

RHB INVESTMENT BANK BERHAD (19663-P)
Incorporated in Malaysia

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2016

	Note	Group		Bank	
		As at 31 March 2016 RM'000	As at 31 December 2015 RM'000	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
ASSETS					
Cash and short term funds		2,035,136	1,132,078	1,580,646	718,596
Deposits and placements with banks and other financial institutions		37,594	13,179	-	-
Financial assets at fair value through profit or loss ('FVTPL')	8	485,251	398,127	116,974	131,577
Financial investments available-for-sale ('AFS')	9	2,852,218	3,412,471	2,760,783	3,311,449
Financial investments held-to-maturity ('HTM')	10	582,653	590,461	582,653	590,461
Loans and advances	11	1,886,051	2,069,802	1,277,609	1,320,752
Clients' and brokers' balances	12	2,554,539	1,654,213	922,975	572,001
Other assets	13	224,250	231,819	117,100	127,533
Derivative assets		35,867	57,906	35,867	57,906
Statutory deposits		99,317	144,152	99,317	144,152
Tax recoverable		51,012	38,979	48,992	36,894
Deferred tax assets		24,875	30,601	16,320	21,063
Investment in subsidiaries		-	-	1,498,598	1,451,367
Investment in associates and joint ventures		19,691	20,899	21,057	21,057
Property, plant and equipment		62,085	67,478	30,384	31,347
Goodwill and intangible assets		1,322,331	1,321,377	1,146,168	1,143,948
TOTAL ASSETS		12,272,870	11,183,542	10,255,443	9,680,103
LIABILITIES AND EQUITY					
Deposits from customers	14	1,074,463	1,082,009	1,088,206	1,095,657
Deposits and placements of banks and other financial institutions	15	4,311,874	3,671,153	4,341,401	3,721,848
Obligations on securities sold under repurchase agreements		-	170,568	-	170,568
Obligations on securities borrowed		7,838	12,202	7,838	12,202
Bills and acceptances payable		74,094	138,794	-	-
Clients' and brokers' balances		2,172,590	1,346,924	829,478	585,773
Other liabilities	16	373,243	503,094	205,941	340,443
Derivative liabilities		123,713	127,546	121,610	125,994
Tax liabilities		8,230	8,895	-	-
Deferred tax liabilities		3,589	3,728	-	-
Borrowings		410,418	457,784	-	-
Subordinated obligations		555,275	548,822	555,275	548,822
TOTAL LIABILITIES		9,115,327	8,071,519	7,149,749	6,601,307
Share capital		818,646	818,646	818,646	818,646
Reserves		2,271,168	2,285,613	2,287,048	2,260,150
		3,089,814	3,104,259	3,105,694	3,078,796
Non-controlling interests		67,729	7,764	-	-
TOTAL EQUITY		3,157,543	3,112,023	3,105,694	3,078,796
TOTAL LIABILITIES AND EQUITY		12,272,870	11,183,542	10,255,443	9,680,103
COMMITMENTS AND CONTINGENCIES					
	24	4,628,650	4,296,861	3,821,255	3,650,315

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

RHB INVESTMENT BANK BERHAD (19663-P)
Incorporated in Malaysia

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2016

Group	Note	1st Quarter Ended		Three Months Ended	
		31 March 2016	31 March 2015	31 March 2016	31 March 2015
		RM'000	RM'000	RM'000	RM'000
Interest income	17	85,330	102,026	85,330	102,026
Interest expense	18	(49,183)	(68,999)	(49,183)	(68,999)
Net interest income		36,147	33,027	36,147	33,027
Other operating income	19	208,528	206,415	208,528	206,415
Net income		244,675	239,442	244,675	239,442
Other operating expenses	20	(202,939)	(217,421)	(202,939)	(217,421)
Operating profit before allowances		41,736	22,021	41,736	22,021
Allowance (made)/written back for impairment on loans, advances and other losses	21	(6,749)	2,518	(6,749)	2,518
Impairment losses written back on other assets		-	3,300	-	3,300
		34,987	27,839	34,987	27,839
Share of results of associates		65	132	65	132
Share of results of joint ventures		56	85	56	85
Profit before taxation		35,108	28,056	35,108	28,056
Taxation		(5,604)	(8,694)	(5,604)	(8,694)
Net profit for the financial period		29,504	19,362	29,504	19,362
Profit attributable to:					
Equity holder of the Bank		28,634	19,208	28,634	19,208
Non-controlling interests		870	154	870	154
		29,504	19,362	29,504	19,362
Earnings per share (sen)					
- basic	22	3.5	2.3	3.5	2.3

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

RHB INVESTMENT BANK BERHAD (19663-P)
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2016

<u>Group</u>	1st Quarter Ended		Three Months Ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	29,504	19,362	29,504	19,362
Other comprehensive income in respect of:				
(i) Item that will not be reclassified to profit or loss:				
- Actuarial gain on defined benefit plan of subsidiaries	347	231	347	231
(ii) Items that will be reclassified subsequently to profit or loss:				
- Currency translation differences	(69,491)	30,121	(69,491)	30,121
- Net investment hedge	12,373	-	12,373	-
- Unrealised net gain on revaluation of financial investments AFS	15,117	21,657	15,117	21,657
- Net transfer to income statements on disposal or impairment of financial investments AFS	(195)	(2,216)	(195)	(2,216)
Income tax relating to components of other comprehensive income	(3,694)	(5,067)	(3,694)	(5,067)
Other comprehensive (loss)/income, net of tax, for the financial period	(45,543)	44,726	(45,543)	44,726
Total comprehensive (loss)/income for the financial period	(16,039)	64,088	(16,039)	64,088
Total comprehensive (loss)/income attributable to:				
Equity holder of the Bank	(14,272)	63,800	(14,272)	63,800
Non-controlling interests	(1,767)	288	(1,767)	288
	(16,039)	64,088	(16,039)	64,088

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

RHB INVESTMENT BANK BERHAD (19663-P)
Incorporated in Malaysia

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2016

Bank	Note	1st Quarter Ended		Three Months Ended	
		31 March 2016	31 March 2015	31 March 2016	31 March 2015
		RM'000	RM'000	RM'000	RM'000
Interest income	17	64,439	84,141	64,439	84,141
Interest expense	18	(46,343)	(64,979)	(46,343)	(64,979)
Net interest income		18,096	19,162	18,096	19,162
Other operating income	19	83,203	100,797	83,203	100,797
Net income		101,299	119,959	101,299	119,959
Other operating expenses	20	(79,000)	(102,698)	(79,000)	(102,698)
Operating profit before allowances		22,299	17,261	22,299	17,261
Allowance (made)/written back for impairment on loans, advances and other losses	21	(1,156)	419	(1,156)	419
Impairment losses (made)/written back on other assets		(826)	3,235	(826)	3,235
Profit before taxation		20,317	20,915	20,317	20,915
Taxation		(4,839)	(5,504)	(4,839)	(5,504)
Net profit for the financial period		15,478	15,411	15,478	15,411
Earnings per share (sen)					
- basic	22	1.9	1.9	1.9	1.9

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

RHB INVESTMENT BANK BERHAD (19663-P)
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2016

Bank	1st Quarter Ended		Three Months Ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	15,478	15,411	15,478	15,411
Other comprehensive income in respect of: Items that will be reclassified subsequently to profit or loss:				
- Unrealised net gain on revaluation of financial investments AFS	15,290	20,349	15,290	20,349
- Net transfer to income statements on disposal or impairment of financial investments AFS	(263)	(3,390)	(263)	(3,390)
Income tax relating to components of other comprehensive income	(3,607)	(5,008)	(3,607)	(5,008)
Other comprehensive income, net of tax, for the financial period	11,420	11,951	11,420	11,951
Total comprehensive income for the financial period	26,898	27,362	26,898	27,362

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

RHB INVESTMENT BANK BERHAD (19663-P)
Incorporated in Malaysia

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2016

Attributable to the Equity Holder of the Bank

<u>Group</u>	<u>Share capital</u> RM'000	<u>Share premium</u> RM'000	<u>Statutory reserves</u> RM'000	<u>AFS reserves</u> RM'000	<u>Translation reserves</u> RM'000	<u>Regulatory reserves</u> RM'000	<u>Retained profits</u> RM'000	<u>Total</u> RM'000	<u>Non-controlling interests</u> RM'000	<u>Total</u> RM'000
Balance as at 1 January 2016	818,646	1,515,150	433,545	12,258	116,128	22,615	185,917	3,104,259	7,764	3,112,023
Net profit for the financial period	-	-	-	-	-	-	28,634	28,634	870	29,504
Currency translation differences	-	-	-	(30)	(66,891)	-	-	(66,921)	(2,570)	(69,491)
Net investment hedge	-	-	-	-	12,373	-	-	12,373	-	12,373
Financial investments AFS:										
- Unrealised net gain/(loss) on revaluation	-	-	-	15,186	-	-	-	15,186	(69)	15,117
- Net transfer to income statements on disposal or impairment	-	-	-	(195)	-	-	-	(195)	-	(195)
Actuarial gain on defined benefit plan of subsidiaries	-	-	-	-	-	-	344	344	3	347
Income tax relating to components of other comprehensive income	-	-	-	(3,607)	-	-	(86)	(3,693)	(1)	(3,694)
Other comprehensive income/(loss), net of tax, for the financial period	-	-	-	11,354	(54,518)	-	258	(42,906)	(2,637)	(45,543)
Total comprehensive income/(loss) for the financial period	-	-	-	11,354	(54,518)	-	28,892	(14,272)	(1,767)	(16,039)
Contribution by non-controlling interests	-	-	-	-	-	-	-	-	61,559	61,559
Transfer from regulatory reserves	-	-	-	-	-	(1,982)	1,982	-	-	-
Dilution of interest in a subsidiary	-	-	-	-	-	-	(173)	(173)	173	-
Balance as at 31 March 2016	818,646	1,515,150	433,545	23,612	61,610	20,633	216,618	3,089,814	67,729	3,157,543

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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2016

Attributable to Equity Holder of the Bank

<u>Group</u>	Share capital RM'000	Share premium RM'000	Statutory reserves RM'000	AFS reserves RM'000	Translation reserves RM'000	Retained profits RM'000	Total RM'000	Non- controlling interests RM'000	Total RM'000
Balance as at 1 January 2015	818,646	1,515,150	406,545	3,308	34,972	172,467	2,951,088	6,784	2,957,872
Net profit for the financial period	-	-	-	-	-	19,208	19,208	154	19,362
Currency translation differences	-	-	-	(6)	30,089	-	30,083	38	30,121
Financial investments AFS:									
- Unrealised net gain on revaluation	-	-	-	21,575	-	-	21,575	82	21,657
- Net transfer to income statements on disposal or impairment	-	-	-	(2,228)	-	-	(2,228)	12	(2,216)
Actuarial gain on defined benefit plan of subsidiaries	-	-	-	-	-	228	228	3	231
Income tax relating to components of other comprehensive income	-	-	-	(5,009)	-	(57)	(5,066)	(1)	(5,067)
Other comprehensive income, net of tax, for the financial period	-	-	-	14,332	30,089	171	44,592	134	44,726
Total comprehensive income for the financial period	-	-	-	14,332	30,089	19,379	63,800	288	64,088
Accretion of interest in a subsidiary	-	-	-	-	-	2	2	(2)	-
Balance as at 31 March 2015	818,646	1,515,150	406,545	17,640	65,061	191,848	3,014,890	7,070	3,021,960

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RHB INVESTMENT BANK BERHAD (19663-P)
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2016

	Non-Distributable				Distributable		Total
	Share capital RM'000	Share premium RM'000	Statutory reserves RM'000	AFS reserves RM'000	Regulatory reserves RM'000	Retained profits RM'000	
Bank							
Balance as at 1 January 2016	818,646	1,515,150	433,295	(5,149)	13,405	303,449	3,078,796
Net profit for the financial period	-	-	-	-	-	15,478	15,478
Financial investments AFS:							
- Unrealised net gain on revaluation	-	-	-	15,290	-	-	15,290
- Net transfer to income statements on disposal or impairment	-	-	-	(263)	-	-	(263)
Income tax relating to components of other comprehensive income	-	-	-	(3,607)	-	-	(3,607)
Other comprehensive income, net of tax, for the financial period	-	-	-	11,420	-	-	11,420
Total comprehensive income for the financial period	-	-	-	11,420	-	15,478	26,898
Transfer from regulatory reserves	-	-	-	-	(273)	273	-
Balance as at 31 March 2016	818,646	1,515,150	433,295	6,271	13,132	319,200	3,105,694

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RHB INVESTMENT BANK BERHAD (19663-P)
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2016

	Non-Distributable			Distributable		Total
	Share capital RM'000	Share premium RM'000	Statutory reserves RM'000	AFS reserves RM'000	Retained profits RM'000	
Bank						
Balance as at 1 January 2015	818,646	1,515,150	406,544	(11,933)	290,106	3,018,513
Net profit for the financial period	-	-	-	-	15,411	15,411
Financial investments AFS:						
- Unrealised net gain on revaluation	-	-	-	20,349	-	20,349
- Net transfer to income statements on disposal or impairment	-	-	-	(3,390)	-	(3,390)
Income tax relating to components of other comprehensive income	-	-	-	(5,008)	-	(5,008)
Other comprehensive income, net of tax, for the financial period	-	-	-	11,951	-	11,951
Total comprehensive income for the financial period	-	-	-	11,951	15,411	27,362
Balance as at 31 March 2015	818,646	1,515,150	406,544	18	305,517	3,045,875

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

RHB INVESTMENT BANK BERHAD (19663-P)
Incorporated in Malaysia

INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2016

	Three Months Ended	
	31 March 2016	31 March 2015
	RM'000	RM'000
Group		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	35,108	28,056
Adjustments for non-cash items	20,215	(63,829)
Operating profit/(loss) before working capital changes	55,323	(35,773)
Changes in working capital:		
Net changes in operating assets	(810,285)	(684,643)
Net changes in operating liabilities	1,109,971	5,153
Cash generated from/(used in) operations	355,009	(715,263)
Taxation paid	(16,750)	(23,843)
Net cash generated from/(used in) operating activities	338,259	(739,106)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds from disposal/(purchase) of financial investments AFS and HTM	489,683	(408,922)
Interest income received from financial investments AFS and HTM	35,693	42,810
Property, plant and equipment		
- Purchase	(2,863)	(5,530)
- Proceeds from disposal	189	-
Purchase of intangible assets	(4,865)	(6,743)
Dividend income received from financial assets at FVTPL and financial investments AFS	3,275	8,631
Net cash generated from/(used in) investing activities	521,112	(369,754)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net (repayment)/drawdown of borrowings	(2,998)	473,276
Contribution by non-controlling interests	61,559	-
Net cash generated from financing activities	58,561	473,276
Net increase/(decrease) in cash and cash equivalents	917,932	(635,584)
Effects of exchange rate differences	(14,874)	7,607
Cash and cash equivalents		
- at the beginning of the financial period	1,132,078	1,496,220
- at the end of the financial period	2,035,136	868,243
ANALYSIS OF CASH AND CASH EQUIVALENTS:		
Cash and short-term funds	2,035,136	868,243

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

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INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2016

	Three Months Ended	
	31 March 2016	31 March 2015
	RM'000	RM'000
<u>Bank</u>		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	20,317	20,915
Adjustments for non-cash items	20,355	(57,708)
Operating profit/(loss) before working capital changes	40,672	(36,793)
Changes in working capital:		
Net changes in operating assets	(226,096)	529,119
Net changes in operating liabilities	580,183	(726,246)
Cash generated from/(used in) operations	394,759	(233,920)
Taxation paid	(15,801)	(20,444)
Net cash generated from/(used in) operating activities	378,958	(254,364)
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds from disposal/(purchase) of financial investments AFS and HTM	512,396	(422,665)
Interest income received from financial investments AFS and HTM	35,514	40,956
Purchase of property, plant and equipment	(1,605)	(3,399)
Purchase of intangible assets	(4,375)	(4,872)
Dividend income received from financial assets at FVTPL	1,592	16
Additional investment in a subsidiary	(60,430)	-
Net cash generated from/(used in) investing activities	483,092	(389,964)
Net increase/(decrease) in cash and cash equivalents	862,050	(644,328)
Cash and cash equivalents		
- at the beginning of the financial period	718,596	1,235,690
- at the end of the financial period	1,580,646	591,362
ANALYSIS OF CASH AND CASH EQUIVALENTS:		
Cash and short-term funds	1,580,646	591,362

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2015.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016

1 Basis of Preparation

The interim financial statements are unaudited and has been prepared in compliance with Malaysian Financial Reporting Standard ('MFRS') 134, 'Interim Financial Reporting' issued by Malaysian Accounting Standards Boards ('MASB') and should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2015.

The accounting policies and presentation adopted by the Group and the Bank for the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2015, except for the adoption of the following annual improvements and amendments to MFRS which are effective for annual periods beginning on or after 1 January 2016:

- Annual Improvements to MFRSs 2012 - 2014 Cycle
- Amendments to MFRS 11 'Joint Arrangements'
- Amendments to MFRS 116 'Property Plant and Equipment' and MFRS 138 'Intangible Assets'
- Amendments to MFRS 127 'Separate Financial Statements'
- Amendments to MFRS 10 'Consolidated Financial Statements' and MFRS 128 'Investments in Associates'
- Amendments to MFRS 101 'Presentation of Financial Statements'

The adoption of the above annual improvements and amendments do not give rise to any material financial impact to the Group and to the Bank.

2 Auditors' Report

The auditors' report for the financial year ended 31 December 2015 was not subject to any qualification.

3 Seasonal or Cyclical Factors

The business operations of the Group and the Bank have not been affected by any material seasonal or cyclical factors.

4 Exceptional or Unusual Items

There were no exceptional or unusual items for the three months ended 31 March 2016.

5 Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect for the three months ended 31 March 2016.

6 Changes in Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the three months ended 31 March 2016.

7 Dividends Paid

No dividend was paid by the Bank during the three months ended 31 March 2016.

RHB INVESTMENT BANK BERHAD (19663-P)
Incorporated in Malaysia

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

8 Financial Assets at Fair Value Through Profit or Loss ('FVTPL')

	Group		Bank	
	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
(a) Designated as FVTPL	161,730	170,314	-	-
(b) Held-for-trading	<u>323,521</u>	<u>227,813</u>	<u>116,974</u>	<u>131,577</u>
	<u>485,251</u>	<u>398,127</u>	<u>116,974</u>	<u>131,577</u>

(a) Financial assets designated as FVTPL are as follows:

At fair value

Quoted securities:

In Malaysia

Unit trusts	51,919	51,583	-	-
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Unquoted securities:

Outside Malaysia

Private equity funds	109,811	118,731	-	-
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**Total financial assets
designated as FVTPL**

	<u>161,730</u>	<u>170,314</u>	<u>-</u>	<u>-</u>
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(b) Financial assets held-for-trading are as follows:

At fair value

Quoted securities:

In Malaysia

Shares and exchange traded funds	78,783	91,389	78,783	91,389
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Outside Malaysia

Shares and warrants	205,319	96,544	3,060	5,057
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Unquoted securities:

In Malaysia

Private debt securities	35,131	35,131	35,131	35,131
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Outside Malaysia

Private debt securities	4,288	4,749	-	-
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**Total financial assets
held-for-trading**

	<u>323,521</u>	<u>227,813</u>	<u>116,974</u>	<u>131,577</u>
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RHB INVESTMENT BANK BERHAD (19663-P)
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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

8 Financial Assets at Fair Value Through Profit or Loss ('FVTPL') (cont'd)

In 2008, the Bank reclassified a portion of their financial assets at FVTPL into financial investments AFS. The reclassifications have been accounted for in accordance with Bank Negara Malaysia's ('BNM') circular on "Reclassification of Securities under Specific Circumstances" dated 17 October 2008, which is effective from 1 July 2008 until 31 December 2009.

The effect of the reclassification on the income statements for the period from the date of reclassification to 31 March 2016 were as follows:

	Group and Bank	
	As at	As at
	31 March 2016	31 December 2015
	RM'000	RM'000
<u>Reclassified from financial assets at FVTPL to financial investments AFS</u>		
- Carrying value	30,443	30,188
- Fair value	30,459	30,146
	<hr/> <hr/>	<hr/> <hr/>
Fair value gain/(loss) that would have been recognised if the financial assets at FVTPL had not been reclassified	16	(42)
	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

9 Financial Investments Available-for-sale ('AFS')

	Group		Bank	
	As at 31 March 2016	As at 31 December 2015	As at 31 March 2016	As at 31 December 2015
At fair value	RM'000	RM'000	RM'000	RM'000
Money market instruments:				
Malaysian Government Securities	242,249	381,992	242,249	381,992
Malaysian Government Investment Issues	151,400	415,958	151,400	415,958
Cagamas bonds	35,373	35,235	35,373	35,235
Khazanah bonds	53,133	51,701	53,133	51,701
Negotiable instruments of deposits	250,804	349,010	250,804	349,010
Bankers' acceptances	185,576	58,458	185,576	58,458
Sukuk Perumahan Kerajaan Bonds ('SPK')	69,552	67,040	69,552	67,040
Quoted securities:				
In Malaysia				
Shares	3,867	40	3,834	8
Unit trusts	14,537	14,753	-	-
Outside Malaysia				
Shares	1,529	1,595	-	-
Unit trusts	37,972	28,562	34,486	25,062
Unquoted securities:				
In Malaysia				
Private and Islamic debt securities	1,144,364	1,149,697	1,144,364	1,149,697
Shares	99,356	99,356	27,767	27,767
Loan stocks	15,148	14,997	15,148	14,997
Prasarana bonds	25,129	24,902	25,129	24,902
Outside Malaysia				
Private and Islamic debt securities	671,128	868,056	671,128	858,782
Shares	262	280	-	-
	3,001,379	3,561,632	2,909,943	3,460,609
Accumulated impairment losses	(149,161)	(149,161)	(149,160)	(149,160)
	2,852,218	3,412,471	2,760,783	3,311,449

Included in financial investments AFS of the Group and the Bank are private debt securities outside Malaysia, which are pledged as collateral for obligations on securities sold under repurchase agreements amounting to RM NIL (31.12.2015: RM188,814,000)

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10 Financial Investments Held-to-maturity ('HTM')

	Group and Bank	
	As at 31 March 2016	As at 31 December 2015
At amortised cost	RM'000	RM'000
<u>Money market instruments:</u>		
Malaysian Government Securities	20,151	20,370
Malaysian Government Investment Issues	349,949	347,678
Khazanah bonds	10,796	10,691
Wakala Global Sukuk	8,217	9,153
<u>Unquoted Securities:</u>		
In Malaysia		
Private and Islamic debt securities	222,457	231,756
Credit link notes	30,044	30,044
Bonds	23	23
Loan stocks	28,433	28,433
Prasarana bonds	40,802	40,388
Outside Malaysia		
Private and Islamic debt securities	336	480
	<u>711,208</u>	<u>719,016</u>
Accumulated impairment losses	<u>(128,555)</u>	<u>(128,555)</u>
	<u><u>582,653</u></u>	<u><u>590,461</u></u>

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

11 Loans and Advances

	Group		Bank	
	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
At amortised cost				
Term Loans:				
- syndicated term loans	37,907	46,402	37,907	46,402
- other term loans	391,989	442,914	270,404	309,136
Share margin financing	1,470,974	1,594,074	943,060	933,471
Staff loans	925	963	925	963
Revolving credits	-	-	39,046	42,965
Gross loans and advances	<u>1,901,795</u>	<u>2,084,353</u>	<u>1,291,342</u>	<u>1,332,937</u>
Allowance for impaired loans and advances:				
- individual impairment allowance	(13,720)	(12,301)	(11,507)	(9,711)
- collective impairment allowance	(2,024)	(2,250)	(2,226)	(2,474)
Net loans and advances	<u>1,886,051</u>	<u>2,069,802</u>	<u>1,277,609</u>	<u>1,320,752</u>

(i) By type of customer

Domestic business enterprises:				
- small and medium enterprises	132,971	106,634	132,971	106,634
- others	367,278	413,382	367,278	413,382
Individuals	657,005	663,770	657,005	663,770
Foreign entities	744,541	900,567	134,088	149,151
	<u>1,901,795</u>	<u>2,084,353</u>	<u>1,291,342</u>	<u>1,332,937</u>

(ii) By geographical distribution

In Malaysia	1,252,296	1,289,972	1,291,342	1,332,937
Outside Malaysia				
- Singapore	147,531	222,501	-	-
- Hong Kong	290,853	358,550	-	-
- Indonesia	50,848	28,977	-	-
- Thailand	160,267	184,353	-	-
	<u>1,901,795</u>	<u>2,084,353</u>	<u>1,291,342</u>	<u>1,332,937</u>

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

11 Loans and Advances (cont'd)

	Group		Bank	
	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
(iii) By interest rate sensitivity				
Fixed rate:				
- other fixed rate loans	1,394,419	1,478,252	1,122,284	1,145,621
Variable rate:				
- cost plus	96,467	110,805	135,513	153,770
- base lending rate plus	410,909	495,296	33,545	33,546
	1,901,795	2,084,353	1,291,342	1,332,937
(iv) By purpose				
Purchase of securities	1,800,554	1,963,138	1,151,055	1,168,757
Purchase of transport vehicles	69	72	69	72
Purchase of landed property:				
- residential	859	893	859	893
- non-residential	53,659	53,842	53,659	53,842
Construction	8,530	12,053	8,530	12,053
Working capital	-	-	39,046	42,965
Other purpose	38,124	54,355	38,124	54,355
	1,901,795	2,084,353	1,291,342	1,332,937
(v) By remaining contractual maturities				
Maturity within one year	1,782,867	1,956,766	1,172,414	1,205,350
One year to three years	72,600	76,517	72,600	76,517
Three years to five years	45,774	50,503	45,774	50,503
Over five years	554	567	554	567
	1,901,795	2,084,353	1,291,342	1,332,937

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

11 Loans and Advances (cont'd)

	Group		Bank	
	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
(vi) Impaired Loans and Advances				
(a) Movements in impaired loans and advances				
Balance as at the beginning of the financial period/year	118,142	162,785	115,552	160,151
Classified as impaired	4,554	70,883	3,458	68,676
Reclassified as non-impaired	-	(15,072)	-	(15,072)
Amount recovered	(22,020)	(98,847)	(20,740)	(98,203)
Amount written off	-	(2,017)	-	-
Exchange differences	(193)	410	-	-
Balance as at the end of the financial period/year	<u>100,483</u>	<u>118,142</u>	<u>98,270</u>	<u>115,552</u>
(b) By purpose				
Purchase of securities	29,546	32,241	27,333	29,651
Purchase of landed property:				
- Non-residential	53,659	53,842	53,659	53,842
Construction	8,530	12,053	8,530	12,053
Other purpose	8,748	20,006	8,748	20,006
	<u>100,483</u>	<u>118,142</u>	<u>98,270</u>	<u>115,552</u>
(c) By geographical distribution				
In Malaysia	98,270	115,552	98,270	115,552
Outside Malaysia:				
- Singapore	651	681	-	-
- Hong Kong	1,562	1,909	-	-
	<u>100,483</u>	<u>118,142</u>	<u>98,270</u>	<u>115,552</u>
(d) Movements in allowance for impaired loans and advances				
Individual impairment allowance				
Balance as at the beginning of the financial period/year	12,301	7,557	9,711	4,924
Net allowance made	1,612	6,351	1,796	4,787
Amount written off	-	(2,017)	-	-
Exchange differences	(193)	410	-	-
Balance as at the end of the financial period/year	<u>13,720</u>	<u>12,301</u>	<u>11,507</u>	<u>9,711</u>

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

11 Loans and Advances (cont'd)

	Group		Bank	
	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
(vi) Impaired Loans and Advances (cont'd)				
(d) Movements in allowance for impaired loans and advances (cont'd)				
Collective impairment allowance				
Balance as at the beginning of the financial period/year	2,250	10,888	2,474	10,888
Net allowance written back	(226)	(8,638)	(248)	(8,414)
Balance as at the end of the financial period/year	<u>2,024</u>	<u>2,250</u>	<u>2,226</u>	<u>2,474</u>

12 Clients' and Brokers' Balances

	Group		Bank	
	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
Amounts owing by clients	616,840	481,139	33,790	37,901
Allowance for impairment balances:				
- individual impairment allowance	(17,651)	(16,480)	(6,009)	(6,332)
- collective impairment allowance	(10,073)	(6,654)	(2,384)	(2,409)
	<u>589,116</u>	<u>458,005</u>	<u>25,397</u>	<u>29,160</u>
Amounts owing by brokers	1,302,846	821,511	680,250	421,237
Allowance for impairment balances:				
- individual impairment allowance	(1,179)	(1,297)	(1,179)	(1,297)
	<u>1,301,667</u>	<u>820,214</u>	<u>679,071</u>	<u>419,940</u>
Amounts owing by clearing houses and stock exchanges	663,756	375,994	218,507	122,901
	<u>2,554,539</u>	<u>1,654,213</u>	<u>922,975</u>	<u>572,001</u>
Individual impairment allowance				
Balance as at the beginning of the financial period/year	17,777	36,814	7,629	7,827
Net allowance made/(written back)	1,575	4,941	(441)	1,783
Amount written off	-	(26,743)	-	(1,981)
Exchange differences	(522)	2,765	-	-
Balance as at the end of the financial period/year	<u>18,830</u>	<u>17,777</u>	<u>7,188</u>	<u>7,629</u>

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12 Clients' and Brokers' Balances (cont'd)

	Group		Bank	
	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
Collective impairment allowance				
Balance as at the beginning of the financial period/year	6,654	6,142	2,409	4,700
Net allowance made/(written back)	3,724	127	(25)	(2,291)
Exchange differences	(305)	385	-	-
Balance as at the end of the financial period/year	10,073	6,654	2,384	2,409

13 Other Assets

	Group		Bank	
	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
Other receivables	75,304	71,867	25,461	25,795
Cash collateral in relation to derivative transactions	68,075	72,757	68,075	72,757
Deposits	39,787	44,461	6,934	7,032
Prepayments	20,839	21,033	6,567	5,102
Amount receivable for release of units due from funds	11,513	6,311	-	-
Amount due from reverse repo transactions	7,942	12,508	7,942	12,508
Transferable memberships	338	346	262	262
Amount due from holding company	1	1	-	-
Amount due from subsidiaries	-	-	1,746	3,256
Amount due from related companies	451	2,535	113	821
	224,250	231,819	117,100	127,533

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14 Deposits from Customers

	Group		Bank	
	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
(i) By type of deposits				
Short term deposits	551,444	460,093	551,444	460,093
Fixed/investment deposits	513,458	613,657	527,201	627,305
Negotiable instruments of deposits	9,561	8,259	9,561	8,259
	<u>1,074,463</u>	<u>1,082,009</u>	<u>1,088,206</u>	<u>1,095,657</u>
(ii) By type of customers				
Government and statutory bodies	49,597	161,872	49,597	161,872
Business enterprises	1,017,628	908,304	1,031,371	921,952
Individuals	7,238	11,833	7,238	11,833
	<u>1,074,463</u>	<u>1,082,009</u>	<u>1,088,206</u>	<u>1,095,657</u>
(iii) By maturity structure of fixed/ investment deposits and negotiable instruments of deposits				
Due within six months	1,064,489	1,072,482	1,078,232	1,086,130
Six months to one year	9,974	9,426	9,974	9,426
One year to three years	-	101	-	101
	<u>1,074,463</u>	<u>1,082,009</u>	<u>1,088,206</u>	<u>1,095,657</u>

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

15 Deposits and Placements of Banks and Other Financial Institutions

	Group		Bank	
	As at 31 March 2016	As at 31 December 2015	As at 31 March 2016	As at 31 December 2015
	RM'000	RM'000	RM'000	RM'000
Licensed banks	2,078,149	2,206,884	2,078,149	2,206,884
Licensed investment banks	110,143	140,188	110,143	140,188
Other financial institutions	2,123,582	1,324,081	2,153,109	1,374,776
	4,311,874	3,671,153	4,341,401	3,721,848

16 Other Liabilities

	Group		Bank	
	As at 31 March 2016	As at 31 December 2015	As at 31 March 2016	As at 31 December 2015
	RM'000	RM'000	RM'000	RM'000
Other creditors and accruals	117,921	132,056	57,892	78,526
Deferred income	12,409	13,294	10,000	10,438
Remisiers' trust deposits	62,245	62,824	62,245	62,824
Amount payable for creation of units due to funds	2,701	42,017	-	-
Amount payable for redemption units	55,304	9,333	-	-
Short-term employee benefits	72,202	106,712	37,479	55,153
Amount due to subsidiaries	-	-	5,045	5,741
Amount due to related companies	50,461	136,858	33,280	127,761
	373,243	503,094	205,941	340,443

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	1st Quarter Ended		Three Months Ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	RM'000	RM'000	RM'000	RM'000
17 Interest Income				
Group				
Loans and advances	34,486	38,120	34,486	38,120
Money at call and deposits and placements with banks and other financial institutions	10,411	11,269	10,411	11,269
Financial assets at FVTPL	139	499	139	499
Financial investments AFS	27,679	41,256	27,679	41,256
Financial investments HTM	5,310	6,574	5,310	6,574
Others	7,305	4,308	7,305	4,308
	<u>85,330</u>	<u>102,026</u>	<u>85,330</u>	<u>102,026</u>
Of which:				
Interest income accrued on impaired loans and advances	<u>2,110</u>	<u>2,526</u>	<u>2,110</u>	<u>2,526</u>
Bank				
Loans and advances	21,406	27,315	21,406	27,315
Money at call and deposits and placements with banks and other financial institutions	8,839	9,959	8,839	9,959
Financial assets at FVTPL	28	94	28	94
Financial investments AFS	27,500	39,402	27,500	39,402
Financial investments HTM	5,310	6,574	5,310	6,574
Others	1,356	797	1,356	797
	<u>64,439</u>	<u>84,141</u>	<u>64,439</u>	<u>84,141</u>
Of which:				
Interest income accrued on impaired loans and advances	<u>2,110</u>	<u>2,526</u>	<u>2,110</u>	<u>2,526</u>
18 Interest Expense				
Group				
Deposits and placements of banks and other financial institutions	29,695	36,231	29,695	36,231
Deposits from customers	9,756	20,820	9,756	20,820
Subordinated obligations	6,452	7,497	6,452	7,497
Borrowings	2,903	3,625	2,903	3,625
Others	377	826	377	826
	<u>49,183</u>	<u>68,999</u>	<u>49,183</u>	<u>68,999</u>
Bank				
Deposits and placements of banks and other financial institutions	30,028	36,554	30,028	36,554
Deposits from customers	9,863	20,928	9,863	20,928
Subordinated obligations	6,452	7,497	6,452	7,497
	<u>46,343</u>	<u>64,979</u>	<u>46,343</u>	<u>64,979</u>

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	1st Quarter Ended		Three Months Ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	RM'000	RM'000	RM'000	RM'000
19 Other Operating Income				
Group				
a) Fee Income				
- Arrangement fees and underwriting	8,161	3,110	8,161	3,110
- Service charges and fees	810	1,932	810	1,932
- Commission	331	102	331	102
- Brokerage income	76,310	86,436	76,310	86,436
- Unit trust fee income	10,202	12,010	10,202	12,010
- Corporate advisory fees	25,189	14,603	25,189	14,603
- Fund management fees	43,616	26,474	43,616	26,474
- Placement fees	1,610	12,754	1,610	12,754
- Rollover fees	1,591	1,819	1,591	1,819
- Other fee income	13,613	16,551	13,613	16,551
	181,433	175,791	181,433	175,791
b) Net gain/(loss) arising from financial assets at FVTPL				
- net loss on disposal	(9,556)	(4,145)	(9,556)	(4,145)
- net gain/(loss) on revaluation	9,119	(5,104)	9,119	(5,104)
- gross dividend income	3,195	8,631	3,195	8,631
	2,758	(618)	2,758	(618)
c) Net gain arising from derivatives				
- net gain/(loss) on disposal	12,476	(5,069)	12,476	(5,069)
- net gain on revaluation	5,517	14,696	5,517	14,696
	17,993	9,627	17,993	9,627
d) Net gain arising from financial investments AFS				
- net gain on disposal	1,545	3,675	1,545	3,675
- gross dividend income	80	-	80	-
	1,625	3,675	1,625	3,675
e) Other income				
- Net foreign exchange gain/(loss)				
- realised	52,240	(2,551)	52,240	(2,551)
- unrealised	(59,695)	6,461	(59,695)	6,461
- Gain on disposal of property, plant and equipment	16	-	16	-
- Other operating income	11,889	13,349	11,889	13,349
- Other non-operating income	269	681	269	681
	4,719	17,940	4,719	17,940
	208,528	206,415	208,528	206,415

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	1st Quarter Ended		Three Months Ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	RM'000	RM'000	RM'000	RM'000
19 Other Operating Income (cont'd)				
Bank				
a) Fee Income				
- Arrangement fees and underwriting	7,176	2,976	7,176	2,976
- Service charges and fees	5	150	5	150
- Commission	701	434	701	434
- Brokerage income	43,666	50,621	43,666	50,621
- Corporate advisory fees	3,470	9,857	3,470	9,857
- Placement fees	1,245	9,866	1,245	9,866
- Rollover fees	1,591	1,742	1,591	1,742
- Other fee income	10,813	3,384	10,813	3,384
	<u>68,667</u>	<u>79,030</u>	<u>68,667</u>	<u>79,030</u>
b) Net (loss)/gain arising from financial assets at FVTPL				
- net loss on disposal	(13,588)	(4,303)	(13,588)	(4,303)
- net gain on revaluation	4,546	5,751	4,546	5,751
- gross dividend income	1,592	16	1,592	16
	<u>(7,450)</u>	<u>1,464</u>	<u>(7,450)</u>	<u>1,464</u>
c) Net gain arising from derivatives				
- net gain/(loss) on disposal	11,436	(3,049)	11,436	(3,049)
- net gain on revaluation	7,932	3,216	7,932	3,216
	<u>19,368</u>	<u>167</u>	<u>19,368</u>	<u>167</u>
d) Net gain arising from financial investments AFS				
- net gain on disposal	1,452	4,661	1,452	4,661
	<u>1,452</u>	<u>4,661</u>	<u>1,452</u>	<u>4,661</u>
e) Other income				
- Net foreign exchange gain/(loss)				
- realised	52,295	(3,829)	52,295	(3,829)
- unrealised	(59,853)	6,920	(59,853)	6,920
- Rental income	-	30	-	30
- Other operating income	8,724	12,354	8,724	12,354
	<u>1,166</u>	<u>15,475</u>	<u>1,166</u>	<u>15,475</u>
	<u>83,203</u>	<u>100,797</u>	<u>83,203</u>	<u>100,797</u>

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	RM'000	RM'000	RM'000	RM'000
20 Other Operating Expenses				
Group				
<u>Personnel costs</u>				
- Salaries, bonus and allowances	81,992	95,029	81,992	95,029
- Defined contribution plan	8,463	7,885	8,463	7,885
- Other staff related costs	4,042	11,440	4,042	11,440
	94,497	114,354	94,497	114,354
<u>Establishment costs</u>				
- Property, plant and equipment				
- depreciation	6,030	6,910	6,030	6,910
- written off	81	13	81	13
- Amortisation of intangible assets	3,285	5,842	3,285	5,842
- Information technology expenses	12,121	9,121	12,121	9,121
- Security and escorting charges	179	203	179	203
- Repair and maintenance	1,387	1,400	1,387	1,400
- Rental of premises	12,749	11,571	12,749	11,571
- Water and electricity	1,591	1,726	1,591	1,726
- Rental of equipment	1,339	1,149	1,339	1,149
- Insurance	2,001	1,753	2,001	1,753
- Others	3,239	3,391	3,239	3,391
	44,002	43,079	44,002	43,079
<u>Marketing expenses</u>				
- Advertisements and publicity	1,770	2,466	1,770	2,466
- Sales commission	11,243	19,256	11,243	19,256
- Others	13,646	11,066	13,646	11,066
	26,659	32,788	26,659	32,788
<u>Administration and general expenses</u>				
- Communication expenses	13,635	11,401	13,635	11,401
- Legal and professional fees	1,413	1,264	1,413	1,264
- Others	22,733	14,535	22,733	14,535
	37,781	27,200	37,781	27,200
	202,939	217,421	202,939	217,421

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	RM'000	RM'000	RM'000	RM'000
20 Other Operating Expenses (cont'd)				
Bank				
<u>Personnel costs</u>				
- Salaries, bonus and allowances	32,884	44,582	32,884	44,582
- Defined contribution plan	5,357	4,579	5,357	4,579
- Other staff related costs	72	6,237	72	6,237
	38,313	55,398	38,313	55,398
<u>Establishment costs</u>				
- Property, plant and equipment				
- depreciation	2,553	3,638	2,553	3,638
- written off	15	1	15	1
- Amortisation of intangible assets	2,155	4,703	2,155	4,703
- Information technology expenses	7,687	6,010	7,687	6,010
- Security and escorting charges	70	99	70	99
- Repair and maintenance	1,057	710	1,057	710
- Rental of premises	4,948	4,956	4,948	4,956
- Water and electricity	1,094	1,237	1,094	1,237
- Rental of equipment	310	312	310	312
- Insurance	1,439	1,263	1,439	1,263
- Others	1,541	1,658	1,541	1,658
	22,869	24,587	22,869	24,587
<u>Marketing expenses</u>				
- Advertisements and publicity	897	1,047	897	1,047
- Sales commission	1,279	7,131	1,279	7,131
- Others	2,213	1,743	2,213	1,743
	4,389	9,921	4,389	9,921
<u>Administration and general expenses</u>				
- Communication expenses	5,606	4,900	5,606	4,900
- Legal and professional fees	465	405	465	405
- Others	7,358	7,487	7,358	7,487
	13,429	12,792	13,429	12,792
	79,000	102,698	79,000	102,698

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	RM'000	RM'000	RM'000	RM'000
21 Allowance for Impairment on Loans, Advances and Other Losses				
<u>Group</u>				
Individual impairment allowance made	1,612	163	1,612	163
Collective impairment allowance written back	(226)	(870)	(226)	(870)
Bad debts written off	-	40	-	40
Bad debts recovered	(16)	(34)	(16)	(34)
Allowance made/(written back) for impairment on other debtors	5,379	(1,817)	5,379	(1,817)
	6,749	(2,518)	6,749	(2,518)
<u>Bank</u>				
Individual impairment allowance made	1,796	163	1,796	163
Collective impairment allowance written back	(248)	(870)	(248)	(870)
Bad debts written off	-	40	-	40
Bad debts recovered	(5)	(5)	(5)	(5)
Allowance (written back)/made for impairment on other debtors	(387)	253	(387)	253
	1,156	(419)	1,156	(419)

22 Earnings Per Share

The basic earnings per share ('EPS') is calculated by dividing the net profit attributable to the owner of the Bank for the first quarter and three months ended 31 March 2016 by the weighted average number of ordinary shares in issue during the financial period.

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23 Capital Adequacy Ratio

BNM guidelines on capital adequacy requires the Group and the Bank to maintain an adequate level of capital to withstand any losses which may result from credit and other risks associated with financing operations. The capital adequacy ratio is computed based on the eligible capital in relation to the total risk-weighted assets as determined by BNM.

The capital adequacy ratios of the Group and the Bank are as follows:

	Group		Bank	
	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000	As at 31 March 2016 RM'000	As at 31 December 2015 RM'000
Common Equity Tier I ('CET I')/ Tier I Capital				
Paid-up ordinary share capital	818,646	818,646	818,646	818,646
Share premium	1,515,150	1,515,150	1,515,150	1,515,150
Retained profits	187,899	185,917	303,722	303,449
Other reserves	495,155	549,673	433,295	433,295
AFS reserves	23,612	12,258	6,271	(5,149)
	3,040,462	3,081,644	3,077,084	3,065,391
Less: Goodwill	(1,269,934)	(1,269,934)	(1,118,418)	(1,118,418)
Investment in subsidiaries, associates and joint ventures (portion deducted from CET I Capital) *	(11,815)	(8,359)	(911,793)	(588,970)
Other intangible assets (include associated deferred tax liabilities)	(52,397)	(51,443)	(27,750)	(25,530)
55% of cumulative gains of AFS financial instruments	(12,987)	(6,741)	(3,449)	-
Other deductions	(64)	(84)	(64)	(84)
Deferred tax assets	(24,875)	(30,601)	(16,320)	(21,063)
Reduction in excess of Tier II Capital due to insufficient Tier II Capital #	-	-	(47,487)	(322,564)
Total CET I Capital	1,668,390	1,714,482	951,803	988,762
Qualifying non-controlling interests recognised as Tier I Capital	901	843	-	-
Total Tier I Capital	1,669,291	1,715,325	951,803	988,762
Tier II Capital				
Subordinated obligations **	345,000	345,000	345,000	345,000
Subordinated obligations meeting all relevant criteria	200,000	200,000	200,000	200,000
Qualifying non-controlling interests recognised as Tier II Capital	829	118	-	-
Collective impairment allowance and regulatory reserves ^	30,363	29,121	15,375	15,890
	576,192	574,239	560,375	560,890
Less: Investment in subsidiaries, associates and joint ventures	(7,876)	(12,540)	(560,375)	(560,890)
Total Tier II Capital	568,316	561,699	-	-
Total Capital	2,237,607	2,277,024	951,803	988,762

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

23 Capital Adequacy Ratio (cont'd)

The capital adequacy ratios of the Group and the Bank are as follows: (cont'd)

	Group		Bank	
	As at 31 March 2016	As at 31 December 2015	As at 31 March 2016	As at 31 December 2015
	RM'000	RM'000	RM'000	RM'000
<u>Capital ratios</u>				
Before proposed dividends:				
CET I Capital Ratio	28.108%	30.483%	23.368%	22.917%
Tier I Capital Ratio	28.123%	30.498%	23.368%	22.917%
Total Capital Ratio	37.697%	40.485%	23.368%	22.917%
After proposed dividends:				
CET I Capital Ratio	28.108%	30.483%	23.368%	22.917%
Tier I Capital Ratio	28.123%	30.498%	23.368%	22.917%
Total Capital Ratio	37.697%	40.485%	23.368%	22.917%

* Investment in subsidiaries are subject to the gradual deduction in the calculation under CET I Capital effective from 1 January 2014 as prescribed under paragraph 36.15 of the BNM's Guidelines on Capital Adequacy Framework (Capital Components).

The remaining portion of regulatory adjustments not deducted in calculation of Tier II Capital shall be deducted in the next higher tier of capital as prescribed under paragraph 31.1 of the BNM's Guidelines on Capital Adequacy Framework (Capital Components).

** Subordinated obligations that are recognised as Tier II Capital instruments are subject to the gradual phase-out treatment effective from 1 January 2013 as prescribed under paragraph 36.10 of the BNM's Guidelines on Capital Adequacy Framework (Capital Components).

^ Excludes collective impairment allowance attributable to loans and advances 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 for non-impaired loans of the Group and the Bank of RM20,633,000 (31.12.2015: RM22,615,000) and RM13,132,000 (31.12.2015: RM13,405,000) respectively.

The breakdown of risk-weighted assets in the various categories of risk-weights are as follows:

	Group		Bank	
	As at 31 March 2016	As at 31 December 2015	As at 31 March 2016	As at 31 December 2015
	RM'000	RM'000	RM'000	RM'000
Credit risk	3,113,480	2,962,955	2,389,933	2,640,434
Market risk	610,563	578,405	434,950	469,440
Operational risk	2,211,691	2,083,014	1,248,220	1,204,734
Total risk-weighted assets	5,935,734	5,624,374	4,073,103	4,314,608

The total risk-weighted assets of the Group and the Bank are computed based on BNM's Guidelines on Risk Weighted Capital Adequacy Framework: Standardised Approach for Credit and Market Risk and Basic Indicator Approach for Operational Risk (Basel II).

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

24 Commitments and Contingencies

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to its customers. Apart from the allowance for commitments and contingencies already made in the financial statements, no material losses are anticipated as a result of these transactions.

The commitments and contingencies comprise the following:

<u>Group</u>	<u>31 March 2016</u> RM'000	<u>31 December 2015</u> RM'000
Principal amount		
Obligations under underwriting agreements	23,955	-
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions	-	195,053
Irrevocable commitments to extend credit:		
- maturity not exceeding one year	1,842,297	1,761,866
- maturity exceeding one year	22	22
Foreign exchange related contracts: ^		
- less than one year	1,712,276	1,050,731
- one year to less than five years	-	198,874
Interest rate related contracts: ^		
- less than one year	920,000	860,000
- one year to less than five years	130,000	230,000
Equity related contracts: ^		
- less than one year	100	315
	<u>4,628,650</u>	<u>4,296,861</u>

^ These derivatives are revalued on gross position basis and the unrealised gains or losses have been reflected in the financial statements as derivatives assets or derivatives liabilities.

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24 Commitments and Contingencies (cont'd)

The commitments and contingencies comprise the following (cont'd):

Bank	31 March 2016	31 December 2015
	RM'000	RM'000
Principal amount		
Direct credit substitute #	734,883	800,539
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions	-	195,053
Irrevocable commitments to extend credit:		
- maturity not exceeding one year	329,986	314,781
- maturity exceeding one year	22	22
Foreign exchange related contracts: ^		
- less than one year	1,706,264	1,050,731
- one year to less than five years	-	198,874
Interest rate related contracts: ^		
- less than one year	920,000	860,000
- one year to less than five years	130,000	230,000
Equity related contracts: ^		
- less than one year	100	315
	3,821,255	3,650,315

Direct credit substitute comprises of financial guarantee given by the Bank to its subsidiaries.

^ These derivatives are revalued on gross position basis and the unrealised gains or losses has been reflected in the financial statements as derivatives assets or derivatives liabilities.

25 Capital Commitments

	Group		Bank	
	As at	As at	As at	As at
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
	RM'000	RM'000	RM'000	RM'000
Capital expenditure for property, plant and equipment				
- authorised and contracted for	38,840	38,881	31,903	30,480
- authorised but not contracted for	16,555	21,465	16,117	18,584
	55,395	60,346	48,020	49,064

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

26 Valuation of Property, Plant and Equipment

The property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

27 Status of Corporate Proposals

a) RHB Capital Group's internal reorganisation

The holding company, RHB Capital Berhad ('RHB Capital') had announced that it proposes to undertake various proposals, which include Rights Issue, Internal Reorganisation, Proposed Distribution and Capital Repayment, Proposed Transfer of Listing Status to RHB Bank Berhad ('RHB Bank') and Proposed M&A Amendments (collectively referred to as the 'Proposals').

On 14 April 2016, RHB Capital completed its Internal Reorganisation which entails the transfer by RHB Capital of its entire equity interests in, and certain assets and liabilities of, its subsidiaries to RHB Bank ('Identified Assets'), for a total consideration of approximately RM3.61 billion ('Disposal Consideration'). The Disposal Consideration was arrived at based on a 'willing-buyer, willing-seller' basis after taking into consideration the audited net assets/net liabilities and/or the audited net book value of the Identified Assets as extracted from the audited financial statements of the respective subsidiaries of RHB Capital as at 31 December 2014.

The Identified Assets comprise, amongst others, the entire equity interest in the Bank (which shall include its subsidiaries, associates and joint ventures), the entire equity interest in RHB Insurance Berhad and certain assets and liabilities of RHB Hartanah Sdn Bhd, including its subsidiary, RHB Property Management Sdn Bhd.

With the completion of the Internal Reorganisation, RHB Bank is effectively the new group holding company and immediate holding company of the Bank, which will now spearhead the Group's future growth and is expected to achieve greater synergy and efficiency.

b) Proposed Subscription in Digital Financial Lab Limited ('DFLL'), by RHB Finexasia.Com Sdn Bhd ('RHB Finex') and Silverlake International Capital Market Solution Limited ('Silverlake Capital').

RHB Finex, a company in which RHB Capital holds a 100% effective equity interest in through its 59.95% direct shareholding and 40.05% indirect shareholding through the Bank, which in turn is a wholly-owned subsidiary of RHB Capital, had on 6 August 2015 entered into a subscription agreement ('Agreement') with Silverlake International Capital Market Solution Limited ('Silverlake Capital'), to subscribe for redeemable convertible preference shares of USD1.00 each ('RCPS') at par in DFLL. Following the completion of RHB Capital Group's Internal Reorganisation as disclosed in Note 27(a), the 59.95% shareholding of RHB Capital in RHB Finex has been transferred to RHB Bank effective from 14 April 2016.

Pursuant to the Agreement, RHB Finex and Silverlake Capital will each subscribe for 50% RCPS in DFLL for RM10 million each ('Proposed Subscription'). The Proposed Subscription by RHB Finex will be funded by its internally generated funds. The RCPS shall rank *pari passu* with the existing ordinary shares of USD1.00 each ('Ordinary Shares') in DFLL in respect with the rights attached to the Ordinary Shares and shall be convertible at any time into Ordinary Shares at no extra cost.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

28 Events Subsequent to the Date of Statements of Financial Position

On 15 April 2016, the Bank has fully redeemed its existing Subordinated Notes of RM100.0 million in nominal value. The Subordinated Notes were issued on 15 April 2011 by the former OSK Investment Bank Berhad (now known as OSKIB Sdn Bhd), which is now undertaken by the Bank pursuant to the transfer of the business, assets and liabilities of OSK Investment Bank Berhad to the Bank which took effect from 13 April 2013.

29 Changes in the Composition of the Group

Acquisition of RHB Entrepreneur Fund ('Fund')

During the financial quarter, the Bank has acquired effective control in the Fund, via:

- i) injection of capital amounting to SGD5,000,000, equivalent to RM15,325,000 on 22 January 2016; and
- ii) additional capital injection of SGD15,000,000, equivalent to RM45,105,000 on 15 March 2016.

The Group has consolidated the Fund in accordance with MFRS 10 'Consolidated Financial Statements' as a subsidiary of the Bank with effective equity interest of 49.44% as at 31 March 2016.

30 Changes in Profit for the Quarter

For the current financial quarter ended 31 March 2016, the Group recorded a pre-tax profit of RM35.1 million, more than 600% of the pre-tax loss of RM6.8 million for the preceding quarter ended 31 December 2015. The higher profit was mainly due to lower other operating expenses by RM83.1 million and lower impairment losses on other assets by RM11.6 million, partially offset with lower other operating income by RM51.6 million, higher allowance for impairment made on loans, advances and other losses by RM0.9 million and lower net interest income by RM0.3 million.

31 Performance Review

For the three months ended 31 March 2016, the Group recorded a pre-tax profit of RM35.1 million, 24.9% higher as compared to the previous year corresponding period of RM28.1 million. The increase in profit was mainly due to lower other operating expenses by RM14.4 million, higher net interest income by RM3.1 million and higher other operating income by RM2.1 million, partially offset with higher allowance for impairment on loans, advances and other losses by RM9.3 million and lower impairment losses written back on other assets by RM3.3 million.

32 Prospects for 2016

The Malaysian economy started the year on a firmer footing following the rebound of commodity prices and the strengthening of Ringgit. Nevertheless, GDP growth is expected to moderate to 4% to 4.5% in 2016 from 5.0% in 2015 on the back of slower public spending, more cautious investment trends and sluggish global growth.

Growth in the banking sector is expected to be modest, with slower loan demand, continued subdued fee income from investment banking and capital markets and expectation of deterioration in asset quality.

The immediate holding company, RHB Capital Berhad ('RHB Capital') has on 14 April 2016 successfully completed its Internal Reorganisation which entails the transfer of its entire equity interests in identified subsidiaries (which include amongst others, the Bank), and certain assets and liabilities of RHB Hartanah Sdn Bhd, to RHB Bank Berhad ('RHB Bank') for a total consideration of RM3.61 billion.

With the completion of the Internal Reorganisation, RHB Bank is effectively the new holding company of the RHB Banking Group.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

33 Fair Value of Financial Instruments

Determination of fair value and fair value hierarchy

The Group and the Bank analyse their financial instruments measured at fair value into three categories as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Valuations derived from valuation techniques in which one or more significant inputs are not based on observable market data.

The table below analyses financial instruments carried at fair value analysed by level within the fair value hierarchy:

Group	Level 1	Level 2	Level 3	Total
31 March 2016	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at FVTPL:	336,021	4,287	144,943	485,251
- quoted securities	336,021	-	-	336,021
- unquoted securities	-	4,287	144,943	149,230
Financial investments AFS:	57,905	2,673,988	120,325	2,852,218
- money market instruments	-	988,087	-	988,087
- quoted securities	57,905	-	-	57,905
- unquoted securities	-	1,685,901	120,325	1,806,226
Derivative assets	-	35,867	-	35,867
	<u>393,926</u>	<u>2,714,142</u>	<u>265,268</u>	<u>3,373,336</u>
<u>Financial liabilities</u>				
Derivative liabilities	<u>21,847</u>	<u>101,866</u>	<u>-</u>	<u>123,713</u>
Group	Level 1	Level 2	Level 3	Total
31 December 2015	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at FVTPL:	239,516	4,748	153,863	398,127
- quoted securities	239,516	-	-	239,516
- unquoted securities	-	4,748	153,863	158,611
Financial investments AFS:	44,950	3,247,450	120,071	3,412,471
- money market instruments	-	1,359,394	-	1,359,394
- quoted securities	44,950	-	-	44,950
- unquoted securities	-	1,888,056	120,071	2,008,127
Derivative assets	-	57,906	-	57,906
	<u>284,466</u>	<u>3,310,104</u>	<u>273,934</u>	<u>3,868,504</u>
<u>Financial liabilities</u>				
Derivative liabilities	<u>30,038</u>	<u>97,508</u>	<u>-</u>	<u>127,546</u>

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

33 Fair Value of Financial Instruments (cont'd)

Determination of fair value and fair value hierarchy (cont'd)

The table below analyses financial instruments carried at fair value analysed by level within the fair value hierarchy: (cont'd)

Bank	Level 1	Level 2	Level 3	Total
31 March 2016	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at FVTPL:	81,843	-	35,131	116,974
- quoted securities	81,843	-	-	81,843
- unquoted securities	-	-	35,131	35,131
Financial investments AFS:	38,320	2,673,988	48,475	2,760,783
- money market instruments	-	988,087	-	988,087
- quoted securities	38,320	-	-	38,320
- unquoted securities	-	1,685,901	48,475	1,734,376
Derivative assets	-	35,867	-	35,867
	120,163	2,709,855	83,606	2,913,624
<u>Financial liabilities</u>				
Derivative liabilities				
- money market instruments	21,847	99,763	-	121,610
<u>Bank</u>				
31 December 2015	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at FVTPL:	96,446	-	35,131	131,577
- quoted securities	96,446	-	-	96,446
- unquoted securities	-	-	35,131	35,131
Financial investments AFS:	25,070	3,238,177	48,202	3,311,449
- money market instruments	-	1,359,394	-	1,359,394
- quoted securities	25,070	-	-	25,070
- unquoted securities	-	1,878,783	48,202	1,926,985
Derivative assets	-	57,906	-	57,906
	121,516	3,296,083	83,333	3,500,932
<u>Financial liabilities</u>				
Derivative liabilities	28,486	97,508	-	125,994

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

33 Fair Value of Financial Instruments (cont'd)

Valuation techniques and sensitivity analysis

Financial instruments are classified as Level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted prices are readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an on-going basis. These would include quoted securities and unit trusts.

Where fair value is determined using unquoted market prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2. In cases where quoted prices are generally not available, the Group and the Bank then determines fair value based upon valuation techniques that use market parameters including but not limited to yield curves, volatilities and foreign exchange rates as inputs. The majority of valuation techniques employ only observable market data. These would include certain bonds, government bonds, corporate debt securities and derivatives.

Financial instruments are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). This category includes unquoted shares held for socio economic reasons and unquoted corporate loan stocks. Fair values for shares held for socio economic reasons are based on the net tangible assets of the affected companies. For unquoted corporate loan stocks, discounted cash flow analysis have been performed to determine the recoverability of the instruments.

Reconciliation of movements in Level 3 financial instruments

The following represents the changes in Level 3 instruments for the financial period/year ended 31 March 2016 and 31 December 2015 for the Group and the Bank:

Group	Financial assets at FVTPL		Financial investments AFS	
	As at	As at	As at	As at
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
	RM'000	RM'000	RM'000	RM'000
Balance as at the beginning of the financial period/year	153,863	40,000	120,071	123,896
Total gains recognised in other comprehensive income	-	-	-	1,864
Total gains/(losses) recognised in income statements				
- Other operating income	-	(19,868)	273	830
- Impairment losses made	-	-	-	(6,348)
Purchases	1,891	133,731	-	-
Settlements	-	-	-	(190)
Exchange differences	(10,811)	-	(19)	19
Balance as at the end of the financial period/year	144,943	153,863	120,325	120,071

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

33 Fair Value of Financial Instruments (cont'd)

Reconciliation of movements in Level 3 financial instruments (cont'd)

The following represents the changes in Level 3 instruments for the financial period/year ended 31 March 2016 and 31 December 2015 for the Group and the Bank: (cont'd)

	Financial assets FVTPL		Financial investments AFS	
	As at 31 March 2016	As at 31 December 2015	As at 31 March 2016	As at 31 December 2015
	RM'000	RM'000	RM'000	RM'000
Bank				
Balance as at the beginning of the financial period/year	35,131	40,000	48,202	51,602
Total gains recognised in other comprehensive income	-	-	-	1,864
Total gains/(losses) recognised in income statements				
- Other operating income	-	(4,869)	273	830
- Impairment losses made	-	-	-	(6,094)
Balance as at the end of the financial period/year	35,131	35,131	48,475	48,202

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

34 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined RHB Capital Group's Management Committee as its chief operating decision-maker.

The Group's business segments can be organised into the following main segments reflecting the Group's internal reporting structure:

(a) Investment Banking

Investment banking provides services for advisory, fund raising in the structuring and issuance of debt securities and capital market instruments, corporate and debt restructuring, mergers and acquisitions, private placements, underwriting, structuring of bilateral lending, project financing, loans syndication, infrastructure financing, initial public offerings of equity related instruments, private placements and underwriting. This segment also covers facilities for equity share trading in local and foreign markets, share margin financing, futures broking products and services, custodian and nominees services, investment cash management and unit trust funds.

Included in Investment Banking are Stockbroking and Investment Banking products and services to RHB regional customers in Singapore, Hong Kong, Indonesia and Thailand.

(b) Treasury

Treasury and money market operations is involved in proprietary trading of various financial products that include short-term money market instruments, long term securities and foreign exchange and derivatives products, as well as funding centre.

(c) Asset Management

Asset Management business focuses on providing investment management services, unit trust fund management services, Islamic funds management services, wills and trustee services.

Asset Management consists of the Group's Asset Management and Trustee businesses, which includes overseas business operations in Singapore, Hong Kong and Indonesia.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

34 Segment Reporting (cont'd)

Segment Profit and Loss for the Three Months Ended 31 March 2016

Group	Investment	Treasury	Asset	Others and	Total
	Banking		Management	Elimination	
	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	172,877	13,500	58,298	-	244,675
Inter-segment revenue	3,767	-	-	(3,767)	-
Segment revenue	176,644	13,500	58,298	(3,767)	244,675
Overhead expenses	(153,860)	(5,567)	(47,279)	3,767	(202,939)
Including:					
Depreciation of property, plant and equipment	(5,744)	(64)	(222)	-	(6,030)
Amortisation of intangible assets	(2,729)	(467)	(89)	-	(3,285)
Allowance (made)/written back for impairment on loans, advances and other losses	(6,760)	-	11	-	(6,749)
	16,024	7,933	11,030	-	34,987
Share of results of associates					65
Share of results of joint ventures					56
Profit before taxation					35,108
Taxation					(5,604)
Net profit for the financial period					29,504

Segment Assets and Liabilities as at 31 March 2016

Group	Investment	Treasury	Asset	Others and	Total
	Banking		Management	Elimination	
	RM'000	RM'000	RM'000	RM'000	RM'000
Segment assets	6,262,904	6,008,935	307,103	(1,671,584)	10,907,358
Goodwill	512,391	614,176	143,367	-	1,269,934
Investment in associates and joint ventures					19,691
Tax recoverable					51,012
Deferred tax assets					24,875
Total assets					12,272,870
Segment liabilities	2,802,035	5,270,708	202,971	(137,899)	8,137,815
Tax liabilities					8,230
Deferred tax liabilities					3,589
Borrowings					410,418
Subordinated obligations					555,275
Total liabilities					9,115,327

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2016 (cont'd)

34 Segment Reporting (cont'd)

Segment Profit and Loss for the Three Months Ended 31 March 2015

Group	Investment Banking RM'000	Treasury RM'000	Asset Management RM'000	Others and Elimination RM'000	Total RM'000
External revenue	172,623	15,537	51,282	-	239,442
Inter-segment revenue	5,957	-	-	(5,957)	-
Segment revenue	178,580	15,537	51,282	(5,957)	239,442
Overhead expenses	(176,669)	(4,303)	(42,406)	5,957	(217,421)
Including:					
Depreciation of property, plant and equipment	(6,137)	(467)	(306)	-	(6,910)
Amortisation of intangible assets	(5,200)	(575)	(67)	-	(5,842)
Allowance written back/(made) for impairment on loans, advances and other losses	2,581	-	(63)	-	2,518
Impairment losses written back on other assets	3,300	-	-	-	3,300
	7,792	11,234	8,813	-	27,839
Share of results of associates					132
Share of results of joint ventures					85
Profit before taxation					28,056
Taxation					(8,694)
Net profit for the financial period					19,362

Segment Assets and Liabilities as at 31 December 2015

Group	Investment Banking RM'000	Treasury RM'000	Asset Management RM'000	Others and Elimination RM'000	Total RM'000
Segment assets	5,375,615	5,815,299	284,162	(1,651,947)	9,823,129
Goodwill	512,391	614,176	143,367	-	1,269,934
Investment in associates and joint ventures					20,899
Tax recoverable					38,979
Deferred tax assets					30,601
Total assets					11,183,542
Segment liabilities	2,193,056	4,819,561	187,896	(148,223)	7,052,290
Tax liabilities					8,895
Deferred tax liabilities					3,728
Borrowings					457,784
Subordinated obligations					548,822
Total liabilities					8,071,519