

THE ROYAL BANK OF SCOTLAND BERHAD
(Incorporated in Malaysia)

Basel II
Pillar 3 Disclosure
As at 30 June 2013

Overview

The Group adopted the Standardised Approach in determining the capital requirements for credit risk and market risk and applied the Basic Indicator Approach for operational risk of the Pillar 1 under Bank Negara Malaysia's Risk-Weighted Capital Adequacy Framework ('RWCAF').

Under the Standardised Approach, standard risk weights are used to assess the capital requirements for exposures in credit risk and market risk whilst the capital required for operational risk under the Basic Indicator Approach is computed based on a fixed percentage over the group's average gross income for a fixed number of quarterly periods.

The information provided herein is pending verification by the internal auditors. The information is not audited as there is no requirement for external auditing of these disclosures under the Bank Negara Malaysia's RWCAF. The Pillar 3 Disclosure will be published in the Bank's website at www.rbs.my.

2.0 Capital Adequacy

The capital adequacy ratios of the Group are computed in accordance with Bank Negara Malaysia's revised Risk-weighted Capital Adequacy Framework ('RWCAF-Basel II'). The minimum regulatory capital adequacy requirement is 8% for the risk-weighted capital ratio.

Disclosure on Capital Adequacy under the Standardised Approach

Expressed in nearest RM thousands (RM'000)

Item	Exposure Class	Gross Exposures	Net Exposures	Risk Weighted Assets	Minimum Capital Requirement at 8%
30 June 2013					
1.0	Credit Risk				
	<i>On-Balance Sheet Exposures</i>				
	Sovereigns/Central Banks	719,191	719,191	0	-
	Public Sector Entities	-	-	0	-
	Banks, Development Financial Institutions & MDBs	1,868,405	1,817,932	363,586	29,087
	Insurance Cos, Securities Firms & Fund Managers	-	-	0	-
	Corporates	332,679	201,400	201,400	16,112
	Regulatory Retail	-	-	0	-
	Residential Mortgages	21,505	21,505	16,129	1,290
	Higher Risk Assets	3,411	3,411	5,117	409
	Other Assets	156,282	156,282	76,261	6,101
	Specialised Financing/Investment	-	-	0	-
	Securitisation Exposure	-	-	0	-
	Equity Exposure	-	-	0	-
	Defaulted Exposures	1,184	1,184	1,776	142
	Total for On-Balance Sheet Exposures	3,102,657	2,920,905	664,269	53,141
	<i>Off-Balance Sheet Exposures</i>				
	OTC Derivatives	2,291,318	2,291,318	1,258,192	100,655
	Credit Derivatives	-	-	0	-
	Off-Balance Sheet Exposures other than OTC or credit derivatives	441,159	441,159	424,188	33,935
	Defaulted Exposures	-	-	0	-
	Total for Off-Balance Sheet Exposures	2,732,477	2,732,477	1,682,380	134,590
	Total for On and Off-Balance Sheet Exposures	5,835,134	5,653,382	2,346,649	187,732
2.0	Large Exposures Risk Requirement				
3.0	Market Risk	Long	Short		
	Interest Rate Risk	32,624,991	(33,624,991)	1,399,725	111,978
	Foreign Currency Risk	72,475	(1,385)	72,475	5,798
	Equity Risk				
	Commodity Risk				
	Options Risk	20,000	(905,000)	3,563	285
	Inventory Risk				
4.0	Operational Risk			149,750	11,980
5.0	Total RWA			3,972,162	317,773

Disclosure on Capital Adequacy under the Standardised Approach

Expressed in nearest RM thousands (RM'000)

Item	Exposure Class	Gross Exposures	Net Exposures	Risk Weighted Assets	Minimum Capital Requirement at 8%
31 December 2012					
1.0	Credit Risk				
	<i>On-Balance Sheet Exposures</i>				
	Sovereigns/Central Banks	828,908	828,908	0	-
	Public Sector Entities	-	-	0	-
	Banks, Development Financial Institutions & MDBs	2,634,774	2,577,421	515,485	41,239
	Insurance Cos, Securities Firms & Fund Managers	-	-	0	-
	Corporates	261,770	100,128	100,128	8,010
	Regulatory Retail	-	-	0	-
	Residential Mortgages	23,495	23,495	17,621	1,410
	Higher Risk Assets	5,752	5,752	8,629	690
	Other Assets	48,001	48,001	46,434	3,715
	Specialised Financing/Investment	-	-	0	-
	Securitisation Exposure	-	-	0	-
	Equity Exposure	-	-	0	-
	Defaulted Exposures	7,525	7,525	11,288	903
	Total for On-Balance Sheet Exposures	3,810,225	3,591,230	699,584	55,967
	<i>Off-Balance Sheet Exposures</i>				
	OTC Derivatives	2,106,978	2,106,978	1,188,024	95,042
	Credit Derivatives	-	-	0	-
	Off-Balance Sheet Exposures other than OTC or credit derivatives	486,734	486,734	455,336	36,427
	Defaulted Exposures	-	-	0	-
	Total for Off-Balance Sheet Exposures	2,593,712	2,593,712	1,643,360	131,469
	Total for On and Off-Balance Sheet Exposures	6,403,937	6,184,942	2,342,944	187,436
2.0	Large Exposures Risk Requirement				
3.0	Market Risk	Long	Short		
	Interest Rate Risk	31,014,238	(31,135,122)	1,358,211	108,657
	Foreign Currency Risk	16,792	(6,611)	16,792	1,343
	Equity Risk				
	Commodity Risk				
	Options Risk	330,000	(850,000)	4,736	379
	Inventory Risk				
4.0	Operational Risk			177,923	14,234
5.0	Total RWA			3,900,606	312,048

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3.0 Capital Structure

The components of the Group's capital structure are as shown in the table below:

Capital Structure

Expressed in nearest RM thousands (RM'000)

Group	Capital Elements	As At 30 Jun 2013	As At 31 Dec 2012
CET I/ Tier 1 Capital			
	Paid-up ordinary share capital	203,000	203,000
	Share premium	76,182	76,182
	Retained profit/loss brought forward from the previous financial year	140,029	164,161
	Current unaudited unadjusted profit/ loss	(23,027)	-24,132
	Transfer of current year profit to statutory reserve fund	-	-
	Approved audited half-year profit/ loss	-	-
	Prior year's profit/ loss	-	-
	Statutory reserve fund	162,068	162,068
	Unrealised reserve	(377)	-
	General reserve fund	-	-
	Capital redemption reserve	-	-
	Total non-innovative Tier 1 (non-IT1) and innovative Tier 1 (IT1) capital	-	-
	Non-innovative Tier 1 capital	-	-
	Of which: preference shares	-	-
	Total innovative Tier 1 capital	-	-
	RM innovative Tier 1 capital	-	-
	Innovative non-cumulative perpetual preference share capital	-	-
	RM Approved innovative debt capital instruments issued	-	-
	FX Approved innovative debt capital instruments issued	-	-
	Minority interest in shares of non-wholly owned subsidiaries	-	-
	Minority interest in non-cumulative preference shares of non-wholly owned subsidiaries	-	-
	Surplus/ loss from the sale of fixed and long-term investments not yet recognised in retained earnings	-	-
	Deferred tax assets	(23,095)	(22,591)
	Other items (insert if any)	-	-
	Total CET I/Tier 1 capital	534,780	558,688
	Less: Goodwill	-	-
	Deductions in excess of Tier 2 capital	-	-
	ELIGIBLE TIER 1 CAPITAL	534,780	558,688
Eligible Tier 2 Capital			
	Approved hybrid (debt/equity) capital instruments	-	-
	ICULs issued	-	-
	RCULs issued	-	-
	Other approved hybrid debt capital securities issued	-	-
	Property revaluation reserve	-	-
	Ordinary shares capitalised from property revaluation reserve	-	-
	Cumulative perpetual preference shares	-	-
	Minority interest in cumulative perpetual preference shares of non-wholly owned subsidiaries	-	-
	RM collectively assessed allowance	3,452	4,156
	Surplus eligible provisions (EP) where it exceeds expected losses (EL) under the IRB approach	-	-
	Maximum allowable subordinated debt capital	160,000	180,000
	RM subordinated debt capital	160,000	180,000
	FX subordinated debt capital	-	-
	Any non-IT1 and IT1 capital instruments in excess of prescribed limits in Tier 1	-	-
	Of which: preference shares	-	-
	Other items (insert if any)	-	-
	Total Tier 2 capital	163,452	184,156
	Total Tier 2 capital (subject to limits)	163,452	184,156
	Less: Investment in subsidiaries companies	-	-
	Investment in insurance companies	-	-
	Investment in capital instruments of other banking institutions	-	-
	Securitisation exposures subject to deductions	-	-
	Securitisation exposures held in the banking book	-	-
	Securitisation exposures held in the trading book	-	-
	Excess of EL over EP under the IRB approach	-	-
	EL amount for equity exposures under the PD/LGD approach	-	-
	Stale Inventory Reserve	-	-
	Other items (insert if any)	-	-
	Total deductions from Tier 2 Capital	-	0
	ELIGIBLE TIER 2 CAPITAL	163,452	184,156
	CAPITAL BASE	698,232	742,844

4.0 Risk Management

4.1 Credit Risk

Credit Risk (General Disclosure)

Disclosure on Loans by Sector and Geographical Distribution

30 June 2013

Sector Description	K.Lumpur RM'000	P.Pinang RM'000	All States RM'000
Purchase of transport vehicles	1,441	300	1,741
Purchase of landed properties (Residential)	23,197	175	23,372
Consumption credit	241	20	261
Manufacturing	191,220	1	191,221
Construction	4,039		4,039
Wholesale and retail	88,948		88,948
Transport, storage and communication	17,845		17,845
Finance, insurance and business services	3,697		3,697
Mining and quarrying	28,958		28,958
	359,586	496	360,082

31 December 2012

Sector Description	K.Lumpur RM'000	P.Pinang RM'000	All States RM'000
Purchase of transport vehicles	1,644	150	1,794
Purchase of landed properties (Residential)	25,040	56	25,096
Consumption credit	230	23	253
Manufacturing	202,996	505	203,501
Construction	4,929		4,929
Wholesale and retail	36,256		36,256
Transport, storage and communication	15,262		15,262
Finance, insurance and business services	17,302		17,302
	303,659	734	304,393

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Loans by Residual Contractual Maturity

30 June 2013

Residual contractual maturity	Term Loans	Bills receivable	BA's	RC	Staff Loans	Overdraft	Trust receipts	Other loans	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Maturity within one year	53,592	50,216	28,336	171,949	4,364	13,658	881	16,116	339,112
More than one year to three years	186								186
More than three years to five years	544								544
More than five years	20,240								20,240
	74,562	50,216	28,336	171,949	4,364	13,658	881	16,116	360,082

31 December 2012

Residual contractual maturity	Term Loans	Bills receivable	BA's	RC	Staff Loans	Overdraft	Trust receipts	Other loans	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Maturity within one year	1,345	97,129	42,953	128,802	4,208	8,367			282,804
More than one year to three years	168								168
More than three years to five years	972								972
More than five years	20,449								20,449
	22,934	97,129	42,953	128,802	4,208	8,367	-	-	304,393

Impairment losses on loans, advances and financing

Past due but not impaired: Past due but not impaired loans, advances and financing are loans where the customer has failed to make a principal or interest payment when they are contractually due, and includes loans which are due 1 or more days after the contractual due date but less than 3 months. The breakdown of the gross loan amounts of past due but not impaired by economic sector are as follows:

Sector	As at 30 Jun 2013 RM '000	As at 31 Dec 2012 RM '000
Purchase of landed properties (Residential)	5,700	6,291
Purchase of transport vehicle	35	38
Consumption credit	8	-
Total	5,743 *	6,329 *

* The gross amount of loans relate to clients in Kuala Lumpur

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Impaired: The definition of impaired loans and the approaches undertaken in the determination of individually assessed and collectively assessed allowance are explained in Note 4(iii) to the 2012 annual financial statements. The breakdown of the gross amount of loans, advances and financing assessed as impaired by economic sector and the corresponding individual assessment allowance is provided in Note 36(b) to the 2012 annual financial statements. The breakdown of the gross amount, the corresponding individual impairment provision, the current year write-offs and charges, by economic sector are as follows:

2013						
Sector (Expressed in RM'000)	Gross Impaired Loans @ 30 Jun 2013	Individually assessed allowance @ 1 Jan 2013	Write-off during the year	Write-back during the year	Allowance made during the year	Individually assessed allowance @ 30 Jun 2013
Kuala Lumpur						
Purchase of landed properties (Residential)	1,867	592	-	(216)	307	683
Manufacturing	-	-	-	-	-	-
Construction	-	7	-	(7)	-	-
Wholesale and Retail	334	334	-	-	-	334
Penang						
Manufacturing	-	-	-	-	-	-
Total *	2,201	933	-	(223)	307	1,017

2012						
Sector (Expressed in RM'000)	Gross Impaired Loans @ 31 Dec 2012	Individually assessed allowance @ 1 Jan 2012	Write-off during the year	Write-back during the year	Allowance made during the year	Individually assessed allowance @ 31 Dec 2012
Kuala Lumpur						
Purchase of landed properties (Residential)	1,599	878	(251)	(305)	270	592
Manufacturing	6,518	-	-	-	-	-
Construction	7	39,574	(39,567)	-	-	7
Wholesale and Retail	334	1,478	(983)	(161)	-	344
Penang						
Manufacturing	-	2,147	(2,225)	-	78	-
Total *	8,458	44,077	(43,026)	(466)	348	933

The collectively assessed allowance is not directly attributable to any geographical distribution and economic sector. The collectively assessed allowance is disclosed in Note 9(viii) to the 2012 annual financial statements and Note 5(ix) to the 30 June 2013 interim financial statements.

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Disclosure on Credit Risk Exposure after Netting and Credit Risk Mitigation

Exposures after Netting and Credit Risk Mitigation (Expressed in nearest RM '000)										
Risk Weights	Sovereigns & Central Banks	Banks, MDBs and FDIs	Insurance Cos, Securities Firms & Fund Managers	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Total Exposures	Total Risk Weighted Assets
30 June 2013										
0%	719,191							(563)	718,628	
10%										
20%		2,393,875						100,730	2,494,605	498,921
35%										
50%		1,175,241		3,303					1,178,544	589,272
75%						21,786			21,786	16,340
90%										
100%				1,179,108				56,115	1,235,223	1,235,223
110%										
125%										
135%										
150%						1,184	3,411		4,595	6,893
270%										
350%										
400%										
625%										
937.5%										
1250.0%										
Total	719,191	3,569,116	-	1,182,411	-	22,970	3,411	156,282	5,653,381	2,346,649
31 December 2012										
0%	828,908							1,567	830,475	
10%										
20%		3,017,084							3,017,084	603,417
35%										
50%		1,196,165		918					1,197,083	598,542
75%						23,817			23,817	17,863
90%										
100%				1,056,772				46,434	1,103,206	1,103,206
110%										
125%										
135%										
150%				6,464		1,061	5,752		13,277	19,916
270%										
350%										
400%										
625%										
937.5%										
1250.0%										
Total	828,908	4,213,249	-	1,064,154	-	24,878	5,752	48,001	6,184,942	2,342,943

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Disclosure on Rated Exposure According to Ratings by ECAIs

Risk Weighted Capital Adequacy Framework (Basel II) - Disclosure Requirements (Pillar 3)

Disclosures on Rated Exposures according to Ratings by ECAIs

Expressed in nearest RM thousands (RM'000)

30 June 2013

Exposure Class	Ratings of Corporate by Approved ECAIs					
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	B1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B to D	Unrated
Credit Exposures (using Corporate Risk Weights)						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)						
Insurance Cos, Securities Firms & Fund Managers						
Corporates		-	3,303	6,296		1,304,091
Total		-	3,303	6,296	-	1,304,091

Exposure Class	Short term Ratings of Banking Institutions and Corporate by Approved ECAIs					
	Moody's	P-1	P-2	P-3	Others	Unrated
	S&P	A-1	A-2	A-3	Others	Unrated
	Fitch	F1+, F1	F2	F3	B to D	Unrated
	RAM	P-1	P-2	P-3	NP	Unrated
Banks, MDBs and FDIs						
Rated Credit Exposures (using Corporate Risk Weights)						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)						
Insurance Cos, Securities Firms & Fund Managers						
Corporates						
Total		-	-	-	-	-

Exposure Class	Ratings of Sovereigns and Central Banks by Approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
Sovereigns and Central Banks		-	-	-	-	-	719,191
Total		-	-	-	-	-	719,191

Exposure Class	Ratings of Banking Institutions by Approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
Banks, MDBs and FDIs		575,718	2,798,149	202,406	-	-	43,316
Total		575,718	2,798,149	202,406	-	-	43,316

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Risk Weighted Capital Adequacy Framework (Basel II) - Disclosure Requirements (Pillar 3)

Disclosures on Rated Exposures according to Ratings by ECAIs

Expressed in nearest RM thousands (RM'000)

31 December 2012

Exposure Class	Ratings of Corporate by Approved ECAIs					
	Moodys	Aaa to Aa3	A1 to A3	Baa1 to Baa3	B1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
Gross On and Off Balance-Sheet Exposures	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B to D	Unrated
<u>Credit Exposures (using Corporate Risk Weights)</u>						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)						
Insurance Cos, Securities Firms & Fund Managers						
Corporates		-	-	97,111		1,128,685
Total		-	-	97,111	-	1,128,685

Exposure Class	Short term Ratings of Banking Institutions and Corporate by Approved ECAIs					
	Moodys	P-1	P-2	P-3	Others	Unrated
	S&P	A-1	A-2	A-3	Others	Unrated
Gross On and Off Balance-Sheet Exposures	Fitch	F1+, F1	F2	F3	B to D	Unrated
	RAM	P-1	P-2	P-3	NP	Unrated
Banks, MDBs and FDIs						
<u>Rated Credit Exposures (using Corporate Risk Weights)</u>						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)						
Insurance Cos, Securities Firms & Fund Managers						
Corporates						
Total		-	-	-	-	-

Exposure Class	Ratings of Sovereigns and Central Banks by Approved ECAIs						
	Moodys	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
Gross On and Off Balance-Sheet Exposures	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
Sovereigns and Central Banks		-	-	-	-	-	828,908
Total		-	-	-	-	-	828,908

Exposure Class	Ratings of Banking Institutions by Approved ECAIs						
	Moodys	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
Gross On and Off Balance-Sheet Exposures	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3	A1 to A3	BBB1 to BBB3	BB1 to B3	C1 to D	Unrated
Banks, MDBs and FDIs		440,609	3,601,812	176,083	-	-	52,098
Total		440,609	3,601,812	176,083	-	-	52,098

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Disclosure on Credit Risk Mitigation

Disclosure on Credit Risk Mitigation (Expressed in nearest RM '000)				
Exposure Class	Gross Exposures	Exposures Covered by Guarantees/Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other eligible Collateral
30 June 2013				
Credit Risk				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	719,191			
Public Sector Entities				
Banks, Development Financial Institutions & MDBs	1,868,405		50,473	
Insurance Cos, Securities Firms & Fund Managers				
Corporates	332,679		131,279	
Regulatory Retail				
Residential Mortgages	21,505			
Higher Risk Assets	3,411			
Other Assets	156,282			
Specialised Financing/Investment				
Equity Exposure				
Securitisation Exposure				
Defaulted Exposures	1,184			
Total for On-Balance Sheet Exposures	3,102,657	-	181,752	-
Off-Balance Sheet Exposures				
OTC Derivatives	2,291,318			
Credit Derivatives				
Off-Balance Sheet Exposures other than OTC or Credit derivatives	441,159			
Defaulted Exposures				
Total for Off-Balance Sheet Exposures	2,732,477	-	-	-
Total for On and Off-Balance Sheet Exposures	5,835,134	-	181,752	-
31 December 2012				
Credit Risk				
On-Balance Sheet Exposures				
Sovereigns/Central Banks	828,908			
Public Sector Entities				
Banks, Development Financial Institutions & MDBs	2,634,774		57,353	
Insurance Cos, Securities Firms & Fund Managers				
Corporates	261,770		161,642	
Regulatory Retail				
Residential Mortgages	23,495			
Higher Risk Assets	5,752			
Other Assets	49,397			
Specialised Financing/Investment				
Equity Exposure				
Securitisation Exposure				
Defaulted Exposures	7,525			
Total for On-Balance Sheet Exposures	3,811,621	-	218,995	-
Off-Balance Sheet Exposures				
OTC Derivatives	2,106,978			
Credit Derivatives				
Off-Balance Sheet Exposures other than OTC or Credit derivatives	486,734			
Defaulted Exposures				
Total for Off-Balance Sheet Exposures	2,593,712	-	-	-
Total for On and Off-Balance Sheet Exposures	6,405,333	-	218,995	-

Disclosure on Off-balance sheet and Counterparty Credit Risk Exposure

Disclosure on Off-Balance Sheet and Counterparty Credit Risk

Expressed in nearest RM thousands (RM '000)

Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
31 June 2013				
Direct Credit Substitutes	66,680		66,680	66,680
Transaction related contingent Items	511,363		255,682	243,839
Short Term Self Liquidating trade related contingencies	3,352		670	670
Assets sold with recourse				
Forward Asset Purchases				
Obligations under an on-going underwriting agreement				
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions. (i.e. repurchase / reverse repurchase and securities lending / borrowing transactions.				
Foreign exchange related contracts				
One year or less	8,836,583	92,002	235,202	112,003
Over one year to five years	577,526	10,166	45,781	18,574
Over five years	32,096		3,430	1,715
Interest/Profit rate related contracts				
One year or less	6,159,248	20,746	41,958	19,200
Over one year to five years	20,470,007	250,498	1,016,789	488,979
Over five years	6,751,900	232,747	948,157	617,721
Equity related contracts				
One year or less				
Over one year to five years				
Over five years				
Gold and Other Precious Metal Contracts				
One year or less				
Over one year to five years				
Over five years				
Other Commodity Contracts				
One year or less				
Over one year to five years				
Over five years				
Credit Derivative Contracts				
One year or less				
Over one year to five years				
Over five years				
OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	563		282	211
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	589,226		117,845	112,787
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness				
Unutilised credit card lines				
Off-balance sheet items for securitisation exposures				
Off-balance sheet exposures due to early amortisation provisions				
Total	43,998,544	606,159	2,732,475	1,682,378

Disclosure on Off-Balance Sheet and Counterparty Credit Risk

Expressed in nearest RM thousands (RM '000)

Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
31 December 2012				
Direct Credit Substitutes	60,000		60,000	60,000
Transaction related contingent Items	539,191		269,596	259,674
Short Term Self Liquidating trade related contingencies	20,614		4,123	3,246
Assets sold with recourse				
Forward Asset Purchases				
Obligations under an on-going underwriting agreement				
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions. (i.e. repurchase / reverse repurchase and securities lending / borrowing transactions.				
Foreign exchange related contracts				
One year or less	5,247,363	48,525	119,635	66,074
Over one year to five years	709,519	19,051	70,827	38,638
Over five years	441,414	3,050	50,503	47,038
Interest/Profit rate related contracts				
One year or less	6,682,579	27,001	64,956	27,116
Over one year to five years	18,643,909	283,203	921,594	453,018
Over five years	6,838,111	346,532	879,462	556,140
Equity related contracts				
One year or less				
Over one year to five years				
Over five years				
Gold and Other Precious Metal Contracts				
One year or less				
Over one year to five years				
Over five years				
Other Commodity Contracts				
One year or less				
Over one year to five years				
Over five years				
Credit Derivative Contracts				
One year or less				
Over one year to five years				
Over five years				
OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	644		322	242
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	763,469		152,694	132,174
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness				
Unutilised credit card lines				
Off-balance sheet items for securitisation exposures				
Off-balance sheet exposures due to early amortisation provisions				
Total	39,946,813	727,362	2,593,712	1,643,360

4.2 Interest Rate Risk Sensitivity Analysis

Stress testing is performed to provide early warnings of potential losses to facilitate the proactive management of interest rate risk. Based on data as at 30 June 2013, the Group's projected sensitivity to a 100 basis point parallel shock to interest rates across all maturities is approximately RM0.1 million.

4.3 Equity Exposures in Banking Book

The privately held equity investments are unquoted and stated at cost adjusted for impairment loss, if any. These investments are held mainly for strategic purpose only. The table below present the equity exposures in banking book:

Privately held	For socio-economic purposes	
	As at 30 June 2013 RM'000	As at 31 December 2012 RM'000
Credit exposure	1,719	1,719
Risk Weighted Asset	1,719	1,719