

RHB Investment Bank Berhad

Basel II Pillar 3 Disclosures

30 June 2018

**RHB INVESTMENT BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2018**

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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 Disclosures of RHB Investment Bank Berhad as at 30 June 2018 is accurate and complete.

ROBERT ANGELO HENDRO SANTOSO HURAY
Chief Executive Officer

**RHB INVESTMENT BANK GROUP
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INTRODUCTION

This document describes RHB Investment Bank Berhad's risk profile and capital adequacy position 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 quantitative information as at 30 June 2018 with comparative quantitative information of the preceding financial year as at 31 December 2017. Apart from the quantitative disclosures, the document included amendments to the qualitative write up due to regulatory policy changes and RHB Banking Group adoption of the Malaysian Financial Reporting Standards 9 'Financial Instruments' (MFRS 9). 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:

Entity	Credit Risk	Market Risk	Operational Risk
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 and as a separate report in the half-yearly condensed financial statements, after the notes to the financial statements.

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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 Bank'.

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

The Bank 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.

The Capital Adequacy Frameworks

The Capital Adequacy Frameworks in relation to Basel II - Risk-Weighted Assets and Capital Components were updated and reissued by Bank Negara Malaysia ('BNM') on 2 February 2018 for application with effect from 1 January 2018.

The main updates in the said frameworks are:

- Revised definition of General Provision and Specific Provision arising from the implementation of MFRS 9.
- Definition of General Provision and its recognition in Tier II Capital.
- Alignment of terminologies used under MFRS 9 for the purpose of capital recognition and regulatory adjustment.

BNM's Revised Policy Documents on Financial Reporting

BNM's policy document on Financial Reporting clarifies and sets the minimum expectations for the application of the Malaysian Financial Reporting Standards. On 2 February 2018, BNM issued the revised policy documents on Financial Reporting which prescribe the regulatory reserves to be maintained by banking institutions.

With effect from 1 January 2018, the Bank and its domestic banking subsidiary companies must maintain, in aggregate, loss allowance for non-credit impaired exposures and regulatory reserves of no less than 1% of total credit exposures, net of loss allowance for credit-impaired exposures.

In the previous year, the Bank has maintained in aggregate collective impairment allowances and regulatory reserves of no less than 1.2% of total outstanding loans/financing, net of impairment allowance.

The impact to the capital adequacy ratios of the Bank are disclosed in Note 40 to the Financial Statements as at 30 June 2018.

Adoption of MFRS 9 'Financial Instruments'

The Bank adopted the Malaysian Financial Reporting Standards 9 'Financial Instruments' (MFRS 9) effective 1 January 2018.

As permitted by the transitional provisions of MFRS 9, comparative figures are not restated for first time adoption of the Standards.

MFRS 9 introduces a new impairment model that requires the recognition of expected credit loss ('ECL'), replacing the incurred loss methodology model under MFRS 139, for all financial assets, except for financial assets classified or designated as FVTPL and equity securities, which are not subject to impairment assessment. Off-balance sheet items that are subject to ECL include financial guarantees and undrawn loan commitments.

SCOPE OF APPLICATION (CONTINUED)

Adoption of MFRS 9 'Financial Instruments' (continued)

MFRS 9 does not distinguish between individual assessment and collective assessment. The Bank first assess whether objective evidence of impairment exists for financial assets which are individually significant. If the Bank determine that objective evidence of impairment exists, i.e. credit impaired, for an individually assessed financial asset, a lifetime ECL will be recognised for impairment loss which has been incurred. Financial assets which are individually significant but non-impaired and not individually significant are grouped on the basis of similar credit risk characteristics (such as credit quality, instrument type, credit risk ratings, credit utilisation, level of collateralisation and other relevant factors) for collective assessment. Collectively, the individually assessment allowance and collective assessment allowance form the total expected credit allowance for the Bank.

ECL will be assessed using an approach which classifies financial assets into three stages which reflects the change in credit quality of the financial assets since initial recognition:

(i) Stage 1: 12 months ECL – not credit impaired

For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the ECL associated with the probability of default events occurring within the next 12 months will be recognised.

(ii) Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, the ECL associated with the probability of default events occurring within the lifetime ECL will be recognised.

(iii) Stage 3: Lifetime ECL – credit impaired

Financial assets are assessed as credit impaired when one or more objective evidence of defaults that have a detrimental impact on the estimated future cashflows of that asset have occurred. For financial assets that have become credit impaired, a lifetime ECL will be recognised.

The changes in ECL between two-periods will be recognised in profit and loss.

The assessment of significant deterioration in credit risk since initial recognition is key in establishing the point of switching between the requirement to measure an allowance based on 12-month ECL and one that is based on lifetime ECL. Quantitative and qualitative assessments are required to estimate the significant increase in credit risk by comparing the risk of a default occurring on the financial assets as at reporting date with the risk of default occurring on the financial assets as at the date of initial recognition.

The assessment of credit risk, as well as the estimation of ECL, is required to be unbiased, probability-weighted and should incorporate all available information which is relevant to the assessment, including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date. The measurement of ECL is based on the discounted products of the Probability of Default model (PD), Loss Given Default model (LGD) and Exposure at Default model (EAD).

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Table 1: Capital Adequacy Ratios

	RHB Investment Bank Group		RHB Investment Bank	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
<u>Before proposed dividends</u>				
Common Equity Tier I Capital Ratio	32.618%	32.987%	23.519%	34.995%
Tier I Capital Ratio	32.929%	33.409%	23.519%	34.995%
Total Capital Ratio	41.445%	41.612%	43.391%	39.878%
<u>After proposed dividends</u>				
Common Equity Tier I Capital Ratio	32.618%	32.987%	23.519%	34.995%
Tier I Capital Ratio	32.929%	33.409%	23.519%	34.995%
Total Capital Ratio	41.445%	41.612%	43.391%	39.878%

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

Risk Types	RHB Investment Bank Group		RHB Investment Bank	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	RM'000	RM'000	RM'000	RM'000
Credit RWA	1,187,459	1,255,650	701,604	718,961
Market RWA	2,028,046	2,049,361	451,832	610,542
Operational RWA	1,695,191	1,689,666	903,561	905,417
Total	4,910,696	4,994,677	2,056,997	2,234,920

Table 3a: Risk Weighted Assets by Risk Types and Minimum Capital Requirements as at 30 June 2018

Risk Types	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
Credit Risk				
<i>Under Standardised Approach</i>	1,187,459	701,604	94,997	56,128
Market Risk				
<i>Under Standardised Approach</i>	2,028,046	451,832	162,244	36,147
Operational Risk				
<i>Under Basic Indicator Approach</i>	1,695,191	903,561	135,615	72,285
Total	4,910,696	2,056,997	392,856	164,560

Table 3b: Risk Weighted Assets by Risk Types and Minimum Capital Requirements as at 31 December 2017

Risk Types	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
Credit Risk				
<i>Under Standardised Approach</i>	1,255,650	718,961	100,452	57,517
Market Risk				
<i>Under Standardised Approach</i>	2,049,361	610,542	163,949	48,843
Operational Risk				
<i>Under Basic Indicator Approach</i>	1,689,666	905,417	135,173	72,433
Total	4,994,677	2,234,920	399,574	178,793

**RHB INVESTMENT BANK GROUP
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Table 4: Capital Structure

	RHB Investment Bank Group		RHB Investment Bank	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	RM'000	RM'000	RM'000	RM'000
Common Equity Tier I Capital / Tier I Capital				
Paid up ordinary share capital	1,487,773	1,487,773	1,487,773	1,487,773
Share premium	-	-	-	-
Retained profits	652,350	669,730	884,109	883,218
Other reserves	95,335	112,410	-	-
Fair value through other comprehensive income ('FVOCI')/ Available for sale ('AFS') reserves	19,944	18,861	17,291	26,120
Less:				
Goodwill	(523,911)	(523,911)	(372,395)	(372,395)
Investments in subsidiaries, associates and joint ventures (portion deducted from CET I Capital) *	(53,163)	(43,339)	(1,492,410)	(1,199,358)
Other Intangible assets	(47,319)	(48,693)	(26,422)	(27,700)
Deferred tax assets	(18,244)	(14,839)	(4,648)	(1,180)
55% of cumulative gains arising from change in value of FVOCI/AFS instruments	(10,969)	(10,374)	(9,510)	(14,366)
Other deductions	(3)	(12)	(3)	(12)
Reduction in excess of Tier II Capital due to insufficient Tier II capital #	-	-	-	-
Total Common Equity Tier I Capital	1,601,793	1,647,606	483,785	782,100
Qualifying non controlling interest recognised as Tier I Capital	15,241	21,055	-	-
Total Tier I Capital	1,617,034	1,668,661	483,785	782,100
Tier II Capital				
Subordinated obligations meeting all relevant criteria	400,000	400,000	400,000	400,000
Qualifying non controlling interest recognised as Tier II Capital	3,384	4,861	-	-
Collective impairment allowances^ and regulatory reserves [~]	-	15,696	-	8,987
General provisions ^{v, ~}	14,843	-	8,770	-
Less:				
Investments in subsidiaries, associates and joint ventures		(10,835)		(299,840)
Total Tier II Capital	418,227	409,722	408,770	109,147
Total Capital	2,035,261	2,078,383	892,555	891,247

* 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).

^ 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.

v Pursuant to BNM's policy document on Financial Reporting, general provision refers to loss allowance measured at an amount equal to 12-month and lifetime expected credit losses as defined under MFRS 9 'Financial Instruments' and regulatory reserves, to the extent they are ascribed to non-credit impaired exposures, determined under standardised approach for credit risk.

~ Includes the qualifying regulatory reserves of RHB Investment Bank Group and RHB Investment Bank of RM 14,337,000 (31 December 2017 : RM12,384,000) and RM 8,486,000 (31 December 2017 : RM8,987,000) 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 2018

RHB Investment Bank Group	Gross Exposures / EAD before CRM	Net Exposures / EAD after CRM	Risk Weighted Assets	Minimum Capital Requirement
<u>Exposure Class</u>	RM'000	RM'000	RM'000	RM'000
<u>Exposures under the Standardised Approach</u>				
<u>On Balance Sheet Exposures</u>				
Sovereigns & Central Banks	933,637	933,637	5,687	455
Public Sector Entities	146,288	146,288	-	-
Banks, Development Financial Institutions & MDBs	1,934,421	1,934,421	472,011	37,761
Insurance Cos, Securities Firms & Fund Managers	84,674	84,674	84,674	6,774
Corporates	1,637,787	595,051	11,417	913
Regulatory Retail	569,888	2,151	1,613	129
Residential Mortgages	392	392	137	11
Higher Risk Assets	19,951	19,951	29,927	2,394
Other Assets	1,592,993	1,592,993	486,221	38,898
Securitisation Exposures	-	-	-	-
Equity Exposures	32,943	32,943	32,943	2,635
Defaulted Exposures	3,925	1,229	1,051	84
Total On Balance Sheet Exposures	6,956,899	5,343,730	1,125,681	90,054
<u>Off Balance Sheet Exposures</u>				
OTC Derivatives	1,045	1,045	209	17
Off balance sheet exposures other than OTC derivatives or credit derivatives	284,311	69,144	61,569	4,926
Defaulted Exposures	-	-	-	-
Total Off Balance Sheet Exposures	285,356	70,189	61,778	4,943
Total On and Off Balance Sheet Exposures	7,242,255	5,413,919	1,187,459	94,997

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 2017

RHB Investment Bank Group	Gross Exposures / EAD before CRM	Net Exposures / EAD after CRM	Risk Weighted Assets	Minimum Capital Requirement
<u>Exposure Class</u>	RM'000	RM'000	RM'000	RM'000
<u>Exposures under the Standardised Approach</u>				
<u>On Balance Sheet Exposures</u>				
Sovereigns & Central Banks	1,685,257	1,685,257	5,777	462
Public Sector Entities	60,869	60,869	-	-
Banks, Development Financial Institutions & MDBs	1,583,523	1,583,523	407,489	32,599
Insurance Cos, Securities Firms & Fund Managers	75,590	75,590	75,590	6,047
Corporates	1,640,988	525,391	9,203	736
Regulatory Retail	625,921	2,819	2,114	169
Residential Mortgages	486	486	170	14
Higher Risk Assets	17,727	17,727	26,591	2,127
Other Assets	1,962,771	1,962,771	642,447	51,396
Securitisation Exposures	-	-	-	-
Equity Exposures	32,608	32,608	32,608	2,609
Defaulted Exposures	7,318	2,425	2,431	194
Total On Balance Sheet Exposures	7,693,058	5,949,466	1,204,420	96,353
<u>Off Balance Sheet Exposures</u>				
OTC Derivatives	861	425	85	7
Off balance sheet exposures other than OTC derivatives or credit derivatives	305,478	57,523	51,145	4,092
Defaulted Exposures	-	-	-	-
Total Off Balance Sheet Exposures	306,339	57,948	51,230	4,099
Total On and Off Balance Sheet Exposures	7,999,397	6,007,414	1,255,650	100,452

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Table 6a: Exposures on Off Balance Sheet and Counterparty Credit Risk (Before Credit Risk Mitigation) as at 30 June 2018

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	23,012	7	7	1
1 year or less	23,012	7	7	1
Over 1 year to 5 years	-	-	-	-
Over 5 years	-	-	-	-
Interest rate related contracts	30,000	66	96	19
1 year or less	30,000	66	96	19
Over 1 year to 5 years	-	-	-	-
Over 5 years	-	-	-	-
Equity related contracts	7,260	507	942	189
1 year or less	7,260	507	942	189
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	4,140		2,070	8
Other commitments, such as formal standby facilities and credit lines, with original maturity of up to 1 year	1,411,204		282,241	61,561
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	-		-	-
Total	1,475,616	580	285,356	61,778

Table 6b: Exposures on Off Balance Sheet and Counterparty Credit Risk (Before Credit Risk Mitigation) as at 31 December 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	36,962	34	34	7
1 year or less	36,962	34	34	7
Over 1 year to 5 years	-	-	-	-
Over 5 years	-	-	-	-
Interest rate related contracts	90,000	256	391	78
1 year or less	90,000	256	391	78
Over 1 year to 5 years	-	-	-	-
Over 5 years	-	-	-	-
Equity related contracts	7,262		436	-
1 year or less	7,262		436	-
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	4,164		2,082	5
Other commitments, such as formal standby facilities and credit lines, with original maturity of up to 1 year	1,516,982		303,396	51,140
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	-		-	-
Total	1,655,370	290	306,339	51,230

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Table 7a: Credit Risk Exposures (Before Credit Risk Mitigation) by Geographical Distribution as at 30 June 2018

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
<u>Exposures under Standardised Approach</u>							
Sovereigns & Central Banks	929,660	-	-	-	-	3,977	933,637
Public Sector Entities	146,288	-	-	-	-	-	146,288
Banks, Development Financial Institutions & MDBs	1,570,207	109,419	48,279	66,954	103,694	36,913	1,935,466
Insurance/Takaful Cos, Securities Firms & Fund Managers	43,381	12,484	8,825	-	19,984	-	84,674
Corporates	1,168,932	184,765	89,479	132,409	196,882	-	1,772,467
Regulatory Retail	491,187	44,342	74,582	56,882	56,450	-	723,443
Residential Mortgages	393	-	-	-	-	-	393
Higher Risk Assets	19,707	-	-	-	244	-	19,951
Other Assets	711,955	542,676	52,107	166,211	119,159	885	1,592,993
Total	5,081,710	893,686	273,272	422,456	496,413	41,775	7,209,312

Table 7b: Credit Risk Exposures (Before Credit Risk Mitigation) by Geographical Distribution as at 31 December 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
<u>Exposures under Standardised Approach</u>							
Sovereigns & Central Banks	1,681,247	-	-	-	-	4,010	1,685,257
Public Sector Entities	60,869	-	-	-	-	-	60,869
Banks, Development Financial Institutions & MDBs	1,256,715	78,037	42,733	87,810	81,959	36,693	1,583,947
Insurance/Takaful Cos, Securities Firms & Fund Managers	31,122	15,680	17,964	1,545	9,279	-	75,590
Corporates	1,235,102	125,097	138,095	78,696	214,908	-	1,791,898
Regulatory Retail	536,440	47,143	88,102	48,807	67,743	-	788,235
Residential Mortgages	495	-	-	-	-	-	495
Higher Risk Assets	17,443	35	-	-	249	-	17,727
Other Assets	1,204,905	331,656	62,442	136,287	226,431	1,050	1,962,771
Total	6,024,338	597,648	349,336	353,145	600,569	41,753	7,966,789

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 2018

RHB Investment Bank Group												
Exposure Class	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
Exposures under Standardised Approach												
Sovereigns & Central Banks	-	-	-	-	-	-	-	-	933,637	-	-	933,637
Public Sector Entities	-	-	-	-	-	-	-	19,800	126,488	-	-	146,288
Banks, Development Financial Institutions & MDBs	-	-	-	-	-	-	-	1,935,466	-	-	-	1,935,466
Insurance Cos, Securities Firms & Fund Managers	-	-	-	-	-	-	-	84,674	-	-	-	84,674
Corporates	41,311	1,630	4,839	105,217	197	183,650	94,211	580,660	-	760,752	-	1,772,467
Regulatory Retail	-	-	-	-	-	-	-	217	-	723,226	-	723,443
Residential Mortgages	-	-	-	-	-	-	-	-	-	393	-	393
Higher Risk Assets	-	-	-	-	-	-	-	19,951	-	-	-	19,951
Other Assets	-	-	-	-	-	-	-	410,991	-	-	1,182,002	1,592,993
Total	41,311	1,630	4,839	105,217	197	183,650	94,211	3,051,759	1,060,125	1,484,371	1,182,002	7,209,312

Table 8b: Credit Risk Exposures (Before Credit Risk Mitigation) by Industry Sector as at 31 December 2017

RHB Investment Bank Group												
Exposure Class	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
Exposures under Standardised Approach												
Sovereigns & Central Banks	-	-	-	-	-	-	-	-	1,685,257	-	-	1,685,257
Public Sector Entities	-	-	-	-	-	-	-	-	60,869	-	-	60,869
Banks, Development Financial Institutions & MDBs	-	-	-	-	-	-	-	1,583,947	-	-	-	1,583,947
Insurance Cos, Securities Firms & Fund Managers	-	-	-	-	-	-	-	75,590	-	-	-	75,590
Corporates	26,486	232	856	176,128	-	83,262	49,215	638,602	-	817,117	-	1,791,898
Regulatory Retail	-	-	-	-	-	-	-	-	-	788,235	-	788,235
Residential Mortgages	-	-	-	-	-	-	-	-	-	495	-	495
Higher Risk Assets	-	-	-	-	-	-	-	17,727	-	-	-	17,727
Other Assets	-	-	-	-	-	-	-	507,475	-	-	1,455,296	1,962,771
Total	26,486	232	856	176,128	-	83,262	49,215	2,823,341	1,746,126	1,605,847	1,455,296	7,966,789

Note: This table excludes equity and securitisation exposures

RHB INVESTMENT BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2018

Table 9a: Credit Risk Exposures (Before Credit Risk Mitigation) by Remaining Maturity as at 30 June 2018

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
<u>Exposures under Standardised Approach</u>				
Sovereigns & Central Banks	231,824	572,321	129,492	933,637
Public Sector Entities	5,000	141,288	-	146,288
Banks, Development Financial Institutions & MDBs	1,726,233	30,485	178,748	1,935,466
Insurance Cos, Securities Firms & Fund Managers	-	-	84,674	84,674
Corporates	1,143,396	561,690	67,381	1,772,467
Regulatory Retail	723,384	22	37	723,443
Residential Mortgages	54	15	324	393
Higher Risk Assets	244	-	19,707	19,951
Other Assets	-	-	1,592,993	1,592,993
Total	3,830,135	1,305,821	2,073,356	7,209,312

Table 9b: Credit Risk Exposures (Before Credit Risk Mitigation) by Remaining Maturity as at 31 December 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
<u>Exposures under Standardised Approach</u>				
Sovereigns & Central Banks	997,026	504,084	184,147	1,685,257
Public Sector Entities	-	60,869	-	60,869
Banks, Development Financial Institutions & MDBs	1,495,017	-	88,930	1,583,947
Insurance Cos, Securities Firms & Fund Managers	-	-	75,590	75,590
Corporates	1,306,264	460,352	25,282	1,791,898
Regulatory Retail	788,199	32	4	788,235
Residential Mortgages	-	102	393	495
Higher Risk Assets	284	-	17,443	17,727
Other Assets	-	-	1,962,771	1,962,771
Total	4,586,790	1,025,439	2,354,560	7,966,789

Note: This table excludes equity and securitisation exposures

RHB INVESTMENT BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2018

Table 10a: Portfolios under the Standardised Approach by Risk Weights as at 30 June 2018

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
Supervisory Risk Weights (%)												
0%	921,106	146,288	30,485	-	583,635	-	-	-	778,041	-	2,459,555	-
20%	8,555	-	1,662,420	-	-	-	-	-	410,914	-	2,081,889	416,378
35%	-	-	-	-	-	-	393	-	-	-	393	138
50%	-	-	205,648	-	-	789	-	-	-	-	206,437	103,219
75%	-	-	-	-	-	32,447	-	-	-	-	32,447	24,335
100%	3,976	-	36,913	84,674	50,263	7	-	-	404,038	32,943	612,814	612,814
150%	-	-	-	-	-	433	-	19,951	-	-	20,384	30,576
Total Exposures	933,637	146,288	1,935,466	84,674	633,898	33,676	393	19,951	1,592,993	32,943	5,413,919	1,187,459

Table 10b: Portfolios under the Standardised Approach by Risk Weights as at 31 December 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
Supervisory Risk Weights (%)												
0%	1,672,414	60,869	-	-	516,188	-	-	-	914,412	-	3,163,883	-
20%	8,833	-	1,342,485	-	-	-	-	-	507,390	-	1,858,708	371,742
35%	-	-	-	-	-	-	495	-	-	-	495	173
50%	-	-	204,769	-	-	396	-	-	-	-	205,165	102,583
75%	-	-	-	-	-	28,311	-	-	-	-	28,311	21,233
100%	4,010	-	36,693	75,590	42,708	139	-	-	540,969	32,608	732,717	732,717
150%	-	-	-	-	-	408	-	17,727	-	-	18,135	27,203
Total Exposures	1,685,257	60,869	1,583,947	75,590	558,896	29,254	495	17,727	1,962,771	32,608	6,007,414	1,255,650

RHB INVESTMENT BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2018

Table 11a: Rated Exposures According to Ratings by External Credit Assessment Institutions ('ECAIs') as at 30 June 2018

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

On and Off Balance Sheet Exposures

Public Sector Entities	-	-	-	-	-	146,288
Insurance Cos, Securities Firms & Fund Managers	-	-	-	-	-	84,674
Corporates	53,695	-	-	-	-	580,203

	Moody's	P-1	P-2	P-3	Others	Unrated
Short Term Ratings of Banking Institutions by Approved ECAIs	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
<u>Exposure Class</u>	R&I	a-1+, a-1	a-2	a-3	b, c	Unrated
		RM'000	RM'000	RM'000	RM'000	RM'000

On and Off Balance Sheet Exposures

Banks, Development Financial Institutions & MDBs	-	-	-	-	-	-
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Ratings of Sovereigns and Central Banks by Approved ECAIs

	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

On and Off Balance Sheet Exposures

Sovereigns & Central Banks	-	929,660	-	3,977	-	-
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Ratings of Banking Institutions by Approved ECAIs

	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 BBB3	BB1 to B3	C1 to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
<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

On and Off Balance Sheet Exposures

Banks, Development Financial Institutions & MDBs	1,103,593	189,334	46	-	-	642,493
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RHB INVESTMENT BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2018

Table 11b: Rated Exposures According to Ratings by External Credit Assessment Institutions ('ECAIs') as at 31 December 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>							
Public Sector Entities		-	-	-	-	60,869	
Insurance Cos, Securities Firms & Fund Managers		-	-	-	-	75,590	
Corporates		-	-	-	-	558,896	
	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
	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		-	1,681,247	-	4,010	-	-
	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 BBB3	BB1 to B3	C1 to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
	R&I	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to C	Unrated
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>On and Off Balance Sheet Exposures</u>							
Banks, Development Financial Institutions & MDBs		1,181,675	68,718	48	-	-	333,506

RHB INVESTMENT BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2018

Table 12a: Credit Risk Mitigation of Portfolios under the Standardised Approach as at 30 June 2018

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>
<u>On Balance Sheet Exposures</u>			
Sovereigns & Central Banks	933,637	-	-
Public Sector Entities	146,288	146,288	-
Banks, Development Financial Institutions & MDBs	1,934,421	30,485	-
Insurance Cos, Securities Firms & Fund Managers	84,674	-	-
Corporates	1,637,787	583,635	1,042,737
Regulatory Retail	569,888	-	567,736
Residential Mortgages	392	-	-
Higher Risk Assets	19,951	-	-
Other Assets	1,592,993	-	-
Securitisation Exposures	-	-	-
Equity Exposures	32,943	-	-
Defaulted Exposures	3,925	-	2,695
Total On Balance Sheet Exposures	6,956,899	760,408	1,613,168
<u>Off Balance Sheet Exposures</u>			
OTC Derivatives	1,045	-	-
Off balance sheet exposures other than OTC derivatives or credit derivatives	284,311	-	215,141
Defaulted Exposures	-	-	-
Total Off Balance Sheet Exposures	285,356	-	215,141
Total On and Off Balance Sheet Exposures	7,242,255	760,408	1,828,309

Table 12b: Credit Risk Mitigation of Portfolios under the Standardised Approach as at 31 December 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>
<u>On Balance Sheet Exposures</u>			
Sovereigns & Central Banks	1,685,257	-	-
Public Sector Entities	60,869	60,869	-
Banks, Development Financial Institutions & MDBs	1,583,523	-	-
Insurance Cos, Securities Firms & Fund Managers	75,590	-	-
Corporates	1,640,988	516,188	1,115,597
Regulatory Retail	625,921	-	623,103
Residential Mortgages	486	-	-
Higher Risk Assets	17,727	-	-
Other Assets	1,962,771	-	-
Securitisation Exposures	-	-	-
Equity Exposures	32,608	-	-
Defaulted Exposures	7,318	-	4,893
Total On Balance Sheet Exposures	7,693,058	577,057	1,743,593
<u>Off Balance Sheet Exposures</u>			
OTC Derivatives	861	-	436
Off balance sheet exposures other than OTC derivatives or credit derivatives	305,478	-	247,955
Defaulted Exposures	-	-	-
Total Off Balance Sheet Exposures	306,339	-	248,391
Total On and Off Balance Sheet Exposures	7,999,397	577,057	1,991,984

RHB INVESTMENT BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2018

Table 13a: Impaired and Past Due Loans/Financing and Allowances for Impairment by Industry Sector as at 30 June 2018

RHB Investment Bank Group	Impaired Loans and Advances / Financing	Past Due Loans / Financing	Allowance For Credit Losses
<u>Industry Sector</u>	RM'000	RM'000	RM'000
Agriculture	-	-	-
Mining & Quarrying	7,356	-	5,874
Manufacturing	2,143	-	2,143
Electricity, Gas & Water Supply	-	-	-
Construction	-	-	-
Wholesale, Retail Trade, Restaurants & Hotels	34,773	-	34,773
Transport, Storage & Communication	-	-	-
Finance, Insurance/Takaful, Real Estate & Business	26,086	-	26,086
Education, Health & Others	-	-	-
Household	24,646	-	22,203
Others	-	-	-
Total	95,004	-	91,079

Table 13b: Impaired and Past Due Loans/Financing and Allowances for Impairment by Industry Sector as at 31 December 2017

RHB Investment Bank Group	Impaired Loans and Advances / Financing	Past Due Loans / Financing	Individual Impairment Allowances	Collective Impairment Allowances
<u>Industry Sector</u>	RM'000	RM'000	RM'000	RM'000
Agriculture	-	-	-	-
Mining & Quarrying	7,609	-	1,681	-
Manufacturing	2,191	-	2,191	-
Electricity, Gas & Water Supply	-	-	-	-
Construction	-	-	-	-
Wholesale, Retail Trade, Restaurants & Hotels	34,979	-	34,979	-
Transport, Storage & Communication	-	-	-	-
Finance, Insurance/Takaful, Real Estate & Business	26,241	-	26,241	-
Education, Health & Others	-	-	-	-
Household	22,657	-	21,813	1
Others	-	-	-	-
Total	93,677	-	86,905	1

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

RHB Investment Bank Group	Six Months Period Ended 30.06.2018		Twelve Months Period Ended 31.12.2017	
	Net Charges/ (Write-back) for Lifetime ECL Credit Impaired (Stage 3)	Write-Offs	Net Charges/ (Write-back) for Individual Impairment Allowances	Write-Offs
	RM'000	RM'000	RM'000	RM'000
<u>Industry Sector</u>				
Agriculture	-	-	-	-
Mining & Quarrying	4,242	-	1,710	-
Manufacturing	-	-	2,262	-
Electricity, Gas & Water Supply	-	-	-	-
Construction	-	-	-	-
Wholesale, Retail Trade, Restaurants & Hotels	-	-	31,954	-
Transport, Storage & Communication	-	-	-	-
Finance, Insurance/Takaful, Real Estate & Business	-	-	(188)	-
Education, Health & Others	-	-	-	-
Household	694	-	13,211	(347)
Others	-	-	-	-
Total	4,936	-	48,949	(347)

Table 15a: Impaired and Past Due Loans/ Financing and Allowances for Impairment by Geographical Distribution as at 30 June 2018

RHB Investment Bank Group	Impaired Loans and Advances / Financing	Past Due Loans / Financing	Allowance For Credit Losses
<u>Geographical Distribution</u>	RM'000	RM'000	RM'000
Malaysia	186	-	1
Singapore	14,978	-	12,611
Hong Kong	71,567	-	70,194
Thailand	8,273	-	8,273
Total	95,004	-	91,079

Table 15b: Impaired and Past Due Loans/ Financing and Allowances for Impairment by Geographical Distribution as at 31 December 2017

RHB Investment Bank Group	Impaired Loans and Advances / Financing	Past Due Loans / Financing	Individual Impairment Allowance	Collective Impairment Allowance
<u>Geographical Distribution</u>	RM'000	RM'000	RM'000	RM'000
Malaysia	454	-	5	1
Singapore	14,994	-	8,671	-
Hong Kong	69,799	-	69,799	-
Thailand	8,430	-	8,430	-
Total	93,677	-	86,905	1

RHB INVESTMENT BANK GROUP
BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2018

Table 16a: Reconciliation of Changes to Loan/ Financing Impairment Allowances as at 30 June 2018

RHB Investment Bank Group	12-month ECL (Stage 1) RM'000	Lifetime ECL Credit Impaired (Stage 3) RM'000	Total RM'000
Balance as at the beginning of financial period			
- As previously reported	-	-	-
- Effect of adoption of MFRS 9	1	86,905	86,906
- As restated	1	86,905	86,906
Allowance made/ (written-back) during the financial period	-	4,936	4,936
Exchange differences	0	(763)	(763)
Balance as at the end of financial period	1	91,078	91,079

Table 16b: Reconciliation of Changes to Loan/ Financing Impairment Allowances as at 31 December 2017

RHB Investment Bank Group	RM'000
<u>Individual Impairment Allowance</u>	
Balance as at the beginning of financial year	54,887
Net allowance made	48,949
Amount written off	(347)
Business transferred to holding company	(9,966)
Exchange differences	(6,618)
Balance as at the end of financial year	86,905
<u>Collective Impairment Allowance</u>	
Balance as at the beginning of financial year	230
Net allowance made	(229)
Balance as at the end of financial year	1

Note:

The impairment as at 31 December 2017 is computed based on MFRS 139 while the impairment as at 30 June 2018 is computed based on MFRS 9. Comparatives have not been restated as provided in the transitional provision of MFRS 9 for Tables 13 to 16.

RHB INVESTMENT BANK GROUP
 BASEL II PILLAR 3 DISCLOSURES AS AT 30 JUNE 2018

Table 17a: Market Risk Weighted Assets and Minimum Capital Requirements as at 30 June 2018

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	62,888	23,214	9,079	726
Equity Position Risk	676,218	60,540	1,317,423	105,394
Foreign Currency Risk	558,531	93,449	558,530	44,683
Options Risk	134,550	60,540	143,014	11,441
Total			2,028,046	162,244

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	23,267	23,214	-	-
Equity Position Risk	69,530	60,138	38,861	3,109
Foreign Currency Risk	356,005	291,959	356,005	28,480
Options Risk	-	60,138	56,966	4,558
Total			451,832	36,147

Table 17b: Market Risk Weighted Assets and Minimum Capital Requirements as at 31 December 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	57,480	57,269	357	29
Equity Position Risk	717,773	132,802	1,309,630	104,770
Foreign Currency Risk	469,235	94,143	469,235	37,539
Options Risk	173,840	132,813	270,139	21,611
Total			2,049,361	163,949

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	57,480	57,269	357	29
Equity Position Risk	148,674	132,190	67,446	5,395
Foreign Currency Risk	346,940	293,163	346,940	27,755
Options Risk	120,000	132,190	195,799	15,664
Total			610,542	48,843

Note:

As at 30 June 2018 and 31 December 2017, 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 2018

Table 18: Equity Exposures in the Banking Book

RHB Investment Bank Group Equity Type	Gross Credit Exposures		Risk Weighted Assets	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	RM'000	RM'000	RM'000	RM'000
Publicly traded				
Holdings of equity investments	2,103	2,364	2,103	2,382
Privately held				
For socio economic purposes	36,762	30,280	39,723	30,280
For non socio economic purpose	282	2,798	404	4,177
Total	39,147	35,442	42,230	36,839

Note:

As at 30 June 2018 and 31 December 2017, the Bank did not make any material gains or losses from the sale or liquidation of the equity exposures.

Table 19a: Interest Rate Risk in the Banking Book as at 30 June 2018

RHB Investment Bank Group Currency	Impact on Position as at Reporting Period (100 basis points) Parallel Shift			
	Increase / (Decline) in Earnings		Increase/(Decline) in Economic Value	
	Impact based on	Impact based on	Impact based on	Impact based on
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
	RM'000	RM'000	RM'000	RM'000
MYR - Malaysian Ringgit	(11,507)	11,507	(43,611)	43,611
USD - US Dollar	(3,958)	3,958	(202)	202
Others ¹	(42)	42	(8,652)	8,652
Total	(15,507)	15,507	(52,465)	52,465

Table 19b: Interest Rate Risk in the Banking Book as at 31 December 2017

RHB Investment Bank Group Currency	Impact on Position as at Reporting Period (100 basis points) Parallel Shift			
	Increase / (Decline) in Earnings		Increase/(Decline) in Economic Value	
	Impact based on	Impact based on	Impact based on	Impact based on
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
	RM'000	RM'000	RM'000	RM'000
MYR - Malaysian Ringgit	(8,549)	8,549	(44,364)	44,364
USD - US Dollar	(3,648)	3,648	(97)	97
Others ¹	112	(112)	(7,579)	7,579
Total	(12,085)	12,085	(52,040)	52,040

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 20: Operational Risk Weighted Assets and Minimum Capital Requirements

Operational Risk	RHB Investment Bank Group		RHB Investment Bank	
	30.06.2018	31.12.2017	30.06.2018	31.12.2017
	RM'000	RM'000	RM'000	RM'000
Risk Weighted Assets	1,695,191	1,689,666	903,561	905,417
Minimum Capital Requirements	135,615	135,173	72,285	72,433