

**MALAYAN BANKING BERHAD**  
(3813-K)  
(Incorporated in Malaysia)

**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED INCOME STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2015**

<u>Group</u>	<u>Note</u>	First Quarter Ended		Cumulative 3 Months Ended	
		31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Interest income	A20	4,721,840	4,215,997	4,721,840	4,215,997
Interest expense	A21	(2,116,979)	(1,823,166)	(2,116,979)	(1,823,166)
Net interest income		<b>2,604,861</b>	2,392,831	<b>2,604,861</b>	2,392,831
Income from Islamic Banking Scheme operations	A38a	<b>932,748</b>	808,404	<b>932,748</b>	808,404
Net earned insurance premiums	A22	<b>987,115</b>	922,227	<b>987,115</b>	922,227
Other operating income	A24	<b>1,560,595</b>	1,232,128	<b>1,560,595</b>	1,232,128
Total operating income		<b>6,085,319</b>	5,355,590	<b>6,085,319</b>	5,355,590
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	A25	<b>(1,097,807)</b>	(920,441)	<b>(1,097,807)</b>	(920,441)
Net operating income		<b>4,987,512</b>	4,435,149	<b>4,987,512</b>	4,435,149
Overhead expenses	A26	<b>(2,489,293)</b>	(2,168,398)	<b>(2,489,293)</b>	(2,168,398)
Operating profit before impairment losses		<b>2,498,219</b>	2,266,751	<b>2,498,219</b>	2,266,751
Allowances for impairment losses on loans, advances, financing and other debts, net (Allowances for)/writeback of impairment losses on financial investments, net	A27	<b>(247,950)</b>	(210,102)	<b>(247,950)</b>	(210,102)
	A28	<b>(50,683)</b>	114,669	<b>(50,683)</b>	114,669
Operating profit		<b>2,199,586</b>	2,171,318	<b>2,199,586</b>	2,171,318
Share of profits in associates and joint ventures		<b>42,427</b>	36,470	<b>42,427</b>	36,470
<b>Profit before taxation and zakat</b>		<b>2,242,013</b>	2,207,788	<b>2,242,013</b>	2,207,788
Taxation and zakat	B5	<b>(530,004)</b>	(573,289)	<b>(530,004)</b>	(573,289)
<b>Profit for the period</b>		<b>1,712,009</b>	1,634,499	<b>1,712,009</b>	1,634,499
<b>Attributable to:</b>					
Equity holders of the Bank		<b>1,700,385</b>	1,601,585	<b>1,700,385</b>	1,601,585
Non-controlling interests		<b>11,624</b>	32,914	<b>11,624</b>	32,914
		<b>1,712,009</b>	1,634,499	<b>1,712,009</b>	1,634,499
<b>Earnings per share attributable to equity holders of the Bank</b>	B13				
Basic		<b>18.27 sen</b>	18.09 sen	<b>18.27 sen</b>	18.09 sen
Fully diluted		<b>18.27 sen</b>	18.09 sen	<b>18.27 sen</b>	18.08 sen

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

**MALAYAN BANKING BERHAD**  
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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2015**

<u>Group</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
<b>Profit for the period</b>	<b>1,712,009</b>	<b>1,634,499</b>	<b>1,712,009</b>	<b>1,634,499</b>
<b>Other comprehensive income/(loss):</b>				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Defined benefit plan actuarial gain/(loss)	4,885	(11,851)	4,885	(11,851)
Income tax effect	(1,224)	3,284	(1,224)	3,284
	<b>3,661</b>	<b>(8,567)</b>	<b>3,661</b>	<b>(8,567)</b>
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Net gain on financial investments available-for-sale	490,019	26,307	490,019	26,307
Income tax effect	(121,535)	(7,337)	(121,535)	(7,337)
Net gain on foreign exchange translation	565,102	463,237	565,102	463,237
Net gain on cash flow hedge	2,002	-	2,002	-
Net loss on net investment hedge	(76,966)	(4,675)	(76,966)	(4,675)
Net gain on revaluation reserve	15	7	15	7
Share of change in associates' reserve	87,899	141,389	87,899	141,389
	<b>946,536</b>	<b>618,928</b>	<b>946,536</b>	<b>618,928</b>
Other comprehensive income for the period, net of tax	<b>950,197</b>	<b>610,361</b>	<b>950,197</b>	<b>610,361</b>
<b>Total comprehensive income for the period</b>	<b>2,662,206</b>	<b>2,244,860</b>	<b>2,662,206</b>	<b>2,244,860</b>
<b>Other comprehensive income for the period attributable to:</b>				
Equity holders of the Bank	916,288	618,451	916,288	618,451
Non-controlling interests	33,909	(8,090)	33,909	(8,090)
	<b>950,197</b>	<b>610,361</b>	<b>950,197</b>	<b>610,361</b>
<b>Total comprehensive income for the period attributable to:</b>				
Equity holders of the Bank	2,616,673	2,220,036	2,616,673	2,220,036
Non-controlling interests	45,533	24,824	45,533	24,824
	<b>2,662,206</b>	<b>2,244,860</b>	<b>2,662,206</b>	<b>2,244,860</b>

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**UNAUDITED INCOME STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2015**

<u>Bank</u>	Note	First Quarter Ended		Cumulative 3 Months Ended	
		31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Interest income	A20	3,525,604	3,121,391	3,525,604	3,121,391
Interest expense	A21	(1,566,372)	(1,327,141)	(1,566,372)	(1,327,141)
Net interest income		1,959,232	1,794,250	1,959,232	1,794,250
Dividends from subsidiaries	A23	-	400,748	-	400,748
Other operating income	A24	898,264	830,565	898,264	830,565
		898,264	1,231,313	898,264	1,231,313
Net operating income		2,857,496	3,025,563	2,857,496	3,025,563
Overhead expenses	A26	(1,325,654)	(1,106,449)	(1,325,654)	(1,106,449)
Operating profit before impairment losses		1,531,842	1,919,114	1,531,842	1,919,114
Allowances for impairment losses on loans, advances, financing and other debts, net	A27	(32,257)	(113,758)	(32,257)	(113,758)
Writeback of impairment losses on financial investments, net	A28	1,424	39,785	1,424	39,785
<b>Profit before taxation and zakat</b>		<b>1,501,009</b>	<b>1,845,141</b>	<b>1,501,009</b>	<b>1,845,141</b>
Taxation and zakat	B5	(360,222)	(406,885)	(360,222)	(406,885)
<b>Profit for the period</b>		<b>1,140,787</b>	<b>1,438,256</b>	<b>1,140,787</b>	<b>1,438,256</b>

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**FOR THE FIRST QUARTER ENDED 31 MARCH 2015**

<u>Bank</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
<b>Profit for the period</b>	<b>1,140,787</b>	1,438,256	<b>1,140,787</b>	1,438,256
<b>Other comprehensive income/(loss):</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Net gain on financial investments available-for-sale	356,084	68,921	356,084	68,921
Income tax effect	(89,011)	(17,234)	(89,011)	(17,234)
Net gain/(loss) on foreign exchange translation	227,591	(14,925)	227,591	(14,925)
Other comprehensive income for the period, net of tax	494,664	36,762	494,664	36,762
<b>Total comprehensive income for the period</b>	<b>1,635,451</b>	1,475,018	<b>1,635,451</b>	1,475,018

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2015**

	Note	Group		Bank	
		31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<b>ASSETS</b>					
Cash and short-term funds		65,135,193	52,852,860	44,558,014	34,778,324
Deposits and placements with financial institutions		16,037,316	16,106,137	17,083,074	15,811,015
Financial assets purchased under resale agreements		1,354,124	3,625,291	1,354,124	3,625,291
Financial assets at fair value through profit or loss	A10(i)	19,273,310	23,705,323	6,118,091	9,425,390
Financial investments available-for-sale	A10(ii)	81,229,432	82,630,704	70,573,460	73,630,705
Financial investments held-to-maturity	A10(iii)	13,758,380	9,574,538	13,271,542	9,100,155
Loans, advances and financing	A11	412,149,873	403,513,121	265,597,025	264,524,441
Derivative assets	A35	6,283,088	4,544,001	6,234,076	4,533,709
Reinsurance/retakaful assets and other insurance receivables	A12	5,661,851	4,972,063	-	-
Other assets	A13	10,500,988	10,659,736	4,968,292	6,488,988
Investment properties		597,502	595,493	-	-
Statutory deposits with central banks		15,843,685	15,141,244	7,476,488	7,576,028
Investment in subsidiaries		-	-	20,450,502	20,450,502
Interest in associates and joint ventures		2,659,282	2,527,940	451,518	451,518
Property, plant and equipment		2,681,970	2,688,140	1,302,515	1,308,775
Intangible assets		6,326,843	6,261,415	524,119	506,267
Deferred tax assets		699,304	901,950	180,186	348,350
<b>TOTAL ASSETS</b>		<b>660,192,141</b>	<b>640,299,956</b>	<b>460,143,026</b>	<b>452,559,458</b>
<b>LIABILITIES</b>					
Deposits from customers	A14	447,060,193	439,569,384	308,133,000	306,938,972
Deposits and placements from financial institutions	A15	61,236,891	57,387,398	44,577,030	47,500,184
Obligations on financial assets sold under repurchase agreements		2,386,480	3,166,372	2,386,480	3,166,372
Bills and acceptances payable		2,548,673	2,017,579	1,673,593	1,187,310
Derivative liabilities	A35	6,251,960	5,320,499	6,085,166	5,173,575
Insurance/takaful contract liabilities and other insurance payables	A17	25,424,855	24,798,833	-	-
Other liabilities	A18	12,430,583	11,147,565	13,792,604	8,789,557
Recourse obligation on loans and financing sold to Cagamas		1,087,564	1,058,860	1,087,564	1,058,860
Provision for taxation and zakat		406,765	325,192	306,335	275,373
Deferred tax liabilities		714,137	702,660	-	-
Borrowings	A16(i)	21,681,320	18,521,899	15,842,622	13,846,812
Subordinated obligations	A16(ii)	15,890,488	15,640,057	12,494,365	12,264,578
Capital securities	A16(iii)	5,640,982	5,902,483	5,918,985	6,185,060
<b>TOTAL LIABILITIES</b>		<b>602,760,891</b>	<b>585,558,781</b>	<b>412,297,744</b>	<b>406,386,653</b>

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	Note	Group		Bank	
		31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK</b>					
Share capital		9,321,746	9,319,030	9,321,746	9,319,030
Share premium		22,770,585	22,747,922	22,770,585	22,747,922
Shares held-in-trust		(113,463)	(113,463)	(113,463)	(113,463)
Retained profits		14,093,665	12,387,977	4,741,294	3,600,804
Reserves		9,561,615	8,633,103	11,125,120	10,618,512
		<b>55,634,148</b>	52,974,569	<b>47,845,282</b>	46,172,805
<b>Non-controlling interests</b>		<b>1,797,102</b>	1,766,606	-	-
		<b>57,431,250</b>	54,741,175	<b>47,845,282</b>	46,172,805
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
		<b>660,192,141</b>	640,299,956	<b>460,143,026</b>	452,559,458
<b>COMMITMENTS AND CONTINGENCIES</b>	A33	<b>629,214,504</b>	551,960,251	<b>591,791,373</b>	519,485,629
<b><u>CAPITAL ADEQUACY</u></b>					
	A34				
The capital adequacy ratios of the Group and of the Bank are as follows:					
CET1 Capital Ratio		11.498%	11.747%	14.644%	16.275%
Tier 1 Capital Ratio		13.205%	13.539%	15.518%	16.275%
Total Capital Ratio		15.693%	16.235%	15.518%	16.275%
<b>Net assets per share attributable to equity holders of the Bank</b>					
		<b>RM5.97</b>	RM5.68	<b>RM5.13</b>	RM4.95

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2015**

<===== Non-Distributable =====>

<u>Group</u>	Share Capital RM'000	Share Premium RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Available- for-sale Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESS Reserve RM'000	Other Reserves <sup>1</sup> RM'000	Retained Profits <sup>2</sup> RM'000	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
<b>At 1 January 2015</b>	9,319,030	22,747,922	(113,463)	10,396,000	274,500	(321,842)	(1,917,500)	298,366	(96,421)	12,387,977	52,974,569	1,766,606	54,741,175
Profit for the period	-	-	-	-	-	-	-	-	-	1,700,385	1,700,385	11,624	1,712,009
Other comprehensive income/(loss)	-	-	-	-	-	431,760	556,104	-	(71,576)	-	916,288	33,909	950,197
Defined benefit plan actuarial gain	-	-	-	-	-	-	-	-	3,310	-	3,310	351	3,661
Share of associates' reserve	-	-	-	-	-	77,979	9,920	-	-	-	87,899	-	87,899
Net gain on foreign exchange translation	-	-	-	-	-	-	546,184	-	-	-	546,184	18,918	565,102
Net gain on financial investments available-for-sale	-	-	-	-	-	353,781	-	-	-	-	353,781	14,703	368,484
Net loss on net investment hedge	-	-	-	-	-	-	-	-	(76,966)	-	(76,966)	-	(76,966)
Net gain on cash flow hedge	-	-	-	-	-	-	-	-	2,065	-	2,065	(63)	2,002
Net gain on revaluation reserve	-	-	-	-	-	-	-	-	15	-	15	-	15
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	-	-	431,760	556,104	-	(71,576)	1,700,385	2,616,673	45,533	2,662,206
<b>Carried forward</b>	9,319,030	22,747,922	(113,463)	10,396,000	274,500	109,918	(1,361,396)	298,366	(167,997)	14,088,362	55,591,242	1,812,139	57,403,381

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<u>Group</u>	<----- Non-Distributable ----->													Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Available- for-sale Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESS Reserve RM'000	Other Reserves RM'000	Retained Profits RM'000	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000		
<b>Brought forward</b>	9,319,030	22,747,922	(113,463)	10,396,000	274,500	109,918	(1,361,396)	298,366	(167,997)	14,088,362	55,591,242	1,812,139	57,403,381	
Share-based payment under Employees' Share Scheme ("ESS")	-	-	-	-	-	-	-	14,217	-	-	14,217	-	14,217	
Effect of changes in corporate structure within the Group	-	-	-	-	-	-	-	-	-	5,880	5,880	(15,037)	(9,157)	
Transfer to statutory reserves	-	-	-	545	-	-	-	-	-	(545)	-	-	-	
Issue of shares pursuant to ESS (Note A8(i)(a)(A))	2,606	21,753	-	-	-	-	-	(1,550)	-	-	22,809	-	22,809	
Issue of shares pursuant to Supplemental Restricted Share Unit ("SRSU") (Note A8(i)(a)(B))	110	910	-	-	-	-	-	(988)	-	(32)	-	-	-	
<b>Total transactions with shareholders</b>	<b>2,716</b>	<b>22,663</b>	<b>-</b>	<b>545</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,679</b>	<b>-</b>	<b>5,303</b>	<b>42,906</b>	<b>(15,037)</b>	<b>27,869</b>	
<b>At 31 March 2015</b>	<b>9,321,746</b>	<b>22,770,585</b>	<b>(113,463)</b>	<b>10,396,545</b>	<b>274,500</b>	<b>109,918</b>	<b>(1,361,396)</b>	<b>310,045</b>	<b>(167,997)</b>	<b>14,093,665</b>	<b>55,634,148</b>	<b>1,797,102</b>	<b>57,431,250</b>	

<sup>1</sup> The further breakdown and movement of other reserves are disclosed in Note A19.

<sup>2</sup> The retained profits of the Group include the non-distributable non-par surplus from an insurance subsidiary amounted to RM972.7 million (net of tax). This non-distributable non-par surplus is only available for distribution to shareholder on the amount recommended by the Appointed Actuary in accordance with the Financial Services Act 2013.

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**FOR THE FIRST QUARTER ENDED 31 MARCH 2015**

<===== Non-Distributable =====>

<u>Group</u>	Share Capital RM'000	Share Premium RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Available- for-sale Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESS Reserve RM'000	Other Reserves RM'000 <sup>1</sup>	Retained Profits RM'000 <sup>2</sup>	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
<b>At 1 January 2014</b>	8,862,079	19,030,227	(107,248)	9,540,136	-	(604,112)	(2,727,793)	278,231	(21,597)	11,747,484	45,997,407	1,745,192	47,742,599
Profit for the period	-	-	-	-	-	-	-	-	-	1,601,585	1,601,585	32,914	1,634,499
Other comprehensive income/(loss)	-	-	-	-	-	52,405	580,132	-	(14,086)	-	618,451	(8,090)	610,361
Defined benefit plan actuarial loss	-	-	-	-	-	-	-	-	(9,422)	-	(9,422)	855	(8,567)
Share of associates' reserve	-	-	-	-	-	19,545	121,844	-	-	-	141,389	-	141,389
Net gain on foreign exchange translation	-	-	-	-	-	-	458,288	-	-	-	458,288	4,949	463,237
Net gain on financial investments available-for-sale	-	-	-	-	-	32,860	-	-	-	-	32,860	(13,890)	18,970
Net loss on net investment hedge	-	-	-	-	-	-	-	-	(4,675)	-	(4,675)	-	(4,675)
Net gain on revaluation reserve	-	-	-	-	-	-	-	-	11	-	11	(4)	7
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	-	-	52,405	580,132	-	(14,086)	1,601,585	2,220,036	24,824	2,244,860
<b>Carried forward</b>	8,862,079	19,030,227	(107,248)	9,540,136	-	(551,707)	(2,147,661)	278,231	(35,683)	13,349,069	48,217,443	1,770,016	49,987,459

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<u>Group</u>	<----- Non-Distributable ----->												
	Share Capital RM'000	Share Premium RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Available- for-sale Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESS Reserve RM'000	Other Reserves RM'000 <sup>1</sup>	Retained Profits RM'000 <sup>2</sup>	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
<b>Brought forward</b>	8,862,079	19,030,227	(107,248)	9,540,136	-	(551,707)	(2,147,661)	278,231	(35,683)	13,349,069	48,217,443	1,770,016	49,987,459
Share-based payment under Employees' Share Scheme ("ESS")	-	-	-	-	-	-	-	17,573	-	-	17,573	-	17,573
Effect of changes in corporate structure within the Group	-	-	-	-	-	-	-	-	(697)	697	-	(1,047)	(1,047)
Issue of shares pursuant to ESS	2,848	23,815	-	-	-	-	-	(1,707)	-	-	24,956	-	24,956
Issue of shares pursuant to Restricted Share Unit ("RSU")	2,832	24,266	(14,579)	-	-	-	-	(9,479)	-	(3,040)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(61)	(61)
<b>Total transactions with shareholders</b>	<b>5,680</b>	<b>48,081</b>	<b>(14,579)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,387</b>	<b>(697)</b>	<b>(2,343)</b>	<b>42,529</b>	<b>(1,108)</b>	<b>41,421</b>
<b>At 31 March 2014</b>	<b>8,867,759</b>	<b>19,078,308</b>	<b>(121,827)</b>	<b>9,540,136</b>	<b>-</b>	<b>(551,707)</b>	<b>(2,147,661)</b>	<b>284,618</b>	<b>(36,380)</b>	<b>13,346,726</b>	<b>48,259,972</b>	<b>1,768,908</b>	<b>50,028,880</b>

<sup>1</sup> The further breakdown and movement of other reserves are disclosed in Note A19.

<sup>2</sup> The retained profits of the Group include the non-distributable non-par surplus from an insurance subsidiary amounted to RM837.5 million (net of tax). This non-distributable non-par surplus is only available for distribution to shareholder on the amount recommended by the Appointed Actuary in accordance with the Financial Services Act 2013.

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

**MALAYAN BANKING BERHAD**  
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**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
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<u>Bank</u>	<===== Non-Distributable =====>							Distributable Retained Profits RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Available- for-sale Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESS Reserve RM'000		
<b>At 1 January 2015</b>	9,319,030	22,747,922	(113,463)	9,860,875	(362,553)	821,824	298,366	3,600,804	46,172,805
Profit for the period	-	-	-	-	-	-	-	1,140,787	1,140,787
Other comprehensive income	-	-	-	-	267,073	227,591	-	-	494,664
Net gain on foreign exchange translation	-	-	-	-	-	227,591	-	-	227,591
Net gain on financial investments available-for-sale	-	-	-	-	267,073	-	-	-	267,073
<b>Total comprehensive income for the period</b>	-	-	-	-	267,073	227,591	-	1,140,787	1,635,451
Share-based payment under Employees' Share Scheme ("ESS")	-	-	-	-	-	-	14,217	-	14,217
Transfer to statutory reserve	-	-	-	265	-	-	-	(265)	-
Issue of shares pursuant to ESS (Note A8(i)(a)(A))	2,606	21,753	-	-	-	-	(1,550)	-	22,809
Issue of shares pursuant to Supplemental Restricted Share Unit ("SRSU") (Note A8(i)(a)(B))	110	910	-	-	-	-	(988)	(32)	-
<b>Total transactions with shareholders</b>	<b>2,716</b>	<b>22,663</b>	<b>-</b>	<b>265</b>	<b>-</b>	<b>-</b>	<b>11,679</b>	<b>(297)</b>	<b>37,026</b>
<b>At 31 March 2015</b>	<b>9,321,746</b>	<b>22,770,585</b>	<b>(113,463)</b>	<b>9,861,140</b>	<b>(95,480)</b>	<b>1,049,415</b>	<b>310,045</b>	<b>4,741,294</b>	<b>47,845,282</b>

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

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<u>Bank</u>	<===== Non-Distributable =====>							Distributable Retained Profits RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Available- for-sale Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESS Reserve RM'000		
<b>At 1 January 2014</b>	8,862,079	19,030,227	(107,248)	9,026,745	(653,690)	585,214	278,231	3,478,214	40,499,772
Profit for the period	-	-	-	-	-	-	-	1,438,256	1,438,256
Other comprehensive income/(loss)	-	-	-	-	51,687	(14,925)	-	-	36,762
Net loss on foreign exchange translation	-	-	-	-	-	(14,925)	-	-	(14,925)
Net gain on financial investments available-for-sale	-	-	-	-	51,687	-	-	-	51,687
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	-	51,687	(14,925)	-	1,438,256	1,475,018
Share-based payment under Employees' Share Scheme ("ESS")	-	-	-	-	-	-	17,573	-	17,573
Issue of shares pursuant to ESS	2,848	23,815	-	-	-	-	(1,707)	-	24,956
Issue of shares pursuant to Restricted Share Unit ("RSU")	2,832	24,266	(14,579)	-	-	-	(9,479)	(3,040)	-
<b>Total transactions with shareholders</b>	5,680	48,081	(14,579)	-	-	-	6,387	(3,040)	42,529
<b>At 31 March 2014</b>	8,867,759	19,078,308	(121,827)	9,026,745	(602,003)	570,289	284,618	4,913,430	42,017,319

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CASH FLOW STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2015**

	Group		Bank	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
<b>Cash flows from operating activities</b>				
Profit before taxation and zakat	2,242,013	2,207,788	1,501,009	1,845,141
Adjustments for non-operating and non-cash items:				
Depreciation of property, plant and equipment	91,961	76,048	46,101	39,900
Share of profits in associates and joint ventures	(42,427)	(36,470)	-	-
Amortisation of intangible assets	66,703	53,614	24,589	26,382
Net gain on disposal of financial assets at fair value through profit or loss	(77,673)	(47,379)	(46,653)	(24,549)
Net gain on disposal of financial investments available-for-sale	(138,351)	(214,580)	(102,127)	(48,948)
Net loss/(gain) on redemption of financial investments held-to-maturity	2,192	(14)	2,192	(14)
Unrealised loss/(gain) on revaluation of financial assets at fair value through profit or loss and derivatives	90,533	58,475	193,316	(51,157)
Allowances for impairment losses on loans, advances and financing, net	355,577	398,835	121,737	274,967
Allowances for impairment losses on other debts	9,359	4,651	1,651	1,570
Dividend income	(23,910)	(16,835)	(680)	(403,715)
ESS expenses	14,362	17,893	9,909	13,092
Allowances for/(writeback of) impairment losses on financial investments, net	50,683	(114,669)	(1,424)	(39,785)
Other adjustments for non-operating and non-cash items	(5,163)	(1,354)	(53,232)	(3,205)
Operating profit before working capital changes	<b>2,635,859</b>	2,386,003	<b>1,696,388</b>	1,629,679
Change in deposits and placements with financial institutions	<b>(4,836,361)</b>	1,524,943	<b>(7,452,826)</b>	1,620,355
Change in financial investments portfolio	<b>2,506,798</b>	(5,330,169)	<b>2,748,885</b>	(4,289,196)
Change in loans, advances and financing	<b>(8,992,329)</b>	(4,901,868)	<b>(1,194,320)</b>	(2,991,670)
Change in statutory deposits with central banks	<b>(702,441)</b>	(158,120)	<b>99,540</b>	84,769
Change in deposits from customers	<b>7,490,809</b>	47,810	<b>1,194,029</b>	1,380,101
Change in deposits and placements from financial institutions	<b>3,849,493</b>	8,049,557	<b>(2,923,153)</b>	3,082,510
Change in reinsurance/retakaful assets and other insurance receivables	<b>(689,788)</b>	(1,431,208)	-	-
Change in insurance/takaful contract liabilities and other insurance payables	<b>626,022</b>	1,500,320	-	-
Change in other operating activities	<b>2,315,333</b>	2,522,506	<b>7,298,758</b>	2,010,364
Exchange fluctuation	<b>(378,042)</b>	365,712	<b>313,345</b>	50,114
Cash generated from operations	<b>3,825,353</b>	4,575,486	<b>1,780,646</b>	2,577,026
Taxes and zakat paid	<b>(372,926)</b>	(427,858)	<b>(250,086)</b>	(313,173)
Net cash generated from operating activities	<b>3,452,427</b>	4,147,628	<b>1,530,560</b>	2,263,853

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**UNAUDITED CASH FLOW STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2015**

	Group		Bank	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
<b>Cash flows from investing activities</b>				
Dividends received from:				
- financial investments portfolio	23,910	16,835	680	2,967
- subsidiaries	-	-	147,028	400,748
Purchase of property, plant and equipment	(59,691)	(97,008)	(32,648)	(38,529)
Purchase of investment properties	(2,270)	-	-	-
Proceeds from disposal of property, plant and equipment	2,880	685	9	168
Purchase of intangible assets	(57,802)	(66,375)	(40,341)	(8,997)
Purchase of additional ordinary shares in existing subsidiaries	-	-	-	(526,718)
Net effect arising from transaction with non-controlling interests	(9,157)	-	-	1,667
Net cash (used in)/generated from investing activities	<b>(102,130)</b>	<b>(145,863)</b>	<b>74,728</b>	<b>(168,694)</b>
<b>Cash flows from financing activities</b>				
Proceeds from issuance of shares	22,809	24,956	22,809	24,956
Drawdown of borrowings, net	3,080,675	886,995	1,195,002	838,140
Redemption of capital securities	(210,067)	-	(210,067)	-
Issuance of subordinated obligations and capital securities	-	1,600,000	-	1,600,000
Recourse obligation on loans and financing sold to Cagamas, net	28,703	(54,065)	28,703	(7,873)
Dividends paid to non-controlling interests	-	(61)	-	-
Net cash generated from financing activities	<b>2,922,120</b>	<b>2,457,825</b>	<b>1,036,447</b>	<b>2,455,223</b>
Net change in cash and cash equivalents	<b>6,272,417</b>	<b>6,459,590</b>	<b>2,641,735</b>	<b>4,550,382</b>
Cash and cash equivalents at beginning of period *	<b>62,651,329</b>	<b>50,821,501</b>	<b>44,330,718</b>	<b>32,326,864</b>
Cash and cash equivalents at end of period	<b>68,923,746</b>	<b>57,281,091</b>	<b>46,972,453</b>	<b>36,877,246</b>

Cash and cash equivalents included in the cash flow statements comprise the following amounts in Statements of Financial Position:

	Group		Bank	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Cash and short-term funds	65,135,193	50,676,555	44,558,014	31,293,540
Deposits with financial institutions maturing within one month	3,788,553	6,604,536	2,414,439	5,583,706
	<b>68,923,746</b>	<b>57,281,091</b>	<b>46,972,453</b>	<b>36,877,246</b>
* Cash and cash equivalents at beginning of period:				
Cash and short-term funds as previously reported	61,546,595	50,870,333	43,373,531	32,430,352
Effects of foreign exchange rate changes	1,104,734	(48,832)	957,187	(103,488)
As restated	<b>62,651,329</b>	<b>50,821,501</b>	<b>44,330,718</b>	<b>32,326,864</b>

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2014 and the accompanying explanatory notes attached to the interim financial statements)

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**Part A: Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting**

**A1. Basis of Preparation**

The unaudited condensed interim financial statements for the Group and the Bank have been prepared under the historical cost convention except for the following assets and liabilities that are stated at fair values: financial investments available-for-sale, financial assets at fair value through profit or loss, derivative financial instruments and investment properties.

The unaudited condensed interim financial statements have been prepared in accordance with the requirements of Chapter 9, part K of the Listing Requirements of Bursa Malaysia Securities Berhad, MFRS 134 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*.

The unaudited condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2014. These explanatory notes attached to the unaudited 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 of the Bank since the financial year ended 31 December 2014.

The unaudited condensed interim financial statements of the Group include Islamic banking and insurance business. Islamic banking refers generally to the acceptance of deposits, granting of financing and dealing in Islamic securities under the Shariah principles. Insurance business refers to the underwriting of general and life insurance business, the management of general and family takaful business and investment-linked business.

The significant accounting policies and methods of computation applied by the Group and the Bank are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2014 except for adoption of the following amendments to Malaysian Financial Reporting Standards ("MFRSs") and annual improvements to MFRSs with effective date of 1 July 2014:

- MFRS 119 *Employee Benefits* - Defined Benefits Plans: Employee Contributions (Amendments to MFRS 119)
- Annual Improvements to MFRSs 2010 - 2012 Cycle
- Annual Improvements to MFRSs 2011 - 2013 Cycle

The adoption of the above amendments to MFRSs and annual improvements to MFRSs do not have any material impact to the Group's and the Bank's financial statements.

**Revised Bank Negara Malaysia's ("BNM") Policy Document on Classification and Impairment Provisions for Loans/ Financing**

On 6 April 2015, BNM issued a revised Policy Document on Classification and Impairment Provisions for Loans/ Financing. This policy applies to banking institutions in Malaysia that covers licensed bank, licensed Islamic bank and licensed investment bank. The issuance of this revised policy document has superseded two guidelines issued by BNM previously, namely Classification and Impairment Provisions for Loans/ Financing dated 9 November 2011 and Classification and Impairment Provisions for Loans/ Financing – Maintenance of Regulatory Reserves dated 4 February 2014.

The requirements in this revised policy document are effective on 1 January 2015, except for the following:

- (i) the requirement to classify loans/ financing as rescheduled and restructured in the Central Credit Reference Information System ("CCRIS") will be effective on or after 1 April 2015;

The Group and the Bank are currently assessing the impact to the business processes and financial implications, if any, as a result of these requirements.

and

- (ii) the requirement for a banking institution to maintain, in aggregate, collective impairment allowance and regulatory reserves of no less than 1.2% of total outstanding loans/ financing, net of individual impairment allowance will be effective beginning 31 December 2015.

The Group has early adopted this requirement in the previous financial year ended 31 December 2014 based on the existing guideline issued then where it resulted in the Group making a transfer of RM274.5 million from its retained profits to a regulatory reserve. The revised policy document will not have any impact to the profit or loss of the Group. The regulatory reserve is not qualified as Common Equity Tier 1 ("CET1") capital under BNM's Capital Adequacy Framework (Capital Components).

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**A2. Significant Accounting Policies**

The audited annual financial statements of the Group and of the Bank for the financial year ended 31 December 2014 were prepared in accordance with MFRS and International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act, 1965 in Malaysia. The significant accounting policies adopted in preparing these unaudited condensed interim financial statements are consistent with those of the audited annual financial statements for the financial year ended 31 December 2014.

**A3. Significant Accounting Estimates and Judgements**

The preparation of unaudited condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Although these estimates and judgements are based on management's best knowledge of current events and actions, actual results may differ.

In preparing these unaudited condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements for the financial year ended 31 December 2014.

**A4. Auditors' Report on Preceding Audited Annual Financial Statements**

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2014 was not qualified.

**A5. Seasonal or Cyclical Factors**

The operations of the Group and of the Bank were not materially affected by any seasonal or cyclical factors during the first quarter ended 31 March 2015.

**A6. Unusual Items Due to Their Nature, Size or Incidence**

During the first quarter ended 31 March 2015, save as disclosed in Note A8 below, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and of the Bank.

**A7. Changes in Estimates**

There were no material changes in estimates during the first quarter ended 31 March 2015.

**A8. Changes in Debt and Equity Securities**

(i) The following are the changes in debt and equity securities that were issued and redeemed by the Group and by the Bank during the first quarter ended 31 March 2015:

(a) **Issuance of Shares**

The issued and paid-up share capital of the Bank increased from RM9,319,029,941 as at 31 December 2014 to RM9,321,745,641 as at 31 March 2015 via:

(A) issuance of 2,605,700 new ordinary shares of RM1.00 each, to eligible employees who exercised their options under the current Maybank Group Employees' Share Scheme ("ESS") which commenced on 23 June 2011, for a period of 7 years; and

(B) issuance of 110,000 new ordinary shares of RM1.00 each, to eligible employees under the Supplemental Restricted Share Unit ("SRSU") which is part of the current Maybank Group ESS.

(b) **SGD600.0 million 6% Capital Securities Callable with Step-Up in 2018 issued by the Bank pursuant to its RM4.0 billion Innovative Tier 1 Capital Securities Programme ("IT1CS")**

On 21 January 2015, Maybank had purchased SGD78.0 million out of the SGD600.0 million IT1CS through a private treaty arrangement. The SGD78.0 million IT1CS bought back was cancelled.

(c) **Issuance of USD50.0 million Floating Rate Note pursuant to the USD5.0 billion Multicurrency Medium Term Note Programme**

On 29 January 2015, Maybank had completed the issuance of USD50.0 million Floating Rate Note with a tenure of 1.5 years under the USD5.0 billion Multicurrency Medium Term Note Programme.



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**A8. Changes in Debt and Equity Securities (cont'd.)**

(i) The following are the changes in debt and equity securities that were issued and redeemed by the Group and by the Bank during the first quarter ended 31 March 2015 (cont'd.):

**(d) Issuance of CNY410.0 million Fixed Rate Notes pursuant to the USD5.0 billion Multicurrency Medium Term Note Programme**

On 5 March 2015, Maybank had completed the issuance of CNY410.0 million Fixed Rate Notes with a tenure of 5 years under the USD5.0 billion Multicurrency Medium Term Note Programme.

**(e) Redemption of bonds by subsidiaries of PT Bank Internasional Indonesia Tbk**

On 4 March 2015, PT Wahana Ottomitra Multiartha Tbk, a subsidiary of PT Bank Internasional Indonesia Tbk, which in turn an indirect subsidiary of Maybank, redeemed Bond V WOM Series D of IDR619.9 million (equivalent to RM175.6 million). The Bonds issued on 4 March 2011 under Bonds V WOM Finance Year 2011 With Fixed Interest Rate.

(ii) The following are the changes in debt securities that were issued by the Group and the Bank subsequent to the first quarter ended 31 March 2015 and have not been reflected in the financial statements for the first quarter ended 31 March 2015:

**(a) Issuance of IDR140.0 billion Shelf Bonds I WOM Finance Tranche III Year 2015 Series A**

On 2 April 2015, PT Wahana Ottomitra Multiartha Tbk, a subsidiary of PT Bank Internasional Indonesia Tbk, which in turn an indirect subsidiary of Maybank, had issued Shelf Bonds I WOM Finance Tranche III Year 2015 Series A of IDR140.0 billion. The Bond is under Shelf Bonds I WOM Finance Tranche III year 2015 With Fixed Interest Rate.

**(b) Issuance of IDR860.0 billion Shelf Bonds I WOM Finance Tranche III Year 2015 Series B**

On 2 April 2015, PT Wahana Ottomitra Multiartha Tbk, a subsidiary of PT Bank Internasional Indonesia Tbk, which in turn an indirect subsidiary of Maybank, had issued Shelf Bonds I WOM Finance Tranche III Year 2015 Series B of IDR860.0 billion. The Bond is under Shelf Bonds I WOM Finance Tranche III year 2015 With Fixed Interest Rate.

**(c) Issuance of SGD50.0 million Fixed Rate Notes pursuant to the USD5.0 billion Multicurrency Medium Term Note Programme**

On 10 April 2015, Maybank completed the issuance of SGD50.0 million Fixed Rate Notes with tenure of 2 years under the USD5.0 billion Multicurrency Medium Term Note Programme.

**(d) Issuance of Samurai Bonds JPY18.5 billion 3 years Fixed Rate Notes**

On 30 April 2015, Maybank completed the issuance of Samurai Bonds JPY18.5 billion 3 years Fixed Rate Notes with tenure of 3 years.

**(e) Issuance of Samurai Bonds JPY12.8 billion 5 years Fixed Rate Notes**

On 30 April 2015, Maybank completed the issuance of Samurai Bonds JPY12.8 billion 5 years Fixed Rate Notes with tenure of 5 years.

Save as disclosed above, there were no cancellations, share buy-backs, resale of shares bought back and repayment of debt and equity securities by the Group and by the Bank.

**A9. Dividends Paid**

During the Annual General Meeting held on 7 April 2015, a final dividend in respect of the financial year ended 31 December 2014 of 33 sen single-tier dividend per ordinary share of RM1.00 each, amounting to a net dividend payable of RM3,075,279,881 (based on 9,319,029,941 ordinary shares of RM1.00 each issued as at 31 December 2014) was approved by the shareholders.

The dividend consists of cash portion of 10 sen single-tier dividend per ordinary share of RM1.00 each and an electable portion of 23 sen per ordinary share of RM1.00 each where the electable portion could be elected to be reinvested in new Maybank shares in accordance with the Dividend Reinvestment Plan ("DRP").

The financial statements for the current quarter do not reflect the final dividend as approval from shareholders have yet been obtained as at 31 March 2015.

There was no dividend paid during the first quarter ended 31 March 2015.

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**A10. Financial Investments Portfolio**

	Note	Group		Bank	
		31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Financial assets at fair value through profit or loss	(i)	<b>19,273,310</b>	23,705,323	<b>6,118,091</b>	9,425,390
Financial investments available-for-sale	(ii)	<b>81,229,432</b>	82,630,704	<b>70,573,460</b>	73,630,705
Financial investments held-to-maturity	(iii)	<b>13,758,380</b>	9,574,538	<b>13,271,542</b>	9,100,155
		<b>114,261,122</b>	115,910,565	<b>89,963,093</b>	92,156,250

**(i) Financial assets at fair value through profit or loss**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
(a) Financial assets designated upon initial recognition	<b>10,496,450</b>	11,235,695	-	-
(b) Financial assets held-for-trading	<b>8,776,860</b>	12,469,628	<b>6,118,091</b>	9,425,390
	<b>19,273,310</b>	23,705,323	<b>6,118,091</b>	9,425,390

(a) Financial assets designated upon initial recognition are as follows:

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<b>At fair value</b>				
<b>Money market instruments:</b>				
Malaysian Government Securities	<b>56,235</b>	143,255	-	-
Malaysian Government Investment Issues	<b>227,393</b>	477,627	-	-
Negotiable Islamic Certificates of Deposits	<b>244,103</b>	241,010	-	-
Foreign Government Securities	<b>13,317</b>	1,212	-	-
	<b>541,048</b>	863,104	-	-
<b>Unquoted securities:</b>				
Foreign private and Islamic debt securities	<b>194,201</b>	158,179	-	-
Private and Islamic debt securities in Malaysia	<b>9,563,101</b>	10,041,991	-	-
Structured deposits	<b>198,100</b>	172,421	-	-
	<b>9,955,402</b>	10,372,591	-	-
<b>Total financial assets designated upon initial recognition</b>	<b>10,496,450</b>	11,235,695	-	-

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**A10. Financial Investments Portfolio (cont'd.)**

**(i) Financial assets at fair value through profit or loss (cont'd.)**

(b) Financial assets held-for-trading are as follows:

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<b>At fair value</b>				
<b>Money market instruments:</b>				
Malaysian Government Securities	810,163	283,831	790,151	272,059
Malaysian Government Investment Issues	40,508	63,001	-	-
Negotiable instruments of deposits	-	14,026	28,033	41,097
Foreign Government Securities	1,241,451	1,326,126	461,450	1,221,189
Malaysian Government Treasury Bills	-	155,055	-	155,055
Bank Negara Malaysia Bills and Notes	49,996	3,361,824	49,996	3,361,824
Bank Negara Malaysia Monetary Notes	-	2,232,015	-	1,026,617
Foreign Government Treasury Bills	737,144	122,860	737,144	122,860
	<b>2,879,262</b>	<b>7,558,738</b>	<b>2,066,774</b>	<b>6,200,701</b>
<b>Quoted securities:</b>				
<b>In Malaysia:</b>				
Shares, warrants, trust units and loan stocks	680,539	651,809	-	-
Private and Islamic debt securities	5,430	9,008	5,430	9,008
<b>Outside Malaysia:</b>				
Shares, warrants, trust units and loan stocks	782,000	674,598	-	-
	<b>1,467,969</b>	<b>1,335,415</b>	<b>5,430</b>	<b>9,008</b>
<b>Unquoted securities:</b>				
Foreign private and Islamic debt securities	1,615,132	828,552	2,130,138	1,418,725
Private and Islamic debt securities in Malaysia	1,387,949	778,073	1,069,385	407,083
Foreign Government Bonds	850,940	1,397,132	846,364	1,389,873
Credit linked note	390,769	388,230	-	-
Structured deposits	184,839	183,488	-	-
	<b>4,429,629</b>	<b>3,575,475</b>	<b>4,045,887</b>	<b>3,215,681</b>
<b>Total financial assets held- for-trading</b>	<b>8,776,860</b>	<b>12,469,628</b>	<b>6,118,091</b>	<b>9,425,390</b>

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**A10. Financial Investments Portfolio (cont'd.)**

**(ii) Financial investments available-for-sale**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<b>At fair value</b>				
<b>Money market instruments:</b>				
Malaysian Government Securities	6,244,156	5,408,214	6,234,150	5,397,916
Malaysian Government Investment Issues	10,924,299	13,121,165	6,488,268	8,241,282
Negotiable instruments of deposits	2,617,561	2,872,883	8,664,514	11,925,585
Foreign Government Securities	6,506,503	5,912,940	5,128,838	3,545,709
Foreign Government Treasury Bills	8,589,714	9,926,497	8,589,714	9,926,497
Khazanah Bonds	2,203,566	2,144,817	2,137,767	2,079,790
Cagamas Bonds	196,708	257,795	196,708	257,795
Bankers' acceptances and Islamic accepted bills	1,797,812	807,490	1,797,812	807,490
Foreign Certificate of Deposits	347,049	34,462	347,049	34,462
	<b>39,427,368</b>	<b>40,486,263</b>	<b>39,584,820</b>	<b>42,216,526</b>
<b>Quoted securities:</b>				
<b>In Malaysia:</b>				
Shares, warrants, trust units and loan stocks	3,527,053	3,525,946	143,432	139,515
<b>Outside Malaysia:</b>				
Shares, warrants, trust units and loan stocks	256,594	150,768	1,272	1,874
Private and Islamic debt securities	4,257	3,856	-	-
	<b>3,787,904</b>	<b>3,680,570</b>	<b>144,704</b>	<b>141,389</b>
<b>At fair value, or at cost for certain unquoted equity instruments, less accumulated impairment losses</b>				
<b>Unquoted securities:</b>				
Shares, trust units and loan stocks in Malaysia	349,675	364,848	271,100	198,617
Shares, trust units and loan stocks outside Malaysia	76,243	19,075	5,170	4,880
Foreign private and Islamic debt securities	16,414,806	16,316,731	16,104,363	16,068,034
Private and Islamic debt securities in Malaysia	16,729,616	19,026,035	10,103,023	12,344,365
Foreign Government Bonds	3,507,806	1,906,897	3,503,490	1,902,802
Malaysian Government Bonds	936,014	829,778	856,790	754,092
Structured deposits	-	507	-	-
	<b>38,014,160</b>	<b>38,463,871</b>	<b>30,843,936</b>	<b>31,272,790</b>
<b>Total financial investments available-for-sale</b>	<b>81,229,432</b>	<b>82,630,704</b>	<b>70,573,460</b>	<b>73,630,705</b>

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**A10. Financial Investments Portfolio (cont'd.)**

**(ii) Financial investments available-for-sale (cont'd.)**

**(a) Movements in the allowances for impairment losses on financial investments available-for-sale are as follows:**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<u>Individual allowance</u>				
At 1 January 2015/2014	1,061,952	1,158,127	736,022	842,487
Allowance made	53,050	219,308	8	21,947
Amount written back in respect of recoveries	(1,339)	(134,651)	(404)	(45,423)
Amount written off	(274,149)	(200,122)	(176,508)	(95,518)
Exchange differences	14,649	19,290	9,602	12,529
At 31 March 2015/31 December 2014	<b>854,163</b>	<b>1,061,952</b>	<b>568,720</b>	<b>736,022</b>

**(iii) Financial investments held-to-maturity**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<b>At amortised cost less accumulated impairment losses</b>				
<b>Money market instruments:</b>				
Malaysian Government Securities	2,008,050	1,660,142	2,007,943	1,660,036
Malaysian Government Investment Issues	4,384,986	2,294,446	4,384,986	2,294,446
Foreign Government Securities	353,042	389,890	-	-
Foreign Government Treasury Bills	581,123	415,501	-	-
Khazanah Bonds	961,784	952,620	961,784	952,620
Foreign Certificates of Deposit	29,655	154,688	-	-
	<b>8,318,640</b>	<b>5,867,287</b>	<b>7,354,713</b>	<b>4,907,102</b>
<b>Unquoted securities:</b>				
Foreign private and Islamic debt securities	160,238	153,754	-	-
Private and Islamic debt securities in Malaysia	5,192,976	3,483,836	5,886,365	4,169,448
Foreign Government Bonds	106,930	90,181	32,269	26,438
Others	2,044	2,044	2,044	2,044
	<b>5,462,188</b>	<b>3,729,815</b>	<b>5,920,678</b>	<b>4,197,930</b>
Accumulated impairment losses	(22,448)	(22,564)	(3,849)	(4,877)
<b>Total financial investments held-to-maturity</b>	<b>13,758,380</b>	<b>9,574,538</b>	<b>13,271,542</b>	<b>9,100,155</b>

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**A10. Financial Investments Portfolio (cont'd.)**

**(iii) Financial investments held-to-maturity (cont'd.)**

**(a) Movements in the allowances for impairment losses on financial investments held-to-maturity are as follows:**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<u>Individual allowance</u>				
At 1 January 2015/2014	22,564	35,819	4,877	19,094
Amount written back in respect of recoveries	(1,028)	(14,217)	(1,028)	(14,217)
Exchange differences	912	962	-	-
At 31 March 2015/31 December 2014	<b>22,448</b>	<b>22,564</b>	<b>3,849</b>	<b>4,877</b>

**A11. Loans, Advances and Financing**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Overdrafts/cashline	18,361,570	18,138,149	10,540,819	10,945,779
Term loans				
- Housing loans/financing	125,243,977	119,889,076	46,343,898	44,672,509
- Syndicated loans/financing	33,580,007	32,855,680	32,138,739	31,601,404
- Hire purchase receivables	57,844,575	56,406,850	19,415,139	19,857,032
- Lease receivables	37,922	39,392	-	-
- Other loans/financing	209,842,277	206,684,859	105,802,418	106,823,910
Credit card receivables	7,248,433	7,038,186	6,034,340	5,876,466
Bills receivables	3,728,513	4,601,837	3,623,345	4,495,008
Trust receipts	4,145,839	4,653,912	3,445,196	3,863,025
Claims on customers under acceptance credits	10,765,005	11,250,193	6,140,269	6,381,035
Loans/financing to financial institutions (Note A11(x))	3,088,726	3,717,830	14,978,217	12,416,328
Revolving credits	37,965,608	37,123,629	22,304,766	23,099,870
Staff loans	3,109,354	2,997,192	915,526	931,413
Loans to				
- Executive directors of the Bank	223	103	223	103
- Executive directors of subsidiaries	2,141	2,136	179	152
Others	4,970,106	2,943,423	-	-
	<b>519,934,276</b>	<b>508,342,447</b>	<b>271,683,074</b>	<b>270,964,034</b>
Unearned interest and income	(101,926,849)	(98,870,771)	(1,968,603)	(2,062,021)
Gross loans, advances and financing	<b>418,007,427</b>	<b>409,471,676</b>	<b>269,714,471</b>	<b>268,902,013</b>
Allowances for impaired loans, advances and financing				
- Individual allowance	(1,841,905)	(1,989,856)	(1,223,511)	(1,437,215)
- Collective allowance	(4,015,649)	(3,968,699)	(2,893,935)	(2,940,357)
Net loans, advances and financing	<b>412,149,873</b>	<b>403,513,121</b>	<b>265,597,025</b>	<b>264,524,441</b>

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**A11. Loans, Advances and Financing (cont'd.)**

(i) Loans, advances and financing analysed by type of customer are as follows:

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Domestic banking institutions	1,750	1,666	11,577,507	8,433,335
Domestic non-banking financial institutions:				
- Others	19,661,368	19,998,134	16,091,513	16,402,458
Domestic business enterprises:				
- Small and medium enterprises	68,565,946	67,993,975	48,398,615	47,097,025
- Others	93,543,076	92,127,010	60,275,537	64,524,510
Government and statutory bodies	10,220,542	9,553,278	3,041,613	2,341,914
Individuals	186,856,317	180,121,112	96,157,443	94,818,974
Other domestic entities	3,631,576	3,371,488	410,918	407,566
Foreign entities	35,526,852	36,305,013	33,761,325	34,876,231
Gross loans, advances and financing	<u>418,007,427</u>	<u>409,471,676</u>	<u>269,714,471</u>	<u>268,902,013</u>

(ii) Loans, advances and financing analysed by geographical location are as follows:

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Malaysia	246,517,695	244,171,063	142,257,683	144,980,885
Singapore	95,101,528	93,566,023	94,322,907	92,899,424
Indonesia	32,021,228	31,380,558	-	-
Labuan Offshore	14,931,513	13,489,148	12,877,348	11,465,169
Hong Kong SAR	15,049,151	13,257,612	13,301,549	12,919,971
United States of America	1,140,854	1,115,815	1,140,333	1,115,321
People's Republic of China	3,290,154	3,048,730	3,290,154	3,048,730
Vietnam	420,522	485,113	295,906	365,772
United Kingdom	1,391,286	1,327,806	1,391,258	1,327,770
Brunei	410,095	367,737	410,095	367,737
Cambodia	1,318,623	1,234,426	-	-
Bahrain	329,529	322,310	329,529	322,310
Philippines	4,216,520	3,905,254	-	-
Papua New Guinea	218,713	230,485	-	-
Thailand	1,516,406	1,446,612	-	-
Laos	97,709	88,924	97,709	88,924
Others	35,901	34,060	-	-
Gross loans, advances and financing	<u>418,007,427</u>	<u>409,471,676</u>	<u>269,714,471</u>	<u>268,902,013</u>

(iii) Loans, advances and financing analysed by interest/profit rate sensitivity are as follows:

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Fixed rate:				
- Housing loans/financing	17,016,071	15,987,881	15,080,349	13,762,224
- Hire purchase receivables	51,289,041	49,969,818	18,337,207	18,687,300
- Other fixed rate loans/financing	60,916,648	63,187,850	44,812,649	43,073,166
Variable rate:				
- Base lending rate plus	153,310,485	145,279,666	89,923,899	91,738,308
- Cost plus	52,031,372	55,496,388	47,933,334	49,983,378
- Other variable rates	83,443,810	79,550,073	53,627,033	51,657,637
Gross loans, advances and financing	<u>418,007,427</u>	<u>409,471,676</u>	<u>269,714,471</u>	<u>268,902,013</u>

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**A11. Loans, Advances and Financing (cont'd.)**

(iv) Loans, advances and financing analysed by economic purpose are as follows:

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Purchase of securities	37,228,468	35,534,953	15,226,062	15,765,694
Purchase of transport vehicles	52,236,807	50,806,098	17,733,852	18,081,840
Purchase of landed properties:				
- Residential	77,995,682	75,963,811	53,059,139	52,285,810
- Non-residential	34,704,635	33,489,178	26,126,941	25,708,907
Purchase of fixed assets (excluding landed properties)	5,387,452	4,874,553	5,334,816	4,834,934
Personal use	9,184,913	9,065,147	6,463,834	6,533,709
Credit card	7,375,357	7,180,708	6,175,369	6,025,445
Purchase of consumer durables	132,313	136,852	131,616	136,134
Constructions	15,448,295	15,764,885	11,288,061	11,603,307
Mergers and acquisitions	413,444	1,479,670	339,735	1,401,701
Working capital	144,944,120	142,597,773	101,708,140	101,740,182
Others	32,955,941	32,578,048	26,126,906	24,784,350
Gross loans, advances and financing	<b>418,007,427</b>	<b>409,471,676</b>	<b>269,714,471</b>	<b>268,902,013</b>

(v) The maturity profile of loans, advances and financing are as follows:

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Within one year	111,564,149	111,129,455	76,314,153	79,973,150
One year to three years	58,178,805	59,591,260	44,521,390	43,262,972
Three years to five years	49,324,042	45,374,115	34,787,183	33,146,625
After five years	198,940,431	193,376,846	114,091,745	112,519,266
Gross loans, advances and financing	<b>418,007,427</b>	<b>409,471,676</b>	<b>269,714,471</b>	<b>268,902,013</b>

(vi) Movements in impaired loans, advances and financing ("impaired loans") are as follows:

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Gross impaired loans, advances and financing at 1 January 2015/2014	6,234,161	5,360,903	4,249,829	3,776,831
Impaired during the financial period/year	1,285,691	4,825,540	545,383	2,650,307
Reclassified as non-impaired	(269,119)	(1,157,767)	(116,028)	(542,225)
Amount recovered	(543,972)	(1,692,643)	(275,841)	(1,056,243)
Amount written off	(478,509)	(1,087,768)	(399,167)	(535,199)
Converted to financial investments available-for-sale	(2,540)	(84,500)	(676)	(84,500)
Transferred from a subsidiary	-	-	-	18,366
Exchange differences	39,510	70,396	16,288	22,492
Gross impaired loans, advances and financing at 31 March 2015/31 December 2014	<b>6,265,222</b>	<b>6,234,161</b>	<b>4,019,788</b>	<b>4,249,829</b>
Less: Individual allowance	<b>(1,841,905)</b>	<b>(1,989,856)</b>	<b>(1,223,511)</b>	<b>(1,437,215)</b>
Net impaired loans, advances and financing	<b>4,423,317</b>	<b>4,244,305</b>	<b>2,796,277</b>	<b>2,812,614</b>
Ratio of net impaired loans, advances and financing	<b>1.06%</b>	<b>1.04%</b>	<b>1.04%</b>	<b>1.05%</b>



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**A11. Loans, Advances and Financing (cont'd.)**

(vii) Impaired loans, advances and financing by economic purpose are as follows:

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Purchase of securities	210,552	90,425	89,847	34,603
Purchase of transport vehicles	277,478	269,361	102,791	106,169
Purchase of landed properties:				
- Residential	433,241	392,267	304,450	271,851
- Non-residential	140,206	123,213	95,003	77,436
Purchase of fixed assets (excluding landed properties)	505	-	-	-
Personal use	113,397	141,800	76,262	67,409
Credit card	87,232	73,348	51,032	45,948
Purchase of consumer durables	13	14	5	6
Constructions	1,343,101	1,119,133	986,792	962,682
Working capital	3,291,118	3,499,917	2,111,018	2,481,390
Others	368,379	524,683	202,588	202,335
Impaired loans, advances and financing	<b>6,265,222</b>	<b>6,234,161</b>	<b>4,019,788</b>	<b>4,249,829</b>

(viii) Impaired loans, advances and financing by geographical distribution are as follows:

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Malaysia	4,366,384	4,527,493	3,556,088	3,835,383
Singapore	300,959	230,236	280,340	210,755
Indonesia	1,117,357	1,019,853	-	-
Labuan Offshore	34,582	36,274	16,085	15,169
Hong Kong SAR	13,221	15,884	13,221	15,884
United States of America	521	495	-	-
People's Republic of China	6,609	8,781	6,609	8,781
Vietnam	12,817	20,510	12,817	20,510
United Kingdom	118,777	126,535	118,777	126,535
Brunei	10,306	11,536	10,306	11,536
Cambodia	57,400	53,607	-	-
Bahrain	5,545	5,276	5,545	5,276
Philippines	159,852	120,194	-	-
Thailand	28,909	27,143	-	-
Others	31,983	30,344	-	-
Impaired loans, advances and financing	<b>6,265,222</b>	<b>6,234,161</b>	<b>4,019,788</b>	<b>4,249,829</b>

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

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<b>Individual Allowance</b>				
At 1 January 2015/2014	1,989,856	1,939,320	1,437,215	1,502,010
Allowance made	225,070	774,901	142,186	350,055
Amount written back	(36,555)	(235,824)	(23,527)	(198,312)
Amount written off	(338,819)	(507,946)	(332,532)	(239,488)
Transferred (to)/from collective allowance	(9,564)	842	(7,797)	(7,985)
Transferred from a subsidiary	-	-	-	18,366
Exchange differences	11,917	18,563	7,966	12,569
At 31 March 2015/31 December 2014	<b>1,841,905</b>	<b>1,989,856</b>	<b>1,223,511</b>	<b>1,437,215</b>

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**A11. Loans, Advances and Financing (cont'd.)**

(ix) Movements in the allowances for impaired loans, advances and financing are as follows: (cont'd)

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<b>Collective Allowance</b>				
At 1 January 2015/2014	3,968,699	3,823,303	2,940,357	2,885,470
Allowance made	142,874	676,123	(12,092)	295,219
Amount written back	(1,481)	-	-	-
Amount written off	(139,690)	(579,822)	(66,635)	(295,711)
Transferred from/(to) individual allowance	9,564	(842)	7,797	7,985
Transferred from a subsidiary	-	-	-	21,321
Exchange differences	35,683	49,937	24,508	26,073
At 31 March 2015/31 December 2014	<u>4,015,649</u>	<u>3,968,699</u>	<u>2,893,935</u>	<u>2,940,357</u>
As a percentage of total loans less individual allowance (including Regulatory Reserve)	<u>1.03%</u>	<u>1.04%</u>	<u>1.08%</u>	<u>1.10%</u>

(x) Included in the Bank's loans/financing to financial institutions is financing granted to Maybank Islamic Berhad ("MIB"), a subsidiary of the Bank, under Restricted Profit-Sharing Investment Account ("RPSIA") amounting to RM12,271.2 million (31 December 2014: RM9,521.9 million). The RPSIA is a contract based on the Mudharabah principle between two parties to finance a financing where the Bank acts as the investor who solely provides capital to MIB and whereas the business venture is managed solely by MIB as an entrepreneur. The profit of the business venture is shared between both parties based on pre-agreed ratios. Losses, if any, are borne by the Bank.

**A12. Reinsurance/Retakaful Assets and Other Insurance Receivables**

	Note	Group	
		31 March 2015 RM'000	31 December 2014 RM'000
Reinsurance/retakaful assets	(i)	4,713,870	4,387,302
Other insurance receivables	(ii)	947,981	584,761
		<u>5,661,851</u>	<u>4,972,063</u>
<b>(i) Reinsurance/retakaful assets</b>			
Group			
		31 March 2015 RM'000	31 December 2014 RM'000
Reinsurers' share of:		4,438,539	4,119,939
Life insurance contract liabilities		24,727	25,865
General insurance contract liabilities		4,413,812	4,094,074
Retakaful operators' share of:		275,331	267,363
Family takaful certificate liabilities		17,064	14,799
General takaful certificate liabilities		258,267	252,564
		<u>4,713,870</u>	<u>4,387,302</u>
<b>(ii) Other insurance receivables</b>			
Group			
		31 March 2015 RM'000	31 December 2014 RM'000
Due premium including agents/brokers and co-insurers balances		760,682	476,334
Due from reinsurers and cedants/retakaful operators		240,620	156,458
		<u>1,001,302</u>	<u>632,792</u>
Allowance for impairment losses		(53,321)	(48,031)
		<u>947,981</u>	<u>584,761</u>

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**A13. Other Assets**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Other debtors	6,314,914	7,392,566	4,380,363	5,964,158
Amount due from brokers and clients	2,912,085	2,101,414	-	-
Prepayments and deposits	1,118,847	1,023,569	553,621	488,961
Tax recoverable	26,674	16,533	-	-
Foreclosed properties	128,468	125,654	34,308	35,869
	<b>10,500,988</b>	<b>10,659,736</b>	<b>4,968,292</b>	<b>6,488,988</b>

**A14. Deposits from Customers**

**(i) By type of deposit**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Fixed deposits and negotiable instruments of deposits				
- One year or less	251,265,044	239,932,370	161,903,277	153,969,752
- More than one year	17,125,006	17,185,803	16,265,180	16,402,258
	<b>268,390,050</b>	<b>257,118,173</b>	<b>178,168,457</b>	<b>170,372,010</b>
Money market deposits	15,270,602	22,091,040	15,270,602	22,091,040
Savings deposits	60,626,608	59,282,330	41,206,318	40,685,239
Demand deposits	97,516,605	95,565,804	68,953,533	69,023,934
Structured deposits *	5,256,328	5,512,037	4,534,090	4,766,749
	<b>447,060,193</b>	<b>439,569,384</b>	<b>308,133,000</b>	<b>306,938,972</b>

\* Structured deposits represent time deposits with embedded foreign exchange and commodity-linked time deposits.

**(ii) By type of customer**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Business enterprises	201,326,646	197,053,516	149,491,464	144,105,454
Individuals	182,203,893	180,008,070	137,362,327	136,944,899
Government and statutory bodies	23,152,303	25,405,709	7,016,504	9,782,117
Others	40,377,351	37,102,089	14,262,705	16,106,502
	<b>447,060,193</b>	<b>439,569,384</b>	<b>308,133,000</b>	<b>306,938,972</b>

**(iii) The maturity profile of fixed deposits and negotiable instruments of deposits are as follows:**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Within six months	210,455,676	197,389,967	131,797,993	120,140,244
Six months to one year	40,809,368	42,542,403	30,105,284	33,829,508
One year to three years	16,609,992	16,692,031	16,212,546	16,340,185
Three years to five years	515,014	493,772	52,634	62,073
	<b>268,390,050</b>	<b>257,118,173</b>	<b>178,168,457</b>	<b>170,372,010</b>

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**A15. Deposits and Placements from Financial Institutions**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Licensed banks	57,748,312	53,954,068	42,078,184	44,877,881
Licensed finance companies	341,780	465,563	183,186	228,000
Licensed investment banks	224,691	290,215	224,690	290,215
Other financial institutions	2,922,108	2,677,552	2,090,970	2,104,088
	<b>61,236,891</b>	<b>57,387,398</b>	<b>44,577,030</b>	<b>47,500,184</b>

The maturity profile of deposits and placements from financial institutions are as follows:

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
One year or less	59,811,219	56,205,468	43,540,921	46,323,458
More than one year	1,425,672	1,181,930	1,036,109	1,176,726
	<b>61,236,891</b>	<b>57,387,398</b>	<b>44,577,030</b>	<b>47,500,184</b>

**A16. Borrowings, Subordinated Obligations and Capital Securities**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<b>(i) Borrowings</b>				
Secured				
- Less than one year				
Denominated in:				
- SGD	1,434	1,454	-	-
- PHP	18,805	10,111	-	-
- IDR	689,439	846,922	-	-
	<b>709,678</b>	<b>858,487</b>	<b>-</b>	<b>-</b>
- More than one year				
Denominated in:				
- SGD	395,518	388,489	-	-
- PHP	600	619	-	-
- IDR	1,030,329	1,052,950	-	-
	<b>1,426,447</b>	<b>1,442,058</b>	<b>-</b>	<b>-</b>
Total secured borrowings	<b>2,136,125</b>	<b>2,300,545</b>	<b>-</b>	<b>-</b>
Unsecured				
(a) Borrowings				
- Less than one year				
Denominated in:				
- USD	3,485,207	946,123	3,385,525	703,075
- CNY	60,371	114,409	60,371	114,409
- SGD	588,895	302,164	-	-
- THB	666,222	775,320	-	-
- HKD	1,279,733	9,952	-	-
- IDR	233,988	249,823	-	-
- VND	-	4,696	-	-
- PHP	6,219	13,714	-	-
- INR	14,927	-	-	-
	<b>6,335,562</b>	<b>2,416,201</b>	<b>3,445,896</b>	<b>817,484</b>

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**A16. Borrowings, Subordinated Obligations and Capital Securities (cont'd.)**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<b>(i) Borrowings (cont'd.)</b>				
Unsecured (cont'd.)				
(a) Borrowings (cont'd.)				
- More than one year				
Denominated in:				
- USD	1,833,231	3,443,068	1,833,231	3,443,068
- JPY	2,335	-	-	-
- PHP	20,513	-	-	-
- IDR	631,136	626,614	-	-
- THB	158,923	149,211	-	-
	<b>2,646,138</b>	<b>4,218,893</b>	<b>1,833,231</b>	<b>3,443,068</b>
(b) Medium Term Notes				
- Less than one year				
Denominated in:				
- USD	4,934	4,609	4,934	4,609
- HKD	16,131	16,116	16,131	16,116
- JPY	5,379	4,178	5,379	4,178
- AUD	873	984	873	984
- CNH	1,857	132	1,857	132
	<b>29,174</b>	<b>26,019</b>	<b>29,174</b>	<b>26,019</b>
- More than one year				
Denominated in:				
- USD	4,796,033	4,351,898	4,796,033	4,351,898
- HKD	2,255,617	2,128,399	2,255,617	2,128,399
- JPY	2,960,829	2,807,149	2,960,829	2,807,149
- AUD	157,777	160,357	157,777	160,357
- CNH	364,065	112,438	364,065	112,438
	<b>10,534,321</b>	<b>9,560,241</b>	<b>10,534,321</b>	<b>9,560,241</b>
Total unsecured borrowings	<b>19,545,195</b>	<b>16,221,354</b>	<b>15,842,622</b>	<b>13,846,812</b>
Total borrowings	<b>21,681,320</b>	<b>18,521,899</b>	<b>15,842,622</b>	<b>13,846,812</b>
<b>(ii) Subordinated Obligations</b>				
Unsecured				
- More than one year				
Denominated in:				
- RM	9,329,968	9,325,035	6,767,151	6,776,549
- USD	2,993,977	2,828,715	2,993,977	2,828,715
- SGD	2,733,237	2,659,314	2,733,237	2,659,314
- IDR	833,306	826,993	-	-
	<b>15,890,488</b>	<b>15,640,057</b>	<b>12,494,365</b>	<b>12,264,578</b>
<b>(iii) Capital Securities</b>				
Unsecured				
- More than one year				
Denominated in:				
- RM	4,232,491	4,281,802	4,510,494	4,564,379
- SGD	1,408,491	1,620,681	1,408,491	1,620,681
	<b>5,640,982</b>	<b>5,902,483</b>	<b>5,918,985</b>	<b>6,185,060</b>

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**A17. Insurance/takaful contract liabilities and other insurance payables**

Group	Note	31 March 2015 RM'000	31 December 2014 RM'000
Insurance/takaful contract liabilities	(i)	24,547,028	24,257,364
Other insurance payables	(ii)	877,827	541,469
		<b>25,424,855</b>	<b>24,798,833</b>

**(i) Insurance/takaful contract liabilities**

	Gross contract liabilities RM'000	31 March 2015 Reinsurance/ retakaful assets RM'000	Net contract liabilities RM'000
Life insurance/family takaful	17,631,010	(41,791)	17,589,219
General insurance/general takaful	6,916,018	(4,672,079)	2,242,750
	<b>24,547,028</b>	<b>(4,713,870)</b>	<b>19,831,969</b>

	Gross contract liabilities RM'000	31 December 2014 Reinsurance/ retakaful assets RM'000	Net contract liabilities RM'000
Life insurance/family takaful	17,708,771	(40,664)	17,668,107
General insurance/general takaful	6,548,593	(4,346,638)	2,201,955
	<b>24,257,364</b>	<b>(4,387,302)</b>	<b>19,870,062</b>

**(ii) Other insurance payables**

	31 March 2015 RM'000	31 December 2014 RM'000
Due to agents and intermediaries	63,579	82,658
Due to reinsurers and cedants	733,129	386,357
Due to retakaful operators	81,119	72,454
	<b>877,827</b>	<b>541,469</b>

**A18. Other Liabilities**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
Due to brokers and clients	3,074,231	2,231,478	-	-
Deposits, other creditors and accruals	8,803,964	8,383,355	13,737,855	8,734,808
Defined benefit pension plans	438,508	419,304	-	-
Provisions for commitments and contingencies	58,820	58,695	54,749	54,749
Profit equalisation reserves (IBS operations)	4,802	5,157	-	-
Finance lease liabilities	50,258	49,576	-	-
	<b>12,430,583</b>	<b>11,147,565</b>	<b>13,792,604</b>	<b>8,789,557</b>

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**A19. Other Reserves**

The breakdown and movement of other reserves are as follows:

<===== Non-Distributable =====>						
<u>Group</u>	Capital Reserve RM'000	Revaluation Reserve RM'000	Profit Equalisation Reserve RM'000	Defined Benefit Reserve RM'000	Net Investment Hedge and Cash Flow Hedge Reserve RM'000	Total Other Reserves RM'000
<b>At 1 January 2015</b>	13,557	11,774	34,456	(89,017)	(67,191)	(96,421)
Other comprehensive income/(loss)	-	15	-	3,310	(74,901)	(71,576)
Defined benefit plan actuarial gain	-	-	-	3,310	-	3,310
Net loss on net investment hedge	-	-	-	-	(76,966)	(76,966)
Net gain on cash flow hedge	-	-	-	-	2,065	2,065
Net gain on revaluation reserve	-	15	-	-	-	15
<b>Total comprehensive income/(loss) for the period</b>	-	15	-	3,310	(74,901)	(71,576)
<b>At 31 March 2015</b>	13,557	11,789	34,456	(85,707)	(142,092)	(167,997)
<===== Non-Distributable =====>						
<u>Group</u>	Capital Reserve RM'000	Revaluation Reserve RM'000	Profit Equalisation Reserve RM'000	Defined Benefit Reserve RM'000	Net Investment Hedge and Cash Flow Hedge Reserve RM'000	Total Other Reserves RM'000
<b>At 1 January 2014</b>	14,254	11,726	34,456	(82,033)	-	(21,597)
Other comprehensive income/(loss)	-	11	-	(9,422)	(4,675)	(14,086)
Defined benefit plan actuarial loss	-	-	-	(9,422)	-	(9,422)
Net loss on net investment hedge	-	-	-	-	(4,675)	(4,675)
Net gain on revaluation reserve	-	11	-	-	-	11
<b>Total comprehensive income/(loss) for the period</b>	-	11	-	(9,422)	(4,675)	(14,086)
Effect of changes in corporate structure within the Group	(697)	-	-	-	-	(697)
<b>Total transactions with shareholders</b>	(697)	-	-	-	-	(697)
<b>At 31 March 2014</b>	13,557	11,737	34,456	(91,455)	(4,675)	(36,380)

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**A20. Interest Income**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Loans, advances and financing	3,646,675	3,307,394	3,646,675	3,307,394
Money at call and deposits and placements with financial institutions	175,033	122,078	175,033	122,078
Financial assets purchased under resale agreements	1,258	2,425	1,258	2,425
Financial assets at FVTPL	186,599	161,935	186,599	161,935
Financial investments available-for-sale	596,257	571,599	596,257	571,599
Financial investments held-to-maturity	113,965	49,924	113,965	49,924
	<b>4,719,787</b>	<b>4,215,355</b>	<b>4,719,787</b>	<b>4,215,355</b>
Accretion of discounts / (amortisation of premiums), net	2,053	642	2,053	642
	<b>4,721,840</b>	<b>4,215,997</b>	<b>4,721,840</b>	<b>4,215,997</b>

Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Loans, advances and financing	2,626,502	2,377,989	2,626,502	2,377,989
Money at call and deposits and placements with financial institutions	155,803	175,818	155,803	175,818
Financial assets purchased under resale agreements	1,082	147	1,082	147
Financial assets at FVTPL	42,334	18,710	42,334	18,710
Financial investments available-for-sale	527,792	487,923	527,792	487,923
Financial investments held-to-maturity	118,856	58,940	118,856	58,940
	<b>3,472,369</b>	<b>3,119,527</b>	<b>3,472,369</b>	<b>3,119,527</b>
Accretion of discounts / (amortisation of premiums), net	53,235	1,864	53,235	1,864
	<b>3,525,604</b>	<b>3,121,391</b>	<b>3,525,604</b>	<b>3,121,391</b>

Included in interest income for the three-month financial period ended 31 March 2015 was interest on impaired assets amounting to approximately RM57,903,000 (31 March 2014: RM40,506,000) for the Group and RM40,702,000 (31 March 2014: RM31,619,000) for the Bank.

**A21. Interest Expense**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Deposits and placements from financial institutions	159,031	85,306	159,031	85,306
Deposits from customers	1,585,917	1,449,696	1,585,917	1,449,696
Floating rate certificates of deposits	7,888	9,594	7,888	9,594
Loans sold to Cagamas	8,317	-	8,317	-
Borrowings	133,924	110,878	133,924	110,878
Subordinated notes	175,010	118,978	175,010	118,978
Subordinated bonds	8,435	5,092	8,435	5,092
Capital securities	101,229	95,575	101,229	95,575
Net interest on derivatives	(62,772)	(51,953)	(62,772)	(51,953)
	<b>2,116,979</b>	<b>1,823,166</b>	<b>2,116,979</b>	<b>1,823,166</b>



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**A21. Interest Expense (cont'd.)**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2015	2014	2015	2014
<b>Bank</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Deposits and placements from financial institutions	154,768	92,722	154,768	92,722
Deposits from customers	1,172,040	1,045,503	1,172,040	1,045,503
Floating rate certificates of deposits	7,888	9,594	7,888	9,594
Loans sold to Cagamas	8,317	-	8,317	-
Borrowings	51,185	43,004	51,185	43,004
Subordinated notes	141,494	98,219	141,494	98,219
Capital securities	103,925	99,691	103,925	99,691
Net interest on derivatives	(73,245)	(61,592)	(73,245)	(61,592)
	<b>1,566,372</b>	<b>1,327,141</b>	<b>1,566,372</b>	<b>1,327,141</b>

**A22. Net Earned Insurance Premiums**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2015	2014	2015	2014
<b>Group</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Gross earned premiums	1,297,443	1,538,888	1,297,443	1,538,888
Premiums ceded to reinsurers	(310,328)	(616,661)	(310,328)	(616,661)
Total net earned insurance premiums	<b>987,115</b>	<b>922,227</b>	<b>987,115</b>	<b>922,227</b>

**A23. Dividends from Subsidiaries**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2015	2014	2015	2014
<b>Bank</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Gross dividend income from: Subsidiaries	-	400,748	-	400,748

**A24. Other Operating Income**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2015	2014	2015	2014
<b>Group</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
(a) Fee income:				
Commission	296,114	261,675	296,114	261,675
Service charges and fees	350,479	279,128	350,479	279,128
Underwriting fees	22,715	12,658	22,715	12,658
Brokerage income	185,607	136,534	185,607	136,534
Fees on loans, advances and financing	82,039	95,016	82,039	95,016
	<b>936,954</b>	<b>785,011</b>	<b>936,954</b>	<b>785,011</b>
(b) Investment income:				
Net gain on disposal of financial assets at FVTPL	77,673	47,379	77,673	47,379
Net gain on disposal of financial investments available-for-sale	138,351	214,580	138,351	214,580
Net (loss)/gain on redemption of financial investments held-to-maturity	(2,192)	14	(2,192)	14
	<b>213,832</b>	<b>261,973</b>	<b>213,832</b>	<b>261,973</b>
(c) Gross dividend income from financial investments portfolio	23,910	16,835	23,910	16,835

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**A24. Other Operating Income (cont'd.)**

Group (cont'd.)	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
(d) Unrealised gain/(loss) on revaluation of:				
Financial assets at FVTPL				
- Designated upon initial recognition	69,140	(130,920)	69,140	(130,920)
- Held-for-trading	37,964	24,891	37,964	24,891
Derivatives	(197,637)	47,554	(197,637)	47,554
	<b>(90,533)</b>	<b>(58,475)</b>	<b>(90,533)</b>	<b>(58,475)</b>
(e) Other income:				
Foreign exchange gain, net	422,634	190,035	422,634	190,035
Rental income	6,837	9,735	6,837	9,735
Gain on disposal of property, plant and equipment	2,336	231	2,336	231
Gain on disposal of foreclosed properties	736	960	736	960
Sale of development properties	-	1,537	-	1,537
Others	43,889	24,286	43,889	24,286
	<b>476,432</b>	<b>226,784</b>	<b>476,432</b>	<b>226,784</b>
Total other operating income	<b>1,560,595</b>	<b>1,232,128</b>	<b>1,560,595</b>	<b>1,232,128</b>
Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
(a) Fee income:				
Commission	256,293	229,338	256,293	229,338
Service charges and fees	299,251	224,266	299,251	224,266
Underwriting fees	8,220	10,615	8,220	10,615
Brokerage income	10	3	10	3
Fees on loans, advances and financing	60,916	53,945	60,916	53,945
	<b>624,690</b>	<b>518,167</b>	<b>624,690</b>	<b>518,167</b>
(b) Investment income:				
Net gain on disposal of financial assets at FVTPL	46,653	24,549	46,653	24,549
Net gain on disposal of financial investments available-for-sale	102,127	48,948	102,127	48,948
Net (loss)/gain on redemption of financial investments held-to-maturity	(2,192)	14	(2,192)	14
Gain on liquidation of an associate	-	1,667	-	1,667
	<b>146,588</b>	<b>75,178</b>	<b>146,588</b>	<b>75,178</b>
(c) Gross dividend income from:				
Financial investments portfolio	680	2,967	680	2,967
(d) Unrealised (loss)/gain on revaluation of:				
Financial assets at FVTPL				
- Held-for-trading	(1,603)	17,794	(1,603)	17,794
Derivatives	(191,713)	33,363	(191,713)	33,363
	<b>(193,316)</b>	<b>51,157</b>	<b>(193,316)</b>	<b>51,157</b>
(e) Other income:				
Foreign exchange gain, net	325,175	163,211	325,175	163,211
Rental income	6,890	6,385	6,890	6,385
Gain on disposal of property, plant and equipment	3	152	3	152
Others	(12,446)	13,348	(12,446)	13,348
	<b>319,622</b>	<b>183,096</b>	<b>319,622</b>	<b>183,096</b>
Total other operating income	<b>898,264</b>	<b>830,565</b>	<b>898,264</b>	<b>830,565</b>

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**A25. Net Insurance Benefits and Claims Incurred, Net Fee and Commission Expenses, Change in Expense Liabilities and Taxation of Life and Takaful Fund**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Gross benefits and claims paid	1,353,299	1,162,953	1,353,299	1,162,953
Claims ceded to reinsurers	(219,805)	(514,552)	(219,805)	(514,552)
Gross change to contract liabilities	(81,774)	1,263,274	(81,774)	1,263,274
Change in contract liabilities ceded to reinsurers	(67,941)	(1,081,114)	(67,941)	(1,081,114)
<b>Net insurance benefits and claims incurred</b>	<b>983,779</b>	<b>830,561</b>	<b>983,779</b>	<b>830,561</b>
Net fee and commission expenses	61,911	61,359	61,911	61,359
Change in expense liabilities	23,061	11,970	23,061	11,970
Taxation of life and takaful fund	29,056	16,551	29,056	16,551
<b>Net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund</b>	<b>114,028</b>	<b>89,880</b>	<b>114,028</b>	<b>89,880</b>
Total net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	<b>1,097,807</b>	<b>920,441</b>	<b>1,097,807</b>	<b>920,441</b>

**A26. Overhead Expenses**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
(a) Personnel expenses				
Salaries, allowances and bonuses	1,054,798	934,423	1,054,798	934,423
Pension costs - defined contribution plan	127,952	112,287	127,952	112,287
ESS expenses	14,362	17,893	14,362	17,893
Other staff related expenses	222,245	172,678	222,245	172,678
	<b>1,419,357</b>	<b>1,237,281</b>	<b>1,419,357</b>	<b>1,237,281</b>
(b) Establishment costs				
Depreciation of property, plant and equipment	91,961	76,048	91,961	76,048
Amortisation of intangible assets	66,703	53,614	66,703	53,614
Rental of leasehold land and premises	71,607	65,801	71,607	65,801
Repairs and maintenance of property, plant and equipment	36,611	33,827	36,611	33,827
Information technology expenses	99,360	105,905	99,360	105,905
Others	12,090	26,246	12,090	26,246
	<b>378,332</b>	<b>361,441</b>	<b>378,332</b>	<b>361,441</b>
(c) Marketing expenses				
Advertisement and publicity	82,501	79,960	82,501	79,960
Others	88,827	55,382	88,827	55,382
	<b>171,328</b>	<b>135,342</b>	<b>171,328</b>	<b>135,342</b>

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**A26. Overhead Expenses (cont'd.)**

Group (cont'd.)	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
(d) Administration and general expenses				
Fees and brokerage	200,375	160,689	200,375	160,689
Administrative expenses	152,776	152,283	152,776	152,283
General expenses	130,291	114,019	130,291	114,019
Cost of development property	-	1,022	-	1,022
Others	36,834	6,321	36,834	6,321
	<b>520,276</b>	<b>434,334</b>	<b>520,276</b>	<b>434,334</b>
Total overhead expenses	<b>2,489,293</b>	<b>2,168,398</b>	<b>2,489,293</b>	<b>2,168,398</b>
<b>Cost to income ratio ("CIR")<sup>1</sup></b>	<b>49.7%</b>	<b>48.6%</b>	<b>49.7%</b>	<b>48.6%</b>

<sup>1</sup> Cost to income ratio ("CIR") is computed using the total cost over the net operating income. Total cost of the Group is the total overhead expenses, excluding amortisation of intangible assets for PT Bank Internasional Indonesia Tbk and Maybank Kim Eng Holdings Limited. Income refers to net operating income amount, as stated on the face of income statement.

Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
(a) Personnel expenses				
Salaries, allowances and bonuses	635,117	598,192	635,117	598,192
Pension costs - defined contribution plan	98,086	87,067	98,086	87,067
ESS expenses	9,909	13,092	9,909	13,092
Other staff related expenses	120,426	102,361	120,426	102,361
	<b>863,538</b>	<b>800,712</b>	<b>863,538</b>	<b>800,712</b>
(b) Establishment costs				
Depreciation of property, plant and equipment	46,101	39,900	46,101	39,900
Amortisation of intangible assets	24,589	26,382	24,589	26,382
Rental of leasehold land and premises	31,827	29,152	31,827	29,152
Repairs and maintenance of property, plant and equipment	19,243	17,806	19,243	17,806
Information technology expenses	175,363	150,329	175,363	150,329
Others	1,501	1,806	1,501	1,806
	<b>298,624</b>	<b>265,375</b>	<b>298,624</b>	<b>265,375</b>
(c) Marketing expenses				
Advertisement and publicity	47,020	35,420	47,020	35,420
Others	80,486	47,603	80,486	47,603
	<b>127,506</b>	<b>83,023</b>	<b>127,506</b>	<b>83,023</b>
(d) Administration and general expenses				
Fees and brokerage	141,866	101,865	141,866	101,865
Administrative expenses	68,453	59,467	68,453	59,467
General expenses	44,793	43,502	44,793	43,502
Others	35,978	5,503	35,978	5,503
	<b>291,090</b>	<b>210,337</b>	<b>291,090</b>	<b>210,337</b>
(e) Overhead expenses allocated to subsidiaries	<b>(255,104)</b>	<b>(252,998)</b>	<b>(255,104)</b>	<b>(252,998)</b>
Total overhead expenses	<b>1,325,654</b>	<b>1,106,449</b>	<b>1,325,654</b>	<b>1,106,449</b>
<b>Cost to income ratio ("CIR")<sup>2</sup></b>	<b>46.4%</b>	<b>36.6%</b>	<b>46.4%</b>	<b>36.6%</b>

<sup>2</sup> Cost to income ratio ("CIR") is computed using the total cost over the net operating income. Income refers to net operating income amount, as stated on the face of income statement.

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**A27. Allowances for Impairment Losses on Loans, Advances, Financing and Other Debts, net**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Allowances for/(writeback of) impairment losses on loans, advances and financing:				
- collective allowance made, net	141,393	297,959	141,393	297,959
- individual allowance made	225,070	184,687	225,070	184,687
- individual allowance written back	(36,555)	(111,887)	(36,555)	(111,887)
Bad debts and financing written off	25,669	28,076	25,669	28,076
Bad debts and financing recovered	(116,986)	(193,384)	(116,986)	(193,384)
Allowances for impairment losses on other debts	9,359	4,651	9,359	4,651
	<b>247,950</b>	<b>210,102</b>	<b>247,950</b>	<b>210,102</b>

Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Allowances for/(writeback of) impairment losses on loans, advances and financing:				
- collective allowance (written back)/made, net	(12,092)	216,455	(12,092)	216,455
- individual allowance made	142,186	131,556	142,186	131,556
- individual allowance written back	(23,527)	(92,047)	(23,527)	(92,047)
Bad debts and financing written off	15,170	19,003	15,170	19,003
Bad debts and financing recovered	(91,131)	(162,779)	(91,131)	(162,779)
Allowances for impairment losses on other debts	1,651	1,570	1,651	1,570
	<b>32,257</b>	<b>113,758</b>	<b>32,257</b>	<b>113,758</b>

**A28. Allowances for/(Writeback of) Impairment Losses on Financial Investments, net**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Financial investments AFS	51,711	(114,669)	51,711	(114,669)
Financial investments HTM	(1,028)	-	(1,028)	-
	<b>50,683</b>	<b>(114,669)</b>	<b>50,683</b>	<b>(114,669)</b>

Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
Financial investments AFS	(396)	(39,785)	(396)	(39,785)
Financial investments HTM	(1,028)	-	(1,028)	-
	<b>(1,424)</b>	<b>(39,785)</b>	<b>(1,424)</b>	<b>(39,785)</b>

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**A29. Segment Information**

**By business segments**

The Group determines and presents operating segments based on information provided to the Board and senior management of the Group.

The Group is organised into four (4) operating segments based on services and products available within the Group as follows:

(a) Community Financial Services ("CFS"), Malaysia

(i) Consumer Banking

Consumer Banking comprises the full range of products and services offered to individuals in Malaysia, including savings and fixed deposits, remittance services, current accounts, consumer loans such as housing loans and personal loans, hire purchases, unit trusts, bancassurance products and credit cards.

(ii) Small, Medium Enterprise ("SME") Banking

SME Banking comprises the full range of products and services offered to small and medium enterprises in Malaysia. The products and services offered including long-term loans such as project financing, short-term credit such as overdrafts and trade financing, and fee-based services such as cash management and custodian services.

(iii) Business Banking

Business Banking comprises the full range of products and services offered to commercial enterprises in Malaysia. The products and services offered including long-term loans such as project financing, short-term credit such as overdrafts and trade financing, and fee-based services such as cash management and custodian services.

(b) Global Banking ("GB")

(i) Corporate Banking Malaysia

Corporate Banking comprises the full range of products and services offered to business customers in the region, ranging from large corporate and the public sector. The products and services offered including long-term loans such as project financing, short-term credit such as overdrafts and trade financing, and fee-based services such as cash management, trustee services and custodian services.

(ii) Global Markets Malaysia

Global Markets comprise the full range of products and services relating to treasury activities and services, including foreign exchange, money market, derivatives and trading of capital market.

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**A29. Segment Information (cont'd.)**

(b) Global Banking ("GB") (cont'd.)

(iii) Investment Banking (Maybank IB and Maybank Kim Eng)

Investment Banking comprises the investment banking and securities broking business. This segment focuses on business needs of mainly large corporate customers and financial institutions. The products and services offered to customers including corporate advisory services, bond issuance, equity issuance, syndicated acquisition advisory services, debt restructuring advisory services, and share and futures dealings.

(iv) Asset Management

Asset Management comprises the asset and fund management services, providing a diverse range of conventional and Islamic investment solutions to retail, corporate and institutional clients.

(c) Insurance and Takaful

Insurance and Takaful comprise the business of underwriting all classes of general and life insurance businesses, offshore investment life insurance business, general takaful and family takaful businesses.

(d) International banking

On the International front, the domestic CFS business is driven in-country whilst the wholesale banking for each country has a reporting line to the GB. For the purpose of management reporting, the GB performance is shown separately and comprises Corporate Banking and Global Markets in Malaysia as well as the Investment Banking business, whilst the International Banking performance comprises both the wholesale banking and CFS business outside of Malaysia, for example, Singapore and Indonesia.

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**A29. Segment Information (cont'd.)**

**By Business Segments**

Three Months Ended 31 March 2015	<----- Business Segments ----->								Total RM'000
	<----- GB ----->								
	Community Financial Services RM'000	Corporate Banking RM'000	Global Markets RM'000	Investment Banking RM'000	Asset Management RM'000	International Banking RM'000	Insurance and Takaful RM'000	Head Office and Others RM'000	
Net interest income and income from IBS									
- External	1,528,328	431,016	214,723	54,802	1,505	1,218,573	214,062	(125,400)	3,537,609
- Inter-segment	-	-	-	(1,124)	(1,658)	(6,749)	15,850	(6,319)	-
	<b>1,528,328</b>	<b>431,016</b>	<b>214,723</b>	<b>53,678</b>	<b>(153)</b>	<b>1,211,824</b>	<b>229,912</b>	<b>(131,719)</b>	<b>3,537,609</b>
Net interest income and income from IBS	1,528,328	431,016	214,723	53,678	(153)	1,211,824	229,912	(131,719)	3,537,609
Net earned insurance premiums	-	-	-	-	-	-	987,115	-	987,115
Other operating income	435,040	137,757	254,722	264,664	37,815	271,227	188,966	(29,596)	1,560,595
Total operating income	<b>1,963,368</b>	<b>568,773</b>	<b>469,445</b>	<b>318,342</b>	<b>37,662</b>	<b>1,483,051</b>	<b>1,405,993</b>	<b>(161,315)</b>	<b>6,085,319</b>
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	-	-	-	-	-	-	(1,097,807)	-	(1,097,807)
Net operating income	1,963,368	568,773	469,445	318,342	37,662	1,483,051	308,186	(161,315)	4,987,512
Overhead expenses	(1,052,067)	(146,882)	(63,337)	(259,491)	(32,805)	(767,181)	(167,530)	-	(2,489,293)
Operating profit before impairment losses	911,301	421,891	406,108	58,851	4,857	715,870	140,656	(161,315)	2,498,219
Allowances for impairment losses on loans, advances and financing, net	(85,078)	(22,818)	-	(3,120)	-	(130,404)	(6,530)	-	(247,950)
Writeback of/(allowances for) impairment losses on financial investments, net	-	-	1,424	(636)	-	3	(51,474)	-	(50,683)
Operating profit	826,223	399,073	407,532	55,095	4,857	585,469	82,652	(161,315)	2,199,586
Share of profits in associates and joint ventures	-	-	-	434	-	41,993	-	-	42,427
<b>Profit before taxation and zakat</b>	<b>826,223</b>	<b>399,073</b>	<b>407,532</b>	<b>55,529</b>	<b>4,857</b>	<b>627,462</b>	<b>82,652</b>	<b>(161,315)</b>	<b>2,242,013</b>
Taxation and zakat									(530,004)
<b>Profit after taxation and zakat</b>									<b>1,712,009</b>
Non-controlling interests									(11,624)
<b>Profit for the period - attributable to equity holders of the Bank</b>									<b>1,700,385</b>
<b>Included in overhead expenses are:</b>									
Depreciation of property, plant and equipment	(32,309)	(5,359)	(3,031)	(12,272)	(241)	(33,779)	(4,970)	-	(91,961)
Amortisation of intangible assets	(23,291)	(3,820)	(1,909)	(10,747)	(300)	(20,413)	(6,223)	-	(66,703)



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**A29. Segment Information (cont'd.)**

**By Business Segments (cont'd.)**

	<----- Business Segments ----->								
	<----- GB ----->								
Three Months Ended 31 March 2014	Community Financial Services RM'000	Corporate Banking RM'000	Global Markets RM'000	Investment Banking RM'000	Asset Management RM'000	International Banking RM'000	Insurance and Takaful RM'000	Head Office and Others RM'000	Total RM'000
Net interest income and income from IBS									
- External	1,413,831	408,680	199,199	45,633	967	996,856	209,093	(73,024)	3,201,235
- Inter-segment	-	-	-	(199)	185	(4,571)	18,968	(14,383)	-
	<u>1,413,831</u>	<u>408,680</u>	<u>199,199</u>	<u>45,434</u>	<u>1,152</u>	<u>992,285</u>	<u>228,061</u>	<u>(87,407)</u>	<u>3,201,235</u>
Net interest income and income from IBS	1,413,831	408,680	199,199	45,434	1,152	992,285	228,061	(87,407)	3,201,235
Net earned insurance premiums	-	-	-	-	-	-	922,227	-	922,227
Other operating income	371,245	143,441	219,556	205,889	24,104	398,876	78,149	(209,132)	1,232,128
Total operating income	<u>1,785,076</u>	<u>552,121</u>	<u>418,755</u>	<u>251,323</u>	<u>25,256</u>	<u>1,391,161</u>	<u>1,228,437</u>	<u>(296,539)</u>	<u>5,355,590</u>
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	-	-	-	-	-	-	(920,441)	-	(920,441)
Net operating income	<u>1,785,076</u>	<u>552,121</u>	<u>418,755</u>	<u>251,323</u>	<u>25,256</u>	<u>1,391,161</u>	<u>307,996</u>	<u>(296,539)</u>	<u>4,435,149</u>
Overhead expenses	(894,097)	(127,604)	(58,913)	(223,735)	(21,328)	(696,777)	(145,944)	-	(2,168,398)
Operating profit before impairment losses	<u>890,979</u>	<u>424,517</u>	<u>359,842</u>	<u>27,588</u>	<u>3,928</u>	<u>694,384</u>	<u>162,052</u>	<u>(296,539)</u>	<u>2,266,751</u>
Writeback of/(allowances for) impairment losses on loans, advances and financing, net	63,197	(200,297)	-	6,940	178	(78,257)	(1,863)	-	(210,102)
Writeback of impairment losses on financial investments, net	-	-	39,409	1,735	-	71,990	1,535	-	114,669
Operating profit	<u>954,176</u>	<u>224,220</u>	<u>399,251</u>	<u>36,263</u>	<u>4,106</u>	<u>688,117</u>	<u>161,724</u>	<u>(296,539)</u>	<u>2,171,318</u>
Share of profits in associates and joint ventures	-	-	-	(146)	-	36,576	40	-	36,470
<b>Profit before taxation and zakat</b>	<u>954,176</u>	<u>224,220</u>	<u>399,251</u>	<u>36,117</u>	<u>4,106</u>	<u>724,693</u>	<u>161,764</u>	<u>(296,539)</u>	<u>2,207,788</u>
Taxation and zakat									(573,289)
<b>Profit after taxation and zakat</b>									<u>1,634,499</u>
Non-controlling interests									(32,914)
<b>Profit for the period - attributable to equity holders of the Bank</b>									<u>1,601,585</u>
<b>Included in overhead expenses are:</b>									
Depreciation of property, plant and equipment	(26,439)	(4,554)	(2,527)	(10,807)	(193)	(28,059)	(3,469)	-	(76,048)
Amortisation of intangible assets	(17,992)	(3,320)	(2,062)	(9,898)	(87)	(15,830)	(4,425)	-	(53,614)

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**A30. Carrying Amount of Revalued Assets**

The Group's and the Bank's property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. There was no change in the valuation of property and equipment that were brought forward from the previous audited annual financial statements for the financial year ended 31 December 2014.

**A31. Subsequent Events**

There were no material events subsequent to the reporting date, other than as disclosed in Note A8(ii) and B6.

**A32. Changes in the Composition of the Group**

There were no significant changes to the composition of the Group during the first quarter ended 31 March 2015.

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**A33. Commitments and Contingencies**

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions.

The risk-weighted exposures of the Group and the Bank as at the following reporting dates are as follows:

Group	As at 31 March 2015			As at 31 December 2014		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
<b>Contingent liabilities</b>						
Direct credit substitutes	12,623,746	11,179,160	7,851,584	12,187,201	9,936,606	6,666,024
Certain transaction-related contingent items	19,501,974	8,025,688	5,605,257	16,785,821	7,184,856	4,977,193
Short-term self-liquidating trade-related contingencies	5,238,447	1,247,925	523,338	7,821,190	1,009,034	769,542
Obligations under underwriting agreements	30,000	15,000	3,000	116,731	15,000	3,000
	<b>37,394,167</b>	<b>20,467,773</b>	<b>13,983,179</b>	<b>36,910,943</b>	<b>18,145,496</b>	<b>12,415,759</b>
<b>Commitments</b>						
Irrevocable commitments to extend credit:						
- Maturity within one year	105,849,059	13,725,695	8,136,868	104,064,366	10,622,636	7,050,985
- Maturity exceeding one year	33,790,604	28,951,958	15,222,012	32,517,024	25,106,218	12,403,146
	<b>139,639,663</b>	<b>42,677,653</b>	<b>23,358,880</b>	<b>136,581,390</b>	<b>35,728,854</b>	<b>19,454,131</b>
Miscellaneous commitments and contingencies	8,773,109	624,159	300,134	9,421,308	2,348,939	384,405
Total credit-related commitments and contingencies	<b>185,806,939</b>	<b>63,769,585</b>	<b>37,642,193</b>	<b>182,913,641</b>	<b>56,223,289</b>	<b>32,254,295</b>
<b>Derivative financial instruments</b>						
Foreign exchange related contracts:						
- Less than one year	217,422,943	5,661,881	1,719,179	176,403,495	3,540,491	1,199,324
- One year to less than five years	23,454,798	1,614,108	701,600	23,388,062	2,579,961	916,983
- Five years and above	4,457,607	217,092	124,555	4,383,218	696,938	562,525
	<b>245,335,348</b>	<b>7,493,081</b>	<b>2,545,334</b>	<b>204,174,775</b>	<b>6,817,390</b>	<b>2,678,832</b>
Interest rate related contracts:						
- Less than one year	54,886,809	445,245	303,859	35,185,558	173,406	148,405
- One year to less than five years	95,725,513	3,229,476	1,140,352	90,984,134	2,563,632	873,378
- Five years and above	44,759,782	3,725,742	1,838,635	36,052,649	2,291,274	1,048,738
	<b>195,372,104</b>	<b>7,400,463</b>	<b>3,282,846</b>	<b>162,222,341</b>	<b>5,028,312</b>	<b>2,070,521</b>
Equity and commodity related contracts:						
- Less than one year	1,441,056	173,547	108,969	1,904,917	5,335	1,062
- One year to less than five years	1,225,394	103,105	68,764	710,914	5,123	893
- Five years and above	33,663	-	-	33,663	-	-
	<b>2,700,113</b>	<b>276,652</b>	<b>177,733</b>	<b>2,649,494</b>	<b>10,458</b>	<b>1,955</b>
Total treasury-related commitments and contingencies	<b>443,407,565</b>	<b>15,170,196</b>	<b>6,005,913</b>	<b>369,046,610</b>	<b>11,856,160</b>	<b>4,751,308</b>
Total commitments and contingencies	<b>629,214,504</b>	<b>78,939,781</b>	<b>43,648,106</b>	<b>551,960,251</b>	<b>68,079,449</b>	<b>37,005,603</b>

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**A33. Commitments and Contingencies (cont'd.)**

Bank	As at 31 March 2015			As at 31 December 2014		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
<b><u>Contingent liabilities</u></b>						
Direct credit substitutes	10,921,132	10,278,049	6,727,084	10,695,235	8,827,871	5,841,881
Certain transaction-related contingent items	17,631,266	6,917,508	4,550,845	14,889,745	6,159,173	4,012,308
Short-term self-liquidating trade-related contingencies	4,961,411	1,101,995	389,851	7,551,016	852,141	625,394
	<b>33,513,809</b>	<b>18,297,552</b>	<b>11,667,780</b>	<b>33,135,996</b>	<b>15,839,185</b>	<b>10,479,583</b>
<b><u>Commitments</u></b>						
Irrevocable commitments to extend credit:						
- Maturity within one year	89,663,621	9,628,699	5,778,400	88,702,119	7,512,199	4,973,650
- Maturity exceeding one year	25,367,095	23,993,274	12,502,180	24,165,790	20,092,805	10,482,536
	<b>115,030,716</b>	<b>33,621,973</b>	<b>18,280,580</b>	<b>112,867,909</b>	<b>27,605,004</b>	<b>15,456,186</b>
Miscellaneous commitments and contingencies	8,452,101	382,623	139,909	9,151,530	2,118,400	219,942
Total credit-related commitments and contingencies	<b>156,996,626</b>	<b>52,302,148</b>	<b>30,088,269</b>	<b>155,155,435</b>	<b>45,562,589</b>	<b>26,155,711</b>
<b><u>Derivative financial instruments</u></b>						
Foreign exchange related contracts:						
- Less than one year	210,273,651	5,501,237	1,654,506	173,109,347	3,462,027	1,199,964
- One year to less than five years	23,852,218	1,505,843	668,104	24,267,821	2,422,782	885,140
- Five years and above	4,761,588	-	-	4,383,218	505,407	456,174
	<b>238,887,457</b>	<b>7,007,080</b>	<b>2,322,610</b>	<b>201,760,386</b>	<b>6,390,216</b>	<b>2,541,278</b>
Interest rate related contracts:						
- Less than one year	54,854,629	396,743	211,290	35,205,558	125,769	56,074
- One year to less than five years	94,671,986	3,098,618	1,147,723	89,144,837	2,481,986	863,438
- Five years and above	44,628,859	3,729,454	1,801,442	36,614,812	2,393,656	1,077,580
	<b>194,155,474</b>	<b>7,224,815</b>	<b>3,160,455</b>	<b>160,965,207</b>	<b>5,001,411</b>	<b>1,997,092</b>
Equity and commodity related contracts:						
- Less than one year	899,163	173,547	108,969	1,252,749	5,335	1,062
- One year to less than five years	852,653	103,105	68,764	351,852	5,123	893
	<b>1,751,816</b>	<b>276,652</b>	<b>177,733</b>	<b>1,604,601</b>	<b>10,458</b>	<b>1,955</b>
Total treasury-related commitments and contingencies	<b>434,794,747</b>	<b>14,508,547</b>	<b>5,660,798</b>	<b>364,330,194</b>	<b>11,402,085</b>	<b>4,540,325</b>
Total commitments and contingencies	<b>591,791,373</b>	<b>66,810,695</b>	<b>35,749,067</b>	<b>519,485,629</b>	<b>56,964,674</b>	<b>30,696,036</b>

\* The credit equivalent amount and the risk-weighted amount are arrived at using the credit conversion factors and risk-weights respectively as specified by Bank Negara Malaysia for regulatory capital adequacy purposes.

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**A33. Commitments and Contingencies (cont'd.)**

- (i) The Group's and the Bank's derivative financial instruments are subject to market, credit and liquidity risks, as follows:

Market Risk

Market risk on derivatives is the potential loss to the value of these contracts due to changes in price of the underlying items such as equities, interest rates, foreign exchange rates, credit spreads, commodities or other indices. The notional or contractual amounts provide only the volume of transactions outstanding at the reporting date and do not represent the amount at risk. Exposure to market risk may be reduced through offsetting items from on and off-balance sheet positions.

Credit Risk

Credit risk arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Bank and certain subsidiaries have a gain position. As at 31 March 2015, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM6,283.1 million (31 December 2014: RM4,544.0 million). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity Risk

Liquidity risk on derivatives is the risk that the derivative position cannot be closed out promptly. Exposure to liquidity risk is reduced through contracting derivatives where the underlying items are widely traded.

- (ii) Cash requirements of the derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at 31 March 2015, the Group and the Bank have posted cash collateral of RM2,104.3 million (31 December 2014: RM2,266.2 million) on their derivative contracts.

- (iii) 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 derivative financial contracts; and
- (c) the related accounting policies.

**A34. Capital Adequacy**

**(a) Capital Adequacy Framework**

- (i) Under the Bank Negara Malaysia's ("BNM") Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components) issued on 28 November 2012 on the computation of capital and capital adequacy ratios for conventional banks and Islamic banks respectively, the minimum regulatory capital adequacy ratios based on transitional arrangements are set out as follows:

Calendar Year	Common Equity Tier 1 (CET1)	Tier 1 Capital	Total Capital Ratio
2013	3.5%	4.5%	8.0%
2014	4.0%	5.5%	8.0%
2015 onwards*	4.5%	6.0%	8.0%

\* Excluding Capital Conservation Buffer of 2.5% of total risk-weighted assets ("RWA") which is subject to phase-in arrangement effective on 1 January 2016 as well as Countercyclical Capital Buffer ranging between 0% and 2.5% of total RWA and any other capital buffers which may be introduced by BNM.

- (ii) Total RWA is calculated as the sum of credit RWA, market RWA, operational RWA and large exposure risk requirements as determined in accordance with the Capital Adequacy Framework (Basel II - Risk Weighted Assets) and Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) issued by BNM on 28 November 2012 for conventional banks and Islamic banks respectively.

The sum of the above is further adjusted to take into account any profit-sharing investment accounts ("PSIA") recognised as risk absorbent for capital adequacy purposes, in the manner stipulated under the Guidelines on Recognition and Measurement of PSIA as Risk Absorbent as updated by BNM on 26 July 2011.

Any exposures which are deducted in the calculation of CET1 Capital, Tier 1 Capital and Total Capital is not subjected to any further capital charges in the computation of RWA.

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**A34. Capital Adequacy (cont'd.)**

**(b) Compliance and application of capital adequacy ratios**

The capital adequacy ratios of the Group and of the Bank are computed in accordance with BNM's Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework (Basel II - Risk-Weighted Assets) issued on 28 November 2012. The total RWA are computed based on the following approaches:

- (A) Credit risk under Internal Ratings-Based Approach;
- (B) Market risk under Standardised Approach; and
- (C) Operational risk under Basic Indicator Approach.

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 4.5%, 6.0% and 8.0% of total RWA for the current financial year ending 31 December 2015.

On an entity level basis, the computation of capital adequacy ratios of the banking subsidiaries of the Group are as follows:

- (i) For Maybank Islamic Berhad, the computation of capital adequacy ratios are based on BNM's Capital Adequacy Framework for Islamic Banks (Capital Components) and Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) issued on 28 November 2012. The total RWA are computed based on the following approaches:

- (A) Credit risk under Internal Ratings-Based Approach;
- (B) Market risk under Standardised Approach; and
- (C) Operational risk under Basic Indicator Approach.

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 4.5%, 6.0% and 8.0% of total RWA for the current financial year ending 31 December 2015.

- (ii) For Maybank Investment Bank Berhad, the computation of capital adequacy ratios are based on BNM's Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework (Basel II - Risk Weighted Assets) issued on 28 November 2012. The total RWA are computed based on the following approaches:

- (A) Credit risk under Standardised Approach;
- (B) Market risk under Standardised Approach; and
- (C) Operational risk under Basic Indicator Approach.

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 4.5%, 6.0% and 8.0% of total RWA for the current financial year ending 31 December 2015.

- (iii) For PT Bank Internasional Indonesia Tbk, the computation of capital adequacy ratios are in accordance with local requirements, which is based on the Basel II capital accord. The total RWA are computed based on the following approaches:

- (A) Credit risk under Standardised Approach;
- (B) Market risk under Standardised Approach; and
- (C) Operational risk under Basic Indicator Approach.

The minimum regulatory capital adequacy requirement for PT Bank Internasional Indonesia Tbk is 9% - 10% of total RWA.

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**A34. Capital Adequacy (cont'd.)**

**(c) The capital adequacy ratios of the Group and of the Bank**

With effect from 30 June 2013, the amount of declared dividend to be deducted in the calculation of CET1 Capital under a DRP shall be determined in accordance with BNM's Implementation Guidance on Capital Adequacy Framework (Capital Components) ("Implementation Guidance") issued on 8 May 2013. Under the said Implementation Guidance, where a portion of the dividend may be reinvested under a DRP (the electable portion), the amount of declared dividend to be deducted in the calculation of CET1 Capital may be reduced as follows:

- (i) where an irrevocable written undertaking from shareholder has been obtained to reinvest the electable portion of the dividend; or
- (ii) where there is no irrevocable written undertaking provided, the average of the preceding 3-year take-up rates subject to the amount being not more than 50% of the total electable portion of the dividend.

In addition, the cash portion of the dividend, upon declaration will be deducted in the calculation of CET1 Capital.

During the Annual General Meeting held on 7 April 2015, a final dividend in respect of the financial year ended 31 December 2014 of 33 sen single-tier dividend per ordinary share of RM1.00 each which consist of cash portion of 10 sen and electable portion of 23 sen per ordinary share was approved by the shareholders.

In arriving the capital adequacy ratios for the financial period ended 31 March 2015, the final dividend has not been deducted from the calculation of CET1 Capital.

Based on the above, the capital adequacy ratios of the Group and the Bank are as follows:

	<b>Group</b>		<b>Bank</b>	
	<b>31 March 2015</b>	<b>31 December 2014</b>	<b>31 March 2015</b>	<b>31 December 2014</b>
CET1 Capital Ratio	<b>11.498%</b>	11.747%	<b>14.644%</b>	16.275%
Tier 1 Capital Ratio	<b>13.205%</b>	13.539%	<b>15.518%</b>	16.275%
Total Capital Ratio	<b>15.693%</b>	16.235%	<b>15.518%</b>	16.275%

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**A34. Capital Adequacy (cont'd.)**

**(d) Components of capital:**

	Group		Bank	
	31 March 2015 RM'000	31 December 2014 RM'000	31 March 2015 RM'000	31 December 2014 RM'000
<b>CET1 Capital</b>				
Paid-up share capital	9,321,746	9,319,030	9,321,746	9,319,030
Share premium	22,770,585	22,747,922	22,770,585	22,747,922
Retained profits <sup>1</sup>	9,173,105	9,173,105	4,052,916	4,052,916
Other reserves <sup>1</sup>	9,500,813	8,600,064	11,125,268	10,629,085
Qualifying non-controlling interests	133,387	124,884	-	-
Less: Shares held-in-trust	(113,463)	(113,463)	(113,463)	(113,463)
CET1 Capital before regulatory adjustments	50,786,173	49,851,542	47,157,052	46,635,490
Less: Regulatory adjustments applied on CET1 Capital:	(9,311,528)	(8,391,750)	(9,130,698)	(5,328,480)
Deferred tax assets	(649,434)	(835,018)	(180,186)	(348,350)
Goodwill	(5,216,459)	(5,144,128)	(81,015)	(81,015)
Other intangibles	(1,073,895)	(1,080,868)	(443,104)	(425,252)
Gains on financial instruments classified as 'available-for-sale'	(51,957)	-	-	-
Profit equalisation reserve	(34,456)	(34,456)	-	-
Regulatory reserve	(274,500)	(274,500)	-	-
Shortfall of total eligible provision to total expected loss	(752,990)	(420,130)	(148,074)	-
Investment in ordinary shares of unconsolidated financial and insurance/takaful entities <sup>3</sup>	(1,257,837)	(602,650)	(8,278,319)	(4,139,159)
Regulatory adjustments due to insufficient Additional Tier 1 and Tier 2 Capital	-	-	-	(334,704)
<b>Total CET1 Capital</b>	<b>41,474,645</b>	41,459,792	<b>38,026,354</b>	41,307,010
<b>Additional Tier 1 Capital</b>				
Capital securities	6,065,192	6,246,181	6,065,192	6,246,181
Qualifying CET1 and Additional Tier 1 capital instruments held by third parties	90,436	80,409	-	-
Less: Regulatory adjustment due to insufficient Tier 2 Capital	-	-	(3,795,229)	(6,246,181)
<b>Total Tier 1 Capital</b>	<b>47,630,273</b>	47,786,382	<b>40,296,317</b>	41,307,010
<b>Tier 2 Capital</b>				
Subordinated obligations	9,684,020	10,838,880	9,684,020	10,838,880
Qualifying CET1, Additional Tier 1 and Tier 2 capital instruments held by third parties	572,735	530,022	-	-
Collective allowance <sup>2</sup>	605,543	555,142	196,832	214,426
Surplus of total eligible provision over total expected loss	-	-	-	81,949
Less: Regulatory adjustment not deducted from CET1 Capital or Additional Tier 1 Capital provided under the transitional arrangements <sup>3</sup>	(1,886,755)	(2,410,601)	(9,880,852)	(11,135,255)
<b>Total Tier 2 Capital</b>	<b>8,975,543</b>	9,513,443	<b>-</b>	-
<b>Total Capital</b>	<b>56,605,816</b>	57,299,825	<b>40,296,317</b>	41,307,010

<sup>1</sup> For the Group, the amount excludes retained profits and other reserves from insurance and takaful business. For the Bank, the amount includes retained profits and other reserves of Maybank International (L) Ltd.

<sup>2</sup> Excludes collective allowance for impaired loans, advances and financing restricted from Tier 2 Capital of the Group and of the Bank.

<sup>3</sup> For the Bank, the regulatory adjustment includes cost of investment in subsidiaries and associates, except for: (i) Myfin Berhad of RM18,994,000 as its business, assets and liabilities have been transferred to the Bank; (ii) Maybank International (L) Ltd. of RM176,385,000 and (iii) Maybank Agro Fund Sdn. Bhd. of RM10,845,000, as its assets are included in the Bank's RWA. For the Group, the regulatory adjustment includes carrying amount of associates and investment in insurance and takaful entities.

The capital adequacy ratios of the Group is derived from consolidated balances of the Bank and its subsidiaries, excluding the investments in insurance and takaful entities and associates.

The capital adequacy ratios of the Bank is derived from the Bank and its wholly-owned offshore banking subsidiary, Maybank International (L) Ltd., excluding the investments in subsidiaries and associates (except for Myfin Berhad, Maybank International (L) Ltd. and Mayban Agro Fund Sdn. Bhd. as disclosed above).



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**A34. Capital Adequacy (cont'd.)**

**(e) The capital adequacy ratios of the banking subsidiaries of the Bank are as follows:**

	<b>Maybank Islamic Berhad</b>	<b>Maybank Investment Bank Berhad</b>	<b>PT Bank Internasional Indonesia Tbk</b>
<b><u>At 31 March 2015</u></b>			
CET1 Capital Ratio	11.056%	34.039%	-
Tier 1 Capital Ratio	11.056%	34.039%	-
Total Capital Ratio	<u>14.647%</u>	<u>34.039%</u>	<u>15.905%</u>
<b><u>At 31 December 2014</u></b>			
CET1 Capital Ratio	12.003%	30.902%	-
Tier 1 Capital Ratio	12.003%	30.902%	-
Total Capital Ratio	<u>16.088%</u>	<u>30.902%</u>	<u>15.724%</u>

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**A34. Capital Adequacy (cont'd.)**

(f) The breakdown of RWA by each major risk categories are as follows:

**At 31 March 2015**

	Group RM'000	Bank RM'000	Maybank Islamic Berhad RM'000	Maybank Investment Bank Berhad RM'000	PT Bank Internasional Indonesia Tbk RM'000
Standardised Approach exposure	52,325,253	26,218,652	5,538,812	368,522	28,255,317
Internal Ratings-Based Approach exposure after scaling factor	<b>263,385,923</b>	<b>203,732,432</b>	<b>57,713,618</b>	-	-
Total RWA for credit risk	315,711,176	229,951,084	63,252,430	368,522	28,255,317
Total RWA for credit risk absorbed by Malayan Banking Berhad*	-	-	(6,237,340)	-	-
Total RWA for market risk	11,923,289	9,617,320	789,162	147,131	294,185
Total RWA for operational risk	33,066,847	20,104,180	4,331,465	950,066	4,124,396
Total RWA	<b>360,701,312</b>	<b>259,672,584</b>	<b>62,135,717</b>	<b>1,465,719</b>	<b>32,673,898</b>

**At 31 December 2014**

	Group RM'000	Bank RM'000	Maybank Islamic Berhad RM'000	Maybank Investment Bank Berhad RM'000	PT Bank Internasional Indonesia Tbk RM'000
Standardised Approach exposure	48,784,842	22,551,830	4,831,718	441,295	28,534,411
Internal Ratings-Based Approach exposure after scaling factor	<b>257,422,482</b>	<b>201,894,673</b>	<b>51,473,277</b>	-	-
Total RWA for credit risk	306,207,324	224,446,503	56,304,995	441,295	28,534,411
Total RWA for credit risk absorbed by Malayan Banking Berhad*	-	-	(3,930,555)	-	-
Total RWA for market risk	14,168,153	9,452,839	573,921	170,661	120,167
Total RWA for operational risk	32,568,977	19,911,571	4,145,952	984,627	3,779,079
Total RWA	<b>352,944,454</b>	<b>253,810,913</b>	<b>57,094,313</b>	<b>1,596,583</b>	<b>32,433,657</b>

\* In accordance with BNM's guideline on the recognition and measurement of Restricted Profit Sharing Investment Account ("RPSIA") as Risk Absorbent, the credit risk on the assets funded by the RPSIA are excluded from the capital adequacy ratios calculation.

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**A35. 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 reporting date, and do not represent amounts at risk.

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.

	Group			Bank		
	Principal Amount RM'000	<---- Fair Value ----> Assets      Liabilities RM'000      RM'000		Principal Amount RM'000	<---- Fair Value ----> Assets      Liabilities RM'000      RM'000	
<b>At 31 March 2015</b>						
<b>Trading derivatives</b>						
<u>Foreign exchange related contracts</u>						
Currency forwards:						
- Less than one year	40,674,600	793,175	(364,759)	35,879,207	646,513	(339,155)
- One year to three years	700,268	33,638	(29,578)	641,717	33,638	(29,392)
- More than three years	129,151	-	(22,478)	129,151	-	(22,478)
	<u>41,504,019</u>	<u>826,813</u>	<u>(416,815)</u>	<u>36,650,075</u>	<u>680,151</u>	<u>(391,025)</u>
Currency swaps:						
- Less than one year	141,575,354	1,823,931	(1,930,005)	139,263,574	1,934,876	(1,941,074)
- One year to three years	618,921	24,070	(1,556)	618,921	24,070	(1,556)
- More than three years	141,997	22,643	-	141,997	22,643	-
	<u>142,336,272</u>	<u>1,870,644</u>	<u>(1,931,561)</u>	<u>140,024,492</u>	<u>1,981,589</u>	<u>(1,942,630)</u>
Currency spots:						
- Less than one year	21,648,229	35,925	(55,160)	21,648,052	36,051	(55,463)
Currency options:						
- Less than one year	6,263,807	97,864	(34,518)	6,255,811	97,541	(33,967)
- One year to three years	14,810	461	-	14,810	461	-
	<u>6,278,617</u>	<u>98,325</u>	<u>(34,518)</u>	<u>6,270,621</u>	<u>98,002</u>	<u>(33,967)</u>
Cross currency interest rate swaps:						
- Less than one year	6,307,603	1,203,497	(382,411)	6,273,657	1,203,497	(373,686)
- One year to three years	11,053,990	461,267	(627,481)	10,629,669	435,816	(578,834)
- More than three years	12,231,145	701,379	(637,756)	13,415,418	746,789	(637,756)
	<u>29,592,738</u>	<u>2,366,143</u>	<u>(1,647,648)</u>	<u>30,318,744</u>	<u>2,386,102</u>	<u>(1,590,276)</u>
<u>Interest rate related contracts</u>						
Interest rate swaps:						
- Less than one year	40,091,902	71,703	(120,214)	40,056,722	72,477	(120,214)
- One year to three years	50,070,360	189,056	(208,774)	50,178,798	185,918	(212,727)
- More than three years	77,476,009	1,071,460	(1,107,482)	77,734,883	1,073,836	(1,112,167)
	<u>167,638,271</u>	<u>1,332,219</u>	<u>(1,436,470)</u>	<u>167,970,403</u>	<u>1,332,231</u>	<u>(1,445,108)</u>
Interest rate futures:						
- Less than one year	12,960,211	3	(6,716)	12,963,211	3	(6,716)
- One year to three years	-	-	(301)	-	-	(301)
	<u>12,960,211</u>	<u>3</u>	<u>(7,017)</u>	<u>12,963,211</u>	<u>3</u>	<u>(7,017)</u>
Interest rate options:						
- Less than one year	1,605,079	144	(6,681)	1,605,079	144	(6,681)
- One year to three years	2,415,179	2,640	(65,595)	1,915,179	2,059	(16,601)
- More than three years	9,136,082	102,937	(333,490)	9,046,082	102,850	(317,034)
	<u>13,156,340</u>	<u>105,721</u>	<u>(405,766)</u>	<u>12,566,340</u>	<u>105,053</u>	<u>(340,316)</u>

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**A35. Derivative Financial Instruments (cont'd.)**

	Group			Bank		
	Principal Amount RM'000	<---- Fair Value ---->		Principal Amount RM'000	<---- Fair Value ---->	
<u>At 31 March 2015 (cont'd.)</u>	Assets RM'000	Liabilities RM'000	RM'000	Assets RM'000	Liabilities RM'000	RM'000
<b>Trading derivatives (cont'd.)</b>						
<u>Equity related contracts</u>						
Index futures:						
- Less than one year	17,431	-	(9,850)	-	-	-
- More than three years	33,663	3,720	-	-	-	-
	<u>51,094</u>	<u>3,720</u>	<u>(9,850)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Equity options:						
- Less than one year	155,598	783	(14,460)	7,950	6	(6)
- One year to three years	513,122	38,500	(17,529)	140,381	17,529	(17,529)
	<u>668,720</u>	<u>39,283</u>	<u>(31,989)</u>	<u>148,331</u>	<u>17,535</u>	<u>(17,535)</u>
Equity swaps:						
- Less than one year	155,884	6,300	(7,549)	-	-	-
<u>Commodity related contracts</u>						
<u>Commodity options:</u>						
- Less than one year	342,312	1,699	(1,699)	121,382	1,699	(1,699)
Commodity swaps:						
- Less than one year	769,831	145,878	(103,503)	769,831	145,878	(103,503)
- One year to three years	686,743	297	(43,187)	686,743	297	(43,187)
- More than three years	25,529	3,884	(3,834)	25,529	3,884	(3,834)
	<u>1,482,103</u>	<u>150,059</u>	<u>(150,524)</u>	<u>1,482,103</u>	<u>150,059</u>	<u>(150,524)</u>
<b>Hedging derivatives</b>						
<u>Foreign exchange related contracts</u>						
Cross currency interest rate swaps:						
- Less than one year	953,350	-	(191,853)	953,350	-	(191,853)
- One year to three years	1,961,600	552	(325,873)	1,961,600	552	(325,873)
- More than three years	1,060,523	-	(150,248)	1,060,523	-	(150,248)
	<u>3,975,473</u>	<u>552</u>	<u>(667,974)</u>	<u>3,975,473</u>	<u>552</u>	<u>(667,974)</u>
<u>Interest rate related contracts</u>						
Interest rate swaps:						
- Less than one year	229,617	3,610	(5,433)	229,617	3,610	(5,433)
- One year to three years	758,070	737	(17,341)	74,070	104	(13,776)
- More than three years	629,595	21,457	(4,768)	351,833	21,457	(2,545)
	<u>1,617,282</u>	<u>25,804</u>	<u>(27,542)</u>	<u>655,520</u>	<u>25,171</u>	<u>(21,754)</u>
Netting effects under MFRS 132 Amendments						
	-	(580,122)	580,122	-	(580,122)	580,122
<b>Total</b>	<u>443,407,565</u>	<u>6,283,088</u>	<u>(6,251,960)</u>	<u>434,794,747</u>	<u>6,234,076</u>	<u>(6,085,166)</u>

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**A35. Derivative Financial Instruments (cont'd.)**

<b>At 31 December 2014</b>	<b>Group</b>			<b>Bank</b>		
	<b>Principal Amount RM'000</b>	<b>&lt;---- Fair Value ----&gt;</b>		<b>Principal Amount RM'000</b>	<b>&lt;---- Fair Value ----&gt;</b>	
	<b>Assets RM'000</b>	<b>Liabilities RM'000</b>		<b>Assets RM'000</b>	<b>Liabilities RM'000</b>	
<b>Trading derivatives</b>						
<u>Foreign exchange related contracts</u>						
Currency forwards:						
- Less than one year	41,076,794	588,348	(294,309)	36,811,722	482,628	(273,422)
- One year to three years	596,017	21,806	(13,270)	596,017	21,806	(13,270)
- More than three years	144,093	677	(16,515)	144,093	677	(16,515)
	<u>41,816,904</u>	<u>610,831</u>	<u>(324,094)</u>	<u>37,551,832</u>	<u>505,111</u>	<u>(303,207)</u>
Currency swaps:						
- Less than one year	116,377,076	1,339,128	(2,205,414)	117,345,817	1,428,352	(2,212,153)
- One year to three years	637,081	15,316	(361)	637,081	15,316	(361)
- More than three years	146,926	16,982	-	146,926	16,982	-
	<u>117,161,083</u>	<u>1,371,426</u>	<u>(2,205,775)</u>	<u>118,129,824</u>	<u>1,460,650</u>	<u>(2,212,514)</u>
Currency spots:						
- Less than one year	7,295,726	6,337	(8,745)	7,337,074	6,382	(8,770)
Currency options:						
- Less than one year	4,596,069	80,948	(23,938)	4,596,069	80,948	(23,938)
Cross currency interest rate swaps:						
- Less than one year	5,599,660	343,988	(258,596)	5,560,495	343,988	(249,846)
- One year to three years	9,788,547	1,035,022	(375,081)	9,455,307	1,010,158	(341,753)
- More than three years	13,241,977	448,987	(441,727)	14,454,976	487,643	(443,349)
	<u>28,630,184</u>	<u>1,827,997</u>	<u>(1,075,404)</u>	<u>29,470,778</u>	<u>1,841,789</u>	<u>(1,034,948)</u>
<u>Interest rate related contracts</u>						
Interest rate swaps:						
- Less than one year	33,384,830	50,224	(49,983)	33,384,830	50,903	(49,983)
- One year to three years	46,517,549	156,692	(185,068)	46,990,591	154,774	(192,655)
- More than three years	70,733,033	755,098	(883,333)	70,977,509	762,423	(885,519)
	<u>150,635,412</u>	<u>962,014</u>	<u>(1,118,384)</u>	<u>151,352,930</u>	<u>968,100</u>	<u>(1,128,157)</u>
Interest rate futures:						
- Less than one year	903,965	130	(421)	923,965	130	(421)
- One year to three years	349,550	-	-	349,550	-	-
	<u>1,253,515</u>	<u>130</u>	<u>(421)</u>	<u>1,273,515</u>	<u>130</u>	<u>(421)</u>
Interest rate options:						
- Less than one year	791,897	747	(423)	791,897	747	(423)
- One year to three years	2,816,393	5,873	(74,644)	2,416,393	5,873	(31,619)
- More than three years	5,103,839	15,680	(254,793)	4,843,839	18,863	(215,970)
	<u>8,712,129</u>	<u>22,300</u>	<u>(329,860)</u>	<u>8,052,129</u>	<u>25,483</u>	<u>(248,012)</u>

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**A35. Derivative Financial Instruments (cont'd.)**

<b>At 31 December 2014 (cont'd.)</b>	<b>Group</b>			<b>Bank</b>		
	<b>Principal Amount RM'000</b>	<b>&lt;---- Fair Value ----&gt;</b>		<b>Principal Amount RM'000</b>	<b>&lt;---- Fair Value ----&gt;</b>	
	<b>Assets RM'000</b>	<b>Liabilities RM'000</b>		<b>Assets RM'000</b>	<b>Liabilities RM'000</b>	
<b>Trading derivatives (cont'd.)</b>						
<u>Equity related contracts</u>						
Index futures:						
- Less than one year	78,931	-	(38)	-	-	-
- More than three years	33,663	3,972	-	-	-	-
	112,594	3,972	(38)	-	-	-
Equity options:						
- Less than one year	351,720	874	(11,394)	41,759	810	(810)
- One year to three years	497,251	23,763	(11,146)	138,189	11,076	(11,080)
	848,971	24,637	(22,540)	179,948	11,886	(11,890)
Equity swaps:						
- Less than one year	42,346	86	(1,144)	-	-	-
<u>Commodity related contracts</u>						
Commodity options:						
- Less than one year	421,039	2,622	(2,622)	200,109	2,622	(2,622)
Commodity swaps:						
- Less than one year	1,010,881	125,310	(125,194)	1,010,881	125,310	(125,194)
- One year to three years	189,568	27,901	(27,731)	189,568	27,901	(27,731)
- One year to three years	24,095	2,838	(2,791)	24,095	2,838	(2,791)
	1,224,544	156,049	(155,716)	1,224,544	156,049	(155,716)
<b>Hedging derivatives</b>						
<u>Foreign exchange related contracts</u>						
Cross currency interest rate swaps:						
- Less than one year	1,458,170	-	(142,278)	1,458,170	-	(142,278)
- One year to three years	1,869,608	6,561	(290,251)	1,869,608	6,561	(290,251)
- More than three years	1,347,031	12,664	(133,955)	1,347,031	12,664	(133,955)
	4,674,809	19,225	(566,484)	4,674,809	19,225	(566,484)
<u>Interest rate related contracts</u>						
Interest rate swaps:						
- Less than one year	104,866	2,721	(11,135)	104,866	2,721	(11,135)
- One year to three years	1,254,256	696	(22,053)	181,767	603	(13,751)
- More than three years	262,163	-	(136)	-	-	-
	1,621,285	3,417	(33,324)	286,633	3,324	(24,886)
Netting effects under MFRS 132 Amendments						
	-	(547,990)	547,990	-	(547,990)	547,990
<b>Total</b>	<b>369,046,610</b>	<b>4,544,001</b>	<b>(5,320,499)</b>	<b>364,330,194</b>	<b>4,533,709</b>	<b>(5,173,575)</b>

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**A36. Fair Value Measurements of Financial Instruments**

**Fair value hierarchy**

The Group and the Bank classify its financial instruments measured at fair value according to the following hierarchy, reflecting the significance of the inputs in making the fair value measurements:

- (a) Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities

Refers to financial instruments which are regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, and those prices which represent actual and regularly occurring market transactions in an arm's length basis. Such financial instruments include actively traded government securities, listed derivatives and cash products traded on exchange.

- (b) Level 2: Valuation techniques using observable inputs for which all significant inputs are, or are based on, observable market data

Refers to inputs other than quoted prices included those within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices). Examples of Level 2 financial instruments include over-the-counter ("OTC") derivatives, corporate and other government bonds and illiquid equities.

- (c) Level 3: Valuation techniques using significant unobservable inputs for which significant inputs are not based on observable market data

Refers to financial instruments where fair value is measured using significant unobservable inputs. The valuation techniques used are consistent with the Level 2 but incorporates the Group's and the Bank's own assumptions and data. Examples of Level 3 instruments include corporate bonds in illiquid markets and private equity investments.

The following tables show the Group's and the Bank's financial assets and financial liabilities that are measured at fair value analysed by level within the fair value hierarchy as at 31 March 2015 and 31 December 2014.

Group	<u>Valuation technique using</u>			Total
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
<b>At 31 March 2015</b>				
Financial assets measured at fair value:				
<b>Financial assets held-for-trading</b>	<b>1,467,969</b>	<b>7,308,891</b>	<b>-</b>	<b>8,776,860</b>
Money market instruments	-	2,879,262	-	2,879,262
Quoted securities	1,467,969	-	-	1,467,969
Unquoted securities	-	4,429,629	-	4,429,629
<b>Financial assets designated at fair value through profit or loss</b>	<b>-</b>	<b>10,496,450</b>	<b>-</b>	<b>10,496,450</b>
Money market instruments	-	541,048	-	541,048
Unquoted securities	-	9,955,402	-	9,955,402
<b>Financial investments available-for-sale</b>	<b>3,787,904</b>	<b>76,950,687</b>	<b>490,841</b>	<b>81,229,432</b>
Money market instruments	-	39,427,368	-	39,427,368
Quoted securities	3,787,904	-	-	3,787,904
Unquoted securities	-	37,523,319	490,841	38,014,160
<b>Derivative assets</b>	<b>37</b>	<b>6,262,292</b>	<b>20,759</b>	<b>6,283,088</b>
Foreign exchange related contracts	-	5,198,402	-	5,198,402
Interest rate related contracts	-	1,462,223	1,524	1,463,747
Equity and commodity related contracts	37	181,789	19,235	201,061
Netting effects under MFRS 132 Amendments	-	(580,122)	-	(580,122)
	<b>5,255,910</b>	<b>101,018,320</b>	<b>511,600</b>	<b>106,785,830</b>

Financial liabilities measured at fair value:

<b>Derivative liabilities</b>	<b>12,429</b>	<b>6,073,159</b>	<b>166,372</b>	<b>6,251,960</b>
Foreign exchange related contracts	-	4,753,676	-	4,753,676
Interest rate related contracts	-	1,729,658	147,137	1,876,795
Equity and commodity related contracts	12,429	169,947	19,235	201,611
Netting effects under MFRS 132 Amendments	-	(580,122)	-	(580,122)

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**A36. Fair Value Measurements of Financial Instruments (cont'd.)**

Group	<u>Valuation technique using</u>			Total RM'000
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
At 31 December 2014				
Financial assets measured at fair value:				
<b>Financial assets held-for-trading</b>	1,359,305	11,110,323	-	12,469,628
Money market instruments	23,890	7,534,848	-	7,558,738
Quoted securities	1,335,415	-	-	1,335,415
Unquoted securities	-	3,575,475	-	3,575,475
<b>Financial assets designated at fair value through profit or loss</b>	-	11,235,695	-	11,235,695
Money market instruments	-	863,104	-	863,104
Unquoted securities	-	10,372,591	-	10,372,591
<b>Financial investments available-for-sale</b>	3,680,570	78,531,345	418,789	82,630,704
Money market instruments	-	40,486,263	-	40,486,263
Quoted securities	3,680,570	-	-	3,680,570
Unquoted securities	-	38,045,082	418,789	38,463,871
<b>Derivative assets</b>	64	4,529,425	14,512	4,544,001
Foreign exchange related contracts	-	3,916,764	-	3,916,764
Interest rate related contracts	-	987,861	-	987,861
Equity and commodity related contracts	64	172,790	14,512	187,366
Netting effects under MFRS 132 Amendments	-	(547,990)	-	(547,990)
	<u>5,039,939</u>	<u>105,406,788</u>	<u>433,301</u>	<u>110,880,028</u>
Financial liabilities measured at fair value:				
<b>Derivative liabilities</b>	19,325	5,063,576	237,598	5,320,499
Foreign exchange related contracts	-	4,204,440	-	4,204,440
Interest rate related contracts	-	1,258,903	223,086	1,481,989
Equity and commodity related contracts	19,325	148,223	14,512	182,060
Netting effects under MFRS 132 Amendments	-	(547,990)	-	(547,990)



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**A36. Fair Value Measurements of Financial Instruments (cont'd.)**

<b>Bank</b> <b>At 31 March 2015</b>	<u>Valuation technique using</u>			<b>Total</b> <b>RM'000</b>
	<b>Quoted</b> <b>Market Price</b> <b>(Level 1)</b> <b>RM'000</b>	<b>Observable</b> <b>Inputs</b> <b>(Level 2)</b> <b>RM'000</b>	<b>Unobservable</b> <b>Inputs</b> <b>(Level 3)</b> <b>RM'000</b>	
Financial assets measured at fair value:				
<b>Financial assets held-for-trading</b>	5,430	6,112,661	-	6,118,091
Money market instruments	-	2,066,774	-	2,066,774
Quoted securities	5,430	-	-	5,430
Unquoted securities	-	4,045,887	-	4,045,887
<b>Financial investments available-for-sale</b>	144,704	70,078,801	349,955	70,573,460
Money market instruments	-	39,584,820	-	39,584,820
Quoted securities	144,704	-	-	144,704
Unquoted securities	-	30,493,981	349,955	30,843,936
<b>Derivative assets</b>	-	6,213,984	20,092	6,234,076
Foreign exchange related contracts	-	5,182,447	-	5,182,447
Interest rate related contracts	-	1,461,601	857	1,462,458
Equity and commodity related contracts	-	150,058	19,235	169,293
Netting effects under MFRS 132 Amendments	-	(580,122)	-	(580,122)
	<b>150,134</b>	<b>82,405,446</b>	<b>370,047</b>	<b>82,925,627</b>

Financial liabilities measured at fair value:

<b>Derivative liabilities</b>	-	5,984,245	100,921	6,085,166
Foreign exchange related contracts	-	4,681,335	-	4,681,335
Interest rate related contracts	-	1,732,509	81,686	1,814,195
Equity and commodity related contracts	-	150,523	19,235	169,758
Netting effects under MFRS 132 Amendments	-	(580,122)	-	(580,122)

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**A36. Fair Value Measurements of Financial Instruments (cont'd.)**

<b>Bank</b> <b>At 31 December 2014</b>	<u>Valuation technique using</u>			<b>Total</b> <b>RM'000</b>
	<b>Quoted</b> <b>Market Price</b> <b>(Level 1)</b> <b>RM'000</b>	<b>Observable</b> <b>Inputs</b> <b>(Level 2)</b> <b>RM'000</b>	<b>Unobservable</b> <b>Inputs</b> <b>(Level 3)</b> <b>RM'000</b>	
Financial assets measured at fair value:				
<b>Financial assets held-for-trading</b>	9,008	9,416,382	-	9,425,390
Money market instruments	-	6,200,701	-	6,200,701
Quoted securities	9,008	-	-	9,008
Unquoted securities	-	3,215,681	-	3,215,681
<b>Financial investments available-for-sale</b>	141,389	73,219,682	269,634	73,630,705
Money market instruments	-	42,216,526	-	42,216,526
Quoted securities	141,389	-	-	141,389
Unquoted securities	-	31,003,156	269,634	31,272,790
<b>Derivative assets</b>	-	4,519,197	14,512	4,533,709
Foreign exchange related contracts	-	3,914,105	-	3,914,105
Interest rate related contracts	-	997,037	-	997,037
Equity and commodity related contracts	-	156,045	14,512	170,557
Netting effects under MFRS132 Amendments	-	(547,990)	-	(547,990)
	<u>150,397</u>	<u>87,155,261</u>	<u>284,146</u>	<u>87,589,804</u>

Financial liabilities measured at fair value:

<b>Derivative liabilities</b>	-	5,021,006	152,569	5,173,575
Foreign exchange related contracts	-	4,149,861	-	4,149,861
Interest rate related contracts	-	1,263,419	138,057	1,401,476
Equity and commodity related contracts	-	155,716	14,512	170,228
Netting effects under MFRS132 Amendments	-	(547,990)	-	(547,990)

**Valuation techniques**

The valuation techniques used for the financial instruments that are not determined by reference to quoted prices (Level 1), are described below:

*Derivatives*

The fair values of the Group's and the Bank's derivative instruments are derived using discounted cash flows analysis, option pricing and benchmarking models.

*Financial assets designated at fair value through profit or loss, financial assets held-for-trading and financial investments available-for-sale*

The fair values of financial assets and financial investments are determined by reference to prices quoted by independent data providers and independent broker quotations.

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**A36. Fair Value Measurements of Financial Instruments (cont'd.)**

Reconciliation of fair value measurements in level 3 of the fair value hierarchy:

<b>Group</b>	<b>At 1 January 2015 RM'000</b>	<b>Total realised gains/(losses) recognised in income statements*</b>	<b>Total unrealised gains/(losses) recognised in income statements*</b>	<b>Total unrealised gains/(losses) recognised in other comprehensive income RM'000</b>	<b>Purchases RM'000</b>	<b>Sales RM'000</b>	<b>Settlements** RM'000</b>	<b>Exchange differences RM'000</b>	<b>Transfer into Level 3 RM'000</b>	<b>Transfer out from Level 3 RM'000</b>	<b>At 31 March 2015 RM'000</b>
<b>Financial investments available-for-sale</b>											
Unquoted securities	418,789	(365)	-	2,647	84,483	(10,234)	(12,103)	7,624	-	-	490,841
	418,789	(365)	-	2,647	84,483	(10,234)	(12,103)	7,624	-	-	490,841
<b>Derivative assets</b>											
Interest rate related contracts	-	-	1,524	-	-	-	-	-	-	-	1,524
Equity and commodity related contracts	14,512	1	5,750	-	-	-	(1,028)	-	-	-	19,235
	14,512	1	7,274	-	-	-	(1,028)	-	-	-	20,759
<b>Total Level 3 financial assets</b>	<b>433,301</b>	<b>(364)</b>	<b>7,274</b>	<b>2,647</b>	<b>84,483</b>	<b>(10,234)</b>	<b>(13,131)</b>	<b>7,624</b>	<b>-</b>	<b>-</b>	<b>511,600</b>
<b>Derivative liabilities</b>											
Interest rate related contracts	(223,086)	1,213	(2,205)	-	-	-	76,941	-	-	-	(147,137)
Equity and commodity related contracts	(14,512)	(1)	(5,750)	-	-	-	1,028	-	-	-	(19,235)
<b>Total Level 3 financial liabilities</b>	<b>(237,598)</b>	<b>1,212</b>	<b>(7,955)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77,969</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(166,372)</b>
<b>Total net Level 3 financial assets/ (liabilities)</b>	<b>195,703</b>	<b>848</b>	<b>(681)</b>	<b>2,647</b>	<b>84,483</b>	<b>(10,234)</b>	<b>64,838</b>	<b>7,624</b>	<b>-</b>	<b>-</b>	<b>345,228</b>

\* Included within 'Other operating income'.

\*\* The settlement amount of financial investments available-for-sale for the 3 months financial period ended 31 March 2015 was solely comprised of redemption of loan stocks of RM12.1 million.

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**A36. Fair Value Measurements of Financial Instruments (cont'd.)**

Reconciliation of fair value measurements in level 3 of the fair value hierarchy (cont'd):

<b>Group</b>	<b>At 1 January 2014 RM'000</b>	<b>Total realised gains/(losses) recognised in income statements*</b>	<b>Total unrealised gains/(losses) recognised in income statements*</b>	<b>Total unrealised gains/(losses) recognised in other comprehensive income RM'000</b>	<b>Purchases RM'000</b>	<b>Sales RM'000</b>	<b>Settlements<sup>^</sup> RM'000</b>	<b>Exchange differences RM'000</b>	<b>Transfer into Level 3 RM'000</b>	<b>Transfer out of Level 3 RM'000</b>	<b>At 31 December 2014 RM'000</b>
<b>Financial assets held-for-trading</b>											
Unquoted securities	576,574	(138)	5,295	-	-	(10,043)	-	-	-	(571,688)	-
	576,574	(138)	5,295	-	-	(10,043)	-	-	-	(571,688)	-
<b>Financial assets designated at fair value through profit or loss</b>											
Unquoted securities	156,937	-	-	-	-	-	-	-	-	(156,937)	-
	156,937	-	-	-	-	-	-	-	-	(156,937)	-
<b>Financial investments available-for-sale</b>											
Unquoted securities	666,340	111,099	-	(2,122)	128,738	(13,947)	(375,148)	4,689	32,739	(133,599)	418,789
	666,340	111,099	-	(2,122)	128,738	(13,947)	(375,148)	4,689	32,739	(133,599)	418,789
<b>Derivative assets</b>											
Foreign exchange related contracts	1,754	(2,421)	438	-	1,565	-	(1,336)	-	-	-	-
Equity and commodity related contracts	30,097	(3,758)	3,463	-	5,260	-	(5,829)	-	-	(14,721)	14,512
	31,851	(6,179)	3,901	-	6,825	-	(7,165)	-	-	(14,721)	14,512
<b>Total Level 3 financial assets</b>	<b>1,431,702</b>	<b>104,782</b>	<b>9,196</b>	<b>(2,122)</b>	<b>135,563</b>	<b>(23,990)</b>	<b>(382,313)</b>	<b>4,689</b>	<b>32,739</b>	<b>(876,945)</b>	<b>433,301</b>
<b>Derivative liabilities</b>											
Foreign exchange related contracts	(2,033)	2,557	(438)	-	(1,565)	-	1,479	-	-	-	-
Interest rate related contracts	(302,074)	9,050	59,184	-	(13,885)	-	24,639	-	-	-	(223,086)
Equity and commodity related contracts	(12,087)	3,737	(6,713)	-	(5,259)	-	5,810	-	-	-	(14,512)
<b>Total Level 3 financial liabilities</b>	<b>(316,194)</b>	<b>15,344</b>	<b>52,033</b>	<b>-</b>	<b>(20,709)</b>	<b>-</b>	<b>31,928</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(237,598)</b>
<b>Total net Level 3 financial assets/ (liabilities)</b>	<b>1,115,508</b>	<b>120,126</b>	<b>61,229</b>	<b>(2,122)</b>	<b>114,854</b>	<b>(23,990)</b>	<b>(350,385)</b>	<b>4,689</b>	<b>32,739</b>	<b>(876,945)</b>	<b>195,703</b>

\* Included within 'Other operating income'.

<sup>^</sup> The settlement amount of financial investments available-for-sale for the financial year ended 31 December 2014 included a redemption of loan stock of RM342.1 million.

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**A36. Fair Value Measurements of Financial Instruments (cont'd.)**

Reconciliation of fair value measurements in level 3 of the fair value hierarchy (cont'd):

<b>Bank</b>	<b>At 1 January 2015</b>	<b>Total realised gains/(losses) recognised in income statements*</b>	<b>Total unrealised gains/(losses) recognised in income statements*</b>	<b>Total unrealised gains/(losses) recognised in other comprehensive income</b>	<b>Purchases</b>	<b>Sales</b>	<b>Settlements**</b>	<b>Exchange differences</b>	<b>Transfer into Level 3</b>	<b>Transfer out of Level 3</b>	<b>At 31 March 2015</b>
<b>At 31 March 2015</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Financial investments available-for-sale</b>											
Unquoted securities	269,634	(365)	-	2,647	84,483	-	(12,103)	5,659	-	-	349,955
	269,634	(365)	-	2,647	84,483	-	(12,103)	5,659	-	-	349,955
<b>Derivative assets</b>											
Interest rate related contracts	-	-	857	-	-	-	-	-	-	-	857
Equity and commodity related contracts	14,512	1	5,750	-	-	-	(1,028)	-	-	-	19,235
	14,512	1	6,607	-	-	-	(1,028)	-	-	-	20,092
<b>Total Level 3 financial assets</b>	<b>284,146</b>	<b>(364)</b>	<b>6,607</b>	<b>2,647</b>	<b>84,483</b>	<b>-</b>	<b>(13,131)</b>	<b>5,659</b>	<b>-</b>	<b>-</b>	<b>370,047</b>
<b>Derivative liabilities</b>											
Interest rate related contracts	(138,057)	857	(10,357)	-	-	-	65,871	-	-	-	(81,686)
Equity and commodity related contracts	(14,512)	(1)	(5,750)	-	-	-	1,028	-	-	-	(19,235)
<b>Total Level 3 financial liabilities</b>	<b>(152,569)</b>	<b>856</b>	<b>(16,107)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66,899</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(100,921)</b>
<b>Total net Level 3 financial assets/ (liabilities)</b>	<b>131,577</b>	<b>492</b>	<b>(9,500)</b>	<b>2,647</b>	<b>84,483</b>	<b>-</b>	<b>53,768</b>	<b>5,659</b>	<b>-</b>	<b>-</b>	<b>269,126</b>

\* Included within 'Other operating income'.

\*\* The settlement amount of financial investments available-for-sale for the 3 months financial period ended 31 March 2015 was solely comprised of redemption of loan stocks of RM12.1 million.

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**A36. Fair Value Measurements of Financial Instruments (cont'd.)**

Reconciliation of fair value measurements in level 3 of the fair value hierarchy (cont'd):

<b>Bank</b>	<b>At 1 January</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>				<b>Exchange</b>	<b>Transfer into</b>	<b>Transfer out from</b>	<b>At</b>
<b>At 31 December 2014</b>	<b>2014</b>	<b>realised</b>	<b>unrealised</b>	<b>unrealised</b>	<b>Purchases</b>	<b>Sales</b>	<b>Settlements^</b>	<b>differences</b>	<b>Level 3</b>	<b>Level 3</b>	<b>31 December</b>
	<b>RM'000</b>	<b>gains/(losses)</b>	<b>gains/(losses)</b>	<b>gains/(losses)</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>2014</b>
		<b>recognised in</b>	<b>recognised in</b>	<b>recognised in</b>							<b>RM'000</b>
		<b>income</b>	<b>income</b>	<b>other</b>							
		<b>statements*</b>	<b>statements*</b>	<b>comprehensive</b>							
		<b>RM'000</b>	<b>RM'000</b>	<b>income</b>							
				<b>RM'000</b>							
<b>Financial investments available-for-sale</b>											
Unquoted securities	332,271	37,065	-	-	36,770	-	(170,758)	4,538	29,748	-	269,634
	332,271	37,065	-	-	36,770	-	(170,758)	4,538	29,748	-	269,634
<b>Derivative assets</b>											
Foreign exchange related contracts	1,729	(2,466)	438	-	1,565	-	(1,266)	-	-	-	-
Equity and commodity related contracts	12,087	(3,738)	6,713	-	5,260	-	(5,810)	-	-	-	14,512
	13,816	(6,204)	7,151	-	6,825	-	(7,076)	-	-	-	14,512
<b>Total Level 3 financial assets</b>	<b>346,087</b>	<b>30,861</b>	<b>7,151</b>	<b>-</b>	<b>43,595</b>	<b>-</b>	<b>(177,834)</b>	<b>4,538</b>	<b>29,748</b>	<b>-</b>	<b>284,146</b>
<b>Derivative liabilities</b>											
Foreign exchange related contracts	(1,729)	2,466	(438)	-	(1,565)	-	1,266	-	-	-	-
Interest rate related contracts	(212,726)	9,050	40,980	-	-	-	24,639	-	-	-	(138,057)
Equity and commodity related contracts	(12,087)	3,738	(6,713)	-	(5,260)	-	5,810	-	-	-	(14,512)
<b>Total Level 3 financial liabilities</b>	<b>(226,542)</b>	<b>15,254</b>	<b>33,829</b>	<b>-</b>	<b>(6,825)</b>	<b>-</b>	<b>31,715</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(152,569)</b>
<b>Total net Level 3 financial assets/ (liabilities)</b>	<b>119,545</b>	<b>46,115</b>	<b>40,980</b>	<b>-</b>	<b>36,770</b>	<b>-</b>	<b>(146,119)</b>	<b>4,538</b>	<b>29,748</b>	<b>-</b>	<b>131,577</b>

\* Included within 'Other operating income'.

^ The settlement amount of financial investments available-for-sale for the financial year ended 31 December 2014 included a redemption of loan stock of RM139.2 million.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the end of the reporting period.

There were no transfers between Level 1 and Level 2 for the Group and the Bank during the 3 months financial period ended 31 March 2015.

**Movements in Level 3 financial instruments measured at fair value**

There were no transfers into or out of Level 3 for the Group and the Bank during the 3 months financial period ended 31 March 2015.

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**A37. Unaudited Income Statements and Statements of Financial Position of Insurance and Takaful Business**

Pursuant to Paragraph 10.5(iv) of Bank Negara Malaysia's Financial Reporting Policy issued on 28 January 2015, the breakdown of Unaudited Income Statements and Statements of Financial Position of Insurance and Takaful Business into Life Fund, Family Takaful Fund, General Takaful Fund, Shareholders' and General Fund are disclosed as follows:

**(a) Unaudited Income Statements for the First Quarter Ended 31 March 2015**

Group Three-Month Ended	Life Fund		Family Takaful Fund		General Takaful Fund		Shareholders' and General Fund		Total	
	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000	31 March 2015 RM'000	31 March 2014 RM'000
	Interest income	102,165	103,013	79,296	77,077	14,835	13,003	40,193	40,059	236,489
Interest expense	-	-	-	-	-	-	(8,435)	(5,092)	(8,435)	(5,092)
Net interest income	102,165	103,013	79,296	77,077	14,835	13,003	31,758	34,967	228,054	228,060
Net earned insurance premiums	271,667	240,572	293,523	255,214	212,725	188,785	209,200	237,656	987,115	922,227
Other operating income	123,213	37,927	48,242	(1,994)	3,622	1,880	13,891	40,336	188,968	78,149
Total operating income	497,045	381,512	421,061	330,297	231,182	203,668	254,849	312,959	1,404,137	1,228,436
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	(431,997)	(347,701)	(382,902)	(320,676)	(229,688)	(202,897)	(80,246)	(72,709)	(1,124,833)	(943,983)
Net operating income	65,048	33,811	38,159	9,621	1,494	771	174,603	240,250	279,304	284,453
Overhead expenses	(48,454)	(34,340)	(9,323)	(10,575)	(185)	(259)	(113,527)	(98,885)	(171,489)	(144,059)
Operating profit before impairment losses	16,594	(529)	28,836	(954)	1,309	512	61,076	141,365	107,815	140,394
(Allowances for)/writeback of impairment losses on loans, advances and financing, net	(504)	(895)	(4,173)	1,542	(1,052)	(510)	(801)	(2,000)	(6,530)	(1,863)
(Allowances for)/writeback of impairment losses on financial investments, net	(16,090)	1,424	(24,663)	(588)	(257)	(2)	(10,464)	701	(51,474)	1,535
Operating profit	-	-	-	-	-	-	49,811	140,066	49,811	140,066
Share of profits in associates	-	-	-	-	-	-	-	40	-	40
<b>Profit before taxation and zakat</b>	-	-	-	-	-	-	49,811	140,106	49,811	140,106
Taxation and zakat	-	-	-	-	-	-	(21,251)	(36,447)	(21,251)	(36,447)
<b>Profit for the period</b>	-	-	-	-	-	-	28,560	103,659	28,560	103,659

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**A37. Unaudited Income Statements and Statements of Financial Position of Insurance and Takaful Business (cont'd.)**

Pursuant to Paragraph 10.5(iv) of Bank Negara Malaysia's Financial Reporting Policy issued on 28 January 2015, the breakdown of Unaudited Income Statements and Statements of Financial Position of Insurance and Takaful Business into Life Fund, Family Takaful Fund, General Takaful Fund, Shareholders' and General Fund are disclosed as follows (cont'd.):

**(b) Unaudited Statements of Financial Position as at 31 March 2015**

Group	Life Fund		Family Takaful Fund		General Takaful Fund		Shareholders' and General Fund		Total	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>ASSETS</b>										
Cash and short-term funds	166,759	53,254	55,243	50,364	102,632	49,612	178,473	140,400	503,107	293,630
Deposits and placements with financial institutions	670,284	598,475	805,583	374,121	229,484	118,495	936,410	616,214	2,641,761	1,707,305
Financial assets at fair value through profit or loss	8,289,014	8,977,758	4,360,508	4,490,284	-	-	-	-	12,649,522	13,468,042
Financial investments available-for-sale	1,309,786	1,056,052	3,426,067	3,361,546	1,218,809	1,349,788	3,699,179	3,849,271	9,653,841	9,616,657
Loans, advances and financing	273,095	276,085	6,300	7,300	-	-	29,903	30,646	309,298	314,031
Derivative assets	24,524	14,936	-	-	-	-	-	-	24,524	14,936
Reinsurance/retakaful assets and other insurance receivables	65,808	64,153	121,619	121,948	353,728	339,827	5,120,696	4,446,135	5,661,851	4,972,063
Other assets	35,731	108,217	20,663	112,213	477	2,056	47,042	202,718	103,913	425,204
Investment properties	539,165	536,895	-	-	-	-	51,095	51,035	590,260	587,930
Interest in associates	-	-	-	-	-	-	11,618	10,974	11,618	10,974
Property, plant and equipment	75,273	77,070	-	-	-	-	72,009	72,916	147,282	149,986
Intangible assets	12,410	12,967	-	-	-	-	24,080	23,451	36,490	36,418
Deferred tax assets	6,656	6,581	9,132	16,027	6,355	8,761	27,726	35,563	49,869	66,932
<b>TOTAL ASSETS</b>	<b>11,468,505</b>	<b>11,782,443</b>	<b>8,805,115</b>	<b>8,533,803</b>	<b>1,911,485</b>	<b>1,868,539</b>	<b>10,198,231</b>	<b>9,479,323</b>	<b>32,383,336</b>	<b>31,664,108</b>
<b>LIABILITIES</b>										
Derivative liabilities	25,392	15,135	-	-	-	-	-	-	25,392	15,135
Insurance/takaful contract liabilities and other insurance payables	9,227,562	9,544,425	8,436,452	8,217,200	1,681,056	1,650,190	6,079,785	5,387,018	25,424,855	24,798,833
Other liabilities #	2,137,182	2,162,437	352,266	309,793	217,182	206,533	(1,659,722)	(1,759,346)	1,046,908	919,417
Provision for taxation and zakat	36,977	26,429	11,107	5,445	8,461	7,012	(64,465)	(64,430)	(7,920)	(25,544)
Deferred tax liabilities	41,392	34,017	5,290	1,365	4,786	4,804	461,307	460,814	512,775	501,000
Subordinated obligations	-	-	-	-	-	-	809,472	811,334	809,472	811,334
<b>TOTAL LIABILITIES</b>	<b>11,468,505</b>	<b>11,782,443</b>	<b>8,805,115</b>	<b>8,533,803</b>	<b>1,911,485</b>	<b>1,868,539</b>	<b>5,626,377</b>	<b>4,835,390</b>	<b>27,811,482</b>	<b>27,020,175</b>
<b>EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF THE SUBSIDIARIES</b>										
Share capital	-	-	-	-	-	-	252,005	252,005	252,005	252,005
Other reserves	-	-	-	-	-	-	4,319,849	4,391,928	4,319,849	4,391,928
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>11,468,505</b>	<b>11,782,443</b>	<b>8,805,115</b>	<b>8,533,803</b>	<b>1,911,485</b>	<b>1,868,539</b>	<b>10,198,231</b>	<b>9,479,323</b>	<b>32,383,336</b>	<b>31,664,108</b>

# Included in other liabilities are the amounts due to/(from) life, general and investment-linked funds which are unsecured, not subject to any interest elements and are repayable on demand.



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**A38. The Operations of Islamic Banking Scheme**

**A38a. Unaudited Income Statements for the First Quarter Ended 31 March 2015**

<b>Group</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2015 RM'000</b>	<b>31 March 2014 RM'000</b>	<b>31 March 2015 RM'000</b>	<b>31 March 2014 RM'000</b>
Income derived from investment of depositors' funds	1,595,524	1,258,969	1,595,524	1,258,969
Income derived from investment of Islamic Banking Funds	83,840	83,413	83,840	83,413
Allowances for impairment losses on financing and advances	(84,697)	(19,495)	(84,697)	(19,495)
<b>Total distributable income</b>	<b>1,594,667</b>	<b>1,322,887</b>	<b>1,594,667</b>	<b>1,322,887</b>
Income attributable to the depositors	(930,751)	(703,160)	(930,751)	(703,160)
<b>Total net income</b>	<b>663,916</b>	<b>619,727</b>	<b>663,916</b>	<b>619,727</b>
Finance cost	(23,298)	(10,549)	(23,298)	(10,549)
Overhead expenses	(287,266)	(283,539)	(287,266)	(283,539)
<b>Profit before taxation and zakat</b>	<b>353,352</b>	<b>325,639</b>	<b>353,352</b>	<b>325,639</b>
Taxation	(82,841)	(79,491)	(82,841)	(79,491)
Zakat	(4,699)	(5,261)	(4,699)	(5,261)
<b>Profit for the period</b>	<b>265,812</b>	<b>240,887</b>	<b>265,812</b>	<b>240,887</b>

For consolidation and amalgamation with the conventional operations, net income from Islamic Banking Scheme comprises the following items:

<b>Group</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2015 RM'000</b>	<b>31 March 2014 RM'000</b>	<b>31 March 2015 RM'000</b>	<b>31 March 2014 RM'000</b>
Income derived from investment of depositors' funds	1,595,524	1,258,969	1,595,524	1,258,969
Income derived from investment of Islamic Banking Funds	83,840	83,413	83,840	83,413
Total income before allowances for impairment losses on financing and advances and overhead expenses	1,679,364	1,342,382	1,679,364	1,342,382
Income attributable to the depositors	(930,751)	(703,160)	(930,751)	(703,160)
	748,613	639,222	748,613	639,222
Finance cost	(23,298)	(10,549)	(23,298)	(10,549)
Net of intercompany income and expenses	207,433	179,731	207,433	179,731
Income from Islamic Banking Scheme	932,748	808,404	932,748	808,404

**A38b. Unaudited Statements of Comprehensive Income for the First Quarter Ended 31 March 2015**

<b>Group</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2015 RM'000</b>	<b>31 March 2014 RM'000</b>	<b>31 March 2015 RM'000</b>	<b>31 March 2014 RM'000</b>
<b>Profit for the period</b>	<b>265,812</b>	<b>240,887</b>	<b>265,812</b>	<b>240,887</b>
<b>Other comprehensive income:</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Net (loss)/gain on foreign exchange translation	(26,856)	24,655	(26,856)	24,655
Net gain on financial investments available-for-sale	67,475	3,956	67,475	3,956
Income tax relating to components of other comprehensive income	(16,869)	(1,199)	(16,869)	(1,199)
Other comprehensive income for the period, net of tax	23,750	27,412	23,750	27,412
<b>Total comprehensive income for the period</b>	<b>289,562</b>	<b>268,299</b>	<b>289,562</b>	<b>268,299</b>

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**A38. The Operations of Islamic Banking Scheme (cont'd.)**

**A38c. Unaudited Statement of Financial Position as at 31 March 2015**

<u>Group</u>	Note	31 March 2015 RM'000	31 December 2014 RM'000
<b>ASSETS</b>			
Cash and short-term funds		16,581,040	17,893,965
Deposits and placements with financial institutions		-	763
Financial investments portfolio		8,376,272	9,464,746
Financing and advances	A38e	117,048,485	108,814,883
Derivative assets		266,519	169,535
Other assets		13,400,616	7,981,518
Statutory deposit with central banks		4,531,000	3,778,000
Property, plant and equipment		1,069	1,162
Intangible assets		483	658
Deferred tax assets		20,356	35,963
<b>Total Assets</b>		<b>160,225,840</b>	<b>148,141,193</b>
<b>LIABILITIES</b>			
Deposits from customers	A38f	104,948,452	99,996,856
Deposits and placements from financial institutions		43,426,952	36,625,916
Bills and acceptances payable		5,761	5,947
Derivatives liabilities		315,701	273,865
Other liabilities		280,806	288,384
Provision for taxation and zakat		62,690	54,994
Subordinated sukuk	A38g	2,534,471	2,527,629
<b>Total Liabilities</b>		<b>151,574,833</b>	<b>139,773,591</b>
<b>ISLAMIC BANKING CAPITAL FUNDS</b>			
Islamic Banking Funds		1,140,988	1,175,774
Share premium		4,099,344	4,099,344
Retained profits		2,739,398	2,470,137
Other reserves		671,277	622,347
		<b>8,651,007</b>	<b>8,367,602</b>
<b>Total Liabilities and Islamic Banking Capital Funds</b>		<b>160,225,840</b>	<b>148,141,193</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		<b>39,924,827</b>	<b>37,876,493</b>

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**A38. The Operations of Islamic Banking Scheme (cont'd.)**

**A38d. Unaudited Statements of Changes in Islamic Banking Capital Funds for the First Quarter Ended 31 March 2015**

<u>Group</u>	←----- Non-distributable ----->										<u>Total</u> RM'000
	<u>Islamic Banking Funds</u> RM'000	<u>Share Premium</u> RM'000	<u>Available-for-sale Reserve</u> RM'000	<u>Exchange Fluctuation Reserve</u> RM'000	<u>Statutory Reserve</u> RM'000	<u>*Equity contribution from the holding company</u> RM'000	<u>Profit Equalisation Reserve</u> RM'000	<u>Defined Benefit Reserve</u> RM'000	<u>Regulatory Reserve</u> RM'000	<u>Distributable Retained Profits</u> RM'000	
<b>At 1 January 2015</b>	1,175,774	4,099,344	(99,618)	1,830	409,672	1,697	34,456	(190)	274,500	2,470,137	8,367,602
Profit for the period	-	-	-	-	-	-	-	-	-	265,812	265,812
Other comprehensive income	-	-	50,606	(26,856)	-	-	-	-	-	-	23,750
<b>Total comprehensive income for the period</b>	-	-	50,606	(26,856)	-	-	-	-	-	265,812	289,562
Transfer (to)/from conventional banking operations	(34,786)	-	-	25,180	-	-	-	-	-	3,449	(6,157)
<b>At 31 March 2015</b>	<b>1,140,988</b>	<b>4,099,344</b>	<b>(49,012)</b>	<b>154</b>	<b>409,672</b>	<b>1,697</b>	<b>34,456</b>	<b>(190)</b>	<b>274,500</b>	<b>2,739,398</b>	<b>8,651,007</b>

<u>Group</u>	←----- Non-distributable ----->										<u>Total</u> RM'000
	<u>Islamic Banking Funds</u> RM'000	<u>Share Premium</u> RM'000	<u>Available-for-sale Reserve</u> RM'000	<u>Exchange Fluctuation Reserve</u> RM'000	<u>Statutory Reserve</u> RM'000	<u>*Equity contribution from the holding company</u> RM'000	<u>Profit Equalisation Reserve</u> RM'000	<u>Defined Benefit Reserve</u> RM'000	<u>Regulatory Reserve</u> RM'000	<u>Distributable Retained Profits</u> RM'000	
<b>At 1 January 2014</b>	1,278,853	3,725,969	(124,889)	328	409,672	1,697	34,456	(190)	-	2,445,492	7,771,388
Profit for the period	-	-	-	-	-	-	-	-	-	240,887	240,887
Other comprehensive income	-	-	2,757	24,655	-	-	-	-	-	-	27,412
<b>Total comprehensive income for the period</b>	-	-	2,757	24,655	-	-	-	-	-	240,887	268,299
Transfer from/(to) conventional banking operations	71,644	-	-	(24,752)	-	-	-	-	-	601	47,493
Issue of ordinary shares	27,374	373,374	-	-	-	-	-	-	-	-	400,748
Dividends paid	-	-	-	-	-	-	-	-	-	(400,748)	(400,748)
<b>At 31 March 2014</b>	<b>1,377,871</b>	<b>4,099,343</b>	<b>(122,132)</b>	<b>231</b>	<b>409,672</b>	<b>1,697</b>	<b>34,456</b>	<b>(190)</b>	<b>-</b>	<b>2,286,232</b>	<b>8,087,180</b>

\* This equity contribution reserve from holding company is pertaining to waiver of intercompany balance between respective subsidiaries and its holding company.

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**A38. The Operations of Islamic Banking Scheme (cont'd.)**

**A38e. Financing and Advances**

<b>Group</b>	<b>Bai'</b>	<b>Murabahah</b>	<b>Musyarakah</b>	<b>Al-Ijarah Thummah</b>	<b>Ijarah</b>	<b>Istisna'</b>	<b>Others</b>	<b>Total Financing and Advances</b>
<b>As at 31 March 2015</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>Al-Bai (AITAB) RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Cashline	-	2,979,794	-	-	-	-	-	2,979,794
Term financing								
- Housing financing	21,981,435	48,905,352	2,810,575	-	-	-	-	73,697,362
- Syndicated financing	-	31,997	-	-	-	-	-	31,997
- Hire purchase receivables	-	-	-	34,013,523	-	-	-	34,013,523
- Other term financing	41,535,983	46,350,857	1,759,214	-	155,920	174,183	1,750	89,977,907
Bills receivables	-	-	-	-	-	-	165	165
Trust receipts	-	189,001	-	-	-	-	-	189,001
Claims on customers under acceptance credits	-	3,790,286	-	-	-	-	-	3,790,286
Staff financing	951,343	770,612	11,943	136,681	-	-	37,517	1,908,096
Credit card receivables	-	-	-	-	-	-	512,540	512,540
Revolving credit	-	10,084,298	-	-	-	-	-	10,084,298
	<b>64,468,761</b>	<b>113,102,197</b>	<b>4,581,732</b>	<b>34,150,204</b>	<b>155,920</b>	<b>174,183</b>	<b>551,972</b>	<b>217,184,969</b>
Unearned income								<b>(99,239,071)</b>
Gross financing and advances*								<b>117,945,898</b>
Allowances for impaired financing and advances:								
- Individual allowance								<b>(232,898)</b>
- Collective allowance								<b>(664,515)</b>
Net financing and advances								<b>117,048,485</b>

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**A38. The Operations of Islamic Banking Scheme (cont'd.)**

**A38e. Financing and Advances (cont'd.)**

<b>Group</b>	<b>Bai'</b>	<b>Murabahah</b>	<b>Musarakah</b>	<b>Al-Ijarah Thummah</b>	<b>Ijarah</b>	<b>Istisna'</b>	<b>Others</b>	<b>Total Financing and Advances</b>
<b>As at 31 December 2014</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>Al-Bai (AITAB) RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Cashline	-	2,423,156	-	-	-	-	-	2,423,156
Term financing								
- Housing financing	22,413,253	44,643,817	2,823,380	-	-	-	-	69,880,450
- Syndicated financing	-	35,105	-	-	-	-	-	35,105
- Hire purchase receivables	-	-	-	32,340,140	-	-	-	32,340,140
- Other term financing	43,829,655	39,773,412	1,806,647	-	161,882	174,983	528	85,747,107
Bills receivables	-	-	-	-	-	-	-	-
Trust receipts	-	193,885	-	-	-	-	-	193,885
Claims on customers under acceptance credits	-	4,080,986	-	-	-	-	-	4,080,986
Staff financing	966,347	605,961	9,220	130,348	-	-	39,881	1,751,757
Credit card receivables	-	-	-	-	-	-	475,704	475,704
Revolving credit	-	8,800,225	-	-	-	-	-	8,800,225
	<u>67,209,255</u>	<u>100,556,547</u>	<u>4,639,247</u>	<u>32,470,488</u>	<u>161,882</u>	<u>174,983</u>	<u>516,113</u>	<u>205,728,515</u>
Unearned income								(96,088,908)
Gross financing and advances*								<u>109,639,607</u>
Allowances for impaired financing and advances:								
- Individual allowance								(212,945)
- Collective allowance								(611,779)
Net financing and advances								<u>108,814,883</u>

\* Included in gross financing and advances are exposures to Restricted Profit Sharing Investment Accounts ("RPSIA") amounting to RM12,664.7 million (31 December 2014: RM9,548.2 million), an arrangement between Maybank Islamic Berhad ("MIB") and the Bank, where the risks and rewards of the RPSIA will be accounted for by the Bank including the individual and collective allowances for the impaired financing arising thereon.

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**A38. The Operations of Islamic Banking Scheme (cont'd.)**

**A38e. Financing and Advances (cont'd.)**

(i) Movements in impaired financing and advances ("impaired financing") are as follows:

<u>Group</u>	<b>31 March 2015 RM'000</b>	<b>31 December 2014 RM'000</b>
Gross impaired financing and advances at 1 January 2015/2014	697,954	531,627
Newly impaired	291,232	728,670
Reclassified as non-impaired	(68,726)	(285,316)
Amount recovered	(78,056)	(153,007)
Amount written off	(25,189)	(124,020)
Gross impaired financing and advances at 31 March 2015/ 31 December 2014	<u>817,215</u>	<u>697,954</u>
Less: Individual allowance	(232,898)	(212,945)
Net impaired financing and advances at 31 March 2015/ 31 December 2014	<u>584,317</u>	<u>485,009</u>
Gross financing and advances (excluding RPSIA financing)	105,281,127	100,091,424
Less: Individual allowance	(232,898)	(212,945)
Net financing and advances	<u>105,048,229</u>	<u>99,878,479</u>
Net impaired financing and advances as a percentage of net financing and advances	<u>0.56%</u>	<u>0.49%</u>

(ii) Movements in the allowances for impaired financing and advances are as follows:

<u>Group</u>	<b>31 March 2015 RM'000</b>	<b>31 December 2014 RM'000</b>
<u>Individual allowance</u>		
At 1 January 2015/2014	212,945	172,880
Allowance made	36,052	123,302
Amount written back in respect of recoveries	(7,935)	(12,071)
Amount written off	(6,285)	(69,249)
Transferred to collective allowance	(1,879)	(2,356)
Exchange differences	-	439
At 31 March 2015/31 December 2014	<u>232,898</u>	<u>212,945</u>
<u>Collective allowance</u>		
At 1 January 2015/2014	611,779	591,146
Allowance made *	69,305	84,488
Amount written off	(18,903)	(65,700)
Transferred from individual allowance	1,879	2,356
Transferred to holding company	-	(1,224)
Exchange differences	455	713
At 31 March 2015/31 December 2014	<u>664,515</u>	<u>611,779</u>
As a percentage of gross financing and advances (excluding RPSIA financing) less individual allowance (including Regulatory Reserve)	<u>0.89%</u>	<u>0.89%</u>

\* As at 31 March 2015, the gross exposures to RPSIA financing is RM12,664.7 million (31 December 2014: RM9,548.2 million) is excluded from gross financing and advances for the individual and collective allowances computation. The collective allowance relating to this RPSIA amounting to RM56.7 million (31 December 2014: RM43.2 million) is recognised in the Group's conventional operations. There is no individual allowance provided on this RPSIA financing.

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**A38. The Operations of Islamic Banking Scheme (cont'd.)**

**A38f. Deposits from Customers**

<u>Group</u>	<b>31 March 2015 RM'000</b>	<b>31 December 2014 RM'000</b>
<b>Savings deposit</b>		
Wadiah	10,529,603	9,977,407
Mudharabah	942,148	888,056
	<u>11,471,751</u>	<u>10,865,463</u>
<b>Demand deposit</b>		
Wadiah	9,120,563	8,282,093
Mudharabah	13,304,769	12,780,538
	<u>22,425,332</u>	<u>21,062,631</u>
<b>Term deposit</b>		
Murabahah	40,926,742	40,309,504
Negotiable Islamic Debt Certificated (NIDC)		
- Mudharabah	138,297	151,380
Hybrid (Bai' Bithaman Ajil and Murabahah)	740,651	763,556
General investment account		
- Mudharabah	29,245,679	26,844,322
	<u>71,051,369</u>	<u>68,068,762</u>
Total deposits from customers	<u>104,948,452</u>	<u>99,996,856</u>

**A38g. Subordinated Sukuk**

<u>Group</u>	<b>31 March 2015 RM'000</b>	<b>31 December 2014 RM'000</b>
RM1.0 billion Islamic subordinated Sukuk due in 2021	1,000,115	1,010,841
RM1.5 billion Islamic subordinated Sukuk Murabahah due in 2024	1,534,356	1,516,788
	<u>2,534,471</u>	<u>2,527,629</u>

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**Part B: Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**B1. Performance Review**

**(i) Current Quarter and Period-to-Date vs Previous Corresponding Quarter and Period-to-Date**

The Group posted profit after tax attributable to equity holders of RM1,700.4 million for the three-month financial period ended 31 March 2015, an increase of RM98.8 million or 6.2% compared to the corresponding three-month financial period ended 31 March 2014.

The Group's net interest income and Islamic Banking income for the three-month financial period ended 31 March 2015 increased by RM336.4 million or 10.5% to RM3,537.6 million compared to the corresponding three-month financial period ended 31 March 2014. This was largely due to the growth in the Group's gross loans, advances and financing, mainly contributed from the Conventional and Islamic Banking operations.

The Group's net earned insurance premiums from the Insurance and Takaful subsidiaries increased by RM64.9 million to RM987.1 million for the three-month financial period ended 31 March 2015 compared to the corresponding three-month financial period ended 31 March 2014.

Other operating income of the Group for the three-month financial period ended 31 March 2015 was RM1,560.6 million, an increase of RM328.5 million or 26.7% from RM1,232.1 million in the corresponding three-month financial period ended 31 March 2014. The increase was mainly attributable to higher foreign exchange gain of RM232.6 million, higher unrealised mark-to-market gain on financial assets at fair value through profit or loss ("FVTPL") of RM213.1 million and higher fee income of RM151.9 million. The increase was, however, offset by higher unrealised mark-to-market loss on derivatives of RM245.2 million and lower gain on disposal of financial investments available-for-sale of RM76.2 million.

The Group's net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund increased by RM177.4 million to RM1,097.8 million compared to the corresponding three-month financial period ended 31 March 2014. The increase was mainly attributable to higher net insurance benefits and claims incurred by the Insurance and Takaful subsidiaries of RM153.2 million.

The Group's overhead expenses for the three-month financial period ended 31 March 2015 recorded an increase of RM320.9 million or 14.8% to RM2,489.3 million compared to the corresponding three-month financial period ended 31 March 2014. The increase in overhead expenses was mainly due to higher personnel expenses of RM182.1 million and higher administration and general expenses of RM85.9 million.

The Group's allowance for impairment losses on loans, advances and financing increased by RM37.8 million to RM248.0 million for the three-month financial period ended 31 March 2015. The increase was mainly due to higher individual allowance ("IA") charge and lower bad debts and financing recovered during the three-month financial period ended 31 March 2015. The Group's CA ratio (including Regulatory Reserve) was 1.03% as at 31 March 2015 compared to 1.04% as at 31 December 2014.

The Group's allowance for impairment losses on financial investments increased by RM165.3 million. The increase was mainly attributable to significant recoveries from impaired loan stocks in the corresponding three-month financial period ended 31 March 2014.

The improvement in the Group's profit before tax for the three-month financial period ended 31 March 2015 compared to the corresponding three-month financial period ended 31 March 2014 is further segmented based on the operating segments of the Group as follows:

**Community Financial Services ("CFS"), Malaysia**

CFS' profit before tax decreased by RM128.0 million or 13.4% to RM826.2 million for the three-month financial period ended 31 March 2015 from RM954.2 million in the corresponding three-month financial period ended 31 March 2014. The decrease was due to higher overheads expenses of RM158.0 million and higher allowance for impairment losses on loans, advances and financing of RM148.3 million. The decrease was, however, mitigated by higher other operating income of RM63.8 million and higher net interest income and Islamic Banking income of RM114.5 million arising from strong year-on-year loan growth in credit cards of 12.7%, mortgage of 12.1% and auto finance of 10.7%.

**Global Banking**

**a) Corporate Banking, Malaysia**

Corporate Banking's profit before tax increased by RM174.9 million or 78.0% to RM399.1 million for the three-month financial period ended 31 March 2015 from RM224.2 million in the corresponding three-month financial period ended 31 March 2014. The increase was largely due to lower allowance for impairment losses on loans, advances and financing of RM177.5 million and higher net interest income and Islamic Banking income of RM22.3 million. The increase was, however, offset by higher overhead expenses of RM19.3 million.



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**B1. Performance Review (cont'd.)**

**(i) Current Quarter and Period-to-Date vs Previous Corresponding Quarter and Period-to-Date (cont'd.)**

**Global Banking (cont'd.)**

**b) Global Markets, Malaysia**

Global Markets' profit before tax increased by RM8.2 million or 2.1% to RM407.5 million for the three-month financial period ended 31 March 2015 from RM399.3 million in the corresponding three-month financial period ended 31 March 2014. The increase was driven by higher other operating income of RM35.2 million and higher net interest income of RM15.5 million. The increase was, however, offset by lower writeback of impairment losses on financial investments of RM38.0 million.

**c) Investment Banking (Maybank IB and Maybank Kim Eng)**

Investment Banking's profit before tax increased by RM19.4 million or 53.7% to RM55.5 million for the three-month financial period ended 31 March 2015 from RM36.1 million in the corresponding three-month financial period ended 31 March 2014. The increase was due to higher other operating income of RM58.8 million and higher net interest income and Islamic Banking income of RM8.2 million. The increase was, however, offset by higher overhead expenses of RM35.8 million, higher allowance for impairment losses on loans, advances and financing of RM10.1 million and higher allowance for impairment losses on financial investments of RM2.4 million.

**d) Asset Management**

Asset Management's profit before tax increased by RM0.8 million to RM4.9 million for the three-month financial period ended 31 March 2015 from RM4.1 million in the corresponding three-month financial period ended 31 March 2014. The increase was driven by higher other operating income of RM13.7 million. However, this increase was offset by higher overhead expenses of RM11.5 million.

**International Banking**

International Banking's profit before tax decreased by RM97.2 million or 13.4% to RM627.5 million for the three-month financial period ended 31 March 2015 from RM724.7 million in the corresponding three-month financial period ended 31 March 2014. The decrease was mainly due to lower other operating income of RM127.6 million, lower writeback of impairment losses on financial investments of RM72.0 million, higher overhead expenses of RM70.4 million and higher allowance for impairment losses on loans, advances and financing of RM52.1 million. All these decrease were, however, mitigated by higher net interest income of RM219.5 million.

Higher net interest income was contributed by strong year-on-year loan growth of 42.8% at Labuan, 15.6% at Greater China, 8.1% at Indonesia and 6.1% at Singapore.

**Insurance and Takaful**

Profit before tax for Insurance and Takaful decreased by RM79.1 million or 48.9% to RM82.7 million for the three-month financial period ended 31 March 2015 from RM161.8 million in the corresponding three-month financial period ended 31 March 2014. The decrease was mainly due to higher net insurance benefits and claims incurred by the Insurance and Takaful subsidiaries of RM153.2 million, higher allowance for impairment losses on financial investments of RM53.0 million, higher overhead expenses of RM21.6 million and higher allowance for impairment losses on loans, advances and financing of RM4.7 million. The decrease was, however, mitigated by higher other operating income of RM110.8 million.

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**B2. Variation of Current Quarter Results Against Preceding Quarter**

The Group's profit after tax attributable to equity holders in this quarter ended 31 March 2015 decreased by RM230.8 million or 12.0% to RM1,700.4 million against the preceding quarter ended 31 December 2014.

The Group's net interest income for the quarter ended 31 March 2015 increased by RM163.0 million to RM2,604.9 million against the preceding quarter of RM2,441.9 million. Income from Islamic Banking Scheme operations increased by RM127.2 million to RM932.7 million for the quarter ended 31 March 2015.

The Group's net earned insurance premiums for the quarter ended 31 March 2015 decreased by RM39.8 million to RM987.1 million compared to RM1,026.9 million in the preceding quarter ended 31 December 2014.

The Group's net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund increased by RM354.7 million to RM1,097.8 million for the quarter ended 31 March 2015 compared to RM743.1 million in the preceding quarter ended 31 December 2014. The increase was mainly due to higher net insurance benefits and claims incurred amounting to RM328.3 million.

The Group posted a decrease of RM83.6 million or 3.3% in overhead expenses to RM2,489.3 million for the quarter ended 31 March 2015 compared to RM2,572.9 million in the preceding quarter ended 31 December 2014. The decrease was mainly due to lower administration and general expenses of RM73.9 million and lower establishment costs of RM71.2 million. The decrease was, however, offset by higher personal expenses of RM67.6 million.

The Group's allowance for impairment losses on loans, advances and financing increased by RM282.6 million to RM248.0 million in the quarter ended 31 March 2015 compared to a writeback of impairment losses on loans, advances and financing of RM34.6 million in the preceding quarter ended 31 December 2014.

The Group's allowance for impairment losses on financial investments decreased by RM103.4 million to RM50.7 million for the quarter ended 31 March 2015 compared to RM154.1 million in the preceding quarter ended 31 December 2014.

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**B3. Prospects**

The global economic growth is expected to see a modest pickup from 3.4% in 2014 to 3.5% in 2015, led by sustained US growth momentum amid subdued growth in the Eurozone and Japan, and continued slowdown in China. The real GDP growth for the ASEAN-6 is expected to perform better in 2015 at 4.9% (2014: 4.5%) with pick up in Indonesia, Philippines, Thailand and Vietnam to counter the slower expansion in Singapore and Malaysia.

GDP growth for Malaysia is expected to slow down at 4.9% in 2015 (2014: 6.0%) reflecting the impact of lower commodity prices and the introduction of Goods and Services Tax (GST) moderating consumer spending and reduced government expenditure. The decline in commodity prices – especially crude oil prices – will also have an effect on the Government budget, trade and current account balances, exchange rate as well as investments in oil & gas activities.

Despite the inflation rate estimated at 3%-4% in 2015 (2014: 3.2%), Bank Negara Malaysia is expected to keep the Overnight Policy Rate (OPR) at 3.25% for 2015 as it shifts its monetary policy bias towards sustaining growth.

Loans growth in Malaysia is likely to moderate slightly in 2015 with a projected 7%-8%, from 9.3% in 2014 due to an easing of household loans growth to 8%-9% (2014: 9.9%) from the continued impact of Bank Negara Malaysia's tighter policies to curb the high level and rising household debt. Maybank Malaysia targets to perform in line with industry growth while continuing to expand fee-income generating activities.

Singapore's GDP growth is expected to ease to 2.5% in 2015 (2014: 2.9%) as growth is supported by the US-driven improvement in global economic and external trade growth as well as the expansionary fiscal policy given the deficit spending in this year's Budget, which will cushion the soft property market, and existing domestic structural and cost issues. Maybank Singapore will continue to focus on loan growth in its target segments supported by the domestic franchise, and collaboration on corporate and regional deals with Maybank Kim Eng.

Despite the lower commodity prices, Indonesia's GDP growth is forecast to improve to 5.3% in 2015 from 5.0% in 2014 with post-election normalisation in economic activities and the increase in infrastructure and government spending. Interest rate was cut by 25bps on 17 Feb 2015 to 7.50% and we expect another 25bps cut this year to 7.25%, coupled with measures to ease lending rules e.g. raising banks' LDR to 94% subject to meeting targets on SME lending and bad loans; raising the financing limit for first-time house buyers. PT Bank Internasional Indonesia Tbk (BII) will continue growing its retail and business banking segments, with selected growth in the corporate segment. Fee income growth will mainly be from transaction banking, cash management and global market transactions.

Aside from the three home markets highlighted above, the Group will continue to strengthen its regionalisation focus, particularly in Greater China, the Philippines and Indochina markets, which are expected to see favourable GDP growth between 6.0% - 8.5% in 2015.

In Greater China - where Maybank is represented in Hong Kong, Shanghai, Beijing, and more recently Kunming - the Group will focus on facilitating China-ASEAN flows, launching Private Wealth in this region and strengthening the South China-Indochina coverage, in line with our growth agenda in Indochina. The Indochina franchise will grow with plans of deepening our consumer banking footprint in Cambodia and Laos. In the Philippines, the Group will continue to expand, by leveraging on the strength of our regional capabilities. The recent addition of our new Myanmar branch completes our foot print in every ASEAN economies.

In 2015, the Group will intensify focus on fee income business activities in its key markets. This will include capturing regional deal and trade finance opportunities, building our wealth management business and expanding our insurance business. Maybank Kim Eng, Global Markets, Transaction Banking, Private Wealth, Insurance & Takaful and Asset Management are among the businesses that make up the Group's fee income platform.

The Group is now in its second year of operating on a matrix structure that supports cross-selling and market collaboration across all business segments. The Group's business segments – Community Financial Services, Global Banking, Insurance & Takaful, International Operations and Islamic Banking are all working as global business units. The Group's support centres including risk management, IT, finance, operations and human capital are also on track with the development of their respective centres of excellence to support Maybank's regional strategy, manage asset quality and increase productivity across the Group.

We will remain proactive in capital management and maintain capital at levels above the regulatory requirements. Barring any unforeseen circumstances, the Group expects its financial performance for the financial year ending 31 December 2015 to be satisfactory in a more challenging Malaysian environment. The Group has set two Headline Key Performance Indicators ("KPI") of Return on Equity ("ROE") of between 13% to 14% and Group Loans Growth of between 9% to 10%.

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**B4. Profit Forecast or Profit Guarantee**

Neither the Group nor the Bank has made any profit forecast or issued any profit guarantee for the first quarter ended 31 March 2015.

**B5. Taxation and Zakat**

The analysis of the tax expense for the first quarter ended 31 March 2015 are as follows:

<b>Group</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2015 RM'000</b>	<b>31 March 2014 RM'000</b>	<b>31 March 2015 RM'000</b>	<b>31 March 2014 RM'000</b>
Malaysian income tax	389,804	300,438	389,804	300,438
Foreign income tax	58,235	16,634	58,235	16,634
	<b>448,039</b>	317,072	<b>448,039</b>	317,072
(Over)/under provision in respect of prior period:				
Malaysian income tax	(67)	(168,424)	(67)	(168,424)
Foreign income tax	83	(755)	83	(755)
	<b>448,055</b>	147,893	<b>448,055</b>	147,893
Deferred tax				
- Relating to origination and reversal of temporary differences	75,503	217,171	75,503	217,171
- Reversal of deferred tax no longer required	-	201,664	-	201,664
	<b>75,503</b>	418,835	<b>75,503</b>	418,835
Tax expense for the financial period	523,558	566,728	523,558	566,728
Zakat	6,446	6,561	6,446	6,561
	<b>530,004</b>	573,289	<b>530,004</b>	573,289

The Group's effective tax rate for the first quarter ended 31 March 2015 was lower than the statutory tax rate due to certain income not subject to tax.

<b>Bank</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2015 RM'000</b>	<b>31 March 2014 RM'000</b>	<b>31 March 2015 RM'000</b>	<b>31 March 2014 RM'000</b>
Malaysian income tax	279,782	224,413	279,782	224,413
Foreign income tax	1,333	409	1,333	409
	<b>281,115</b>	224,822	<b>281,115</b>	224,822
Under/(over) provision in respect of prior period:				
Malaysian income tax	-	33,240	-	33,240
Foreign income tax	(66)	-	(66)	-
	<b>281,049</b>	258,062	<b>281,049</b>	258,062
Deferred tax				
- Relating to origination and reversal of temporary differences	79,173	148,823	79,173	148,823
	<b>79,173</b>	148,823	<b>79,173</b>	148,823
Tax expense for the financial period	360,222	406,885	360,222	406,885
Zakat	-	-	-	-
	<b>360,222</b>	406,885	<b>360,222</b>	406,885

The Bank's effective tax rate for the first quarter ended 31 March 2015 was lower than the statutory tax rate due to certain income not subject to tax.

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated chargeable profit for the financial year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

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**B6. Status of Corporate Proposals Announced but Not Completed**

**Proposed disposal of the entire equity interest in Maybank (PNG) Limited and Mayban Property (PNG) Limited**

On 18 May 2015, Malayan Banking Berhad ("Maybank") announced the proposed disposal of Maybank's entire equity interest in Maybank (PNG) Limited ("MPNG") and Mayban Property (PNG) Limited ("MPPNG") to Kina Ventures ("Proposed Disposal").

The Proposed Disposal involves the sale of Maybank's entire equity interest in MPNG and MPPNG to Kina Ventures for a total cash consideration of approximately Kina 319.0 million (equivalent to approximately RM418.0 million based on the exchange rate of Kina 1 = RM1.31 as at 18 May 2015), plus the difference in the value of the net assets of MPNG as at the completion of the Proposed Disposal compared to 31 December 2014. The completion of the Proposed Disposal is expected to occur in the second half of year 2015, upon achieving IT and operational readiness as prescribed in the share sale agreement ("SSA").

MPNG and MPPNG, wholly-owned subsidiaries of Maybank, were incorporated in Papua New Guinea and are involved in commercial banking activities and property investment respectively. The Proposed Disposal is undertaken as part of Maybank's continuous effort to evaluate its international operations with a specific focus on maximising capital use as well as optimising resources in the most efficient manner.

The Proposed Disposal is subject to the approval of the Bank of Papua New Guinea, which was obtained on 12 May 2015. MPNG and MPPNG will cease to be subsidiaries of Maybank with effect from the completion of the Proposed Disposal.

The Proposed Disposal will not have any effect on the issued and paid-up share capital and shareholdings of the substantial shareholders of Maybank, and it is not expected to have material effect on the earnings per share, net assets per share and gearing of the Maybank Group for the financial year ending 31 December 2015.

**B7. Status of Utilisation of Proceeds Raised from Corporate Proposal**

The proceeds raised from the issuance of subordinated obligations and capital securities have been used for working capital, general banking and other corporate purposes, as intended.

**B8. Deposits and Placements of Financial Institutions and Debt Securities**

Please refer to note A14, A15 and A16.

**B9. Derivative Financial Instruments**

Please refer to note A35.

**B10. Changes in Material Litigation**

(a) In 2005, a subsidiary, Maybank Trustees Berhad ("MTB") and eleven other defendants were served with a writ of summons by ten plaintiffs/bondholders all of which are institutions, for an amount of approximately RM149.3 million. MTB was alleged to have acted in breach of trust and negligently in its capacity as Trustee for the bonds issued. MTB has defended the suit.

On 7 July 2008, the plaintiffs entered judgment by consent against certain defendants (which included the issuer of the bonds but not MTB) for the sum of RM149.3 million. The entering of the said judgment by consent is not in any way an admission of liability on the part of MTB.

On 4 August 2008, a defendant (the issuer of the bonds) served a counterclaim on MTB for approximately RM535.0 million being losses allegedly incurred by it as a result of MTB unlawfully declaring an Event Of Default on the bonds. The defendant had however on 25 August 2009 withdrawn the counterclaim against MTB.

The High Court on 30 June 2010 awarded judgment against MTB and another defendant, being the Arranger for the bonds, for RM149.3 million. The judgment sum in favour of the plaintiffs/bondholders was apportioned at 40% against MTB and 60% against the other defendant. The High Court also dismissed MTB's other claims.

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**B10. Changes in Material Litigation (cont'd.)**

Upon appeal by the parties, the Court of Appeal on 8 November 2011 ruled that MTB and the other defendant were instead to be equally liable to the plaintiffs/bondholders. In addition, the Court of Appeal ordered them to pay penalty charges on the judgment sum at the rate of 3% from 30 September 2005 to date of judgment ("Penalty Charges"). However, the Court of Appeal allowed MTB and the other defendant to seek indemnity against the issuer of the bonds ("Issuer") for 2/3 of the total liability and also allowed MTB to seek indemnity against the Issuer's Chief Executive Officer, one of the Issuer's directors and associate companies of the said Chief Executive Officer and the said director (collectively the "Associated Defendants") for one half of the 2/3 of the total liability. Further, the Court of Appeal allowed MTB to seek an indemnity against one of the plaintiffs for 1/3 of its liability (after deducting the sum to be indemnified by the Issuer and the Associated Defendants) ("the 1/3 Indemnity"). The Federal Court had on 5 April 2012 granted MTB and the other parties to the suit leave to appeal against the decision of the Court of Appeal. The appeal concluded on 4 January 2013.

Separately, and unrelated to this suit, a third party had, pursuant to a winding-up petition against a defendant (the issuer of the bonds) (Winding-Up Petition), appointed a provisional liquidator against the said defendant on 16 February 2012 until 15 March 2012 for the purpose of monitoring and completing the sale of assets charged to the third party.

As a result of the appointment of the said provisional liquidator, all pending proceedings by all parties against the said defendant were effectively stayed and these initially included MTB's applications for leave at the Federal Court referred to above [Leave Applications]. Subsequently, MTB on 9 March 2012 obtained leave of the court to proceed with the successful Leave Applications.

Further to the Winding-Up Petition, the third party had on 22 March 2013 obtained the order of the High Court to wind up the said defendant. Subsequently, MTB had on 16 April 2013 obtained the leave of the High Court to continue with the pending actions against the said defendant given that the Federal Court has yet to deliver its decision.

The Federal Court had on 10 February 2014 delivered its decision ("Decision") wherein it had, among others, allowed MTB a full indemnity against the Issuer and the Associated Defendants and reduced the judgment sum against MTB to RM107 million with no liability apportioned to the other defendant. The Federal Court also allowed MTB's appeal against the Penalty Charges. In addition, one of the plaintiffs was allowed to set aside the 1/3 Indemnity.

The Issuer's Chief Executive Officer and associate companies of the said Chief Executive Officer have filed an application for the Federal Court to review its Decision against them ("Review Application"). The Review Application was withdrawn on 29 September 2014 as the said Review Application cannot be heard by the Federal Court until the court order in respect of the Decision is sealed. The Federal Court allowed the withdrawal of the Review Application.

The above contingent liability is covered by an existing Banker Blanket Bond Policy between the Bank and a subsidiary, Etiqa Insurance Berhad, which had entered into a facultative reinsurance contract for an insured sum of RM150.0 million with three (3) other re-insurers.

- (b) A corporate borrower had issued a writ of summons and statement of claim against a subsidiary, Maybank Investment Bank Berhad ("Maybank IB"), in 2005 in the latter's capacity as agent bank for three financial institutions, claiming general, special and exemplary damages arising from alleged breach of duty owed by Maybank IB in connection with a syndicated facility.

The credit facilities consisted of a bridging loan of RM58.5 million and a revolving credit facility of RM4.0 million which were granted by Maybank IB and the three syndicated lenders. Maybank IB's rights as lender were subsequently vested to Malayan Banking Berhad, one of the other three syndicated lenders. Maybank IB retained its agency role. The loan was subsequently restructured to RM38.0 million with terms for repayment. In 2006, Maybank IB and the three syndicated lenders filed a suit against the corporate borrower and a guarantor for the recovery of the said credit facilities. The two claims were heard together.

The High Court on 6 May 2009 entered judgment against Maybank IB (as agent for the syndicated lenders) and the syndicated lenders for, inter alia, a sum of RM115.5 million with interest at 6% per annum from date of disbursement to realisation, with the balance of the corporate borrower's claim (including general damages) ordered to be assessed at a later date ("Judgment"). In the same Judgment, the recovery action by Maybank IB and the three syndicated lenders was also dismissed.

Maybank IB and the three syndicated lenders then filed an appeal against the Judgment ("Appeal") and an application for stay of execution of the Judgment on 8 May 2009. On 24 June 2009, Maybank IB and the three syndicated lenders successfully obtained a stay order for execution of the Judgment pending the disposal of the Appeal against the Judgment. The corporate borrower's appeal to the Court of Appeal against the decision on the stay order was dismissed on 23 November 2009.

The Appeal came up for hearing on 10 February 2012, wherein all parties agreed for the matter to be mediated. As the parties could not come to any consensus at the mediation on 9 March 2012, they proceeded with the Appeal which concluded on 23 January 2013.

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**B10. Changes in Material Litigation (cont'd.)**

On 27 September 2013, the Court of Appeal delivered its judgment in favour of Maybank IB and the three syndicated lenders, allowing the Appeal with costs of RM120,000. Judgment was entered against the corporate borrower and its guarantor for the sum of RM47, 232, 496.11 as at 30 September 2008 with interest of 2% per annum from 1 Oct 2008 until full settlement. The Court of Appeal also directed payment of Maybank IB's agency fees of RM50,000 as at 1 June 2008 and subsequent annual fees of RM50,000 to be paid every 1st June with interest of 8% per annum thereon from 2 June 2008 until full settlement.

On 25 October 2013, the corporate borrower and its guarantor filed a motion for leave to appeal to the Federal Court in respect of the decision of the Court of Appeal against the corporate borrower and its guarantor dated 27 September 2013.

On 29 January 2014, the Federal Court dismissed the leave application. On 20 November 2014, the corporate borrower and its guarantor filed a motion to the Federal Court for the Federal Court to review and set aside its own decision in dismissing the leave application on 29 January 2014 ('Review Application'). The Review Application which was earlier fixed on 30 March 2015 has now been adjourned to 30 July 2015. Maybank IB's solicitors are of the view that the Review Application is without merit.

Separately, upon the petition and appeal of third parties, by way of an order of the Court of Appeal on 22 January 2015, the corporate borrower has been wound up and the Official Receiver has been appointed as liquidator of the corporate borrower. To-date, there is no indication whether the corporate borrower has obtained sanction to proceed with the Review Application.

The actions for recovery of the loan sums will still continue, as there is no stay of the Court of Appeal Order dated 27 September 2013.

**B11. Disclosure of Realised and Unrealised Retained Earnings**

The breakdown of the retained profits of the Group as at the statements of financial position date into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on 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*, as issued by the Malaysian Institute of Accountants.

	<b>31 March 2015 RM'000</b>	<b>31 December 2014 RM'000</b>
Retained profits of the Group:		
- Realised	12,280,437	11,014,533
- Unrealised	813,515	382,111
- in respect of deferred tax recognised in the income statement	(54,020)	38,569
- in respect of other items of income and expense	867,535	343,542
	<b>13,093,952</b>	11,396,644
Share of retained profits from associates and joint ventures:		
- Realised	464,733	422,306
- Unrealised	-	-
	<b>464,733</b>	422,306
Consolidation adjustments	534,980	569,027
Total Group's retained profits	<b>14,093,665</b>	12,387,977

**B12. Dividend**

No interim dividend has been recommended during the first quarter ended 31 March 2015.

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**B13. Earnings Per Share ("EPS")**

**Basic EPS**

The basic EPS of the Group is calculated by dividing the net profit for the quarter/period attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the period.

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Net profit for the quarter/period attributable to equity holders of the Bank (RM'000)	<b>1,700,385</b>	1,601,585	<b>1,700,385</b>	1,601,585
Weighted average number of ordinary shares in issue ('000)	<b>9,307,120</b>	8,852,688	<b>9,307,120</b>	8,852,688
Basic earnings per share	<b>18.27 sen</b>	18.09 sen	<b>18.27 sen</b>	18.09 sen

**Diluted EPS**

The diluted EPS of the Group is calculated by dividing the net profit for the quarter/period attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue, which has been adjusted for the number of shares that could have been issued under the Maybank Group Employee Share Scheme ("ESS").

In the diluted EPS calculation, it was assumed that certain number of ordinary shares under the ESS relating to the RSU are vested and awarded to employees through issuance of additional ordinary shares. A calculation is done to determine the number of ordinary shares that could have been issued at fair value (determined as the average price of the Bank's shares during the quarter/period) based on the monetary value of the ESS entitlement attached to the outstanding RSU granted. These calculations serve to determine the number of dilutive shares to be added to the weighted average ordinary shares in issue for the purpose of computing the dilution. No adjustment is made to the net profit for the quarter/period.

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
Net profit for the quarter/period attributable to equity holders of the Bank (RM'000)	<b>1,700,385</b>	1,601,585	<b>1,700,385</b>	1,601,585
Weighted average number of ordinary shares in issue ('000)	<b>9,307,120</b>	8,852,688	<b>9,307,120</b>	8,852,688
Effects of dilution ('000)	<b>195</b>	2,858	<b>1,544</b>	3,625
Adjusted weighted average number of ordinary shares in issue ('000)	<b>9,307,315</b>	8,855,546	<b>9,308,664</b>	8,856,313
Diluted earnings per share	<b>18.27 sen</b>	18.09 sen	<b>18.27 sen</b>	18.08 sen

By Order of the Board

**Edleen Rehanie binti Ariffin**  
LS0009515  
Company Secretary  
28 May 2015