

# Analysts Presentation

## FY2016 Financial Results

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RHB Banking Group  
24 February 2017



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# Highlights of FY2016 Performance

## Profitability

- ◆ Operating profit before allowances recorded strong growth of 21.6% to RM3.1 billion (8.4% excluded CTS expenses), underpinned by healthy net fund based income growth and effective cost management initiatives
- ◆ Net profit increased by 1.0% to RM1.7 billion
- ◆ Net interest margin improved to 2.18% in Q4 2016
- ◆ Cost-to-income ratio improved from 58.8% (53.8% excluding CTS) last financial year to 50.0%
- ◆ ROE at 8.5%

## Assets and Liabilities

- ◆ Gross loans increased 2.0% to RM154.5 billion, driven by mortgage growth at 13.3% and SME loans and financing growth at 11.3%
  - Strategic portfolio rebalancing showing good progress with corporate loans portfolio reducing from 33% in 2014 to 31% in 2015 and 29% in 2016.
- ◆ Customer deposits recorded 4.8% growth to RM165.8 billion
  - CASA grew 11.9%, with composition improving to 25.6% from 24.0% in December 2015
- ◆ Higher allowances due to provisions on certain corporate accounts and impairment on corporate bonds
- ◆ Gross impaired loans ratio higher at 2.43%

## Capital, Liquidity and Capital Management

- ◆ Capital position (after proposed final dividend) remained strong with CET I ratio at 13.1%, Tier I ratio at 13.4% and total capital ratio at 17.2%
- ◆ Issued USD500 million senior unsecured notes under the USD5 billion EMTN Programme in Oct 2016

## Dividend

- ◆ Proposed final dividend of 7 sen per share. Total dividend for FY2016 at 12 sen per share, representing 28.6% payout

# RHB Banking Group Scorecard For 2016

| Top Level Indicators         | Target 2016 | Actual FY2016 |
|------------------------------|-------------|---------------|
| ROE                          | 10%         | 8.5%          |
| Loans Growth                 | 8%          | 2.0%          |
| CASA Growth                  | 8%          | 11.9%         |
| Gross Impaired Loans Ratio   | ≤ 2.0%      | 2.43%         |
| Cost to Income Ratio         | ≤ 53%       | 50.0%         |
| Overseas Profit Contribution | 10%         | -11.4%        |

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# Operating matrix continued to demonstrate resilience and improvement, though 2016 performance was impacted by impairment on corporate bond and loan loss on certain corporate loan accounts

| Financial Position  |  | Financial Results   |   | Key Financial Ratios   |  |
|---|--|---|---|--|--|
| <b>Total Assets</b><br><br>+4% <br>2016: RM236.7 bil<br>2015: RM227.9 bil          | <b>Gross Loans</b><br><br>+2% <br>2016: RM154.5 bil<br>2015: RM151.4 bil  | <b>Total Income</b><br><br>+0.3% <br>2016: RM6.2 bil<br>2015: RM6.2 bil      | <b>Operating Profit Before Allowances</b><br><br>+22% <br>2016: RM3.1 bil<br>2015: RM2.5 bil | <b>ROE</b><br><br>-1.5% <br>2016: 8.5%<br>2015: 10.0%                     | <b>Non Interest Income / Total Income</b><br><br>-1.9% <br>2016: 30.2%<br>2015: 32.1%       |
| <b>Customer Deposits</b><br><br>+5% <br>2016: RM165.8 bil<br>2015: RM158.2 bil     | <b>CASA</b><br><br>+12% <br>2016: RM42.5 bil<br>2015: RM37.9 bil          | <b>Profit Before Tax</b><br><br>-1% <br>2016: RM2.23 bil<br>2015: RM2.25 bil | <b>Net Profit to Shareholders</b><br><br>+1% <br>2016: RM1.68 bil<br>2015: RM1.66 bil        | <b>Cost to Income Ratio</b><br><br>-8.8% <br>2016: 50.0%<br>2015: 58.8%   | <b>Gross Impaired Loans Ratio</b><br><br>+0.55% <br>2016: 2.43%<br>2015: 1.88%              |
| <b>Shareholders' Equity</b><br><br>+23% <br>2016: RM21.7 bil<br>2015: RM17.7 bil | <b>Net Assets Per Share</b><br><br>+6% <br>2016: RM5.42<br>2015: RM5.11 | <i>N1 Including Regulatory Reserve</i>  |   | <b>Credit Charge Ratio</b><br><br>+0.16% <br>2016: 0.39%<br>2015: 0.23% | <b>Loan Loss Coverage Ratio <sup>N1</sup></b><br><br>-9.2% <br>2016: 74.7%<br>2015: 83.9% |

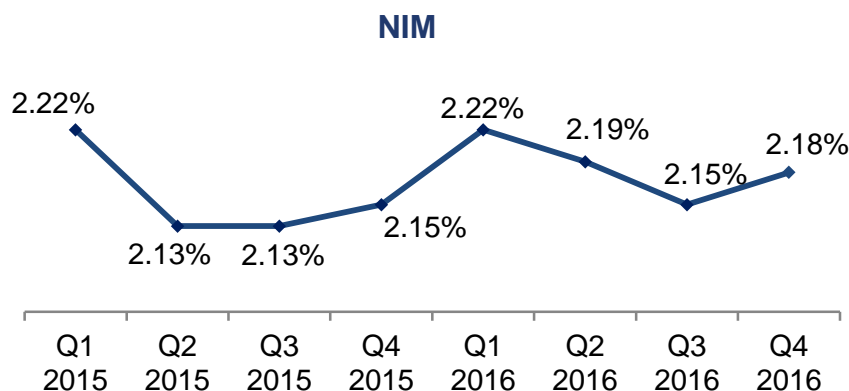
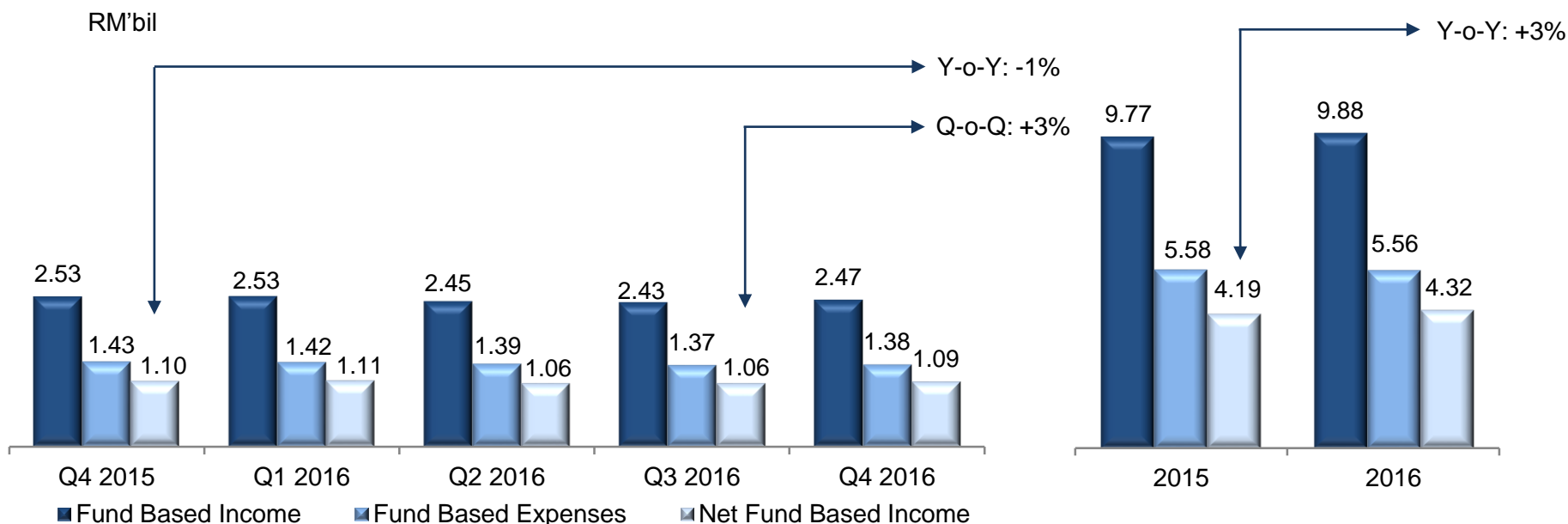
**Robust growth in operating profit before allowances driven by strong net fund based income and effective cost management initiatives; profitability affected by impairment on other assets and increase in individual loan allowances**

| RM'mil   | Q4<br>2016   | Q3<br>2016   | Q4<br>2015   | Q-o-Q<br>Change<br>% | Y-o-Y<br>Change<br>% | FY<br>2016   | FY<br>2015   | Y-o-Y<br>Change<br>% |
|--|--------------|--------------|--------------|----------------------|----------------------|--------------|--------------|----------------------|
| Net Interest Income                                    | 861          | 849          | 891          | 1                    | -3                   | 3,453        | 3,407        | 1                    |
| Net Islamic Fund Base Income                           | 230          | 212          | 207          | 9                    | 11                   | 867          | 784          | 11                   |
| <b>Total Net Fund Based Income (A)</b>                 | <b>1,091</b> | <b>1,061</b> | <b>1,098</b> | <b>3</b>             | <b>-1</b>            | <b>4,320</b> | <b>4,191</b> | <b>3</b>             |
| Other Operating Income                                 | 346          | 496          | 525          | -30                  | -34                  | 1,763        | 1,891        | -7                   |
| Islamic Non-Fund Based Income                          | 41           | 22           | 32           | 90                   | 29                   | 110          | 92           | 19                   |
| <b>Total Non Fund Based Income (B)</b>                 | <b>387</b>   | <b>518</b>   | <b>557</b>   | <b>-25</b>           | <b>-30</b>           | <b>1,873</b> | <b>1,983</b> | <b>-6</b>            |
| <b>Total Income (A+B)</b>                              | <b>1,478</b> | <b>1,579</b> | <b>1,655</b> | <b>-6</b>            | <b>-11</b>           | <b>6,193</b> | <b>6,174</b> | <b>-</b>             |
| Operating Expenses                                     | -802         | -776         | -889         | 3                    | -10                  | -3,099       | -3,629       | -15                  |
| <b>Operating Profit Before Allowances</b>              | <b>676</b>   | <b>803</b>   | <b>766</b>   | <b>-16</b>           | <b>-12</b>           | <b>3,094</b> | <b>2,545</b> | <b>22</b>            |
| Allowances for Loan Impairment                         | -309         | -146         | -238         | 111                  | 30                   | -595         | -343         | 73                   |
| Impairment Losses (Made)/ Written Back on Other Assets | -23          | 6            | -11          | >-100                | 114                  | -268         | 49           | >-100                |
| <b>Net Profit</b>                                      | <b>261</b>   | <b>505</b>   | <b>363</b>   | <b>-48</b>           | <b>-28</b>           | <b>1,682</b> | <b>1,665</b> | <b>1</b>             |
| <b>Normalised PBT <sup>N1</sup></b>                    |              |              |              |                      |                      | <b>2,486</b> | <b>2,429</b> | <b>2</b>             |
| <b>Normalised Net Profit <sup>N1</sup></b>             |              |              |              |                      |                      | <b>1,875</b> | <b>1,798</b> | <b>4</b>             |

N1 : FY2016 excluded one-off impairment on a corporate bond of RM254 million.

FY2015 excluded one-off Career Transition Scheme expenses of RM309 million and write-back from refinement performed on mortgage portfolio of RM131 million.

# Active management of funding and liquidity resulted in solid net fund based income growth and NIM improvement

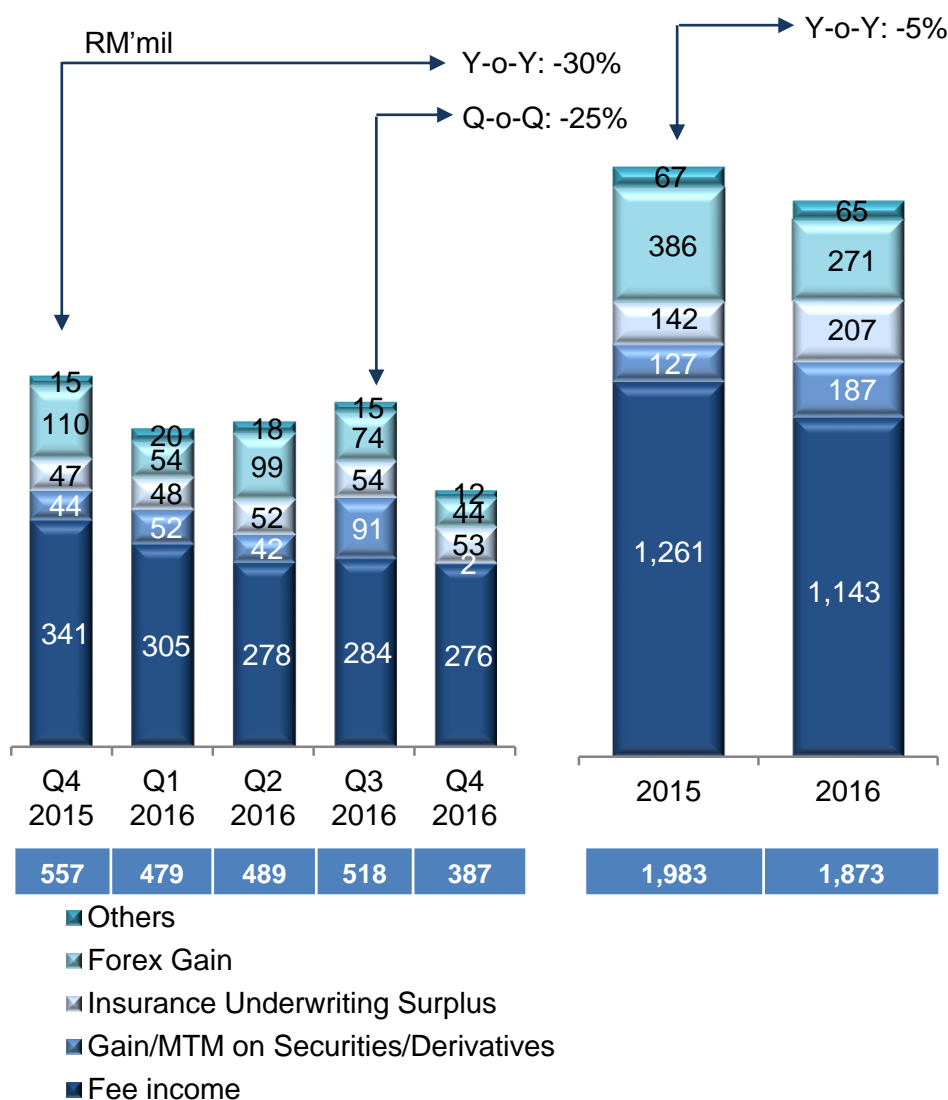


## Y-o-Y:

- ◆ Gross fund based income rose 1.2% on the back of a 2.0% growth in loans and financing
- ◆ Funding expenses marginally lower by 0.2%



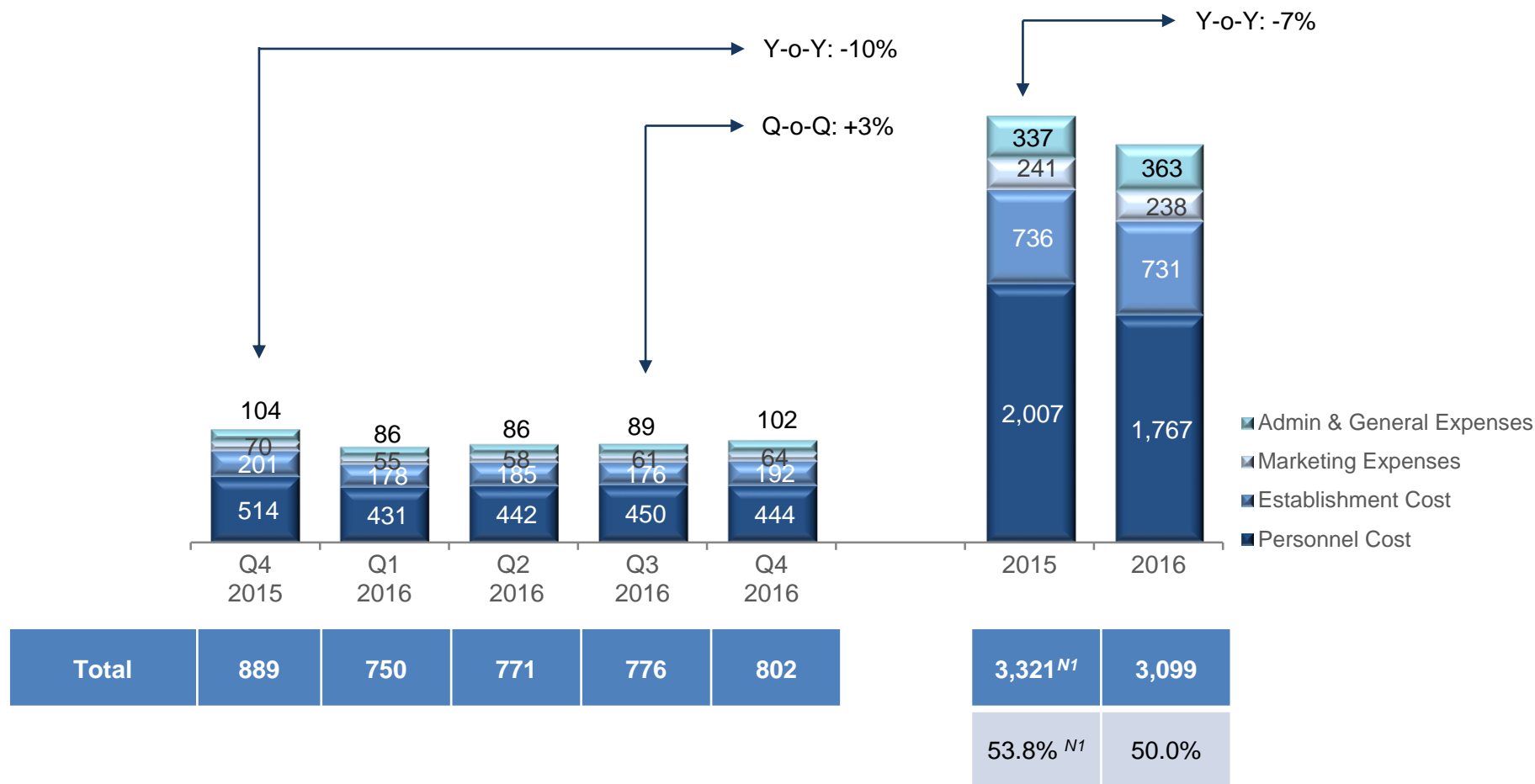
# Volatility in capital and financial market, and fx fluctuations affected fee income, partially offset by higher insurance underwriting surplus and trading/investment income



| Non Fund Based Income RM'mil                   | 2016         | 2015         | Y-o-Y Change |
|--|--------------|--------------|--------------|
| <b>Total Fee Income (A)</b>                    | <b>1,143</b> | <b>1,261</b> | <b>-9%</b>   |
| Fee Income – IB Related                        | 466          | 553          | -16%         |
| Fee Income – Wealth Management                 | 127          | 112          | 13%          |
| Fee Income – Commercial Banking                | 550          | 596          | -8%          |
| <b>Insurance Underwriting Surplus (B)</b>      | <b>207</b>   | <b>142</b>   | <b>46%</b>   |
| <b>Treasury Income (C)</b>                     | <b>458</b>   | <b>513</b>   | <b>-11%</b>  |
| Net Forex Gain                                 | 271          | 386          | -30%         |
| Gain and MTM on Securities / Derivatives       | 187          | 127          | 48%          |
| <b>Others (D)</b>                              | <b>65</b>    | <b>67</b>    | <b>-3%</b>   |
| <b>Total (A) + (B) + (C) + (D)</b>             | <b>1,873</b> | <b>1,983</b> | <b>-5.6%</b> |
| <b>Ratio of Non Fund Based to Total Income</b> | <b>30.2%</b> | <b>32.1%</b> | <b>-1.9%</b> |

## Cost-to-income ratio improved from efficient cost management

12% personnel cost savings was partly offset by higher communication expenses and higher IT expenses as the Group continued to invest in technology capabilities and infrastructure

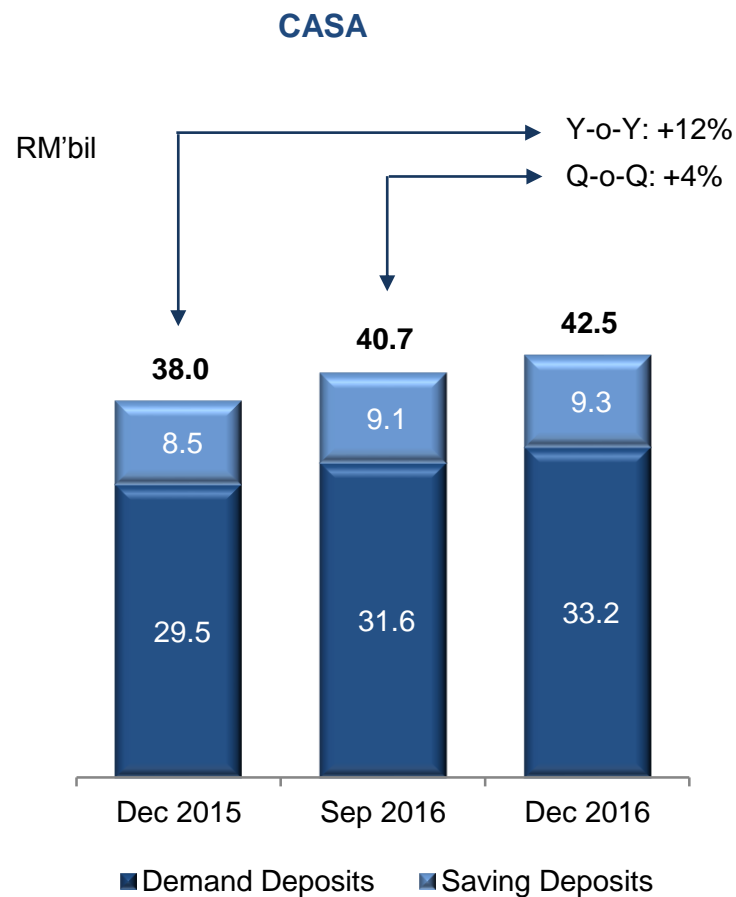
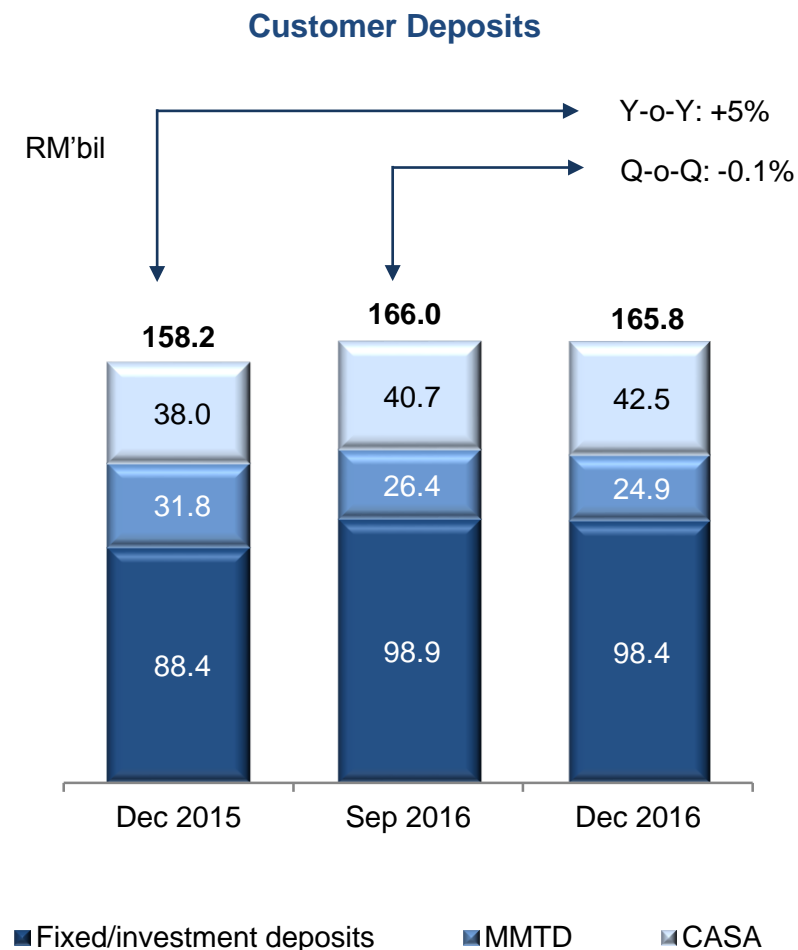


N1 : Excluding CTS Expenses. Should CTS Expenses be included, the Cost-to-Income Ratio would be 58.8%

## Loans growth driven by retail and SME, partly offset by corporate repayments; portfolio rebalancing showing steady progress

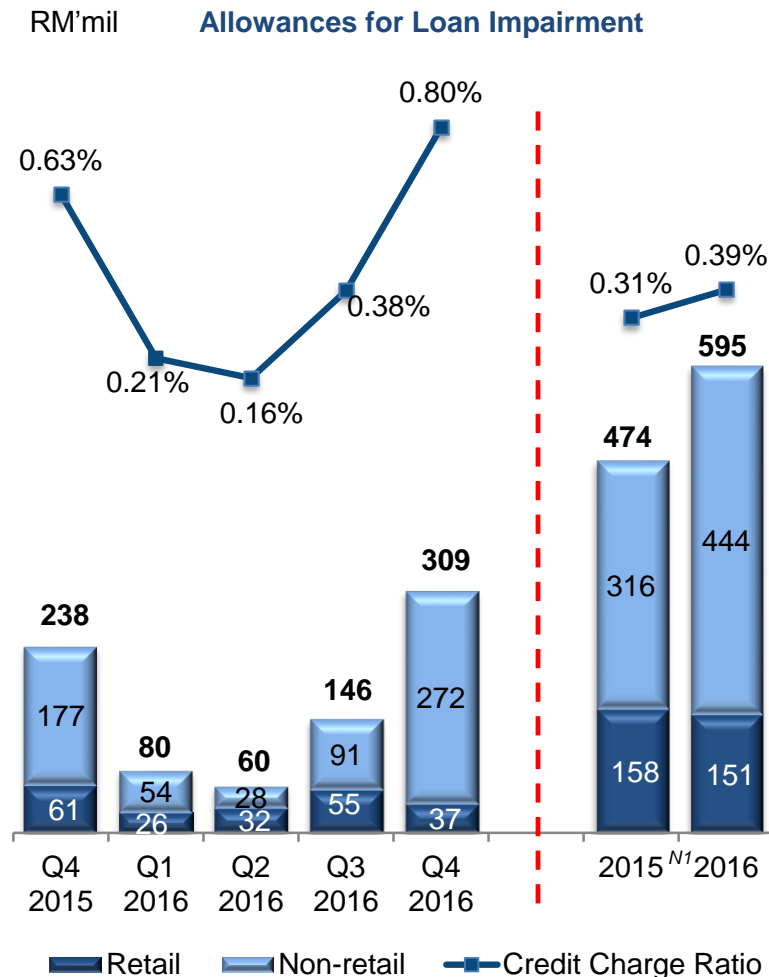
|                                      | Y-o-Y Growth   |                |           | Composition |             |
|--------------------------------------|----------------|----------------|-----------|-------------|-------------|
|                                      | 2016           | 2015           | %         | 2016        | 2015        |
| <b>GROUP RETAIL</b>                  | <b>70,138</b>  | <b>68,191</b>  | <b>3</b>  | <b>45%</b>  | <b>45%</b>  |
| <i>Mortgage</i>                      | 40,902         | 35,529         | 15        | 26%         | 23%         |
| <i>Commercial Property Financing</i> | 4,176          | 4,104          | 2         | 3%          | 3%          |
| <i>Securities</i>                    | 8,952          | 10,895         | -18       | 6%          | 7%          |
| <i>Auto Finance</i>                  | 8,504          | 10,034         | -15       | 6%          | 7%          |
| <i>Unsecured Business</i>            | 4,684          | 4,512          | 4         | 3%          | 3%          |
| <i>Others</i>                        | 2,920          | 3,117          | -6        | 2%          | 2%          |
| <b>GROUP BUSINESS BANKING</b>        | <b>22,133</b>  | <b>19,770</b>  | <b>12</b> | <b>14%</b>  | <b>13%</b>  |
| <i>SME</i>                           | 20,247         | 17,479         | 16        | 13%         | 12%         |
| <i>Commercial</i>                    | 1,886          | 2,291          | -18       | 1%          | 2%          |
| <b>GROUP WHOLESALE BANKING</b>       | <b>45,351</b>  | <b>47,522</b>  | <b>-5</b> | <b>29%</b>  | <b>31%</b>  |
| <b>TOTAL RHB DOMESTIC</b>            | <b>137,622</b> | <b>135,483</b> | <b>2</b>  | <b>88%</b>  | <b>89%</b>  |
| <b>OVERSEAS OPERATIONS</b>           | <b>16,847</b>  | <b>15,902</b>  | <b>6</b>  | <b>12%</b>  | <b>11%</b>  |
| <i>Singapore</i>                     | 12,942         | 12,494         | 4         | 8%          | 8%          |
| <i>Others</i>                        | 3,905          | 3,408          | 15        | 4%          | 3%          |
| <b>TOTAL RHB GROUP</b>               | <b>154,469</b> | <b>151,385</b> | <b>2</b>  | <b>100%</b> | <b>100%</b> |

# Healthy deposits growth driven by CASA resulting in higher CASA composition

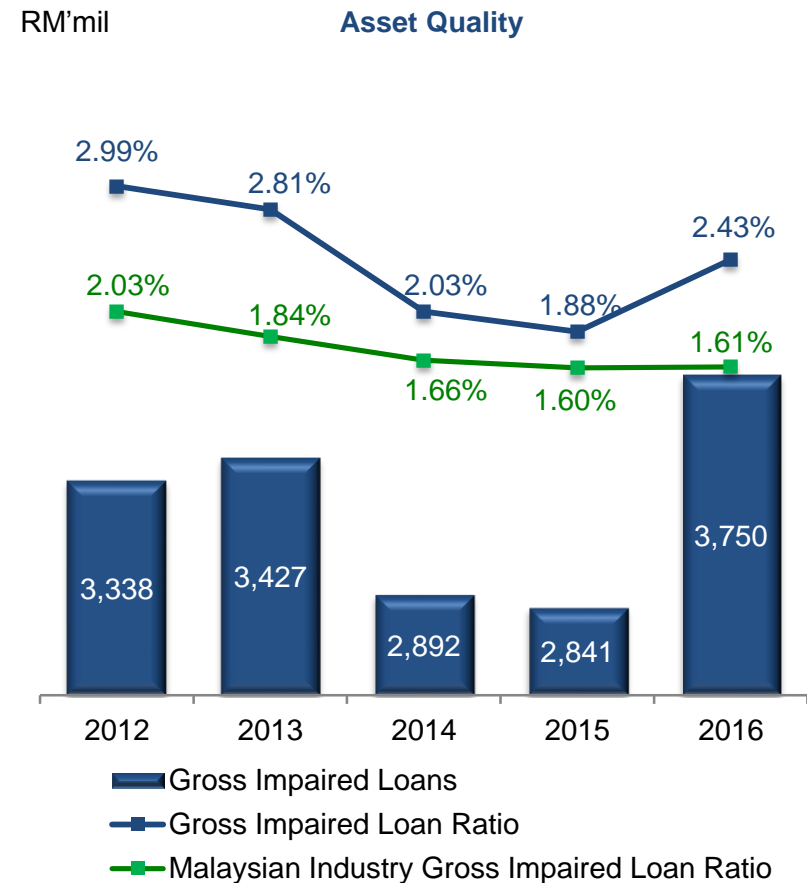


|             |       |       |       |
|-------------|-------|-------|-------|
| Composition | 24.0% | 24.5% | 25.6% |
|-------------|-------|-------|-------|

# Asset quality impacted by certain corporate accounts in oil and gas and pre-emptive provision for legacy steel related exposure



N1: Excluded write-back from refinement performed on mortgage portfolio of RM131 mil  
 N2: Inclusive of 1.2% regulatory reserve

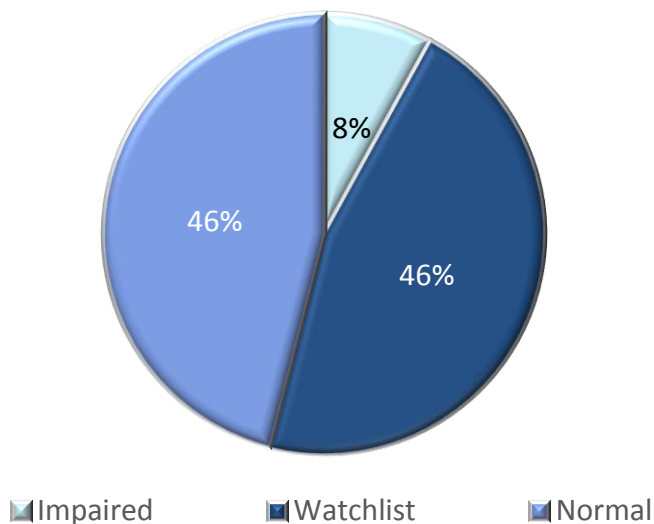


|                    |       |       |       |                     |                     |
|--------------------|-------|-------|-------|---------------------|---------------------|
| Loan Loss Coverage | 66.0% | 63.7% | 61.1% | 83.9% <sup>N2</sup> | 74.7% <sup>N2</sup> |
|--------------------|-------|-------|-------|---------------------|---------------------|

## Exposure to oil and gas industry actively managed; Steel related exposure is negligible

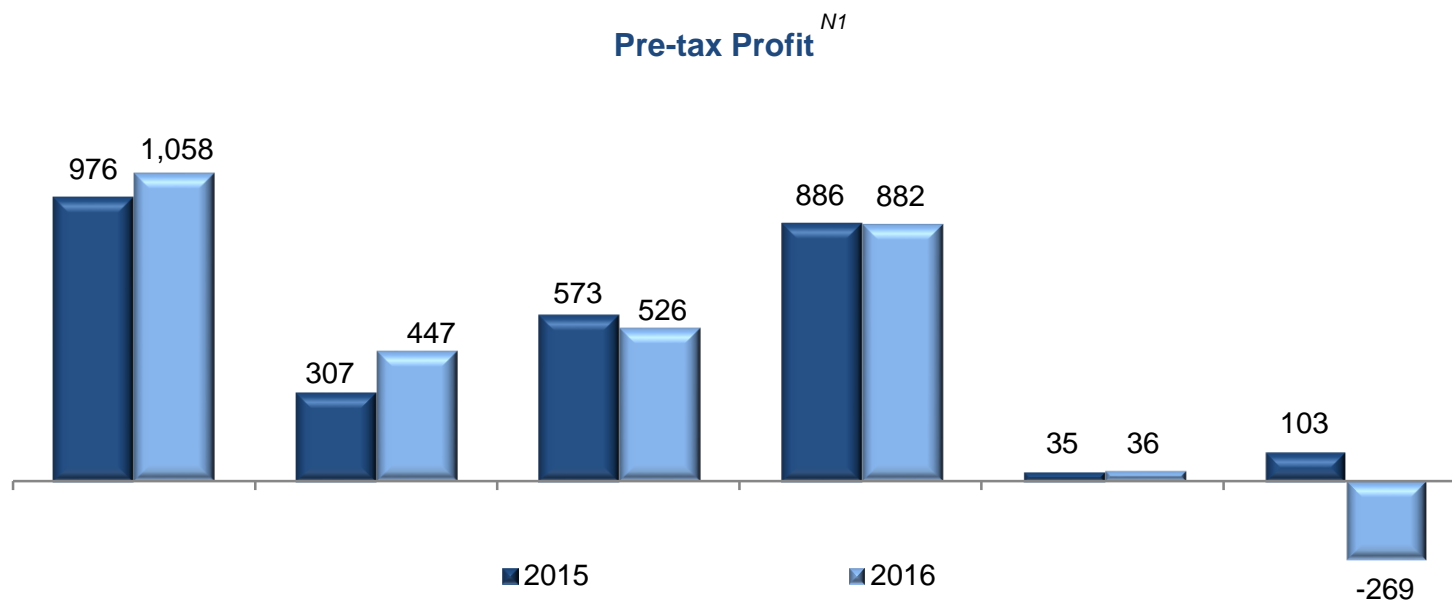
|                   | Oil and Gas Related Industry |            |       | Steel Related Industry | Total |
|-------------------|------------------------------|------------|-------|------------------------|-------|
|                   | Upstream                     | Downstream | Total |                        |       |
| Loans Outstanding | 2.6%                         | 1.0%       | 3.6%  | 1.2%                   | 4.9%  |

### Oil & Gas Exposure



| Country   | % of Loans Outstanding |
|-----------|------------------------|
| Malaysia  | 84%                    |
| Singapore | 15%                    |
| Thailand  | 1%                     |

# Retail, Business Banking and International Business registered profit growth year-on-year



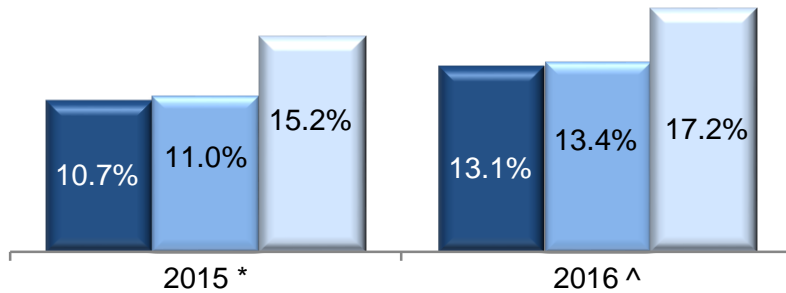
| Business Unit | Retail <sup>N2</sup> | BBG   | Wholesale Banking |          | GIB    |           |
|---------------|----------------------|-------|-------------------|----------|--------|-----------|
|               |                      |       | CBIB              | Treasury | Others | Singapore |
| Y-o-Y Growth  | ▲ 9%                 | ▲ 45% | ▼ 8%              | ▼ 0.4%   | ▲ 3%   | ▼ >100%   |

N1 : Excluded cost of borrowings, sub debt and senior debt securities for both FY2015 and FY2016 and CTS Expenses of RM309 million in FY2015

N2 : FY2015 excluded write-back from refinement performed on mortgage portfolio of RM131 million.

# Capital adequacy of Group and key banking subsidiaries remain strong

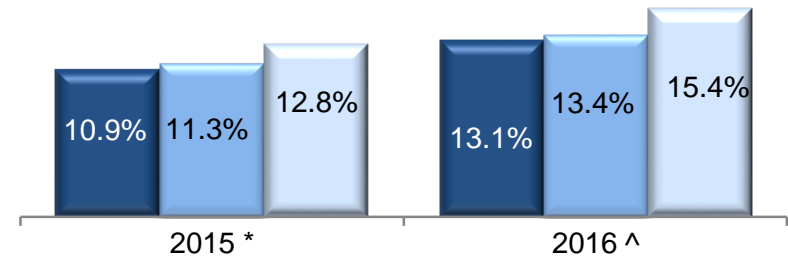
## RHB Bank Group



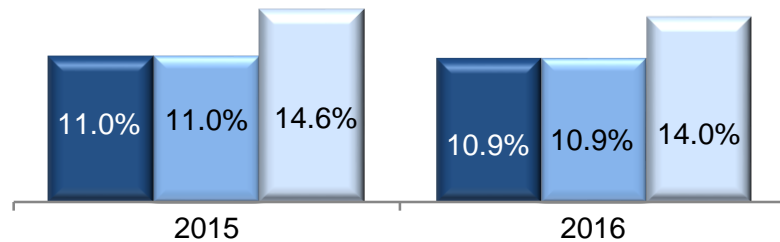
\* Ratios are after recapitalisation of FY2015 interim dividend

^ Ratios are after FY2016 proposed final dividend

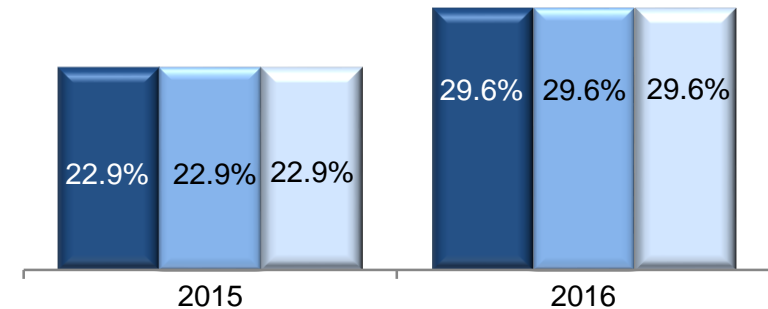
## RHB Bank



## RHB Islamic Bank



## RHB Investment Bank

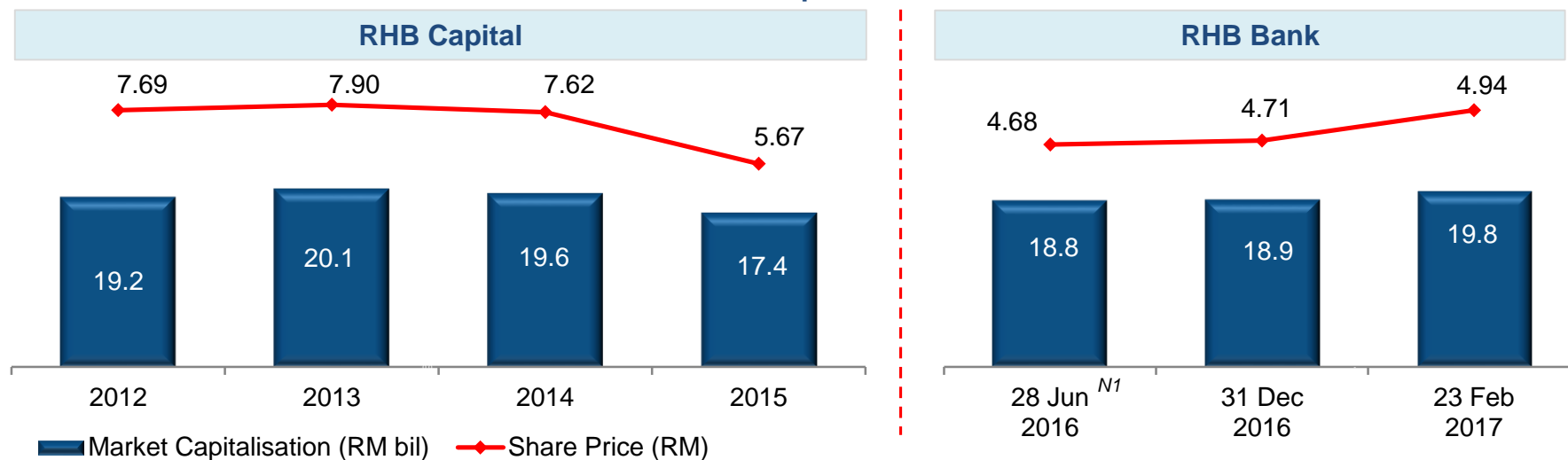


■ CET 1 Capital   ■ Tier 1 Capital   ■ Total Capital



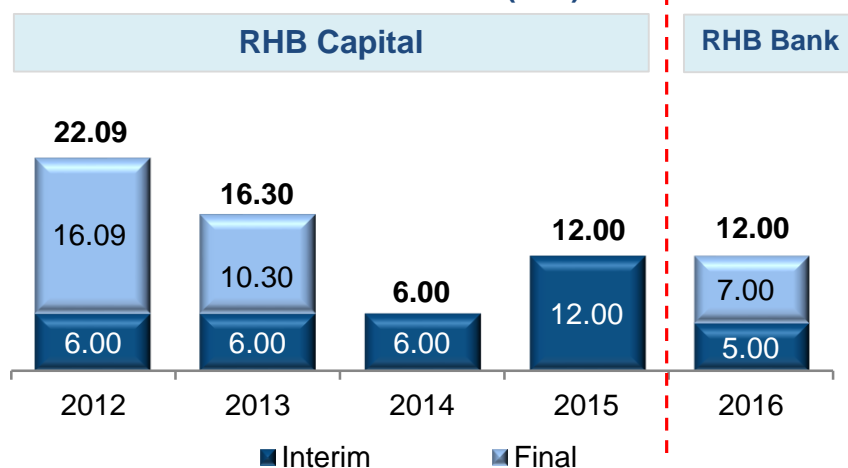
# Proposed final cash dividend of 7 sen per share, 29% payout

## Market Capitalisation



N1: Listing of RHB Bank shares at opening price of RM4.68

## Dividend Per Share (sen)



## Dividend Payout Ratio & DRP Rate

|                             | RHB Capital |      |      |               | RHB Bank |
|-----------------------------|-------------|------|------|---------------|----------|
|                             | 2012        | 2013 | 2014 | 2015          | 2016     |
| Dividend Payout Ratio       | 30%         | 23%  | 8%   | 24%           | 29%      |
| Average DRP Conversion Rate | 68%         | 72%  | 73%  | Cash Dividend |          |
| Effective Cash Payout       | 9%          | 6%   | 2%   | 24%           | 29%      |

DRP: Dividend Reinvestment Plan

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# Key updates on the progress of IGNITE 2017 (1/2)

|                                  |   |     |   |     |   |     |   |
|----------------------------------|---|-----|---|-----|---|-----|---|
| Retail Banking                   | <ul style="list-style-type: none"> <li>◆ Mortgages grew 13.3% vs. industry of 9.2% in 2016</li> <li>◆ Affluent AUM grew by 12% since the launch of our Affluent value proposition in Jul 2016</li> <li>◆ Retail CASA grew by 7.5% vs industry of 6.8% in 2016</li> <li>◆ All branches have been enabled with EASY solutions (“10 minute banking”)</li> </ul>  |     |   |     |   |     |   |
| Business and Transaction Banking | <ul style="list-style-type: none"> <li>◆ SME loan growth of 11.3% vs. industry of 9.2% in Dec 2016</li> <li>◆ SME market share improved to 8.82% in Dec 2016 from 8.7% in 2015</li> <li>◆ RHB Cash Management (Reflex) registered a y-o-y subscriber growth of 19.6% with average current balance y-o-y growth of 6% as at end Dec 2016</li> <li>◆ Approved RM43.4 mil facilities under Financial Supply Chain (FSC) financing in 2016</li> <li>◆ New Transaction Banking System capabilities went live in Nov 2016 in Malaysia, and in Singapore in Dec 2016</li> </ul>  |     |   |     |   |     |   |
| Wholesale Banking                | <ul style="list-style-type: none"> <li>◆ Increased product holding ratio for domestic top corporates to 4.56 in 2016 from 3.37 in 2015 through refined client coverage model</li> <li>◆ Rolled out Treasury MUREX system covering Malaysia FX and derivatives in Nov 2016, enabling the introduction of a wider variety of new products</li> <li>◆ Rationalised IB network to enhance synergies – consolidated 7 IB branches and streamlined 11 Share Trading Centres</li> <li>◆ Key transactions / deals in 2016 : <table border="1" data-bbox="459 871 1889 1210"> <tr> <td data-bbox="459 871 579 996">DCM</td><td data-bbox="579 871 1889 996"> <ul style="list-style-type: none"> <li>◆ Ekovest – RM3.64 bil Sukuk Wakalah, Malaysia’s largest ringgit-denominated greenfield toll-road project financing, to partly fund Setiawangsa-Pantai Expressway (DUKE)</li> <li>◆ Sarawak Hidro – RM5.54 bil Sukuk Murabahah facility</li> </ul> </td></tr> <tr> <td data-bbox="459 996 579 1122">ECM</td><td data-bbox="579 996 1889 1122"> <ul style="list-style-type: none"> <li>◆ Malaysia Building Society Berhad – RM1.71 bil</li> <li>◆ Ecoworld Development Group – RM562.2 mil</li> <li>◆ Malaysian Resources Corporation Berhad – RM408 mil</li> </ul> </td></tr> <tr> <td data-bbox="459 1122 579 1210">M&amp;A</td><td data-bbox="579 1122 1889 1210"> <ul style="list-style-type: none"> <li>◆ Privatisation of Kulim (Malaysia) Berhad – RM2.26 bil</li> <li>◆ United Fiber System’s RTO of PT Golden Energy Mines Tbk – SGD1.879 bil</li> </ul> </td></tr> </table> </li> </ul> | DCM | <ul style="list-style-type: none"> <li>◆ Ekovest – RM3.64 bil Sukuk Wakalah, Malaysia’s largest ringgit-denominated greenfield toll-road project financing, to partly fund Setiawangsa-Pantai Expressway (DUKE)</li> <li>◆ Sarawak Hidro – RM5.54 bil Sukuk Murabahah facility</li> </ul> | ECM | <ul style="list-style-type: none"> <li>◆ Malaysia Building Society Berhad – RM1.71 bil</li> <li>◆ Ecoworld Development Group – RM562.2 mil</li> <li>◆ Malaysian Resources Corporation Berhad – RM408 mil</li> </ul> | M&A | <ul style="list-style-type: none"> <li>◆ Privatisation of Kulim (Malaysia) Berhad – RM2.26 bil</li> <li>◆ United Fiber System’s RTO of PT Golden Energy Mines Tbk – SGD1.879 bil</li> </ul> |
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# Key updates on the progress of IGNITE 2017 (2/2)

## International and Singapore

- ◆ Loan growth of 4% for Cambodia, 28% for Thailand and for 71% for Laos in 2016
- ◆ Singapore
  - Loans growth of 1.4% vs. industry of 0.5%
  - Deposit growth of 23.1% vs. industry of 6.5%
  - Closure of *Bureau-de-Change* business, with estimated savings of RM8.5 mil p.a.
  - Key transactions / deals in 2016 :

|     |  |
|-----|--|
| DCM | ◆ Housing and Development Board Singapore – S\$600 mil |
| ECM | ◆ Golden Energy and Resources Limited – S\$121.3 mil   |
| M&A | ◆ Privatisation of Otto Marine – S\$68mil              |

## Digital and payments

- ◆ Launched the new RHB Now Mobile banking App as well as the RHB Pay Anyone™, which allows customers to send money seamlessly via mobile numbers, email and Facebook
- ◆ Soft launched RHB Online Smart Account and Smart Account-i in Jan 2017, rewarding customers based on their total relationship with the bank
- ◆ Enhanced SME e-Retail solution with the roll-out of RHB Merchant Mobile Point of Sale (MPOS)

## Senior management update

- ◆ Injected new talent to strengthen our senior management
  - New appointments
    - Syed Ahmad Taufik Albar – Group Chief Financial Officer
    - Dato' Adissadikin Ali – MD/CEO of RHB Islamic Bank and Head, Group Shariah Business
    - Robert Hurray – Head of Group Investment Banking and CEO of RHB Investment Bank
    - Mike Chan – CEO, RHB Bank Singapore and Country Head, Singapore

N1 : Normalised excluding CTS expenses

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Summary and Outlook



# Economic Outlook

- ◆ Malaysia's GDP is forecast to grow 4.5% in 2017:
  - Domestic demand to remain resilient
  - Exports to show moderate recovery, on the back of higher commodity price, better electrical & electronics export and improving global trade outlook
  - Public spending and private investment expected to rise, supported by the implementation of major infrastructure projects under the various economic programmes
  
- ◆ Interest rate expected to be stable, with OPR forecast to remain at 3.0% for the year
  
- ◆ Improvement in export is expected to widen current account surplus, providing some underlying support to RM
  
- ◆ Malaysian banking sector growth is expected to be modest, with slower corporate loans growth and ongoing consolidation of household loans. Industry loans expected to grow 5.3%

## Concluding Remarks

- ◆ Our core earnings continued to demonstrate resilience amidst the weak economic conditions, resulting from prudent funding cost management and lower overhead costs
- ◆ Our core commercial banking of Retail & SME registered profit growth and our efforts to grow CASA is showing good progress
- ◆ We recorded strong operating profit before allowances, though 2016 performance was affected by impairment on a corporate bond and certain corporate loan accounts
- ◆ Our balance sheet remains strong, as capital and liquidity are at comfortable levels, which will put us in a good position to drive value creation from key business and segments and grow with our customers, as we continue to focus on operational efficiency and proactively manage asset quality

# RHB Banking Group Scorecard For 2017

| Top Level Indicators         | Target 2017 | Actual FY2016 |
|------------------------------|-------------|---------------|
| ROE                          | 9% - 10%    | 8.5%          |
| Loans Growth                 | 5%          | 2.0%          |
| CASA Growth                  | 8%          | 11.9%         |
| Gross Impaired Loans Ratio   | < 2.5%      | 2.43%         |
| Cost to Income Ratio         | < 50%       | 50.0%         |
| Overseas Profit Contribution | 10%         | -11.4%        |



# END

[www.rhbgroup.com](http://www.rhbgroup.com)

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**TOGETHER WE PROGRESS**



# APPENDIX

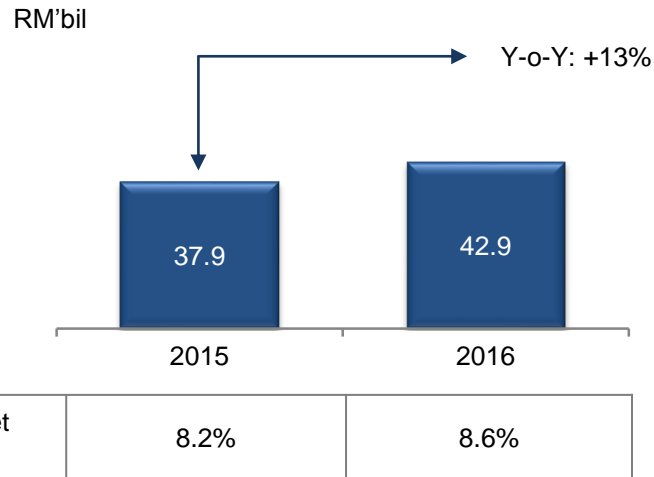
## Key Business Highlights



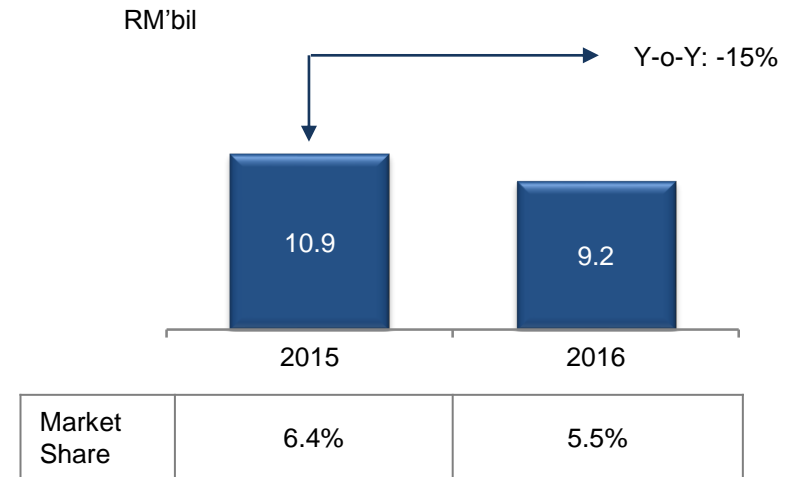
# Retail

Continued emphasis on return on risk adjusted capital and focused growth in targeted market segment

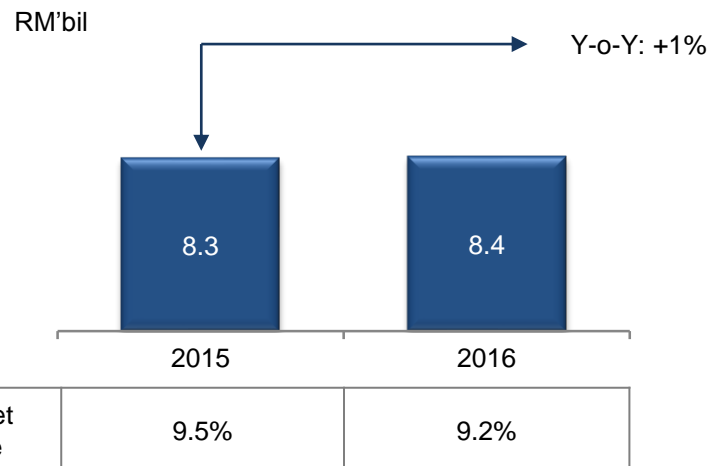
## Mortgage



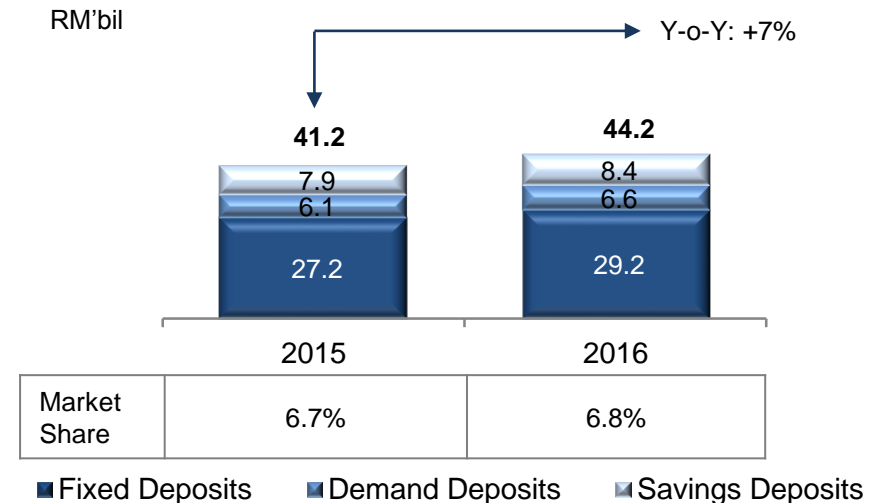
## Auto Finance



## Personal Use



## Deposits



# IB market position

| YTD Dec 2016  | Ranking | Market Share |
|---|---------|--------------|
| Debt Capital Markets:<br>- MYR sukuk                | 3       | 18.5%        |
| - Total MYR bonds<br>(Conventional & Islamic bonds) | 4       | 15.7%        |
| Mergers & Acquisitions:<br>- by value               | 4       | 12.0%        |
| - by deal count                                     | 3       | 16 deals     |
| Equity Capital Markets                              | 4       | 7.0%         |

## M&A



### Sarawak Oil Palms Berhad

RM873 mil

Acquisition of Shin Yang Oil Palm (Sarawak) Sdn Bhd

*Principal Adviser*



### Mieco Chipboard Berhad

RM81.73 mil

Acquisition of equity interest in Mieco Chipboard Berhad

*Sole Principal Adviser*



### HCK Capital Group Berhad

RM73.42 mil

Acquisition of 100% equity interest in Andaman Daya, Fidelity Ventures and Usas Management

*Principal Adviser*

## DCM



### DanaInfra Nasional Berhad

RM4.5 bil IMTN issuance out of RM46 bil ICP/IMTN Programme

*Joint Lead Arranger & Joint Lead Manager*



### Housing and Development Board Singapore

SGD600 mil Notes Issue

*Joint Lead Manager & Joint Bookrunner*



### Tulip Maple Berhad

USD75 mil sukuk issuance out of USD750 mil Multicurrency Sukuk Programme

*Manager & Dealer*



### Gas Malaysia Berhad

RM200 mil issuance out of RM700 mil ICP/IMTN Programme

*Sole Principal Adviser, Sole Lead Arranger & Joint Lead Manager*

## ECM



### Eco World Development Group Berhad

RM562.2 mil

Primary Placement

*Sole Placement Agent*

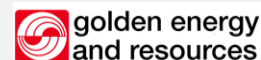


### Malaysian Resources Corporation Berhad

RM408.0 mil

Primary Placement

*Sole Placement Agent*



### Golden Energy and Resources Limited

SGD121.27 mil

Compliance Equity Placement

*Sole Placement Agent*



### Yong Tai Berhad

RM74.9 mil

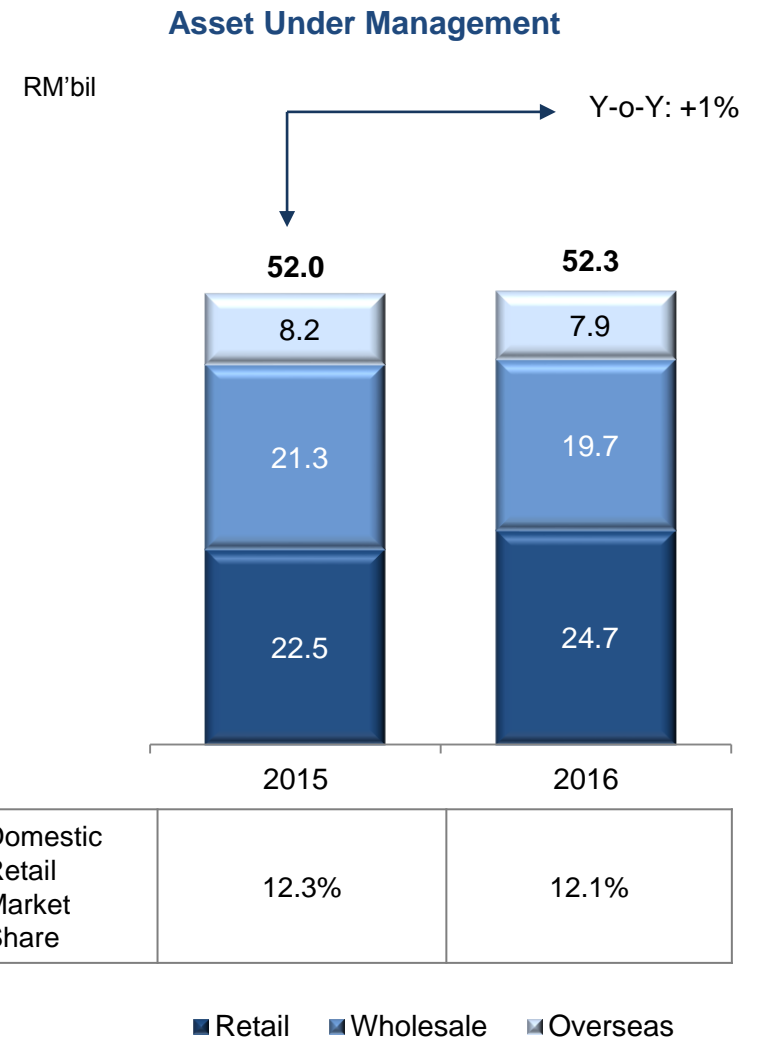
Primary Placement

*Joint Placement Agent*

# Equities, Futures & Asset Management

| Equities<br>(by value) | YTD Dec 2016 |                  |
|------------------------|--------------|------------------|
|                        | Market Share | Ranking          |
| Malaysia               |              |                  |
| - By value             | 7.7%         | 5 <sup>th</sup>  |
| - By volume            | 12.2%        | 3 <sup>rd</sup>  |
| Singapore              | 3.5%         | 16 <sup>th</sup> |
| Hong Kong              | 0.1%         | 91 <sup>st</sup> |
| Indonesia              | 2.1%         | 18 <sup>th</sup> |
| Thailand               | 1.5%         | 28 <sup>th</sup> |
| Cambodia               | 8.1%         | 6 <sup>th</sup>  |

| Futures<br>(by volume) | YTD Dec 2016 |                  |
|------------------------|--------------|------------------|
|                        | Market Share | Ranking          |
| Malaysia - FKLI        | 5.5%         | 6 <sup>th</sup>  |
| Malaysia - FCPO        | 8.2%         | 3 <sup>rd</sup>  |
| Thailand               | 4.4%         | 8 <sup>th</sup>  |
| Hong Kong - HSIF       | 0.1%         | 67 <sup>th</sup> |

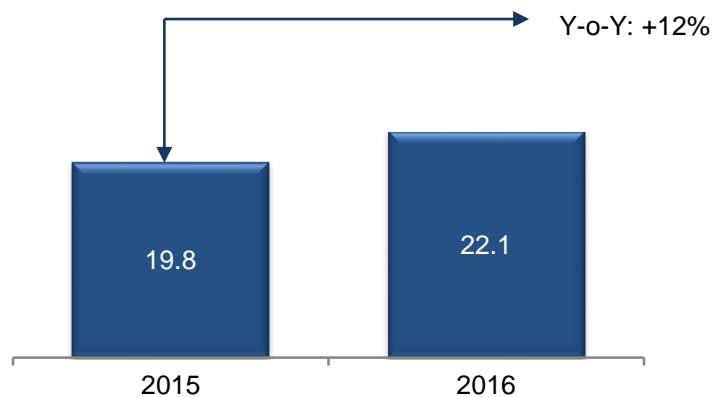


# Business Banking and SME

Continued improvement in market share and asset quality

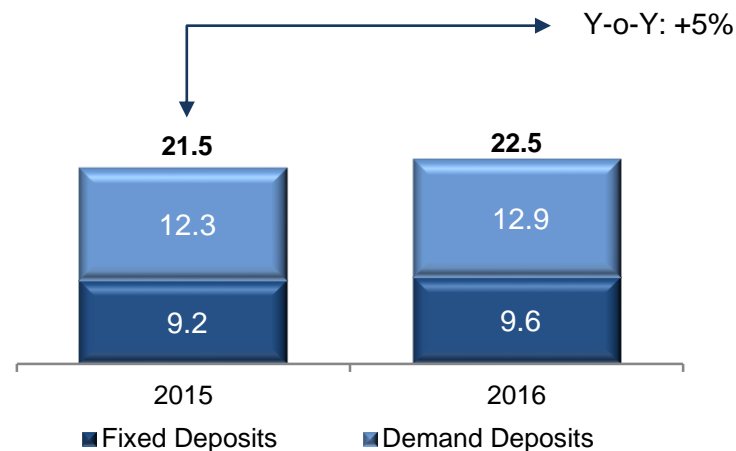
RM'bil

## Gross Loans

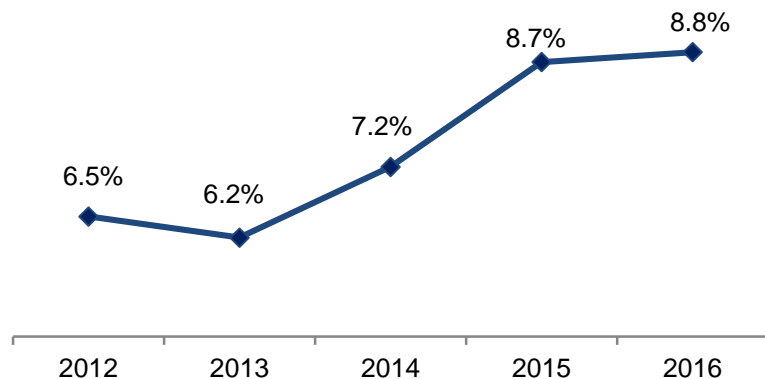


RM'bil

## Customer Deposits

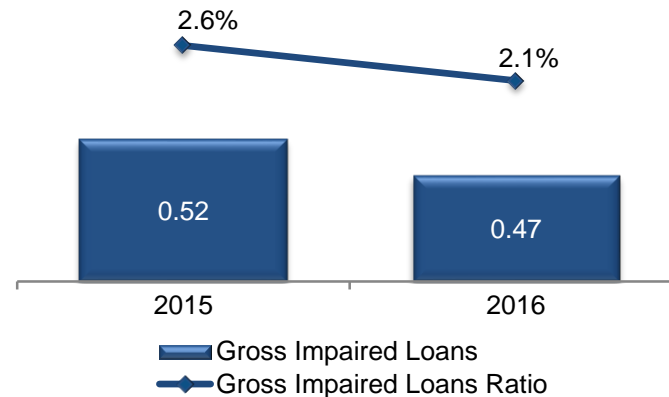


## SME Market Share



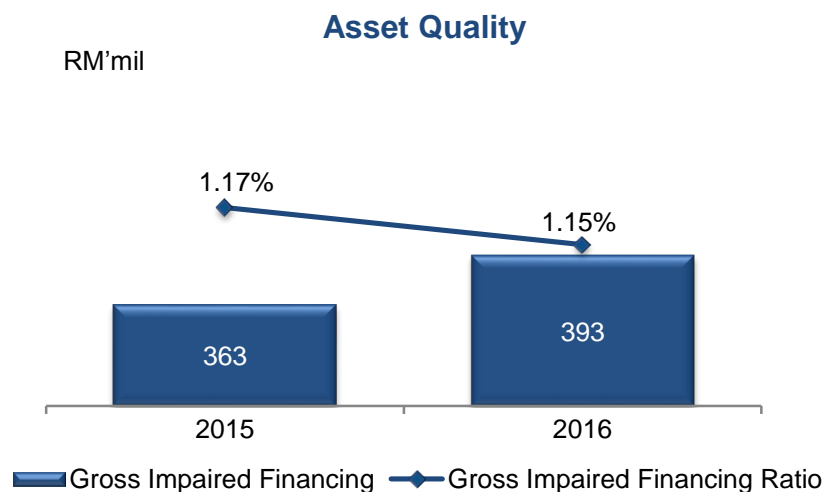
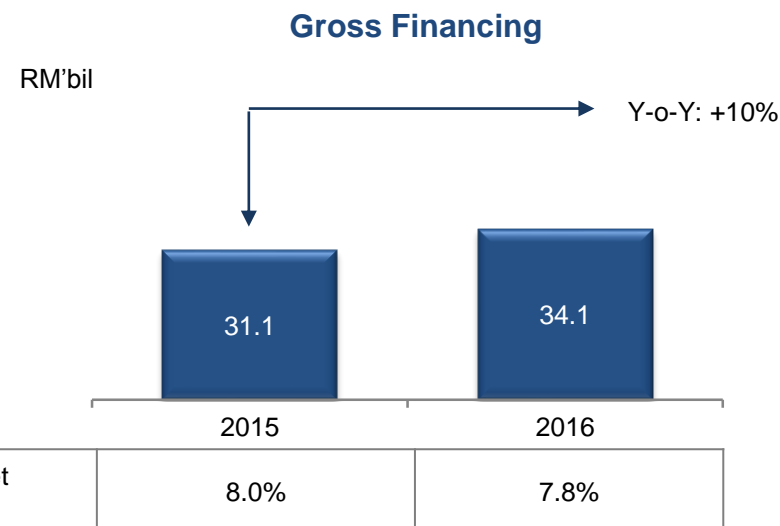
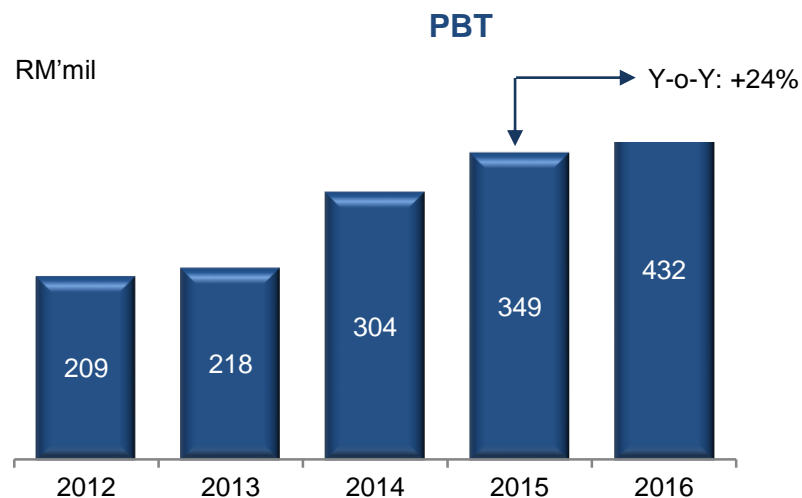
RM'bil

## Asset Quality

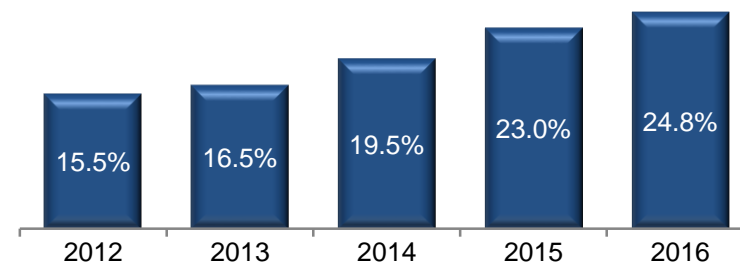


# Islamic Financial Performance

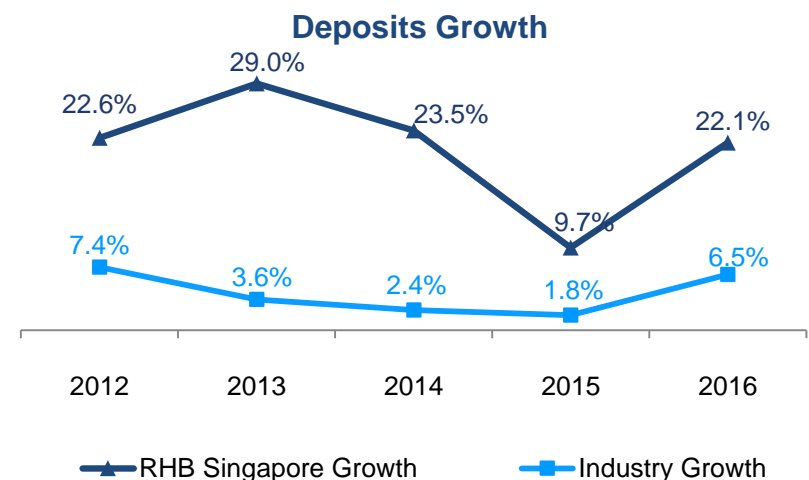
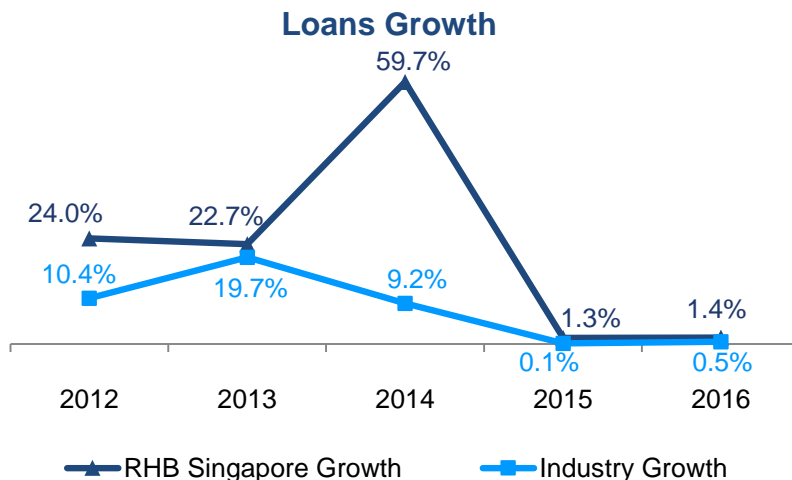
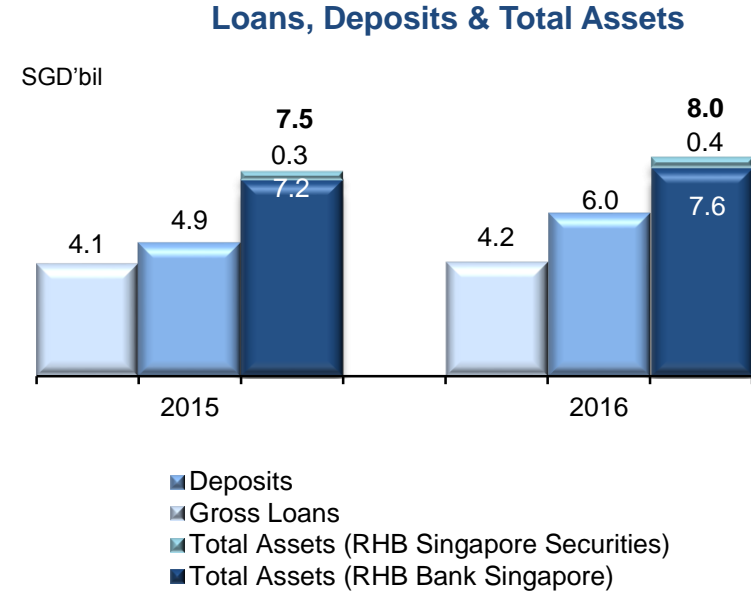
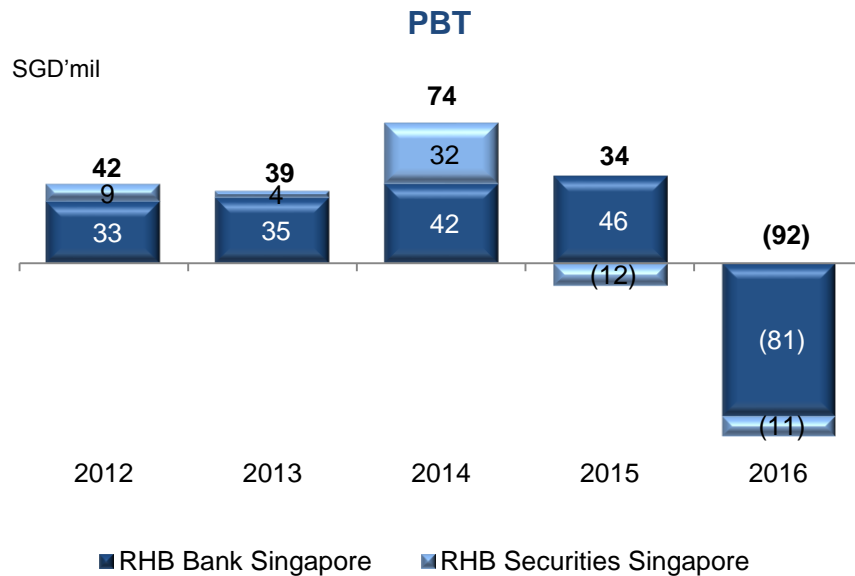
Strong performance with enhanced contribution to the Group and increasing market share



## Gross Financing/ Total Gross Financing (Domestic)



# RHB Singapore - Affected by impairment on a corporate bond and loan allowances in oil and gas



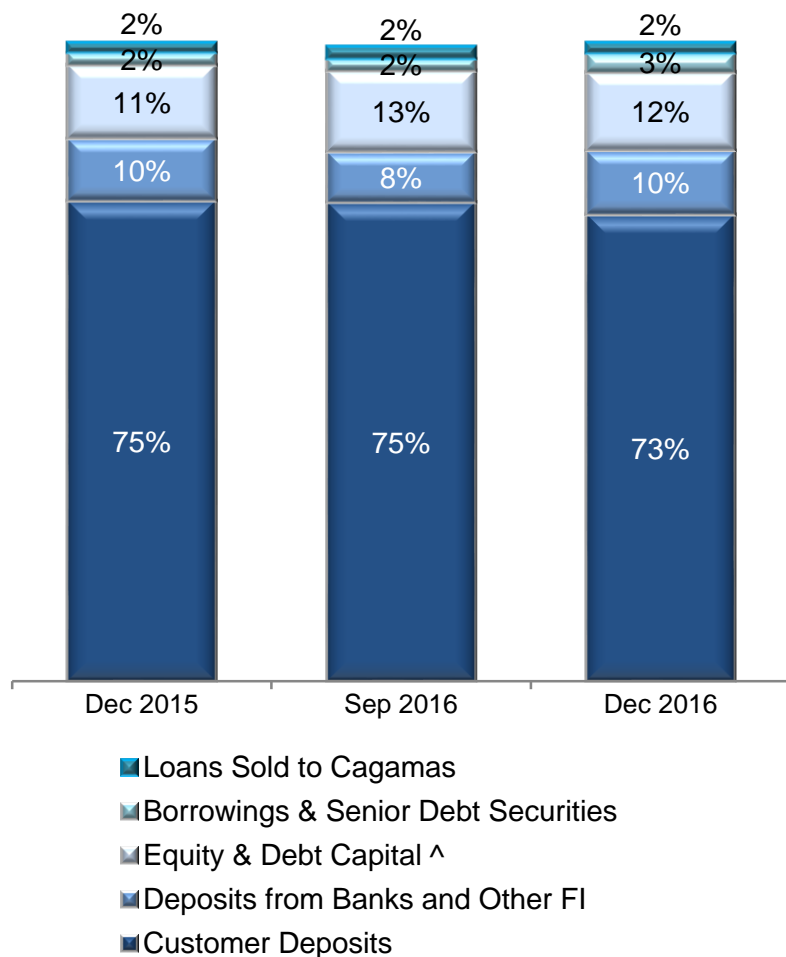


## Total assets higher by 4%; shareholders' funds increased with completion of rights issue and internal reorganisation

| Balance Sheet<br>RM'mil                  | Dec<br>2015 | Sep<br>2016 | Dec<br>2016    | Q-o-Q<br>Change<br>% | Y-o-Y<br>Change<br>% |
|--|-------------|-------------|----------------|----------------------|----------------------|
| Total Assets                             | 227,938     | 229,293     | <b>236,679</b> | 3                    | 4                    |
| Total Financial Assets/<br>Investments   | 46,897      | 44,301      | <b>48,799</b>  | 10                   | 4                    |
| - Financial Assets FVTPL                 | 1,626       | 2,495       | <b>2,325</b>   | -7                   | 43                   |
| - Financial Investments AFS              | 24,739      | 23,830      | <b>25,110</b>  | 5                    | 1                    |
| - Financial Investments HTM              | 20,532      | 17,976      | <b>21,365</b>  | 19                   | 4                    |
| Gross Loans                              | 151,386     | 152,928     | <b>154,469</b> | 1                    | 2                    |
| Customer Deposits                        | 158,158     | 165,999     | <b>165,809</b> | -                    | 5                    |
| Borrowings and Senior<br>Debt Securities | 4,240       | 4,216       | <b>6,828</b>   | 62                   | 61                   |
| Subordinated Notes                       | 5,896       | 5,839       | <b>5,543</b>   | -5                   | -6                   |
| Shareholders' Funds                      | 17,668      | 21,631      | <b>21,745</b>  | 1                    | 23                   |

# Funding sources well diversified, benefited from rights issue proceeds in 2015 and USD500 million senior debt securities issued in Oct 2016

Funding Composition



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

Domestic Market Share

