

RHB Bank Berhad

Basel II Pillar 3 Quantitative Disclosures

30 June 2016

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2016

Statement by Group Managing Director

In accordance with the requirements of Bank Negara Malaysia's Guideline on 'Risk-Weighted Capital Adequacy Framework ('Basel II') – Disclosure Requirements ('Pillar 3'), and on behalf of the Board and Senior Management of RHB Bank Berhad, I am pleased to provide an attestation that the Basel II Pillar 3 Quantitative Disclosures of RHB Bank Berhad as at 30 June 2016 is accurate and complete.

Dato' Khairussaleh Bin Ramli
Group Managing Director

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INTRODUCTION

This document discloses RHB Bank Berhad quantitative disclosure in accordance with the disclosure requirements as outlined in the Risk Weighted Capital Adequacy Framework ('Basel II') – Disclosure Requirements ('Pillar 3') issued by Bank Negara Malaysia ('BNM').

This document covers only quantitative information as at 30 June 2016 with comparative quantitative information of the preceding financial year as at 31 December 2015. This disclosure report has been verified and approved in line with the internal Basel II Pillar 3 Disclosure Policy.

For purposes of complying with regulatory requirements under Basel II Pillar 1, the approaches adopted by the respective entities are summarised as follows:

Entity	Credit Risk	Market Risk	Operational Risk
RHB Bank Berhad	Internal Ratings-Based Approach	Standardised Approach	Basic Indicator Approach
RHB Islamic Bank Berhad	Standardised Approach		
RHB Investment Bank Berhad			

RHB Bank Berhad's Pillar 3 disclosure report will be made available under the Investor Relations section of the RHB Bank Group's website at www.rhbgroup.com and as a separate report in the half-yearly condensed financial statements after the notes to the financial statements.

SCOPE OF APPLICATION

In this Pillar 3 document, RHB Bank Berhad's information is presented on a consolidated basis, namely RHB Bank Berhad ('RHB Bank'), its overseas operations and its subsidiaries, and is referred to as the 'RHB Bank Group' or 'the Group'.

In April 2016, RHB Capital Berhad completed an internal reorganisation which entailed the transfer by RHB Capital Berhad of its entire equity interests in, and certain assets and liabilities of its subsidiaries to its wholly-owned subsidiary, RHB Bank and RHB Bank is effectively the new group holding company. Hence, the earlier references to 'RHB Banking Group' and 'the Bank' as disclosed in the Basel II Pillar 3 Disclosures as at 31 December 2015 now mean 'RHB Bank Group' or 'the Group'. For purposes of this disclosure, the Group has re-presented the Risk-Weighted Assets of the Group which now includes RHB Investment Bank Berhad ('RHB Investment Bank'), its overseas operations and subsidiaries for the year ended 31 December 2015 to provide better representation on comparative information.

The Group's capital requirements are generally based on the principles of consolidation adopted in the preparation of its financial statements. For the requirements concerning regulatory capital adequacy ratio, and the components of eligible regulatory capital, it is computed in accordance with BNM's Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework (Basel II - Risk Weighted Assets).

The Group offers Islamic banking services and Investment banking services on stock broking, asset management and custodian service via the Bank's wholly-owned subsidiaries RHB Islamic Bank Berhad ('RHB Islamic Bank') and RHB Investment Bank Berhad ('RHB Investment Bank')

The transfer of funds or regulatory capital within the Group is subject to shareholders' and regulatory approval.

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Table 1a: Capital Adequacy Ratios as at 30 June 2016

	RHB Bank Group	RHB Bank	RHB Islamic Bank	RHB Investment Bank
	30.06.2016	30.06.2016	30.06.2016	30.06.2016
<u>Before proposed dividends</u>				
Common Equity Tier I Capital Ratio	13.203%	13.174%	10.089%	23.251%
Tier I Capital Ratio	13.494%	13.518%	10.089%	23.251%
Total Capital Ratio	17.375%	15.635%	13.423%	23.251%
<u>After proposed dividends</u>				
Common Equity Tier I Capital Ratio	13.047%	12.982%	10.089%	23.251%
Tier I Capital Ratio	13.337%	13.326%	10.089%	23.251%
Total Capital Ratio	17.219%	15.443%	13.423%	23.251%

Table 1b: Capital Adequacy Ratios Restated as at 31 December 2015

	RHB Bank Group	RHB Bank	RHB Islamic Bank	RHB Investment Bank
	31.12.2015	31.12.2015	31.12.2015	31.12.2015
<u>Before proposed dividends</u>				
Common Equity Tier I Capital Ratio	10.711%	10.862%	11.041%	22.917%
Tier I Capital Ratio	11.040%	11.253%	11.041%	22.917%
Total Capital Ratio	15.184%	12.752%	14.608%	22.917%
<u>After proposed dividends</u>				
Common Equity Tier I Capital Ratio	10.268%	10.336%	11.041%	22.917%
Tier I Capital Ratio	10.597%	10.727%	11.041%	22.917%
Total Capital Ratio	14.741%	12.225%	14.608%	22.917%

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Table 2a: Risk Weighted Assets ('RWA') by Risk Types as at 30 June 2016

<u>Risk Types</u>	RHB Bank Group	RHB Bank	RHB Islamic Bank	RHB Investment Bank
	30.06.2016	30.06.2016	30.06.2016	30.06.2016
	RM'000	RM'000	RM'000	RM'000
Credit RWA	112,182,783	92,179,850	27,332,770	1,744,812
Credit RWA Absorbed by PSIA	-	-	(5,368,564)	-
Market RWA	5,192,326	3,950,639	159,902	714,017
Operational RWA	10,629,323	8,368,068	1,110,064	1,199,746
Total RWA	128,004,432	104,498,557	23,234,172	3,658,575

Table 2b: Risk Weighted Assets ('RWA') by Risk Types Restated as at 31 December 2015

<u>Risk Types</u>	RHB Bank Group	RHB Bank	RHB Islamic Bank	RHB Investment Bank
	31.12.2015	31.12.2015	31.12.2015	31.12.2015
	RM'000	RM'000	RM'000	
Credit RWA	113,854,996	96,035,586	25,655,098	2,640,434
Credit RWA Absorbed by PSIA	-	-	(5,759,360)	
Market RWA	3,614,236	3,086,116	61,645	469,440
Operational RWA	10,076,575	8,233,562	1,032,842	1,204,734
Total RWA	127,545,807	107,355,264	20,990,225	4,314,608

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Table 3a: Risk Weighted Assets by Risk Types and Minimum Capital Requirements as at 30 June 2016

Risk Types	RWA				Minimum Capital Requirements			
	RHB Bank Group	RHB Bank	RHB Islamic Bank	RHB Investment Bank	RHB Bank Group	RHB Bank	RHB Islamic Bank	RHB Investment Bank
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Credit Risk, of which	112,182,783	92,179,850	21,964,206	1,744,812	8,974,623	7,374,388	1,757,136	139,585
<i>Under Foundation Internal Rating Based ('F-IRB')</i>	36,317,790	36,396,346	-	-	2,905,423	2,911,708	-	-
<i>Under Advanced Internal Rating Based ('A-IRB') Approach</i>	22,713,044	18,590,873	-	-	1,817,044	1,487,270	-	-
<i>Under Standardised Approach</i>	53,151,949	37,192,631	27,332,770	1,744,812	4,252,156	2,975,410	2,186,622	139,585
<i>Absorbed by PSIA under Standardised Approach</i>	-	-	(5,368,564)	-	-	-	(429,485)	-
Market Risk								
<i>Under Standardised Approach</i>	5,192,326	3,950,639	159,902	714,017	415,386	316,051	12,792	57,121
Operational Risk								
<i>Under Basic Indicator Approach</i>	10,629,323	8,368,068	1,110,064	1,199,746	850,345	669,445	88,805	95,980
Total	128,004,432	104,498,557	23,234,172	3,658,575	10,240,354	8,359,884	1,858,734	292,686

Table 3b: Risk Weighted Assets by Risk Types and Minimum Capital Requirements Restated as at 31 December 2015

Risk Types	RWA				Minimum Capital Requirements			
	RHB Bank Group	RHB Bank	RHB Islamic Bank	RHB Investment Bank	RHB Bank Group	RHB Bank	RHB Islamic Bank	RHB Investment Bank
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Credit Risk, of which	113,854,996	96,035,586	19,895,738	2,640,434	9,108,400	7,682,847	1,591,659	211,235
<i>Under Foundation Internal Rating Based ('F-IRB')</i>	43,048,029	43,131,221	-	-	3,443,843	3,450,498	-	-
<i>Under Advanced Internal Rating Based ('A-IRB') Approach</i>	22,439,400	18,297,687	-	-	1,795,152	1,463,815	-	-
<i>Under Standardised Approach</i>	48,367,567	34,606,678	25,655,098	2,640,434	3,869,405	2,768,534	2,052,408	211,235
<i>Absorbed by PSIA under Standardised Approach</i>	-	-	(5,759,360)	-	-	-	(460,749)	-
Market Risk								
<i>Under Standardised Approach</i>	3,614,236	3,086,116	61,645	469,440	289,139	246,889	4,932	37,555
Operational Risk								
<i>Under Basic Indicator Approach</i>	10,076,575	8,233,562	1,032,842	1,204,734	806,126	658,685	82,627	96,379
Total	127,545,807	107,355,264	20,990,225	4,314,608	10,203,665	8,588,421	1,679,218	345,169

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Table 4: Capital Structure

	RHB Bank Group		RHB Bank	
	30.06.2016	Restated 31.12.2015	30.06.2016	Restated 31.12.2015
	RM'000	RM'000	RM'000	RM'000
Common Equity Tier I Capital / Tier I Capital				
Paid up ordinary share capital	4,010,045	3,460,585	4,010,045	3,460,585
Share premium	2,984,058	478,517	2,984,058	478,517
Retained profits	7,629,961	7,660,143	6,959,909	7,099,976
Other reserves	5,322,935	5,277,191	4,043,922	3,994,464
Available for sale ('AFS') reserves	386,628	127,924	354,412	154,358
Less:				
Goodwill	(2,633,382)	(2,633,382)	(905,519)	(905,519)
Intangible assets (include associated deferred tax liabilities)	(328,971)	(295,381)	(274,275)	(239,193)
55% of cumulative gains arising from change in value of AFS instruments	(212,645)	(70,358)	(194,927)	(84,897)
Shortfall of eligible provisions to expected losses under the IRB approach	(112,928)	(92,942)	(136,771)	(124,232)
Investment in subsidiaries***	(70,573)	(47,275)	(3,024,205)	(2,016,137)
Other deductions [#]	(52,281)	(77,466)	(50,421)	(76,619)
Deferred tax assets	(22,035)	(126,730)	-	(80,227)
Total Common Equity Tier I Capital	16,900,812	13,660,826	13,766,228	11,661,076
Hybrid Tier I Capital Securities**	360,000	420,000	360,000	420,000
Qualifying non-controlling interests recognised as Tier I Capital	12,157	193	-	-
Total Tier I Capital	17,272,969	14,081,019	14,126,228	12,081,076
Tier II Capital				
Subordinated obligations subject to gradual phase out treatment [@]	2,400,000	2,800,000	2,400,000	2,800,000
Subordinated obligations meeting all relevant criteria	1,499,592	1,499,544	1,499,592	1,499,544
Qualifying capital instruments of a subsidiary issued to third parties*	547,140	526,581	-	-
Collective impairment allowances and regulatory reserves [^]	568,569	530,578	328,463	333,007
Less:				
Investment in subsidiaries	(47,049)	(70,913)	(2,016,137)	(3,024,206)
Total Tier II Capital	4,968,252	5,285,790	2,211,918	1,608,345
Total Capital	22,241,221	19,366,809	16,338,146	13,689,421

Pursuant to Basel II Market Risk Para 5.19 & 5.20 - Valuation Adjustments, the Capital Adequacy Framework (Basel II -RWA) calculation shall account for the ageing, liquidity and holding back adjustments on its trading portfolio.

* Qualifying subordinated sukuk that are recognised as Tier II capital instruments held by third parties as prescribed under paragraph 17.6 of the BNM's Guideline on Capital Adequacy Framework (Capital Components) which are issued by a fully consolidated subsidiary of the Bank.

** Hybrid Tier I Capital Securities that are recognised as Tier I capital instruments are subject to gradual phase out treatment effective from 1 January 2013 as prescribed under paragraph 37.7 of the BNM's Guideline on Capital Adequacy Framework (Capital Components).

*** Investments in subsidiaries are subject to gradual deduction using the corresponding deduction approach under CET I Capital effective from 1 January 2014 as prescribed under paragraph 37.11 of the BNM's Guideline on Capital Adequacy Framework (Capital Components).

@ Subordinated obligations that are recognised as Tier II capital instruments are subject to gradual phase out treatment effective from 1 January 2013 as prescribed under paragraph 37.7 of the BNM's Guideline on Capital Adequacy Framework (Capital Components).

^ Excludes collective assessment impairment allowance attributable to loans, advances, and financing classified as impaired but not individually assessed for impairment pursuant to BNM's Guideline on Classification and Impairment Provisions for Loans/Financing.

Includes the qualifying regulatory reserves under the standardised approach for loans/financing of the Group and Bank of RM298,546,000 (Restated 31 December 2015 : RM250,478,000) and RM171,688,000 (Restated 31 December 2015 : RM139,361,000) respectively.

Table 5a: Exposures under the IRB Approach by PD Band, Exposure Weighted Average Loss Given Default ('LGD') and Exposure Weighted Average Risk Weight as at 30 June 2016

RHB Bank Group	Exposure At Default After Credit Risk Mitigation	Exposure Weighted Average LGD	Exposure Weighted Average Risk Weight	Undrawn Commitments
<u>Probability of Default ('PD') Range</u>	<u>RM'000</u>	<u>%</u>	<u>%</u>	<u>RM'000</u>
Non Retail Exposures				
Corporate Exposures (excluding exposures with firm size adjustments)				
0 to 0.22	8,396,240	44.65	36.19	3,573,328
>0.22 to 1.65	13,573,007	31.74	51.33	5,055,377
>1.65 to 5.57	6,443,657	41.12	115.89	1,436,360
>5.57 to 21.68	1,341,019	29.49	111.75	209,919
>21.68 to <100	246,243	28.58	155.52	61,969
Default or 100	1,278,787	43.31	-	-
Total for Corporate Exposures (excluding exposures with firm size adjustments)	31,278,953			10,336,953
Corporate Exposures (with firm size adjustments)				
0 to 0.22	1,604,134	42.35	32.41	1,204,789
>0.22 to 1.65	11,969,412	38.59	54.17	5,352,444
>1.65 to 5.57	7,247,925	37.78	86.04	1,913,374
>5.57 to 21.68	1,552,449	34.76	104.29	430,813
>21.68 to <100	27,644	38.91	174.05	678
Default or 100	360,231	37.32	-	-
Total for Corporate Exposures (with firm size adjustments)	22,761,795			8,902,098
Total Non Retail Exposures	54,040,748			19,239,051
Retail Exposures				
Residential Mortgages Exposures				
0 to 0.78	16,521,370	16.44	15.64	474,553
>0.78 to 2.48	10,155,748	16.37	24.26	148,368
>2.48 to 28.19	3,170,674	16.57	59.61	29,279
>28.19 to <100	1,940,605	16.51	84.18	1,911
Default or 100	594,319	16.69	112.05	1,823
Total for Residential Mortgages Exposures	32,382,716			655,934
Qualifying Revolving Retail Exposures				
0 to 0.78	775,507	61.70	12.10	1,752,793
>0.78 to 2.48	682,087	65.02	34.16	1,221,240
>2.48 to 4.86	969,043	64.11	62.74	1,960,033
>4.86 to <100	120,159	69.16	117.57	145,547
Default or 100	26,684	83.13	335.74	28,392
Total for Qualifying Revolving Retail Exposures	2,573,480			5,108,005
Hire Purchase Exposures				
0 to 0.66	5,381,042	43.25	22.83	-
>0.66 to 3.71	2,410,788	45.28	52.56	-
>3.71 to 18.79	612,037	45.71	84.39	-
>18.79 to <100	147,043	46.33	118.17	-
Default or 100	106,364	46.56	200.09	-
Total Hire Purchase Exposures	8,657,274			-
Other Retail Exposures				
0 to 3.71	7,526,962	17.48	14.48	3,730,064
>3.71 to 8.35	3,386,171	21.41	23.60	1,589,402
>8.35 to 24.63	6,595,908	53.69	82.48	2,672,930
>24.63 to <100	187,697	17.25	43.01	57,171
Default or 100	417,668	51.01	51.56	22,352
Total Other Retail Exposures	18,114,406			8,071,919
Total Retail Exposures	61,727,876			13,835,858
Total Non Retail & Retail Exposures under IRB Approach	115,768,624			33,074,909

Table 5b: Exposures under the IRB Approach by PD Band, Exposure Weighted Average Loss Given Default ('LGD') and Exposure Weighted Average Risk Weight as at 31 December 2015

RHB Bank Group	Exposure At Default After Credit Risk Mitigation	Exposure Weighted Average LGD	Exposure Weighted Average Risk Weight	Undrawn Commitments
<u>Probability of Default ('PD') Range</u>	<u>RM'000</u>	<u>%</u>	<u>%</u>	<u>RM'000</u>
Non Retail Exposures				
Corporate Exposures (excluding exposures with firm size adjustments)				
0 to 0.22	11,131,258	44.43	38.03	3,480,026
>0.22 to 1.65	16,943,322	34.04	56.92	5,534,768
>1.65 to 5.57	6,363,132	42.53	116.37	1,636,648
>5.57 to 21.68	1,272,427	36.64	141.99	1,067,670
>21.68 to <100	240,873	42.98	233.75	64,691
Default or 100	1,195,799	42.73	-	-
Total for Corporate Exposures (excluding exposures with firm size adjustments)	37,146,811			11,783,803
Corporate Exposures (with firm size adjustments)				
0 to 0.22	2,312,014	41.62	31.37	1,345,917
>0.22 to 1.65	13,069,781	37.93	53.41	5,575,438
>1.65 to 5.57	8,172,482	36.35	81.82	1,720,435
>5.57 to 21.68	2,197,450	38.39	111.59	1,329,616
>21.68 to <100	67,348	38.17	170.50	4,466
Default or 100	365,549	39.41	-	-
Total for Corporate Exposures (with firm size adjustments)	26,184,624			9,975,872
Total Non Retail Exposures	63,331,435			21,759,675
Retail Exposures				
Residential Mortgages Exposures				
0 to 0.78	15,173,120	16.42	15.43	527,740
>0.78 to 2.48	9,385,903	16.40	24.42	157,775
>2.48 to 28.19	3,056,827	16.57	60.06	31,887
>28.19 to <100	1,999,613	16.51	83.15	14,205
Default or 100	618,493	16.75	109.32	3,082
Total for Residential Mortgages Exposures	30,233,956			734,689
Qualifying Revolving Retail Exposures				
0 to 0.78	685,991	61.34	11.80	1,179,765
>0.78 to 2.48	548,754	64.41	33.74	659,288
>2.48 to 4.86	545,377	64.31	62.34	717,080
>4.86 to <100	131,346	68.58	117.12	49,645
Default or 100	17,230	77.87	33.72	-
Total for Qualifying Revolving Retail Exposures	1,928,698			2,605,778
Hire Purchase Exposures				
0 to 0.66	5,755,389	43.01	22.58	-
>0.66 to 3.71	2,619,734	44.92	52.18	-
>3.71 to 18.79	719,892	45.18	83.30	-
>18.79 to <100	200,483	46.12	118.39	-
Default or 100	115,807	46.19	190.85	-
Total Hire Purchase Exposures	9,411,305			-
Other Retail Exposures				
0 to 3.71	9,762,754	17.29	13.88	6,157,819
>3.71 to 8.35	4,076,249	20.46	22.81	2,540,020
>8.35 to 24.63	6,485,021	52.84	81.28	3,226,200
>24.63 to <100	218,981	17.20	42.88	74,228
Default or 100	418,459	49.43	52.84	24,196
Total Other Retail Exposures	20,961,464			12,022,463
Total Retail Exposures	62,535,423			15,362,930
Total Non Retail & Retail Exposures under IRB Approach	125,866,858			37,122,605

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Table 6a: Exposures under the A-IRB Approach by EL Range and Exposure Weighted Average Risk Weight as at 30 June 2016

RHB Bank Group	Exposure At Default After Credit Risk Mitigation	Exposure Weighted Average Risk Weight	Undrawn Commitments
<u>Expected Losses ('EL') Range</u>	<u>RM'000</u>	<u>%</u>	<u>RM'000</u>
<u>Retail Exposures</u>			
Residential Mortgages Exposures			
0 to 0.5	27,158,913	19.57	628,023
>0.5 to 1.5	2,018,465	58.41	16,240
>1.5 to 2.5	580,598	79.08	7,196
>2.5 to 3.5	597,615	117.33	2,563
>3.5 to 30.0	1,860,238	85.12	1,912
>30.0 to <100	156,434	-	-
100	10,453	-	-
Total Residential Mortgages Exposures	32,382,716		655,934
Qualifying Revolving Retail Exposures			
0 to 0.5	754,009	11.83	1,760,442
>0.5 to 1.5	615,667	31.29	1,150,567
>1.5 to 2.5	920,579	59.60	1,911,120
>2.5 to 3.5	132,760	76.01	137,766
>3.5 to 30.0	124,875	121.01	148,110
>30.0 to <100	25,590	324.87	-
100	-	-	-
Total Qualifying Revolving Retail Exposures	2,573,480		5,108,005
Hire Purchase Exposures			
0 to 0.5	6,254,113	25.93	-
>0.5 to 1.5	1,331,859	55.56	-
>1.5 to 2.5	233,928	67.98	-
>2.5 to 3.5	72,230	140.33	-
>3.5 to 30.0	711,101	107.43	-
>30.0 to <100	6,835	187.19	-
100	47,208	-	-
Total Hire Purchase Exposures	8,657,274		-
Other Retail Exposures			
0 to 0.5	10,652,722	16.77	5,191,473
>0.5 to 1.5	1,167,372	50.02	391,142
>1.5 to 2.5	197,540	65.77	231,194
>2.5 to 3.5	2,681,450	68.36	108,493
>3.5 to 30.0	3,073,279	104.71	2,149,617
>30.0 to <100	147,023	44.03	-
100	195,020	5.01	-
Total Other Retail Exposures	18,114,406		8,071,919
Total Retail Exposures	61,727,876		13,835,858

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Table 6b: Exposures under the A-IRB Approach by EL Range and Exposure Weighted Average Risk Weight as at 31 December 2015

RHB Bank Group	Exposure At Default After Credit Risk Mitigation	Exposure Weighted Average Risk Weight	Undrawn Commitments
<u>Expected Losses ('EL') Range</u>	<u>RM'000</u>	<u>%</u>	<u>RM'000</u>
<u>Retail Exposures</u>			
Residential Mortgages Exposures			
0 to 0.5	25,050,856	19.65	690,701
>0.5 to 1.5	1,936,734	58.93	20,175
>1.5 to 2.5	555,018	78.64	8,382
>2.5 to 3.5	597,628	116.74	1,169
>3.5 to 30.0	1,913,391	84.20	14,262
>30.0 to <100	170,527	-	-
100	9,802	-	-
Total Residential Mortgages Exposures	30,233,956		734,689
Qualifying Revolving Retail Exposures			
0 to 0.5	670,981	11.58	1,184,510
>0.5 to 1.5	500,434	31.17	642,748
>1.5 to 2.5	503,200	58.01	714,075
>2.5 to 3.5	103,203	75.66	22,323
>3.5 to 30.0	133,650	116.87	42,122
>30.0 to <100	17,230	33.72	-
100	-	-	-
Total Qualifying Revolving Retail Exposures	1,928,698		2,605,778
Hire Purchase Exposures			
0 to 0.5	6,696,177	25.60	-
>0.5 to 1.5	1,455,380	55.29	-
>1.5 to 2.5	286,205	66.79	-
>2.5 to 3.5	64,341	143.83	-
>3.5 to 30.0	844,504	106.55	-
>30.0 to <100	13,636	159.35	-
100	51,062	-	-
Total Hire Purchase Exposures	9,411,305		-
Other Retail Exposures			
0 to 0.5	13,606,310	16.08	8,540,429
>0.5 to 1.5	1,415,480	45.72	672,711
>1.5 to 2.5	199,560	73.76	364,105
>2.5 to 3.5	2,233,277	68.43	105,879
>3.5 to 30.0	3,164,984	103.71	2,339,339
>30.0 to <100	162,064	43.83	-
100	179,789	4.27	-
Total Other Retail Exposures	20,961,464		12,022,463
Total Retail Exposures	62,535,423		15,362,930

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Table 7: Exposures under IRB Approach by Actual Losses versus Expected Losses

RHB Bank Group <u>Exposure Class</u>	Actual Losses	Expected Losses	Actual Losses	Expected Losses
	as at	as at	Restated	Restated
	30.06.2016	30.06.2015	as at 30.06.2015	as at 30.06.2014
	RM'000	RM'000	RM'000	RM'000
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	105	-	1,363
Corporates, of which				
Corporate Exposures (excluding exposures with firm size adjustments)	41,551	140,919	122,496	233,560
Corporate Exposures (with firm size adjustments)	39,522	170,858	31,982	117,226
Retail, of which				
Residential Mortgages Exposures	41,409	183,252	58,265	146,463
Qualifying Revolving Retail Exposures	47,788	28,787	45,951	29,819
Hire Purchase Exposures	35,027	110,258	45,830	106,260
Other Retail Exposures	47,262	255,777	52,070	247,705
Total	252,559	889,956	356,594	882,396

Note :

1. Actual Losses for 30.06.2016 and 30.06.2015 are derived from Individual Impairment Allowances, Impaired Collective Impairment Allowances and Write offs.
2. Expected Losses for 30.06.2014 and 30.06.2015 were restated measuring the loss expected from non impaired exposures at the start of the year.
3. Actual Losses for 30.06.2015 were restated measuring impairment allowances and write offs incurred on the exposures which have turned impaired during the year.

Table 8a: Summary of Credit Exposures with Credit Risk Mitigation ('CRM') by Asset Class and Minimum Capital Requirements (On and Off Balance Sheet Exposures) as at 30 June 2016

RHB Bank Group	Gross Exposures / EAD before CRM RM'000	Net Exposures / EAD after CRM RM'000	Risk Weighted Assets RM'000	Minimum Capital Requirements RM'000
Exposure Class				
Exposures under Standardised Approach ('SA')				
On Balance Sheet Exposures				
Sovereigns & Central Banks	26,665,241	26,665,241	753,340	60,267
Public Sector Entities	7,271,892	7,267,237	162,305	12,984
Banks, Development Financial Institutions & MDBs	16,550,563	16,549,671	4,705,924	376,474
Insurance/Takaful Cos, Securities Firms & Fund Managers	1,252,169	1,252,169	1,252,169	100,174
Corporates	39,148,504	36,799,532	22,369,098	1,789,528
Regulatory Retail	23,606,598	16,010,125	12,566,788	1,005,343
Residential Mortgages	2,448,457	2,432,833	1,071,632	85,731
Higher Risk Assets	28	28	43	3
Other Assets	6,453,468	6,453,468	2,556,340	204,507
Equity Exposures	706,145	706,145	706,146	56,492
Defaulted Exposures	839,560	825,796	955,479	76,438
Total On Balance Sheet Exposures	124,942,625	114,962,245	47,099,264	3,767,941
Off Balance Sheet Exposures				
OTC Derivatives	4,982,607	4,982,087	2,068,002	165,440
Off balance sheet exposures other than OTC derivatives or credit derivatives	7,742,355	5,442,545	3,846,300	307,704
Defaulted Exposures	92,818	92,654	138,383	11,071
Total Off Balance Sheet Exposures	12,817,780	10,517,286	6,052,685	484,215
Total On and Off Balance Sheet Exposures under SA	137,760,405	125,479,531	53,151,949	4,252,156
Exposures under F-IRB Approach				
On Balance Sheet Exposures				
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-
Corporates, of which	43,778,611	43,778,611	28,612,273	2,288,982
Corporate Exposures (excluding exposures with firm size adjustments)	25,476,820	25,476,820	16,337,320	1,306,986
Corporate Exposures (with firm size adjustments)	18,301,791	18,301,791	12,274,953	981,996
Defaulted Exposures	1,626,995	1,626,995	97	8
Total On Balance Sheet Exposures	45,405,606	45,405,606	28,612,370	2,288,990
Off Balance Sheet Exposures				
OTC Derivatives	599	599	316	25
Off balance sheet exposures other than OTC derivatives or credit derivatives	8,621,723	8,621,723	5,649,380	451,950
Defaulted Exposures	12,820	12,820	-	-
Total Off Balance Sheet Exposures	8,635,142	8,635,142	5,649,696	451,975
Exposures under A-IRB Approach				
On Balance Sheet Exposures				
Retail, of which	53,170,517	53,170,517	18,481,452	1,478,516
Residential Mortgages Exposures	31,134,287	31,134,287	8,449,670	675,973
Qualifying Revolving Retail Exposures	1,614,016	1,614,016	730,870	58,470
Hire Purchase Exposures	8,550,910	8,550,910	3,185,771	254,862
Other Retail Exposures	11,871,304	11,871,304	6,115,141	489,211
Defaulted Exposures	1,120,859	1,120,859	1,131,702	90,536
Total On Balance Sheet Exposures	54,291,376	54,291,376	19,613,154	1,569,052
Off Balance Sheet Exposures				
Off balance sheet exposures other than OTC derivatives or credit derivatives	7,412,325	7,412,325	1,762,260	140,981
Defaulted Exposures	24,175	24,175	51,986	4,159
Total Off Balance Sheet Exposures	7,436,500	7,436,500	1,814,246	145,140
Total On and Off Balance Sheet Exposures before scaling factor under the IRB Approach	115,768,624	115,768,624	55,689,466	4,455,157
Total On and Off Balance Sheet Exposures after scaling factor, 1.06 under the IRB Approach			59,030,834	4,722,467
Total (Exposures under the SA Approach and Exposures under the IRB Approach)	253,529,029	241,248,155	112,182,783	8,974,623

Note: All performing corporate exposures are classified under the broad asset class category of Corporates instead of the five sub classes of Specialised Lending.

Table 8b: Summary of Credit Exposures with Credit Risk Mitigation ('CRM') by Asset Class and Minimum Capital Requirements (On and Off Balance Sheet Exposures) Restated as at 31 December 2015

RHB Bank Group	Gross Exposures / EAD before CRM RM'000	Net Exposures / EAD after CRM RM'000	Risk Weighted Assets RM'000	Minimum Capital Requirements RM'000
Exposure Class				
Exposures under Standardised Approach ('SA')				
On Balance Sheet Exposures				
Sovereigns & Central Banks	30,765,772	30,765,772	627,827	50,225
Public Sector Entities	3,851,140	3,846,640	179,093	14,328
Banks, Development Financial Institutions & MDBs	14,166,626	14,154,902	4,368,564	349,485
Insurance/Takaful Cos, Securities Firms & Fund Managers	1,191,543	1,191,543	1,191,543	95,324
Corporates	34,494,270	31,986,785	17,554,697	1,404,374
Regulatory Retail	25,871,327	17,188,011	13,422,658	1,073,812
Residential Mortgages	2,760,204	2,743,351	1,245,603	99,648
Higher Risk Assets	30	30	44	4
Other Assets	6,144,040	6,144,040	2,596,438	207,715
Equity Exposures	674,051	674,051	674,052	53,925
Defaulted Exposures	649,601	598,443	723,880	57,911
Total On Balance Sheet Exposures	120,568,604	109,293,568	42,584,399	3,406,751
Off Balance Sheet Exposures				
OTC Derivatives	5,973,397	5,973,339	2,418,264	193,461
Off balance sheet exposures other than OTC derivatives or credit derivatives	9,964,562	4,691,223	3,363,596	269,087
Defaulted Exposures	1,246	1,246	1,308	105
Total Off Balance Sheet Exposures	15,939,205	10,665,808	5,783,168	462,653
Total On and Off Balance Sheet Exposures under SA	136,507,809	119,959,376	48,367,567	3,869,404
Exposures under F-IRB Approach				
On Balance Sheet Exposures				
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-
Corporates, of which	49,982,608	49,983,816	32,467,194	2,597,376
Corporate Exposures (excluding exposures with firm size adjustments)	29,828,856	29,828,910	19,385,761	1,550,861
Corporate Exposures (with firm size adjustments)	20,153,752	20,154,906	13,081,433	1,046,515
Defaulted Exposures	1,548,146	1,546,938	-	-
Total On Balance Sheet Exposures	51,530,754	51,530,754	32,467,194	2,597,376
Off Balance Sheet Exposures				
OTC Derivatives	923	923	481	38
Off balance sheet exposures other than OTC derivatives or credit derivatives	11,785,348	11,785,348	8,143,673	651,494
Defaulted Exposures	14,410	14,410	-	-
Total Off Balance Sheet Exposures	11,800,681	11,800,681	8,144,154	651,532
Exposures under A-IRB Approach				
On Balance Sheet Exposures				
Retail, of which	50,638,369	50,638,369	17,828,993	1,426,319
Residential Mortgages Exposures	28,883,856	28,883,856	7,984,029	638,722
Qualifying Revolving Retail Exposures	1,409,018	1,409,018	607,902	48,632
Hire Purchase Exposures	9,295,498	9,295,498	3,503,393	280,271
Other Retail Exposures	11,049,997	11,049,997	5,733,669	458,694
Defaulted Exposures	1,142,704	1,142,704	1,065,279	85,222
Total On Balance Sheet Exposures	51,781,073	51,781,073	18,894,272	1,511,541
Off Balance Sheet Exposures				
Off balance sheet exposures other than OTC derivatives or credit derivatives	10,727,065	10,727,065	2,216,164	177,293
Defaulted Exposures	27,285	27,285	58,809	4,705
Total Off Balance Sheet Exposures	10,754,350	10,754,350	2,274,973	181,998
Total On and Off Balance Sheet Exposures before scaling factor under the IRB Approach	125,866,858	125,866,858	61,780,593	4,942,447
Total On and Off Balance Sheet Exposures after scaling factor, 1.06 under the IRB Approach			65,487,429	5,238,995
Total (Exposures under the SA Approach and Exposures under the IRB Approach)	262,374,667	245,826,234	113,854,996	9,108,399

Note: All performing corporate exposures are classified under the broad asset class category of Corporates instead of the five sub classes of Specialised Lending.

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**Table 9a: Exposures on Off Balance Sheet and Counterparty Credit Risk (Before Credit Risk Mitigation)
as at 30 June 2016**

RHB Bank Group	Principal / Notional Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
<u>Nature of Item</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Direct credit substitutes	2,157,599		2,126,492	1,234,186
Transaction related contingent items	4,735,010		2,338,467	1,211,969
Short term self liquidating trade related contingencies	1,806,165		359,884	206,480
NIFs and obligations under underwriting agreement	95,530		47,765	47,765
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo style transactions	1,985,896		1,985,896	26,120
Foreign exchange related contracts	77,914,267	2,050,541	3,967,531	1,747,533
1 year or less	65,356,377	803,179	1,622,565	648,829
Over 1 year to 5 years	11,851,174	1,208,017	2,176,203	1,011,329
Over 5 years	706,716	39,345	168,763	87,375
Interest/profit rate related contracts	40,810,602	262,809	1,096,627	448,047
1 year or less	8,705,084	8,620	23,459	7,934
Over 1 year to 5 years	29,807,512	190,691	824,357	313,074
Over 5 years	2,298,006	63,498	248,811	127,039
Equity related contracts	8,882	4	653	27
1 year or less	4,382	4	293	27
Over 1 year to 5 years	4,500	-	360	-
Over 5 years	-	-	-	-
Other commitments, such as formal standby facilities and credit/ financing lines, with original maturity of over 1 year	23,268,995		15,339,324	7,835,739
Other commitments, such as formal standby facilities and credit/ financing lines, with original maturity of up to 1 year	3,892,522		573,947	323,432
Any commitments that are unconditionally cancellable at any time by the Bank without prior notice or that effective provide for automatic cancellation due to deterioration in a borrower's/ customer's creditworthiness	21,256,786		1,052,836	435,329
Total	177,932,254	2,313,354	28,889,422	13,516,627

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Table 9b: Exposures on Off Balance Sheet and Counterparty Credit Risk (Before Credit Risk Mitigation) Restated as at 31 December 2015

RHB Bank Group	Principal / Notional Amount RM'000	Positive Fair Value of Derivative Contracts RM'000	Credit Equivalent Amount RM'000	Risk Weighted Assets RM'000
<u>Nature of Item</u>				
Direct credit substitutes	2,351,962		2,322,077	1,386,026
Transaction related contingent items	5,148,273		2,544,856	1,326,749
Short term self liquidating trade related contingencies	1,773,990		353,190	186,876
NIFs and obligations under underwriting agreement	76,000		38,000	38,000
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo style transactions	5,212,499		5,212,499	29,165
Foreign exchange related contracts	80,822,983	2,932,949	4,951,492	2,009,442
1 year or less	67,040,910	1,144,529	1,982,780	951,834
Over 1 year to 5 years	13,240,884	1,724,314	2,788,336	984,118
Over 5 years	541,189	64,106	180,376	73,490
Interest/profit rate related contracts	42,030,278	163,487	1,022,808	409,302
1 year or less	8,067,611	8,971	21,791	7,203
Over 1 year to 5 years	31,884,672	135,315	809,549	301,714
Over 5 years	2,077,995	19,201	191,468	100,385
Equity related contracts	315	1	20	2
1 year or less	315	1	20	2
Over 1 year to 5 years	-	-	-	-
Over 5 years	-	-	-	-
Other commitments, such as formal standby facilities and credit/ financing lines, with original maturity of over 1 year	28,915,696		20,884,993	10,320,257
Other commitments, such as formal standby facilities and credit/ financing lines, with original maturity of up to 1 year	2,903,165		508,766	229,540
Any commitments that are unconditionally cancellable at any time by the Bank without prior notice or that effective provide for automatic cancellation due to deterioration in a borrower's/ customer's creditworthiness	16,842,660		655,535	266,936
Total	186,077,821	3,096,437	38,494,236	16,202,295

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Table 10a: Credit Risk Exposures (Before Credit Risk Mitigation) by Geographical Distribution as at 30 June 2016

RHB Bank Group Exposure Class	Malaysia	Singapore	Thailand	Brunei	Cambodia	Laos	Hong Kong	Indonesia	Total
	(include Labuan) RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Exposures under Standardised Approach									
Sovereigns & Central Banks	22,788,052	2,596,407	662,760	59,609	569,340	28,267	-	-	26,704,435
Public Sector Entities	7,396,260	152,162	381,239	-	-	-	-	-	7,929,661
Banks, Development Financial Institutions & MDBs	15,033,544	6,709,643	87,050	208,605	366,010	26,340	82,220	59,462	22,572,874
Insurance/Takaful Cos, Securities Firms & Fund Managers	690,632	617,705	54,921	-	-	-	18,491	9	1,381,758
Corporates	36,963,194	4,463,162	1,568,489	68,133	806,457	35,452	521,138	62,191	44,488,216
Regulatory Retail	22,596,803	1,486,955	21,105	102,051	634,683	100,051	-	-	24,941,648
Residential Mortgages	651,445	1,929,293	-	1,290	-	-	-	-	2,582,028
Higher Risk Assets	36	-	-	-	-	-	-	-	36
Other Assets	4,593,409	1,030,641	310,758	8,038	39,667	12,249	111,969	346,873	6,453,604
Total Exposures under Standardised Approach	110,713,375	18,985,968	3,086,322	447,726	2,416,157	202,359	733,818	468,535	137,054,260
Exposures under IRB Approach									
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-	-	-	-	-	-
Corporates, of which	47,347,015	6,693,733	-	-	-	-	-	-	54,040,748
Corporate Exposures (excluding exposures with firm size adjustments)	27,336,445	3,942,508	-	-	-	-	-	-	31,278,953
Corporate Exposures (with firm size adjustments)	20,010,570	2,751,225	-	-	-	-	-	-	22,761,795
Retail, of which	61,727,876	-	-	-	-	-	-	-	61,727,876
Residential Mortgages Exposures	32,382,716	-	-	-	-	-	-	-	32,382,716
Qualifying Revolving Retail Exposures	2,573,480	-	-	-	-	-	-	-	2,573,480
Hire Purchase Exposures	8,657,274	-	-	-	-	-	-	-	8,657,274
Other Retail Exposures	18,114,406	-	-	-	-	-	-	-	18,114,406
Total Exposures under IRB Approach	109,074,891	6,693,733	-	-	-	-	-	-	115,768,624
Total Exposures under Standardised and IRB Approaches	219,788,266	25,679,701	3,086,322	447,726	2,416,157	202,359	733,818	468,535	252,822,884

Note : This table excludes equity exposures.

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Table 10b: Credit Risk Exposures (Before Credit Risk Mitigation) by Geographical Distribution Restated as at 31 December 2015

RHB Bank Group Exposure Class	Malaysia	Singapore	Thailand	Brunei	Cambodia	Laos	Hong Kong	Indonesia	Total
	(include Labuan) RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Exposures under Standardised Approach									
Sovereigns & Central Banks	29,720,972	2,947,040	425,211	59,427	482,427	70,536	-	-	33,705,613
Public Sector Entities	3,249,647	429,379	240,748	-	-	-	-	-	3,919,774
Banks, Development Financial Institutions & MDBs	14,819,397	5,066,017	143,760	140,748	382,630	12,529	72,471	42,047	20,679,599
Insurance/Takaful Cos, Securities Firms & Fund Managers	1,212,570	379,628	6,982	-	-	-	12,969	695	1,612,844
Corporates	33,380,697	3,550,694	1,483,505	78,235	245,605	9,448	579,364	40,892	39,368,440
Regulatory Retail	24,621,693	1,423,712	20,176	103,795	1,244,232	93,381	-	-	27,506,989
Residential Mortgages	681,632	2,213,372	-	1,418	-	-	-	-	2,896,422
Higher Risk Assets	37	-	-	-	-	-	-	-	37
Other Assets	4,986,892	585,165	210,373	6,564	91,046	12,955	43,729	207,315	6,144,039
Total Exposures under Standardised Approach	112,673,537	16,595,007	2,530,755	390,187	2,445,940	198,849	708,533	290,949	135,833,757
Exposures under IRB Approach									
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-	-	-	-	-	-
Corporates, of which	54,016,774	9,314,661	-	-	-	-	-	-	63,331,435
Corporate Exposures (excluding exposures with firm size adjustments)	31,634,409	5,512,402	-	-	-	-	-	-	37,146,811
Corporate Exposures (with firm size adjustments)	22,382,365	3,802,259	-	-	-	-	-	-	26,184,624
Retail, of which	62,535,423	-	-	-	-	-	-	-	62,535,423
Residential Mortgages Exposures	30,233,956	-	-	-	-	-	-	-	30,233,956
Qualifying Revolving Retail Exposures	1,928,698	-	-	-	-	-	-	-	1,928,698
Hire Purchase Exposures	9,411,305	-	-	-	-	-	-	-	9,411,305
Other Retail Exposures	20,961,464	-	-	-	-	-	-	-	20,961,464
Total Exposures under IRB Approach	116,552,197	9,314,661	-	-	-	-	-	-	125,866,858
Total Exposures under Standardised and IRB Approaches	229,225,734	25,909,668	2,530,755	390,187	2,445,940	198,849	708,533	290,949	261,700,615

Note : This table excludes equity exposures.

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BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2016

Table 11a: Credit Risk Exposures (Before Credit Risk Mitigation) by Industry Sector as at 30 June 2016

RHB Bank Group <u>Exposure Class</u>	Agriculture	Mining & Quarrying	Manufacturing	Electricity, Gas & Water Supply	Construction	Wholesale, Retail Trade, Restaurants & Hotels	Transport, Storage & Communication	Finance, Insurance/ Takaful, Real Estate & Business	Education, Health & Others	Household	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Exposures under Standardised Approach												
Sovereigns & Central Banks	-	-	-	-	-	-	-	11,080,409	15,624,026	-	-	26,704,435
Public Sector Entities	-	-	-	11,845	-	-	71,631	297,763	7,548,422	-	-	7,929,661
Banks, Development Financial Institutions & MDBs	-	-	-	-	-	-	-	22,572,874	-	-	-	22,572,874
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-	-	-	-	1,381,758	-	-	-	1,381,758
Corporates	1,826,687	415,459	2,747,474	3,363,876	5,604,804	2,071,968	3,707,721	20,166,261	1,659,304	2,924,662	-	44,488,216
Regulatory Retail	52,570	110,746	445,546	7,789	345,671	335,286	227,658	587,279	51,511	22,777,592	-	24,941,648
Residential Mortgages	-	-	-	-	-	-	-	-	-	2,582,028	-	2,582,028
Higher Risk Assets	-	-	-	-	-	-	-	-	-	36	-	36
Other Assets	-	-	-	-	-	-	26,492	1,200,849	-	-	5,226,263	6,453,604
Total Exposures under Standardised Approach	1,879,257	526,205	3,193,020	3,383,510	5,950,475	2,407,254	4,033,502	57,287,193	24,883,263	28,284,318	5,226,263	137,054,260
Exposures under IRB Approach												
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-	-	-
Corporates, of which	4,370,802	2,075,851	8,092,326	1,682,394	7,172,088	6,768,747	6,115,623	15,478,723	2,284,194	-	-	54,040,748
Corporate Exposures (excluding exposures with firm size adjustments)	1,522,388	1,990,200	4,448,150	1,503,036	2,793,118	2,472,160	4,316,127	10,635,138	1,598,636	-	-	31,278,953
Corporate Exposures (with firm size adjustments)	2,848,414	85,651	3,644,176	179,358	4,378,970	4,296,587	1,799,496	4,843,585	685,558	-	-	22,761,795
Retail, of which	90,487	19,055	816,225	1,127	798,004	2,888,678	183,556	1,602,932	284,294	55,043,518	-	61,727,876
Residential Mortgages Exposures	-	-	-	-	-	-	-	-	-	32,382,716	-	32,382,716
Qualifying Revolving Retail Exposures	-	-	-	-	-	-	-	-	-	2,573,480	-	2,573,480
Hire Purchase Exposures	-	-	-	-	-	-	-	-	-	8,657,274	-	8,657,274
Other Retail Exposures	90,487	19,055	816,225	1,127	798,004	2,888,678	183,556	1,602,932	284,294	11,430,048	-	18,114,406
Total Exposures under IRB Approach	4,461,289	2,094,906	8,908,551	1,683,521	7,970,092	9,657,425	6,299,179	17,081,655	2,568,488	55,043,518	-	115,768,624
Total Exposures under Standardised and IRB Approaches	6,340,546	2,621,111	12,101,571	5,067,031	13,920,567	12,064,679	10,332,681	74,368,848	27,451,751	83,327,836	5,226,263	252,822,884

Note : This table excludes equity exposures.

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2016

Table 11b: Credit Risk Exposures (Before Credit Risk Mitigation) by Industry Sector Restated as at 31 December 2015

RHB Bank Group	Agriculture		Mining & Quarrying		Manufacturing		Electricity, Gas & Water Supply		Construction		Wholesale, Retail Trade, Restaurants & Hotels		Transport, Storage & Communication		Finance, Insurance/ Takaful, Real Estate & Business		Education, Health & Others		Household		Others		Total			
Exposure Class	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Exposures under Standardised Approach																										
Sovereigns & Central Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	16,937,238	16,768,375	-	-	-	-	-	-	-	-	-	33,705,613	
Public Sector Entities	-	-	-	12,387	-	-	-	-	-	-	-	55,763	160,663	3,690,961	-	-	-	-	-	-	-	-	-	-	3,919,774	
Banks, Development Financial Institutions & MDBs	-	-	-	-	-	-	-	-	-	-	-	-	-	20,679,599	-	-	-	-	-	-	-	-	-	-	20,679,599	
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-	-	-	-	1,612,844	-	-	-	-	-	-	-	-	-	-	1,612,844	
Corporates	1,268,642	623,933	2,440,522	3,139,059	3,610,653	1,741,780	3,889,943	19,081,958	1,331,474	2,240,476	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,368,440	
Regulatory Retail	55,822	127,342	472,340	9,523	331,253	300,865	233,883	488,999	58,901	25,338,805	89,256	-	-	-	-	-	-	-	-	-	-	-	-	-	27,506,989	
Residential Mortgages	-	-	-	-	-	-	-	-	-	2,896,422	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,896,422	
Higher Risk Assets	-	-	-	-	-	-	-	-	-	37	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37	
Other Assets	-	-	-	-	-	-	-	-	-	-	-	77,936	566,702	-	-	-	-	-	-	-	-	-	5,499,401	-	6,144,039	
Total Exposures under Standardised Approach	1,324,464	751,275	2,912,862	3,160,969	3,941,906	2,042,645	4,257,525	59,528,003	21,849,711	30,475,740	5,588,657	135,833,757	135,833,757	135,833,757	135,833,757	135,833,757	135,833,757	135,833,757	135,833,757	135,833,757	135,833,757	135,833,757	135,833,757	135,833,757	135,833,757	135,833,757
Exposures under IRB Approach																										
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Corporates, of which	4,383,678	2,085,361	8,613,074	3,210,823	9,109,195	7,823,087	6,867,525	15,763,602	5,475,090	-	-	-	-	63,331,435	63,331,435	63,331,435	63,331,435	63,331,435	63,331,435	63,331,435	63,331,435	63,331,435	63,331,435	63,331,435	63,331,435	63,331,435
Corporate Exposures (excluding exposures with firm size adjustments)	1,529,702	2,010,063	4,740,691	2,056,504	4,091,026	3,241,942	4,999,652	9,772,348	4,704,883	-	-	-	-	37,146,811	37,146,811	37,146,811	37,146,811	37,146,811	37,146,811	37,146,811	37,146,811	37,146,811	37,146,811	37,146,811	37,146,811	37,146,811
Corporate Exposures (with firm size adjustments)	2,853,976	75,298	3,872,383	1,154,319	5,018,169	4,581,145	1,867,873	5,991,254	770,207	-	-	-	-	26,184,624	26,184,624	26,184,624	26,184,624	26,184,624	26,184,624	26,184,624	26,184,624	26,184,624	26,184,624	26,184,624	26,184,624	
Retail, of which	90,194	17,766	787,937	2,643	729,093	2,778,298	176,084	1,412,205	262,664	56,278,539	-	62,535,423	62,535,423	62,535,423	62,535,423	62,535,423	62,535,423	62,535,423	62,535,423	62,535,423	62,535,423	62,535,423	62,535,423	62,535,423	62,535,423	62,535,423
Residential Mortgages Exposures	-	-	-	-	-	-	-	-	-	30,233,956	-	-	-	30,233,956	30,233,956	30,233,956	30,233,956	30,233,956	30,233,956	30,233,956	30,233,956	30,233,956	30,233,956	30,233,956	30,233,956	
Qualifying Revolving Retail Exposures	-	-	-	-	-	-	-	-	-	1,928,698	-	-	-	1,928,698	1,928,698	1,928,698	1,928,698	1,928,698	1,928,698	1,928,698	1,928,698	1,928,698	1,928,698	1,928,698	1,928,698	
Hire Purchase Exposures	-	-	-	-	-	-	-	-	-	9,411,305	-	-	-	9,411,305	9,411,305	9,411,305	9,411,305	9,411,305	9,411,305	9,411,305	9,411,305	9,411,305	9,411,305	9,411,305	9,411,305	
Other Retail Exposures	90,194	17,766	787,937	2,643	729,093	2,778,298	176,084	1,412,205	262,664	14,704,580	-	-	-	20,961,464	20,961,464	20,961,464	20,961,464	20,961,464	20,961,464	20,961,464	20,961,464	20,961,464	20,961,464	20,961,464	20,961,464	
Total Exposures under IRB Approach	4,473,872	2,103,127	9,401,011	3,213,466	9,838,288	10,601,385	7,043,609	17,175,807	5,737,754	56,278,539	-	125,866,858	125,866,858	125,866,858	125,866,858	125,866,858	125,866,858	125,866,858	125,866,858	125,866,858	125,866,858	125,866,858	125,866,858	125,866,858	125,866,858	125,866,858
Total Exposures under Standardised and IRB Approaches	5,798,336	2,854,402	12,313,873	6,374,435	13,780,194	12,644,030	11,301,134	76,703,810	27,587,465	86,754,279	5,588,657	261,700,615	261,700,615	261,700,615	261,700,615	261,700,615	261,700,615	261,700,615	261,700,615	261,700,615	261,700,615	261,700,615	261,700,615	261,700,615	261,700,615	261,700,615

Note : This table excludes equity exposures.

Table 12a: Credit Risk Exposures (Before Credit Risk Mitigation) by Remaining Maturity as at 30 June 2016

RHB Bank Group	One year or less	More than one to five years	Over five years	Total
<u>Exposure Class</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Exposures under Standardised Approach</u>				
Sovereigns & Central Banks	7,760,919	8,571,676	10,371,840	26,704,435
Public Sector Entities	1,363,052	5,410,744	1,155,865	7,929,661
Banks, Development Financial Institutions & MDBs	15,301,137	6,081,079	1,190,658	22,572,874
Insurance/Takaful Cos, Securities Firms & Fund Managers	27,888	381,071	972,799	1,381,758
Corporates	12,659,694	16,733,860	15,094,662	44,488,216
Regulatory Retail	2,681,632	4,779,335	17,480,681	24,941,648
Residential Mortgages	305,383	32,781	2,243,864	2,582,028
Higher Risk Assets	-	-	36	36
Other Assets	155,316	-	6,298,288	6,453,604
Total Exposures under Standardised Approach	40,255,021	41,990,546	54,808,693	137,054,260
<u>Exposures under IRB Approach</u>				
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-
Corporates, of which	32,893,552	9,242,297	11,904,899	54,040,748
Corporate Exposures (excluding exposures with firm size adjustments)	19,747,800	6,790,067	4,741,086	31,278,953
Corporate Exposures (with firm size adjustments)	13,145,752	2,452,230	7,163,813	22,761,795
Retail, of which	5,395,697	4,528,562	51,803,617	61,727,876
Residential Mortgages Exposures	24,118	327,799	32,030,799	32,382,716
Qualifying Revolving Retail Exposures	2,573,480	-	-	2,573,480
Hire Purchase Exposures	115,526	3,554,063	4,987,685	8,657,274
Other Retail Exposures	2,682,573	646,700	14,785,133	18,114,406
Total Exposures under IRB Approach	38,289,249	13,770,859	63,708,516	115,768,624
Total Exposures under Standardised and IRB Approaches	78,544,270	55,761,405	118,517,209	252,822,884

Note : This table excludes equity exposures.

Table 12b: Credit Risk Exposures (Before Credit Risk Mitigation) by Remaining Maturity Restated as at 31 December 2015

RHB Bank Group	One year or less	More than one to five years	Over five years	Total
<u>Exposure Class</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Exposures under Standardised Approach</u>				
Sovereigns & Central Banks	12,256,910	9,154,807	12,293,896	33,705,613
Public Sector Entities	453,048	2,419,459	1,047,267	3,919,774
Banks, Development Financial Institutions & MDBs	12,760,113	6,989,240	930,246	20,679,599
Insurance/Takaful Cos, Securities Firms & Fund Managers	343,495	430,006	839,343	1,612,844
Corporates	10,938,161	17,158,903	11,271,376	39,368,440
Regulatory Retail	3,103,358	4,956,553	19,447,078	27,506,989
Residential Mortgages	308,452	45,825	2,542,145	2,896,422
Higher Risk Assets	-	-	37	37
Other Assets	124,089	-	6,019,950	6,144,039
Total Exposures under Standardised Approach	40,287,626	41,154,793	54,391,338	135,833,757
<u>Exposures under IRB Approach</u>				
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-
Corporates, of which	40,056,475	9,752,933	13,522,027	63,331,435
Corporate Exposures (excluding exposures with firm size adjustments)	24,437,417	7,030,729	5,678,665	37,146,811
Corporate Exposures (with firm size adjustments)	15,619,058	2,722,204	7,843,362	26,184,624
Retail, of which	4,666,272	4,928,062	52,941,089	62,535,423
Residential Mortgages Exposures	23,266	354,539	29,856,151	30,233,956
Qualifying Revolving Retail Exposures	1,928,698	-	-	1,928,698
Hire Purchase Exposures	108,236	3,851,183	5,451,886	9,411,305
Other Retail Exposures	2,606,072	722,340	17,633,052	20,961,464
Total Exposures under IRB Approach	44,722,747	14,680,995	66,463,116	125,866,858
Total Exposures under Standardised and IRB Approaches	85,010,373	55,835,788	120,854,454	261,700,615

Note : This table excludes equity exposures.

RHB BANK GROUP
 BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2016

Table 13a: Portfolios under the Standardised Approach by Risk Weights as at 30 June 2016

RHB Bank Group <u>Exposure Class</u>	Exposure After Credit Risk Mitigation Risk Weight (%)						Total Exposures	
	0% RM'000	20% RM'000	35% RM'000	50% RM'000	75% RM'000	100% RM'000	150% RM'000	RM'000
<u>Exposures under Standardised Approach</u>								
Sovereigns & Central Banks	25,464,216	598,800	-	-	-	641,419	-	26,704,435
Public Sector Entities	6,980,711	944,180	-	-	-	-	-	7,924,891
Banks, Development Financial Institutions & MDBs	25,255	14,158,892	-	6,502,500	-	30,043	-	20,716,690
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-	-	1,381,758	-	1,381,758
Corporates	5,798,818	9,676,502	-	3,451,934	-	22,542,377	376,758	41,846,389
Regulatory Retail	51,963	70	-	41,992	14,541,184	2,477,283	67,193	17,179,685
Residential Mortgages	-	-	1,877,320	63,186	573,441	51,753	198	2,565,898
Higher Risk Assets	-	-	-	-	-	-	36	36
Other Assets	3,201,088	870,187	-	-	-	2,382,329	-	6,453,604
Equity Exposures	-	-	-	-	-	706,142	3	706,145
Total Exposures after Credit Risk Mitigation	41,522,051	26,248,631	1,877,320	10,059,612	15,114,625	30,213,104	444,188	125,479,531
Total Risk Weighted Assets	-	5,249,726	657,062	5,029,806	11,335,969	30,213,104	666,282	53,151,949

RHB BANK GROUP
 BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2016

Table 13b: Portfolios under the Standardised Approach by Risk Weights Restated as at 31 December 2015

RHB Bank Group <u>Exposure Class</u>	Exposure After Credit Risk Mitigation Risk Weight (%)							Total Exposures RM'000
	0% RM'000	20% RM'000	35% RM'000	50% RM'000	75% RM'000	100% RM'000	150% RM'000	
<u>Exposures under Standardised Approach</u>								
Sovereigns & Central Banks	30,010,346	639,138	-	-	-	533,207	-	31,182,691
Public Sector Entities	2,951,176	963,999	-	-	-	-	-	3,915,175
Banks, Development Financial Institutions & MDBs	12,140	11,361,366	-	6,955,603	-	32,796	-	18,361,905
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-	-	1,612,688	-	1,612,688
Corporates	4,597,126	12,763,221	-	1,903,359	-	17,054,914	247,636	36,566,256
Regulatory Retail	51,195	70	-	44,422	16,081,218	2,360,889	85,416	18,623,210
Residential Mortgages	-	-	2,038,685	65,718	706,135	68,785	-	2,879,323
Higher Risk Assets	-	-	-	-	-	-	37	37
Other Assets	3,224,077	404,406	-	-	-	2,515,556	-	6,144,039
Equity Exposures	-	-	-	-	-	674,048	3	674,051
Total Exposures after Credit Risk Mitigation	40,846,060	26,132,200	2,038,685	8,969,102	16,787,353	24,852,883	333,092	119,959,375
Total Risk Weighted Assets	-	5,226,440	713,540	4,484,551	12,590,515	24,852,883	499,638	48,367,567

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2016

Table 14a: Rated Exposures According to Ratings by External Credit Assessment Institutions ('ECAIs') as at 30 June 2016

RHB Bank Group

	Moody's S&P Fitch RAM MARC R&I	Aaa to Aa3 AAA to AA- AAA to AA- AAA to AA3 AAA to AA- AAA to AA-	A1 to A3 A+ to A- A+ to A- A1 to A3 A+ to A- A+ to A-	Baa1 to Ba3 BBB+ to BB- BBB+ to BB- BBB1 to BB3 BBB+ to BB- BBB+ to BB-	B1 to C B+ to D B+ to D B to D B1 to D B+ to D	Unrated Unrated Unrated Unrated Unrated Unrated	
<u>Exposure Class</u>		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Ratings of Corporates by Approved ECAIs							
<u>On and Off Balance Sheet Exposures</u>							
Public Sector Entities		61,388	6,230,271	-	-	1,633,232	
Insurance/Takaful Cos, Securities Firms & Fund Managers		-	-	3,029	-	1,378,729	
Corporates		10,498,644	1,848,814	289,305	6,551	28,961,575	
Short Term Ratings of Corporates by Approved ECAIs							
	Moody's S&P Fitch RAM MARC R&I	P-1 A-1 F1+, F1 P-1 MARC-1 a-1+, a-1	P-2 A-2 F2 P-2 MARC-2 a-2	P-3 A-3 F3 P-3 MARC-3 a-3	Others Others B to D NP MARC-4 b, c	Unrated Unrated Unrated Unrated Unrated Unrated	
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On & Off Balance Sheet Exposures</u>							
Banks, Development Financial Institutions & MDBs		50,579	-	-	-	-	
Corporates		99,874	141,626	-	-	-	
Ratings of Sovereigns and Central Banks by Approved ECAIs							
	Moody's S&P Fitch RAM MARC R&I	Aaa to Aa3 AAA to AA- AAA to AA- AAA to AA3 AAA to AA- AAA to AA-	A1 to A3 A+ to A- A+ to A- A1 to A3 A+ to A- A+ to A-	Baa1 to Baa3 BBB+ to BBB- BBB+ to BBB- BBB1 to BBB3 BBB+ to BBB- BBB+ to BBB-	Ba1 to B3 BB+ to B- BB+ to B- BB1 to B3 BB+ to B- BB+ to B-	Caa1 to C CCC+ to D CCC+ to D C1 to D C+ to D CCC+ to C	Unrated Unrated Unrated Unrated Unrated Unrated
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On and Off Balance Sheet Exposures</u>							
Sovereigns & Central Banks		7,328,734	18,059,669	662,760	565,395	-	87,877
Ratings of Banking Institutions by Approved ECAIs							
	Moody's S&P Fitch RAM MARC R&I	Aaa to Aa3 AAA to AA- AAA to AA- AAA to AA3 AAA to AA- AAA to AA-	A1 to A3 A+ to A- A+ to A- A1 to A3 A+ to A- A+ to A-	Baa1 to Baa3 BBB+ to BBB- BBB+ to BBB- BBB1 to BBB3 BBB+ to BBB- BBB+ to BBB-	Ba1 to B3 BB+ to B- BB+ to B- BB1 to B3 BB+ to B- BB+ to B-	Caa1 to C CCC+ to D CCC+ to D C1 to D C+ to D CCC+ to C	Unrated Unrated Unrated Unrated Unrated Unrated
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On and Off Balance Sheet Exposures</u>							
Banks, Development Financial Institutions & MDBs		7,872,163	6,790,895	4,037,081	64,748	-	1,901,224

RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2016

Table 14b: Rated Exposures According to Ratings by External Credit Assessment Institutions ('ECAIs') Restated as at 31 December 2015

RHB Bank Group

	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated	
Ratings of Corporates by Approved ECAIs	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
	RAM	AAA to AA3	A1 to A3	BBB1 to BB3	B to D	Unrated	
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B1 to D	Unrated	
<u>Exposure Class</u>	R&I	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated	
		RM'000	RM'000	RM'000	RM'000	RM'000	
<u>On and Off Balance Sheet Exposures</u>							
Public Sector Entities		553,335	2,203,357	-	-	1,158,483	
Insurance/Takaful Cos, Securities Firms & Fund Managers		-	-	-	-	1,612,688	
Corporates		13,853,258	540,225	340,348	6,307	21,537,982	
	Moody's	P-1	P-2	P-3	Others	Unrated	
	S&P	A-1	A-2	A-3	Others	Unrated	
Ratings of Corporates by Approved ECAIs	Fitch	F1+, F1	F2	F3	B to D	Unrated	
	RAM	P-1	P-2	P-3	NP	Unrated	
	MARC	MARC-1	MARC-2	MARC-3	MARC-4	Unrated	
	R&I	a-1+, a-1	a-2	a-3	b, c	Unrated	
		RM'000	RM'000	RM'000	RM'000	RM'000	
<u>On & Off Balance Sheet Exposures</u>							
Banks, Development Financial Institutions & MDBs		248,299	-	-	-	-	
Corporates		186,892	101,244	-	-	-	
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
Ratings of Sovereigns and Central Banks by Approved ECAIs	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB3	BB1 to B3	C1 to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
	R&I	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to C	Unrated
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On and Off Balance Sheet Exposures</u>							
Sovereigns & Central Banks		7,958,860	22,186,230	425,211	482,427	-	129,963
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
Ratings of Banking Institutions by Approved ECAIs	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB3	BB1 to B3	C1 to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
	R&I	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to C	Unrated
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On and Off Balance Sheet Exposures</u>							
Banks, Development Financial Institutions & MDBs		6,208,878	5,874,821	4,285,179	79,513	-	1,665,215

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Table 15a: Credit Risk Mitigation of Portfolios under the Standardised Approach as at 30 June 2016

RHB Bank Group	Gross Exposures Before Credit Risk Mitigation	Gross Exposures Covered by Guarantees / Credit Derivatives	Gross Exposures Covered by Eligible Financial Collateral
<u>Exposure Class</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>On Balance Sheet Exposures</u>			
Sovereigns & Central Banks	26,665,241	-	-
Public Sector Entities	7,271,892	6,455,711	4,655
Banks, Development Financial Institutions & MDBs	16,550,563	25,255	891
Insurance/Takaful Cos, Securities Firms & Fund Managers	1,252,169	-	-
Corporates	39,148,504	4,784,223	2,348,972
Regulatory Retail	23,606,598	50,158	7,596,473
Residential Mortgages	2,448,457	-	15,624
Higher Risk Assets	28	-	-
Other Assets	6,453,468	-	-
Equity Exposures	706,145	-	-
Defaulted Exposures	839,560	-	13,766
Total On Balance Sheet Exposures	124,942,625	11,315,347	9,980,381
<u>Off Balance Sheet Exposures</u>			
OTC Derivatives	4,982,607	-	521
Off balance sheet exposures other than OTC derivatives or credit derivatives	7,742,355	534,350	2,299,967
Defaulted Exposures	92,818	-	6
Total Off Balance Sheet Exposures	12,817,780	534,350	2,300,494
Total On and Off Balance Sheet Exposures	137,760,405	11,849,697	12,280,875

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**Table 15b: Credit Risk Mitigation of Portfolios under the Standardised Approach Restated
as at 31 December 2015**

RHB Bank Group	Gross Exposures Before Credit Risk Mitigation	Gross Exposures Covered by Guarantees / Credit Derivatives	Gross Exposures Covered by Eligible Financial Collateral
<u>Exposure Class</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>On Balance Sheet Exposures</u>			
Sovereigns & Central Banks	30,765,772	-	-
Public Sector Entities	3,851,140	2,951,175	4,500
Banks, Development Financial Institutions & MDBs	14,166,626	25,140	11,824
Insurance/Takaful Cos, Securities Firms & Fund Managers	1,191,543	-	-
Corporates	34,494,270	3,829,657	2,507,572
Regulatory Retail	25,871,327	50,287	8,683,232
Residential Mortgages	2,760,204	-	16,853
Higher Risk Assets	30	-	-
Other Assets	6,144,040	-	-
Equity Exposures	674,051	-	-
Defaulted Exposures	649,601	-	51,156
Total On Balance Sheet Exposures	120,568,604	6,856,259	11,275,137
<u>Off Balance Sheet Exposures</u>			
OTC Derivatives	5,973,397	-	58
Off balance sheet exposures other than OTC derivatives or credit derivatives	9,964,562	-	5,260,238
Defaulted Exposures	1,246	-	-
Total Off Balance Sheet Exposures	15,939,205	-	5,260,296
Total On and Off Balance Sheet Exposures	136,507,809	6,856,259	16,535,433

Table 16a: Credit Risk Mitigation of Portfolios under the IRB Approach as at 30 June 2016

RHB Bank Group	Gross Exposures Before Credit Risk Mitigation RM'000	Gross Exposures Covered by Guarantees / Credit Derivatives RM'000	Gross Exposures Covered by Eligible Financial Collateral RM'000	Gross Exposures Covered by Other Eligible Collateral RM'000
Exposure Class				
On Balance Sheet Exposures				
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-
Corporates, of which	43,778,611	3,102,347	5,608,048	9,628,384
Corporate Exposures (excluding exposures with firm size adjustments)	25,476,820	2,622,313	4,277,901	2,624,127
Corporate Exposures (with firm size adjustments)	18,301,791	480,034	1,330,147	7,004,257
Retail, of which	53,170,517	14,165	7,206	20,370,847
Residential Mortgages Exposures	31,134,287	-	-	20,362,422
Qualifying Revolving Retail Exposures	1,614,016	-	-	-
Hire Purchase Exposures	8,550,910	-	-	-
Other Retail Exposures	11,871,304	14,165	7,206	8,425
Defaulted Exposures	2,747,854	794	39,545	711,887
Total On Balance Sheet Exposures	99,696,982	3,117,306	5,654,799	30,711,118
Off Balance Sheet Exposures				
OTC Derivatives	599			
Off balance sheet exposures other than OTC derivatives or credit derivatives	16,034,048	501,960	508,210	1,689,802
Defaulted Exposures	36,995	-	5,630	2,410
Total Off Balance Sheet Exposures	16,071,642	501,960	513,840	1,692,212
Total On and Off Balance Sheet Exposures	115,768,624	3,619,266	6,168,639	32,403,330

Table 16b: Credit Risk Mitigation of Portfolios under the IRB Approach Restated as at 31 December 2015

RHB Bank Group	Gross Exposures Before Credit Risk Mitigation RM'000	Gross Exposures Covered by Guarantees / Credit Derivatives RM'000	Gross Exposures Covered by Eligible Financial Collateral RM'000	Gross Exposures Covered by Other Eligible Collateral RM'000
Exposure Class				
On Balance Sheet Exposures				
Insurance/Takaful Cos, Securities Firms & Fund Managers	-	-	-	-
Corporates, of which	49,982,608	1,847,606	5,907,416	10,205,101
Corporate Exposures (excluding exposures with firm size adjustments)	29,828,856	1,333,525	3,968,892	2,603,014
Corporate Exposures (with firm size adjustments)	20,153,752	514,081	1,938,524	7,602,087
Retail, of which	50,638,369	96	8,261	19,853,470
Residential Mortgages Exposures	28,883,856	-	-	19,845,880
Qualifying Revolving Retail Exposures	1,409,018	-	-	-
Hire Purchase Exposures	9,295,498	-	-	-
Other Retail Exposures	11,049,997	96	8,261	7,590
Defaulted Exposures	2,690,850	17,139	26,871	750,861
Total On Balance Sheet Exposures	103,311,827	1,864,841	5,942,548	30,809,432
Off Balance Sheet Exposures				
OTC Derivatives	923	-	-	-
Off balance sheet exposures other than OTC derivatives or credit derivatives	22,512,413	390,455	535,523	1,943,212
Defaulted Exposures	41,695	-	7,077	3,285
Total Off Balance Sheet Exposures	22,555,031	390,455	542,600	1,946,497
Total On and Off Balance Sheet Exposures	125,866,858	2,255,296	6,485,148	32,755,929

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BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2016

Table 17a: Impaired and Past Due Loans/Financing and Allowances for Impairment by Industry Sector as at 30 June 2016

RHB Bank Group	Impaired Loans and Advances / Financing	Past Due Loans / Financing	Individual Impairment Allowances	Collective Impairment Allowances
Industry Sector	RM'000	RM'000	RM'000	RM'000
Agriculture	10,947	44,680	-	43,522
Mining & Quarrying	2,856	2,712	-	14,290
Manufacturing	974,866	34,606	477,732	108,802
Electricity, Gas & Water Supply	37,505	103	-	15,254
Construction	188,661	56,779	71,775	84,328
Wholesale, Retail Trade, Restaurants & Hotels	203,651	108,099	51,767	150,640
Transport, Storage & Communication	97,833	10,886	18,360	49,572
Finance, Insurance/Takaful, Real Estate & Business	430,186	129,988	13,748	159,693
Education, Health & Others	17,285	18,617	3,942	22,864
Household	1,147,948	5,910,851	61,136	476,953
Others	5,603	2	1,349	13,351
Total	3,117,341	6,317,323	699,809	1,139,269

Table 17b: Impaired and Past Due Loans/Financing and Allowances for Impairment by Industry Sector Restated as at 31 December 2015

RHB Bank Group	Impaired Loans and Advances / Financing	Past Due Loans / Financing	Individual Impairment Allowances	Collective Impairment Allowances
Industry Sector	RM'000	RM'000	RM'000	RM'000
Agriculture	17,099	5,182	-	44,568
Mining & Quarrying	2,148	5,368	-	13,896
Manufacturing	748,201	52,805	416,826	113,377
Electricity, Gas & Water Supply	44,438	26,431	-	22,463
Construction	239,390	61,427	70,115	80,293
Wholesale, Retail Trade, Restaurants & Hotels	222,421	66,498	41,163	152,643
Transport, Storage & Communication	26,675	22,557	3,820	63,041
Finance, Insurance/Takaful, Real Estate & Business	320,177	154,927	12,465	181,251
Education, Health & Others	17,397	13,950	3,902	21,952
Household	1,197,936	6,109,041	43,617	490,436
Others	5,329	-	1,239	18,186
Total	2,841,211	6,518,186	593,147	1,202,106

Table 18: Net Charges/(Write back) and Write Offs for Impairment by Industry Sector

RHB Bank Group <u>Industry Sector</u>	Six Months Period Ended 30.06.2016		Restated Twelve Months Period Ended 31.12.2015	
	Net Charges/ (Write back) for Individual Impairment	Write Offs	Net Charges/ (Write back) for Individual Impairment	Write Offs
	Allowances RM'000	RM'000	Allowances RM'000	RM'000
Agriculture	-	(163)	-	(299)
Mining & Quarrying	-	(11)	-	(44,513)
Manufacturing	65,244	(8,665)	156,931	(18,333)
Electricity, Gas & Water Supply	-	-	-	(2,280)
Construction	2,245	(1,223)	8,862	(16,203)
Wholesale, Retail Trade, Restaurants & Hotels	23,985	(12,968)	26,106	(27,439)
Transport, Storage & Communication	2,981	(265)	3,713	(1,328)
Finance, Insurance/Takaful, Real Estate & Business	2,310	(1,282)	2,356	(12,655)
Education, Health & Others	(248)	(102)	6	(363)
Household	20,769	(129,619)	15,949	(310,646)
Others	59	(391)	21,581	(372)
Total	117,345	(154,689)	235,504	(434,431)

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Table 19a: Impaired and Past Due Loans/ Financing and Allowances for Impairment by Geographical Distribution as at 30 June 2016

RHB Bank Group	Impaired Loans and Advances / Financing	Past Due Loans / Financing	Individual Impairment Allowances	Collective Impairment Allowances
<u>Geographical Distribution</u>	RM'000	RM'000	RM'000	RM'000
Malaysia (include Labuan)	2,746,381	6,131,832	547,182	1,085,498
Singapore	301,201	174,803	118,249	23,186
Thailand	26,894	-	9,542	14,012
Brunei	9,173	10,688	2,094	1,771
Cambodia	32,202	-	21,443	13,992
Hong Kong	1,136	-	1,136	-
Lao	354	-	163	810
Total	3,117,341	6,317,323	699,809	1,139,269

Table 19b: Impaired and Past Due Loans/ Financing and Allowances for Impairment by Geographical Distribution Restated as at 31 December 2015

RHB Bank Group	Impaired Loans and Advances / Financing	Past Due Loans / Financing	Individual Impairment Allowances	Collective Impairment Allowances
<u>Geographical Distribution</u>	RM'000	RM'000	RM'000	RM'000
Malaysia (include Labuan)	2,551,844	4,854,113	487,010	1,144,500
Singapore	235,737	1,633,738	82,826	30,378
Thailand	25,792	2,771	10,697	10,473
Brunei	13,077	17,025	1,798	1,807
Cambodia	12,853	-	8,907	14,424
Hong Kong	1,908	-	1,909	-
Lao	-	10,539	-	524
Total	2,841,211	6,518,186	593,147	1,202,106

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Table 20: Reconciliation of Changes to Loan/ Financing Impairment Allowances

RHB Bank Group	<u>30.06.2016</u>	<u>Restated 31.12.2015</u>
	RM'000	RM'000
<u>Individual Impairment Allowance</u>		
Balance as at the beginning of financial period/year	593,147	417,232
Net allowance/(written back) made during the period/year	117,345	235,504
Transfer from impairment of financial investments HTM	2,475	-
Amount written off	(10,989)	(69,249)
Exchange differences	(2,169)	9,660
Balance as at the end of financial period/year	<u>699,809</u>	<u>593,147</u>
RHB Bank Group	<u>30.06.2016</u>	<u>Restated 31.12.2015</u>
	RM'000	RM'000
<u>Collective Impairment Allowance</u>		
Balance as at the beginning of financial period/year	1,202,106	1,356,934
Net allowance/(written back) made during the period/year	85,168	197,651
Amount written off	(143,700)	(365,182)
Exchange differences	(4,305)	12,703
Balance as at the end of financial period/year	<u>1,139,269</u>	<u>1,202,106</u>

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Table 21a: Market Risk Weighted Assets and Minimum Capital Requirements as at 30 June 2016

RHB Bank Group	Long	Short	Risk Weighted	Minimum
Market Risk	Position	Position	Assets	Capital
	RM'000	RM'000	RM'000	Requirements
				RM'000
Interest Rate Risk/ Profit Rate Risk	120,614,882	120,479,444	1,293,957	103,517
Equity Risk	382,496	66,874	774,677	61,973
Foreign Currency Risk	2,669,232	258,641	2,680,420	214,434
Options Risk	537,740	40,483	443,272	35,462
Total			5,192,326	415,386
RHB Bank	Long	Short	Risk Weighted	Minimum
Market Risk	Position	Position	Assets	Capital
	RM'000	RM'000	RM'000	Requirements
				RM'000
Interest Rate Risk/ Profit Rate Risk	117,771,378	117,606,830	1,288,635	103,091
Equity Risk	-	-	-	-
Foreign Currency Risk	2,650,815	121,573	2,662,004	212,960
Options Risk	-	-	-	-
Total			3,950,639	316,051
RHB Islamic Bank	Long	Short	Risk Weighted	Minimum
Market Risk	Position	Position	Assets	Capital
	RM'000	RM'000	RM'000	Requirements
				RM'000
Profit Rate Risk	1,291,503	1,289,509	2,431	194
Equity Risk	-	-	-	-
Foreign Currency Risk	1,760	157,471	157,471	12,598
Options Risk	-	-	-	-
Total			159,902	12,792
RHB Investment Bank	Long	Short	Risk Weighted	Minimum
Market Risk	Position	Position	Assets	Capital
	RM'000	RM'000	RM'000	Requirements
				RM'000
Interest Rate Risk/ Profit Rate Risk	1,553,708	1,584,784	7,031	562
Equity Risk	70,236	61,658	36,480	2,918
Foreign Currency Risk	300,388	254,827	300,388	24,031
Options Risk	254,445	35,268	370,118	29,610
Total			714,017	57,121

Note:

As at 30 June 2016, RHB Bank and RHB Islamic Bank did not have any exposure under

- equity risk, commodity risk, inventory risk and options risk, and
- market risk exposure absorbed by PSIA.

RHB Bank Group did not have exposure under

- commodity risk and inventory risk
- market risk exposure absorbed by PSIA.

RHB Investment Bank did not have any exposure under

- commodity risk and inventory risk.

For the Equity Risk, the position is computed based on net long and net short position.

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**Table 21b: Market Risk Weighted Assets and Minimum Capital Requirements Restated
as at 31 December 2015**

RHB Bank Group	Long	Short	Risk Weighted	Minimum
Market Risk	Position	Position	Assets	Capital
	RM'000	RM'000	RM'000	Requirements
				RM'000
Interest Rate Risk/ Profit Rate Risk	128,806,742	127,493,562	1,529,436	122,355
Equity Risk	112,424	91,123	125,208	10,017
Foreign Currency Risk	1,853,373	149,206	1,864,586	149,167
Options Risk	53,319	86,239	95,006	7,600
Total			3,614,236	289,139
RHB Bank	Long	Short	Risk Weighted	Minimum
Market Risk	Position	Position	Assets	Capital
	RM'000	RM'000	RM'000	Requirements
				RM'000
Interest Rate Risk/ Profit Rate Risk	123,773,693	122,445,606	1,492,817	119,425
Equity Risk	-	-	-	-
Foreign Currency Risk	1,581,572	33,157	1,593,299	127,464
Options Risk	-	-	-	-
Total			3,086,116	246,889
RHB Islamic Bank	Long	Short	Risk Weighted	Minimum
Market Risk	Position	Position	Assets	Capital
	RM'000	RM'000	RM'000	Requirements
				RM'000
Profit Rate Risk	3,031,492	3,002,434	27,828	2,226
Equity Risk	-	-	-	-
Foreign Currency Risk	3,239	33,817	33,817	2,706
Options Risk	-	-	-	-
Total			61,645	4,932
RHB Investment Bank	Long	Short	Risk Weighted	Minimum
Market Risk	Position	Position	Assets	Capital
	RM'000	RM'000	RM'000	Requirements
				RM'000
Interest Rate Risk/ Profit Rate Risk	2,001,557	2,045,522	18,701	1,496
Equity Risk	93,477	86,793	45,987	3,679
Foreign Currency Risk	314,404	158,152	314,404	25,152
Options Risk	53,319	81,909	90,348	7,228
Total			469,440	37,555

Note:

As at 31 December 2015, RHB Bank and RHB Islamic Bank did not have any exposure under

- equity risk, commodity risk, inventory risk and options risk, and
- market risk exposure absorbed by PSIA.

RHB Bank Group did not have exposure under

- commodity risk and inventory risk
- market risk exposure absorbed by PSIA.

RHB Investment Bank did not have any exposure under

- commodity risk and inventory risk.

For the Equity Risk, the position is computed based on net long and net short position.

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Table 22: Equity Exposures in the Banking Book

RHB Bank Group <u>Equity Type</u>	Gross Credit Exposures		Risk Weighted Assets	
	<u>30.06.2016</u>	<u>Restated 31.12.2015</u>	<u>30.06.2016</u>	<u>Restated 31.12.2015</u>
	RM'000	RM'000	RM'000	RM'000
Publicly traded				
Holdings of equity investments	10,132	10,962	10,132	10,962
Privately held				
For socio economic purposes	623,749	588,000	623,749	588,000
For non socio economic purpose	71,404	74,229	71,405	74,230
Other equity	860	860	860	860
Total	706,145	674,051	706,146	674,052
	<u>30.06.2016</u>	<u>31.12.2015</u>		
	RM'000	RM'000		
Total Net Unrealised Gains/ (Loss)	425,297	367,451		

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Table 23a: Interest Rate Risk / Rate of Return Risk in the Banking Book as at 30 June 2016

RHB Bank Group	Impact on Position as at Reporting Period (100 basis points) Parallel Shift			
	Increase / (Decline) in Earnings		Increase/(Decline) in Economic Value	
	Impact based on	Impact based on	Impact based on	Impact based on
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
<u>Currency</u>	RM'000	RM'000	RM'000	RM'000
MYR - Malaysian Ringgit	110,705	(110,705)	(1,041,063)	1,041,063
USD - US Dollar	17,111	(17,111)	29,001	(29,001)
Others ¹	51,534	(51,534)	(50,786)	50,786
Total	179,350	(179,350)	(1,062,848)	1,062,848

Table 23b: Interest Rate Risk / Rate of Return Risk in the Banking Book Restated as at 31 December 2015

RHB Bank Group	Impact on Position as at Reporting Period (100 basis points) Parallel Shift			
	Increase / (Decline) in Earnings		Increase/(Decline) in Economic Value	
	Impact based on	Impact based on	Impact based on	Impact based on
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
<u>Currency</u>	RM'000	RM'000	RM'000	RM'000
MYR - Malaysian Ringgit	83,890	(83,890)	(1,160,329)	1,160,329
USD - US Dollar	(25,394)	25,394	70,503	(70,503)
Others ¹	21,326	(21,326)	(64,086)	64,086
Total	79,822	(79,822)	(1,153,912)	1,153,912

Note:

1. Inclusive of GBP, EUR, SGD, etc
2. The EaR and EVE exposures are additive and do not take into account any correlation impact in the aggregation.
3. The earnings and economic values were computed based on the standardised approach adopted by BNM.

**RHB BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2016**

Table 24a: Operational Risk Weighted Assets and Minimum Capital Requirements as at 30 June 2016

Operational Risk	RHB Bank Group	RHB Bank	RHB Islamic Bank	RHB Investment Bank
	RM'000	RM'000	RM'000	RM'000
Risk Weighted Assets	10,629,323	8,368,068	1,110,064	1,199,746
Minimum Capital Requirements	850,345	669,445	88,805	95,980

**Table 24b: Operational Risk Weighted Assets and Minimum Capital Requirements Restated
as at 31 December 2015**

Operational Risk	RHB Bank Group	RHB Bank	RHB Islamic Bank	RHB Investment Bank
	RM'000	RM'000	RM'000	RM'000
Risk Weighted Assets	10,076,575	8,233,562	1,032,842	1,204,734
Minimum Capital Requirements	806,126	658,685	82,627	96,379