

**RHB Investment Bank Berhad**  
**Basel II Pillar 3 Quantitative Disclosures**  
30 June 2017

**RHB INVESTMENT BANK GROUP  
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2017**

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**STATEMENT BY CHIEF EXECUTIVE OFFICER**

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 Investment Bank Berhad, I am pleased to provide an attestation that the Basel II Pillar 3 Quantitative Disclosures of RHB Investment Bank Berhad as at 30 June 2017 is accurate and complete.

**ROBERT ANGELO HENDRO SANTOSO HURAY**  
Chief Executive Officer

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**INTRODUCTION**

This document discloses RHB Investment Bank Berhad's quantitative disclosure in accordance with the 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 2017 with comparative quantitative information of the preceding financial year as at 31 December 2016. This disclosure report has been verified and approved internally in line with the RHB Banking Group 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:

<b>Entity</b>	<b>Credit Risk</b>	<b>Market Risk</b>	<b>Operational Risk</b>
RHB Investment Bank Berhad	Standardised Approach	Standardised Approach	Basic Indicator Approach

RHB Investment Bank Berhad's Pillar 3 disclosure report will be made available under the Investor Relations section of the Group's website at [www.rhbgroup.com](http://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 Investment Bank Berhad's information is presented on a consolidated basis, namely RHB Investment Bank Berhad with its overseas operations, its subsidiaries and its overseas joint venture company, and is referred to as 'RHB Investment Bank Group' or 'the Group'.

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).

Bank Negara Malaysia ('BNM') had on 3 May 2017, issued a Revised Policy Document on Capital Funds ('Revised Policy Document') which is applicable to banking institutions in Malaysia that covers licenced investment bank. The issuance of this Revised Policy Document has superseded guideline issued by BNM previously, namely Capital Funds dated 1 July 2013.

The key changes in the Revised Policy Document are:

- (1) the removal of the requirement on maintenance of a reserve fund; and
- (2) the revised component of capital funds shall exclude share premium and reserve fund

The Group also offers advisory and fund raising services and issuances of various forms of debt securities, comprising bonds, commercial papers, medium term notes and asset-backed securities for Islamic finance facilities. The Bank also distributes a full array of domestic and global unit trust funds including Shariah compliant funds, derivatives and structured products.

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

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Table 1: Capital Adequacy Ratios

	RHB Investment Bank Group		RHB Investment Bank	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
<b><u>Before proposed dividends</u></b>				
Common Equity Tier I Capital Ratio	29.294%	30.376%	32.818%	29.623%
Tier I Capital Ratio	29.530%	30.588%	32.818%	29.623%
Total Capital Ratio	37.206%	38.440%	39.068%	29.623%
<b><u>After proposed dividends</u></b>				
Common Equity Tier I Capital Ratio	29.294%	30.376%	32.818%	29.623%
Tier I Capital Ratio	29.530%	30.588%	32.818%	29.623%
Total Capital Ratio	37.206%	38.440%	39.068%	29.623%

Table 2: Risk Weighted Assets ('RWA') by Risk Types

<b><u>Risk Types</u></b>	RHB Investment Bank Group		RHB Investment Bank	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
	RM'000	RM'000	RM'000	RM'000
Credit RWA	1,769,689	2,389,833	672,962	1,269,201
Market RWA	2,308,877	1,485,510	571,053	676,232
Operational RWA	1,907,294	1,928,196	1,125,673	1,151,279
<b>Total</b>	<b>5,985,860</b>	<b>5,803,539</b>	<b>2,369,688</b>	<b>3,096,712</b>

Table 3a: Risk Weighted Assets by Risk Types and Minimum Capital Requirements as at 30 June 2017

<b><u>Risk Types</u></b>	RWA		Minimum Capital Requirements	
	RHB Investment Bank Group	RHB Investment Bank	RHB Investment Bank Group	RHB Investment Bank
	RM'000	RM'000	RM'000	RM'000
<b>Credit Risk</b>				
<i>Under Standardised Approach</i>	1,769,689	672,962	141,575	53,837
<b>Market Risk</b>				
<i>Under Standardised Approach</i>	2,308,877	571,053	184,710	45,684
<b>Operational Risk</b>				
<i>Under Basic Indicator Approach</i>	1,907,294	1,125,673	152,584	90,054
<b>Total</b>	<b>5,985,860</b>	<b>2,369,688</b>	<b>478,869</b>	<b>189,575</b>

Table 3b: Risk Weighted Assets by Risk Types and Minimum Capital Requirements as at 31 December 2016

<b><u>Risk Types</u></b>	RWA		Minimum Capital Requirements	
	RHB Investment Bank Group	RHB Investment Bank	RHB Investment Bank Group	RHB Investment Bank
	RM'000	RM'000	RM'000	RM'000
<b>Credit Risk</b>				
<i>Under Standardised Approach</i>	2,389,833	1,269,201	191,187	101,536
<b>Market Risk</b>				
<i>Under Standardised Approach</i>	1,485,510	676,232	118,841	54,099
<b>Operational Risk</b>				
<i>Under Basic Indicator Approach</i>	1,928,196	1,151,279	154,256	92,102
<b>Total</b>	<b>5,803,539</b>	<b>3,096,712</b>	<b>464,284</b>	<b>247,737</b>

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**Table 4: Capital Structure**

	RHB Investment Bank Group		RHB Investment Bank	
	30.06.2017	31.12.2016	30.06.2017	31.12.2016
	RM'000	RM'000	RM'000	RM'000
<b><u>Common Equity Tier I Capital / Tier I Capital</u></b>				
Paid up ordinary share capital	2,333,796	818,646	2,333,796	818,646
Share premium	-	1,515,150	-	1,515,150
Retained profits <sup>1</sup>	648,993	199,497	800,881	351,586
Other reserves <sup>1</sup>	142,455	602,591	-	449,208
Available for sale ('AFS') reserves	13,894	876	21,043	7,850
<b>Less:</b>	-	-	-	-
Goodwill	(1,269,934)	(1,269,934)	(1,118,418)	(1,118,418)
Investments in subsidiaries, associates and joint ventures (portion deducted from CET I Capital) <sup>2</sup>	(43,774)	(32,993)	(1,221,206)	(915,469)
Intangible assets	(46,590)	(50,958)	(24,305)	(27,086)
55% of cumulative gains arising from change in value of AFS instruments	(7,642)	(482)	(11,574)	(4,318)
Other deductions	(20)	(29)	(20)	(29)
Deferred tax assets	(17,652)	(19,477)	(2,517)	(7,919)
Reduction in excess of Tier II Capital due to insufficient Tier II capital <sup>3</sup>	-	-	-	(151,853)
<b>Total Common Equity Tier I Capital</b>	<b>1,753,526</b>	<b>1,762,887</b>	<b>777,680</b>	<b>917,348</b>
Qualifying non controlling interest recognised as Tier I Capital	14,129	12,321	-	-
<b>Total Tier I Capital</b>	<b>1,767,655</b>	<b>1,775,208</b>	<b>777,680</b>	<b>917,348</b>
<b><u>Tier II Capital</u></b>				
Subordinated obligations subject to gradual phase out treatment <sup>4</sup>	245,000	245,000	245,000	245,000
Subordinated obligations meeting all relevant criteria	200,000	200,000	200,000	200,000
Qualifying non controlling interest recognised as Tier II Capital	3,238	2,822	-	-
Collective impairment allowances and regulatory reserves <sup>5</sup>	22,121	29,873	8,412	13,460
<b>Less:</b>	-	-	-	-
Investments in subsidiaries, associates and joint ventures	(10,944)	(21,996)	(305,301)	(458,460)
<b>Total Tier II Capital</b>	<b>459,415</b>	<b>455,699</b>	<b>148,111</b>	<b>-</b>
<b>Total Capital</b>	<b>2,227,070</b>	<b>2,230,907</b>	<b>925,791</b>	<b>917,348</b>

Note:

- During the financial period, the Group and the Bank had transferred a total of RM449,208,000 and RM449,208,000 respectively from the statutory reserves to retained profits pursuant to the adoption of the Revised Policy Document
- 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).
- 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 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/Advances.

Includes the qualifying regulatory reverses for loans of the Group and the Bank of RM18,488,000 (31 December 2016 : RM13,082,000) and RM8,318,000 (31 December 2016 : RM13,008,000) respectively.

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Table 5a: 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 2017

RHB Investment Bank Group				
<u>Exposure Class</u>	Gross	Net Exposures /	Risk Weighted	Minimum
	Exposures / EAD before CRM	EAD after CRM	Assets	Capital Requirement
	RM'000	RM'000	RM'000	RM'000
<b><u>Exposures under the Standardised Approach</u></b>				
<b><u>On Balance Sheet Exposures</u></b>				
Sovereigns & Central Banks	757,954	757,954	1,901	152
Banks, Development Financial Institutions & MDBs	1,371,636	1,371,636	274,412	21,953
Insurance Cos, Securities Firms & Fund Managers	408,236	408,236	408,236	32,659
Corporates	2,978,940	1,244,978	171,647	13,732
Residential Mortgages	439	439	154	12
Higher Risk Assets	27	27	40	3
Other Assets	1,903,678	1,903,678	681,671	54,534
Securitisation Exposures	-	-	-	-
Equity Exposures	35,222	35,222	50,366	4,029
Defaulted Exposures	33,079	29,257	31,568	2,526
<b>Total On Balance Sheet Exposures</b>	<b>7,489,211</b>	<b>5,751,427</b>	<b>1,619,995</b>	<b>129,600</b>
<b><u>Off Balance Sheet Exposures</u></b>				
OTC Derivatives	6,804	5,581	1,155	92
Off balance sheet exposures other than OTC derivatives or credit derivatives	425,403	148,535	148,539	11,883
Defaulted Exposures	-	-	-	-
<b>Total Off Balance Sheet Exposures</b>	<b>432,207</b>	<b>154,116</b>	<b>149,694</b>	<b>11,975</b>
<b>Total On and Off Balance Sheet Exposures</b>	<b>7,921,418</b>	<b>5,905,543</b>	<b>1,769,689</b>	<b>141,575</b>

Table 5b: Summary of Credit Exposures with Credit Risk Mitigation ('CRM') by Asset Class and Minimum Capital Requirements (On and Off Balance Sheet Exposures) as at 31 December 2016

RHB Investment Bank Group				
<u>Exposure Class</u>	Gross	Net Exposures /	Risk Weighted	Minimum
	Exposures / EAD before CRM	EAD after CRM	Assets	Capital Requirement
	RM'000	RM'000	RM'000	RM'000
<b><u>Exposures under the Standardised Approach</u></b>				
<b><u>On Balance Sheet Exposures</u></b>				
Sovereigns & Central Banks	744,001	744,001	1,962	157
Banks, Development Financial Institutions & MDBs	1,946,684	1,946,684	484,671	38,774
Insurance Cos, Securities Firms & Fund Managers	613,755	613,755	613,755	49,100
Corporates	2,706,122	1,029,732	239,560	19,165
Residential Mortgages	566	566	198	16
Higher Risk Assets	28	28	42	3
Other Assets	1,936,121	1,936,121	727,363	58,189
Securitisation Exposures	-	-	-	-
Equity Exposures	33,091	33,091	48,665	3,893
Defaulted Exposures	96,198	78,462	106,323	8,506
<b>Total On Balance Sheet Exposures</b>	<b>8,076,566</b>	<b>6,382,440</b>	<b>2,222,539</b>	<b>177,803</b>
<b><u>Off Balance Sheet Exposures</u></b>				
OTC Derivatives	13,380	12,794	2,662	213
Off balance sheet exposures other than OTC derivatives or credit derivatives	413,707	164,628	164,632	13,171
Defaulted Exposures	-	-	-	-
<b>Total Off Balance Sheet Exposures</b>	<b>427,087</b>	<b>177,422</b>	<b>167,294</b>	<b>13,384</b>
<b>Total On and Off Balance Sheet Exposures</b>	<b>8,503,653</b>	<b>6,559,862</b>	<b>2,389,833</b>	<b>191,187</b>

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**Table 6a: Exposures on Off Balance Sheet and Counterparty Credit Risk (Before Credit Risk Mitigation) as at 30 June 2017**

RHB Investment 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	-		-	-
NIFs and obligations under underwriting agreement	-		-	-
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo style transactions				
Foreign exchange related contracts	144,102	5	1,987	397
1 year or less	144,102	5	1,987	397
Over 1 year to 5 years	-	-	-	-
Over 5 years	-	-	-	-
Interest rate related contracts	90,000	440	889	178
1 year or less	60,000	83	232	47
Over 1 year to 5 years	30,000	357	657	131
Over 5 years	-	-	-	-
Equity related contracts	51,708	825	3,928	579
1 year or less	51,708	825	3,928	579
Over 1 year to 5 years	-	-	-	-
Over 5 years	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with original maturity of over 1 year	1,121		561	15
Other commitments, such as formal standby facilities and credit lines, with original maturity of up to 1 year	2,124,209		424,842	148,525
Any commitments that are unconditionally cancellable at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	-		-	-
<b>Total</b>	<b>2,411,140</b>	<b>1,270</b>	<b>432,207</b>	<b>149,694</b>

**Table 6b: Exposures on Off Balance Sheet and Counterparty Credit Risk (Before Credit Risk Mitigation) as at 31 December 2016**

RHB Investment 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	-		-	-
NIFs and obligations under underwriting agreement	-		-	-
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo style transactions				
Foreign exchange related contracts	351,858	6,573	10,725	2,241
1 year or less	351,858	6,573	10,725	2,241
Over 1 year to 5 years	-	-	-	-
Over 5 years	-	-	-	-
Interest rate related contracts	230,000	629	1,669	340
1 year or less	140,000	29	169	40
Over 1 year to 5 years	90,000	600	1,500	300
Over 5 years	-	-	-	-
Equity related contracts	14,368	125	987	80
1 year or less	14,368	125	987	80
Over 1 year to 5 years	-	-	-	-
Over 5 years	-	-	-	-
Other commitments, such as formal standby facilities and credit lines, with original maturity of over 1 year	600		300	15
Other commitments, such as formal standby facilities and credit lines, with original maturity of up to 1 year	2,067,036		413,407	164,617
Any commitments that are unconditionally cancellable at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	-		-	-
<b>Total</b>	<b>2,663,862</b>	<b>7,327</b>	<b>427,088</b>	<b>167,293</b>



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Table 7a: Credit Risk Exposures (Before Credit Risk Mitigation) by Geographical Distribution as at 30 June 2017

RHB Investment Bank Group

<u>Exposure Class</u>	<u>Malaysia</u>	<u>Singapore</u>	<u>Hong Kong</u>	<u>Indonesia</u>	<u>Thailand</u>	<u>Cambodia</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b><u>Exposures under Standardised Approach</u></b>							
Sovereigns & Central Banks	753,753	-	-	-	-	4,201	757,954
Banks, Development Financial Institutions & MDBs	969,341	86,487	44,524	116,226	121,806	38,727	1,377,111
Insurance Cos, Securities Firms & Fund Managers	15,013	357,002	30,508	1	5,712	-	408,236
Corporates	2,448,259	180,936	441,168	102,004	266,318	-	3,438,685
Residential Mortgages	439	-	-	-	-	-	439
Higher Risk Assets	34	-	-	-	-	-	34
Other Assets	916,791	439,866	124,420	140,516	281,264	880	1,903,737
<b>Total</b>	<b>5,103,630</b>	<b>1,064,291</b>	<b>640,620</b>	<b>358,747</b>	<b>675,100</b>	<b>43,808</b>	<b>7,886,196</b>

Table 7b: Credit Risk Exposures (Before Credit Risk Mitigation) by Geographical Distribution as at 31 December 2016

RHB Investment Bank Group

<u>Exposure Class</u>	<u>Malaysia</u>	<u>Singapore</u>	<u>Hong Kong</u>	<u>Indonesia</u>	<u>Thailand</u>	<u>Cambodia</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b><u>Exposures under Standardised Approach</u></b>							
Sovereigns & Central Banks	739,557	-	-	-	-	4,444	744,001
Banks, Development Financial Institutions & MDBs	1,555,638	172,203	52,485	93,733	44,628	40,390	1,959,077
Insurance Cos, Securities Firms & Fund Managers	41,536	554,104	15,453	1	2,661	-	613,755
Corporates	2,158,244	112,668	597,592	59,595	288,506	-	3,216,605
Residential Mortgages	566	-	-	-	-	-	566
Higher Risk Assets	36	-	-	-	-	-	36
Other Assets	1,081,519	295,707	65,464	264,649	228,064	1,119	1,936,522
<b>Total</b>	<b>5,577,096</b>	<b>1,134,682</b>	<b>730,994</b>	<b>417,978</b>	<b>563,859</b>	<b>45,953</b>	<b>8,470,562</b>

Note: This table excludes equity and securitisation exposures

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Table 8a: Credit Risk Exposures (Before Credit Risk Mitigation) by Industry Sector as at 30 June 2017

RHB Investment 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, 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
<u>Exposures under Standardised Approach</u>												
Sovereigns & Central Banks	-	-	-	-	-	-	-	54,986	702,968	-	-	757,954
Banks, Development Financial Institutions & MDBs	-	-	-	-	-	-	-	1,377,111	-	-	-	1,377,111
Insurance Cos, Securities Firms & Fund Managers	-	-	-	-	-	-	-	408,236	-	-	-	408,236
Corporates	47,096	-	41,476	45,448	192,853	5,037	176,059	1,792,625	145,789	992,302	-	3,438,685
Residential Mortgages	-	-	-	-	-	-	-	-	-	439	-	439
Higher Risk Assets	-	-	-	-	-	-	-	-	-	34	-	34
Other Assets	-	-	-	-	-	-	-	540,405	-	-	1,363,332	1,903,737
<b>Total</b>	<b>47,096</b>	<b>-</b>	<b>41,476</b>	<b>45,448</b>	<b>192,853</b>	<b>5,037</b>	<b>176,059</b>	<b>4,173,363</b>	<b>848,757</b>	<b>992,775</b>	<b>1,363,332</b>	<b>7,886,196</b>

Table 8b: Credit Risk Exposures (Before Credit Risk Mitigation) by Industry Sector as at 31 December 2016

RHB Investment 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, 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
<u>Exposures under Standardised Approach</u>												
Sovereigns & Central Banks	-	-	-	-	-	-	-	43,243	700,758	-	-	744,001
Banks, Development Financial Institutions & MDBs	-	-	-	-	-	-	-	1,959,077	-	-	-	1,959,077
Insurance Cos, Securities Firms & Fund Managers	-	-	-	-	-	-	-	613,755	-	-	-	613,755
Corporates	75,678	886	45,995	45,414	195,390	114,084	85,126	1,097,295	61,299	1,495,438	-	3,216,605
Residential Mortgages	-	-	-	-	-	-	-	-	-	566	-	566
Higher Risk Assets	-	-	-	-	-	-	-	-	-	36	-	36
Other Assets	-	-	-	-	-	-	-	455,486	-	-	1,481,036	1,936,522
<b>Total</b>	<b>75,678</b>	<b>886</b>	<b>45,995</b>	<b>45,414</b>	<b>195,390</b>	<b>114,084</b>	<b>85,126</b>	<b>4,168,856</b>	<b>762,057</b>	<b>1,496,040</b>	<b>1,481,036</b>	<b>8,470,562</b>

Note: This table excludes equity and securitisation exposures

RHB INVESTMENT BANK GROUP  
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2017

Table 9a: Credit Risk Exposures (Before Credit Risk Mitigation) by Remaining Maturity as at 30 June 2017

RHB Investment Bank Group				
<u>Exposure Class</u>	One year	More than	Over	Total
	or less	one to	five years	
	RM'000	five years	RM'000	RM'000
<b><u>Exposures under Standardised Approach</u></b>				
Sovereigns & Central Banks	30,480	463,431	264,043	757,954
Banks, Development Financial Institutions & MDBs	63,359	656	1,313,096	1,377,111
Insurance Cos, Securities Firms & Fund Managers	-	-	408,236	408,236
Corporates	2,385,488	684,666	368,531	3,438,685
Residential Mortgages	-	145	294	439
Higher Risk Assets	-	-	34	34
Other Assets	58	-	1,903,679	1,903,737
<b>Total</b>	<b>2,479,385</b>	<b>1,148,898</b>	<b>4,257,913</b>	<b>7,886,196</b>

Table 9b: Credit Risk Exposures (Before Credit Risk Mitigation) by Remaining Maturity as at 31 December 2016

RHB Investment Bank Group				
<u>Exposure Class</u>	One year	More than	Over	Total
	or less	one to	five years	
	RM'000	five years	RM'000	RM'000
<b><u>Exposures under Standardised Approach</u></b>				
Sovereigns & Central Banks	20,295	475,032	248,674	744,001
Banks, Development Financial Institutions & MDBs	462,201	317,668	1,179,208	1,959,077
Insurance Cos, Securities Firms & Fund Managers	-	-	613,755	613,755
Corporates	2,257,296	476,972	482,337	3,216,605
Residential Mortgages	-	242	324	566
Higher Risk Assets	-	-	36	36
Other Assets	401	-	1,936,121	1,936,522
<b>Total</b>	<b>2,740,193</b>	<b>1,269,914</b>	<b>4,460,455</b>	<b>8,470,562</b>

Note: This table excludes equity and securitisation exposures

RHB INVESTMENT BANK GROUP  
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2017

Table 10a: Portfolios under the Standardised Approach by Risk Weights as at 30 June 2017

RHB Investment Bank Group

Exposure Class	Sovereigns & Central Banks RM'000	Public Sector Entities RM'000	Banks, Development Financial Institutions & MDBs RM'000	Insurance/ Takaful Cos, Securities Firms & Fund Managers RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Higher Risk Assets RM'000	Other Assets RM'000	Equity Exposures RM'000	Total Exposures after Credit Risk Mitigation RM'000	Total Risk Weighted Assets RM'000
<b>Supervisory Risk Weights (%)</b>												
0%	748,448	-	-	-	506,475	-	-	-	789,731	-	2,044,654	-
20%	9,506	-	1,376,827	-	696,345	-	-	-	540,404	-	2,623,082	524,616
35%	-	-	-	-	-	-	439	-	-	-	439	154
50%	-	-	284	-	31,396	-	-	-	-	-	31,680	15,840
75%	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	-	408,236	172,133	-	-	-	573,602	4,935	1,158,906	1,158,906
150%	-	-	-	-	16,461	-	-	34	-	30,287	46,782	70,173
<b>Total Exposures</b>	<b>757,954</b>	<b>-</b>	<b>1,377,111</b>	<b>408,236</b>	<b>1,422,810</b>	<b>-</b>	<b>439</b>	<b>34</b>	<b>1,903,737</b>	<b>35,222</b>	<b>5,905,543</b>	<b>1,769,689</b>

Table 10b: Portfolios under the Standardised Approach by Risk Weights as at 31 December 2016

RHB Investment Bank Group

Exposure Class	Sovereigns & Central Banks RM'000	Public Sector Entities RM'000	Banks, Development Financial Institutions & MDBs RM'000	Insurance/ Takaful Cos, Securities Firms & Fund Managers RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Higher Risk Assets RM'000	Other Assets RM'000	Equity Exposures RM'000	Total Exposures after Credit Risk Mitigation RM'000	Total Risk Weighted Assets RM'000
<b>Supervisory Risk Weights (%)</b>												
0%	734,191	-	-	-	205,734	-	-	-	844,690	-	1,784,615	-
20%	9,810	-	1,691,030	-	705,795	-	-	-	455,486	-	2,862,121	572,424
35%	-	-	-	-	-	-	566	-	-	-	566	198
50%	-	-	237,999	-	50,976	-	-	-	-	-	288,975	144,488
75%	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	30,048	613,755	243,217	-	-	-	636,346	1,943	1,525,309	1,525,309
150%	-	-	-	-	67,092	-	-	36	-	31,148	98,276	147,414
<b>Total Exposures</b>	<b>744,001</b>	<b>-</b>	<b>1,959,077</b>	<b>613,755</b>	<b>1,272,814</b>	<b>-</b>	<b>566</b>	<b>36</b>	<b>1,936,522</b>	<b>33,091</b>	<b>6,559,862</b>	<b>2,389,833</b>

RHB INVESTMENT BANK GROUP  
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2017

Table 11a: Rated Exposures According to Ratings by External Credit Assessment Institutions ('ECAIs') as at 30 June 2017

RHB Investment 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>							
Insurance Cos, Securities Firms & Fund Managers		-	-	-	-	408,236	
Corporates		696,345	19,557	-	3,288	703,620	
	Moody's	P-1	P-2	P-3	Others	Unrated	
	S&P	A-1	A-2	A-3	Others	Unrated	
	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 and Off Balance Sheet Exposures</u>							
Banks, Development Financial Institutions & MDBs		-	-	-	-	-	
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	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
<u>Exposure Class</u>	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		-	757,954	-	-	-	-
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	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	BBB1 to	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		119,221	284	-	-	-	1,257,606

RHB INVESTMENT BANK GROUP  
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2017

Table 11b: Rated Exposures According to Ratings by External Credit Assessment Institutions ('ECAIs') as at 31 December 2016

RHB Investment 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>							
Insurance Cos, Securities Firms & Fund Managers		-	-	-	-	613,755	
Corporates		705,794	39,607	20,901	3,288	503,224	
	Moody's	P-1	P-2	P-3	Others	Unrated	
	S&P	A-1	A-2	A-3	Others	Unrated	
	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	
<u>Exposure Class</u>		RM'000	RM'000	RM'000	RM'000	RM'000	
<u>On and Off Balance Sheet Exposures</u>							
Banks, Development Financial Institutions & MDBs		-	-	-	-	-	
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	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
<u>Exposure Class</u>	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		-	744,001	-	-	-	-
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	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	BBB1 to	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
<u>Exposure Class</u>		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		567,968	228,956	19,541	30,047	-	1,112,565

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Table 12a: Credit Risk Mitigation of Portfolios under the Standardised Approach as at 30 June 2017

RHB Investment 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>
<b><u>On Balance Sheet Exposures</u></b>			
Sovereigns & Central Banks	757,954	-	-
Banks, Development Financial Institutions & MDBs	1,371,636	-	-
Insurance Cos, Securities Firms & Fund Managers	408,236	-	-
Corporates	2,978,941	506,475	1,733,963
Residential Mortgages	439	-	-
Higher Risk Assets	27	-	-
Other Assets	1,903,678	-	-
Securitisation Exposures	-	-	-
Equity Exposures	35,222	-	-
Defaulted Exposures	33,079	-	3,822
<b>Total On Balance Sheet Exposures</b>	<b>7,489,212</b>	<b>506,475</b>	<b>1,737,785</b>
<b><u>Off Balance Sheet Exposures</u></b>			
OTC Derivatives	6,804	-	1,223
Off balance sheet exposures other than OTC derivatives or credit derivatives	425,402	-	276,867
Defaulted Exposures	-	-	-
<b>Total Off Balance Sheet Exposures</b>	<b>432,206</b>	<b>-</b>	<b>278,090</b>
<b>Total On and Off Balance Sheet Exposures</b>	<b>7,921,418</b>	<b>506,475</b>	<b>2,015,875</b>

Table 12b: Credit Risk Mitigation of Portfolios under the Standardised Approach as at 31 December 2016

RHB Investment 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>
<b><u>On Balance Sheet Exposures</u></b>			
Sovereigns & Central Banks	744,001	-	-
Banks, Development Financial Institutions & MDBs	1,946,684	-	-
Insurance Cos, Securities Firms & Fund Managers	613,755	-	-
Corporates	2,706,122	205,732	1,676,389
Residential Mortgages	566	-	-
Higher Risk Assets	28	-	-
Other Assets	1,936,121	-	-
Securitisation Exposures	-	-	-
Equity Exposures	33,091	-	-
Defaulted Exposures	96,198	-	17,737
<b>Total On Balance Sheet Exposures</b>	<b>8,076,566</b>	<b>205,732</b>	<b>1,694,126</b>
<b><u>Off Balance Sheet Exposures</u></b>			
OTC Derivatives	13,380	-	586
Off balance sheet exposures other than OTC derivatives or credit derivatives	413,707	-	249,079
Defaulted Exposures	-	-	-
<b>Total Off Balance Sheet Exposures</b>	<b>427,087</b>	<b>-</b>	<b>249,665</b>
<b>Total On and Off Balance Sheet Exposures</b>	<b>8,503,653</b>	<b>205,732</b>	<b>1,943,791</b>

RHB INVESTMENT BANK GROUP  
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Table 13a: Impaired and Past Due Loans and Allowances for Impairment by Industry Sector as at 30 June 2017

RHB Investment Bank Group				
<u>Industry Sector</u>	Impaired Loans and Advances	Past Due Loans	Individual Impairment Allowances	Collective Impairment Allowances
	RM'000	RM'000	RM'000	RM'000
Agriculture	-	-	-	-
Mining & Quarrying	-	-	-	-
Manufacturing	-	-	-	-
Electricity, Gas & Water Supply	-	-	-	-
Construction	-	-	-	93
Wholesale, Retail Trade, Restaurants & Hotels	-	-	-	-
Transport, Storage & Communication	-	-	-	-
Finance, Insurance, Real Estate & Business	29,791	-	23,710	-
Education, Health & Others	-	-	-	-
Household	72,246	-	67,166	1
Others	-	-	-	-
<b>Total</b>	<b>102,037</b>	<b>-</b>	<b>90,876</b>	<b>94</b>

Table 13b: Impaired and Past Due Loans and Allowances for Impairment by Industry Sector as at 31 December 2016

RHB Investment Bank Group				
<u>Industry Sector</u>	Impaired Loans and Advances	Past Due Loans	Individual Impairment Allowances	Collective Impairment Allowances
	RM'000	RM'000	RM'000	RM'000
Agriculture	-	-	-	136
Mining & Quarrying	-	-	-	-
Manufacturing	-	-	-	-
Electricity, Gas & Water Supply	-	-	-	-
Construction	-	-	-	94
Wholesale, Retail Trade, Restaurants & Hotels	-	-	-	-
Transport, Storage & Communication	-	-	-	-
Finance, Insurance, Real Estate & Business	55,803	-	9,966	-
Education, Health & Others	-	-	-	-
Household	73,363	-	44,921	-
Others	-	-	-	-
<b>Total</b>	<b>129,166</b>	<b>-</b>	<b>54,887</b>	<b>230</b>

Table 14: Net Charges/(Write back) and Write Offs for Impairment by Industry Sector

RHB Investment Bank Group	Six Months Period Ended 30.06.2017		Twelve Months Period Ended 31.12.2016	
	Net Charges/ (Write-back) for Individual Impairment Allowances	Write Offs	Net Charges/ (Write-back) for Individual Impairment Allowances	Write Offs
	RM'000	RM'000	RM'000	RM'000
Agriculture	-	-	-	-
Mining & Quarrying	-	-	-	-
Manufacturing	-	-	-	-
Electricity, Gas & Water Supply	-	-	-	-
Construction	-	-	(2,223)	-
Wholesale, Retail Trade, Restaurants & Hotels	-	-	-	-
Transport, Storage & Communication	-	-	-	-
Finance, Insurance, Real Estate & Business	13,709	-	7,401	(4,923)
Education, Health & Others	-	-	-	-
Household	24,643	(357)	42,726	(329)
Others	-	-	-	-
<b>Total</b>	<b>38,352</b>	<b>(357)</b>	<b>47,904</b>	<b>(5,252)</b>



RHB INVESTMENT BANK GROUP  
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Table 15a: Impaired and Past Due Loans and Allowances for Impairment by Geographical Distribution  
as at 30 June 2017

RHB Investment Bank Group	Impaired Loans and Advances	Past Due Loans	Individual Impairment Allowances	Collective Impairment Allowances
<u>Geographical Distribution</u>	RM'000	RM'000	RM'000	RM'000
Malaysia	16,104	-	9,966	94
Singapore	-	-	-	-
Hong Kong	77,355	-	72,332	-
Thailand	8,578	-	8,578	-
<b>Total</b>	<b>102,037</b>	<b>-</b>	<b>90,876</b>	<b>94</b>

Table 15b: Impaired and Past Due Loans and Allowances for Impairment by Geographical Distribution  
as at 31 December 2016

RHB Investment Bank Group	Impaired Loans and Advances	Past Due Loans	Individual Impairment Allowances	Collective Impairment Allowances
<u>Geographical Distribution</u>	RM'000	RM'000	RM'000	RM'000
Malaysia	55,803	-	9,966	230
Singapore	356	-	356	-
Hong Kong	73,007	-	44,565	-
Thailand	-	-	-	-
<b>Total</b>	<b>129,166</b>	<b>-</b>	<b>54,887</b>	<b>230</b>

Table 16: Reconciliation of Changes to Loan Impairment Allowances

RHB Investment Bank Group	30.06.2017	31.12.2016
	RM'000	RM'000
<b><u>Individual Impairment Allowance</u></b>		
Balance as at the beginning of financial period/year	54,887	12,301
Net allowance made	38,352	47,904
Amount written off	(357)	(5,252)
Exchange differences	(2,006)	(66)
<b>Balance as at the end of financial period/year</b>	<b>90,876</b>	<b>54,887</b>

RHB Investment Bank Group	30.06.2017	31.12.2016
	RM'000	RM'000
<b><u>Collective Impairment Allowance</u></b>		
Balance as at the beginning of financial period/year	230	2,250
Net allowance written back	(136)	(2,020)
<b>Balance as at the end of financial period/year</b>	<b>94</b>	<b>230</b>

Table 17: Disclosure on Securitisation Exposure in the Banking Book

RHB Investment Bank Group	Total Exposures Securitised		Impaired	
<u>Underlying Assets</u>	30.06.2017	31.12.2016	30.06.2017	31.12.2016
	RM'000	RM'000	RM'000	RM'000
<b><u>Traditional Securitisation (Banking Book Exposure)</u></b>				
<b>Originated by the Bank</b>				
Collateralised Loan Obligation (Corporate Loans)	-	-	57,321	57,321
<b>Total</b>	<b>-</b>	<b>-</b>	<b>57,321</b>	<b>57,321</b>

RHB INVESTMENT BANK GROUP  
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Table 18a: Market Risk Weighted Assets and Minimum Capital Requirements as at 30 June 2017

RHB Investment Bank Group				Minimum
<u>Market Risk</u>	Long Position	Short Position	Risk Weighted Assets	Capital Requirements
	RM'000	RM'000	RM'000	RM'000
Interest Rate Risk	105,931	105,528	624	50
Equity Position Risk	476,200	104,808	867,722	69,418
Foreign Currency Risk	1,357,355	136,123	1,357,355	108,588
Options Risk	25,508	104,808	83,176	6,654
<b>Total</b>			<b>2,308,877</b>	<b>184,710</b>

RHB Investment Bank				Minimum
<u>Market Risk</u>	Long Position	Short Position	Risk Weighted Assets	Capital Requirements
	RM'000	RM'000	RM'000	RM'000
Interest Rate Risk	105,931	105,528	624	50
Equity Position Risk	131,617	103,724	94,706	7,576
Foreign Currency Risk	397,433	205,152	397,433	31,795
Options Risk	22,050	103,724	78,290	6,263
<b>Total</b>			<b>571,053</b>	<b>45,684</b>

Table 18b: Market Risk Weighted Assets and Minimum Capital Requirements as at 31 December 2016

RHB Investment Bank Group				Minimum
<u>Market Risk</u>	Long Position	Short Position	Risk Weighted Assets	Capital Requirements
	RM'000	RM'000	RM'000	RM'000
Interest Rate Risk	447,062	465,025	2,945	236
Equity Position Risk	373,008	37,955	814,146	65,131
Foreign Currency Risk	630,586	69,369	630,587	50,447
Options Risk	31,998	36,727	37,832	3,027
<b>Total</b>			<b>1,485,510</b>	<b>118,841</b>

RHB Investment Bank				Minimum
<u>Market Risk</u>	Long Position	Short Position	Risk Weighted Assets	Capital Requirements
	RM'000	RM'000	RM'000	RM'000
Interest Rate Risk	447,062	465,025	2,945	236
Equity Position Risk	37,490	33,298	14,823	1,186
Foreign Currency Risk	620,666	8,760	620,666	49,653
Options Risk	30,463	33,298	37,798	3,024
<b>Total</b>			<b>676,232</b>	<b>54,099</b>

Note:

1. As at 30 June 2017 and 31 December 2016, RHB Investment Bank Group and RHB Investment Bank did not have any exposures under Commodity or Inventory Risk.

**RHB INVESTMENT BANK GROUP**  
**BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2017**

**Table 19: Equity Exposures in the Banking Book**

<b>RHB Investment Bank Group</b> <b>Equity Type</b>	<b>Gross Credit Exposures</b>		<b>Risk Weighted Assets</b>	
	<b>30.06.2017</b>	<b>31.12.2016</b>	<b>30.06.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Publicly traded</b>				
Holdings of equity investments	2,136	1,951	2,140	1,955
<b>Privately held</b>				
For socio economic purposes	30,280	28,631	45,420	42,946
For non socio economic purpose	2,806	2,509	2,806	3,764
<b>Total</b>	<b>35,222</b>	<b>33,091</b>	<b>50,366</b>	<b>48,665</b>

Note:

As at 30 June 2017 and 31 December 2016, the Bank did not make any material gains or losses from the sale or liquidation of the equity exposures.

**Table 20a: Interest Rate Risk in the Banking Book as at 30 June 2017**

<b>RHB Investment Bank Group</b> <b>Currency</b>	<b>Impact on Position as at Reporting Period (100 basis points) Parallel Shift</b>			
	<b>Increase / (Decline) in Earnings</b>		<b>Increase/(Decline) in Economic Value</b>	
	<b>Impact based on</b>	<b>Impact based on</b>	<b>Impact based on</b>	<b>Impact based on</b>
	<b>+100 basis points</b>	<b>-100 basis points</b>	<b>+100 basis points</b>	<b>-100 basis points</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
MYR - Malaysian Ringgit	(16,464)	16,464	(72,109)	72,109
USD - US Dollar	(2,577)	2,577	(263)	263
Others <sup>1</sup>	(3,428)	3,428	(8,762)	8,762
<b>Total</b>	<b>(22,469)</b>	<b>22,469</b>	<b>(81,134)</b>	<b>81,134</b>

**Table 20b: Interest Rate Risk in the Banking Book as at 31 December 2016**

<b>RHB Investment Bank Group</b> <b>Currency</b>	<b>Impact on Position as at Reporting Period (100 basis points) Parallel Shift</b>			
	<b>Increase / (Decline) in Earnings</b>		<b>Increase/(Decline) in Economic Value</b>	
	<b>Impact based on</b>	<b>Impact based on</b>	<b>Impact based on</b>	<b>Impact based on</b>
	<b>+100 basis points</b>	<b>-100 basis points</b>	<b>+100 basis points</b>	<b>-100 basis points</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
MYR - Malaysian Ringgit	(15,061)	15,061	(63,102)	63,102
USD - US Dollar	(1,116)	1,116	(925)	925
Others <sup>1</sup>	(3,001)	3,001	(10,612)	10,612
<b>Total</b>	<b>(19,178)</b>	<b>19,178</b>	<b>(74,639)</b>	<b>74,639</b>

Note:

1. Inclusive of GBP, EUR, SGD, etc

2. The earnings and economic values were computed based on the standardised approach adopted by BNM.

**Table 21: Operational Risk Weighted Assets and Minimum Capital Requirements**

<b>Operational Risk</b>	<b>RHB Investment Bank Group</b>		<b>RHB Investment Bank</b>	
	<b>30.06.2017</b>	<b>31.12.2016</b>	<b>30.06.2017</b>	<b>31.12.2016</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Risk Weighted Assets	1,907,294	1,928,196	1,125,673	1,151,279
Minimum Capital Requirements	152,584	154,256	90,054	92,102