

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

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2017

	Note	Group		Bank	
		As at 31 March 2017 RM'000	As at 31 December 2016 RM'000	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000
ASSETS					
Cash and short term funds		1,940,231	1,064,383	1,183,593	478,126
Deposits and placements with banks and other financial institutions		39,757	359,018	-	350,065
Financial assets at fair value through profit or loss ('FVTPL')	8	697,347	612,105	126,031	54,854
Financial investments available-for-sale ('AFS')	9	1,577,670	1,856,676	1,549,282	1,833,518
Financial investments held-to-maturity ('HTM')	10	370,285	398,564	370,285	398,564
Loans and advances	11	1,884,008	1,792,172	1,124,247	1,121,163
Clients' and brokers' balances	12	2,472,937	2,090,784	881,874	790,399
Other assets	13	293,264	274,714	79,832	73,847
Derivative assets		911	7,325	830	7,202
Statutory deposits		84,720	85,144	80,300	80,700
Tax recoverable		52,534	61,528	50,761	58,393
Deferred tax assets		19,040	19,477	6,880	7,919
Investments in subsidiaries		-	-	1,509,875	1,504,725
Investments in associates and joint ventures		54,965	54,989	21,057	21,057
Property, plant and equipment		57,534	60,402	27,087	27,802
Goodwill and intangible assets		1,318,391	1,320,892	1,143,876	1,145,504
TOTAL ASSETS		10,863,594	10,058,173	8,155,810	7,953,838
LIABILITIES AND EQUITY					
Deposits from customers	14	727,117	691,844	743,038	707,611
Deposits and placements of banks and other financial institutions	15	2,784,762	2,693,618	2,860,999	2,764,787
Bills and acceptances payable		143,453	180,931	-	-
Clients' and brokers' balances		2,142,510	1,740,563	722,682	682,073
Other liabilities	16	660,171	463,986	151,350	159,899
Derivative liabilities		27,795	37,197	24,151	36,425
Puttable financial instruments		69,011	68,706	-	-
Tax liabilities		12,303	11,583	-	-
Deferred tax liabilities		3,053	3,189	-	-
Borrowings		630,356	552,720	-	-
Subordinated obligations		452,695	447,595	452,695	447,595
TOTAL LIABILITIES		7,653,226	6,891,932	4,954,915	4,798,390
Share capital		2,333,796	818,646	2,333,796	818,646
Reserves		868,040	2,339,393	867,099	2,336,802
		3,201,836	3,158,039	3,200,895	3,155,448
Non-controlling interests		8,532	8,202	-	-
TOTAL EQUITY		3,210,368	3,166,241	3,200,895	3,155,448
TOTAL LIABILITIES AND EQUITY		10,863,594	10,058,173	8,155,810	7,953,838
COMMITMENTS AND CONTINGENCIES					
	26	2,631,299	2,663,862	802,215	1,133,863

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016.

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

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2017

Group	Note	1st Quarter Ended		Three Months Ended	
		31 March 2017	31 March 2016	31 March 2017	31 March 2016
		RM'000	RM'000	RM'000	RM'000
Interest income	17	67,268	85,330	67,268	85,330
Interest expense	18	(40,012)	(49,183)	(40,012)	(49,183)
Net interest income		27,256	36,147	27,256	36,147
Fee and commission income	19	221,616	180,944	221,616	180,944
Fee and commission expense	20	(56,795)	(25,746)	(56,795)	(25,746)
Other operating income	21	45,328	25,654	45,328	25,654
		237,405	216,999	237,405	216,999
Other operating expenses	22	(187,822)	(175,263)	(187,822)	(175,263)
Operating profit before allowances		49,583	41,736	49,583	41,736
Allowance made for impairment on loans, advances and other losses	23	(3,766)	(6,749)	(3,766)	(6,749)
		45,817	34,987	45,817	34,987
Share of results of associates		91	65	91	65
Share of results of joint ventures		96	56	96	56
Profit before taxation		46,004	35,108	46,004	35,108
Taxation		(16,534)	(5,604)	(16,534)	(5,604)
Net profit for the financial period		29,470	29,504	29,470	29,504
Profit attributable to:					
Equity holder of the Bank		29,248	28,634	29,248	28,634
Non-controlling interests		222	870	222	870
		29,470	29,504	29,470	29,504
Basic earnings per share (sen)	24	3.6	3.5	3.6	3.5

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016.

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

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2017

Group	1st Quarter Ended		Three Months Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	29,470	29,504	29,470	29,504
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	407	347	407	347
(ii) Items that will be reclassified subsequently to profit or loss:				
- Currency translation differences	12,387	(69,491)	12,387	(69,491)
- Net investment hedge	(5,138)	12,373	(5,138)	12,373
- Unrealised net gain on revaluation of financial investments AFS	9,319	15,117	9,319	15,117
- Net transfer to income statements on disposal or impairment of financial investments AFS	(170)	(195)	(170)	(195)
Income tax relating to components of other comprehensive income	(2,136)	(3,694)	(2,136)	(3,694)
Other comprehensive income/(loss), net of tax, for the financial period	14,669	(45,543)	14,669	(45,543)
Total comprehensive income/(loss) for the financial period	44,139	(16,039)	44,139	(16,039)
Total comprehensive income/(loss) attributable to:				
Equity holder of the Bank	43,811	(14,272)	43,811	(14,272)
Non-controlling interests	328	(1,767)	328	(1,767)
	44,139	(16,039)	44,139	(16,039)

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016.

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

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2017

Bank	Note	1st Quarter Ended		Three Months Ended	
		31 March 2017	31 March 2016	31 March 2017	31 March 2016
		RM'000	RM'000	RM'000	RM'000
Interest income	17	47,565	64,439	47,565	64,439
Interest expense	18	(34,368)	(46,343)	(34,368)	(46,343)
Net interest income		13,197	18,096	13,197	18,096
Fee and commission income	19	76,927	68,667	76,927	68,667
Other operating income	21	39,397	14,536	39,397	14,536
		129,521	101,299	129,521	101,299
Other operating expenses	22	(79,976)	(79,000)	(79,976)	(79,000)
Operating profit before allowances		49,545	22,299	49,545	22,299
Allowance written back/(made) for impairment on loans, advances and other losses	23	1,158	(1,156)	1,158	(1,156)
Impairment losses made on other assets		-	(826)	-	(826)
Profit before taxation		50,703	20,317	50,703	20,317
Taxation		(11,696)	(4,839)	(11,696)	(4,839)
Net profit for the financial period		39,007	15,478	39,007	15,478

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016.

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

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2017

<u>Bank</u>	1st Quarter Ended		Three Months Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	39,007	15,478	39,007	15,478
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	8,644	15,290	8,644	15,290
- Net transfer to income statements on disposal or impairment of financial investments AFS	(170)	(263)	(170)	(263)
Income tax relating to components of other comprehensive income	(2,034)	(3,607)	(2,034)	(3,607)
Other comprehensive income, net of tax, for the financial period	6,440	11,420	6,440	11,420
Total comprehensive income for the financial period	45,447	26,898	45,447	26,898

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016.

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 2017

Attributable to the Equity Holder of the Bank

Group	Share capital	Share premium	Statutory reserves	AFS reserves	Translation reserves	Regulatory reserves	Retained profits	Total	Non-controlling interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2017	818,646	1,515,150	449,721	876	152,870	21,279	199,497	3,158,039	8,202	3,166,241
Net profit for the financial period	-	-	-	-	-	-	29,248	29,248	222	29,470
Currency translation differences	-	-	-	(6)	12,399	-	-	12,393	(6)	12,387
Net investment hedge	-	-	-	-	(5,138)	-	-	(5,138)	-	(5,138)
Financial investments AFS:										
- Unrealised net gain on revaluation	-	-	-	9,210	-	-	-	9,210	109	9,319
- Net transfer to income statements on disposal or impairment	-	-	-	(170)	-	-	-	(170)	-	(170)
Actuarial gain on defined benefit plan of subsidiaries	-	-	-	-	-	-	403	403	4	407
Income tax relating to components of other comprehensive income	-	-	-	(2,034)	-	-	(101)	(2,135)	(1)	(2,136)
Other comprehensive income, net of tax, for the financial period	-	-	-	7,000	7,261	-	302	14,563	106	14,669
Total comprehensive income for the financial period	-	-	-	7,000	7,261	-	29,550	43,811	328	44,139
Transfer pursuant to Companies Act 2016	1,515,150	(1,515,150)	-	-	-	-	-	-	-	-
Transfer from regulatory reserves	-	-	-	-	-	1,230	(1,230)	-	-	-
Dilution of interest in a subsidiary	-	-	-	-	-	-	(13)	(13)	13	-
Acquisition of additional interest from non-controlling interests	-	-	-	-	-	-	(1)	(1)	(11)	(12)
Balance as at 31 March 2017	2,333,796	-	449,721	7,876	160,131	22,509	227,803	3,201,836	8,532	3,210,368

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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 2017

Attributable to Equity Holder of the Bank

Group	Share capital	Share premium	Statutory reserves	AFS reserves	Translation reserves	Regulatory reserves	Retained profits	Total	Non-controlling interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	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)
Transfer to regulatory reserves	-	-	-	-	-	(1,982)	1,982	-	-	-
Contribution by non-controlling interest	-	-	-	-	-	-	-	-	61,559	61,559
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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RHB INVESTMENT BANK BERHAD (19663-P)
Incorporated in Malaysia

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2017

	Non-Distributable				Distributable		Total
	Share capital	Share premium	Statutory reserves	AFS reserves	Regulatory reserves	Retained profits	
<u>Bank</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2017	818,646	1,515,150	449,208	7,850	13,008	351,586	3,155,448
Net profit for the financial period	-	-	-	-	-	39,007	39,007
Financial investments AFS:							
- Unrealised net gain on revaluation	-	-	-	8,644	-	-	8,644
- Net transfer to income statements on disposal or impairment	-	-	-	(170)	-	-	(170)
Income tax relating to components of other comprehensive income	-	-	-	(2,034)	-	-	(2,034)
Other comprehensive income, net of tax, for the financial period	-	-	-	6,440	-	-	6,440
Total comprehensive income for the financial period	-	-	-	6,440	-	39,007	45,447
Transfer pursuant to Companies Act 2016	1,515,150	(1,515,150)	-	-	-	-	-
Transfer from regulatory reserves	-	-	-	-	160	(160)	-
Balance as at 31 March 2017	2,333,796	-	449,208	14,290	13,168	390,433	3,200,895

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

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2017

	Non-Distributable				Distributable		Total
	Share capital	Share premium	Statutory reserves	AFS reserves	Regulatory reserves	Retained profits	
<u>Bank</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
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 to 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

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016.

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 2017

	Three Months Ended	
	31 March 2017	31 March 2016
	RM'000	RM'000
Group		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	46,004	35,108
Adjustments for non-cash items	11,446	20,215
Operating profit before working capital changes	57,450	55,323
Changes in working capital:		
Net changes in operating assets	(270,404)	(810,285)
Net changes in operating liabilities	684,534	1,109,971
Cash generated from operations	471,580	355,009
Taxation paid	(8,340)	(16,750)
Net cash generated from operating activities	463,240	338,259
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds from disposal of financial investments AFS and HTM	314,013	489,683
Interest income received from financial assets at FVTPL, financial investments AFS and HTM	17,704	35,693
Property, plant and equipment		
- Purchase	(2,992)	(2,863)
- Proceeds from disposal	32	189
Purchase of intangible assets	(718)	(4,865)
Dividend income received from financial assets at FVTPL and financial investments AFS	3,576	3,275
Acquisition of additional interest from non-controlling interests	(12)	-
Net cash generated from investing activities	331,603	521,112
CASH FLOWS FROM FINANCING ACTIVITIES		
Net drawdown/(repayment) of borrowings	77,636	(2,998)
Contribution by non-controlling interests	-	61,559
Net cash generated from financing activities	77,636	58,561
Net increase in cash and cash equivalents	872,479	917,932
Effects of exchange rate differences	3,369	(14,874)
Cash and cash equivalents		
- at the beginning of the financial period	1,064,383	1,132,078
- at the end of the financial period	1,940,231	2,035,136
ANALYSIS OF CASH AND CASH EQUIVALENTS:		
Cash and short-term funds	1,940,231	2,035,136

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016.

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

INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2017

	Three Months Ended	
	31 March 2017	31 March 2016
	RM'000	RM'000
Bank		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	50,703	20,317
Adjustments for non-cash items	6,541	20,355
	57,244	40,672
Operating profit before working capital changes		
Changes in working capital:		
Net changes in operating assets	198,913	(226,096)
Net changes in operating liabilities	143,222	580,183
	399,379	394,759
Cash generated from operations		
Taxation paid	(5,058)	(15,801)
	394,321	378,958
Net cash generated from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds from disposal of financial investments AFS and HTM	295,616	512,396
Interest income received from financial assets at FVTPL, financial investments AFS and HTM	17,695	35,514
Purchase of property, plant and equipment	(1,775)	(1,605)
Purchase of intangible assets	(393)	(4,375)
Dividend income received from financial assets at FVTPL and financial investments AFS	15	1,592
Acquisition of additional interest from non-controlling interests	(12)	-
Additional investments in a subsidiary	-	(60,430)
	311,146	483,092
Net cash generated from investing activities		
Net increase in cash and cash equivalents	705,467	862,050
Cash and cash equivalents		
- at the beginning of the financial period	478,126	718,596
- at the end of the financial period	1,183,593	1,580,646
	1,183,593	1,580,646
ANALYSIS OF CASH AND CASH EQUIVALENTS:		
Cash and short-term funds	1,183,593	1,580,646

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2016.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017

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 2016.

(a) 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 2016, 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 2017:

- Amendments to MFRS 112 'Income Taxes'
- Amendments to MFRS 107 'Statements of Cash Flows'

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

(b) Changes in regulatory requirements

The Companies Act 2016 ('New Act') was enacted to replace the Companies Act 1965 with the objective of creating a regulatory structure that will facilitate business and promote accountability as well as protection of corporate directors and shareholders, taking into consideration the interest of other stakeholders. The New Act was passed on 4 April 2016 by Dewan Rakyat and on 29 April 2016 by Dewan Negara and gazetted on 15 September 2016. On 26 January 2017, the Minister of Domestic Trade, Co-operatives and Consumerism announced that the date on which the New Act comes into operation (except Section 241 and Division 8 of Part III of the New Act) would be 31 January 2017.

Amongst the key changes introduced in the New Act which will affect the financial statements of the Group and the Bank upon the commencement of the New Act on 31 January 2017 are:

- (i) abolition of the authorised capital; and
- (ii) abolition of the concept of nominal value in shares which will also render the share premium account of a company to be no longer relevant. Instead the amount standing in the share premium account will be recognised as part of the company's share capital.

During the financial period, the Bank had transferred a total of RM1,515,150,000 from its share premium account to the share capital pursuant to the New Act.

The adoption of the New Act is not expected to have any financial impact on the Group and the Bank for the current financial year as any effect of adoption, if applicable, will mainly be on disclosures to the financial statements.

2 Auditors' Report

The auditors' report for the financial year ended 31 December 2016 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 2017.

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 2017.

6 Changes in Debt and Equity Securities

There were no issuances and repayments 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 2017.

7 Dividends Paid

No dividend was paid by the Bank during the three months ended 31 March 2017.

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

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

	Group		Bank	
	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000
(a) Designated as FVTPL	193,927	202,854	-	-
(b) Held-for-trading	503,420	409,251	126,031	54,854
	697,347	612,105	126,031	54,854

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

At fair value

Quoted securities:

In Malaysia

Unit trusts	51,772	51,343	-	-
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Unquoted securities:

Outside Malaysia

Private equity funds	142,155	151,511	-	-
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Total financial assets

designated as FVTPL

	193,927	202,854	-	-
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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	109,262	37,433	109,262	37,433
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Outside Malaysia

Shares and warrants	377,389	354,397	-	-
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Unquoted securities:

In Malaysia

Corporate bonds/Sukuk	16,627	17,420	16,627	17,420
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Outside Malaysia

Corporate bonds	142	1	142	1
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Total financial assets

held-for-trading

	503,420	409,251	126,031	54,854
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RHB INVESTMENT BANK BERHAD (19663-P)
Incorporated in Malaysia

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (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 2017 were as follows:

	Group and Bank	
	As at	As at
	31 March 2017	31 December 2016
	RM'000	RM'000
<u>Reclassified from financial assets at FVTPL to financial investments AFS</u>		
- Carrying value	15,660	15,535
- Fair value	15,626	15,478
	<hr/> <hr/>	<hr/> <hr/>
Fair value loss that would have been recognised if the financial assets at FVTPL had not been reclassified	(34)	(57)
	<hr/> <hr/>	<hr/> <hr/>

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

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

	Group		Bank	
	As at 31 March 2017	As at 31 December 2016	As at 31 March 2017	As at 31 December 2016
	RM'000	RM'000	RM'000	RM'000
At fair value				
<u>Money market instruments:</u>				
Malaysian Government Securities	215,522	217,072	215,522	217,072
Malaysian Government Investment Issues	149,857	148,794	149,857	148,794
Khazanah bonds	40,014	39,468	40,014	39,468
Negotiable instruments of deposits	100,401	-	100,401	-
Sukuk Perumahan Kerajaan	69,484	68,919	69,484	68,919
<u>Quoted securities:</u>				
In Malaysia				
Shares	46	41	8	8
Unit trusts	14,681	14,263	-	-
Outside Malaysia				
Shares	1,911	1,910	-	-
Unit trusts	45,503	43,539	41,206	39,392
<u>Unquoted securities:</u>				
In Malaysia				
Corporate bonds/Sukuk	920,410	927,587	920,410	927,587
Shares	32,340	32,341	29,831	29,831
Loan stocks	15,772	15,612	15,772	15,612
Prasarana bonds	25,069	25,242	25,069	25,242
Outside Malaysia				
Corporate bonds	38,069	413,303	33,418	413,303
Shares	302	296	-	-
	1,669,381	1,948,387	1,640,992	1,925,228
Accumulated impairment losses	(91,711)	(91,711)	(91,710)	(91,710)
	1,577,670	1,856,676	1,549,282	1,833,518

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

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

	Group and Bank	
	As at 31 March 2017	As at 31 December 2016
	RM'000	RM'000
At amortised cost		
<u>Money market instruments:</u>		
Malaysian Government Securities	20,073	20,295
Malaysian Government Investment Issues	247,115	245,678
Khazanah bonds	11,227	11,119
Wakala Global Sukuk	9,679	9,810
<u>Unquoted Securities:</u>		
In Malaysia		
Corporate bonds/Sukuk	143,058	142,673
Credit link notes	-	30,047
Bonds	23	23
Loan stocks	27,504	27,504
Prasarana bonds	20,422	20,231
	479,101	507,380
Accumulated impairment losses	(108,816)	(108,816)
	370,285	398,564

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

11 Loans and Advances

	Group		Bank	
	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000
(a) By type				
At amortised cost				
Term loans:				
- syndicated term loans	-	27,359	-	27,359
- other term loans	126,657	131,448	63,684	58,859
Share margin financing	1,816,359	1,687,759	1,025,984	999,748
Staff loans	611	723	611	723
Revolving credits	-	-	44,261	44,892
Gross loans and advances	1,943,627	1,847,289	1,134,540	1,131,581
Allowance for impaired loans and advances:				
- individual impairment allowance	(59,518)	(54,887)	(9,966)	(9,966)
- collective impairment allowance	(101)	(230)	(327)	(452)
Net loans and advances	1,884,008	1,792,172	1,124,247	1,121,163
(b) By type of customer				
Domestic business enterprises:				
- small and medium enterprises	183,925	211,413	183,925	211,413
- others	179,864	175,238	179,864	175,238
Individuals	720,719	667,490	720,719	667,490
Foreign entities	859,119	793,148	50,032	77,440
	1,943,627	1,847,289	1,134,540	1,131,581
(c) By geographical distribution				
In Malaysia	1,090,279	1,086,689	1,134,540	1,131,581
Outside Malaysia				
- Singapore	132,367	83,987	-	-
- Hong Kong	313,924	368,797	-	-
- Indonesia	72,800	52,511	-	-
- Thailand	334,257	255,305	-	-
	1,943,627	1,847,289	1,134,540	1,131,581

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

11 Loans and Advances (cont'd)

	Group		Bank	
	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000
(d) By interest rate sensitivity				
Fixed rate:				
- other fixed rate loans	1,292,307	1,192,689	1,087,140	1,056,191
Variable rate:				
- cost plus	-	27,359	44,261	72,251
- base lending rate plus	651,320	627,241	3,139	3,139
	<u>1,943,627</u>	<u>1,847,289</u>	<u>1,134,540</u>	<u>1,131,581</u>
(e) By purpose				
Purchase of securities	1,898,394	1,779,291	1,045,046	1,018,691
Purchase of transport vehicles	48	53	48	53
Purchase of landed property:				
- residential	565	672	565	672
- non-residential	44,620	39,914	44,620	39,914
Working capital	-	-	44,261	44,892
Other purpose	-	27,359	-	27,359
	<u>1,943,627</u>	<u>1,847,289</u>	<u>1,134,540</u>	<u>1,131,581</u>
(f) By remaining contractual maturities				
Maturity within one year	1,927,090	1,803,401	1,118,003	1,087,693
One year to three years	16,102	281	16,102	281
Three years to five years	12	43,177	12	43,177
Over five years	423	430	423	430
	<u>1,943,627</u>	<u>1,847,289</u>	<u>1,134,540</u>	<u>1,131,581</u>

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

11 Loans and Advances (cont'd)

	Group		Bank	
	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000
(g) Impaired Loans and Advances				
(i) Movements in impaired loans and advances				
Balance as at the beginning of the financial period/year	129,166	118,142	55,803	115,552
Classified as impaired	28,444	179,672	13,477	111,203
Reclassified as non-impaired	(13,587)	-	-	-
Amount recovered	(8,851)	(168,952)	(8,735)	(166,029)
Amount written off	(362)	(5,252)	-	(4,923)
Exchange differences	(1,132)	5,556	-	-
Balance as at the end of the financial period/year	<u>133,678</u>	<u>129,166</u>	<u>60,545</u>	<u>55,803</u>
(ii) By purpose				
Purchase of securities	89,058	89,252	15,925	15,889
Purchase of landed property:				
- Non-residential	44,620	39,914	44,620	39,914
	<u>133,678</u>	<u>129,166</u>	<u>60,545</u>	<u>55,803</u>
(iii) By geographical distribution				
In Malaysia	60,545	55,803	60,545	55,803
Outside Malaysia:				
- Singapore	-	356	-	-
- Hong Kong	73,133	73,007	-	-
	<u>133,678</u>	<u>129,166</u>	<u>60,545</u>	<u>55,803</u>
(iv) Movements in allowance for impaired loans and advances				
Individual impairment allowance				
Balance as at the beginning of the financial period/year	54,887	12,301	9,966	9,711
Net allowance made	5,425	47,904	-	5,178
Amount written off	(362)	(5,252)	-	(4,923)
Exchange differences	(432)	(66)	-	-
Balance as at the end of the financial period/year	<u>59,518</u>	<u>54,887</u>	<u>9,966</u>	<u>9,966</u>

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

11 Loans and Advances (cont'd)

	Group		Bank	
	As at	As at	As at	As at
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
	RM'000	RM'000	RM'000	RM'000
(g) Impaired Loans and Advances (cont'd)				
(iv) Movements in allowance for impaired loans and advances (cont'd)				
Collective impairment allowance				
Balance as at the beginning of the financial period/year	230	2,250	452	2,474
Net allowance written back	(129)	(2,020)	(125)	(2,022)
Balance as at the end of the financial period/year	<u>101</u>	<u>230</u>	<u>327</u>	<u>452</u>

12 Clients' and Brokers' Balances

	Group		Bank	
	As at	As at	As at	As at
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
	RM'000	RM'000	RM'000	RM'000
Amounts owing by clients	1,214,080	1,055,739	758,840	552,160
Allowance for impairment balances:				
- individual impairment allowance	(21,772)	(16,568)	(7,749)	(7,924)
- collective impairment allowance	(3,593)	(16,608)	(22)	(47)
	<u>1,188,715</u>	<u>1,022,563</u>	<u>751,069</u>	<u>544,189</u>
Amounts owing by brokers	369,942	679,891	51,358	107,672
Amounts owing by clearing houses and stock exchanges	914,280	388,330	79,447	138,538
	<u>2,472,937</u>	<u>2,090,784</u>	<u>881,874</u>	<u>790,399</u>
Individual impairment allowance				
Balance as at the beginning of the financial period/year	16,568	17,777	7,924	7,629
Net allowance made/(written back)	5,025	(301)	(175)	1,368
Amount written off	-	(1,073)	-	(1,073)
Exchange differences	179	165	-	-
Balance as at the end of the financial period/year	<u>21,772</u>	<u>16,568</u>	<u>7,749</u>	<u>7,924</u>

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

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

	Group		Bank	
	As at 31 March 2017	As at 31 December 2016	As at 31 March 2017	As at 31 December 2016
	RM'000	RM'000	RM'000	RM'000
Collective impairment allowance				
Balance as at the beginning of the financial period/year	16,608	6,654	47	2,409
Net allowance (written back)/made	(13,292)	9,445	(25)	(2,362)
Exchange differences	277	509	-	-
Balance as at the end of the financial period/year	3,593	16,608	22	47

13 Other Assets

	Group		Bank	
	As at 31 March 2017	As at 31 December 2016	As at 31 March 2017	As at 31 December 2016
	RM'000	RM'000	RM'000	RM'000
Other receivables	88,102	67,668	57,357	37,950
Unit trust fee receivables	16,359	14,804	-	-
Management fee receivables	11,119	10,831	-	-
Cash collateral in relation to derivative transactions	900	8,532	900	8,532
Deposits	43,027	41,943	7,395	6,511
Prepayments	28,250	19,302	9,976	4,812
Amount receivable for release of units from funds	105,025	99,785	-	-
Transferable memberships	348	349	262	262
Amount due from holding company	13	11,075	-	11,075
Amount due from subsidiaries	-	-	3,931	4,636
Amount due from related companies	121	425	11	69
	293,264	274,714	79,832	73,847

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

14 Deposits from Customers

	Group		Bank	
	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000
(a) By type of deposits				
Short term deposits	283,707	243,406	283,707	243,406
Fixed/investment deposits	441,078	445,199	456,999	460,966
Negotiable instruments of deposits	2,332	3,239	2,332	3,239
	727,117	691,844	743,038	707,611
(b) By type of customers				
Government and statutory bodies	10,376	17,348	10,376	17,348
Business enterprises	699,245	665,189	715,166	680,956
Individuals	17,496	9,307	17,496	9,307
	727,117	691,844	743,038	707,611
(c) By maturity structure of fixed/ investment deposits and negotiable instruments of deposits				
Due within six months	708,624	678,590	724,545	694,357
Six months to one year	18,493	13,254	18,493	13,254
	727,117	691,844	743,038	707,611

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

15 Deposits and Placements of Banks and Other Financial Institutions

	Group		Bank	
	As at	As at	As at	As at
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
	RM'000	RM'000	RM'000	RM'000
Licensed banks	1,908,154	2,267,902	1,908,154	2,267,902
Licensed investment banks	50,121	50,140	50,121	50,140
Other financial institutions	826,487	375,576	902,724	446,745
	2,784,762	2,693,618	2,860,999	2,764,787

16 Other Liabilities

	Group		Bank	
	As at	As at	As at	As at
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
	RM'000	RM'000	RM'000	RM'000
Other creditors and accruals	128,989	110,661	57,083	46,124
Deferred income	12,413	12,961	10,000	10,000
Remisiers' trust deposits	62,449	60,060	62,449	60,060
Amount payable for creation of units due to funds	85,393	25,792	-	-
Amount payable for redemption units	272,984	127,651	-	-
Short-term employee benefits	54,697	101,043	9,094	39,393
Amount due to holding company	43,000	17,353	10,653	-
Amount due to subsidiaries	-	-	1,378	3,965
Amount due to related companies	246	8,465	693	357
	660,171	463,986	151,350	159,899

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	RM'000	RM'000	RM'000	RM'000
17 Interest Income				
<u>Group</u>				
Loans and advances	30,649	34,486	30,649	34,486
Money at call and deposits and placements with banks and other financial institutions	14,323	10,411	14,323	10,411
Financial assets at FVTPL	76	139	76	139
Financial investments AFS	14,830	27,679	14,830	27,679
Financial investments HTM	3,726	5,310	3,726	5,310
Others	3,664	7,305	3,664	7,305
	67,268	85,330	67,268	85,330
Of which:				
Interest income accrued on impaired loans and advances	1,051	2,110	1,051	2,110
<u>Bank</u>				
Loans and advances	16,806	21,406	16,806	21,406
Money at call and deposits and placements with banks and other financial institutions	11,770	8,839	11,770	8,839
Financial assets at FVTPL	67	28	67	28
Financial investments AFS	14,830	27,500	14,830	27,500
Financial investments HTM	3,726	5,310	3,726	5,310
Others	366	1,356	366	1,356
	47,565	64,439	47,565	64,439
Of which:				
Interest income accrued on impaired loans and advances	1,051	2,110	1,051	2,110
18 Interest Expense				
<u>Group</u>				
Deposits and placements of banks and other financial institutions	22,260	29,695	22,260	29,695
Deposits from customers	6,359	9,756	6,359	9,756
Subordinated obligations	5,100	6,452	5,100	6,452
Borrowings	5,649	2,903	5,649	2,903
Others	644	377	644	377
	40,012	49,183	40,012	49,183
<u>Bank</u>				
Deposits and placements of banks and other financial institutions	22,800	30,028	22,800	30,028
Deposits from customers	6,468	9,863	6,468	9,863
Subordinated obligations	5,100	6,452	5,100	6,452
	34,368	46,343	34,368	46,343

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	RM'000	RM'000	RM'000	RM'000
19 Fee and Commission Income				
<u>Group</u>				
Arrangement fees and underwriting	5,855	8,161	5,855	8,161
Service charges and fees	763	810	763	810
Commission	1,305	1,675	1,305	1,675
Brokerage income	92,123	76,310	92,123	76,310
Unit trust fee income	35,088	10,202	35,088	10,202
Corporate advisory fees	11,295	25,189	11,295	25,189
Fund management fees	54,545	41,783	54,545	41,783
Placement fees	8,651	1,610	8,651	1,610
Rollover fees	2,770	1,591	2,770	1,591
Other fee income	9,221	13,613	9,221	13,613
	221,616	180,944	221,616	180,944
<u>Bank</u>				
Arrangement fees and underwriting	4,359	7,176	4,359	7,176
Service charges and fees	-	5	-	5
Commission	543	701	543	701
Brokerage income	54,565	43,666	54,565	43,666
Corporate advisory fees	5,215	3,470	5,215	3,470
Placement fees	6,047	1,245	6,047	1,245
Rollover fees	1,461	1,591	1,461	1,591
Other fee income	4,737	10,813	4,737	10,813
	76,927	68,667	76,927	68,667
20 Fee and Commission Expense				
<u>Group</u>				
Unit trust fees	32,753	9,192	32,753	9,192
Fund management fees	24,042	16,554	24,042	16,554
	56,795	25,746	56,795	25,746

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	RM'000	RM'000	RM'000	RM'000
21 Other Operating Income				
<u>Group</u>				
(a) Net gain arising from financial instruments at FVTPL				
- net gain/(loss) on disposal	13,289	(9,556)	13,289	(9,556)
- net (loss)/gain on revaluation	(12,828)	9,119	(12,828)	9,119
- gross dividend income	3,448	3,195	3,448	3,195
	3,909	2,758	3,909	2,758
(b) Net gain arising from derivatives				
- net gain on disposal	3,345	12,476	3,345	12,476
- net gain on revaluation	6,865	5,517	6,865	5,517
	10,210	17,993	10,210	17,993
(c) Net gain arising from financial investments AFS				
- net gain on disposal	457	1,545	457	1,545
- gross dividend income	128	80	128	80
	585	1,625	585	1,625
(d) Other income				
- Net foreign exchange gain/(loss)				
- realised	28,725	52,240	28,725	52,240
- unrealised	(26,641)	(59,695)	(26,641)	(59,695)
- Gain on disposal of property, plant and equipment	32	16	32	16
- Other operating income	28,508	10,717	28,508	10,717
	30,624	3,278	30,624	3,278
	45,328	25,654	45,328	25,654

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	RM'000	RM'000	RM'000	RM'000
21 Other Operating Income (cont'd)				
<u>Bank</u>				
a) Net gain/(loss) arising from financial assets at FVTPL				
- net gain/(loss) on disposal	7,995	(13,588)	7,995	(13,588)
- net gain on revaluation	4,651	4,546	4,651	4,546
- gross dividend income	15	1,592	15	1,592
	12,661	(7,450)	12,661	(7,450)
b) Net (loss)/gain arising from derivatives				
- net (loss)/gain on disposal	(7,826)	11,436	(7,826)	11,436
- net gain on revaluation	4,762	7,932	4,762	7,932
	(3,064)	19,368	(3,064)	19,368
c) Net gain arising from financial investments AFS				
- net gain on disposal	456	1,452	456	1,452
d) Other income				
- Net foreign exchange gain/(loss)				
- realised	28,588	52,295	28,588	52,295
- unrealised	(26,764)	(59,853)	(26,764)	(59,853)
- Other operating income	27,520	8,724	27,520	8,724
	29,344	1,166	29,344	1,166
	39,397	14,536	39,397	14,536

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	RM'000	RM'000	RM'000	RM'000
22 Other Operating Expenses				
<u>Group</u>				
<u>Personnel costs</u>				
- Salaries, bonus and allowances	88,811	81,992	88,811	81,992
- Defined contribution plan	8,315	8,463	8,315	8,463
- Other staff related costs	8,140	4,042	8,140	4,042
	105,266	94,497	105,266	94,497
<u>Establishment costs</u>				
- Property, plant and equipment				
- depreciation	5,930	6,030	5,930	6,030
- written off	208	81	208	81
- Amortisation of intangible assets	3,354	3,285	3,354	3,285
- Information technology expenses	15,520	13,028	15,520	13,028
- Security and escorting charges	47	179	47	179
- Repair and maintenance	816	1,387	816	1,387
- Rental of premises	11,464	12,749	11,464	12,749
- Water and electricity	1,338	1,591	1,338	1,591
- Rental of equipment	342	481	342	481
- Insurance	2,629	2,001	2,629	2,001
- Others	3,742	3,239	3,742	3,239
	45,390	44,051	45,390	44,051
<u>Marketing expenses</u>				
- Advertisements and publicity	1,228	1,770	1,228	1,770
- Sales commission	533	2,560	533	2,560
- Others	8,315	6,920	8,315	6,920
	10,076	11,250	10,076	11,250
<u>Administration and general expenses</u>				
- Communication expenses	12,928	13,587	12,928	13,587
- Legal and professional fees	2,625	1,413	2,625	1,413
- Others	11,537	10,465	11,537	10,465
	27,090	25,465	27,090	25,465
	187,822	175,263	187,822	175,263

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	RM'000	RM'000	RM'000	RM'000
22 Other Operating Expenses (cont'd)				
<u>Bank</u>				
<u>Personnel costs</u>				
- Salaries, bonus and allowances	34,423	32,884	34,423	32,884
- Defined contribution plan	5,113	5,357	5,113	5,357
- Other staff related costs	3,210	72	3,210	72
	42,746	38,313	42,746	38,313
<u>Establishment costs</u>				
- Property, plant and equipment				
- depreciation	2,352	2,553	2,352	2,553
- written off	138	15	138	15
- Amortisation of intangible assets	2,021	2,155	2,021	2,155
- Information technology expenses	9,619	7,687	9,619	7,687
- Security and escorting charges	36	70	36	70
- Repair and maintenance	581	1,057	581	1,057
- Rental of premises	3,701	4,948	3,701	4,948
- Water and electricity	858	1,094	858	1,094
- Rental of equipment	204	310	204	310
- Insurance	2,238	1,439	2,238	1,439
- Others	2,230	1,541	2,230	1,541
	23,978	22,869	23,978	22,869
<u>Marketing expenses</u>				
- Advertisements and publicity	520	897	520	897
- Sales commission	234	1,279	234	1,279
- Others	1,460	2,213	1,460	2,213
	2,214	4,389	2,214	4,389
<u>Administration and general expenses</u>				
- Communication expenses	4,703	5,606	4,703	5,606
- Legal and professional fees	107	465	107	465
- Others	6,228	7,358	6,228	7,358
	11,038	13,429	11,038	13,429
	79,976	79,000	79,976	79,000

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	RM'000	RM'000	RM'000	RM'000
23 Allowance Made/(Written Back) for Impairment on Loans, Advances and Other Losses				
<u>Group</u>				
Individual impairment allowance made	5,425	1,612	5,425	1,612
Collective impairment allowance written back	(129)	(226)	(129)	(226)
Bad debts recovered	(96)	(16)	(96)	(16)
Allowance (written back)/made for impairment on other receivables and clients' and brokers' balances	(1,434)	5,379	(1,434)	5,379
	3,766	6,749	3,766	6,749

Bank

Individual impairment allowance made	-	1,796	-	1,796
Collective impairment allowance written back	(125)	(248)	(125)	(248)
Bad debts recovered	(1)	(5)	(1)	(5)
Allowance written back for impairment on other debtors and clients' and brokers' balances	(1,032)	(387)	(1,032)	(387)
	(1,158)	1,156	(1,158)	1,156

24 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 2017 by the weighted average number of ordinary shares in issue during the financial period.

Group

	1st Quarter Ended		Three Months Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Net profit attributable to equity holders (RM'000)	29,248	28,634	29,248	28,634
Weighted average number of ordinary shares in issue ('000)	818,646	818,646	818,646	818,646
Basic earnings per share (sen)	3.6	3.5	3.6	3.5

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

25 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 2017 RM'000	As at 31 December 2016 RM'000	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000
Common Equity Tier I ('CET I')/ Tier I Capital				
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	198,267	199,497	351,426	351,586
Other reserves	609,852	602,591	449,208	449,208
AFS reserves	7,876	876	14,290	7,850
	<u>3,149,791</u>	<u>3,136,760</u>	<u>3,148,720</u>	<u>3,142,440</u>
Less: 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) *	(43,972)	(32,993)	(1,224,746)	(915,469)
Other intangible assets (include associated deferred tax liabilities)	(48,457)	(50,958)	(25,458)	(27,086)
55% of cumulative gains of AFS financial instruments	(4,332)	(482)	(7,860)	(4,318)
Other deductions	(24)	(29)	(24)	(29)
Deferred tax assets	(19,040)	(19,477)	(6,880)	(7,919)
Reduction in excess of Tier II Capital due to insufficient Tier II Capital #	-	-	-	(151,853)
Total CET I Capital	<u>1,764,032</u>	<u>1,762,887</u>	<u>765,334</u>	<u>917,348</u>
Qualifying non-controlling interests recognised as Tier I Capital	<u>12,858</u>	<u>12,321</u>	<u>-</u>	<u>-</u>
Total Tier I Capital	<u>1,776,890</u>	<u>1,775,208</u>	<u>765,334</u>	<u>917,348</u>
Tier II Capital				
Subordinated obligations **	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 interests recognised as Tier II Capital	2,943	2,822	-	-
Collective impairment allowance and regulatory reserves ^	25,907	29,873	13,219	13,460
	<u>473,850</u>	<u>477,695</u>	<u>458,219</u>	<u>458,460</u>
Less: Investments in subsidiaries, associates and joint ventures	(10,993)	(21,996)	(306,186)	(458,460)
Total Tier II Capital	<u>462,857</u>	<u>455,699</u>	<u>152,033</u>	<u>-</u>
Total Capital	<u>2,239,747</u>	<u>2,230,907</u>	<u>917,367</u>	<u>917,348</u>

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

25 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 2017	As at 31 December 2016	As at 31 March 2017	As at 31 December 2016
<u>Capital ratios</u>				
Before proposed dividends:				
CET I Capital Ratio	30.480%	30.376%	27.204%	29.623%
Tier I Capital Ratio	30.702%	30.588%	27.204%	29.623%
Total Capital Ratio	38.699%	38.440%	32.608%	29.623%
After proposed dividends:				
CET I Capital Ratio	30.480%	30.376%	27.204%	29.623%
Tier I Capital Ratio	30.702%	30.588%	27.204%	29.623%
Total Capital Ratio	38.699%	38.440%	32.608%	29.623%

* Investments in subsidiaries are subject to the gradual deduction in the calculation under CET I Capital effective from 1 January 2014 as prescribed under paragraph 37.11 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 37.7 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 RM22,509,000 (31 December 2016: RM21,279,000) and RM13,168,000 (31 December 2016: RM13,008,000) respectively.

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

	Group		Bank	
	As at 31 March 2017	As at 31 December 2016	As at 31 March 2017	As at 31 December 2016
	RM'000	RM'000	RM'000	RM'000
Credit risk	2,072,598	2,389,833	1,057,520	1,269,201
Market risk	1,787,455	1,485,510	613,306	676,232
Operational risk	1,927,506	1,928,196	1,142,521	1,151,279
Total risk-weighted assets	5,787,559	5,803,539	2,813,347	3,096,712

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).

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

26 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>	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000
Principal amount		
Irrevocable commitments to extend credit:		
- maturity not exceeding one year	2,311,222	2,067,036
- maturity exceeding one year	1,160	600
Foreign exchange related contracts: ^		
- less than one year	162,905	351,858
Interest rate related contracts: ^		
- less than one year	40,000	140,000
- one year to less than five years	90,000	90,000
Equity related contracts: ^		
- less than one year	26,012	14,368
	2,631,299	2,663,862

^ 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.

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

26 Commitments and Contingencies (cont'd)

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

<u>Bank</u>	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000
Principal amount		
Direct credit substitutes #	190,318	184,222
Irrevocable commitments to extend credit:		
- maturity not exceeding one year	437,817	357,990
- maturity exceeding one year	22	22
Foreign exchange related contracts: ^		
- less than one year	26,223	351,858
Interest rate related contracts: ^		
- less than one year	40,000	140,000
- one year to less than five years	90,000	90,000
Equity related contracts: ^		
- less than one year	17,835	9,771
	802,215	1,133,863

Direct credit substitutes comprise 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.

27 Capital Commitments

	Group		Bank	
	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000
Capital expenditure for property, plant and equipment				
- authorised and contracted for	21,233	26,113	11,909	10,321
- authorised but not contracted for	30,930	24,611	12,504	13,423
	52,163	50,724	24,413	23,744

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

28 Valuation of Property, Plant and Equipment

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

29 Status of Corporate Proposals

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 Bank Berhad ('RHB Bank') holds a 100% effective equity interest through its 59.95% direct shareholding and a 40.05% indirect shareholding through the Bank, which in turn is a wholly-owned subsidiary of RHB Bank, had on 6 August 2015 entered into a subscription agreement ('Agreement') with Silverlake International Capital Market Solution Limited ('Silverlake Capital'), to each subscribe for 50% redeemable convertible preference shares ('RCPS') of USD1.00 each at par in DFLL for RM10 million each ('Proposed Subscription'). The Agreement is conditional on the fulfilment of certain terms and conditions, including regulatory approval.

Further to discussions with our local regulator, certain terms of the proposal have been reviewed and a revised proposal was submitted to Bank Negara Malaysia ('BNM') on 17 June 2016.

Following receipt of BNM's letter dated 6 March 2017 rejecting the revised proposal, the Agreement entered into on 6 August 2015 will be terminated accordingly by RHB Finex.

30 Events Subsequent to the Date of Statements of Financial Position

There were no significant events subsequent to the date of statements of financial position that have not been reflected in the interim financial statements.

31 Changes in the Composition of the Group

Acquisition of remaining shares in RHB Securities (Thailand) Public Company Limited ('RST')

On 23 March 2017, the Bank acquired 37,500 ordinary shares of THB2.61 each in RST from its minority shareholders for a total cash consideration of THB 97,875 (equivalent to RM12,511), thereby increasing the Bank's equity interest in RST from 99.949% to 99.954% as of 31 March 2017.

32 Changes in Profit for the Quarter

For the current financial quarter ended 31 March 2017, the Group recorded a pre-tax profit of RM46.0 million, an increase of 180.6% as compared to the pre-tax loss of RM57.1 million for the preceding quarter ended 31 December 2016. The higher profit was mainly due to lower allowance for impairment on loans, advances and other losses by RM51.8 million, lower allowance for impairment losses on other assets by RM21.5 million, higher fee and commission income RM18.2 million, higher other operating income by RM14.8 million, lower other operating expenses by RM0.3 million; partially offset with lower interest income by RM3.3 million, and lower share of results of joint ventures by RM0.2 million.

33 Performance Review

For the three months ended 31 March 2017, the Group recorded a pre-tax profit of RM46.0 million, 31.1% higher as compared to the previous year corresponding period of RM35.1 million. The increase in profit was mainly due to higher other operating income by RM19.7 million, higher fee and commission income by RM9.6 million, lower allowance made for impairment on loans, advances and other losses by RM3.0 million; partially offset with higher other operating expenses by RM12.6 million, and lower net interest income by RM8.9 million.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

34 Prospects for 2017

The Malaysian economy grew 5.6% in Q1 2017 and is forecast to grow 4.8% for the year. The improvement in overall economic activity is driven by the recovery in both exports and domestic demand as the higher exports growth is expected to lead to better consumer spending and private investment. Public spending is expected to rise, supported by the implementation of major infrastructure projects under the various economic programmes.

The Malaysian banking sector loans growth is expected to range between 5.5% to 6.0%, with lending to businesses being the key growth driver. Household loans growth is expected to be moderate.

The Group remains cautiously optimistic on the business environment and the development in both domestic and external markets. Notwithstanding this, the Group continues to pursue growth responsibly while also effectively managing asset quality and enhancing productivity. We remain committed to our 2017 IGNITE Transformation strategies to drive performance improvements.

We expect to deliver a better performance this year and are on track to achieve our long-term objectives.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

35 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 2017	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at FVTPL	538,423	379	158,545	697,347
- quoted securities	538,423	-	-	538,423
- unquoted securities	-	379	158,545	158,924
Financial investments AFS	62,141	1,468,453	47,076	1,577,670
- money market instruments	-	575,278	-	575,278
- quoted securities	62,141	-	-	62,141
- unquoted securities	-	893,175	47,076	940,251
Derivative assets	-	911	-	911
	600,564	1,469,743	205,621	2,275,928
<u>Financial liabilities</u>				
Derivative liabilities	24,566	3,229	-	27,795
Puttable financial instruments	69,011	-	-	69,011
	93,577	3,229	-	96,806
Group	Level 1	Level 2	Level 3	Total
31 December 2016	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at FVTPL	443,173	1,031	167,901	612,105
- quoted securities	443,173	-	-	443,173
- unquoted securities	-	1,031	167,901	168,932
Financial investments AFS	59,753	1,750,013	46,910	1,856,676
- money market instruments	-	474,253	-	474,253
- quoted securities	59,753	-	-	59,753
- unquoted securities	-	1,275,760	46,910	1,322,670
Derivative assets	-	7,325	-	7,325
	502,926	1,758,369	214,811	2,476,106
<u>Financial liabilities</u>				
Derivative liabilities	11,817	25,380	-	37,197
Puttable financial instruments	68,706	-	-	68,706
	80,523	25,380	-	105,903

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

35 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 2017	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at FVTPL	109,262	379	16,390	126,031
- quoted securities	109,262	-	-	109,262
- unquoted securities	-	379	16,390	16,769
Financial investments AFS	41,214	1,463,803	44,265	1,549,282
- money market instruments	-	575,278	-	575,278
- quoted securities	41,214	-	-	41,214
- unquoted securities	-	888,525	44,265	932,790
Derivative assets	-	830	-	830
	150,476	1,465,012	60,655	1,676,143
<u>Financial liabilities</u>				
Derivative liabilities	24,021	130	-	24,151
Bank	Level 1	Level 2	Level 3	Total
31 December 2016	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at FVTPL	37,433	1,031	16,390	54,854
- quoted securities	37,433	-	-	37,433
- unquoted securities	-	1,031	16,390	17,421
Financial investments AFS	39,400	1,750,013	44,105	1,833,518
- money market instruments	-	474,253	-	474,253
- quoted securities	39,400	-	-	39,400
- unquoted securities	-	1,275,760	44,105	1,319,865
Derivative assets	-	7,202	-	7,202
	76,833	1,758,246	60,495	1,895,574
<u>Financial liabilities</u>				
Derivative liabilities	11,045	25,380	-	36,425

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

35 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 2017 and 31 December 2016 for the Group and the Bank:

<u>Group</u>	Financial assets at FVTPL		Financial investments AFS	
	As at	As at	As at	As at
	31 March 2017	31 December 2016	31 March 2017	31 December 2016
	RM'000	RM'000	RM'000	RM'000
Balance as at the beginning of the financial period/year	167,901	153,863	46,910	120,071
Total gains/(losses) recognised in other comprehensive income	-	-	160	(20,401)
Total (losses)/gains recognised in income statements				
- Other operating income	(6,442)	(4,936)	-	950
- Impairment losses made	-	-	-	(8,726)
- Impairment losses written back	-	-	-	640
Purchases	4,086	252,043	-	-
Settlements	(4,991)	(238,577)	-	(640)
Transfer to investments in associates	-	-	-	(45,000)
Exchange differences	(2,009)	5,508	6	16
Balance as at the end of the financial period/year	158,545	167,901	47,076	46,910

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

35 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 2017 and 31 December 2016 for the Group and the Bank: (cont'd)

	Financial assets FVTPL		Financial investments AFS	
	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000	As at 31 March 2017 RM'000	As at 31 December 2016 RM'000
<u>Bank</u>				
Balance as at the beginning of the financial period/year	16,390	35,131	44,105	48,202
Total gains recognised in other comprehensive income	-	-	-	3,679
Total (losses)/gains recognised in income statements				
- Other operating income	-	(18,741)	160	950
- Impairment losses made	-	-	-	(8,726)
- Impairment losses written back	-	-	-	640
Settlements	-	-	-	(640)
Balance as at the end of the financial period/year	16,390	16,390	44,265	44,105

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

36 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 Banking 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.

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

36 Segment Reporting (cont'd)

Segment Profit and Loss for the Three Months Ended 31 March 2017

Group	Investment Banking	Treasury	Asset Management	Others and Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	170,201	29,702	37,502	-	237,405
Inter-segment revenue	4,411	(657)	385	(4,139)	-
Segment revenue	174,612	29,045	37,887	(4,139)	237,405
Overhead expenses	(167,341)	(3,431)	(21,189)	4,139	(187,822)
Including:					
Depreciation of property, plant and equipment	(5,598)	(61)	(271)	-	(5,930)
Amortisation of intangible assets	(2,931)	(303)	(120)	-	(3,354)
Allowance (made)/written back for impairment on loans, advances and other losses	(3,845)	-	79	-	(3,766)
	3,426	25,614	16,777	-	45,817
Share of results of associates					91
Share of results of joint ventures					96
Profit before taxation					46,004
Taxation					(16,534)
Net profit for the financial period					29,470

Segment Assets and Liabilities as at 31 March 2017

Group	Investment Banking	Treasury	Asset Management	Others and Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Segment assets	6,536,142	3,842,465	817,316	(1,728,802)	9,467,121
Goodwill	512,391	614,176	143,367	-	1,269,934
Investments in associates and joint ventures					54,965
Tax recoverable					52,534
Deferred tax assets					19,040
Total assets					10,863,594
Segment liabilities	3,375,835	2,755,829	601,224	(178,069)	6,554,819
Tax liabilities					12,303
Deferred tax liabilities					3,053
Borrowings					630,356
Subordinated obligations					452,695
Total liabilities					7,653,226

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

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2017 (cont'd)

36 Segment Reporting (cont'd)

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

Group	Investment Banking	Treasury	Asset Management	Others and Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	171,540	13,500	31,959	-	216,999
Inter-segment revenue	3,880	(445)	332	(3,767)	-
Segment revenue	175,420	13,055	32,291	(3,767)	216,999
Overhead expenses	(153,730)	(5,567)	(19,733)	3,767	(175,263)
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)
	14,930	7,488	12,569	-	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 December 2016

Group	Investment Banking	Treasury	Asset Management	Others and Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Segment assets	5,888,003	3,875,168	662,534	(1,773,460)	8,652,245
Goodwill	512,391	614,176	143,367	-	1,269,934
Investments in associates and joint ventures					54,989
Tax recoverable					61,528
Deferred tax assets					19,477
Total assets					10,058,173
Segment liabilities	2,485,995	3,119,390	379,833	(108,373)	5,876,845
Tax liabilities					11,583
Deferred tax liabilities					3,189
Borrowings					552,720
Subordinated obligations					447,595
Total liabilities					6,891,932