

CIMB GROUP HOLDINGS BERHAD
(Company Number 50841-W)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2015

	Note	The Group		The Company	
		30 September 2015 RM'000	31 December 2014 RM'000	30 September 2015 RM'000	31 December 2014 RM'000
ASSETS					
Cash and short-term funds		28,183,791	33,462,817	950,540	1,864,074
Reverse repurchase agreements		6,360,544	4,758,286	-	-
Deposits and placements with banks and other financial institutions		4,371,618	4,238,988	378,633	-
Financial assets held for trading	A8	22,456,869	23,803,771	-	-
Derivative financial instruments	A23	17,351,918	7,182,759	-	478
Financial investments available-for-sale	A9	38,642,172	32,286,522	-	-
Financial investments held-to-maturity	A10	22,833,562	18,261,561	-	-
Loans, advances and financing	A11	290,108,626	258,014,859	1	40
Other assets	A12	20,653,538	12,511,211	445	13,764
Tax recoverable		47,552	45,483	35,555	35,757
Deferred tax assets		383,823	272,587	-	-
Statutory deposits with central banks		8,323,310	6,841,165	-	-
Amount owing by subsidiaries net of allowance of doubtful debts		-	-	50	-
Investment in subsidiaries		-	-	26,141,960	24,214,072
Investment in associates and joint ventures		1,043,186	1,086,389	3,834	3,834
Property, plant and equipment		2,151,674	1,466,634	1,670	2,126
Investment properties		4,000	4,000	457	471
Prepaid lease payments		128,331	136,419	-	-
Goodwill		8,271,876	7,911,160	-	-
Intangible assets		1,840,918	1,850,419	-	-
		473,157,308	414,135,030	27,513,145	26,134,616
Non-current assets held for sale		15,829	21,326	10,925	10,925
TOTAL ASSETS		473,173,137	414,156,356	27,524,070	26,145,541
LIABILITIES AND EQUITY					
Deposits from customers	A13	310,809,904	282,068,787	-	-
Placements from investment accounts	A14	197,822	-	-	-
Deposits and placements of banks and other financial institutions	A15	34,475,508	32,149,798	-	-
Repurchase agreements		10,131,120	5,735,839	-	-
Financial liabilities designated at fair value	A16	4,783,251	3,690,701	-	-
Derivative financial instruments	A23	17,985,107	7,712,794	9	-
Bills and acceptances payable		2,315,758	2,998,134	-	-
Other liabilities	A16	15,974,496	10,816,798	2,415	4,061
Amount owing to a subsidiary		-	-	32	-
Current tax liabilities		441,320	231,276	-	-
Deferred tax liabilities		55,563	51,569	277	448
Bonds and debentures	B7	11,900,325	7,666,048	-	-
Other borrowings	B7	9,639,443	9,290,807	4,496,139	4,305,015
Subordinated obligations	B7	12,706,134	12,582,494	2,024,248	2,141,402
Non-cumulative guaranteed and redeemable preference shares		942,522	770,188	-	-
TOTAL LIABILITIES		432,358,273	375,765,233	6,523,120	6,450,926
Ordinary share capital		8,489,791	8,423,751	8,489,791	8,423,751
Reserves		31,213,532	28,937,290	12,511,202	11,270,906
Less: Shares held under trust		(563)	(563)	-	-
Treasury shares, at cost		(43)	(42)	(43)	(42)
		39,702,717	37,360,436	21,000,950	19,694,615
Perpetual preference shares		200,000	200,000	-	-
Non-controlling interests		912,147	830,687	-	-
TOTAL EQUITY		40,814,864	38,391,123	21,000,950	19,694,615
TOTAL EQUITY AND LIABILITIES		473,173,137	414,156,356	27,524,070	26,145,541
COMMITMENTS AND CONTINGENCIES	A24	921,054,246	702,740,799	500,000	500,000
Net assets per share attributable to owners of the Parent (RM)		4.68	4.44	2.47	2.34

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014.

CIMB GROUP HOLDINGS BERHAD
(Company Number 50841-W)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

	Note	The Group			
		3rd quarter ended		Nine months ended	
		30 September 2015	30 September 2014	30 September 2015	30 September 2014
		RM'000	RM'000	RM'000	RM'000
Interest income	A18	4,655,852	4,040,241	13,318,980	11,836,758
Interest expense	A19	(2,239,783)	(1,869,190)	(6,443,258)	(5,423,479)
Net interest income		2,416,069	2,171,051	6,875,722	6,413,279
Income from Islamic Banking operations	A28(c)	386,248	355,258	1,152,081	1,083,912
Net non-interest income	A20	1,034,546	987,448	3,322,234	2,955,602
		3,836,863	3,513,757	11,350,037	10,452,793
Gain on disposal of subsidiaries and associates		3,610	14,839	4,190	21,030
		3,840,473	3,528,596	11,354,227	10,473,823
Overheads	A21	(2,260,509)	(2,033,896)	(7,037,612)	(6,052,721)
Profit before allowances		1,579,964	1,494,700	4,316,615	4,421,102
Allowance made for impairment losses on loans, advances and financing	A22	(523,719)	(344,227)	(1,589,403)	(602,853)
Allowance (made)/written back for impairment losses on other receivables		(7,118)	(5,433)	(1,620)	(19,054)
Allowance written back/(made) for commitments and contingencies		-	9,089	(9,383)	10,918
Recoveries from investment management and securities services		-	-	-	804
Allowance written back/(made) for other impairment losses		1,690	(7,803)	(731)	(23,590)
		1,050,817	1,146,326	2,715,478	3,787,327
Share of results of joint ventures		(3,750)	1,286	(15,921)	(2,551)
Share of results of associates		27,441	31,651	82,275	106,709
Profit before taxation		1,074,508	1,179,263	2,781,832	3,891,485
Taxation	B4	(256,306)	(276,320)	(721,492)	(942,249)
Profit for the financial period		818,202	902,943	2,060,340	2,949,236
Profit for the financial period attributable to :					
Owners of the Parent		803,892	890,270	2,023,770	2,906,490
Non-controlling interests		14,310	12,673	36,570	42,746
		818,202	902,943	2,060,340	2,949,236
Earnings per share (sen):					
- Basic	B9(a)	9.5	10.6	23.9	35.2
- Fully diluted	B9(b)	N/A	N/A	N/A	N/A

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014.

CIMB GROUP HOLDINGS BERHAD
(Company Number 50841-W)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED
30 SEPTEMBER 2015

	The Group			
	3rd quarter ended		Nine months ended	
	30 September	30 September	30 September	30 September
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	818,202	902,943	2,060,340	2,949,236
Other comprehensive income:				
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement of post employment benefits obligation				
- Actuarial gain	-	1	-	(81)
- Income tax effects	-	23	-	1,108
- Currency translation difference	(1,143)	(171)	(1,962)	(121)
	(1,143)	(147)	(1,962)	906
<i>Items that may be reclassified subsequently to profit or loss</i>				
Revaluation reserve-financial investments available-for-sale	(742,173)	163,487	(660,709)	189,187
- Net (loss)/gain from change in fair value	(764,762)	216,117	(554,855)	300,791
- Realised gain transferred to statement of income on disposal and impairment	(42,462)	(18,993)	(142,905)	(85,449)
- Income tax effects	75,558	(34,891)	45,357	(28,402)
- Currency translation difference	(10,507)	1,254	(8,306)	2,247
Net investment hedge	(753,395)	(47,018)	(1,144,641)	20,649
Hedging reserve - cash flow hedge	(10,060)	(1,149)	(17,241)	7,624
- Net loss from change in fair value	(14,540)	(556)	(23,788)	9,610
- Income tax effects	4,480	(593)	6,547	(1,986)
Exchange fluctuation reserve	1,713,827	34,826	2,218,682	(8,100)
Share of other comprehensive income of associates and joint ventures	4,128	(16,157)	4,384	(3,745)
	212,327	133,989	400,475	205,615
Total other comprehensive income for the financial period, net of tax	211,184	133,842	398,513	206,521
Total comprehensive income for the financial period	1,029,386	1,036,785	2,458,853	3,155,757
Total comprehensive income for the financial period attributable to:				
Owners of the Parent	991,010	1,022,715	2,389,820	3,113,351
Non-controlling interests	38,376	14,070	69,033	42,406
	1,029,386	1,036,785	2,458,853	3,155,757

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014.

CIMB GROUP HOLDINGS BERHAD
(Company Number 50841-W)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

	Note	The Company			
		3rd quarter ended		Nine months ended	
		30 September 2015 RM'000	30 September 2014 RM'000	30 September 2015 RM'000	30 September 2014 RM'000
Interest income	A18	5,657	8,150	28,931	42,207
Interest expense	A19	(77,075)	(66,192)	(230,592)	(201,237)
Net interest income		(71,418)	(58,042)	(201,661)	(159,030)
Net non-interest income	A20	827,806	857,223	1,581,187	1,856,412
Overheads	A21	756,388 (3,453)	799,181 (3,905)	1,379,526 (8,771)	1,697,382 (9,971)
Profit before taxation		752,935	795,276	1,370,755	1,687,411
Taxation	B4	(1,153)	(691)	(7,115)	(9,385)
Profit for the financial period		751,782	794,585	1,363,640	1,678,026

CIMB GROUP HOLDINGS BERHAD
(Company Number 50841-W)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

	The Company				
	3rd quarter ended		Nine months ended		
	30 September 2015 RM'000	30 September 2014 RM'000	30 September 2015 RM'000	30 September 2014 RM'000	
Profit for the financial period/ Total comprehensive income for the financial period		751,782	794,585	1,363,640	1,678,026

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014.

CIMB GROUP HOLDINGS BERHAD
(Company Number 50841-W)

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

The Group
30 September 2015

	← Attributable to owners of the Parent →															
	Share capital RM'000	Share premium-ordinary shares RM'000	Statutory reserve RM'000	Capital reserve RM'000	Exchange fluctuation reserve RM'000	Shares held under trust RM'000	Treasury shares RM'000	Revaluation reserve - financial investments available-for-sale RM'000	Other reserves RM'000	Share-based payment reserve RM'000	Regulatory reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Non-controlling interests RM'000	Total RM'000
At 1 January 2015	8,423,751	9,973,065	5,650,713	137,104	(1,183,616)	(563)	(42)	149,847	(564,090)	119,739	593,795	14,060,733	37,360,436	200,000	830,687	38,391,123
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	2,023,770	2,023,770	-	36,570	2,060,340
Other comprehensive income/(expense) (net of tax)	-	-	1,122	-	2,173,515	-	-	(650,365)	(1,163,843)	5,621	-	-	366,050	-	32,463	398,513
- financial investments available-for-sales	-	-	-	-	-	-	-	(654,749)	-	-	-	-	(654,749)	-	(5,960)	(660,709)
- net investment hedge	-	-	-	-	-	-	-	-	(1,144,641)	-	-	-	(1,144,641)	-	-	(1,144,641)
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	(17,240)	-	-	-	(17,240)	-	(1)	(17,241)
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	(1,962)	-	-	-	(1,962)	-	-	(1,962)
- currency translation difference	-	-	1,122	-	2,173,515	-	-	-	-	5,621	-	-	2,180,258	-	38,424	2,218,682
- share of other comprehensive income of associate and joint venture	-	-	-	-	-	-	-	4,384	-	-	-	-	4,384	-	-	4,384
Total comprehensive income/(expense) for the financial period	-	-	1,122	-	2,173,515	-	-	(650,365)	(1,163,843)	5,621	-	2,023,770	2,389,820	-	69,033	2,458,853
Dividend for the financial year ended 31 December 2014	-	-	-	-	-	-	-	-	-	-	-	(421,187)	(421,187)	-	-	(421,187)
- single tier second interim dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,624)	(2,624)
Non-controlling interest share of dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	48,267	-	-	-	-	-	-	-	-	-	(48,267)	-	-	-
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	-	-	255,016	-	(255,016)	-	-	-
Arising from dilution of equity interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(1,883)	-	14,864	12,981
Arising from increase in capital of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	187	187
Purchase of treasury shares	-	-	-	-	-	-	(1)	-	-	-	-	-	(1)	-	-	(1)
Share-based payment expense	-	-	-	-	-	-	-	-	-	66,289	-	-	66,289	-	-	66,289
Shares released under Equity Ownership Plan	-	-	-	-	-	-	-	-	86,628	(86,807)	-	-	(179)	-	-	(179)
Purchase of shares in relation to Equity Ownership Plan	-	-	-	-	-	-	-	-	(54,267)	-	-	-	(54,267)	-	-	(54,267)
Arising from staffs resigned under Equity Ownership Plan	-	-	-	-	-	-	-	-	-	-	-	(194)	(194)	-	-	(194)
Issuance of shares through dividend reinvestment scheme	66,040	297,843	-	-	-	-	-	-	-	-	-	-	363,883	-	-	363,883
At 30 September 2015	8,489,791	10,270,908	5,700,102	137,104	989,899	(563)	(43)	(500,518)	(1,695,572)	104,842	848,811	15,357,956	39,702,717	200,000	912,147	40,814,864

CIMB GROUP HOLDINGS BERHAD
(Company Number 50841-W)

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

The Group
30 September 2014

	← Attributable to owners of the Parent →															
	Share capital RM'000	Share premium-ordinary shares RM'000	Statutory reserve RM'000	Capital reserve RM'000	Exchange fluctuation reserve RM'000	Shares held under trust RM'000	Treasury shares RM'000	Revaluation reserve - financial investments available-for-sale RM'000	Other reserves RM'000	Share-based payment reserve RM'000	Regulatory reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Non-controlling interests RM'000	Total RM'000
At 1 January 2014	7,729,346	5,832,520	4,933,045	137,104	(2,106,977)	(563)	(41)	(42,709)	(271,510)	101,642	1,743,883	12,215,358	30,271,098	200,000	757,462	31,228,560
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	2,016,220	2,016,220	-	30,073	2,046,293
Other comprehensive income (net of tax)	-	-	(45)	-	(41,423)	-	-	38,155	77,493	236	-	-	74,416	-	(1,737)	72,679
- financial investments available-for-sales	-	-	-	-	-	-	-	25,743	-	-	-	-	25,743	-	(43)	25,700
- net investment hedge	-	-	-	-	-	-	-	-	67,667	-	-	-	67,667	-	-	67,667
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	8,773	-	-	-	8,773	-	-	8,773
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	1,053	-	-	-	1,053	-	-	1,053
- currency translation difference	-	-	(45)	-	(41,423)	-	-	-	-	236	-	-	(41,232)	-	(1,694)	(42,926)
- share of other comprehensive expense of associate and joint venture	-	-	-	-	-	-	-	12,412	-	-	-	-	12,412	-	-	12,412
Total comprehensive income for the financial period	-	-	(45)	-	(41,423)	-	-	38,155	77,493	236	-	2,016,220	2,090,636	-	28,336	2,118,972
Dividend for the financial year ended 31 December 2013	-	-	-	-	-	-	-	-	-	-	-	(850,091)	(850,091)	-	-	(850,091)
- single tier second interim dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,328)	(1,328)
Non-controlling interest share of dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to statutory reserve	-	-	381,522	-	-	-	-	-	-	-	-	(381,522)	-	-	-	-
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	-	-	154,504	(154,504)	-	-	-	-
Arising from (dilution)/accretion of equity interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(9,681)	(9,681)	-	(26,922)	(36,603)
Arising from increase in capital of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,675	6,675
Share-based payment expense	-	-	-	-	-	-	-	-	-	48,102	-	-	48,102	-	-	48,102
Shares released under Equity Ownership Plan	-	-	-	-	-	-	-	-	69,305	(74,051)	-	-	(4,746)	-	-	(4,746)
Purchase of shares in relation to Equity Ownership Plan	-	-	-	-	-	-	-	-	(127,615)	-	-	-	(127,615)	-	-	(127,615)
Issuance of shares through private placement	500,000	3,041,534	-	-	-	-	-	-	-	-	-	-	3,541,534	-	-	3,541,534
Issuance of shares through dividend reinvestment scheme	107,176	594,827	-	-	-	-	-	-	-	-	-	-	702,003	-	-	702,003
At 30 September 2014	8,336,522	9,468,881	5,314,522	137,104	(2,148,400)	(563)	(41)	(4,554)	(252,327)	75,929	1,898,387	12,835,780	35,661,240	200,000	764,223	36,625,463

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014.

CIMB GROUP HOLDINGS BERHAD

(Company Number 50841-W)

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015**

The Company	←		Non-distributable		→		Total RM'000
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Treasury shares RM'000	Distributable Retained earnings RM'000		
At 1 January 2015	8,423,751	9,973,065	55,982	(42)	1,241,859	19,694,615	
Profit for the financial period	-	-	-	-	1,363,640	1,363,640	
Total comprehensive income for the financial period	-	-	-	-	1,363,640	1,363,640	
Second interim dividend for the financial year ended 31 December 2014	-	-	-	-	(421,187)	(421,187)	
Issuance of shares through dividend reinvestment scheme	66,040	297,843	-	-	-	363,883	
Purchase of treasury shares	-	-	-	(1)	-	(1)	
At 30 September 2015	8,489,791	10,270,908	55,982	(43)	2,184,312	21,000,950	

The Company	←		Non-distributable		→		Total RM'000
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Treasury shares RM'000	Distributable Retained earnings RM'000		
At 1 January 2014	7,729,346	5,832,520	55,982	(41)	1,306,058	14,923,865	
Profit for the financial period	-	-	-	-	1,678,026	1,678,026	
Total comprehensive income for the financial period	-	-	-	-	1,678,026	1,678,026	
Second interim dividend for the financial year ended 31 December 2013	-	-	-	-	(850,091)	(850,091)	
Issuance of shares through private placement	500,000	3,041,534	-	-	-	3,541,534	
Issuance of shares through dividend reinvestment scheme	107,176	594,827	-	-	-	702,003	
At 30 September 2014	8,336,522	9,468,881	55,982	(41)	2,133,993	19,995,337	

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014.

CIMB GROUP HOLDINGS BERHAD
(Company Number 50841-W)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2015

	The Group		The Company	
	30 September 2015 RM'000	30 September 2014 RM'000	30 September 2015 RM'000	30 September 2014 RM'000
Profit before taxation	2,781,832	3,891,485	1,370,755	1,687,411
Adjustments for non-operating and non-cash items	1,479,423	637,847	(1,508,068)	72,124
Operating profit/(loss) before changes in working capital	4,261,255	4,529,332	(137,313)	1,759,535
Net changes in operating assets	(45,401,290)	(17,990,801)	(364,788)	24,599
Net changes in operating liabilities	41,881,763	13,633,433	54,194	37,304
	(3,519,527)	(4,357,368)	(310,594)	61,903
Cash flows generated from/(used in) operations	741,728	171,964	(447,907)	1,821,438
Taxation paid	(620,759)	(578,566)	(7,084)	(3,725)
Net cash flows generated from/(used in) operating activities	120,969	(406,602)	(454,991)	1,817,713
Net cash flows used in from investing activities	(12,365,501)	(6,251,636)	(173,219)	(2,924,135)
Net cash flows generated from/(used in) financing activities	1,168,500	3,490,586	(285,324)	2,628,355
Net decrease in cash and cash equivalents during the financial period	(11,076,032)	(3,167,652)	(913,534)	1,521,933
Effects of exchange rate changes	5,797,006	(57,341)	-	-
Cash and short-term funds at beginning of the financial period	33,462,817	33,678,882	1,864,074	69,573
Cash and short-term funds at end of the financial period	28,183,791	30,453,889	950,540	1,591,506
Statutory deposits with Bank Indonesia*	(4,641,038)	(3,715,060)	-	-
Monies held in trust	(30,750)	(32,287)	-	-
Cash and cash equivalents at end of the financial period	23,512,003	26,706,542	950,540	1,591,506

* This represent non-interest bearing statutory deposits of a foreign subsidiary maintained with Bank Indonesia in compliance with their applicable legislation which is not readily available for use by the Group.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014.

PART A - EXPLANATORY NOTES

A1. BASIS OF PREPARATION

The unaudited condensed interim financial statements for the financial period ended 30 September 2015 have been prepared under the historical cost convention, except for financial assets held for trading, financial investments available-for-sale, derivative financial instruments, investment properties and non-current assets/disposal groups held for sale and financial liabilities designated at fair value, that have been measured at fair value.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 of Bursa Malaysia Securities Berhad's Listing Requirements.

The unaudited condensed interim financial statements should be read in conjunction with the Group's and the Company's audited financial statements for the financial year ended 31 December 2014. The explanatory notes attached to the condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Company since the financial year ended 31 December 2014.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2014, and modified for the adoption of the following accounting standards applicable for financial periods beginning on or after 1 January 2015:

- Annual improvement to MFRSs 2010 - 2012 Cycle
 - Amendment to MFRS 2 "Share-based Payment"
 - Amendment to MFRS 3 "Business Combinations"
 - Amendment to MFRS 8 "Operating Segments"
 - Amendment to MFRS 13 "Fair Value Measurement"
 - Amendments to MFRS 116 "Property, Plant and Equipment" and MFRS 138 "Intangible Assets"
 - Amendment to MFRS 124 "Related Party Disclosures"
- Annual improvement to MFRSs 2011 - 2013 Cycle
 - Amendment to MFRS 3 "Business Combinations"
 - Amendment to MFRS 13 "Fair Value Measurement"
 - Amendment to MFRS 140 "Investment Property"
- Amendments to MFRS 119 "Defined Benefits Plans: Employee Contributions"

The adoption of the new standards, amendments to published standards and interpretations are not expected to have impact on the financial results of the Group and the Company.

The unaudited condensed interim financial statements incorporate those activities relating to Islamic banking which have been undertaken by the Group. Islamic banking refers generally to the acceptance of deposits, granting of financing and dealing in Islamic securities under Shariah principles.

The preparation of unaudited condensed interim financial statements in conformity with the MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed interim financial statements, and the reported amounts of income and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group and Company's accounting policies. Although these estimates and assumptions are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

A2. CHANGES IN ESTIMATES

There were no material changes to financial estimates made in respect of the current financial period that had previously been announced or disclosed.

A3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

Other than detailed below, there were no other new shares issuance, repayment of debt securities, share buy backs and share cancellations, or resale of shares held as treasury shares during the financial period ended 30 September 2015:-

(a) On 27 February 2015, the Company announced that it will seek its shareholders' approval at its 58th Annual General Meeting ("AGM") to be convened on a later announced date for the proposed renewal of the authority for the Company to purchase its own shares of up to 10% of the issued and paid-up capital of the Company. Shareholders' approval was subsequently obtained at the AGM which was held on 28 April 2015.

(b) From 1 January 2015 to 30 September 2015, the Company purchased 100 of its own shares from the open market at an average market price of RM5.96 per share. The total consideration paid for the purchase of own shares, including transaction costs was RM640.

A3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

(c) The entitlement date pursuant to Single Tier Second Interim Dividend for financial year ended 31 December 2014 and the corresponding DRS was fixed for 31 March 2015. The Group had, on 28 April 2015, issued and allotted 66,040,583 new ordinary shares of RM1.00 each in New CIMB Shares. The New CIMB Shares were listed and quoted on the Main Market of Bursa Securities with effect from 9.00 a.m., Wednesday, 29 April 2015. With the listing of the New Shares, the enlarged issued and paid-up share capital of CIMBGH is 8,489,791,576 shares.

The entitlement date pursuant to Single Tier First Interim Dividend for financial year ending 31 December 2015 and the corresponding DRS was fixed for 23 September 2015. The Group had, on 23 October 2015, issued and allotted 37,480,662 new ordinary shares of RM1.00 each in New CIMB Shares. The New CIMB Shares were listed and quoted on the Main Market of Bursa Securities with effect from 9.00 a.m., Wednesday, 26 October 2015. With the listing of the New Shares, the enlarged issued and paid-up share capital of CIMBGH is 8,527,272,238 shares.

(d) In January 2015, CIMB Bank Berhad has redeemed its USD45 million senior unsecured floating rate notes issued under its USD1 billion Euro Medium Term Note Programme established on 27 January 2011.

(e) During the financial period, CIMB Thai Bank issued various unsecured structured debentures amounting to THB354.5 million, with embedded foreign exchange and commodity derivatives and early redemption option. The debentures will mature within 6 months from respective issuance dates.

During and subsequent to the financial period, CIMB Thai Bank has early redeemed structured debentures amounting to THB456.8 million and THB119.0 million respectively.

(f) On 3 Apr 2015, the Company has redeemed its RM150 million unsecured subordinated fixed rate notes issued under the Subordinated Notes Programme approved on 12 June 2009.

(g) On 5 May 2015, CIMB Bank Berhad issued USD313 million 30-year callable zero coupon notes (the "Notes") under its USD5.0 billion nominal value Euro Medium Term Note Programme established on 15 August 2014. The Notes will mature on 5 May 2045, and are callable from 5 May 2020 and every two years thereafter up to 5 May 2044. The Notes have a yield to maturity of 4.50% per annum.

(h) On 12 May 2015, CIMB Bank Berhad issued EUR30 million 1-year senior floating rate notes (the "Notes") under its USD5.0 billion nominal value Euro Medium Term Note Programme established on 15 August 2014. The Notes will mature on 12 May 2016 (subject to adjustment in accordance with the modified following business day convention) and bears a coupon rate of 3 months EURIBOR + 0.15 % per annum payable quarterly.

(i) On 30 June 2015, CIMB Bank Berhad, acting through its Singapore branch, issued SGD100 million 3-year senior fixed rate notes (the "Notes") under its USD5.0 billion nominal value Euro Medium Term Note Programme established on 15 August 2014. The Notes will mature on 30 June 2018 (subject to adjustment in accordance with the modified following business day convention) and bears a coupon rate of 2.12% per annum payable semi-annually.

(j) On 6 August 2015, CIMB Bank Berhad issued CNY220 million 3-year senior fixed rate notes (the "Notes") under its USD5.0 billion nominal value Euro Medium Term Note Programme established on 15 August 2014. The Notes will mature on 6 August 2018 (subject to adjustment in accordance with the modified following business day convention) and bears a coupon rate of 4.25% per annum payable annually.

(k) On 27 August 2015, CIMB Thai Bank, 93.71% owned subsidiary of the CIMB Bank, announced a 7-for-40 rights issue at THB1 per share. The exercise was approved at the Annual General Meeting on 10 April 2015. The exercise was completed on 6 November 2015 and CIMB Thai Bank successfully raised a total capital of THB 3.69 billion.

Subsequent to the right issue, CIMB Bank's shareholding in CIMB Thai Bank has been maintained at 93.71% as it subscribed fully to its allotment of shares.

(l) On 4 September 2015, CIMB Bank PLC has successfully issued USD7.0 million Tier 2 subordinated debt ("Subordinated Debt") which is intended to qualify as a Tier 2 capital for CIMB Bank PLC for the purpose of computation of minimum Solvency Requirements by the National Bank of Cambodia ("NBC"). The Subordinated Debt was issued as a single tranche at 3.00% per annum with a maturity of 10 years from the issue date with a call option starting at the end of year 5 and on each relevant Coupon Payment Date thereafter. The interest rate will remain unchanged throughout the tenor of the Subordinated Debt.

Redemption of the Subordinated Debts on the call dates shall be subject to NBC's approval. There is no step up coupon after call dates. The proceeds of the Subordinated Debts shall be made available to CIMB Bank PLC, without limitation, for its working capital, general banking and other corporate purposes and/or if required, the refinancing of any existing and future outstanding senior debt and existing and future outstanding subordinated debt previously issued by the Issuer.

(m) On 2 November 2015, CIMB Bank fully settled its USD200million subordinated loan to SBB Capital Corporation ("SCC") in connection and concurrent with the redemption of SCC's USD 200 million 6.62% Non-Cumulative Guaranteed Preference Shares ("Preference Shares") on the First optional Redemption Date of 2 November 2015.

A4. DIVIDENDS PAID AND PROPOSED

A single-tier second interim dividend of 5.00 sen per ordinary share, on 8,423,746,385 ordinary shares amounting to RM421,187,319 in respect of the financial year ended 31 December 2014 was approved by the Board of Directors on 30 January 2015. The dividend consists of an electable portion of 5.00 sen which can be elected to be reinvested in new ordinary shares in accordance with the Dividend Reinvestment Scheme (“DRS”). Following the completion of the DRS, a total cash dividend of RM57,303,707 was paid on 28 April 2015.

A single-tier first interim dividend of 3.00 sen per ordinary share, on 8,489,786,868 ordinary shares amounting to RM254,693,606 in respect of the financial year ending 31 December 2015 was approved by the Board of Directors on 13 August 2015. The dividend consists of an electable portion of 3.00 sen which can be elected to be reinvested in new ordinary shares in accordance with the Dividend Reinvestment Scheme (“DRS”). Following the completion of the DRS, a total cash dividend of RM83,781,787 was paid on 23 October 2015.

A5. STATUS OF CORPORATE PROPOSAL

(a) On 1 April 2015, CIMB Real Estate Sdn Bhd (“CIMBRE”), a wholly-owned indirect subsidiary of the Company, completed a conditional Subscription Agreement with Lot A Sentral Sdn Bhd (“LASSB”) for the subscription of new shares in LASSB, and a conditional Share Sale Agreement with Mapletree Dextra Pte Ltd and CMREF 1 Sdn Bhd (“CMREF1”) for the acquisition of existing shares in LASSB, for a combined cash consideration of approximately RM646 million, subject to post-closing adjustments. Upon completion of the Transaction, LASSB has become a wholly-owned subsidiary of CIMBRE.

LASSB is a special-purpose company incorporated to own and manage the 40-storey commercial building called “Menara CIMB”. Located in the prime location of Kuala Lumpur Sentral, “Menara CIMB” is the new headquarters for the Company and its subsidiaries.

(b) On 7 August 2015, CIMB Bank Berhad obtained an in-principle approval to establish and operate a 100% owned subsidiary in Vietnam.

(c) On 17 November 2015, CIMB Group Sdn Berhad, a wholly owned subsidiary to the Company, entered into a strategic collaboration agreement with Philippine Long Distance Telephone Company (“PLDT”) to offer digital financial solutions in the Philippines and across ASEAN.

A6. EVENTS DURING THE REPORTING PERIOD

(a) On 9 February 2015, following from a strategic review of the Group's entire businesses, the Group decided to close its offices in Sydney and Melbourne in Australia.

(b) On 23 July 2014, CIMB-Principal Asset Management Company Limited (“CPAM Thailand”), a 60%-owned indirect subsidiary of CIMB Group, has entered into a conditional Share Purchase Agreement with Finansa Public Company Limited in relation to the proposed acquisition of entire issued and outstanding shares of Finansa Asset Management Limited (“FAM”), for a cash consideration of THB225 million. The proposed acquisition has been completed on 22 January 2015.

(c) On 15 May 2015, the Company and CIMB Niaga announced that they have offered employees in Malaysia and Indonesia a Mutual Separation Scheme (“MSS”). The MSS exercise is fully voluntary and is aimed at enhancing the Group's efficiency levels across the board.

A7. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no significant events that had occurred between 30 September 2015 and the date of this announcement, other than those disclosed under Issuance and Repayment of Debts and Equity Securities, and Status of Corporate Proposal.

PART A - EXPLANATORY NOTES

A8. FINANCIAL ASSETS HELD FOR TRADING

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
Money market instruments:		
Unquoted		
Malaysian Government Securities	232,410	676,023
Cagamas bonds	-	9,970
Malaysian Government treasury bills	22,813	138,038
Bank Negara Malaysia Monetary Notes	20,749	3,662,375
Negotiable instruments of deposit	5,876,099	2,745,907
Bankers' acceptances and Islamic accepted bills	29,915	121,197
Other Government's securities	5,657,656	5,081,737
Commercial papers	716,720	151,700
Government Investment Issues	171,853	151,724
	12,728,215	12,738,671
Quoted securities:		
<i>In Malaysia:</i>		
Shares	89,403	1,581,737
<i>Outside Malaysia:</i>		
Shares	452,667	1,566,627
Private and Islamic debt securities	716,652	478,355
Other Government bonds	1,336,590	760,313
Investment linked funds	465,434	547,669
	3,060,746	4,934,701
Unquoted securities:		
<i>In Malaysia:</i>		
Private and Islamic debt securities	2,214,551	2,540,888
Shares	1	6,716
<i>Outside Malaysia:</i>		
Private and Islamic debt securities	4,281,024	3,447,364
Private equity funds	161,706	125,965
Unit trust	10,626	9,466
	6,667,908	6,130,399
Total financial assets held for trading	22,456,869	23,803,771

A9. FINANCIAL INVESTMENTS AVAILABLE-FOR-SALE

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
Money market instruments:		
Unquoted		
Malaysian Government Securities	973,208	527,247
Cagamas bonds	212,696	148,161
Khazanah bonds	551,741	553,937
Other Government securities	1,176,993	261,407
Other Government treasury bills	99,923	72,335
Government Investment Issues	2,560,739	2,519,145
Commercial papers	-	74,805
Negotiable instruments of deposit	132,413	-
Malaysian Government Sukuk	44,406	19,750
	5,752,119	4,176,787
Quoted securities:		
<i>In Malaysia:</i>		
Shares	106,395	135,882
Unit trusts	323	1,534
<i>Outside Malaysia:</i>		
Shares	32,557	83,154
Private and Islamic debt securities	2,679,522	1,771,630
Other Government bonds	5,439,925	5,116,797
Unit trusts	102,012	89,695
	8,360,734	7,198,692
Unquoted securities:		
<i>In Malaysia:</i>		
Private and Islamic debt securities	14,850,495	14,240,932
Shares	1,092,760	1,082,338
Loan stocks	10,211	10,433
Property funds	184	183
<i>Outside Malaysia:</i>		
Shares	57,940	51,414
Private equity funds	603,833	615,448
Private and Islamic debt securities	8,264,769	5,171,761
Loan stocks	5,007	1,783
	24,885,199	21,174,292
	38,998,052	32,549,771
Allowance for impairment losses:		
Private debt securities	(61,272)	(64,924)
Private equity funds	(86,257)	(68,420)
Quoted shares	(15,988)	(15,988)
Quoted bonds	(7,119)	(5,565)
Unquoted shares	(174,680)	(97,528)
Unit trusts	(353)	(391)
Loan stocks	(10,211)	(10,433)
	(355,880)	(263,249)
Total financial investments available-for-sale	38,642,172	32,286,522

A10. FINANCIAL INVESTMENTS HELD-TO-MATURITY

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
Money market instruments:		
Unquoted		
Malaysian Government Securities	1,516,455	1,116,365
Cagamas bonds	315,534	201,076
Other government securities	1,441,134	796,713
Other government treasury bills	20,014	17,170
Bank Negara Malaysia Monetary Notes	12,517	9,732
Khazanah bonds	246,157	245,369
Government Investment Issues	4,137,916	3,091,812
	7,689,727	5,478,237
Quoted securities		
<i>Outside Malaysia</i>		
Private debt securities	3,021,629	2,742,483
Islamic bonds	7,534	122,495
Other Government bonds	1,435,310	1,059,133
Bank Indonesia certificates	244,378	158,898
	4,708,851	4,083,009
Unquoted securities		
<i>In Malaysia</i>		
Private debt securities	9,684,791	7,625,544
Loan stocks	7,020	27,388
	773,554	1,075,296
<i>Outside Malaysia</i>		
Private debt securities	10,465,365	8,728,228
	22,863,943	18,289,474
Amortisation of premium, net of accretion of discount	(17,969)	4,876
Less : Allowance for impairment losses	(12,412)	(32,789)
Total financial investments held-to-maturity	22,833,562	18,261,561

Included in the financial investments held-to-maturity of the Group as at 31 December 2014 are 10-year promissory notes of THB9 million which has matured in March 2015. The promissory notes were received from Thai Asset Management Corporation ("TAMC") for settlement of impaired loans transferred by CIMB Thai Bank to TAMC. Such promissory notes are non-transferable, bear interest at the average deposit rate of 5 major banks in Thailand and availed by the Financial Institutions Development Fund. As part of the agreement to transfer the impaired loans to TAMC, CIMB Thai Bank has a gain and loss sharing arrangement with TAMC arising from the recovery of the impaired loans.

A11. LOANS, ADVANCES AND FINANCING

(i) By type	The Group		The Company	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	RM'000	RM'000	RM'000	RM'000
At amortised cost				
Overdrafts	5,448,968	5,596,931	-	-
Term loans/financing				
- Housing loans/financing	71,731,936	64,424,328	-	-
- Syndicated term loans	17,802,131	14,610,622	-	-
- Hire purchase receivables	20,464,481	19,220,193	-	-
- Lease receivables	182,786	111,666	-	-
- Factoring receivables	30,205	25,529	-	-
- Other term loans/financing	113,902,018	96,324,632	-	-
Bills receivable	7,500,512	10,778,037	-	-
Trust receipts	2,039,598	1,395,282	-	-
Claims on customers under acceptance credits	4,312,219	4,573,768	-	-
Staff loans *	1,047,026	896,023	1	40
Credit card receivables	8,366,694	7,575,611	-	-
Revolving credits	43,400,991	37,354,876	-	-
Share margin financing	1,543,061	1,752,933	-	-
Other loans	1,847	3,658	-	-
Gross loans, advances and financing	297,774,473	264,644,089	1	40
Fair value changes arising from fair value hedge	123,589	136,079	-	-
	297,898,062	264,780,168	1	40
Less: Allowance for impairment losses				
- Individual impairment allowance	(4,253,342)	(3,591,249)	-	-
- Portfolio impairment allowance	(3,536,094)	(3,174,060)	-	-
	(7,789,436)	(6,765,309)	-	-
Total net loans, advances and financing	290,108,626	258,014,859	1	40

* Included in staff loans of the Group are loans to Directors amounting to RM20,885,883 (2014: RM11,660,165).

(a) Included in the Group's loans, advances and financing balances are RM50 million (2014: RM50 million) of reinstated loans which were previously impaired and written off prior to 2005. The reinstatement of these loans has been approved by BNM on 5 February 2010 and were done selectively on the basis of either full settlement of arrears or upon regularised payments of rescheduled loan repayments.

(b) The Group has undertaken fair value hedge on the interest rate risk of loans, advances and financing with RM5,465 million (2014: RM8,120 million), using interest rate swaps.

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
Gross loan hedged	5,465,059	8,119,997
Fair value changes arising from fair value hedges	123,589	136,079
	5,588,648	8,256,076

The fair value loss of interest rate swaps in these hedge transaction as at 30 September 2015 was RM144 million (2014: RM112 million).

A11. LOANS, ADVANCES AND FINANCING (Continued)
(ii) By type of customers

	The Group		The Company	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Domestic banking institutions	641,689	1,691,259	-	-
Domestic non-bank financial institutions				
- stockbroking companies	-	13,224	-	-
- others	3,291,411	3,189,524	-	-
Domestic business enterprises				
- small medium enterprises	44,805,694	44,009,610	-	-
- others	55,475,281	45,871,410	-	-
Government and statutory bodies	8,932,711	8,854,267	-	-
Individuals	139,020,465	125,997,751	1	40
Other domestic entities	2,995,099	2,589,715	-	-
Foreign entities	42,612,123	32,427,329	-	-
Gross loans, advances and financing	297,774,473	264,644,089	1	40

(iii) By interest/profit rate sensitivity

	The Group		The Company	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Fixed rate				
- Housing loans/financing	2,105,556	1,803,982	-	-
- Hire-purchase receivables	10,995,446	11,761,686	-	-
- Other fixed rate loans	41,079,998	39,630,807	1	40
Variable rate				
- BLR plus	143,184,422	135,903,034	-	-
- Cost plus	38,118,127	33,750,957	-	-
- Other variable rates	62,290,924	41,793,623	-	-
Gross loans, advances and financing	297,774,473	264,644,089	1	40

(iv) By economic purpose

	The Group		The Company	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Personal use	10,329,661	8,748,136	1	2
Credit card	8,366,694	7,575,611	-	-
Purchase of consumer durables	110,486	594,930	-	-
Construction	9,165,815	8,199,486	-	-
Residential property (Housing)	73,787,660	66,248,029	-	38
Non-residential property	25,035,243	20,636,518	-	-
Purchase of fixed assets other than land and building	17,664,493	15,761,176	-	-
Mergers and acquisitions	4,757,360	5,288,961	-	-
Purchase of securities	25,215,648	19,708,117	-	-
Purchase of transport vehicles	22,808,239	21,338,114	-	-
Working capital	80,552,688	74,273,300	-	-
Other purposes	19,980,486	16,271,711	-	-
Gross loans, advances and financing	297,774,473	264,644,089	1	40

A11. LOANS, ADVANCES AND FINANCING (Continued)
(v) By geographical distribution

	The Group		The Company	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Malaysia	163,099,421	152,318,680	1	40
Indonesia	59,143,783	53,830,114	-	-
Thailand	29,810,591	22,799,411	-	-
Singapore	32,226,662	22,785,545	-	-
United Kingdom	866,476	931,230	-	-
Hong Kong	1,491,418	612,930	-	-
China	3,218,858	6,039,313	-	-
Other countries	7,917,264	5,326,866	-	-
Gross loans, advances and financing	297,774,473	264,644,089	1	40

(vi) By residual contractual maturity

	The Group		The Company	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Within one year	69,538,880	69,042,090	1	-
One year to less than three years	32,063,335	23,881,021	-	2
Three years to less than five years	41,572,862	33,216,713	-	-
Five years and more	154,599,396	138,504,265	-	38
Gross loans, advances and financing	297,774,473	264,644,089	1	40

(vii) Impaired loans, advances and financing by economic purpose

	The Group	
	30 September	31 December
	2015	2014
	RM'000	RM'000
Personal use	317,840	312,471
Credit card	158,314	114,462
Purchase of consumer durables	207	5,657
Construction	1,382,548	1,222,102
Residential property (Housing)	1,656,814	1,479,522
Non-residential property	266,456	214,681
Purchase of fixed assets other than land and building	1,326,983	876,447
Purchase of securities	199,237	175,342
Purchase of transport vehicles	444,840	422,123
Working capital	3,563,280	2,565,699
Other purpose	855,431	794,183
Gross impaired loans, advances and financing	10,171,950	8,182,689

(viii) Impaired loans, advances and financing by geographical distribution

	The Group	
	30 September	31 December
	2015	2014
	RM'000	RM'000
Malaysia	3,963,465	4,016,830
Indonesia	4,289,807	2,491,905
Thailand	1,705,233	1,437,752
Singapore	79,027	44,657
United Kingdom	2,444	2,518
China	68,415	95,775
Other countries	63,559	93,252
Gross impaired loans, advances and financing	10,171,950	8,182,689

A11. LOANS, ADVANCES AND FINANCING (Continued)

(ix) Movements in impaired loans

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
At 1 January	8,182,689	7,393,269
Classified as impaired during the period/year	4,888,249	4,672,395
Reclassified as not impaired during the period/year	(1,403,149)	(1,782,815)
Amount written back in respect of recoveries	(871,034)	(873,740)
Amount written off	(1,216,187)	(1,461,339)
Exchange fluctuation	591,382	234,919
At 30 September / 31 December	10,171,950	8,182,689
Ratio of gross impaired loans to gross loans, advances and financing	3.42%	3.09%

(x) Movements in the allowance for impaired loans, advances and financing are as follows:

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
<u>Individual impairment allowance</u>		
At 1 January	3,591,249	3,005,066
Net allowance made during the period/year	778,075	952,176
Amount written off	(445,638)	(458,740)
Allowance written back and charged to deferred assets	-	(2,735)
Amount transferred (to)/from portfolio impairment allowance	(7,012)	3,160
Unwinding income	(941)	(2,626)
Exchange fluctuation	337,609	94,948
At 30 September / 31 December	4,253,342	3,591,249
<u>Portfolio impairment allowance</u>		
At 1 January	3,174,060	3,261,224
Net allowance made during the period/year	1,029,835	887,551
Amount transferred from/(to) individual impairment allowance	7,012	(3,160)
Amount written off	(749,058)	(982,482)
Allowance made and charged to deferred assets	-	381
Unwinding income	(29,601)	(33,195)
Exchange fluctuation	103,846	43,741
At 30 September / 31 December	3,536,094	3,174,060
Portfolio impairment allowance (inclusive of regulatory reserve) as % of gross loans, advances and financing (excluding RPSIA financing) less individual impairment allowance	1.54%	1.49%

A12. OTHER ASSETS

	The Group		The Company	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	RM'000	RM'000	RM'000	RM'000
Due from brokers and clients net of allowance for doubtful debts	4,544,036	4,090,027	-	-
Other debtors, deposits and prepayments, net of allowance for doubtful debts	5,438,699	3,872,575	445	13,764
Due from a joint venture	1,215,301	1,189,074	-	-
Due from insurers, brokers and reinsurers	3,071	3,768	-	-
Structured financing	2,468,931	202,040	-	-
Foreclosed properties net of allowance for impairment losses	350,087	356,826	-	-
Collateral pledged for derivative transactions	6,633,413	2,796,901	-	-
	20,653,538	12,511,211	445	13,764

A13. DEPOSITS FROM CUSTOMERS

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
<u>By type of deposit</u>		
Demand deposits	67,926,732	64,732,253
Savings deposits	39,061,787	34,143,233
Fixed deposits	137,211,422	119,350,060
Negotiable instruments of deposit	1,741,975	3,486,878
Others	64,867,988	60,356,363
	310,809,904	282,068,787

By type of customer

Government and statutory bodies	11,094,410	9,641,728
Business enterprises	116,859,747	109,294,880
Individuals	126,102,666	111,598,994
Others	56,753,081	51,533,185
	310,809,904	282,068,787

The maturity structure of fixed deposits and negotiable instruments of deposit is as follows:

Due within six months	114,156,476	99,066,019
Six months to less than one year	20,663,003	18,436,364
One year to less than three years	2,295,805	3,107,205
Three years to less than five years	1,278,601	1,580,796
Five years and more	559,512	646,554
	138,953,397	122,836,938

A14. PLACEMENTS FROM INVESTMENT ACCOUNTS

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
Restricted investment accounts	197,822	-

A15. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
Licensed banks	27,899,673	28,034,956
Licensed finance companies	1,340,670	796,797
Licensed investment banks	878,129	469,185
Bank Negara Malaysia	392,269	491,349
Other financial institutions	3,964,767	2,357,511
	34,475,508	32,149,798

The maturity structure of deposits and placements of banks and other financial institutions is as follows:

Due within six months	29,250,676	29,249,136
Six months to less than one year	3,607,505	1,979,195
One year to less than three years	1,219,452	392,932
Three years to less than five years	122,632	306,247
Five years and more	275,243	222,288
	34,475,508	32,149,798

A16. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
Deposits from customers - structured investments	2,979,885	2,876,227
Bills payables	943,082	402,839
Debentures	860,284	411,635
	4,783,251	3,690,701

The Group has issued structured investments, bills payable and debentures, and has designated them at fair value in accordance with MFRS139. The Group has the ability to do this when designating these instruments at fair value reduces an accounting mismatch, is managed by the Group on the basis of its fair value, or includes terms that have substantive derivative characteristics.

The carrying amount of the Group at 30 September 2015 of financial liabilities designated at fair value were RM692,945,000 (2014: RM403,475,000) lower than the contractual amount at maturity for the structured investments, RM55,499,000 (2014: RM3,610,000) higher than the contractual amount at maturity for the bills payables and RM26,962,000 lower (2014: RM78,436,000) higher than the contractual amount at maturity for the debentures. The fair value changes of the financial liabilities that are attributable to the changes in own credit risk are not significant.

A17. OTHER LIABILITIES

	The Group		The Company	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	RM'000	RM'000	RM'000	RM'000
Due to brokers and clients	4,105,998	3,864,299	-	-
Expenditure payable	2,363,982	1,974,624	2,405	3,361
Provision for legal claims	60,872	90,974	-	-
Sundry creditors	2,670,723	1,349,922	10	1
Insurance fund - life and takaful insurance business	78,224	68,069	-	-
Allowance for commitments and contingencies	21,441	9,182	-	-
Post employment benefit obligations	477,050	352,216	-	-
Credit card expenditure payable	199,234	180,824	-	-
Call deposit borrowing	4,091,761	1,042,645	-	-
Unit link contract liabilities	459,087	547,669	-	-
Others	1,446,124	1,336,374	-	699
	15,974,496	10,816,798	2,415	4,061

A18. INTEREST INCOME

	3rd quarter ended		Nine months ended	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
	RM'000	RM'000	RM'000	RM'000
The Group				
Loans, advances and financing				
- Interest income	3,785,125	3,279,403	10,845,808	9,503,535
- Unwinding income [^]	21,243	19,407	50,678	71,930
Money at call and deposit placements with financial institutions	115,151	104,170	368,140	349,063
Reverse repurchase agreements	37,159	30,601	109,621	115,814
Financial assets held for trading	133,026	140,849	345,188	426,523
Financial investments available-for-sale	373,139	282,666	1,044,796	876,488
Financial investments held-to-maturity	198,336	172,125	568,854	469,032
Others	7,340	8,427	19,799	23,392
	4,670,519	4,037,648	13,352,884	11,835,777
Accretion of discounts, net of amortisation of premiums	(14,667)	2,593	(33,904)	981
	4,655,852	4,040,241	13,318,980	11,836,758
The Company				
Loans, advances and financing				
- Interest income	-	1	-	2
Money at call and deposit placements with financial institutions	5,657	8,149	28,931	42,175
Others	-	-	-	30
	5,657	8,150	28,931	42,207

[^] Unwinding income is interest income earned on impaired financial assets

A19. INTEREST EXPENSE

	3rd quarter ended		Nine months ended	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
	RM'000	RM'000	RM'000	RM'000
The Group				
Deposits and placements of banks and other financial institutions	116,175	71,351	319,253	179,751
Deposits from other customers	1,635,638	1,405,367	4,729,398	4,105,372
Repurchase agreements	51,370	15,565	119,082	51,004
Bonds and debentures	87,466	57,663	231,988	179,538
Subordinated obligations	163,315	160,805	481,123	452,031
Financial liabilities designated at fair value	33,324	34,832	88,695	77,376
Negotiable certificates of deposits	39,808	21,876	140,185	82,193
Other borrowings	91,549	81,326	273,752	242,673
Others	21,138	20,405	59,782	53,541
	2,239,783	1,869,190	6,443,258	5,423,479
The Company				
Subordinated obligations	34,996	36,999	105,849	109,791
Other borrowings	42,079	29,193	124,743	91,446
	77,075	66,192	230,592	201,237

A20. NET NON-INTEREST INCOME

	3rd quarter ended		Nine months ended	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
	RM'000	RM'000	RM'000	RM'000
The Group				
(a) Net fee income and commission income:				
Commissions	196,936	169,685	565,369	500,898
Fee on loans, advances and financing	135,092	131,235	443,697	396,655
Portfolio management fees	6,185	4,854	16,817	16,237
Service charges and fees	157,880	155,693	489,628	462,381
Corporate advisory fees	11,931	10,489	74,715	39,766
Guarantee fees	21,602	18,984	52,405	59,706
Other fee income	87,133	74,596	242,552	251,294
Placement fees	6,535	7,171	16,964	29,953
Underwriting commission	3,744	14,351	21,527	42,055
Fee and commission income	627,038	587,058	1,923,674	1,798,945
Fee and commission expense	(148,954)	(130,528)	(425,970)	(387,240)
Net fee and commission income	478,084	456,530	1,497,704	1,411,705
(b) Gross dividend income from :				
<i>In Malaysia</i>				
- Financial assets held for trading	20,667	27,145	44,198	41,864
- Financial investments available-for-sale	3,810	6,303	9,209	16,377
<i>Outside Malaysia</i>				
- Financial assets held for trading	532	1,047	5,033	1,830
- Financial investments available-for-sale	1,765	1,654	5,337	3,740
	26,774	36,149	63,777	63,811
(c) Net (loss)/gain arising from financial assets held for trading	(441,416)	(60,702)	(738,482)	33,103
- realised	(159,713)	68,052	(155,225)	10,035
- unrealised	(281,703)	(128,754)	(583,257)	23,068
(d) Net gain/(loss) arising from derivative financial instruments	1,112,990	147,512	1,809,159	509,687
- realised	1,036,081	187,263	299,004	217,186
- unrealised	76,909	(39,751)	1,510,155	292,501
(e) Net gain/(loss) arising from financial liability designated at fair value	167,954	(49,081)	69,645	(24,335)
- realised	(5,270)	(22,643)	(18,192)	(47,499)
- unrealised	173,224	(26,438)	87,837	23,164
(f) Net gain/(loss) arising from hedging activities	41,817	7,744	72,300	13,867
(g) Net gain from sale of financial investments available-for-sale	42,441	18,995	142,518	85,489
(h) Net gain from redemption of financial investment held-to-maturity	-	15	16	2,629
(i) Income from assets management and securities services	70,611	65,123	237,879	187,868
(j) Brokerage income	100,169	137,350	342,581	378,754
(k) Other non-interest income:				
Foreign exchange (loss)/gain	(616,309)	179,270	(360,354)	91,963
Rental income	6,991	5,951	16,678	12,323
Gain on disposal of property, plant and equipment/ assets held for sale	157	794	1,019	2,518
Underwriting surplus before management expenses	4,939	6,345	12,326	13,119
Loss on disposal of foreclosed properties	(7,570)	(17,456)	(15,735)	(48,560)
Other non-operating income	46,914	52,909	171,203	221,661
	(564,878)	227,813	(174,863)	293,024
Total other operating income	1,034,546	987,448	3,322,234	2,955,602

A20. NET NON-INTEREST INCOME (CONTINUED)

	3rd quarter ended		Nine months ended	
	30 September	30 September	30 September	30 September
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
The Company				
(b) Gross dividend income from :				
<i>In Malaysia</i>				
- Subsidiaries	828,511	856,990	1,581,503	1,843,982
	828,511	856,990	1,581,503	1,843,982
(d) Net gain/(loss) arising from derivative financial instruments				
- realised	-	-	199	1,571
- unrealised	(654)	183	(486)	(1,840)
	(654)	183	(287)	(269)
(k) Other non-interest income:				
Foreign exchange (loss)/gain	(172)	(21)	(292)	12,125
Rental income	71	71	213	213
Gain on disposal of property, plant and equipment	50	-	50	70
Other non-operating income	-	-	-	291
	(51)	50	(29)	12,699
	827,806	857,223	1,581,187	1,856,412

A21. OVERHEADS

	3rd quarter ended		Nine months ended	
	30 September	30 September	30 September	30 September
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
The Group				
Personnel costs				
- Salaries, allowances and bonus	967,510	867,078	2,913,544	2,655,815
- Pension cost	89,544	81,774	273,515	250,583
- Mutual separation scheme	134,046	-	450,407	-
- Overtime	6,299	7,992	20,917	25,849
- Staff incentives and other staff payments	53,293	70,247	173,901	204,201
- Medical expenses	24,935	26,545	76,505	78,601
- Others	16,015	49,842	219,067	146,770
	1,291,642	1,103,478	4,127,856	3,361,819
Establishment costs				
- Depreciation of property, plant and equipment	89,513	82,352	262,402	251,617
- Amortisation of prepaid lease payments	2,836	3,160	8,319	9,005
- Rental	129,596	117,962	431,753	350,043
- Repair and maintenance	108,666	116,119	362,461	339,319
- Outsourced services	89,300	77,160	221,104	209,942
- Security expenses	31,563	32,634	94,349	99,462
- Others	56,814	64,848	180,939	173,225
	508,288	494,235	1,561,327	1,432,613
Marketing expenses				
- Sales commission	1,579	1,762	4,639	6,361
- Advertisement	68,318	62,979	199,964	189,015
- Others	19,994	25,475	66,177	68,882
	89,891	90,216	270,780	264,258
Administration and general expenses				
- Amortisation of intangible assets	77,188	84,616	232,543	238,218
- Legal and professional fees	59,156	47,984	144,449	118,487
- Stationery	15,001	15,564	43,495	48,107
- Communication	25,925	36,043	82,984	107,879
- Incidental expenses on banking operations	12,683	10,922	32,526	29,470
- Insurance	65,881	55,370	194,570	164,440
- Others	114,854	95,468	347,082	287,430
	370,688	345,967	1,077,649	994,031
	2,260,509	2,033,896	7,037,612	6,052,721

A21. OVERHEADS (CONTINUED)

	3rd quarter ended		Nine months ended	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
	RM'000	RM'000	RM'000	RM'000
The Company				
Personnel costs				
- Staff incentives and other staff payments	-	2	6	4
- Others	-	204	-	207
	-	206	6	211
Establishment costs				
- Depreciation of property, plant and equipment	346	118	456	401
- Depreciation of investment properties	5	5	14	14
- Repair and maintenance	28	35	68	111
- Others	65	(199)	172	(105)
	444	(41)	710	421
Marketing expenses				
- Advertisement	-	-	11	-
- Others	1	2	3	68
	1	2	14	68
Administration and general expenses				
- Legal and professional fees	1,349	2,737	2,901	6,731
- Communication	-	2	-	10
- Others	1,659	999	5,140	2,530
	3,008	3,738	8,041	9,271
	3,453	3,905	8,771	9,971

A22. ALLOWANCE MADE FOR IMPAIRMENT LOSSES ON LOANS, ADVANCES AND FINANCING

	3rd quarter ended		Nine months ended	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
	RM'000	RM'000	RM'000	RM'000
The Group				
Allowance made for impaired loans, advances and financing:				
Net allowance made during the financial period				
- Individual impairment allowance	201,174	176,714	778,075	232,946
- Portfolio impairment allowance	384,673	235,974	1,029,835	601,236
Impaired loans, advances and financing:				
- recovered	(77,256)	(73,792)	(264,831)	(249,685)
- written off	15,128	5,331	46,324	18,356
	523,719	344,227	1,589,403	602,853

A23. DERIVATIVE FINANCIAL INSTRUMENTS

The following tables summarise the contractual or underlying principal amounts of trading derivatives and financial instruments held for hedging purposes. The principal or contractual amounts of these instruments reflect the volume of transactions outstanding at the end of the reporting period, and do not represent amounts at risk.

Trading derivative financial instruments are revalued on a gross position basis and the unrealised gains or losses are reflected in "Derivative Financial Instruments" Assets and Liabilities respectively.

At 30 September 2015	The Group			The Company		
	Principal amount RM'000	Fair values		Principal amount RM'000	Fair values	
		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
Trading derivatives						
<u>Foreign exchange derivatives</u>						
Currency forward	23,064,846	887,733	(1,410,007)	-	-	-
- Up to 1 year	18,793,027	724,764	(624,525)	-	-	-
- More than 1 year to 3 years	3,332,612	162,084	(342,391)	-	-	-
- More than 3 years	939,207	885	(443,091)	-	-	-
Currency swaps	201,058,655	6,170,486	(4,710,887)	-	-	-
- Up to 1 year	198,386,876	5,978,627	(4,650,645)	-	-	-
- More than 1 year to 3 years	2,564,760	153,738	(59,413)	-	-	-
- More than 3 years	107,019	38,121	(829)	-	-	-
Currency spot	6,614,006	17,985	(17,503)	-	-	-
- Up to 1 year	6,614,006	17,985	(17,503)	-	-	-
Currency options	6,655,218	291,879	(292,928)	-	-	-
- Up to 1 year	5,044,045	150,302	(148,176)	-	-	-
- More than 1 year to 3 years	608,813	17,764	(19,583)	-	-	-
- More than 3 years	1,002,360	123,813	(125,169)	-	-	-
Cross currency interest rate swaps	69,159,479	5,780,495	(6,761,263)	-	-	-
- Up to 1 year	19,155,708	900,333	(1,707,550)	-	-	-
- More than 1 year to 3 years	24,212,704	2,260,130	(2,718,693)	-	-	-
- More than 3 years	25,791,067	2,620,032	(2,335,020)	-	-	-
	306,552,204	13,148,578	(13,192,588)	-	-	-
<u>Interest rate derivative</u>						
Interest rate swaps	447,498,687	2,797,174	(2,328,575)	500,000	-	(9)
- Up to 1 year	178,523,327	144,942	(172,142)	500,000	-	(9)
- More than 1 year to 3 years	135,634,861	812,285	(815,194)	-	-	-
- More than 3 years	133,340,499	1,839,947	(1,341,239)	-	-	-
Interest rate futures	11,034,504	2,476	(14,204)	-	-	-
- Up to 1 year	5,590,119	2,411	(7,682)	-	-	-
- More than 1 year to 3 years	4,871,149	65	(6,522)	-	-	-
- More than 3 years	573,236	-	-	-	-	-
Interest rate options	206,201	366	(1,881)	-	-	-
- Up to 1 year	144,260	14	(1,529)	-	-	-
- More than 1 year to 3 years	61,941	352	(352)	-	-	-
	458,739,392	2,800,016	(2,344,660)	500,000	-	(9)
<u>Equity related derivatives</u>						
Equity futures	223,194	1,747	(2,999)	-	-	-
- Less than 1 year	223,194	1,747	(2,999)	-	-	-
Index futures	13,952	-	(347)	-	-	-
- Up to 1 year	13,952	-	(347)	-	-	-
Equity options	9,863,844	216,449	(288,607)	-	-	-
- Up to 1 year	2,609,331	24,880	(78,390)	-	-	-
- More than 1 year to 3 years	3,761,929	8,505	(139,783)	-	-	-
- More than 3 years	3,492,584	183,064	(70,434)	-	-	-
Equity swaps	716,135	2,061	(7,884)	-	-	-
- Up to 1 year	2,149	569	-	-	-	-
- More than 1 year to 3 years	54,432	219	(6,678)	-	-	-
- More than 3 years	659,554	1,273	(1,206)	-	-	-
	10,817,125	220,257	(299,837)	-	-	-

A23. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 30 September 2015	The Group			The Company		
	Principal amount	Fair values		Principal amount	Fair values	
	RM'000	Assets	Liabilities	RM'000	Assets	Liabilities
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Trading derivatives						
<u>Commodity related derivatives</u>						
Commodity swaps	1,987,307	572,673	(566,200)	-	-	-
- Up to 1 year	1,794,632	377,866	(374,856)	-	-	-
- More than 1 year to 3 years	192,675	194,807	(191,344)	-	-	-
Commodity futures	687,932	11,564	(9,619)	-	-	-
- Less than 1 year	634,190	11,287	(8,835)	-	-	-
- 1 year to 3 years	53,742	277	(784)	-	-	-
Commodity options	1,806,864	203,835	(120,023)	-	-	-
- Up to 1 year	1,689,148	140,650	(103,240)	-	-	-
- More than 1 year to 3 years	117,716	63,185	(16,783)	-	-	-
	4,482,103	788,072	(695,842)	-	-	-
<u>Credit related contract</u>						
Credit default swaps	8,067,771	103,049	(109,060)	-	-	-
- Up to 1 year	4,042,050	39,807	(38,446)	-	-	-
- More than 1 year to 3 years	2,295,709	43,344	(41,000)	-	-	-
- More than 3 years	1,730,012	19,898	(29,614)	-	-	-
Total return swaps	2,233,737	8,067	(18,833)	-	-	-
- Up to 1 year	1,693,987	3,025	-	-	-	-
- More than 1 year to 3 years	220,400	-	(12,774)	-	-	-
- More than 3 years	319,350	5,042	(6,059)	-	-	-
	10,301,508	111,116	(127,893)	-	-	-
<u>Bond contract</u>						
Bond Forward						
- More than 3 years	30,000	404	(47)	-	-	-
	30,000	404	(47)	-	-	-
<u>Hedging derivatives</u>						
Interest rate swaps	25,244,532	83,456	(332,805)	-	-	-
- Up to 1 year	4,145,083	22,470	(6,129)	-	-	-
- More than 1 year to 3 years	5,645,040	17,628	(32,534)	-	-	-
- More than 3 years	15,454,409	43,358	(294,142)	-	-	-
Currency swaps	4,011,429	86,744	(547,569)	-	-	-
- Up to 1 year	4,011,429	86,744	(547,569)	-	-	-
Cross currency interest rate swaps	5,427,776	113,275	(443,866)	-	-	-
- Up to 1 year	2,123,833	10,697	(136,219)	-	-	-
- More than 1 year to 3 years	1,482,704	43,496	(64,576)	-	-	-
- More than 3 years	1,821,239	59,082	(243,071)	-	-	-
	34,683,737	283,475	(1,324,240)	-	-	-
Total derivative assets/(liabilities)	825,606,069	17,351,918	(17,985,107)	500,000	-	(9)

A23. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 31 December 2014	The Group			The Company		
	Principal amount RM'000	Fair values		Principal amount RM'000	Fair values	
		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
Trading derivatives						
<u>Foreign exchange derivatives</u>						
Currency forward	20,681,855	356,939	(357,014)	-	-	-
- Up to 1 year	17,560,152	306,288	(153,902)	-	-	-
- More than 1 year to 3 years	1,916,948	49,694	(71,808)	-	-	-
- More than 3 years	1,204,755	957	(131,304)	-	-	-
Currency swaps	142,878,690	1,304,368	(1,301,463)	-	-	-
- Up to 1 year	141,722,647	1,229,142	(1,292,228)	-	-	-
- More than 1 year to 3 years	846,165	46,244	(6,942)	-	-	-
- More than 3 years	309,878	28,982	(2,293)	-	-	-
Currency spot	6,177,249	2,995	(9,857)	-	-	-
- Up to 1 year	6,177,249	2,995	(9,857)	-	-	-
Currency options	5,317,174	47,724	(42,272)	-	-	-
- Up to 1 year	4,645,415	34,516	(29,679)	-	-	-
- 1 year to 3 years	488,553	8,075	(8,073)	-	-	-
- More than 3 years	183,206	5,133	(4,520)	-	-	-
Cross currency interest rate swaps	46,562,720	1,649,042	(1,663,874)	-	-	-
- Up to 1 year	10,055,874	151,249	(347,397)	-	-	-
- More than 1 year to 3 years	16,542,367	640,308	(632,659)	-	-	-
- More than 3 years	19,964,479	857,485	(683,818)	-	-	-
	221,617,688	3,361,068	(3,374,480)	-	-	-
<u>Interest rate derivative</u>						
Interest rate swaps	335,873,215	2,124,912	(1,723,731)	500,000	478	-
- Up to 1 year	119,108,017	108,215	(123,630)	-	-	-
- More than 1 year to 3 years	108,492,608	510,567	(488,832)	500,000	478	-
- More than 3 years	108,272,590	1,506,130	(1,111,269)	-	-	-
Interest rate futures	1,640,898	2,096	(180)	-	-	-
- Up to 1 year	1,450,968	1,885	(180)	-	-	-
- More than 1 year to 3 years	189,930	211	-	-	-	-
Interest rate options	456,065	1,222	(7,665)	-	-	-
- Up to 1 year	351,298	964	(6,396)	-	-	-
- More than 1 year to 3 years	104,767	258	(1,269)	-	-	-
	337,970,178	2,128,230	(1,731,576)	500,000	478	-
<u>Equity related derivatives</u>						
Equity futures	1,367,538	8,795	(14,647)	-	-	-
- Up to 1 year	1,367,538	8,795	(14,647)	-	-	-
Equity options	7,114,019	233,718	(955,892)	-	-	-
- Up to 1 year	4,234,877	55,788	(395,595)	-	-	-
- More than 1 year to 3 years	1,854,926	13,736	(529,323)	-	-	-
- More than 3 years	1,024,216	164,194	(30,974)	-	-	-
Equity swaps	1,070,726	105,169	(28,543)	-	-	-
- Up to 1 year	64,466	12,631	-	-	-	-
- More than 1 year to 3 years	416,592	65,317	(19,428)	-	-	-
- More than 3 years	589,668	27,221	(9,115)	-	-	-
	9,552,283	347,682	(999,082)	-	-	-

A23. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 31 December 2014	The Group			The Company		
	Principal amount RM'000	Fair values		Principal amount RM'000	Fair values	
		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
Trading derivatives						
<u>Commodity related derivatives</u>						
Commodity swaps	2,557,153	1,020,245	(1,014,696)	-	-	-
- Up to 1 year	2,198,926	569,074	(567,433)	-	-	-
- More than 1 year to 3 years	358,227	451,171	(447,263)	-	-	-
Commodity futures	10,656	34	(219)	-	-	-
- Up to 1 year	10,656	34	(219)	-	-	-
Commodity options	491,457	111,059	(22,839)	-	-	-
- Up to 1 year	315,601	9,499	(9,499)	-	-	-
- More than 1 year to 3 years	175,856	101,560	(13,340)	-	-	-
	3,059,266	1,131,338	(1,037,754)	-	-	-
<u>Credit related contract</u>						
Credit default swaps	5,133,915	58,510	(63,207)	-	-	-
- Up to 1 year	1,164,049	2,658	(3,431)	-	-	-
- More than 1 year to 3 years	2,751,343	48,011	(46,789)	-	-	-
- More than 3 years	1,218,523	7,841	(12,987)	-	-	-
Total return swaps	506,655	9,548	(24,184)	-	-	-
- More than 1 year to 3 years	174,825	-	(13,104)	-	-	-
- More than 3 years	331,830	9,548	(11,080)	-	-	-
	5,640,570	68,058	(87,391)	-	-	-
Hedging derivatives						
Interest rate swaps	21,394,899	90,151	(261,556)	-	-	-
- Up to 1 year	1,459,768	33,704	(9,288)	-	-	-
- More than 1 year to 3 years	6,835,197	8,854	(27,804)	-	-	-
- More than 3 years	13,099,934	47,593	(224,464)	-	-	-
Currency forward	18,055	-	(53)	-	-	-
- Up to 1 year	18,055	-	(53)	-	-	-
Currency swaps	5,054,260	36,426	(141,369)	-	-	-
- Up to 1 year	5,054,260	36,426	(141,369)	-	-	-
Cross currency interest rate swaps	3,483,815	19,806	(79,533)	-	-	-
- Up to 1 year	162,380	1,436	(4,403)	-	-	-
- More than 1 year to 3 years	2,103,854	15,861	(39,871)	-	-	-
- More than 3 years	1,217,581	2,509	(35,259)	-	-	-
	29,951,029	146,383	(482,511)	-	-	-
Total derivative assets/(liabilities)	607,791,014	7,182,759	(7,712,794)	500,000	478	-

A23. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

The Group's and the Company's derivative financial instruments are subject to market and credit risk, as follows:

Market Risk

Market risk is defined as any fluctuation in the value arising from changes in value of market risk factors such as interest rates, currency exchange rates, credit spreads, equity prices, commodities prices and their associated volatility. The contractual amounts provide only a measure of involvement in these types of transactions and do not represent the amounts subject to market risk. The Group's risk management department monitors and manages market risk exposure via stress testing of the Group's Value-at-Risk (VaR) model, in addition to reviewing and analysing its treasury trading strategy, positions and activities vis-à-vis changes in the financial market, monitoring limit usage, assessing limit adequacy, and verifying transaction prices.

Credit Risk

Credit risk arises when counterparties to derivative contracts, such as interest rate swaps, are not able to or willing to fulfil their obligation to pay the Group the positive fair value or receivable resulting from the execution of contract terms. As at 30 September 2015, the amount of credit risk in the Group and the Company, measured in terms of the cost to replace the profitable contracts, was RM17,352,000 and Nil respectively (2014: RM7,182,759,000 and RM478,000 respectively). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

There have been no changes since the end of the previous financial year in respect of the following:

- a) the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
- b) the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and
- c) the related accounting policies.

The above information, policies and procedures in respect of derivative financial instruments of the Group are discussed in the audited annual financial statements for the financial year ended 31 December 2014 and the Risk Management section of the 2014 Annual Report.

A24. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Group enter into various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. The commitments and contingencies are not secured over the Group's assets except for certain financial assets held for trading being pledged as credit support assets for certain over-the-counter derivative contracts.

	30 September 2015	31 December 2014
	Principal	Principal
	Amount	Amount
	RM'000	RM'000
The Group		
<u>Credit-related</u>		
Direct credit substitutes	6,363,761	5,952,788
Certain transaction-related contingent items	5,808,641	5,746,700
Short-term self-liquidating trade-related contingencies	7,075,618	6,013,684
Obligations under underwriting agreement	99,996	140,000
Irrevocable commitments to extend credit		
- maturity not exceeding one year	45,103,417	49,895,290
- maturity exceeding one year	27,579,484	23,764,999
Miscellaneous commitments and contingencies	3,417,260	3,436,324
Total credit-related commitments and contingencies	95,448,177	94,949,785
<u>Treasury-related</u>		
<u>Foreign exchange related contracts</u>		
- up to one year	254,128,924	185,396,032
- more than one year to five years	49,927,631	36,662,043
- more than five years	11,934,855	8,115,743
	315,991,410	230,173,818
<u>Interest rate related contracts</u>		
- up to one year	188,402,788	122,370,051
- more than one year to five years	245,041,549	195,116,637
- more than five years	50,539,586	42,182,789
	483,983,923	359,669,477
<u>Equity related contracts</u>		
- up to one year	2,848,626	5,666,881
- more than one year to five years	7,637,815	3,241,558
- more than five years	330,684	643,844
	10,817,125	9,552,283
<u>Credit related contracts</u>		
- up to one year	5,736,037	1,164,049
- more than one year to five years	3,465,007	3,683,152
- more than five years	1,100,464	488,969
	10,301,508	5,336,170
<u>Commodity related contracts</u>		
- up to one year	4,117,970	2,525,183
- more than one year to five years	364,133	534,083
	4,482,103	3,059,266
<u>Bond contracts</u>		
- more than five years	30,000	-
	30,000	-
Total treasury-related commitments and contingencies	825,606,069	607,791,014
	921,054,246	702,740,799
The Company		
<u>Interest rate related contracts</u>		
- up to one year	500,000	-
- more than one year to five years	-	500,000
	500,000	500,000

A25. CAPITAL ADEQUACY

The capital adequacy ratios of the banking subsidiaries of the Group are computed as follows:

Bank Negara Malaysia (BNM) and Bank of Thailand (BOT) issued revised guidelines on the capital adequacy framework on 28 November 2012 and 8 November 2012 respectively, of which both took effect beginning 1 January 2013. The revised guidelines sets out the regulatory capital requirements concerning capital adequacy ratios and components of eligible regulatory capital in compliance with Basel III.

The risk-weighted assets of the CIMB Bank Group (other than CIMB Thai Bank and CIMB Bank PLC), CIMB Bank and CIMB Islamic Bank are computed in accordance with the Capital Adequacy Framework (Basel II - Risk-Weighted Assets). The IRB Approach is applied for the major credit exposures with retail exposures on Advance IRB approach and non-retail exposures on Foundation IRB approach. The remaining credit exposures and Market Risk are on the Standardised Approach while Operational Risk is based on Basic Indicator Approach.

The risk-weighted assets of CIMB Investment Bank Group are computed in accordance with the Capital Adequacy Framework (Basel II - Risk-Weighted Assets). The Standardised Approach is applied for Credit Risk and Market Risk while Operational Risk is based on Basic Indicator Approach.

The risk weighted assets of CIMB Thai Bank is based on Bank of Thailand (BOT) requirements and are computed in accordance with the revised "Notification of The BOT. No. SoNoRSor. 87/2551 - The supervisory capital funds of commercial banks". Credit Risk and Market Risk are based on Standardised Approach (SA) while Operational Risk is based on Basic Indicator Approach.

The capital adequacy ratios of Bank CIMB Niaga is based on Bank Indonesia requirements. The approach for Credit Risk and Market Risk is Standardised Approach (SA approach). Operational Risk is based on Basic Indicator Approach.

The regulatory compliance ratios of CIMB Bank PLC refers to Solvency Ratio. This ratio is computed in accordance with Prakas B7-00-46, B7-04-206 and B7-07-135 issued by the National Bank of Cambodia. This ratio is derived at CIMB Bank PLC's net worth divided by its risk-weighted assets.

A25. CAPITAL ADEQUACY (Continued)

30 September 2015

(a) The capital adequacy ratios of the banking subsidiaries of the Group are as follows:

	CIMB Bank **	CIMB Islamic Bank	CIMB Thai Bank	CIMB Bank Group	CIMB Investment Bank Group	Bank CIMB Niaga	CIMB Bank PLC*
Common equity tier 1 ratio	9.310% ^	11.321%	8.935%	8.927% ^	28.917%	N/A	N/A
Tier 1 ratio	10.385% ^	12.146%	8.935%	9.811% ^	28.917%	13.843%	N/A
Total capital ratio	12.344% ^	14.827%	13.478%	12.522% ^	28.917%	15.881%	17.238%

(b) The breakdown of risk-weighted assets ("RWA") by each major risk category is as follows:

	CIMB Bank ** RM'000	CIMB Islamic Bank RM'000	CIMB Thai Bank RM'000	CIMB Bank Group RM'000	CIMB Investment Bank Group RM'000	Bank CIMB Niaga RM'000	CIMB Bank PLC RM'000
Credit risk	147,639,893	21,458,725	22,774,564	194,474,587	1,177,857	49,986,041	1,340,810
Market risk	13,931,077	610,194	4,138,054	17,111,533	193,081	527,528	-
Operational risk	12,624,951	2,063,191	1,702,863	16,851,757	626,994	6,950,487	-
Large exposure risk	670,335	-	-	670,335	-	-	-
	174,866,256	24,132,110	28,615,481	229,108,212	1,997,932	57,464,056	1,340,810

(c) Components of Common Equity Tier I, additional Tier I and Tier II capital are as follows:

	CIMB Bank ** RM'000	CIMB Islamic Bank RM'000	CIMB Thai Bank RM'000	CIMB Bank Group RM'000	CIMB Investment Bank Group RM'000	Bank CIMB Niaga RM'000	CIMB Bank PLC RM'000
Common Equity Tier I capital							
Ordinary shares	4,896,591	1,000,000	1,278,786	4,896,591	100,000	485,273	220,400
Other reserves	19,006,872	2,138,381	1,409,467	23,744,298	526,346	7,899,644	(23,377)
Qualifying non-controlling interests	-	-	-	300,785	-	-	-
Common Equity Tier I capital before regulatory adjustments	23,903,463	3,138,381	2,688,253	28,941,674	626,346	8,384,917	197,023
<u>Less: Regulatory adjustments</u>							
Goodwill	(3,555,075)	(136,000)	-	(5,141,816)	(964)	-	-
Intangible assets	(886,131)	(84,251)	(17,003)	(955,533)	-	-	(2,199)
Deferred tax assets	(223,236)	(26,702)	(103,854)	(414,037)	(40,198)	(105,559)	-
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(1,539,182)	-	-	(313,560)	(3,261)	(324,869)	-
Deduction in excess of Tier 1 & Tier 2 capital	-	-	-	-	(4,074)	-	-
Shortfall of eligible provisions to expected losses	(623,882)	(130,904)	-	(840,635)	-	-	-
Others	(795,809)	(28,539)	(10,545)	(824,347)	(103)	-	(5,821)
Common Equity Tier I capital after regulatory adjustments	16,280,148	2,731,985	2,556,851	20,451,746	577,746	7,954,489	189,003
Additional Tier I capital							
Perpetual preference shares	140,000	199,000	-	140,000	-	-	-
Non-innovative Tier I Capital	700,000	-	-	700,000	-	-	-
Innovative Tier I Capital	1,128,260	-	-	1,128,260	-	-	-
Qualifying capital instruments held by third parties	-	-	-	60,115	-	-	-
Additional Tier I capital before regulatory adjustments	1,968,260	199,000	-	2,028,375	-	-	-
<u>Less: Regulatory adjustments</u>							
Investments in capital instruments of unconsolidated financial and insurance/takaful entities	(89,394)	-	-	(1,394)	(106)	-	-
Additional Tier I capital after regulatory adjustments	1,878,866	199,000	-	2,026,981	-	-	-
Total Tier I Capital	18,159,014	2,930,985	2,556,851	22,478,727	577,746	7,954,489	189,003
Tier II capital							
Subordinated notes	5,600,000	595,000	1,215,439	5,600,000	-	630,640	30,856
Redeemable preference shares	20,818	-	-	20,818	7	-	-
Qualifying capital instruments held by third parties	-	-	-	397,004	-	-	-
Portfolio impairment allowance & Regulatory reserve	285,585	52,162	84,433	665,342	-	540,660	11,264
Tier II capital before regulatory adjustments	5,906,403	647,162	1,299,872	6,683,164	7	1,171,300	42,120
<u>Less: Regulatory adjustments</u>							
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(2,479,916)	-	-	(472,431)	(6,882)	-	-
Total Tier II capital	3,426,487	647,162	1,299,872	6,210,733	-	1,171,300	42,120
Total capital base	21,585,501	3,578,147	3,856,723	28,689,460	577,746	9,125,789	231,123

√ The capital base of CIMB Bank Group, CIMB Bank and CIMB Islamic Bank as at 30 September 2015 have excluded portfolio impairment allowance on impaired loans restricted from Tier II capital of RM213 million, RM190 million and RM23 million respectively.

* The amount presented here is the Solvency Ratio of CIMB Bank Plc, which is the nearest equivalent regulatory compliance ratio. This ratio is computed in accordance with Prakas B7-00-46, B7-04-206 and B7-07-135 issued by the National Bank of Cambodia. This ratio is derived at CIMB Bank Plc's net worth divided by its risk-weighted assets.

^ CIMB Group Holdings Berhad ("CIMB") recently completed its fifth Dividend Reinvestment Scheme ("DRS") of which RM364 million was reinvested into new CIMB shares. Pursuant to the completion of DRS, CIMB Group reinvested cash dividend surplus of RM546 million into CIMB Bank via rights issue which was completed on 26 June 2015.

CIMB has implemented the DRS for the first interim dividend in respect of the financial year ending 2015. Pursuant to the completion of DRS, CIMB intends to reinvest the excess cash dividend into CIMB Bank which would increase the capital adequacy ratios of the CIMB Bank Group and CIMB Bank above those stated ratios.

** Includes the operations of CIMB Bank (L) Limited.

A25. CAPITAL ADEQUACY (Continued)

31 December 2014

(a) The capital adequacy ratios of the banking subsidiaries of the Group are as follows:

	CIMB Bank **	CIMB Islamic Bank	CIMB Thai Bank	CIMB Bank Group	CIMB Investment Bank Group	Bank CIMB Niaga	CIMB Bank PLC*
Before deducting proposed dividend							
Common equity tier 1 ratio	11.688% # ^	11.448%	9.913%	10.493% # ^	28.765%	N/A	N/A
Tier 1 ratio	13.137% # ^	12.345%	9.913%	11.651% # ^	28.765%	13.395%	N/A
Total capital ratio	15.158% # ^	15.493%	14.977%	14.888% # ^	28.765%	15.390%	15.377%
After deducting proposed dividend							
Common equity tier 1 ratio	11.193% ^	11.448%	9.913%	10.114% ^	28.765%	N/A	N/A
Tier 1 ratio	12.642% ^	12.345%	9.913%	11.272% ^	28.765%	13.395%	N/A
Total capital ratio	14.663% ^	15.493%	14.977%	14.509% ^	28.765%	15.390%	15.377%

(b) The breakdown of risk-weighted assets ("RWA") by each major risk category is as follows:

	CIMB Bank ** RM'000	CIMB Islamic Bank RM'000	CIMB Thai Bank RM'000	CIMB Bank Group RM'000	CIMB Investment Bank Group RM'000	Bank CIMB Niaga RM'000	CIMB Bank PLC RM'000
Credit risk	125,820,234	20,439,165	18,773,991	166,270,354	1,164,171	47,897,974	889,948
Market risk	13,831,101	498,080	2,349,855	16,080,788	52,221	359,844	-
Operational risk	11,971,135	2,011,728	1,354,827	15,851,297	697,657	5,996,868	-
Large exposure risk	502,139	-	-	502,139	-	-	-
	152,124,609	22,948,973	22,478,673	198,704,578	1,914,049	54,254,686	889,948

(c) Components of Common Equity Tier I, additional Tier I and Tier II capital are as follows:

	CIMB Bank ** RM'000	CIMB Islamic Bank RM'000	CIMB Thai Bank RM'000	CIMB Bank Group RM'000	CIMB Investment Bank Group RM'000	Bank CIMB Niaga RM'000	CIMB Bank PLC RM'000
Common Equity Tier I capital							
Ordinary shares	4,787,023	1,000,000	1,120,508	4,787,023	100,000	454,434	157,343
Other reserves	19,193,658	1,991,444	1,192,964	23,197,847	507,156	6,924,126	(22,824)
Qualifying non-controlling interests	-	-	-	257,010	-	-	-
Common Equity Tier I capital before regulatory adjustments	23,980,681	2,991,444	2,313,472	28,241,880	607,156	7,378,560	134,519
Less: Regulatory adjustments							
Goodwill	(3,555,075)	(136,000)	-	(4,965,324)	(964)	-	-
Intangible assets	(844,072)	(89,744)	(7,567)	(949,186)	-	-	(889)
Deferred tax assets	(182,140)	(22,855)	(77,684)	(314,145)	(46,428)	-	-
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(765,837)	-	-	(144,137)	(1,460)	(111,095)	-
Deduction in excess of Tier 2 capital	-	-	-	-	(7,603)	-	-
Shortfall of eligible provisions to expected losses	(125,800)	(115,689)	-	(280,596)	-	-	-
Others	(728,079)	-	-	(738,239)	(118)	-	(4,075)
Common Equity Tier I capital after regulatory adjustments	17,779,678	2,627,156	2,228,221	20,850,253	550,583	7,267,465	129,555
Additional Tier I capital							
Perpetual preference shares	160,000	206,000	-	160,000	-	-	-
Non-innovative Tier I Capital	800,000	-	-	800,000	-	-	-
Innovative Tier I Capital	1,289,440	-	-	1,289,440	-	-	-
Qualifying capital instruments held by third parties	-	-	-	51,075	-	-	-
Additional Tier I capital before regulatory adjustments	2,249,440	206,000	-	2,300,515	-	-	-
Less: Regulatory adjustments							
Investments in Additional Tier I capital instruments of subsidiaries and other financial and insurance/takaful entities	(44,349)	-	-	(349)	-	-	-
Additional Tier I capital before and after regulatory adjustments	2,205,091	206,000	-	2,300,166	-	-	-
Total Tier I Capital	19,984,769	2,833,156	2,228,221	23,150,419	550,583	7,267,465	129,555
Tier II capital							
Subordinated notes	6,050,000	680,000	1,070,316	6,050,000	-	649,229	-
Redeemable preference shares	29,740	-	-	29,740	8	-	-
Qualifying capital instruments held by third parties	-	-	-	378,488	-	-	-
Portfolio impairment allowance & Regulatory reserve ✓	240,204	42,233	68,061	552,993	2,729	511,618	7,290
Others	-	-	-	-	-	32,358	-
Tier II capital before regulatory adjustments	6,319,944	722,233	1,138,377	7,011,221	2,737	1,193,205	7,290
Less: Regulatory adjustments							
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(3,245,289)	-	-	(577,946)	(10,340)	(111,095)	-
Total Tier II capital	3,074,655	722,233	1,138,377	6,433,275	-	1,082,110	7,290
Total capital base	23,059,424	3,555,389	3,366,598	29,583,694	550,583	8,349,575	136,845
Less : Proposed dividends	(753,000)	-	-	(753,000)	-	-	-
Total capital base (net of proposed dividend)	22,306,424	3,555,389	3,366,598	28,830,694	550,583	8,349,575	136,845

The second interim dividend on Redeemable Preference Shares was paid on 17 April 2015.

✓ The capital base of CIMB Bank Group, CIMB Bank and CIMB Islamic Bank as at 31 December 2014 have excluded portfolio impairment allowance on impaired loans restricted from Tier II capital of RM223 million, RM198 million and RM25 million respectively.

* The amount presented here is the Solvency Ratio of CIMB Bank Plc, which is the nearest equivalent regulatory compliance ratio. This ratio is computed in accordance with Prakas B7-00-46, B7-04-206 and B7-07-135 issued by the National Bank of Cambodia. This ratio is derived at CIMB Bank Plc's net worth divided by its risk-weighted assets.

^ On 30 October 2014, CIMB Group Holdings Berhad ("CIMB") completed its fourth Dividend Reinvestment Scheme ("DRS") of which RM591 million was reinvested into new CIMB shares. Pursuant to the completion of the DRS, CIMB reinvested cash dividend surplus of RM515 million into CIMB Bank via rights issue which was completed on 18 December 2014.

CIMB had implemented the DRS for the second interim dividend in respect of the financial year ended 2014. Pursuant to the completion of DRS, CIMB had reinvested excess cash dividend surplus into CIMB Bank on 26 June 2015 which increased the capital adequacy ratios of CIMB Bank Group and CIMB Bank above those stated ratios. The second interim dividend was approved by the Board and Bank Negara Malaysia on 30 January 2015 and 18 February 2015 respectively.

** Includes the operations of CIMB Bank (L) Limited.

A26. SEGMENTAL REPORT

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

Segment information is presented in respect of the Group's business segment and geographical segment.

All inter-segment transactions are conducted on an arm's length basis and on normal commercial terms not more favourable than those generally available to the public.

The business segment results are prepared based on the Group's internal management reporting, which reflect the organisation's management reporting structure.

Business segment reporting

Definition of segments:

As a result of an internal reorganisation, there is a change in business segment reporting. The Group has been re-organised into five major operation divisions. The divisions form the basis on which the Group reports its segment information.

Consumer Banking

Consumer Banking provides everyday banking solutions to individual customers covering both conventional and Islamic financial products and services such as residential property loans, non-residential property loans, secured personal loans, motor vehicle financing, credit cards, unsecured personal financing, wealth management, bancassurance, remittance and foreign exchange, deposits and internet banking services. It also offers products and services through Enterprise Banking to micro and small enterprises, which are businesses under sole proprietorship, partnership and private limited.

Commercial Banking

Commercial Banking is responsible for offering products and services for customer segments comprising small and medium-scale enterprises ("SMEs") and mid-sized corporations. Their products and services include core banking credit facilities, trade financing, remittance and foreign exchange, as well as general deposit products.

Commercial Banking also secured several cash management mandates from SMEs in various sectors by leveraging on CIMB Bank's online business banking platform, which allows customers to conduct their commercial banking transactions over the internet.

Wholesale Banking

Wholesale Banking comprises Investment Banking, Corporate Banking, Treasury and Markets, Transaction Banking, Equities and Private Banking.

Investment Banking includes end-to-end client coverage and advisory services. Client coverage focuses on marketing and delivering solutions to corporate and financial institutional clients whereas advisory offers financial advisory services to corporations on issuance of equity and equity-linked products, debt restructuring, initial public offerings, secondary offerings and general corporate advisory.

Corporate Banking offers a broad spectrum of both conventional and Islamic funding solutions ranging from trade, working capital lines and capital expenditure to leveraging, merger and acquisition, leveraged and project financing. Corporate Banking's client managers partner with product specialists within the Group to provide a holistic funding solution, from cash management, trade finance, foreign exchange, custody and corporate loans, to derivatives, structured products and debt capital market.

Treasury focuses on treasury activities and services which include foreign exchange, money market, derivatives and trading of capital market instruments. It includes the Group's equity derivatives which develops and issues new equity derivatives instruments such as structured warrants and over-the-counter options to provide investors with alternative investment avenues.

Transaction Banking comprises Trade Finance and Cash Management which provide various trade facilities and cash management solutions.

A26. SEGMENTAL REPORT (Continued)

Wholesale Banking (Continued)

Equities provides broking services to corporate, institutional and retail clients.

Private Banking offers a full suite of wealth management solutions to high net worth individuals with access to a complete range of private banking services, extending from investment to securities financing to trust services.

Group Asset Management and Investments

Group Asset Management and Investments consists of the Group's public and private asset management portfolios.

Public Markets consists of CIMB Principal Assets Management Group. Private Marktes consists of other private equity investments and strategic investments.

Group Funding and Others

Group Funding and Others consists of the Group's assets and liabilities management, capital's investment in fixed income investments and investment in the Group's proprietary capital and funding.

A26. SEGMENTAL REPORT (Continued)

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	Group Asset Management and Investments RM'000	Group Funding and Others RM'000	Total RM'000
30 September 2015						
Net interest income						
- external income	3,515,058	1,164,409	1,980,367	29,412	186,476	6,875,722
- inter-segment (expense)/income	(244,058)	(76,509)	317,778	(69)	2,858	-
	3,271,000	1,087,900	2,298,145	29,343	189,334	6,875,722
Income from Islamic Banking operations	574,201	115,689	(77,189)	(1,889)	541,269	1,152,081
Net non-interest income	1,098,628	239,974	1,873,784	382,708	(272,860)	3,322,234
Gain on disposal of subsidiaries and associates	-	-	-	4,190	-	4,190
Net income	4,943,829	1,443,563	4,094,740	414,352	457,743	11,354,227
Overheads	(3,018,087)	(806,512)	(2,221,916)	(281,452)	(709,645)	(7,037,612)
of which:						
- Depreciation of property, plant and equipment	(99,431)	(6,699)	(49,180)	(14,087)	(93,005)	(262,402)
- Amortisation of prepaid lease payments	(63)	(38)	(123)	-	(8,095)	(8,319)
- Amortisation of intangible assets	(48,752)	(2,403)	(18,701)	(10,541)	(152,146)	(232,543)
Profit before allowances	1,925,742	637,051	1,872,824	132,900	(251,902)	4,316,615
Allowance (made)/written back for impairment losses on loans, advances and financing	(597,769)	(146,806)	(861,008)	-	16,180	(1,589,403)
Allowance (made)/written back for losses on other receivables	(2,100)	227	33	3,069	(2,849)	(1,620)
Allowance made for commitments and contingencies	-	-	-	(9,383)	-	(9,383)
Allowance written back/(made) for other impairment losses	-	-	393	(1,331)	207	(731)
Segment results	1,325,873	490,472	1,012,242	125,255	(238,364)	2,715,478
Share of results of joint ventures	3,021	-	-	(18,942)	-	(15,921)
Share of results of associates	-	-	-	82,275	-	82,275
Profit/(Loss) before taxation	1,328,894	490,472	1,012,242	188,588	(238,364)	2,781,832
% of profit before taxation	47.8	17.6	36.4	6.8	(8.6)	100.0
Taxation						(721,492)
Profit for the period						2,060,340

A26. SEGMENTAL REPORT (Continued)

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	Group Asset Management and Investments RM'000	Group Funding and Others RM'000	Total RM'000
30 September 2014						
Net interest income						
- external income/(expense)	2,911,143	1,068,271	2,071,955	20,212	341,698	6,413,279
- inter-segment (expense)/income	(99,638)	(152,235)	91,283	5	160,585	-
	2,811,505	916,036	2,163,238	20,217	502,283	6,413,279
Income from Islamic Banking operations	549,948	97,993	357,671	-	78,300	1,083,912
Net non-interest income	1,067,445	179,469	1,313,956	308,039	86,693	2,955,602
Gain on disposal of subsidiaries and associates	-	-	2,171	18,859	-	21,030
Net income	4,428,898	1,193,498	3,837,036	347,115	667,276	10,473,823
Overheads	(2,819,703)	(738,787)	(1,990,747)	(214,832)	(288,652)	(6,052,721)
of which:						
- Depreciation of property, plant and equipment	(98,339)	(7,326)	(46,917)	(7,115)	(91,920)	(251,617)
- Amortisation of prepaid lease payments	(57)	(32)	(109)	-	(8,807)	(9,005)
- Amortisation of intangible assets	(56,275)	(2,767)	(20,940)	(5,428)	(152,808)	(238,218)
Profit before allowances	1,609,195	454,711	1,846,289	132,283	378,624	4,421,102
Allowance (made)/written back for impairment losses on loans, advances and financing	(475,285)	57,474	(190,199)	-	5,157	(602,853)
Allowance (made)/written back for losses on other receivables:	(4,380)	(1,781)	(12,494)	(4,841)	4,442	(19,054)
Allowance written back for commitments and contingencies	-	10,918	-	-	-	10,918
Recoveries written back from investment management and securities service:	-	-	-	-	804	804
Allowance written back/(made) for other impairment losses:	-	-	253	(3,210)	(20,633)	(23,590)
Segment results	1,129,530	521,322	1,643,849	124,232	368,394	3,787,327
Share of results of joint ventures	2,001	-	-	(4,552)	-	(2,551)
Share of results of associates	-	-	-	106,712	(3)	106,709
Profit before taxation	1,131,531	521,322	1,643,849	226,392	368,391	3,891,485
% of profit before taxation	29.1	13.4	42.2	5.8	9.5	100.0
Taxation						(942,249)
Profit for the period						2,949,236

A27. FAIR VALUE ESTIMATION

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Determination of fair value and fair value hierarchy

Valuation Model Review and Approval

- Mark-to-Model process shall be carried out by Market Risk Management within Group Risk. Group Risk Management Quantitative Analysts are responsible for independent evaluation and validation of the Group's financial models used for valuation. The validation includes an assessment of the stability of models in terms of performance over a variety of conditions and back-testing of the model outputs;
- Valuation methodologies for the purpose of determining Mark-to-Market prices will be verified by Group Risk Management Quantitative Analysts before submitting to Group Risk Committee for approval;
- Market Risk Management is mandated to perform mark-to-market, mark-to-model and rate reasonableness verification;
- Any material uncertainty arising from the modeling and market inputs shall be disclosed to the Group Risk Committee;
- Market rate sources and model inputs for the purpose of Mark-to-Model must be verified by Group Risk Management Quantitative Analysts and approved by Chief Risk Officer or / and Group Risk Committee;
- Group Risk Management Quantitative Analysts are the guardian of the financial models and valuation methodology. The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer;
- Model risk and unobservable parameter reserve must be considered to provide for the uncertainty of the model assumptions;
- Independent price verification process shall be carried out by Market Risk Management to ensure that financial assets/liabilities are recorded at fair value.

The fair value hierarchy has the following levels:

Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets and liabilities in active markets; or
- Quoted prices for identical or similar assets and liabilities in non-active markets; or
- Inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 - One or more inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Assets/liabilities are classified as Level 1 when the valuation is based on quoted prices for identical assets or liabilities in active markets.

Assets/liabilities are regarded as being quoted in an active market if the prices are readily available from a published and reliable source and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When fair value is determined using quoted prices of similar assets/liabilities in active markets or quoted prices of identical or similar assets and liabilities in non-active markets, such assets/liabilities are classified as Level 2. In cases where quoted prices are generally not available, the Group determines fair value based upon valuation techniques that use market parameters as inputs. Most valuation techniques employ observable market data, including but not limited to yield curves, equity prices, volatilities and foreign exchange rates.

Assets/liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data. Such inputs are determined based on observable inputs of a similar nature, historical observations or other analytical techniques.

If prices or quotes are not available for an instrument or a similar instrument, fair value will be established by using valuation techniques or Mark-to-Model. Judgment may be required to assess the need for valuation adjustments to appropriately reflect unobservable parameters. The valuation models shall also consider relevant transaction data such as maturity. The inputs are then benchmarked and extrapolated to derive the fair value.

A27. FAIR VALUE ESTIMATION (Continued)

- (i). The following table represents the Group's and the Company's financial assets and financial liabilities measured at fair value and classified by level with the following fair value measurement hierarchy as at 30 September 2015 and 31 December 2014.

The Group	Carrying amount RM'000	Quoted market prices (Level 1) RM'000	Fair Value		Total RM'000
			Observable inputs (Level 2) RM'000	Significant unobservable inputs (Level 3) RM'000	
30 September 2015					
<i>Recurring fair value measurements</i>					
<u>Financial assets</u>					
Financial assets held for trading					
- Money market instruments	12,728,215	-	12,728,215	-	12,728,215
- Quoted securities	3,060,746	1,008,538	2,052,208	-	3,060,746
- Unquoted securities	6,667,908	-	6,506,201	161,707	6,667,908
Financial investments available-for-sale					
- Money market instruments	5,752,119	-	5,752,119	-	5,752,119
- Quoted securities	8,337,274	314,394	8,022,880	-	8,337,274
- Unquoted securities	24,552,779	34,510	23,101,880	1,416,389	24,552,779
Derivative financial instruments					
- Trading derivatives	17,068,443	16,680	16,964,523	87,240	17,068,443
- Hedging derivatives	283,475	-	283,475	-	283,475
Total	78,450,959	1,374,122	75,411,501	1,665,336	78,450,959
<u>Financial liabilities</u>					
Derivative financial instruments					
- Trading derivatives	16,660,867	132,898	16,394,895	133,074	16,660,867
- Hedging derivatives	1,324,240	72	1,324,168	-	1,324,240
Financial liabilities designated at fair value	4,783,251	-	4,429,000	354,251	4,783,251
Total	22,768,358	132,970	22,148,063	487,325	22,768,358

The Group	Carrying amount RM'000	Quoted market prices (Level 1) RM'000	Fair Value		Total RM'000
			Observable inputs (Level 2) RM'000	Significant unobservable inputs (Level 3) RM'000	
31 December 2014					
<i>Recurring fair value measurements</i>					
<u>Financial assets</u>					
Financial assets held for trading					
- Money market instruments	12,738,671	-	12,738,671	-	12,738,671
- Quoted securities	4,934,701	3,727,154	1,207,547	-	4,934,701
- Unquoted securities	6,130,399	-	5,997,718	132,681	6,130,399
Financial investments available-for-sale					
- Money market instruments	4,176,787	-	4,176,787	-	4,176,787
- Quoted securities	7,176,748	272,102	6,904,646	-	7,176,748
- Unquoted securities	20,932,987	-	19,400,519	1,532,468	20,932,987
Derivative financial instruments					
- Trading derivatives	7,036,376	11,023	6,958,680	66,673	7,036,376
- Hedging derivatives	146,383	-	146,383	-	146,383
Total	63,273,052	4,010,279	57,530,951	1,731,822	63,273,052
<u>Financial liabilities</u>					
Derivative financial instruments					
- Trading derivatives	7,230,283	73,002	7,100,419	56,862	7,230,283
- Hedging derivatives	482,511	-	482,511	-	482,511
Financial liabilities designated at fair value	3,690,701	-	3,329,965	360,736	3,690,701
Total	11,403,495	73,002	10,912,895	417,598	11,403,495

A27. FAIR VALUE ESTIMATION (Continued)

- (i). The following table represents the Group's and Company's financial assets and financial liabilities measured at fair value and classified by level with the following fair value measurement hierarchy as at 30 September 2015 and 31 December 2014.

The Company	Carrying amount RM'000	Quoted market prices (Level 1) RM'000	Fair Value		Total RM'000
			Observable inputs (Level 2) RM'000	Significant unobservable inputs (Level 3) RM'000	
30 September 2015					
<i>Recurring fair value measurements</i>					
<u>Financial liabilities</u>					
Derivative financial instruments					
- Trading derivatives	9	-	9	-	9
Total	9	-	9	-	9

The Company	Carrying amount RM'000	Quoted market prices (Level 1) RM'000	Fair Value		Total RM'000
			Observable inputs (Level 2) RM'000	Significant unobservable inputs (Level 3) RM'000	
31 December 2014					
<i>Recurring fair value measurements</i>					
<u>Financial assets</u>					
Derivative financial instruments					
- Trading derivatives	478	-	478	-	478
Total	478	-	478	-	478

A27. FAIR VALUE ESTIMATION (Continued)

(ii) The following represents the movement in Level 3 instruments for the financial period/year ended 30 September 2015 and 31 December 2014 for the Group.

	Financial Assets			Total	Financial Liabilities		
	Financial assets held for trading	Financial investments available-for-sale	Derivative financial instruments		Financial liabilities designated at fair value	Derivative financial instruments	Total
	Unquoted securities	Unquoted securities	Trading derivatives			Trading derivatives	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
30 September 2015							
At 1 January	132,681	1,532,468	66,673	1,731,822	(360,736)	(56,862)	(417,598)
Total gains/(losses) recognised in Statement of Income	775	(18,807)	17,230	(802)	(15,602)	(66,503)	(82,105)
Total losses recognised in Other Comprehensive Income	-	(327)	-	(327)	-	-	-
Purchases	-	73,997	29,545	103,542	-	(26,683)	(26,683)
Sales and redemptions	(5,000)	(290,173)	-	(295,173)	-	-	-
Settlements	-	-	(26,208)	(26,208)	22,087	16,974	39,061
Exchange fluctuation	33,251	119,231	-	152,482	-	-	-
At 30 September	161,707	1,416,389	87,240	1,665,336	(354,251)	(133,074)	(487,325)
Total gains/(losses) recognised in Statement of Income for financial period ended 30 september 2015 under:							
- net non-interest income	775	(18,807)	17,230	(802)	(5,262)	(66,503)	(71,765)
- interest expense	-	-	-	-	(10,340)	-	(10,340)
Total losses recognised in Other Comprehensive Income for the financial period ended 30 September 2015 under "revaluation reserves"	-	(327)	-	(327)	-	-	-
Change in unrealised gains/(losses) recognised in Statement of Income relating to assets held on 30 September 2015 under "net non-interest income"	2,490	(33,236)	18,456	(12,290)	(5,262)	21,025	15,763

A27. FAIR VALUE ESTIMATION (Continued)

(ii). The following represents the movement in Level 3 instruments for the financial period/year ended 30 September 2015 and 31 December 2014 for the Group (Continued)

	Financial Assets			Total	Financial Liabilities		
	Financial assets held for trading	Financial investments available-for-sale	Derivative financial instruments		Financial liabilities designated at fair value	Derivative financial instruments	Total
	Unquoted securities	Unquoted securities	Trading derivatives			Trading derivatives	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31 December 2014							
At 1 January	73,048	1,278,934	49,675	1,401,657	-	(943,151)	(943,151)
Total gains/(losses) recognised in Statement of Income	2,567	(3,044)	13,149	12,672	60,733	280,894	341,627
Total gains recognised in Other Comprehensive Income	-	68,299	-	68,299	-	-	-
Purchases	49,083	235,190	17,314	301,587	-	(1,224)	(1,224)
New issuances	-	18	-	18	(435,872)	-	(435,872)
Sales and redemptions	-	(48,347)	-	(48,347)	-	-	-
Settlements	-	-	(13,465)	(13,465)	14,403	606,619	621,022
Transfers out of Level 3 to Level 1	-	(856)	-	(856)	-	-	-
Disposal of subsidiaries	-	(1,192)	-	(1,192)	-	-	-
Exchange fluctuation	7,983	3,466	-	11,449	-	-	-
At 31 December	132,681	1,532,468	66,673	1,731,822	(360,736)	(56,862)	(417,598)
Total gains/(losses) recognised in Statement of Income for financial year ended 31 December 2014 under:							
- net non-interest income	2,567	(3,044)	13,149	12,672	73,274	280,894	354,168
- interest expense	-	-	-	-	(12,541)	-	(12,541)
Total gains recognised in Other Comprehensive Income for financial year ended 31 December 2014 under "revaluation reserves"	-	68,299	-	68,299	-	-	-
Change in unrealised gains recognised in Statement of Income relating to assets held on 31 December 2014 under "net non-interest income"	2,567	(3,082)	14,778	14,263	73,274	91,097	164,371

In 2014, the transfer out of Level 3 of RM856,000 to Level 1 was due to the conversion of convertible notes to quoted shares in active markets.

The financial assets held-for-trading and financial investments available-for-sale categorised under Level 3 include unquoted securities. The fair value are derived based on net tangible assets.

Derivative financial instruments categorised under Level 3 includes credit derivatives and equity derivatives. The valuation techniques used are discounted cash flow, Stochastic Default, foreign currency correlation and option pricing model.

A27. FAIR VALUE ESTIMATION (Continued)

The following represents the Group's and the Company's non-financial assets measured at fair value and classified by level with the following fair value measurement hierarchy as at 30 September 2015 and 31 December 2014.

Investment properties (Recurring)

The investment properties of the Group are valued annually at fair value based on market values determined by independent qualified valuers. The fair values are within level 2 of the fair value hierarchy. The fair values have been derived using the sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size.

Non-current assets held for sales (Non-recurring)

In accordance with MFRS5, the non-current assets held for sales were stated at the lower of carrying amount and fair value less cost to sell. As at 30 September 2015, the property plant and equipment and investment properties held for sales of the Group that were stated at fair value less cost to sell was RM4,905,000 (2014: RM9,858,000). This is a non-recurring fair value which has been measured using observable inputs under sales comparison approach performed by independent valuers. Sales prices of comparable land and building in close proximity are adjusted for differences in key attributes such as property size. Therefore, it is within level 2 of the fair value hierarchy.

A28. OPERATIONS OF ISLAMIC BANKING

A28a. UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2015

	Note	The Group	
		30 September 2015 RM'000	31 December 2014 RM'000
ASSETS			
Cash and short-term funds		8,102,437	6,549,105
Reverse repurchase agreements		21,940	-
Deposits and placements with banks and other financial institutions		671,316	742,096
Financial assets held for trading		3,446,647	3,723,913
Islamic derivative financial instruments		704,982	286,468
Financial investments available-for-sale		2,791,781	2,398,454
Financial investments held-to-maturity		1,903,211	1,165,553
Financing, advances and other financing/loans	A28d(i)	46,176,789	40,600,338
Deferred tax assets		26,026	21,518
Amount due from conventional operations		4,772,283	3,824,466
Statutory deposits with Bank Negara Malaysia		1,325,745	1,297,654
Property, plant and equipment		16,190	13,169
Other assets		620,008	454,723
Goodwill		136,000	136,000
Intangible assets		86,083	91,937
TOTAL ASSETS		70,801,438	61,305,394
LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS			
Deposits from customers	A28(e)	48,029,096	44,345,984
Placements from investment accounts	A28(f)	3,749,158	-
Deposits and placements of banks and other financial institutions		4,958,149	5,812,183
Islamic derivative financial instruments		795,588	340,823
Financial liabilities designated at fair value	A28(g)	193,162	149,835
Amount due to conventional operations		839,646	623,717
Provision for taxation and Zakat		66,376	26,805
Other liabilities		5,706,957	3,977,161
Subordinated Sukuk		850,796	856,026
TOTAL LIABILITIES		65,188,928	56,132,534
Ordinary share capital		1,000,000	1,000,000
Islamic banking funds		55,250	55,250
Perpetual preference shares		220,000	220,000
Reserves		4,326,618	3,887,440
		5,601,868	5,162,690
Non-controlling interests		10,642	10,170
TOTAL ISLAMIC BANKING CAPITAL FUNDS		5,612,510	5,172,860
TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS		70,801,438	61,305,394

A28b. UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	The Group			
	3rd quarter ended		Nine months ended	
	30 September	30 September	30 September	30 September
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	656,641	576,318	1,907,179	1,771,626
Net income derived from investment of shareholders' funds	97,726	89,363	361,290	186,632
Allowance made for impairment losses on financing, advances and other financing/loans	(52,871)	(48,976)	(124,470)	(96,645)
Allowance written back/(made) for impairment losses on other receivables	27	102	(64)	248
Total distributable income	701,523	616,807	2,143,935	1,861,861
Income attributable to depositors	(368,119)	(310,423)	(1,116,388)	(874,346)
Total net income	333,404	306,384	1,027,547	987,515
Other operating expenses	(143,325)	(133,942)	(434,640)	(404,158)
Profit before allowances	190,079	172,442	592,907	583,357
Allowance written back for other impairment losses	-	(1)	-	124
Profit before taxation	190,079	172,441	592,907	583,481
Taxation	(38,690)	(41,391)	(129,691)	(131,956)
Profit for the period	151,389	131,050	463,216	451,525
Profit for the period attributable to:				
Owners of the Parent	151,276	130,876	462,757	450,784
Non-controlling interests	113	174	459	741
	151,389	131,050	463,216	451,525

A28c. UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 SEPTEMBER 2015

	The Group			
	3rd quarter ended		Nine months ended	
	30 September	30 September	30 September	30 September
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Profit for the period	151,389	131,050	463,216	451,525
Other comprehensive income:				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Revaluation reserve-financial investments available-for-sale	(50,729)	28,274	(35,131)	25,138
- Net (loss)/gain from change in fair value	(56,529)	35,316	(34,837)	31,638
- Realised gain transferred to statement of income on disposal and impairment	(2,107)	(1,284)	(3,332)	(5,026)
- Income tax effects	7,907	(5,758)	3,038	(1,474)
Exchange fluctuation reserve	5,947	(1,439)	11,594	4,842
Other comprehensive income for the period, net of tax	(44,782)	26,835	(23,537)	29,980
Total comprehensive income for the period	106,607	157,885	439,679	481,505
Total comprehensive income for the period attributable to:				
Owners of the Parent	106,584	157,889	439,666	481,400
Non-controlling interests	23	(4)	13	105
	106,607	157,885	439,679	481,505
<u>Income from Islamic operations (per page 2)</u>				
Total net income	333,404	306,384	1,027,547	987,515
Add: Allowance made for impairment losses on financing, advances and other financing/loans	52,871	48,976	124,470	96,645
Add: Allowance (written back)/made for impairment losses on other receivables	(27)	(102)	64	(248)
	386,248	355,258	1,152,081	1,083,912

A28d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS
(i) By type and Shariah contract
30 September 2015

At amortised cost	The Group					Total RM'000
	Bai' RM'000	Ijarah RM'000	Musharakah RM'000	Qard RM'000	Others RM'000	
Cash line [^]	551,982	-	-	7,245	-	559,227
Term financing						
House Financing	9,773,888	1,297,240	-	-	-	11,071,128
Syndicated Financing	1,780,901	173,370	-	-	31,371	1,985,642
Hire purchase receivables	759,385	4,561,869	-	-	-	5,321,254
Other term financing	20,986,405	59,013	-	-	3,198,603	24,244,021
Bills receivable	5,001	-	-	-	-	5,001
Trust receipts	18,324	-	-	-	146,695	165,019
Claims on customers under acceptance credits	293,839	-	-	-	-	293,839
Staff financing	-	-	-	-	2	2
Revolving credits	2,132,234	-	-	-	517,659	2,649,893
Credit card receivables	-	-	-	-	158,148	158,148
Share margin financing	2,890	-	74,209	-	37,173	114,272
Ar Rahnu	-	-	-	-	1,735	1,735
Other financing	-	17,471	-	-	10,937	28,408
Gross financing, advances and other financing/loans	36,304,849	6,108,963	74,209	7,245	4,102,323	46,597,589
Fair value changes arising from fair value hedge						62,225
						46,659,814
Less: Allowance for impairment losses						
- Individual impairment allowance						(117,204)
- Portfolio impairment allowance						(365,821)
						(483,025)
Net financing, advances and other financing/loans						46,176,789

31 December 2014

At amortised cost	The Group					Total RM'000
	Bai' RM'000	Ijarah RM'000	Musharakah RM'000	Qard RM'000	Others RM'000	
Cash line [^]	554,680	-	-	10,277	-	564,957
Term financing						
House Financing	9,206,917	992,267	-	-	-	10,199,184
Syndicated Financing	365,825	211,243	-	-	51,796	628,864
Hire purchase receivables	690,273	5,298,240	-	-	-	5,988,513
Other term financing	18,460,187	56,820	-	-	1,559,574	20,076,581
Bills receivable	2,939	-	-	-	-	2,939
Trust receipts	19,168	-	-	-	76,273	95,441
Claims on customers under acceptance credits	392,033	-	-	-	-	392,033
Staff financing	-	-	-	-	2	2
Revolving credits	2,507,687	-	-	-	288,107	2,795,794
Credit card receivables	-	-	-	-	140,705	140,705
Share margin financing	9,453	-	29,421	-	53,053	91,927
Ar Rahnu	-	-	-	-	2,348	2,348
Other financing	-	13,256	-	-	13,562	26,818
Gross financing, advances and other financing/loans	32,209,162	6,571,826	29,421	10,277	2,185,420	41,006,106
Fair value changes arising from fair value hedge						57,272
						41,063,378
Less: Allowance for impairment losses						
- Individual impairment allowance						(88,336)
- Portfolio impairment allowance						(374,704)
						(463,040)
Net financing, advances and other financing/loans						40,600,338

[^] Includes current account in excess

A28d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)**(i) By type and Shariah contract (Continued)**

(a) During the financial period, the Group has undertaken fair value hedges on RM4,075 million (2014: RM6,350 million) financing using profit rate swaps.

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
Gross financing hedged	4,075,000	6,350,000
Fair value changes arising from fair value hedges	62,225	57,272
	4,137,225	6,407,272

The fair value loss on profit rate swaps in the hedge transaction as at 30 September 2015 were RM120 million (2014: RM83 million).

(b) Included in financing, advances and other financing/loans are exposures to Restricted Profit Sharing Investment Accounts ("RPSIA"), as part of an arrangement between CIMB Islamic Bank Berhad and CIMB Bank Berhad. CIMB Bank Berhad is exposed to risks and rewards on RPSIA financing and will account for all the portfolio and individual impairment for bad and doubtful financing arising thereon.

As at 30 September 2015, the gross exposures to RPSIA financing is RM2,965 million (2014: RM2,099 million) and the portfolio impairment allowance relating to this RPSIA amounting to RM6.4 million (2014: RM6.4 million) is recognised in the Financial Statements of CIMB Bank Berhad.

There was no individual impairment provided on this RPSIA financing.

c) Movement of Qard financing

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
At 1 January	10,277	2,006
New disbursement	2,328	10,068
Repayment	(5,360)	(1,797)
At 30 September / 31 December	7,245	10,277

b) Sources and uses of Qard Financing**Sources of Qard fund:**

Depositors' fund	6,803	9,665
Shareholders' fund	442	612
	7,245	10,277

Uses of Qard fund:

Personal use	546	1,156
Business use	6,699	9,121
	7,245	10,277

(ii) By geographical distribution

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
Malaysia	40,066,756	36,781,908
Indonesia	2,152,833	1,866,915
Singapore	3,068,878	1,633,620
Other countries	1,309,122	723,663
Gross financing, advances and other financing/loans	46,597,589	41,006,106

(iii) Impaired financing, advances and other financing/loans by geographical distribution

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
Malaysia	486,428	457,860
Indonesia	85,725	82,060
Gross impaired financing, advances and other financing/loans	572,153	539,920

A28d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)

(iv) Movements in impaired financing, advances and other financing/loans:

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
At 1 January	539,920	375,428
Classified as impaired during the period/year	455,687	859,063
Reclassified as not impaired during the period/year	(224,561)	(375,431)
Amount recovered	(75,468)	(103,631)
Amount transferred to conventional operations	-	(38,104)
Amount written off	(130,549)	(182,722)
Exchange fluctuation	7,124	5,317
At 30 September / 31 December	<u>572,153</u>	<u>539,920</u>
Ratio of gross impaired financing, advances and other financing/loans to gross financing, advances and other financing/loans	<u>1.23%</u>	<u>1.32%</u>

(v) Movements in allowance for impaired financing, advances and other financing/loans:

	The Group	
	30 September 2015	31 December 2014
	RM'000	RM'000
Individual impairment allowance		
At 1 January	88,336	48,093
Allowance made during the period/year	25,967	53,064
Amount written off	(1,245)	(9,105)
Amount transferred to conventional operations	-	(5,216)
Exchange fluctuation	4,146	1,500
At 30 September / 31 December	<u>117,204</u>	<u>88,336</u>
Portfolio impairment allowance		
At 1 January	374,704	414,807
Allowance made during the period/year	125,157	154,030
Amount written off	(129,284)	(173,618)
Exchange fluctuation	(4,756)	(20,515)
At 30 September / 31 December	<u>365,821</u>	<u>374,704</u>
Portfolio impairment allowance as % of gross financing, advances and other loans (excluding RPSIA financing) less individual impairment allowance	<u>1.07%</u>	<u>1.16%</u>

A28e. DEPOSITS FROM CUSTOMERS**(i) By type of deposits**

	The Group	
	30 September 2015 RM'000	31 December 2014 RM'000
Savings deposit		
Wadiah	3,190,206	2,742,201
Mudharabah	313,115	190,452
	3,503,321	2,932,653
Demand deposit		
Wadiah	9,664,575	7,377,966
Qard	153,724	61,320
Mudharabah	156,594	755,889
	9,974,893	8,195,175
Term deposit		
<i>Commodity Murabahah</i>	31,286,544	21,691,342
<i>Islamic negotiable instruments</i>	1,087,158	2,563,732
Mudharabah	344,681	389,915
Hybrid (Bai Bithamin Ajil (BBA) and Bai al-Dayn)	742,477	2,173,817
<i>Short term money market deposit-i</i>	157,627	5,116,670
Wakalah	18,265	5,109,756
Wadiah	139,362	6,914
<i>Fixed Deposit-i</i>	410,402	1,067,331
Wakalah	-	608,700
Wadiah	410,402	458,631
<i>General investment account</i>	1,274,607	2,433,388
Mudharabah	1,274,607	2,433,388
<i>Specific investment account</i>	318,776	326,806
Mudharabah	318,776	326,806
	34,535,114	33,199,269
Others - Qard	15,768	18,887
	48,029,096	44,345,984

(ii) By maturity structures of term deposit

Due within six months	29,423,135	31,429,165
Six months to one year	4,437,168	1,067,187
One year to three years	361,659	381,594
Three years to five years	623	436
More than five years	312,529	320,887
	34,535,114	33,199,269

(iii) By type of customer

Government and statutory bodies	4,058,064	3,791,645
Business enterprises	19,652,072	17,899,026
Individuals	10,440,526	6,821,940
Others	13,878,434	15,833,373
	48,029,096	44,345,984

A28f. PLACEMENTS FROM INVESTMENT ACCOUNTS

	The Group	
	30 September 2015 RM'000	31 December 2014 RM'000
Restricted investment accounts	197,822	-
Unrestricted investment accounts	3,551,336	-
	3,749,158	-

A28g. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE

	The Group	
	30 September 2015 RM'000	31 December 2014 RM'000
Deposits from customers - structured investments	193,162	149,835

The Group has issued structured investments, and have designated them at fair value in accordance with MFRS139. The Group has the ability to do this when designating these instruments at fair value reduces an accounting mismatch, is managed by the Group on the basis of its fair value, or includes terms that have substantive derivative characteristics.

The carrying amount of the Group as at 30 September 2015 of financial liabilities designated at fair value were RM14,500,000 (2014: RM8,551,000) lower than the contractual amount at maturity. The fair value changes of the financial liabilities that are attributable to the changes in own credit risk are not significant.

B1. GROUP PERFORMANCE REVIEW COMPARISON WITH THE PRECEDING QUARTER'S RESULTS

CIMB Group Holdings Berhad (“CIMB Group” or the “Group”) results

CIMB Group Holdings Berhad (“CIMB Group” or the “Group”) today reported a net profit of RM2,024million for 9 months 2015 (“9M15”), equivalent to a net earnings per share (“EPS”) of 23.9 sen. The Group saw a 8.4% year-on-year (“Y-o-Y”) expansion in 9M15 operating income with well contained operating expenses, although increased Y-o-Y provisions brought about the 11.9% Y-o-Y reduction in the Business As Usual (“BAU”) 9M15 net profit, after excluding exceptional expenses from restructuring and the Mutual Separation Scheme (“MSS”).

The Group’s annualised BAU 9M15 net return on average equity (“ROE”) was 8.8%. For the third quarter of 2015 (“3Q15”), the Group’s BAU net profit of RM902 million was 2.9% higher quarter-on-quarter (“Q-o-Q”).

The Group continued improvement in Q-o-Q performance, amidst the prevailing economic uncertainties and challenges, reaffirms the our business recalibration and the Group’s commitment towards managing cost. This was reflected in 8.4% Y-o-Y operating income growth and containment of operating expenses over the period. In addition to the structural cost alignment initiatives of streamlining the ex-ASEAN IB operations and the MSS in Malaysia and Indonesia, the Group had also improved processes and increased automation to enhance efficiency. The Group will continue to push the cost management agenda further.

In terms of business segments, the Group is pleased to see it’s business strategies bearing results, with the Consumer and Commercial Banking operations gaining good traction across the region.

CIMB Group 9M15 Y-o-Y Results

For comparative purposes, the Y-o-Y performance is based on BAU numbers for 9M15. CIMB Group’s 9M15 operating income grew 8.4% Y-o-Y to RM11.354 billion underpinned by a 12.8% improvement in non-interest income and a 6.6% growth in net interest income. The 5.5% Y-o-Y increase in operating expenses were largely due to higher personnel expenses from inflationary effects in Indonesia, bringing about a 12.4% improvement in the Group’s Pre-Provisioning Operating Profit (“PPOP”). However, the Group’s PBT was 11.7% lower at RM3.434 billion on the back of the higher corporate loan provisions from Indonesia.

The Group’s regional Consumer Bank PBT increased by 17.4% Y-o-Y in 9M15 to RM1.329 billion, making up 39% of Group PBT. Contributions were stronger from all geographies with the Indonesia consumer operations performing significantly better in addition to lower operational losses from Thailand. The regional Commercial Banking PBT was 6.0% lower Y-o-Y at RM490 million largely due to higher provisions in Indonesia and Thailand. The Group’s Regional Wholesale Banking PBT declined by 26.1% Y-o-Y to RM1,214 million attributed to higher Corporate Banking provisions and the softer Treasury & Markets performance, while Investment Banking operations improved as a result of better market activity and cost management, after excluding the one-off restructuring costs. Group Asset Management and Investments (“GAMI”)’s PBT was 15.8% lower Y-o-Y due to the large gains from divestments in 9M14, while Group Funding PBT declined 43.1% Y-o-Y due to higher cost of funds and lower investment returns.

Non-Malaysia PBT contribution to the Group was lower at 25% in 9M15 compared to 32% in 9M14, principally due to the 67.8% Y-o-Y decline in Indonesia’s PBT to RM283 million from lower CIMB Niaga earnings. Thailand’s PBT contribution grew 22.0% Y-o-Y to RM233 million from improved banking operations in 9M15. Total PBT contribution from Singapore expanded by 21.3% to RM319 million due to the better performance at the bank.

The Group’s total gross loans (excluding the bad bank) expanded 19.7% Y-o-Y or 10.7% excluding FX fluctuations. Total deposits grew 17.7% Y-o-Y or 10.0% excluding FX fluctuations. The Group’s loan to deposit (“LDR”) ratio rose to 94.9% compared to 93.5% previously.

The Group’s gross impairment ratio rose to 3.4% as at September 2015 from 3.3% in September 2014, with an allowance coverage of 84.9% as at September 2015. The Group’s BAU cost to income ratio improved to 56.2% compared with 57.8% in 9M14, as the cost management initiatives begin to show traction. The Group’s Net Interest Margins (“NIM”) were lower at 2.65% driven mainly by the higher cost of consumer deposits in Malaysia.

As at 30 September 2015, CIMB Group’s total capital ratio stood at 13.4% while the Common Equity Tier 1 (“CET1”) capital ratio stood at 9.3%.

CIMB Group 3Q15 Performance

On a Q-o-Q basis, 3Q15 operating income grew 0.2% to RM3.840 billion as a result of a 6.4% expansion in net interest income and a 13.0% decrease in non interest income, mainly from weaker treasury and markets performance. Consumer Banking PBT declined by 12.2% due to increased provisions arising from seasonal festive effects. Commercial Banking PBT improved on the back of asset growth, lower operating costs and lower provisions. Wholesale Banking PBT was lower as a result of the weaker Treasury & Markets and Investment Banking performance during the period. 3Q15 BAU net profit was 2.9% higher Q-o-Q at RM902 million attributed to the improvement in operating income and lower provisions.

B1. GROUP PERFORMANCE REVIEW COMPARISON WITH THE PRECEDING QUARTER'S RESULTS (CONTINUED)

CIMB Group 3Q15 Performance (continued)

On a Y-o-Y basis, 3Q15 operating income was 8.8% higher at RM3.840 billion on the back of a 10.8% increase in net interest income and a 4.1% growth in non interest income. The Consumer and Commercial banking PBT expanded by 21.9% and 11.6% respectively due to asset growth across all geographies and greater control on operating expenses. Wholesale banking PBT was lower Y-o-Y as a result of the weaker Treasury & Markets and Investment Banking operations. 3Q15 BAU net profit was 1.3% higher Y-o-Y from improved operating income and lower provisions.

CIMB Islamic

CIMB Islamic's 9M15 Y-o-Y PBT decreased by 5.3% to RM378 million due to slower Islamic capital markets activity. CIMB Islamic's gross financing assets increased by 13.6% Y-o-Y, accounting for 13.4% of total Group loans. Total deposits grew by 3.6% Y-o-Y to RM43.2 billion.

Target 18 ("T18") And Key Organisation Changes

On 26 February 2015, Tengku Dato'Sri Zafrul Aziz was confirmed as Group Chief Executive Officer ("CEO"). Dato' Sri Nazir Razak had taken over as Chairman of CIMB Group on 1 September 2014. On 20 July 2015, CIMB Group announced the appointment of Datuk Mohd Nasir Ahmad and Dato' Lee Kok Kwan as Independent Director and Non-Executive Non-Independent Director respectively.

On 6 February 2015, CIMB Group outlined its new T18 plans and key organisation changes, with a mid-term target of achieving an ROE of 15%, CET1 ratio of over 11%, a cost to income ratio of below 50% and a 60% consumer banking income contribution by end-2018. The reorganisation exercise saw the creation of new regional divisions and key management changes across the Group. On 12 March 2015, the Group announced the appointment of Effendy Shahul Hamid as CEO, Group Asset Management & Investments and Kwan Keen Yew as Group Chief Compliance Officer. On 1 June 2015, Tigor M. Siahaan was appointed as President Director of CIMB Niaga.

As part of the T18 initiative, the Group closed its offices in Sydney and Melbourne in Australia, in line with the objective of reducing its Asia Pacific investment banking and equities business related operating costs by 30% in 2015. On 15 May 2015, the Group announced a voluntary MSS to employees in Malaysia and Indonesia as part of the realignment of cost structures and operating efficiencies. On 1 July 2015, the MSS was completed with a total of 3,599 applications approved (1,891 in Malaysia and 1,708 in Indonesia).

B2. CORPORATE DEVELOPMENTS

Capital Management

- On 3 April 2015, CIMB Group Holdings Bhd redeemed its RM150 million subordinated notes.
- On 28 April 2015, CIMB Group issued and allotted 66,040,583 new ordinary shares of RM1 each in new CIMB Group shares pursuant to the DRS arising from the Second Interim Dividend announcement for FY14. The new shares were listed and quoted on the Main Market of Bursa Securities on 29 April 2015.
- On 27 August 2015, CIMB Thai announced a rights issue of 3,689,853,654 new ordinary shares with a par value of THB 0.50 per share at a ratio of 7 rights shares for every 40 existing CIMB Thai shares held at an offer price of THB1 per share. The exercise was completed on 6 November 2015.
- On 4 September 2015, CIMB Bank PLC successfully issued USD7.0 million Tier 2 subordinated debt, intended to qualify as a Tier 2 capital for CIMB Bank PLC for the purpose of computation of minimum Solvency Requirements by the National Bank of Cambodia ("NBC").
- On 23 October 2015, CIMB Group issued and allotted 37,480,662 new ordinary shares of RM1 each in new CIMB Group shares pursuant to the DRS arising from the First Interim Dividend announcement for FY15. The new shares were listed and quoted on the Main Market of Bursa Securities on 26 October 2015.
- On 2 November 2015, CIMB Bank fully settled its USD200 million subordinated loan to SBB Capital Corporation ("SCC") in connection and concurrent with the redemption of SCC's USD200 million 6.62% Non-Cumulative Guaranteed Preference Shares on the First optional Redemption Date of 2 November 2015.

B2. CORPORATE DEVELOPMENTS (continued)

Others

- On 1 June 2015, Tigor M. Siahaan was appointed as President Director of CIMB Niaga. On 14 July 2015, CIMB Group announced the resignation of Badliyah Abdul Ghani as CIMB Islamic Bank's CEO. On 20 July 2015, CIMB Group announced the appointment of DatukMohdNasir Ahmad and Dato' Lee Kok Kwan as Independent Director and Non-Executive Non-Independent Director respectively. On 21 August 2015, CIMB announced the resignation of Dato'SulaimanMohdTahir as CEO and Executive Director of CIMB Bank.
- On 10 July 2015, Moody's affirmed CIMB Investment Bank's long-term and short-term issuer ratings at A3 and P-2 respectively. The outlook is stable.
- On 7 August 2015, CIMB Group Holdings obtained an in-principle approval to establish and operate a 100%-owned subsidiary in Vietnam.
- On 6 November 2015, MARC affirmed CIMB Bank's long-term and short-term financial institution ratings at AAA and MARC-1 respectively. MARC also reaffirmed CIMB Islamic Bank's long-term and short-term Financial Institution ratings at 'AAA' and 'MARC-1' respectively. The outlook is stable.
- On 17 November 2015, CIMB Group Holdings entered into a strategic collaboration agreement with Philippine Long Distance Telephone Company ("PLDT") to offer digital financial solutions in the Philippines and across ASEAN.

B3. PROSPECTS FOR THE CURRENT FINANCIAL PERIOD

2015 is proving to be a challenging year for the financial services industry. The Group's Malaysia operations showed encouraging performance in difficult conditions, but the Group continues to be cognisant of moderating economic growth and a slowdown in consumer spending. In Singapore, despite industry tightening measures, the Group continues to sustain positive growth momentum on the back of our cost-efficient business platform. CIMB Niaga in Indonesia continues its growth momentum, and the Group's key focus will be on asset quality. While prospects for Thai operations are challenging in the prevailing economic environment, the Group remains committed in view of the long-term strategic prospects.

The Group embarked on its three-year T18 recalibration initiatives earlier this year and as a result, the Group was well positioned to face the prevailing headwinds from a structural alignment and cost management perspective. While the Group growth strategy continues to be measured considering the environment of weaker regional economies and capital markets, the Group remains confident that its T18 strategy will continue to deliver the results we set out to achieve.

B4. TAXATION

	3rd quarter ended		Nine months ended	
	30 September	30 September	30 September	30 September
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
The Group				
Major components of tax expense:				
Current tax expense	262,056	248,258	737,926	799,240
Deferred tax expense	4,244	27,479	(4,086)	141,286
(Over)/Under accrual in prior years	(9,994)	583	(12,348)	1,723
	256,306	276,320	721,492	942,249

Reconciliation

Profit before taxation	1,074,508	1,179,263	2,781,832	3,891,485
Tax at statutory income tax rate of 25% (2014: 25%)	268,627	294,815	695,458	972,871
Effect of different tax rates in other countries and change in tax rates	46,429	2,243	48,669	7,788
Due to expenses not deductible for tax purposes and income not subject to income tax	(48,756)	(21,321)	(10,287)	(40,133)
(Over)/Under accrual in prior years	(9,994)	583	(12,348)	1,723
	256,306	276,320	721,492	942,249

The Company

Major components of tax expense:

Current tax expense	1,432	2,059	7,166	10,676
Deferred tax expense	(279)	(1,368)	(171)	(1,291)
Under accrual in prior years	-	-	120	-
	1,153	691	7,115	9,385

Reconciliation

Profit before taxation	752,935	795,276	1,370,755	1,687,411
Tax at statutory income tax rate of 25% (2014: 25%)	188,234	198,819	342,689	421,853
Due to expenses not deductible for tax purposes and income not subject to income tax	(187,081)	(198,128)	(335,694)	(412,468)
Under accrual in prior years	-	-	120	-
	1,153	691	7,115	9,385

B5. PARTICULARS OF PURCHASE AND SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no material gains or losses on disposal of investments or properties during the period under review other than in the ordinary course of business.

B6. REALISED AND UNREALISED PROFITS

	The Group		The Company	
	30 September 2015 RM'000	31 December 2014 RM'000	30 September 2015 RM'000	31 December 2014 RM'000
Total retained earnings of the Group and subsidiaries				
- Realised	14,600,677	13,316,096	2,130,370	1,326,384
- Unrealised	(282,977)	(254,562)	53,942	(84,526)
	14,317,700	13,061,534	2,184,312	1,241,858
Total share of retained earnings from associates				
- Realised	784,310	703,757	-	-
- Unrealised	4,229	2,507	-	-
Total share of retained earnings from joint ventures				
- Realised	87,471	104,684	-	-
- Unrealised	1,293	1	-	-
	15,195,003	13,872,483	2,184,312	1,241,858
Consolidation adjustments	162,953	188,250	-	-
Total group retained earnings as per consolidated financial statements	15,357,956	14,060,733	2,184,312	1,241,858

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The marked-to-market gains and losses on derivative contracts and financial investments at fair value through profit or loss that remain outstanding in the financial statements of the Group and the Company as at 30 June 2015 and 31 December 2014 are deemed unrealised and should be read together as it reflects the nature of the transactions and financial position of the Group and the Company. In addition, the unrealised retained profits of the Group and the Company as disclosed above excludes the translation gains and losses on monetary items denominated in a currency other than the functional currency, as these gains and losses are incurred in the ordinary course of business of the Group and the Company, and are hence deemed as realised.

B7. BORROWINGS AND DEBT SECURITIES

	The Group	
	30 September 2015 RM'000	31 December 2014 RM'000
Bonds and debentures*		
Unsecured		
One year or less (short term)	4,486,313	1,938,455
More than one year (medium/long term)	7,414,012	5,727,593
	11,900,325	7,666,048

* Included in bonds and debentures for the current period are IDR denominated bonds equivalent to IDR5,218,000 million, IDR denominated notes equivalent to IDR600,000 million, HKD denominated bonds equivalent to HKD4,718 million, USD denominated bonds equivalent to USD683 million, THB denominated debentures equivalents to THB23,645 million, SGD denominated bonds equivalents to SGD120 million, AUD denominated bonds equivalents to AUD100 million, EUR denominated notes equivalents to EUR30 million and CNY denominated notes equivalents to CNY220 million. USD45 million bonds has been redeemed in January 2015.

	The Group		The Company	
	30 September 2015 RM'000	31 December 2014 RM'000	30 September 2015 RM'000	31 December 2014 RM'000
Other borrowing				
Unsecured				
One year or less (short term)	3,827,082	1,540,099	1,143,312	-
More than one year (medium/long term)	5,812,361	7,750,708	3,352,827	4,305,015
	9,639,443	9,290,807	4,496,139	4,305,015
Subordinated obligations***				
Unsecured				
One year or less (short term)	3,276,582	-	-	-
More than one year (medium/long term)	9,429,552	12,582,494	2,024,248	2,141,402
	12,706,134	12,582,494	2,024,248	2,141,402

*** Included in subordinated notes for current period are IDR denominated Subordinated Notes of IDR2,980,000 million and THB denominated Subordinated Notes of THB6,544 million. The Company redeemed RM150 million subordinated notes on 3 April 2015.

B8. MATERIAL LITIGATION

At the date of this report, there are no pending material litigation not in the ordinary course of business which would have materially affected the Group's financial position.

B9. COMPUTATION OF EARNINGS PER SHARE (EPS)**a) Basic EPS**

The Group's basic EPS is calculated by dividing the net profit attributable to equity holders of the Parent by the weighted average number of ordinary shares in issue during the financial period.

	The Group			
	3rd quarter ended		Nine months ended	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period after non-controlling interests	803,892	890,270	2,023,770	2,906,490
Weighted average number of ordinary shares in issue ('000)	8,489,787	8,336,518	8,461,242	8,251,862
Basic earnings per share (expressed in sen per share)	9.5	10.6	23.9	35.2

b) Diluted EPS

The Group has no dilution in its earnings per ordinary share in the current period and the preceding year corresponding period as there are no dilutive potential ordinary shares.