

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

Condensed Financial Statements
Unaudited Statements of Financial Position As At 30 September 2014

	Note	The Group		The Bank	
		As at 30/09/2014 RM'000	As at 30/06/2014 RM'000	As at 30/09/2014 RM'000	As at 30/06/2014 RM'000
ASSETS					
Cash and short-term funds		11,176,720	14,712,789	10,732,372	13,629,775
Deposits and placements with banks and other financial institutions		6,591,126	4,040,276	6,435,207	4,020,983
Securities purchased under resale agreements		5,327,059	2,717,021	5,327,059	2,717,021
Financial assets held-for-trading	A8	14,381,639	11,314,476	11,701,768	10,132,834
Financial investments available-for-sale	A9	18,441,189	16,677,209	15,581,265	13,732,377
Financial investments held-to-maturity	A10	8,958,565	8,916,568	7,820,028	7,828,290
Loans, advances and financing	A11	102,822,635	102,579,076	88,200,117	87,873,449
Other assets	A12	1,304,206	497,237	1,252,315	434,542
Derivative financial instruments		849,411	687,441	815,778	670,325
Amount due from subsidiaries		-	-	9,642	11,437
Statutory deposits with Central Banks		3,302,038	3,150,642	2,763,000	2,591,500
Subsidiary companies		-	-	1,353,238	1,352,159
Investment in associated company		2,157,687	2,063,300	946,505	946,505
Investment in joint venture		93,485	90,080	76,711	76,711
Property and equipment		749,366	725,585	718,419	697,102
Intangible assets		332,822	347,791	320,613	335,319
Goodwill		1,831,312	1,831,312	1,771,547	1,771,547
Total Assets		178,319,260	170,350,803	155,825,584	148,821,876
LIABILITIES AND SHAREHOLDERS' FUNDS					
Deposits from customers	A13	129,918,525	130,252,337	113,712,187	114,098,835
Deposits and placements of banks and other financial institutions	A14	12,865,111	7,111,295	10,367,814	5,387,384
Obligations on securities sold under repurchase agreements		5,988,566	4,116,888	5,965,742	4,116,888
Bills and acceptances payable		1,570,038	358,732	1,548,940	327,899
Other liabilities	A15	2,805,319	4,251,037	1,867,678	3,284,182
Derivative financial instruments		952,076	790,415	929,496	760,406
Senior bonds	A16	1,977,567	1,936,207	1,977,567	1,936,207
Tier II subordinated bonds	A17	4,908,956	4,868,353	4,503,977	4,468,275
Non-innovative Tier 1 stapled securities	A18	1,428,269	1,410,252	1,428,269	1,410,252
Innovative Tier 1 capital securities	A19	528,279	541,767	528,279	541,767
Provision for taxation		98,679	49,581	69,354	24,364
Deferred tax liabilities		128,564	133,761	129,580	134,919
Total Liabilities		163,169,949	155,820,625	143,028,883	136,491,378
Share Capital		1,879,909	1,879,909	1,879,909	1,879,909
Reserves		13,886,171	13,295,848	11,533,561	11,096,168
Less: Treasury Shares		(616,769)	(645,579)	(616,769)	(645,579)
Total Shareholders' Equity		15,149,311	14,530,178	12,796,701	12,330,498
Total Liabilities and Equity		178,319,260	170,350,803	155,825,584	148,821,876
COMMITMENTS AND CONTINGENCIES	A30	195,791,154	193,135,411	189,549,558	186,995,685
Net asset per share attributable to ordinary equity holders of the parent (RM) *		8.57	8.24	7.24	7.00

* The Net assets per share attributable to ordinary equity holders of the parent (RM) is computed as Total Shareholders' Funds (excluding Minority Interest) divided by total number of ordinary shares in circulation.

The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

Condensed Financial Statements
Unaudited Statements of Income
For The Financial Quarter Ended 30 September 2014

	Note	The Group			
		Current Quarter Ended 30/09/2014 RM'000	Corresponding Quarter Ended 30/09/2013 RM'000	Current Period Ended 30/09/2014 RM'000	Corresponding Period Ended 30/09/2013 RM'000
Interest income	A20	1,502,505	1,426,300	1,502,505	1,426,300
Interest expense	A21	(787,106)	(770,750)	(787,106)	(770,750)
Net interest income		715,399	655,550	715,399	655,550
Net income from Islamic Banking business	A22	110,049	108,350	110,049	108,350
Other operating income	A23	189,110	265,506	189,110	265,506
Net Income		1,014,558	1,029,406	1,014,558	1,029,406
Other operating expenses	A24	(429,139)	(454,954)	(429,139)	(454,954)
Operating profit before allowances		585,419	574,452	585,419	574,452
Allowance for impairment losses on loans, advances and financing	A25	14,900	17,980	14,900	17,980
Write back of impairment losses		4,805	15,362	4,805	15,362
		605,124	607,794	605,124	607,794
Share of profit after tax of equity accounted associated company		95,406	89,471	95,406	89,471
Share of profit after tax of equity accounted joint venture		3,405	2,074	3,405	2,074
Profit before taxation		703,935	699,339	703,935	699,339
Taxation	B5	(156,367)	(154,852)	(156,367)	(154,852)
Net profit for the financial period		547,568	544,487	547,568	544,487
Attributable to:					
Owners of the parent		547,568	544,487	547,568	544,487
Earnings per share - basic (sen)	B13(a)	31.0	30.9	31.0	30.9
Earnings per share - fully diluted (sen)	B13(b)	31.0	30.9	31.0	30.9

The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

Condensed Financial Statements
Unaudited Statements of Comprehensive Income
For The Financial Quarter Ended 30 September 2014

	The Group			
	Current Quarter Ended 30/09/2014 RM'000	Corresponding Quarter Ended 30/09/2013 RM'000	Current Period Ended 30/09/2014 RM'000	Corresponding Period Ended 30/09/2013 RM'000
Net profit for the financial period	<u>547,568</u>	<u>544,487</u>	<u>547,568</u>	<u>544,487</u>
Other comprehensive income :				
Items that may be reclassified subsequently to profit or loss:				
Share of other comprehensive loss of associated company	(1,019)	(22)	(1,019)	(22)
Currency translation differences	14,224	23,085	14,224	23,085
Net fair value changes on financial investments available-for-sale	(13,055)	15,659	(13,055)	15,659
Income tax relating to components of other comprehensive loss/(income)	<u>3,264</u>	<u>(3,915)</u>	<u>3,264</u>	<u>(3,915)</u>
Other comprehensive income for the financial period	<u>3,414</u>	<u>34,807</u>	<u>3,414</u>	<u>34,807</u>
Total comprehensive income for the financial period, net of tax	<u><u>550,982</u></u>	<u><u>579,294</u></u>	<u><u>550,982</u></u>	<u><u>579,294</u></u>
Attributable to:				
- Owners of the parent	<u><u>550,982</u></u>	<u><u>579,294</u></u>	<u><u>550,982</u></u>	<u><u>579,294</u></u>

The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

Condensed Financial Statements
Unaudited Statements of Income
For The Financial Quarter Ended 30 September 2014

	Note	The Bank			
		Current Quarter Ended 30/09/2014 RM'000	Corresponding Quarter Ended 30/09/2013 RM'000	Current Period Ended 30/09/2014 RM'000	Corresponding Period Ended 30/09/2013 RM'000
Interest income	A20	1,496,002	1,444,124	1,496,002	1,444,124
Interest expense	A21	(793,358)	(800,462)	(793,358)	(800,462)
Net interest income		702,644	643,662	702,644	643,662
Other operating income	A23	196,475	341,161	196,475	341,161
Net Income		899,119	984,823	899,119	984,823
Other operating expenses	A24	(374,110)	(401,052)	(374,110)	(401,052)
Operating profit before allowances		525,009	583,771	525,009	583,771
Allowance for impairment losses on loans, advances and financing	A25	17,976	12,042	17,976	12,042
Write back of impairment losses		4,805	15,362	4,805	15,362
Profit before taxation		547,790	611,175	547,790	611,175
Taxation	B5	(138,389)	(156,751)	(138,389)	(156,751)
Net profit for the financial period		409,401	454,424	409,401	454,424
Attributable to:					
Owners of the parent		409,401	454,424	409,401	454,424
Earnings per share - basic (sen)	B13(a)	23.2	25.8	23.2	25.8
Earnings per share - fully diluted (sen)	B13(b)	23.2	25.8	23.2	25.8

The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

Condensed Financial Statements
Unaudited Statements of Comprehensive Income
For The Financial Quarter Ended 30 September 2014

	The Bank			
	Current Quarter Ended 30/09/2014 RM'000	Corresponding Quarter Ended 30/09/2013 RM'000	Current Period Ended 30/09/2014 RM'000	Corresponding Period Ended 30/09/2013 RM'000
Net profit for the financial period	409,401	454,424	409,401	454,424
Other comprehensive (loss)/income :				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences	(1,967)	770	(1,967)	770
Net fair value changes on financial investments available-for-sale	(12,509)	16,324	(12,509)	16,324
Income tax relating to components of other comprehensive loss/(income)	3,127	(4,081)	3,127	(4,081)
Other comprehensive (loss)/income for the financial period	(11,349)	13,013	(11,349)	13,013
Total comprehensive income for the financial period, net of tax	<u>398,052</u>	<u>467,437</u>	<u>398,052</u>	<u>467,437</u>

The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

Condensed Financial Statements

Unaudited Statement of Changes in Equity For The Financial Period Ended 30 September 2014

	Attributable to owners of the parent									
	Share Capital RM'000	Share Premium RM'000	Statutory Reserve RM'000	Fair Value Reserve RM'000	Share options Reserve RM'000	Regulatory Reserve * RM'000	Exchange Fluctuation Reserve RM'000	Retained Profit RM'000	Treasury Shares RM'000	Total Shareholders' Equity RM'000
The Group										
At 1 July 2014	1,879,909	2,832,383	3,081,128	186,444	2,618	10,266	(6,095)	7,189,104	(645,579)	14,530,178
<u>Comprehensive income</u>										
Net profit for the financial period	-	-	-	-	-	-	-	547,568	-	547,568
- Share of other comprehensive loss of associated company	-	-	-	(1,019)	-	-	-	-	-	(1,019)
- Net fair value changes in financial investments available-for-sale	-	-	-	(9,791)	-	-	-	-	-	(9,791)
- Currency translation difference	-	-	-	-	-	-	14,224	-	-	14,224
Total comprehensive	-	-	-	(10,810)	-	-	14,224	547,568	-	550,982
<u>Transactions with owners</u>										
Transfer to statutory reserve/regulatory reserve	-	-	114,115	-	-	-	-	(114,115)	-	-
Sale of treasury shares	-	39,212	-	-	-	-	-	-	26,428	65,640
ESOS exercised	-	-	-	-	(624)	-	-	753	2,382	2,511
Option charge arising from ESOS granted	-	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	39,212	114,115	-	(624)	-	-	(113,362)	28,810	68,151
At 30 September 2014	1,879,909	2,871,595	3,195,243	175,634	1,994	10,266	8,129	7,623,310	(616,769)	15,149,311
At 1 July 2013	1,879,909	2,832,383	2,625,743	163,126	5,125	8,527	(13,752)	6,197,372	(661,809)	13,036,624
<u>Comprehensive income</u>										
Net profit for the financial period	-	-	-	-	-	-	-	544,487	-	544,487
- Share of other comprehensive loss of associated company	-	-	-	(22)	-	-	-	-	-	(22)
- Net fair value changes in financial investments available-for-sale	-	-	-	11,744	-	-	-	-	-	11,744
- Currency translation difference	-	-	-	-	-	-	23,085	-	-	23,085
Total comprehensive income	-	-	-	11,722	-	-	23,085	544,487	-	579,294
<u>Transactions with owners</u>										
Transfer to statutory reserve/regulatory reserve	-	-	139,752	-	-	-	-	(139,752)	-	-
ESOS exercised	-	-	-	-	(711)	-	-	1,061	5,479	5,829
Option charge arising from ESOS granted	-	-	-	-	1,500	-	-	-	-	1,500
Total transactions with owners	-	-	139,752	-	789	-	-	(138,691)	5,479	7,329
At 30 September 2013	1,879,909	2,832,383	2,765,495	174,848	5,914	8,527	9,333	6,603,168	(656,330)	13,623,247

* The regulatory reserves are maintained by the Group's banking subsidiary company in Vietnam in line with the requirements of the State Bank of Vietnam.

The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

Condensed Financial Statements
Unaudited Statement of Changes in Equity For The Financial Period Ended 30 September 2014

	← Non-distributable →						Distributable		Total RM'000
	Share Capital RM'000	Share Premium RM'000	Statutory Reserve RM'000	Fair value reserve RM'000	Share options Reserve RM'000	Exchange Fluctuation Reserve RM'000	Retained Profit RM'000	Treasury Shares RM'000	
The Bank									
At 1 July 2014	1,879,909	2,832,383	2,640,258	208,942	2,618	36,897	5,375,070	(645,579)	12,330,498
<u>Comprehensive income</u>									
Net profit for the financial period	-	-	-	-	-	-	409,401	-	409,401
- Net fair value changes in financial investments available-for-sale	-	-	-	(9,382)	-	-	-	-	(9,382)
- Currency translation difference	-	-	-	-	-	(1,967)	-	-	(1,967)
Total comprehensive	-	-	-	(9,382)	-	(1,967)	409,401	-	398,052
<u>Transactions with owners</u>									
Transfer to statutory reserves	-	-	102,350	-	-	-	(102,350)	-	-
Sale of treasury shares	-	39,212	-	-	-	-	-	26,428	65,640
ESOS exercised	-	-	-	-	(624)	-	753	2,382	2,511
Option charge arising from ESOS granted	-	-	-	-	-	-	-	-	-
Total transactions with owners	-	39,212	102,350	-	(624)	-	(101,597)	28,810	68,151
At 30 September 2014	1,879,909	2,871,595	2,742,608	199,560	1,994	34,930	5,682,874	(616,769)	12,796,701
At 1 July 2013	1,879,909	2,832,383	2,242,523	170,683	5,125	36,323	4,835,280	(661,809)	11,340,417
<u>Comprehensive income</u>									
Net profit for the financial period	-	-	-	-	-	-	454,424	-	454,424
- Net fair value changes in financial investments available-for-sale	-	-	-	12,243	-	-	-	-	12,243
- Currency translation difference	-	-	-	-	-	770	-	-	770
Total comprehensive income	-	-	-	12,243	-	770	454,424	-	467,437
<u>Transactions with owners</u>									
Transfer to statutory reserve	-	-	113,606	-	-	-	(113,606)	-	-
Dividend paid	-	-	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
ESOS exercised	-	-	-	-	(711)	-	1,061	5,479	5,829
Option charge arising from ESOS granted	-	-	-	-	1,500	-	-	-	1,500
Total transactions with owners	-	-	113,606	-	789	-	(112,545)	5,479	7,329
At 30 September 2013	1,879,909	2,832,383	2,356,129	182,926	5,914	37,093	5,177,159	(656,330)	11,815,183

The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

Condensed Financial Statements
Unaudited Condensed Statements of Cash Flows
For The Financial Period Ended 30 September 2014

	The Group		The Bank	
	Financial Period Ended 30/09/2014 RM'000	Financial Period Ended 30/09/2013 RM'000	Financial Period Ended 30/09/2014 RM'000	Financial Period Ended 30/09/2013 RM'000
Profit before taxation	703,935	699,339	547,790	611,175
Adjustments for non-cash items	<u>(142,506)</u>	<u>(162,687)</u>	<u>(58,564)</u>	<u>(70,197)</u>
Operating profit before working capital changes	561,429	536,652	489,226	540,978
Changes in working capital:				
Net changes in operating assets	(9,744,196)	3,494,923	(8,179,319)	3,425,474
Net changes in operating liabilities	7,873,126	(1,851,886)	6,978,810	(3,266,409)
Income taxes and zakat paid	(651,664)	(143,744)	(563,521)	(107,932)
Net cash (used in)/generated from operating activities	<u>(1,961,305)</u>	<u>2,035,945</u>	<u>(1,274,804)</u>	<u>592,111</u>
Cash flows from investing activities				
Net purchases of financial investments available-for-sale	(1,655,091)	(2,519,118)	(1,752,581)	(2,359,526)
Net proceeds/(purchases) of financial investments held-to-maturity	26,938	(785,031)	80,279	(797,823)
Purchase of property and equipment	(33,574)	(51,266)	(30,199)	(45,032)
Proceeds from sale of property and equipment	2,188	4,384	1,781	3,782
Net purchases of intangible assets	(13,134)	(24,153)	(12,457)	(16,672)
Dividend received on financial investments available-for-sale and held-to-maturity	23,205	13,998	23,205	13,998
Dividend from associated company	-	56,086	-	56,086
Dividend from subsidiary company	-	-	13,353	-
Net cash used in investing activities	<u>(1,649,468)</u>	<u>(3,305,100)</u>	<u>(1,676,619)</u>	<u>(3,145,187)</u>
Cash flows from financing activities				
Sale of treasury shares	65,640	-	65,640	-
Cash received from ESOS exercised	2,511	5,829	2,511	5,829
Interest paid on subordinated obligations	(49,005)	(61,329)	(53,845)	(65,225)
Net cash generated from/(used in) financing activities	<u>19,146</u>	<u>(55,500)</u>	<u>14,306</u>	<u>(59,396)</u>
Net decrease in cash and cash equivalents	(3,591,627)	(1,324,655)	(2,937,117)	(2,612,472)
Currency translation differences	55,558	83,044	39,714	60,997
Cash and cash equivalents at the beginning of financial period	14,712,789	18,047,448	13,629,775	16,719,258
Cash and cash equivalents at the end of financial period	11,176,720	16,805,837	10,732,372	14,167,783

The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2014.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") and Guidelines on Financial Reporting (Revised on 28 June 2013) Issued by Bank Negara Malaysia

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR FINANCIAL PERIOD ENDED 30 SEPTEMBER 2014**

A1 Basis of preparation

The unaudited condensed financial statements for the financial period ended 30 September 2014 have been prepared under the historical cost convention, except for the following assets and liabilities which are stated at fair values: financial assets held-for-trading, financial investments available-for-sale and derivative financial instruments.

The unaudited condensed financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board ("MASB") and paragraph 9.22 of the Bursa Malaysia Securities Berhad's Listing Requirements and should be read in conjunction with the audited annual financial statements for the Group and Hong Leong Bank Berhad ("HLB" or "the Bank") for the financial year ended 30 June 2014. The explanatory notes attached to the unaudited condensed financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the year ended 30 June 2014.

The unaudited condensed financial statements incorporated those activities relating to Islamic banking business which have been undertaken by the Group. Islamic banking business refers generally to the acceptance of deposits and granting of financing under the principles of Shariah.

The significant accounting policies and methods of computation applied in the unaudited condensed financial statements are consistent with those adopted in the annual audited financial statements for the financial year ended 30 June 2014, except for the adoption of the following amendments to Malaysian Financial Reporting Standards ("MFRSs"), Interpretation to the Issues Committee ("IC Interpretation") and Annual Improvements to MFRSs with effective from 1 July 2014:

Amendment to MFRS 132	"Financial Instruments: Presentation" - Offsetting Financial Assets and Financial Liabilities
Amendment to MFRS 139	"Financial Instruments: Recognition and Measurement" - Novation of Derivatives and Continuation of Hedge Accounting
Amendments to MFRS 10	"Consolidated Financial Statements" - Investment Entities
Amendments to MFRS 12	"Disclosures of Interests in Other Entities" - Investment Entities
Amendments to MFRS 127	"Separate Financial Statements" - Investment Entities
IC Interpretation 21	"Levies"
Annual Improvements to MFRSs 2010-2012 Cycle	
Annual Improvements to MFRSs 2011-2013 Cycle	

The adoption of the above amendments to MFRSs, IC Interpretation and Annual Improvements to MFRSs are not expected to have impact on the financial results of the Group and the Bank.

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

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A2 Status of matters giving rise to the auditor's qualified report in the preceding annual financial statements for the year ended 30 June 2014

There was no qualified report issued by the auditors in the preceding annual financial statements for the year ended 30 June 2014.

A3 Seasonality or cyclical nature of operations

The business operations of the Group and the Bank have not been affected by any material seasonal and cyclical factors.

A4 Exceptional items or unusual events affecting financial statements

There were no exceptional items or unusual events that materially affected the financial statements.

A5 Variation from financial estimates reported in preceding financial period

There were no changes in estimates of amounts reported in the prior financial year that may have a material effect in the current period.

A6 Issuance and repayment of debt and equity securities

Save as detailed below, there were no other new shares issuance, repayment of debt and equity securities, share buy back and share cancellations, or resale of shares held as treasury shares during the financial period ended 30 September 2014:

a) Share Buy-back

There were no purchase of ordinary shares of RM1.00 each ('Shares') from the open market during the financial period ended 30 September 2014.

The total number of shares bought back, all of which were held as treasury shares as at 30 September 2014 amounted to 81,101,700 shares, at an average price per share of RM5.32. None of the treasury shares were resold or cancelled to date.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A6 Issuance and repayment of debt and equity securities (continued)

b) Purchase of shares pursuant to ESOS

A trust has been set up for the ESOS of the Bank and is administered by an appointed trustee. The trustee will be entitled from time to time to accept financial assistance from the Bank upon such terms and conditions as the Bank and the trustee may agree to purchase the Bank's shares from the open market for the purposes of this trust. In accordance to MFRS 132: Financial Statements: Presentation and Disclosure, the shares purchased for the benefit of the ESOS holders are recorded as "Treasury Shares", in addition to the Treasury Shares for share buy-back, in the Shareholders' Funds on the Statements of Financial Position.

During the financial period ended 30 September 2014, the trust did not purchase any new shares. The trust had sold 4,477,186 shares in the open market between 10 September 2014 and 30 September 2014 with total net proceeds of RM65.6 million. As at 30 September 2014, the total number of Treasury Shares for ESOS was 31,330,000 at an average carrying value of RM5.90 per share.

The Bank has granted the following conditional incentive share options to eligible executives of the Bank pursuant to the ESOS of HLB:

- (i) 4,500,000 share options at an exercise price of RM5.72;
- (ii) 21,800,000 share options at an exercise price of RM6.05;
- (iii) 12,835,000 share options at an exercise price of RM5.99;
- (ix) 250,000 share options at an exercise price of RM5.75 (granted and lapsed in financial year ended 2009);
- (x) 200,000 share options at an exercise price of RM7.49;
- (xi) 3,095,000 share options at an exercise price of RM9.14;
- (xii) 1,000,000 share options at an exercise price of RM10.55; and
- (xiii) 1,151,408 share options arising from adjustment for rights issue.

Subject to the achievement of certain performance criteria during the performance period, the said share options, if vested, will be satisfied by the transfer of existing shares purchased by a trust established for the ESOS.

Arising from the completion of the Bank's Right issue on 18 October 2011, there was an adjustment to the exercise price and number of option shares. The unexercised share options and the exercise price adjusted for the rights issue are listed below:

- (i) 75,063 share options at an exercise price of RM5.44;
- (ii) 13,165,125 share options at an exercise price of RM5.75;
- (iii) 6,294,724 share options at an exercise price of RM5.69;
- (ix) 154,884 share options at an exercise price of RM7.12;
- (x) 2,804,113 share options at an exercise price of RM8.69; and
- (xi) 1,000,000 share options at an exercise price of RM10.55

During the financial period ended 30 September 2014, a total of 403,492 ordinary shares of RM1 each for cash were exercised pursuant to the Company's ESOS at exercise price above per ordinary share.

A7 Dividends paid

There were no dividends paid during the financial period under review.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A8 Financial assets held-for-trading

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Money market instruments:				
Bank Negara Malaysia bills	3,629,978	848,000	2,772,386	550,140
Government treasury bills	173,373	197,064	114,060	88,751
Malaysian Government securities	833,605	27,242	833,605	27,242
Malaysian Government investment certificates	252,804	528,352	50,411	137,825
Bankers' acceptances and Islamic accepted bills	59,775	260,078	59,775	260,078
Negotiable instruments of deposit	8,484,502	8,774,899	6,999,124	8,427,396
Cagamas bonds	10,138	64,787	10,138	64,787
Khazanah bonds	-	37,439	-	-
Sukuk	62,064	-	-	-
	<u>13,506,239</u>	<u>10,737,861</u>	<u>10,839,499</u>	<u>9,556,219</u>
Quoted securities:				
Shares outside Malaysia	3,886	3,883	3,886	3,883
Foreign currency bonds	351,477	243,175	338,346	243,175
Unquoted securities:				
Private and Islamic debt securities	432,271	231,963	432,271	231,963
Foreign currency bonds	87,766	97,594	87,766	97,594
Total financial assets held-for-trading	<u><u>14,381,639</u></u>	<u><u>11,314,476</u></u>	<u><u>11,701,768</u></u>	<u><u>10,132,834</u></u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A9 Financial investments available-for-sale

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Money market instruments:				
Government treasury bills	192,948	546,703	192,948	546,703
Malaysian Government securities	740,042	1,288,604	740,042	1,288,604
Malaysian Government investment certificates	2,488,052	2,538,447	930,437	917,089
Negotiable instruments of deposit	105,500	103,384	105,651	103,611
Other Government securities	410,609	475,893	-	-
Cagamas bonds	987,839	946,547	921,936	855,878
Khazanah bonds	239,342	208,615	239,342	208,615
	<u>5,164,332</u>	<u>6,108,193</u>	<u>3,130,356</u>	<u>3,920,500</u>
Quoted Securities:				
Shares in Malaysia	42,592	47,429	42,592	47,429
Shares outside Malaysia	23	23	23	23
Wholesale fund	3,005,421	2,001,515	3,005,421	2,001,515
Foreign currency bonds in Malaysia	4,268,674	3,224,143	4,117,129	3,130,326
Foreign currency bonds outside Malaysia	991,316	727,868	991,316	727,868
Unquoted securities:				
Private debt securities in Malaysia	4,459,230	4,057,480	3,784,874	3,394,205
Shares in Malaysia	363,810	363,810	363,763	363,763
Shares outside Malaysia	3,582	3,506	3,582	3,506
Foreign currency bonds in Malaysia	142,209	143,242	142,209	143,242
Total financial investments available-for-sale	<u><u>18,441,189</u></u>	<u><u>16,677,209</u></u>	<u><u>15,581,265</u></u>	<u><u>13,732,377</u></u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A10 Financial investments held-to-maturity

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u> <u>RM'000</u>	<u>30/06/2014</u> <u>RM'000</u>	<u>30/09/2014</u> <u>RM'000</u>	<u>30/06/2014</u> <u>RM'000</u>
Money market instruments:				
Malaysian Government securities	3,041,542	3,069,415	3,041,542	3,069,415
Malaysian Government investment certificates	5,379,491	5,374,048	3,928,334	3,927,829
Cagamas bonds	76,583	96,455	35,642	55,658
Negotiable instruments of deposit	3,424	3,718	647,383	647,339
Other Government securities	338,301	253,646	114,092	75,514
	<u>8,839,341</u>	<u>8,797,282</u>	<u>7,766,993</u>	<u>7,775,755</u>
Unquoted securities in Malaysia:				
Loan stocks	49	49	49	49
Private and Islamic debt securities	66,189	66,751	-	-
Unquoted bonds	486	486	486	486
Investment in preference shares	52,500	52,000	52,500	52,000
	<u>119,224</u>	<u>119,286</u>	<u>53,035</u>	<u>52,535</u>
Total financial investments held-to-maturity	<u>8,958,565</u>	<u>8,916,568</u>	<u>7,820,028</u>	<u>7,828,290</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A11 Loans, advances and financing

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Overdrafts	3,878,567	4,104,535	3,747,201	3,944,594
Term loans:				
- Housing and shop loans/financing	48,264,542	46,563,762	40,416,580	38,974,919
- Syndicated term loan/financing	7,935,800	7,799,610	7,131,939	7,078,739
- Hire purchase receivables	17,487,668	17,405,481	14,069,772	13,940,555
- Other term loans/financing	8,095,542	8,684,556	6,581,018	7,089,671
Credit/charge card receivables	4,163,135	4,192,192	4,163,135	4,192,192
Bills receivables	1,189,191	1,116,670	1,177,312	1,109,346
Trust receipts	285,822	296,587	243,626	256,166
Claims on customers under acceptance credits	7,293,155	8,118,324	6,912,491	7,420,281
Block discounting	257	253	257	253
Revolving credits	5,407,504	5,545,623	4,716,182	4,897,352
Staff loans:				
Staffs other than directors	172,108	171,911	158,621	158,309
Other loans/financing	189,873	169,145	183,723	162,964
Gross loans, advances and financing	<u>104,363,164</u>	<u>104,168,649</u>	<u>89,501,857</u>	<u>89,225,341</u>
Unamortised fair value changes arising from terminated fair value hedges	(2,292)	(1,516)	2,215	3,431
Allowance for impaired loans, advances and financing:				
- Collective assessment allowance	(1,037,194)	(1,076,604)	(887,386)	(922,286)
- Individual assessment allowance	(501,043)	(511,453)	(416,569)	(433,037)
Total net loans, advances and financing	<u><u>102,822,635</u></u>	<u><u>102,579,076</u></u>	<u><u>88,200,117</u></u>	<u><u>87,873,449</u></u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A11 Loans, advances and financing (continued)

A11a By type of customer

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Domestic non-bank financial institutions	340,945	278,231	92,875	94,328
Domestic business enterprises				
- small and medium enterprises	16,466,142	16,295,719	15,148,398	15,056,080
- others	17,370,909	19,182,004	15,258,765	16,673,126
Government and statutory bodies	25,512	28,345	13,381	12,945
Individuals	65,619,367	63,928,055	54,815,662	53,298,312
Other domestic entities	171,866	158,579	132,673	119,786
Foreign entities	4,368,423	4,297,716	4,040,103	3,970,764
Gross loans, advances and financing	<u>104,363,164</u>	<u>104,168,649</u>	<u>89,501,857</u>	<u>89,225,341</u>

A11b By interest/profit rate sensitivity

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Fixed rate				
- Housing and shop loans/financing	2,831,746	2,838,586	1,696,531	1,694,863
- Hire purchase receivables	17,296,953	17,254,282	13,879,057	13,789,357
- Other fixed rate loan/financing	6,949,636	6,857,479	6,209,083	6,100,581
Variable rate				
- Base lending rate plus	62,987,544	61,970,968	54,716,349	53,945,326
- Cost plus	13,963,486	14,934,610	13,000,837	13,695,214
- Other variables rates	333,799	312,724	-	-
Gross loans, advances and financing	<u>104,363,164</u>	<u>104,168,649</u>	<u>89,501,857</u>	<u>89,225,341</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A11 Loans, advances and financing (continued)

A11c By economic purpose

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Purchase of securities	739,657	762,695	727,217	749,293
Purchase of transport vehicles	17,449,555	17,292,162	13,999,150	13,805,110
Purchase of landed properties				
- residential	40,498,920	39,000,324	33,559,008	32,307,912
- non-residential	12,641,623	12,370,138	11,440,088	11,260,737
Purchase of fixed assets (excluding landed properties)	503,862	530,527	462,205	485,549
Personal use	3,359,521	3,370,722	2,735,800	2,724,900
Credit card	4,163,135	4,192,192	4,163,135	4,192,192
Purchase of consumer durables	439	445	438	444
Construction	1,263,965	1,163,043	1,067,366	1,058,646
Mergers and acquisition	304,598	303,096	304,598	303,096
Working capital	21,064,971	22,573,362	18,849,482	19,987,905
Others	2,372,918	2,609,943	2,193,370	2,349,557
Gross loans, advances and financing	<u>104,363,164</u>	<u>104,168,649</u>	<u>89,501,857</u>	<u>89,225,341</u>

A11d By geographical distribution

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Malaysia	101,211,277	101,088,811	86,798,143	86,545,396
Singapore	2,698,794	2,675,129	2,698,794	2,675,129
Hong Kong	4,920	4,816	4,920	4,816
Vietnam	333,799	312,724	-	-
Cambodia	114,374	87,169	-	-
Gross loans, advances and financing	<u>104,363,164</u>	<u>104,168,649</u>	<u>89,501,857</u>	<u>89,225,341</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A11 Loans, advances and financing (continued)

A11e By residual contractual maturity

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Within one year	27,304,475	27,515,823	25,551,200	25,657,871
One year to less than three years	7,922,538	8,208,062	6,455,012	6,717,890
Three years to less than five years	9,656,440	9,659,310	8,129,189	8,048,496
Five years and more	59,479,711	58,785,454	49,366,456	48,801,084
Gross loans, advances and financing	<u>104,363,164</u>	<u>104,168,649</u>	<u>89,501,857</u>	<u>89,225,341</u>

A11f Impaired loans, advances and financing by economic purpose

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Purchase of securities	701	758	701	758
Purchase of transport vehicles	230,164	225,697	181,036	176,973
Purchase of landed properties				
- residential	203,614	213,583	144,275	152,070
- non-residential	50,640	47,737	43,401	40,163
Purchase of fixed assets (excluding landed properties)	36,708	37,484	35,316	36,092
Personal use	33,320	34,940	28,668	27,449
Credit card	51,483	53,058	51,483	53,058
Purchase of consumer durables	4	4	4	4
Construction	4,001	4,379	1,950	2,247
Working capital	545,806	572,014	458,854	494,221
Others	38,541	42,081	38,541	42,080
	<u>1,194,982</u>	<u>1,231,735</u>	<u>984,229</u>	<u>1,025,115</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A11 Loans, advances and financing (continued)

A11g Impaired loans, advances and financing by geographical distribution

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Malaysia	1,181,008	1,218,521	984,229	1,025,115
Vietnam	13,974	13,214	-	-
	<u>1,194,982</u>	<u>1,231,735</u>	<u>984,229</u>	<u>1,025,115</u>

A11h Movements in impaired loans, advances and financing are as follows:

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
At 1 July	1,231,735	1,359,443	1,025,115	1,154,173
Impaired during the financial period	378,732	1,705,427	314,941	1,439,645
Performing during the financial period	(204,796)	(897,336)	(163,101)	(732,219)
Amount written back in respect of recoveries	(121,606)	(507,069)	(109,249)	(452,330)
Amount written off	(90,826)	(431,273)	(83,479)	(385,673)
Exchange difference	1,743	2,543	2	1,519
At 30 September	<u>1,194,982</u>	<u>1,231,735</u>	<u>984,229</u>	<u>1,025,115</u>
Gross impaired loan as a % of gross loans, advances and financing	<u>1.1%</u>	<u>1.2%</u>	<u>1.1%</u>	<u>1.1%</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A11 Loans, advances and financing (continued)

A11i Movements in allowance for impaired loans, advances and financing are as follows:

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>Collective Assessment Allowance</u>				
At 1 July	1,076,604	1,259,563	922,286	1,032,022
Net allowance made during the period/year	55,502	254,706	51,660	274,988
Amount transferred to individual assessment	-	(1,915)	-	(1,915)
Amount written off	(81,360)	(367,890)	(74,795)	(325,171)
Unwinding income	(13,516)	(68,545)	(11,769)	(58,362)
Exchange differences	(36)	685	4	724
At 30 September	<u>1,037,194</u>	<u>1,076,604</u>	<u>887,386</u>	<u>922,286</u>
As a % of gross loans, advances and financing less individual assessment allowance	<u>1.0%</u>	<u>1.0%</u>	<u>1.0%</u>	<u>1.0%</u>
<u>Individual Assessment Allowance</u>				
At 1 July	511,453	526,018	433,037	450,107
Allowance made during the period/year	12,895	140,023	7,611	135,014
Amount transferred from collective assessment	-	1,915	-	1,915
Amount written back in respect of recoveries	(22,272)	(108,808)	(21,653)	(105,426)
Amount written off	(937)	(41,618)	(937)	(41,618)
Unwinding income	(1,534)	(7,112)	(1,491)	(6,994)
Exchange difference	1,438	1,035	2	39
At 30 September	<u>501,043</u>	<u>511,453</u>	<u>416,569</u>	<u>433,037</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A12 Other assets

	<u>The Group</u>		<u>The Bank</u>	
	30/09/2014 RM'000	30/06/2014 RM'000	30/09/2014 RM'000	30/06/2014 RM'000
Foreclosed properties	1,112	1,112	1,112	1,112
Sundry debtors and other prepayments	174,587	130,436	159,867	104,028
Treasury related receivables	1,054,520	242,573	1,053,966	242,573
Other receivables	73,987	123,116	37,370	86,829
	<u>1,304,206</u>	<u>497,237</u>	<u>1,252,315</u>	<u>434,542</u>

A13 Deposits from customers

A13a By type of deposit

	<u>The Group</u>		<u>The Bank</u>	
	30/09/2014 RM'000	30/06/2014 RM'000	30/09/2014 RM'000	30/06/2014 RM'000
Fixed deposits	73,008,361	73,625,412	64,043,639	65,186,386
Negotiable instruments of deposit	13,024,170	11,598,134	10,783,155	9,685,899
	<u>86,032,531</u>	<u>85,223,546</u>	<u>74,826,794</u>	<u>74,872,285</u>
Demand deposits	19,205,162	19,071,251	16,754,742	16,705,898
Saving deposits	14,902,896	15,020,628	12,748,620	12,850,935
Short term corporate placement	9,491,819	10,637,552	9,088,972	9,359,459
Other	396,659	381,524	390,391	373,704
Gross deposits from customers	<u>130,029,067</u>	<u>130,334,501</u>	<u>113,809,519</u>	<u>114,162,281</u>
Fair value changes arising from designation at fair value through profit or loss *	(110,542)	(82,164)	(97,332)	(63,446)
Total net deposits from customers	<u>129,918,525</u>	<u>130,252,337</u>	<u>113,712,187</u>	<u>114,098,835</u>

* Group has issued structured deposits (Callable Range Accrual Notes) and designated them at fair value through profit or loss. This designation is permitted under MFRS 139 "Financial Instruments: Recognition and Measurement" as it significantly reduces accounting mismatch. These instruments are managed by the Group on the basis of its fair value and includes terms that have substantive derivative characteristic. The structured deposits are recorded at fair value.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A13 Deposits from customers (continued)

A13b By type of customer

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Government and statutory bodies	2,150,674	1,765,218	1,501,594	1,074,113
Business enterprises	58,273,461	59,564,201	48,667,402	49,561,625
Individuals	67,178,159	66,661,897	61,746,665	61,673,751
Others	2,426,773	2,343,185	1,893,858	1,852,792
	<u>130,029,067</u>	<u>130,334,501</u>	<u>113,809,519</u>	<u>114,162,281</u>

A13c The maturity structure of fixed deposits and negotiable instruments of deposits are as follows:

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Due within six months	64,183,115	64,684,513	55,804,966	56,018,366
More than six months to one year	16,646,842	16,537,616	14,553,392	15,396,676
More than one year to five years	4,402,574	3,501,417	3,718,436	3,007,243
More than five years	800,000	500,000	750,000	450,000
	<u>86,032,531</u>	<u>85,223,546</u>	<u>74,826,794</u>	<u>74,872,285</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A14 Deposits and placements of banks and other financial institution

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Licensed banks	11,331,830	5,451,089	10,367,814	5,387,384
Licensed investment banks	1,400	-	-	-
Licensed Islamic banks	848,865	901,261	-	-
Other financial institutions	683,016	758,945	-	-
	<u>12,865,111</u>	<u>7,111,295</u>	<u>10,367,814</u>	<u>5,387,384</u>
The maturity structure of deposits and placements of banks and other financial institutions:				
- One year or less (short term)	<u>12,865,111</u>	<u>7,111,295</u>	<u>10,367,814</u>	<u>5,387,384</u>

A15 Other liabilities

	<u>The Group</u>		<u>The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Zakat	250	200	-	-
Post employment benefits obligation				
- defined contribution plan	2,938	2,937	2,938	2,937
Loan advance payment	1,986,618	1,882,838	1,610,593	1,525,872
Amount due to Cagamas Berhad	83,368	84,160	83,368	84,160
Amount due to subsidiary companies	-	-	28,289	28,494
Treasury and cheque clearing	(185,609)	1,219,056	(701,445)	523,173
Treasury related payable	41,374	56,425	41,374	56,425
Sundry creditors and accruals	481,685	540,999	423,945	475,869
Provision for bonus and staff related expenses	148,213	125,016	142,721	120,544
Others	246,482	339,406	235,895	466,708
	<u>2,805,319</u>	<u>4,251,037</u>	<u>1,867,678</u>	<u>3,284,182</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A16 Senior bonds

		<u>The Group and The Bank</u>	
		<u>30/09/2014</u>	<u>30/06/2014</u>
		<u>RM'000</u>	<u>RM'000</u>
USD 300 million senior bonds, at par	(a)	916,350	916,350
USD 300 million senior bonds, at par	(b)	919,200	919,200
Foreign exchange translations		132,450	90,750
		<u>1,968,000</u>	<u>1,926,300</u>
Add: Interest payable		15,273	16,454
		<u>1,983,273</u>	<u>1,942,754</u>
Less: Unamortised discounts		(5,706)	(6,547)
		<u><u>1,977,567</u></u>	<u><u>1,936,207</u></u>

(a) On 17 March 2011, the Bank issued USD300 million in aggregate principal amount of Senior Bonds ("the Bonds"), which will mature in 2016. The Bonds bear interest at the rate of 3.75% is payable semi-annually. The Bonds were issued at a price of 99.761 per cent of the principal amount of the Bonds.

The Bonds will constitute direct, general, unsubordinated and (subject to the provisions of Negative Pledge Condition) unsecured obligations of the Bank which will at all times rank *pari passu* among themselves and at least *pari passu* with all other present and future unsecured obligations of the Bank.

(b) On 20 April, 2012, HLB completed its inaugural US dollar senior unsecured notes issuance of USD300 million (the "Senior Notes") under its Euro Medium Term Note Programme of up to USD1.5 billion (or its equivalent in other currencies) in nominal value (the "Programme") which was established on 9 April 2012.

The Senior Notes will have a tenor of five years, maturing on 19 April 2017. The Senior Notes will pay a coupon of 3.125% per annum which is equivalent to a yield to investors of 3.269%.

A17 Subordinated bonds

		<u>The Group</u>		<u>The Bank</u>	
		<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
RM700 million Tier 2 subordinated debt, at par	(a)	700,000	700,000	700,000	700,000
Add: Interest payable		4,744	13,115	4,744	13,115
		<u>704,744</u>	<u>713,115</u>	<u>704,744</u>	<u>713,115</u>
Less: Unamortised discounts		(125)	(207)	(125)	(207)
		<u><u>704,619</u></u>	<u><u>712,908</u></u>	<u><u>704,619</u></u>	<u><u>712,908</u></u>
RM1.0 billion Tier 2 subordinated debt, at par	(b)	1,000,000	1,000,000	1,000,000	1,000,000
Add: Interest payable		17,758	6,793	17,758	6,793
		<u>1,017,758</u>	<u>1,006,793</u>	<u>1,017,758</u>	<u>1,006,793</u>
Less: Unamortised discounts		(428)	(570)	(428)	(570)
		<u><u>1,017,330</u></u>	<u><u>1,006,223</u></u>	<u><u>1,017,330</u></u>	<u><u>1,006,223</u></u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A17 Subordinated bonds (continued)

		<u>The Group</u>		<u>The Bank</u>	
		<u>30/09/2014</u>	<u>30/06/2014</u>	<u>30/09/2014</u>	<u>30/06/2014</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Subordinated medium term notes, at par	(c)	750,000	750,000	750,000	750,000
Add: Interest payable		10,817	1,207	10,817	1,207
		<u>760,817</u>	<u>751,207</u>	<u>760,817</u>	<u>751,207</u>
Less: Unamortised discounts		(957)	(1,138)	(957)	(1,138)
Fair value adjustments on completion of business combination accounting		(56)	210	(56)	210
		<u>759,804</u>	<u>750,279</u>	<u>759,804</u>	<u>750,279</u>
RM1.5 billion Tier 2 subordinated debt, at par	(d)	1,500,000	1,500,000	1,500,000	1,500,000
Add: Interest payable		18,493	1,479	18,493	1,479
		<u>1,518,493</u>	<u>1,501,479</u>	<u>1,518,493</u>	<u>1,501,479</u>
Less: Unamortised discounts		(1,437)	(1,590)	(1,437)	(1,590)
		<u>1,517,056</u>	<u>1,499,889</u>	<u>1,517,056</u>	<u>1,499,889</u>
RM400 million Tier 2 subordinated Sukuk Ijarah, at par	(e)	400,000	400,000	-	-
Add: Interest payable		5,576	736	-	-
		<u>405,576</u>	<u>400,736</u>	<u>-</u>	<u>-</u>
Less: Unamortised discounts		(597)	(658)	-	-
		<u>404,979</u>	<u>400,078</u>	<u>-</u>	<u>-</u>
RM500 million Tier 2 subordinated notes, at par	(f)	500,000	500,000	500,000	500,000
Add: Interest payable		6,575	526	6,575	526
		<u>506,575</u>	<u>500,526</u>	<u>506,575</u>	<u>500,526</u>
Less: Unamortised discounts		(1,407)	(1,550)	(1,407)	(1,550)
		<u>505,168</u>	<u>498,976</u>	<u>505,168</u>	<u>498,976</u>
		<u>4,908,956</u>	<u>4,868,353</u>	<u>4,503,977</u>	<u>4,468,275</u>

(a) On 10 August 2010, HLB had completed the first issuance of RM700 million nominal value of Tier 2 Subordinated Debt ("Sub Debt") out of its RM1.7 billion Tier 2 Subordinated Notes Programme. The RM700 million Sub Debt will mature in 2020 and is callable at the end of year 5 and on each subsequent coupon payment dates thereafter subject to approval of BNM. The Sub Debt which bears interest of 4.85% per annum is payable semi-annually in arrears.

The Sub Debt constitute unsecured liabilities of the Bank, and is subordinated in right of payment to the deposit liabilities and all other liabilities of the Bank in accordance with the terms and conditions of the issue and qualify as Tier 2 capital for the purpose of determining the capital adequacy ratio of the Group and the Bank.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A17 Subordinated bonds (continued)

- (b) On 5 May 2011, HLB issued the remaining RM1.0 billion nominal value of Sub Debt which will mature in 2021 and is callable at the end of year 5 and on each subsequent coupon payment dates thereafter subject to approval of BNM. The second issuance of Sub Debt bears interest at the rate of 4.35% per annum and is payable semi-annually in arrears.

The Sub Debt constitute unsecured liabilities of the Bank, and is subordinated in right of payment to the deposit liabilities and all other liabilities of the Bank in accordance with the terms and conditions of the issue and qualify as Tier 2 capital for the purpose of determining the capital adequacy ratio of the Group and the Bank.

- (c) On 27 February 2009, Promino Sdn Bhd ("Promino") (formerly known as EON Bank Berhad), a wholly owned subsidiary of the Bank, has successfully issued the first tranche of RM410.0 million nominal value of the 10 non-callable 5 years Subordinated Medium Term Notes ("MTN") callable on 27 February 2014 (and thereafter) and due on 27 February 2019 under the RM2.0 billion Subordinated MTN Programme. The coupon rate of the Subordinated MTN is 5.75% per annum, which is payable semi-annually in arrears from the date of the issue. Should Promino decide not to exercise its call option on the fifth (5) year from the issue date, the coupon rate will be revised to be equivalent to 7.75% or the then prevailing 5 years RM swap rate plus 3.70% per annum, whichever is higher, from the beginning of the sixth (6) year to the final maturity date.

Subsequently, on 2 December 2009, Promino issued a second tranche of RM250.0 million nominal value of the 10 non-callable 5 years Subordinated MTN callable on 2 December 2014 (and thereafter) and due on 2 December 2019 under the RM2.0 billion Subordinated MTN Programme. The coupon rate of this second tranche of the Subordinated MTN is 5.75% per annum, which is payable semi-annually in arrears from the date of the issue. Should Promino decide not to exercise its call option on the fifth (5) year from the issue date, the coupon rate of this second tranche will be revised to be equivalent to 7.75% or the then prevailing 5 years RM swap rate plus 3.70% per annum, whichever is higher, from the beginning of the sixth (6) year to the final maturity date; similar to the step-up rates in the first tranche.

Subsequently, on 30 December 2010, Promino issued a third tranche of RM500.0 million nominal value of the 10 non-callable 5 years Subordinated MTN callable on 30 December 2015 (and at each anniversary date thereafter) and due on 30 December 2020 under the RM2.0 billion Subordinated MTN Programme. The coupon rate of this third tranche of the Subordinated MTN is 4.75% per annum, which is payable semi-annually in arrears from the date of the issue. Should Promino decide not to exercise its call option on the fifth (5) year from the issue date, or at each anniversary date thereafter, the coupon rate of this third tranche will be remain at 4.75% per annum, from the beginning of the sixth (6) year to the final maturity date.

On 1 July 2011, the above Subordinated MTN was vested to HLB. The above tranches of Subordinated MTNs constitute unsecured liabilities of HLB and are subordinated to all deposit liabilities and all other liabilities except those liabilities, which by their terms, rank equally in rights of payment with the Subordinated MTNs. The Subordinated MTNs qualify as Tier 2 capital for the purpose of determining the capital adequacy ratio of the Group and HLB.

On 27 February 2014, HLB had fully redeemed the first tranche of RM410.0 million nominal value of the 10 non-callable 5 years subordinated MTNs bearing coupon rate of 5.75% per annum.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A17 Subordinated bonds (continued)

- (d) On 22 June 2012, the Bank had completed the issuance of RM1.5 billion nominal value of Tier 2 Subordinated Notes (“Sub Notes”). The RM1.5 billion Sub Notes will mature in 2024 and are callable on any interest payment date falling on or after the 7th anniversary of the issue date subject to approval of BNM. The Sub Notes which bears interest of 4.50% per annum is payable semi-annually in arrears.

The Sub Notes constitute unsecured liabilities of the Bank, and is subordinated in right of payment to the deposit liabilities and all other liabilities of the Bank in accordance with the terms and conditions of the issue and qualify as Tier 2 capital for the purpose of determining the capital adequacy ratio of the Group and the Bank.

- (e) On 17 June 2014, HLISB, a wholly owned subsidiary of the Bank, had completed the first issuance of RM400 million nominal value of Tier 2 Subordinated Sukuk Ijarah (“Subordinated Sukuk Ijarah”) out of its RM1.0 billion Tier 2 Subordinated Sukuk Ijarah Programme. The RM400 million Subordinated Sukuk Ijarah will mature in 2024 and is callable at end of year 5 and on each subsequent coupon payment dates thereafter subject to approval of BNM. The Subordinated Sukuk Ijarah which bears profit rate of 4.80% per annum is payable semi-annually in arrears.

The Subordinated Sukuk Ijarah constitute direct, unconditional, subordinated and unsecured obligations of HLISB and subordinated in right and priority of payment, to the extend and in the manner provided in the Subordinated Sukuk Ijarah, ranking pari passu among themselves. The Subordinated Sukuk Ijarah is subordinated in right of payment to all deposit liabilities and other liabilities of HLISB, except to those liabilities, which by their terms, rank equally in right of payment with or are subordinated to the Subordinated Sukuk Ijarah. The Subordinated Sukuk Ijarah qualifies as Tier 2 capital for the purpose of determining the capital adequacy ratio of HLISB.

- (f) On 23 June 2014, HLB had completed the first issuance of RM500 million nominal value of Tier 2 Subordinated Notes (“Sub-Notes”) out of its RM10.0 billion Multi-Currency Sub-Notes Programme. The RM500 million Sub-Notes will mature in 2024 and is callable on any coupon payment date falling on or after the 5th anniversary of the issue date. The Sub-Notes which bears interest rate of 4.80% per annum is payable semi-annually in arrears. The exercise of the call option on the Sub-Notes shall be subject to the approval of BNM.

The Sub-Notes constitute unsecured liabilities of the Bank, and is subordinated in right of payment to the deposit liabilities and all other liabilities of the Bank in accordance with the terms and conditions of the issue, except to those liabilities, which by their terms, rank equally in right of payment with or are subordinated to the Sub-Notes. The Sub-Notes qualify as Tier 2 capital for the purpose of determining the capital adequacy ratio of the Group and the Bank.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A18 Non-innovative Tier 1 stapled securities

	<u>The Group and The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>
RM1.4 billion Non-Innovative Tier 1 stapled securities, at par	1,400,000	1,400,000
Add: Interest payable	28,861	11,041
	<u>1,428,861</u>	<u>1,411,041</u>
Less: Unamortised discounts	(592)	(789)
	<u>1,428,269</u>	<u>1,410,252</u>

On 5 May 2011, HLB had completed its issuance of Non-Innovative Tier 1 Stapled Securities ("NIT-1 Stapled Securities") of RM1.4 billion. The NIT-1 Stapled Securities which is perpetual in nature and callable at the end of year 5 and on each coupon payment date, pays a semi annual coupon of 5.05% per annum. The call option shall be subject to the approval of BNM.

The NIT-1 Stapled Securities constitute unsecured liabilities of the Bank, and is subordinated in right of payment to the deposit liabilities and all other liabilities of the Bank in accordance with the terms and conditions of the issue and qualify as Tier 1 capital for the purpose of determining the capital adequacy ratio of the Group and the Bank.

A19 Innovative Tier 1 capital securities

	<u>The Group and The Bank</u>	
	<u>30/09/2014</u>	<u>30/06/2014</u>
	<u>RM'000</u>	<u>RM'000</u>
RM500 million Innovative Tier 1 capital securities at par	500,000	500,000
Add: Interest payable	2,373	12,771
	<u>502,373</u>	<u>512,771</u>
Less: Unamortised discounts	(8,347)	(8,746)
Fair value adjustments on completion of business combination accounting	34,253	37,742
	<u>528,279</u>	<u>541,767</u>

On 10 September 2009, Promino issued the first tranche of Innovative Tier 1 Capital Securities ("IT-1 Capital Securities") amounting to RM500 million in nominal value, from its RM1.0 billion IT-1 Capital Securities Programme. The IT-1 Capital Securities is structured in accordance with the Risk-Weighted Capital Adequacy Framework (General Requirements and Capital Components) issued by BNM.

The RM500 million IT-1 Capital Securities has a tenor of 30 years and Promino has the option to redeem the RM500 million IT-1 Capital Securities at the 10th anniversary, subject to BNM approval. The RM500 million IT-1 Capital Securities has a coupon rate of 8.25% per annum, payable semi-annually. In the event the IT-1 Capital Securities is not redeemed at the 10th anniversary (the First Optional Redemption Date), the coupon rate will be revised to 9.25% per annum from the 11th year to the final maturity.

On 1 July 2011, the above IT-Capital Securities was vested to HLB. The IT-1 Capital Securities constitute unsecured and subordinated obligations of HLB and are subordinated to all deposit liabilities and all other liabilities except those liabilities which rank equally in, and/or junior to, the rights of payment of the IT-1 Capital Securities. The IT-1 Capital Securities qualify as Tier 1 capital for the purpose of computing the capital adequacy ratio of the Group and the Bank.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A20 Interest income

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
Group				
Loan, advances and financing	1,077,100	1,020,726	1,077,100	1,020,726
Money at call and deposit placements with financial institutions	97,820	134,733	97,820	134,733
Securities purchased under resale agreements	33,526	8,169	33,526	8,169
Financial assets held-for-trading	134,605	133,512	134,605	133,512
Financial investments available-for-sale	94,507	98,905	94,507	98,905
Financial investments held-to-maturity	64,837	30,191	64,837	30,191
Others	110	64	110	64
	<u>1,502,505</u>	<u>1,426,300</u>	<u>1,502,505</u>	<u>1,426,300</u>
Of which:				
Interest income earned on impaired loans, advances and financing	<u>13,260</u>	<u>5,432</u>	<u>13,260</u>	<u>5,432</u>

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
Bank				
Loan, advances and financing	1,069,036	1,015,098	1,069,036	1,015,098
Money at call and deposit placements with financial institutions	101,003	140,989	101,003	140,989
Securities purchased under resale agreements	33,526	8,169	33,526	8,169
Financial assets held-for-trading	137,110	139,680	137,110	139,680
Financial investments available-for-sale	87,303	89,902	87,303	89,902
Financial investments held-to-maturity	67,919	38,631	67,919	38,631
Others	105	11,655	105	11,655
	<u>1,496,002</u>	<u>1,444,124</u>	<u>1,496,002</u>	<u>1,444,124</u>
Of which:				
Interest income earned on impaired loans, advances and financing	<u>13,260</u>	<u>5,432</u>	<u>13,260</u>	<u>5,432</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A21 Interest expense

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Deposits and placements of banks and other financial institutions	17,750	34,308	17,750	34,308
Deposits from customers	621,628	584,099	621,628	584,099
Short term corporate placements	51,064	58,313	51,064	58,313
Senior bonds	17,392	17,770	17,392	17,770
Tier-2 subordinated bonds	52,638	49,007	52,638	49,007
Non-innovative Tier-1 stapled securities	18,017	18,129	18,017	18,129
Innovative Tier-1 capital securities	7,306	6,601	7,306	6,601
Others	1,311	2,523	1,311	2,523
	<u>787,106</u>	<u>770,750</u>	<u>787,106</u>	<u>770,750</u>

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Deposits and placements of banks and other financial institutions	20,391	37,737	20,391	37,737
Deposits from customers	625,239	606,486	625,239	606,486
Short term corporate placements	51,064	58,313	51,064	58,313
Senior bonds	17,392	17,770	17,392	17,770
Tier-2 subordinated bonds	52,638	52,903	52,638	52,903
Non-innovative Tier-1 stapled securities	18,017	18,129	18,017	18,129
Innovative Tier-1 capital securities	7,306	6,601	7,306	6,601
Others	1,311	2,523	1,311	2,523
	<u>793,358</u>	<u>800,462</u>	<u>793,358</u>	<u>800,462</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A22 Net income from Islamic Banking business

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
Group				
Income derived from investment of depositors' funds and others	222,354	217,903	222,354	217,903
of which Finance income	220,851	216,556	220,851	216,556
of which other operating income	1,503	1,347	1,503	1,347
Income derived from investment of shareholders' funds	21,671	20,676	21,671	20,676
of which Finance income	19,205	16,299	19,205	16,299
of which other operating income	2,466	4,377	2,466	4,377
Income attributable to depositors	(133,976)	(130,229)	(133,976)	(130,229)
	110,049	108,350	110,049	108,350

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A23 Other operating income

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
(a) <u>Fee income:</u>				
Commissions	40,183	33,883	40,183	33,883
Service charges and fees	11,396	11,025	11,396	11,025
Guarantee fees	5,425	6,144	5,425	6,144
Credit card related fees	55,419	74,523	55,419	74,523
Corporate advisory fees	228	15	228	15
Commitment fees	9,199	9,242	9,199	9,242
Fee on loans, advances and financing	13,385	17,364	13,385	17,364
Other fee income	8,926	11,538	8,926	11,538
	<u>144,161</u>	<u>163,734</u>	<u>144,161</u>	<u>163,734</u>
(b) <u>Gain arising from sale of financial assets:</u>				
Net gain from sale of financial assets held-for-trading	4,987	1,208	4,987	1,208
Net (loss)/gain from sale of derivative financial instruments	(3,112)	11,039	(3,112)	11,039
Net gain from sale of financial investments available-for-sale	26,379	13,644	26,379	13,644
Net gain from redemption of financial investments held-to-maturity	74	9	74	9
	<u>28,328</u>	<u>25,900</u>	<u>28,328</u>	<u>25,900</u>
(c) <u>Gross dividend income from:</u>				
Financial investments available-for-sale	<u>23,205</u>	<u>13,998</u>	<u>23,205</u>	<u>13,998</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A23 Other operating income (continued)

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
(d) <u>Net unrealised gain on revaluation of:</u>				
- Financial assets held-for-trading	808	4,347	808	4,347
- Derivatives financial instruments	14,056	12,541	14,056	12,541
	<u>14,864</u>	<u>16,888</u>	<u>14,864</u>	<u>16,888</u>
(e) <u>Net realised loss on fair value changes arising from fair value hedges and amortisation of fair value changes arising from terminated fair value hedges</u>	<u>(1,476)</u>	<u>(2,830)</u>	<u>(1,476)</u>	<u>(2,830)</u>
(f) <u>Other income:</u>				
Foreign exchange gain	(26,740)	43,232	(26,740)	43,232
Rental income	1,349	1,311	1,349	1,311
Gain on disposal of property and equipment (net)	1,283	8	1,283	8
Other non-operating income	4,136	3,265	4,136	3,265
	<u>(19,972)</u>	<u>47,816</u>	<u>(19,972)</u>	<u>47,816</u>
Total other operating income	<u><u>189,110</u></u>	<u><u>265,506</u></u>	<u><u>189,110</u></u>	<u><u>265,506</u></u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A23 Other operating income (continued)

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
(a) <u>Fee income:</u>				
Commissions	40,037	33,782	40,037	33,782
Service charges and fees	11,307	10,991	11,307	10,991
Guarantee fees	5,406	6,123	5,406	6,123
Credit card related fees	55,419	74,523	55,419	74,523
Corporate advisory fees	228	15	228	15
Commitment fees	9,183	9,241	9,183	9,241
Fee on loans, advances and financing	13,151	17,364	13,151	17,364
Other fee income	8,894	11,423	8,894	11,423
	<u>143,625</u>	<u>163,462</u>	<u>143,625</u>	<u>163,462</u>
(b) <u>Gain arising from sale of financial assets:</u>				
Net gain from sale of financial assets held-for-trading	4,987	1,208	4,987	1,208
Net (loss)/gain from sale of derivative financial instruments	(3,112)	11,039	(3,112)	11,039
Net gain from sale of financial investments available-for-sale	20,734	11,576	20,734	11,576
Net gain from redemption of financial investments held-to-maturity	74	9	74	9
	<u>22,683</u>	<u>23,832</u>	<u>22,683</u>	<u>23,832</u>
(c) <u>Gross dividend income from:</u>				
Subsidiary companies	13,353	-	13,353	-
Associated company	-	76,859	-	76,859
Financial investments available-for-sale	23,205	13,998	23,205	13,998
	<u>36,558</u>	<u>90,857</u>	<u>36,558</u>	<u>90,857</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A23 Other operating income (continued)

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014 RM'000	30/09/2013 RM'000	30/09/2014 RM'000	30/09/2013 RM'000
(d) <u>Net unrealised gain on revaluation of:</u>				
- Financial assets held-for-trading	808	4,347	808	4,347
- Derivatives financial instruments	14,056	12,541	14,056	12,541
	<u>14,864</u>	<u>16,888</u>	<u>14,864</u>	<u>16,888</u>
(e) <u>Net realised loss on fair value changes arising from fair value hedges and amortisation of fair value changes arising from terminated fair value hedges</u>	<u>(1,216)</u>	<u>(2,205)</u>	<u>(1,216)</u>	<u>(2,205)</u>
(f) <u>Other income:</u>				
Foreign exchange gain	(26,661)	43,134	(26,661)	43,134
Rental income	1,349	1,311	1,349	1,311
Gain on disposal of property and equipment (net)	1,283	8	1,283	8
Other non-operating income	3,990	3,874	3,990	3,874
	<u>(20,039)</u>	<u>48,327</u>	<u>(20,039)</u>	<u>48,327</u>
Total other operating income	<u><u>196,475</u></u>	<u><u>341,161</u></u>	<u><u>196,475</u></u>	<u><u>341,161</u></u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A24 Other operating expenses

<u>Group</u>	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
<u>Personnel costs</u>				
- Salaries, allowances and bonuses	218,395	223,973	218,395	223,973
- Medical expenses	5,534	5,804	5,534	5,804
- Training and convention expenses	4,535	3,461	4,535	3,461
- Staff welfare	2,150	3,501	2,150	3,501
- Others	5,182	5,313	5,182	5,313
	<u>235,796</u>	<u>242,052</u>	<u>235,796</u>	<u>242,052</u>
<u>Establishment costs</u>				
- Depreciation of property and equipment *	8,986	26,654	8,986	26,654
- Amortisation of intangible assets	25,713	23,447	25,713	23,447
- Rental	19,132	18,443	19,132	18,443
- Information technology expenses	27,131	24,597	27,131	24,597
- Security services	6,390	7,916	6,390	7,916
- Electricity, water and sewerage	6,507	5,705	6,507	5,705
- Hire of plant and machinery	3,242	3,490	3,242	3,490
- Others	5,676	7,362	5,676	7,362
	<u>102,777</u>	<u>117,614</u>	<u>102,777</u>	<u>117,614</u>
<u>Marketing expenses</u>				
- Advertisement and publicity	5,417	5,966	5,417	5,966
- Credit card related fees	25,705	20,282	25,705	20,282
- Others	3,767	3,474	3,767	3,474
	<u>34,889</u>	<u>29,722</u>	<u>34,889</u>	<u>29,722</u>
<u>Administration and general expenses</u>				
- Teletransmission expenses	3,147	2,301	3,147	2,301
- Stationery & printing	4,296	3,203	4,296	3,203
- Professional fees	18,873	20,749	18,873	20,749
- Insurance fees	9,711	5,585	9,711	5,585
- Stamp, postage and courier	4,805	4,023	4,805	4,023
- Travelling and transport expenses	1,443	1,621	1,443	1,621
- Registration and license fees	1,148	1,332	1,148	1,332
- Brokerage and commission	1,897	1,217	1,897	1,217
- Others	10,357	25,535	10,357	25,535
	<u>55,677</u>	<u>65,566</u>	<u>55,677</u>	<u>65,566</u>
	<u>429,139</u>	<u>454,954</u>	<u>429,139</u>	<u>454,954</u>

* During the financial period, the Group had reviewed and revised the useful lives of certain class of assets. This was done in accordance to MFRS 116 - Property, Plant and Equipment. The revisions were accounted for prospectively as a change in accounting estimates and as a result, the depreciation charged of the Group for the current financial period had decreased.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A24 Other operating expenses (continued)

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
<u>Personnel costs</u>				
- Salaries, allowances and bonuses	183,113	189,202	183,113	189,202
- Medical expenses	4,643	4,888	4,643	4,888
- Training and convention expenses	4,152	2,914	4,152	2,914
- Staff welfare	1,760	3,234	1,760	3,234
- Others	4,199	4,485	4,199	4,485
	<u>197,867</u>	<u>204,723</u>	<u>197,867</u>	<u>204,723</u>
<u>Establishment costs</u>				
- Depreciation of property and equipment *	8,330	25,382	8,330	25,382
- Amortisation of intangible assets	24,578	22,530	24,578	22,530
- Rental	17,594	15,256	17,594	15,256
- Information technology expenses	23,090	22,450	23,090	22,450
- Security services	5,460	6,441	5,460	6,441
- Electricity, water and sewerage	6,194	4,975	6,194	4,975
- Hire of plant and machinery	2,804	3,309	2,804	3,309
- Others	309	2,402	309	2,402
	<u>88,359</u>	<u>102,745</u>	<u>88,359</u>	<u>102,745</u>
<u>Marketing expenses</u>				
- Advertisement and publicity	4,589	5,455	4,589	5,455
- Credit card related fees	25,705	20,282	25,705	20,282
- Others	3,483	3,218	3,483	3,218
	<u>33,777</u>	<u>28,955</u>	<u>33,777</u>	<u>28,955</u>
<u>Administration and general expenses</u>				
- Teletransmission expenses	3,070	2,221	3,070	2,221
- Stationery & printing	4,158	3,137	4,158	3,137
- Professional fees	18,536	20,304	18,536	20,304
- Insurance fees	8,543	4,744	8,543	4,744
- Stamp, postage and courier	4,782	3,997	4,782	3,997
- Travelling and transport expenses	1,117	1,240	1,117	1,240
- Registration and license fees	1,060	1,149	1,060	1,149
- Brokerage and commission	1,548	1,061	1,548	1,061
- Others	11,293	26,776	11,293	26,776
	<u>54,107</u>	<u>64,629</u>	<u>54,107</u>	<u>64,629</u>
	<u>374,110</u>	<u>401,052</u>	<u>374,110</u>	<u>401,052</u>

* During the financial period, the Group had reviewed and revised the useful lives of certain class of assets. This was done in accordance to MFRS 116 - Property, Plant and Equipment. The revisions were accounted for prospectively as a change in accounting estimates and as a result, the depreciation charged of the Bank for the current financial period had decreased.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A25 Allowance for impairment losses on loans, advances and financing

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
Group				
Allowance for impairment losses on loans, advances and financing:				
- collective assessment allowance	55,502	49,294	55,502	49,294
- individual assessment allowance	(9,377)	812	(9,377)	812
Impaired loans and financing:				
- written off	7,823	6,337	7,823	6,337
- recovered from bad debt written off	(68,848)	(74,423)	(68,848)	(74,423)
	<u>(14,900)</u>	<u>(17,980)</u>	<u>(14,900)</u>	<u>(17,980)</u>

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
Bank				
Allowance for impairment losses on loans, advances and financing:				
- collective assessment allowance	51,660	51,240	51,660	51,240
- individual assessment allowance	(14,042)	(1,221)	(14,042)	(1,221)
Impaired loans and financing:				
- written off	7,098	5,756	7,098	5,756
- recovered from bad debt written off	(62,692)	(67,817)	(62,692)	(67,817)
	<u>(17,976)</u>	<u>(12,042)</u>	<u>(17,976)</u>	<u>(12,042)</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A26 Capital adequacy

The Group's and the Bank's regulatory capital is governed by BNM Capital Adequacy Framework guidelines. With effect from 1 January 2013, the capital adequacy ratios of the Group and the Bank are computed in accordance with BNM's Capital Adequacy Framework issued on 28 November 2012. The Framework sets out the approach for computing the regulatory capital adequacy ratios, as well as the levels of the ratios at which banking institutions are required to operate. The Framework is to strengthen capital adequacy standards, in line with the requirements set forth under Basel III. In line with the transitional arrangements under the BNM's Capital Adequacy Framework (Capital Components), the minimum capital adequacy requirement for common equity Tier I (CET I) capital ratio and Tier I capital ratio are 4.00% (2013: 3.50%) and 5.50% (2013: 4.50%) respectively for year 2014. The minimum regulatory capital adequacy requirement remains at 8.00% (2013: 8.00%) for total capital ratio.

The risk-weighted assets ("RWA") of the Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk computation.

Basel III

- (a) The capital adequacy ratios of the Group and the Bank are as follows:

	The Group		The Bank	
	Financial Period Ended 30/09/2014	Financial Year Ended 30/06/2014	Financial Period Ended 30/09/2014	Financial Year Ended 30/06/2014
Before deducting proposed dividends				
CET I capital ratio	10.549%	10.903%	9.806%	10.172%
Tier I capital ratio	11.898%	12.306%	11.341%	11.777%
Total capital ratio	<u>14.456%</u>	<u>15.072%</u>	<u>14.060%</u>	<u>14.657%</u>
After deducting proposed dividends				
CET I capital ratio	10.142%	10.480%	9.343%	9.689%
Tier I capital ratio	11.491%	11.883%	10.878%	11.294%
Total capital ratio	<u>14.050%</u>	<u>14.649%</u>	<u>13.597%</u>	<u>14.173%</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A26 Capital adequacy (continued)

Basel III

(b) The components of CET 1, Tier I and Tier II capital under the revised Capital Components Framework are as follows:

	The Group		The Bank	
	Financial Period Ended 30/09/2014 RM'000	Financial Year Ended 30/06/2014 RM'000	Financial Period Ended 30/09/2014 RM'000	Financial Year Ended 30/06/2014 RM'000
CET I capital				
Paid-up share capital	1,879,909	1,879,909	1,879,909	1,879,909
Share premium	2,871,595	2,832,383	2,871,595	2,832,383
Retained profits	7,074,989	7,189,104	5,272,720	5,375,070
Other reserves	3,294,668	3,171,817	2,869,334	2,773,797
Less: Treasury shares	(616,769)	(645,579)	(616,769)	(645,579)
Less: Other Intangible Assets	(332,822)	(347,791)	(320,613)	(335,319)
Less: Goodwill	(1,831,312)	(1,831,312)	(1,771,547)	(1,771,547)
Less : Investment in subsidiary companies/ associated company/joint venture	(450,234)	(430,676)	(475,291)	(475,075)
Total CET I capital	11,890,024	11,817,855	9,709,338	9,633,639
Additional Tier I capital				
Non-innovative Tier I stapled securities	1,120,000	1,120,000	1,120,000	1,120,000
Innovative Tier I capital securities	400,000	400,000	400,000	400,000
Total additional Tier I capital	1,520,000	1,520,000	1,520,000	1,520,000
Total Tier I capital	13,410,024	13,337,855	11,229,338	11,153,639
Tier II capital				
Collective assessment allowance [^]	696,806	732,980	605,212	639,439
Subordinated bonds	3,988,000	3,988,000	3,988,000	3,988,000
Tier II capital before regulatory adjustments	4,684,806	4,720,980	4,593,212	4,627,439
Less: Regulatory adjustments				
Investment in subsidiary companies	-	-	(1,082,590)	(1,081,727)
Investment in associated company	(1,726,150)	(1,650,640)	(757,204)	(757,204)
Investment in joint venture	(74,788)	(72,064)	(61,369)	(61,369)
Total Tier II capital	2,883,868	2,998,276	2,692,049	2,727,139
Total capital	16,293,892	16,336,131	13,921,387	13,880,778

[^] Excludes collective assessment allowance attributable to loans, advances and financing classified as impaired but not individually assessed for impairment.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A26 Capital adequacy (continued)

Basel III

(c) The breakdown of RWA by each major risk category is as follows:

	The Group		The Bank	
	Financial Period Ended 30/09/2014 RM'000	Financial Year Ended 30/06/2014 RM'000	Financial Period Ended 30/09/2014 RM'000	Financial Year Ended 30/06/2014 RM'000
Credit risk	99,074,107	96,729,672	86,696,646	84,227,557
Market risk	6,039,145	4,126,372	5,696,477	3,912,418
Operational risk	7,599,393	7,532,731	6,619,880	6,563,115
Total RWA	112,712,645	108,388,775	99,013,003	94,703,090

(d) The capital adequacy ratios of the banking subsidiary company of the Group are as follows:

Hong Leong Islamic Bank Berhad

	Financial Period Ended 30/09/2014	Financial Year Ended 30/06/2014
Before deducting proposed dividends		
CET I capital ratio	12.038%	11.829%
Tier I capital ratio	12.038%	11.829%
Total capital ratio	<u>15.842%</u>	<u>15.587%</u>
After deducting proposed dividends		
CET I capital ratio	11.594%	11.392%
Tier I capital ratio	11.594%	11.392%
Total capital ratio	<u>15.398%</u>	<u>15.150%</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A27 Group segmental reporting on revenue, profit and assets

The business segment results are prepared based on the Group's internal management reporting reflective of the organisation's management reporting structure.

The various business segments are described below:

Personal Financial Services focuses mainly on servicing domestic individual customers and small businesses. Products and services that are extended to customers include mortgages, credit cards, hire purchase and others.

Business & Corporate Banking focuses mainly on domestic corporate customers. Products offered include trade financing, working capital facilities, other term financing and corporate advisory services.

Global Markets refers to the Group's domestic treasury and capital market operations and includes foreign exchange, money market operations as well as capital market securities trading and investments.

Overseas/International Operations refers to Hong Leong Bank Berhad Overseas Branches, Subsidiaries, Associate, Joint Venture and Representative Office. The overseas operations are mainly in commercial banking and treasury business.

Others and inter-segment elimination refers to head office, other subsidiaries and inter-segment elimination.

Certain comparative figures have been reclassified to conform with current year's presentation.

Financial quarter ended 30/09/2014

	Personal Financial Services RM'000	Business & Corporate Banking RM'000	Global Markets RM'000	Overseas/ International Operations RM'000	Others and Inter-Segment Elimination RM'000	Total RM'000
<u>By business segment</u>						
External revenue	630,711	140,199	318,876	49,061	(124,289)	1,014,558
Inter-segment revenue	(35,655)	92,626	(195,002)	-	138,031	-
Segment revenue	<u>595,056</u>	<u>232,825</u>	<u>123,874</u>	<u>49,061</u>	<u>13,742</u>	<u>1,014,558</u>
Segment profit before taxation	263,099	208,536	99,217	9,968	24,304	605,124
Share of profit after tax of equity accounted associated company				95,406		95,406
Share of profit after tax of equity accounted joint venture				3,405		3,405
Profit before taxation						<u>703,935</u>
Taxation						<u>(156,367)</u>
Profit after taxation						<u><u>547,568</u></u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A27 Group segmental reporting on revenue, profit and assets (continued)

Financial period ended 30/09/2014

	Personal Financial Services RM'000	Business & Corporate Banking RM'000	Global Markets RM'000	Overseas/ International Operations RM'000	Others and Inter-Segment Elimination RM'000	Total RM'000
<u>By business segment</u>						
External revenue	630,711	140,199	318,876	49,061	(124,289)	1,014,558
Inter-segment revenue	(35,655)	92,626	(195,002)	-	138,031	-
Segment revenue	<u>595,056</u>	<u>232,825</u>	<u>123,874</u>	<u>49,061</u>	<u>13,742</u>	<u>1,014,558</u>
Segment profit before taxation	263,099	208,536	99,217	9,968	24,304	605,124
Share of profit after tax of equity accounted associated company				95,406		95,406
Share of profit after tax of equity accounted joint venture				3,405		3,405
Profit before taxation						<u>703,935</u>
Taxation						<u>(156,367)</u>
Profit after taxation						<u>547,568</u>
Segment assets	71,669,106	28,492,785	61,717,501	7,953,294	-	169,832,686
Unallocated assets						8,486,574
Total assets						<u>178,319,260</u>

Corresponding quarter ended 30/09/2013

	Personal Financial Services RM'000	Business & Corporate Banking RM'000	Global Markets RM'000	Overseas/ International Operations RM'000	Others and Inter-Segment Elimination RM'000	Total RM'000
<u>By business segment</u>						
External revenue	587,278	141,915	346,828	43,849	(90,464)	1,029,406
Inter-segment revenue	28,689	106,694	(215,321)	-	79,938	-
Segment revenue	<u>615,967</u>	<u>248,609</u>	<u>131,507</u>	<u>43,849</u>	<u>(10,526)</u>	<u>1,029,406</u>
Segment profit before taxation	279,245	218,941	112,590	17,093	(20,075)	607,794
Share of profit after tax of equity accounted associated company				89,471		89,471
Share of profit after tax of equity accounted joint venture				2,074		2,074
Profit before taxation						<u>699,339</u>
Taxation						<u>(154,852)</u>
Profit after taxation						<u>544,487</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A27 Group segmental reporting on revenue, profit and assets (continued)

Corresponding financial period ended 30/09/2013

	Personal Financial Services RM'000	Business & Corporate Banking RM'000	Global Markets RM'000	Overseas/ International Operations RM'000	Others and Inter-Segment Elimination RM'000	Total RM'000
<u>By business segment</u>						
External revenue	587,278	141,915	346,828	43,849	(90,464)	1,029,406
Inter-segment revenue	28,689	106,694	(215,321)	-	79,938	-
Segment revenue	<u>615,967</u>	<u>248,609</u>	<u>131,507</u>	<u>43,849</u>	<u>(10,526)</u>	<u>1,029,406</u>
Segment profit before taxation	279,245	218,941	112,590	17,093	(20,075)	607,794
Share of profit after tax of equity accounted associated company				89,471		89,471
Share of profit after tax of equity accounted joint venture				2,074		2,074
Profit before taxation						<u>699,339</u>
Taxation						(154,852)
Profit after taxation						<u>544,487</u>
Segment assets	65,684,401	28,802,335	53,506,044	8,113,342	-	156,106,122
Unallocated assets						6,318,134
Total assets						<u>162,424,256</u>

A28 Property and equipment

The valuations of land and building had been brought forward without amendment from the previous audited annual financial statements.

A29(a) Material events subsequent to the end of the reporting period

There are no material events subsequent to the end of the financial period ended 30 September 2014.

A29(b) Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial period ended 30 September 2014.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A30 Commitments and contingencies

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

The notional amounts of the commitments and contingencies constitute the following:

	<u>The Group</u>		<u>The Bank</u>	
	30/09/2014 RM'000	30/06/2014 RM'000	30/09/2014 RM'000	30/06/2014 RM'000
Principal Amount				
Direct credit substitutes	354,621	356,167	353,664	355,108
Certain transaction related contingent items	1,688,825	1,706,130	1,600,256	1,609,051
Short term self liquidating trade related contingencies	846,480	765,904	834,813	737,856
Forward asset purchases	32,712	37,432	32,712	37,432
Irrevocable commitments to extend credit:				
- maturity more than one year	17,355,068	17,251,829	14,625,883	14,568,131
- maturity less than one year	17,572,910	15,821,707	16,539,239	14,681,470
Foreign exchange related contracts:				
- less than one year	51,473,127	41,760,495	50,535,731	40,980,702
- one year to less than five years	4,678,327	4,369,268	4,678,176	4,369,456
- five years and above	611,835	598,871	611,835	598,871
Interest rate related contracts:				
- less than one year	38,205,258	45,035,485	38,105,258	44,935,485
- one year to less than five years	47,246,767	49,018,223	45,956,767	47,758,223
- five years and above	7,926,828	8,501,058	7,876,828	8,451,058
Equity related contracts:				
- less than one year	233,238	207,936	233,238	207,936
- one year to less than five years	57,482	94,310	57,482	94,310
Unutilised credit card lines	7,507,676	7,610,596	7,507,676	7,610,596
Total	195,791,154	193,135,411	189,549,558	186,995,685

A31 Related party transactions

All related party transactions within the Group had been entered into in the normal course of business and were carried out on normal commercial terms.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A32 Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities. Fair value is the amount at which a financial asset could be exchanged or a financial liability settled, between knowledgeable and willing parties in an arm's length transaction. The information presented herein represents the estimates of fair values as at the statements of financial position date.

Where available, quoted and observable market prices are used as the measure of fair values. Where such quoted and observable market prices are not available, fair values are estimated based on a range of methodologies and assumptions regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors. Changes in the uncertainties and assumptions could materially affect these estimates and the resulting fair value estimates.

(a) Determination of fair value and fair value hierarchy

The Group and the Bank measure fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Valuations derived from valuation techniques in which one or more significant inputs are not based on observable market data.

Financial instruments are classified as Level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted prices is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an on-going basis. These would include actively traded listed equities and actively exchange-traded derivatives.

Where fair value is determined using unquoted market prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2.

In cases where quoted prices are generally not available, the Group then determines fair value based upon valuation techniques that use as inputs, market parameters including but not limited to yield curves, volatilities and foreign exchange rates. The majority of valuation techniques employ only observable market data and so reliability of the fair value measurement is high.

Financial instruments are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). Such inputs are generally determined based on observable inputs of a similar nature, historical observations on the level of the input or other analytical techniques.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A32 Fair value of financial instruments (continued)

(a) Determination of fair value and fair value hierarchy (continued)

The table below analyses financial instruments carried at fair value analysed by level within the fair value hierarchy:

	The Group			Total
	30 September 2014			
	Fair value			
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
<i>Recurring fair value measurements</i>				
<u>Financial Assets</u>				
Financial assets held-for-trading				
- Money market instrument	-	13,506,239	-	13,506,239
- Quoted Securities	355,363	-	-	355,363
- Unquoted Securities	-	520,037	-	520,037
Financial investments available-for-sale				
- Money market instrument	-	5,164,332	-	5,164,332
- Quoted Securities	8,308,026	-	-	8,308,026
- Unquoted Securities	-	4,601,439	367,392	4,968,831
Derivative financial instruments	1,024	848,387	-	849,411
	<u>8,664,413</u>	<u>24,640,434</u>	<u>367,392</u>	<u>33,672,239</u>
<u>Financial Liability</u>				
Derivative financial instruments	<u>2,209</u>	<u>949,867</u>	<u>-</u>	<u>952,076</u>

	The Group			Total
	30 June 2014			
	Fair value			
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
<i>Recurring fair value measurements</i>				
<u>Financial Assets</u>				
Financial assets held-for-trading				
- Money market instrument	-	10,737,861	-	10,737,861
- Quoted Securities	247,058	-	-	247,058
- Unquoted Securities	-	329,557	-	329,557
Financial investments available-for-sale				
- Money market instrument	-	6,108,193	-	6,108,193
- Quoted Securities	6,000,978	-	-	6,000,978
- Unquoted Securities	-	4,200,722	367,316	4,568,038
Derivative financial instruments	1,417	686,024	-	687,441
	<u>6,249,453</u>	<u>22,062,357</u>	<u>367,316</u>	<u>28,679,126</u>
<u>Financial Liability</u>				
Derivative financial instruments	<u>13,745</u>	<u>776,670</u>	<u>-</u>	<u>790,415</u>

The Group recognise transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred. The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the financial year (30 June 2014 - RM Nil).

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A32 Fair value of financial instruments (continued)

(a) Determination of fair value and fair value hierarchy (continued)

The table below analyses financial instruments carried at fair value analysed by level within the fair value hierarchy:
(continued)

The Bank				
30 September 2014				
Fair value				
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
<i>Recurring fair value measurements</i>				
<u>Financial Assets</u>				
Financial assets held-for-trading				
- Money market instrument	-	10,839,499	-	10,839,499
- Quoted Securities	342,232	-	-	342,232
- Unquoted Securities	-	520,037	-	520,037
Financial investments available-for-sale				
- Money market instrument	-	3,130,356	-	3,130,356
- Quoted Securities	8,156,481	-	-	8,156,481
- Unquoted Securities	-	3,927,083	367,345	4,294,428
Derivative financial instruments	1,024	814,754	-	815,778
	8,499,737	19,231,729	367,345	28,098,811
<u>Financial Liability</u>				
Derivative financial instruments	2,209	927,287	-	929,496

The Bank				
30 June 2014				
Fair value				
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
<i>Recurring fair value measurements</i>				
<u>Financial Assets</u>				
Financial assets held-for-trading				
- Money market instrument	-	9,556,219	-	9,556,219
- Quoted Securities	247,058	-	-	247,058
- Unquoted Securities	-	329,557	-	329,557
Financial investments available-for-sale				
- Money market instrument	-	3,920,500	-	3,920,500
- Quoted Securities	5,907,161	-	-	5,907,161
- Unquoted Securities	-	3,537,447	367,269	3,904,716
Derivative financial instruments	1,417	668,908	-	670,325
	6,155,636	18,012,631	367,269	24,535,536
<u>Financial Liability</u>				
Derivative financial instruments	13,745	746,661	-	760,406

The Bank recognise transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred. The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer. There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the financial year (30 June 2014 - RM Nil).

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

A32 Fair value of financial instruments (continued)

(a) Determination of fair value and fair value hierarchy (continued)

Reconciliation of fair value measurements in Level 3 of the fair value hierarchy, is as below:

	Financial investments available-for-sale	
	The Group RM'000	The Bank RM'000
At 1 July	367,316	367,269
Net fair value changes recognised in other comprehensive income	76	76
At 30 September	<u>367,392</u>	<u>367,345</u>
Total gain recognised in other comprehensive income relating to assets held on 30 September 2014	<u>76</u>	<u>76</u>
	Financial investments available-for-sale	
	The Group RM'000	The Bank RM'000
At 1 July	329,963	329,897
Net fair value changes recognised in other comprehensive income	37,353	37,372
At 30 June	<u>367,316</u>	<u>367,269</u>
Total gain recognised in other comprehensive income relating to assets held on 30 June 2014	<u>37,353</u>	<u>37,372</u>

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

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

B1 Review of performance

Current Quarter vs. Previous Year Corresponding Quarter

The Group recorded a pre-tax profit of RM703.9 million for the current financial quarter ended 30 September 2014, an increase of RM4.6 million or 0.7% as compared to previous corresponding quarter. The increase in pre-tax profit was mainly due to lower operating expenses of RM25.8 million coupled with higher share of profit from Bank of Chengdu and joint venture totaling RM7.3 million. This was however offset by lower net income of RM14.8 million, lower write back on allowance for impairment losses on loans, advances and financing of RM3.1 million and lower write back of impairment losses from securities of RM10.6 million.

A detailed analysis of the performance of major operating segments of the group are as follows:

Personal Financial Services

The Personal Financial Services's segment recorded a pre-tax profit of RM263.1 million for the 1st quarter ended September 2014 as compared to previous corresponding quarter of RM279.2 million.

Personal Financial Services's net loan base grew from RM65.1 billion in September 2013 to RM71.3 billion in September 2014.

Business and Corporate Banking

The Business and Corporate Banking's segment recorded a pre-tax profit of RM208.5 million for the 1st quarter ended September 2014 as compared to previous corresponding quarter of RM218.9 million.

Business and Corporate Banking's net loan base decreased from RM28.7 billion in September 2013 to RM28.4 billion in September 2014. Deposit base registered a decreased from RM34.4 billion to RM33.0 billion.

Global Markets

The Global Market's segment recorded a pre-tax profit of RM99.2 million for the 1st quarter ended September 2014 as compared to previous corresponding quarter of RM112.6 million.

Treasury earning assets increased from RM51.8 billion in September 2013 to RM59.9 billion in September 2014.

International Banking

The International Banking's segment recorded a pre-tax profit of RM108.8 million for the 1st quarter ended September 2014 as compared to previous corresponding quarter of RM108.6 million.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

B2 Current Quarter vs. Preceding Quarter

For the current financial quarter, the Group recorded a pre-tax profit of RM703.9 million as compared to RM610.9 million in the preceding quarter, an increase of RM93.0 million arising from higher net income of RM8.1 million, lower operating expenses of RM38.0 million, higher write back on allowance for impairment losses on loans, advances and financing of RM39.2 million, higher write back of impairment losses from securities of RM4.1 million and higher share of profit from Bank of Chengdu and joint venture of RM3.6 million.

B3 Current year prospects

It remains a strategic imperative for the Group to continue focusing on building a high performance business and strengthening the foundations for sustainable profitability through a full Universal Banking Model in the domestic market while at the same time deepening our niche market offerings in regional businesses.

The Group is committed to accelerating fee-based activities with key focus on strengthening our Wealth Management offerings to individual customers and serving our Corporate and SME customers' treasury product needs.

Earning customer advocacy remains an important agenda for the Group as we continue to embed service excellence by enhancing customer experience. The Group continues to focus on digitisation efforts, enhancing multi-channel integration, improving analytics for deeper customer engagement, and aiming to reinforce the connections between the branches and their respective communities.

For regional business growth, we will strengthen our core businesses by focusing on appropriate customer segments and scalable business propositions which would create substantive business value. M&A are opportunistic in nature and we would continue to explore them as opportunities arise.

B4 Variance in profit forecast and shortfall in profit guarantee

This note is not applicable to the Group.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

B5 Taxation

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
The Group				
Malaysian income tax	158,578	157,063	158,578	157,063
Transfer to deferred taxation	(2,211)	(2,211)	(2,211)	(2,211)
	<u>156,367</u>	<u>154,852</u>	<u>156,367</u>	<u>154,852</u>

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014	30/09/2013	30/09/2014	30/09/2013
	RM'000	RM'000	RM'000	RM'000
The Bank				
Malaysian income tax	140,600	158,962	140,600	158,962
Transfer to deferred taxation	(2,211)	(2,211)	(2,211)	(2,211)
	<u>138,389</u>	<u>156,751</u>	<u>138,389</u>	<u>156,751</u>

B6 Profit on sale of unquoted investments/properties

There were no material gains or losses on disposal of unquoted investments (other than in the ordinary course of business) and/or properties for the financial period under review.

B7 Purchase and disposal of quoted securities

There were no purchase or disposal of quoted securities for the financial period under review other than those purchased or disposed in the ordinary course of business.

B8 Status of corporate proposals

There were no corporate proposals announced but not completed at the latest practicable date which was not earlier than 7 days from the issue of this report.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

B9 Off-balance sheet financial instruments

Details of financial instruments with off-balance sheet risk as at 30 September 2014:

The Group

Items	Principal amount RM'000	Fair value	
		Assets RM'000	Liabilities RM'000
Foreign exchange related contracts			
Forwards			
(i) Less than 1 year	41,176,578	337,002	(311,370)
(ii) 1 year to 3 years	598,515	5,718	(2,664)
Swaps			
(i) Less than 1 year	5,355,163	64,080	(83,863)
(ii) 1 year to 3 years	1,099,322	48,196	(42,785)
(iii) More than 3 years	3,592,325	65,365	(81,327)
Options			
(i) Less than 1 year	4,941,386	26,179	(27,732)
Interest rate related contracts			
Futures			
(i) Less than 1 year	23,183,338	291	(2,087)
(ii) 1 year to 3 years	5,824,475	832	(142)
Swaps			
(i) Less than 1 year	15,021,920	11,865	(18,050)
(ii) 1 year to 3 years	24,275,000	62,693	(63,822)
(iii) More than 3 years	25,074,120	225,808	(316,852)
Equity related contracts			
(i) Less than 1 year	233,238	1,382	(1,382)
(ii) 1 year to 3 years	57,482	-	-
Total	150,432,862	849,411	(952,076)

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

B9 Off-balance sheet financial instruments (continued)

Details of financial instruments with off-balance sheet risk as at 30 June 2014:

The Group

Items	Principal amount RM'000	Fair value	
		Assets RM'000	Liabilities RM'000
Foreign exchange related contracts			
Forwards			
(i) Less than 1 year	31,834,067	191,513	(234,697)
(ii) 1 year to 3 years	351,223	2,160	(3,928)
Swaps			
(i) Less than 1 year	5,690,038	66,034	(48,120)
(ii) 1 year to 3 years	831,697	30,583	(26,381)
(iii) More than 3 years	3,785,219	74,337	(76,319)
Options			
(i) Less than 1 year	4,236,390	12,282	(12,940)
Interest rate related contracts			
Futures			
(i) Less than 1 year	28,700,845	951	(3,015)
(ii) 1 year to 3 years	8,911,717	624	(1,359)
Swaps			
(i) Less than 1 year	16,334,640	12,035	(18,527)
(ii) 1 year to 3 years	22,276,354	62,920	(72,124)
(iii) More than 3 years	26,331,210	232,853	(291,856)
Equity related contracts			
(i) Less than 1 year	207,936	1,149	(1,149)
(ii) 1 year to 3 years	94,310	-	-
Total	149,585,646	687,441	(790,415)

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

B9 Off-balance sheet financial instruments (continued)

Details of financial instruments with off-balance sheet risk as at 30 September 2014:

The Bank

Items	Principal amount RM'000	Fair value	
		Assets RM'000	Liabilities RM'000
Foreign exchange related contracts			
Forwards			
(i) Less than 1 year	40,379,194	318,825	(307,962)
(ii) 1 year to 3 years	598,364	5,718	(2,720)
Swaps			
(i) Less than 1 year	5,215,151	61,900	(82,375)
(ii) 1 year to 3 years	1,099,322	48,196	(42,785)
(iii) More than 3 years	3,592,325	65,365	(81,327)
Options			
(i) Less than 1 year	4,941,386	26,179	(27,732)
Interest rate related contracts			
Futures			
(i) Less than 1 year	23,183,338	291	(2,087)
(ii) 1 year to 3 years	5,824,473	832	(142)
Swaps			
(i) Less than 1 year	14,921,920	11,741	(18,050)
(ii) 1 year to 3 years	23,875,000	61,920	(63,925)
(iii) More than 3 years	24,134,122	213,429	(299,009)
Equity related contracts			
(i) Less than 1 year	233,238	1,382	(1,382)
(ii) 1 year to 3 years	57,482	-	-
Total	148,055,315	815,778	(929,496)

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

B9 Off-balance sheet financial instruments (continued)

Details of financial instruments with off-balance sheet risk as at 30 June 2014:

The Bank

Items	Principal amount RM'000	Fair value	
		Assets RM'000	Liabilities RM'000
Foreign exchange related contracts			
Forwards			
(i) Less than 1 year	31,147,342	190,295	(229,122)
(ii) 1 year to 3 years	351,411	1,126	(2,949)
Swaps			
(i) Less than 1 year	5,596,970	64,877	(47,412)
(ii) 1 year to 3 years	831,697	30,583	(26,381)
(iii) More than 3 years	3,785,219	74,337	(76,319)
Options			
(i) Less than 1 year	4,236,390	12,282	(12,940)
Interest rate related contracts			
Futures			
(i) Less than 1 year	28,700,845	951	(3,015)
(ii) 1 year to 3 years	8,911,717	624	(1,359)
Swaps			
(i) Less than 1 year	16,234,640	11,977	(18,527)
(ii) 1 year to 3 years	21,876,354	59,952	(70,061)
(iii) More than 3 years	25,421,210	222,171	(271,172)
Equity related contracts			
(i) Less than 1 year	207,936	1,150	(1,149)
(ii) 1 year to 3 years	94,310	-	-
Total	147,396,041	670,325	(760,406)

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

B9 Off-balance sheet financial instruments (continued)

Foreign exchange, interest rate, equity and commodity related contracts are subject to market risk and credit risk.

Market risk

Market risk is the potential change in value caused by movement in market rates or prices. The contractual amounts stated above provide only a measure of involvement in these types of transactions and do not represent the amount subject to market risk. Exposure to market risk may be reduced through offsetting on and off-balance sheet positions. As at the end of the financial period, the amount of contracts which were not hedged effectively and hence, exposed to foreign exchange and interest rate market risk were RM8,190,306,007 (FYE June 2014: RM2,836,683,390) and RM68,068,795,453 (FYE June 2014: RM75,231,277,308) respectively.

Derivatives

Market risk arises from the impact on trading positions of changes in foreign exchange rates and interest rates. It also includes the impact from changes in the correlations and volatilities of other risk factors. The Group manages trading market risk in the course of market-making, structuring and packaging products for investors and other clients, as well as to benefit from market opportunities. The Group's market risk framework identifies the types of the market risk to be covered, the risk metrics and methodologies to be used to capture such risk and the standards governing the management of market risk within the Group including limit setting and independent model validation, monitoring and valuation. Management of derivatives risks is continually reviewed and enhanced to ensure that the complexities of the business are appropriately controlled.

Credit risk

Credit risk arises from the possibility that a counter-party may be unable to meet the terms of a contract in which the Group has a gain position. As at the end of the financial year, the amount of credit risk, measured in terms of the cost to replace the profitable contracts, was RM947,358,783 (FYE June 2014: RM796,624,194). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Derivatives

The amount subject to credit risk is limited to the current fair value of instruments that are favourable to the Group (i.e. assets where their fair value is positive), which in relation to derivatives is only a small fraction of the contract, or notional values used to express the volume of instruments outstanding. This credit risk exposure is managed as part of the overall lending limits with customers, together with potential exposures from market movements. Collateral or other security is not usually obtained for credit risk exposures on these instruments, except where the Group requires margin deposits from counterparties.

The Group uses the following derivative instruments for both hedging and non-hedging purposes:

Currency forwards represent commitments to purchase foreign and domestic currency, including undelivered spot transactions. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in currency rates or interest rates, or to buy or sell foreign currency or a financial instrument on a future date at a specified price, established in an organised financial market. The credit risk of futures contracts is negligible, as futures contracts are collateralised by cash or marketable securities, and changes in the futures' contract value are settled daily with the exchange.

Currency and interest rate swaps are commitments to exchange one set of cash flows for another. Swaps result in an economic exchange of currencies or interest rates (for example, fixed rate for floating rate) or a combination of all these (i.e. cross-currency interest rate swaps). No exchange of principal takes place, except for certain currency swaps. The Group's credit risk represents the potential cost to replace the swap contracts if counterparties fail to fulfil their obligation. This risk is monitored on an ongoing basis with reference to the current fair value, a proportion of the notional amount of the contracts and the liquidity of the market. To control the level of credit risk taken, the Group assesses counterparties using the same techniques as for its lending activities.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

B9 Off-balance sheet financial instruments (continued)

Credit risk (continued)

Derivatives (continued)

Foreign currency and interest rate options are contractual agreements under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of a foreign currency or a financial instrument at a predetermined price. The seller receives a premium from the purchaser in consideration for the assumption of foreign exchange or interest rate risk. Options may be either exchange-traded or negotiated between the Group and a customer (OTC). The Group is exposed to credit risk on purchased options only, and only to the extent of their carrying amount, which is their fair value.

The notional amounts of certain types of financial instrument provide a basis for comparison with instruments recognised on the statements of financial position but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Group's exposure to credit or price risks. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates or foreign exchange rates relative to their terms. The aggregate contractual or notional amount of derivative financial instruments on hand, the extent to which instruments are favourable or unfavourable, and thus the aggregate fair values of derivative financial assets and liabilities, can fluctuate significantly from time to time.

Liquidity risk

Derivatives

Liquidity risk arises in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities. Daily settlement limits are established for each counterparty to cover the aggregate of all settlement risk arising from the Group's market transactions on any single day.

Related accounting policies

Derivative financial instruments are measured at fair value and are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gain or loss arising from a change in the fair value of the derivatives is recognised in the statements of income unless they are part of a hedging relationship which qualifies for hedge accounting where the gain or loss is recognised as follows:

Fair value hedge

Where a derivative financial instrument hedges the changes in fair value of a recognised asset or liability, any gain or loss on the hedging instrument is recognised in the statements of income. The hedged item is also stated at fair value in respect of the risk being hedged, with any gain or loss being recognised in the statements of income.

Cash flow hedge

Gains and losses on the hedging instrument, to the extent that the hedge is effective, are deferred in the separate component of equity. The ineffective part of any gain or loss is recognised in the statements of income. The deferred gains and losses are then released to the statements of income in the periods when the hedged items affects the statements of income.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

B10 Material litigation

The Group does not have any material litigation which, in the opinion of the Directors, would have a material adverse impact on the financial results of the Group.

B11 Dividend

No interim dividend has been proposed for the current quarter.

B12 Realised and Unrealised Profits

	The Group	
	Financial Period Ended 30/09/2014	Financial Year Ended 30/06/2014
	RM'000	RM'000
Total retained profits of Hong Leong Bank Berhad and it's subsidiaries		
- Realised	5,498,139	5,327,227
- Unrealised	801,525	637,892
	6,299,664	5,965,119
Total share of retained profits from associated company		
- Realised	1,398,890	1,303,484
Total share of retained profits from joint venture		
- Realised	16,774	13,369
	7,715,328	7,281,972
Less: Consolidation Adjustment	(92,018)	(92,868)
Total Group's Retained Profit	7,623,310	7,189,104

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

The unrealised retained profits of the Banking Group as disclosed above excludes translation gains and losses on monetary items denominated in a currency other than the functional currency and foreign exchange contracts, as these translation gains and losses are incurred in the ordinary course of business of the Banking Group and are deemed realised.

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

B13 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit after taxation and minority interest by the weighted average number of ordinary shares (excluding treasury shares) in issue during the period.

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014 RM'000	30/09/2013 RM'000	30/09/2014 RM'000	30/09/2013 RM'000
<u>The Group</u>				
Net profit attributable to shareholders of the company	547,568	544,487	547,568	544,487
Weighted average number of ordinary shares in issue ('000)	1,879,909	1,879,909	1,879,909	1,879,909
Less: Treasury shares held	(116,374)	(119,797)	(116,374)	(119,797)
	1,763,535	1,760,112	1,763,535	1,760,112
Basic earnings per share (sen)	31.0	30.9	31.0	30.9
<u>The Bank</u>				
Net profit attributable to shareholders of the company	409,401	454,424	409,401	454,424
Weighted average number of ordinary shares in issue ('000)	1,879,909	1,879,909	1,879,909	1,879,909
Less: Treasury shares held	(116,374)	(119,797)	(116,374)	(119,797)
	1,763,535	1,760,112	1,763,535	1,760,112
Basic earnings per share (sen)	23.2	25.8	23.2	25.8

HONG LEONG BANK BERHAD
(97141-X)
(Incorporated in Malaysia)

B13 Earnings per share (continued)

(b) Fully diluted earnings per share

The Bank has only one category of dilutive potential ordinary share, share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Bank's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as below is compared with the number of shares that would have been issued assuming the exercise of the share options.

	1st Quarter Ended		Cumulative Three Months Ended	
	30/09/2014 RM'000	30/09/2013 RM'000	30/09/2014 RM'000	30/09/2013 RM'000
<u>The Group</u>				
Net profit attributable to shareholders of the company	547,568	544,487	547,568	544,487
Weighted average number of ordinary shares in issue (diluted) ('000):				
- during the period	1,763,535	1,760,112	1,763,535	1,760,112
- adjustment for ESOS	129	1,245	129	1,245
	1,763,664	1,761,357	1,763,664	1,761,357
Fully diluted earnings per share (sen)	31.0	30.9	31.0	30.9
<u>The Bank</u>				
Net profit attributable to shareholders of the company	409,401	454,424	409,401	454,424
Weighted average number of ordinary shares in issue (diluted) ('000):				
- during the period	1,763,535	1,760,112	1,763,535	1,760,112
- adjustment for ESOS	129	1,245	129	1,245
	1,763,664	1,761,357	1,763,664	1,761,357
Fully diluted earnings per share (sen)	23.2	25.8	23.2	25.8