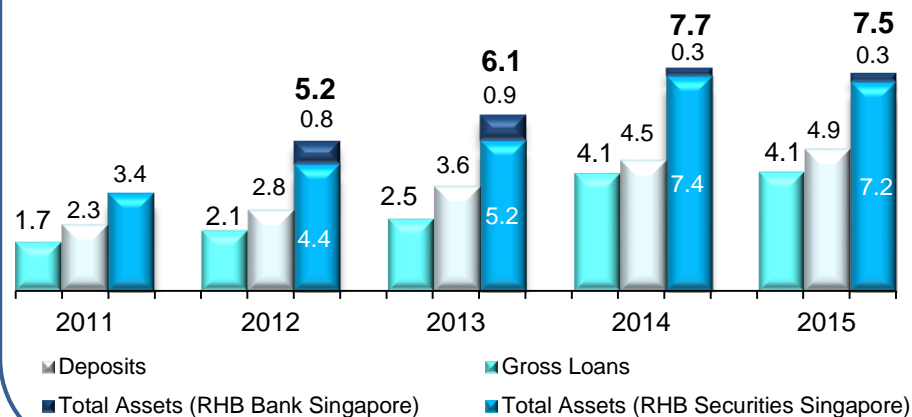
PBT

SGD mil

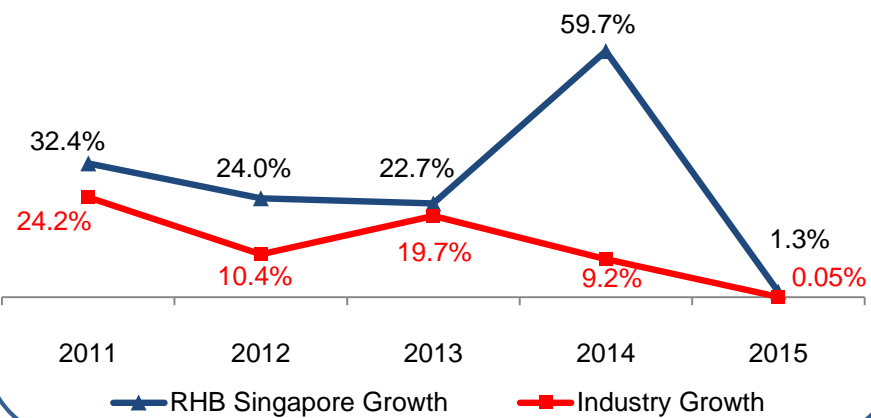


Loans, Deposits & Total Assets

SGD bil



Loans Growth



Deposits Growth

