

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2011

	Note	Group		Bank	
		30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Assets					
Cash and cash equivalents	13	12,395,825	11,004,041	11,828,273	10,616,038
Deposits and placements with banks and other financial institutions	14	2,154,238	1,935,632	2,188,676	2,235,614
Securities held-for-trading	15	989,250	505,657	989,250	505,657
Securities available-for-sale	16	6,463,714	5,964,308	5,311,174	4,904,779
Loans, advances and financing	17	38,411,626	35,143,119	35,897,159	32,656,423
Derivative assets	19	463,315	499,772	461,531	492,132
Other assets	20	235,827	203,813	500,670	395,030
Statutory deposits with Bank Negara Malaysia	21	586,092	79,342	497,092	52,592
Investment in subsidiary companies		-	-	256,611	256,611
Property, plant and equipment		201,143	210,647	194,436	202,825
Prepaid lease payments		982	1,000	982	1,000
Investment properties		20,149	20,731	20,149	20,731
Non-current assets held for sale		58	-	58	-
Deferred tax assets		146,792	137,896	136,449	127,725
Total assets		62,069,011	55,705,958	58,282,510	52,467,157
Liabilities					
Deposits from customers	22	47,378,494	43,236,933	44,009,390	40,381,661
Deposits and placements of banks and other financial institutions	23	7,019,926	5,013,388	6,767,522	4,734,425
Bills and acceptances payable		307,487	281,944	283,222	270,837
Recourse obligation on loans sold to Cagamas Berhad		314,065	329,988	314,065	329,988
Subordinated term loan / bonds	24	1,501,237	1,504,132	1,501,237	1,504,132
Derivative liabilities	19	568,694	485,177	566,925	477,549
Other liabilities	25	503,453	472,329	430,622	440,166
Current tax liabilities and zakat		67,088	30,022	63,232	28,124
Total Liabilities		57,660,444	51,353,913	53,936,215	48,166,882
Equity					
Share capital		291,500	291,500	291,500	291,500
Reserves		4,117,067	4,060,545	4,054,795	4,008,775
Total equity		4,408,567	4,352,045	4,346,295	4,300,275
Total liabilities and equity		62,069,011	55,705,958	58,282,510	52,467,157
Commitments and contingencies	34	88,238,259	64,496,086	86,621,342	63,390,651

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and Bank for the financial year ended 31 December 2010.

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS FOR THE SECOND QUARTER AND HALF YEAR ENDED
30 JUNE 2011**

	Note	2nd Quarter Ended		Half Year Ended	
		30 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
Group					
Interest income	26	592,122	501,324	1,144,686	980,357
Interest expense	26	(295,553)	(220,285)	(559,097)	(435,058)
Net interest income		296,569	281,039	585,589	545,299
Net fee and commission income	27	77,570	58,710	143,525	122,272
Income from Islamic banking operations		44,307	39,064	88,672	80,564
Net trading income	28	34,276	35,240	83,206	103,210
Other operating income	29	29,299	8,024	32,897	15,437
Operating income		482,021	422,077	933,889	866,782
Personnel and operating expenses	30	(177,631)	(170,872)	(346,508)	(314,642)
Operating profit before allowance for impairment loss and provision		304,390	251,205	587,381	552,140
Impairment allowance on loans, advances and financing	31	(38,821)	(24,376)	(72,016)	(45,547)
Impairment allowance on investment properties		-	(361)	-	(361)
Provision for commitment and contingencies		-	(7,704)	-	(7,604)
Profit before income tax expense and zakat		265,569	218,764	515,365	498,628
Income tax expense	32	(62,232)	(55,793)	(125,478)	(126,518)
Zakat		5	(3)	(10)	(7)
Profit for the period		203,342	162,968	389,877	372,103
Basic earnings per ordinary share (sen)		76.1	56.7	132.5	126.3

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and Bank for the financial year ended 31 December 2010.

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS FOR THE SECOND QUARTER AND HALF YEAR ENDED
30 JUNE 2011 (continued)**

	Note	2nd Quarter Ended		Half Year Ended	
		30 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
<u>Bank</u>					
Interest income	26	597,770	507,517	1,157,413	991,969
Interest expense	26	(295,547)	(220,291)	(559,109)	(435,070)
Net interest income		<u>302,223</u>	<u>287,226</u>	<u>598,304</u>	<u>556,899</u>
Net fee and commission income	27	90,044	70,404	167,676	144,500
Net trading income	28	34,276	35,240	83,206	103,210
Other operating income	29	29,319	8,124	32,942	15,546
Operating income		<u>455,862</u>	<u>400,994</u>	<u>882,128</u>	<u>820,155</u>
Personnel and operating expenses	30	(163,492)	(160,054)	(319,824)	(294,623)
Operating profit before allowance for impairment loss and provision		<u>292,370</u>	<u>240,940</u>	<u>562,304</u>	<u>525,532</u>
Impairment allowance on loans, advances and financing	31	(36,036)	(22,536)	(62,826)	(40,287)
Impairment allowance on investment properties		-	(361)	-	(361)
Provision for commitment and contingencies		-	(7,704)	-	(7,604)
Profit before income tax expense and zakat		<u>256,334</u>	<u>210,339</u>	<u>499,478</u>	<u>477,280</u>
Income tax expense	32	(59,802)	(53,567)	(121,313)	(120,947)
Profit for the period		<u>196,532</u>	<u>156,772</u>	<u>378,165</u>	<u>356,333</u>
Basic earnings per ordinary share (sen)		<u>68.4</u>	<u>54.5</u>	<u>131.5</u>	<u>120.8</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and Bank for the financial year ended 31 December 2010.

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND HALF
YEAR ENDED 30 JUNE 2011**

	2nd Quarter Ended		Half Year Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
Group	RM'000	RM'000	RM'000	RM'000
Profit for the period	203,342	162,968	389,877	372,103
Fair value of securities available-for-sale				
-change in fair value	31,887	1,444	9,767	(1,893)
-amount transferred to profit or loss on disposal	(7,028)	(5,224)	(10,545)	(12,255)
Income tax expense relating to components of other comprehensive income	(7,316)	190	(194)	2,753
Other comprehensive income/(expense) for the period, net of tax	17,543	(3,590)	(972)	(11,395)
Total comprehensive income for the period	220,885	159,378	388,905	360,708
Profit attributable to:				
Owner of the Bank	203,342	162,968	389,877	372,103
Total comprehensive income attributable to: Owner of the Bank	220,885	159,378	388,905	360,708

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and Bank for the financial year ended 31 December 2010.

**CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER AND HALF
YEAR ENDED 30 JUNE 2011 (continued)**

	<u>2nd Quarter Ended</u>		<u>Half Year Ended</u>	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
<u>Bank</u>	RM'000	RM'000	RM'000	RM'000
Profit for the period	196,532	156,772	378,165	356,333
Fair value of securities available-for-sale				
-change in fair value	31,019	177	9,035	(3,542)
-amount transferred to profit or loss on disposal	(7,333)	(5,151)	(8,408)	(10,802)
Income tax expense relating to components of other comprehensive income	(7,413)	489	(389)	2,781
Other comprehensive income/(expense) for the period, net of tax	<u>16,273</u>	<u>(4,485)</u>	<u>238</u>	<u>(11,563)</u>
Total comprehensive income for the period	<u>212,805</u>	<u>152,287</u>	<u>378,403</u>	<u>344,770</u>
Profit attributable to:				
Owner of the Bank	<u>196,532</u>	<u>156,772</u>	<u>378,165</u>	<u>356,333</u>
Total comprehensive income attributable to: Owner of the Bank	<u>212,805</u>	<u>152,287</u>	<u>378,403</u>	<u>344,770</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and Bank for the financial year ended 31 December 2010.

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 JUNE 2011

	<i>Non-distributable</i>				<i>Distributable</i>		Total equity RM'000
	Share capital RM'000	Share premium RM'000	Statutory reserve RM'000	Capital reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	
Group							
Balance at 1 January 2011	291,500	858,500	330,660	56,619	125,915	2,688,851	4,352,045
Profit for the period	-	-	-	-	-	389,877	389,877
Other comprehensive expense for the period	-	-	-	-	(972)	-	(972)
Total comprehensive (expense)/income for the period	-	-	-	-	(972)	389,877	388,905
Transfer to statutory reserve	-	-	11,922	-	-	(11,922)	-
Dividends paid on ordinary shares in respect of:							
- final 2010	-	-	-	-	-	(323,437)	(323,437)
Dividends to preference shareholders	-	-	-	-	-	(8,946)	(8,946)
Balance at 30 June 2011	<u>291,500</u>	<u>858,500</u>	<u>342,582</u>	<u>56,619</u>	<u>124,943</u>	<u>2,734,423</u>	<u>4,408,567</u>
Balance at 1 January 2010							
- As previously stated	291,500	858,500	330,660	56,619	128,936	2,023,141	3,689,356
- Effect of adopting FRS 139	-	-	-	-	-	20,427	20,427
As restated	<u>291,500</u>	<u>858,500</u>	<u>330,660</u>	<u>56,619</u>	<u>128,936</u>	<u>2,043,568</u>	<u>3,709,783</u>
Profit for the period	-	-	-	-	-	372,103	372,103
Other comprehensive expense for the period	-	-	-	-	(11,395)	-	(11,395)
Total comprehensive (expense)/income for the period	-	-	-	-	(11,395)	372,103	360,708
Dividends paid on ordinary shares in respect of:							
- final 2009	-	-	-	-	-	(43,125)	(43,125)
Dividends to preference shareholders	-	-	-	-	-	(8,946)	(8,946)
Balance at 30 June 2010	<u>291,500</u>	<u>858,500</u>	<u>330,660</u>	<u>56,619</u>	<u>117,541</u>	<u>2,363,600</u>	<u>4,018,420</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and Bank for the financial year ended 31 December 2010.

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 JUNE 2011
(continued)

	<i>Non-distributable</i>			<i>Distributable</i>		<u>Total equity</u> RM'000
	<u>Share capital</u> RM'000	<u>Share premium</u> RM'000	<u>Statutory reserve</u> RM'000	<u>Fair value reserve</u> RM'000	<u>Retained earnings</u> RM'000	
<u>Bank</u>						
Balance at 1 January 2011	291,500	858,500	322,000	124,058	2,704,217	4,300,275
Profit for the period	-	-	-	-	378,165	378,165
Other comprehensive income for the period	-	-	-	238	-	238
Total comprehensive (expense)/income for the period	-	-	-	238	378,165	378,403
Dividends paid on ordinary shares in respect of:						
- final 2010	-	-	-	-	(323,437)	(323,437)
Dividends to preference shareholders	-	-	-	-	(8,946)	(8,946)
Balance at 30 June 2011	<u>291,500</u>	<u>858,500</u>	<u>322,000</u>	<u>124,296</u>	<u>2,749,999</u>	<u>4,346,295</u>
Balance at 1 January 2010						
- As previously stated	291,500	858,500	322,000	127,537	2,062,029	3,661,566
- Effect of adopting FRS 139	-	-	-	-	20,427	20,427
As restated	<u>291,500</u>	<u>858,500</u>	<u>322,000</u>	<u>127,537</u>	<u>2,082,456</u>	<u>3,681,993</u>
Profit for the period	-	-	-	-	356,333	356,333
Other comprehensive expense for the period	-	-	-	(11,563)	-	(11,563)
Total comprehensive (expense)/income for the period	-	-	-	(11,563)	356,333	344,770
Dividends paid on ordinary shares in respect of:						
- final 2009	-	-	-	-	(43,125)	(43,125)
Dividends to preference shareholders	-	-	-	-	(8,946)	(8,946)
Balance at 30 June 2010	<u>291,500</u>	<u>858,500</u>	<u>322,000</u>	<u>115,974</u>	<u>2,386,718</u>	<u>3,974,692</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and Bank for the financial year ended 31 December 2010.

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE HALF YEAR ENDED 30 JUNE 2011

	Group		Bank	
	30 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
Cash flows from operating activities				
Profit before income tax expense and zakat	515,365	498,628	499,478	477,280
Adjustments for non-operating and non-cash items	86,391	139,892	76,176	140,954
Operating profit before changes in working capital	601,756	638,520	575,654	618,234
Changes in working capital:				
Net increase in operating assets	(4,532,243)	(491,947)	(4,247,586)	(742,872)
Net increase/(decrease) in operating liabilities	6,235,880	(1,567,466)	5,700,752	(1,500,652)
Cash generated from/(used in) operations	2,305,393	(1,420,893)	2,028,820	(1,625,290)
Income tax and zakat paid	(97,304)	(83,978)	(95,318)	(80,656)
Net cash generated from/(used) in operating activities	2,208,089	(1,504,871)	1,933,502	(1,705,946)
Net cash (used in)/generated from investing activities	(481,630)	754,120	(386,592)	733,673
Net cash used in financing activities	(334,675)	(135,865)	(334,675)	(135,865)
Net increase/(decrease) in cash and cash equivalents	1,391,784	(886,616)	1,212,235	(1,108,138)
Cash and cash equivalents at beginning of the period	11,004,041	11,211,535	10,616,038	9,945,874
Cash and cash equivalents at end of the period	12,395,825	10,324,919	11,828,273	8,837,736

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and Bank for the financial year ended 31 December 2010.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011

1 GENERAL INFORMATION

The principal activities of the Group and of the Bank are banking and related financial services which also include Islamic Banking (“IB”) business. The principal activities of the subsidiary companies during the financial period are in the businesses of IB, lease financing and the provision of nominees services. There have been no significant changes in the nature of these activities during the financial period.

The condensed interim financial statements of the Group as at and for the six months period ended 30 June 2011 comprise the Bank and its subsidiary companies (together referred to as the Group).

2 REVIEW OF PERFORMANCE

The Bank and its subsidiaries (“Group”) recorded a net profit of RM390 million for the first six months of 2011, registering an increase of RM18 million or 5% compared to the corresponding period in 2010. The increase was as a result of higher operating profits of 6% or RM35 million, to RM587 million offset by the increase in allowances by RM18 million or 35%, to RM72 million in the first half of the year compared to the corresponding period in 2010.

Total income for the Group grew by RM67 million or 8% to RM934 million contributed from increases in net interest income (RM40 million) and non-interest income (RM27 million). Overhead expenses rose by RM32 million or 10%, to RM347 million as the Group continued to build capability and expand its branch network and delivery channels.

The increase in allowances came mainly from higher collective impairment allowances of RM35 million to cater for loans growth while individual impairment allowances and other allowances declined by RM16 million.

Gross loans outstanding as at 30 June 2011 grew by RM3.3 billion or 9% to RM39.4 billion for the first six months. The growth derived from business and consumer loans of RM2.1 billion and RM1.2 billion respectively.

Shareholders’ funds strengthened to RM4.4 billion while the Group’s risk weighted capital ratio as at 30 June 2011 stood at 16.20%.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)

3 ECONOMIC PERFORMANCE AND PROSPECTS

Despite weak indicators and conditions on the global economic environment, the Malaysian economy continued to grow at a moderate pace benefiting from the surge in global commodity prices in the early part of this year.

Malaysia will still rely on its export and private consumption growth to sustain and support the economy. Further, on the investment front, the progress of the Economic Transformation Programme would also lend a positive note to the country's longer term growth outlook.

Riding on the domestic economy growth momentum, the Group will continue to push for balanced growth from both its consumer and business segments in its loan assets, amid stiff competition from new entrants. The Group will also continue to introduce more innovative financial products and services that meet its customers' needs and expand its reach to its customers.

Against the backdrop of the ongoing domestic economic conditions, the Group will remain cautious in preserving its asset quality while improving its capital position to meet the challenges ahead.

4 BASIS OF PREPARATION

The unaudited condensed interim financial statements of the Group and the Bank for the period ended 30 June 2011 have been prepared in accordance with FRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Bank Negara Malaysia ("BNM") guidelines.

The Group and the Bank's unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2010. The explanatory notes attached in the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group and the Bank since the financial year ended 31 December 2010.

The accounting policies adopted for the interim financial statements are consistent with those adopted for the audited annual financial statements for the year ended 31 December 2010, except for the adoption of the following applicable standards, amendments and interpretations that have been issued by MASB which are effective on 1 January 2011.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)

4 BASIS OF PREPARATION (continued)

FRSs, Amendments and interpretations effective for annual periods beginning on or after 1 January 2011
Amendments to FRS132, Financial instruments: Presentation-Classification of right Issues
FRS 1 (revised), First-time Adoption of Financial Reporting Standards
FRS 3 (revised), Business Combinations
FRS 127 (revised), Consolidated and Separate Financial Statements
IC Interpretation 17, Distributions of Non-cash Assets to Owners
Amendments to FRS 2, Share-based Payment
Amendments to FRS 5, Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138, Intangible Assets
Amendments to IC Interpretation 9, Reassessment of Embedded Derivatives
Amendments to FRS 1, First-time Adoption of Financial Reporting Standards
-Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
-Additional Exemptions for First-time Adopters
Amendments to FRS 7, Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments
IC Interpretation 4, Determining whether an Arrangement contains a Lease
IC Interpretation 18, Transfers of Assets from Customers
TR i-4, Shariah Compliant Sale Contracts
Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"

The adoption of the above mentioned applicable standards, amendments, and interpretations do not have any material impacts on the financial statements of the Group and the Bank.

The Group and the Bank has not applied the following standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the Group and the Bank.

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2011
IC Interpretation 19, Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14, Prepayments of a Minimum Funding Requirement

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012
FRS 124, Related Party Disclosures (revised)

The initial application of the above mentioned applicable standards, amendments and interpretations are not expected to have any material impacts on the financial statements of the Group and the Bank upon first adoption.

5 AUDITOR'S REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditor's report on the financial statements for the financial year ended 31 December 2010 was not qualified.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)

6 SEASONAL OR CYCLICAL FACTORS

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

7 UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank for the financial period ended 30 June 2011.

8 CHANGES IN ACCOUNTING ESTIMATES

There were no material changes in estimates of amounts reported that have a material effect on the unaudited condensed interim financial statements for the financial period ended 30 June 2011.

9 DEBT AND EQUITIES SECURITIES

There were no issuances, cancellations, repurchases, resale or repayment of debt and equity securities during the financial period ended 30 June 2011.

10 DIVIDEND

A net cash dividend of 4.15% amounting to RM8.95 million was paid to preference shareholders on 20 March 2011 and final gross dividend of 150.0 sen per ordinary share less tax at 25% amounting to RM323.44 million was paid on 21 April 2011 in respect of the financial year ended 31 December 2010.

The directors proposed an interim dividend of 30.0 sen per ordinary share less tax in respect of the current financial period amounting to RM64.688 million on the fully issued and paid up ordinary shares of the Bank.

11 SUBSEQUENT EVENTS

There were no material events subsequent to the balance sheet date that requires disclosure or adjustments to the unaudited condensed interim financial statements.

12 CHANGES IN THE COMPOSITION OF THE GROUP

There were no significant changes in the composition of the Group during the financial period ended 30 June 2011.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**13 CASH AND CASH EQUIVALENTS**

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Cash and balances with banks and other financial institutions	256,380	1,279,485	241,102	1,265,235
Money at call and deposit placements maturing within one month	<u>12,139,445</u>	<u>9,724,556</u>	<u>11,587,171</u>	<u>9,350,803</u>
	<u>12,395,825</u>	<u>11,004,041</u>	<u>11,828,273</u>	<u>10,616,038</u>
i) By geographical distribution				
Malaysia	10,986,665	10,202,861	10,424,267	9,818,875
Singapore	931,751	720,220	931,440	720,097
Other ASEAN	99,268	179	99,099	-
Rest of the world	<u>378,141</u>	<u>80,781</u>	<u>373,467</u>	<u>77,066</u>
	<u>12,395,825</u>	<u>11,004,041</u>	<u>11,828,273</u>	<u>10,616,038</u>

The analysis by geography is determined based on where the credit risk resides.

14 DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Licensed banks	<u>2,154,238</u>	<u>1,935,632</u>	<u>2,188,676</u>	<u>2,235,614</u>
i) By geographical distribution				
Malaysia	1,031,761	1,112,890	1,066,199	1,412,872
Singapore	650,509	822,742	650,509	822,742
Rest of the world	<u>471,968</u>	<u>-</u>	<u>471,968</u>	<u>-</u>
	<u>2,154,238</u>	<u>1,935,632</u>	<u>2,188,676</u>	<u>2,235,614</u>

The analysis by geography is determined based on where the credit risk resides.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**14 DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS (continued)**

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
ii) By residual contractual maturity				
Maturity within one year	2,154,238	1,935,632	2,004,238	2,031,008
One year to five years	-	-	118,477	138,645
Over five years	-	-	65,961	65,961
	<u>2,154,238</u>	<u>1,935,632</u>	<u>2,188,676</u>	<u>2,235,614</u>

Included in deposits and placements with banks and other financial institutions are exposures to Restricted Profit Sharing Investment Accounts ("RPSIA") as part of an arrangement with OCBC Al-Amin Bank Berhad ('OCBC Al-Amin'). The RPSIA is a contract based on the Mudharabah principle to fund a specific business venture where the Bank solely provides capital and the business venture is managed solely by the entrepreneur. The profit of the business venture arrangement is shared based on a pre-agreed ratio.

As at 30 June 2011, the RPSIA placements amounted to RM184,000,000 (31 December 2010: RM205,000,000) for a tenure of more than 1 year at profit rates ranging from 1.88% to 4.68% (31 December 2010: 1.87% to 4.31%) per annum.

15 SECURITIES HELD-FOR-TRADING

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
<u>At fair value</u>				
Malaysia Government treasury bills	13,887	-	13,887	-
Malaysia Government securities	284,298	5,008	284,298	5,008
Government Investment Certificate	177,094	31,156	177,094	31,156
Bank Negara Malaysia bills	158,266	68,912	158,266	68,912
Private debt securities	90,780	283,051	90,780	283,051
Quoted shares in Malaysia	264,925	117,530	264,925	117,530
	<u>989,250</u>	<u>505,657</u>	<u>989,250</u>	<u>505,657</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**16 SECURITIES AVAILABLE-FOR-SALE**

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
<u>At fair value</u>				
Malaysia Government securities	2,427,069	2,262,198	2,427,069	2,262,198
Government Investment Certificate	1,069,638	610,317	331,365	313,188
Bank Negara Malaysia bills	-	544,449	-	544,449
Bank Negara Malaysia Monetary Notes	256,444	255,527	99,695	-
Bank Negara Malaysia Islamic bonds	-	33,255	-	-
Private debt securities	1,573,837	1,555,571	1,334,391	1,232,024
Negotiable instruments of deposit	373,893	502,094	355,821	352,023
Bankers' acceptances	644,482	84,330	644,482	84,330
Unquoted shares in Malaysia	106,148	106,478	106,148	106,478
Unquoted shares outside Malaysia	12,025	10,020	12,025	10,020
Debentures	190	190	190	190
	<u>6,463,726</u>	<u>5,964,429</u>	<u>5,311,186</u>	<u>4,904,900</u>
Impairment allowance:				
- Unquoted shares in Malaysia	-	(109)	-	(109)
- Debentures	(12)	(12)	(12)	(12)
	<u>(12)</u>	<u>(121)</u>	<u>(12)</u>	<u>(121)</u>
	<u>6,463,714</u>	<u>5,964,308</u>	<u>5,311,174</u>	<u>4,904,779</u>

During the period, no securities available-for-sale was pledged to third parties in sale and repurchase agreements.

Included in Malaysian Government Securities are securities utilised to meet the statutory reserve requirement as referred to in Note 21. The nominal value of securities utilised as at 30 June 2011 is RM348,000,000 (31 December 2010: RM233,000,000).

The accumulated impairment allowance for securities available-for-sale are as follows:

	Group		Bank	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Balance at 1 January	121	121	121	121
Reversal of impairment allowance	(109)	-	(109)	-
Balance at 30 June/ 31 December	<u>12</u>	<u>121</u>	<u>12</u>	<u>121</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**17 LOANS, ADVANCES AND FINANCING**

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
<u>At amortisation cost</u>				
i) By type				
Overdrafts	3,395,860	3,357,978	2,785,412	2,916,414
Term loans/financing :				
- Housing loans/financing	11,138,465	10,166,900	10,985,941	10,020,070
- Syndicated term loan/financing	3,588,694	3,967,231	3,365,815	3,720,418
- Hire purchase receivables	593,506	558,520	72	75
- Lease receivables	602	2,264	602	2,227
- Other term loans	14,042,073	12,607,066	13,395,301	11,981,310
Credit/charge cards receivables	376,680	421,253	376,680	421,253
Bills receivable	1,349,857	76,387	1,335,898	64,443
Trust receipts	46,857	54,515	46,857	54,515
Claims on customers under acceptance credits	1,961,066	1,997,296	1,745,526	1,793,827
Block discounting	330	330	330	330
Loans to banks and other financial institutions	246,519	230,767	246,519	230,767
Revolving credits	2,163,244	2,135,768	1,753,045	1,596,582
Staff loans	108,084	113,248	108,084	113,248
Other loans	679,939	642,722	652,891	597,662
	<u>39,691,776</u>	<u>36,332,245</u>	<u>36,798,973</u>	<u>33,513,141</u>
Less: Unearned interest and income	(305,725)	(263,527)	(119)	(161)
Gross loans, advances and financing	<u>39,386,051</u>	<u>36,068,718</u>	<u>36,798,854</u>	<u>33,512,980</u>
Impairment allowance :				
- Individually assessed	(389,110)	(389,872)	(354,671)	(358,784)
- Collectively assessed	(585,315)	(535,727)	(547,024)	(497,773)
Net loans, advances and financing	<u>38,411,626</u>	<u>35,143,119</u>	<u>35,897,159</u>	<u>32,656,423</u>

As part of the arrangement with OCBC Al-Amin in relation to RPSIA, the Bank records as deposits and placements with banks and financial institutions, its exposure in the arrangement as referred to Note 14, whereas OCBC Al-Amin records as deposits and placement of financial institutions. The RPSIA exposes the Bank to the risk and rewards on the financing and accordingly, the Bank accounts for individually assessed impairment allowance for bad and doubtful debts arising thereon whereas collectively assessed impairment allowance is borne by OCBC AL-Amin.

As at 30 June 2011, the gross exposure relating to RPSIA financing is RM184,000,000 (31 December 2010: RM205,000,000).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**17 LOANS, ADVANCES AND FINANCING (continued)**

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
ii) By type of customer				
Domestic non-bank financial institutions				
- Stockbroking companies	-	1,801	-	1,801
- Others (non-stockbroking companies)	1,024,409	945,519	1,024,409	945,519
Domestic business enterprises				
- Small medium enterprises ("SME")	6,162,329	5,651,910	5,649,302	5,260,077
- Others	15,930,716	15,722,735	14,516,903	14,079,971
Individuals	14,801,687	13,570,766	14,205,334	13,114,114
Other domestic entities	1,272	1,223	1,272	1,218
Foreign entities	1,465,638	174,764	1,401,634	110,280
	<u>39,386,051</u>	<u>36,068,718</u>	<u>36,798,854</u>	<u>33,512,980</u>
iii) By interest/profit rate sensitivity				
Fixed rate				
Housing loans/financing	40,776	46,866	-	-
Hire purchase receivables	538,426	506,200	72	75
Other fixed rate loans/financing	3,303,275	1,885,344	2,296,266	977,974
Variable rate				
BLR plus	24,284,653	23,113,163	24,171,254	23,040,259
Cost-plus	4,304,068	4,244,415	3,416,409	3,221,942
Other variable rates	6,914,853	6,272,730	6,914,853	6,272,730
	<u>39,386,051</u>	<u>36,068,718</u>	<u>36,798,854</u>	<u>33,512,980</u>
iv) By sector				
Agriculture	2,175,752	2,253,919	1,805,847	1,792,066
Mining and quarrying	499,203	570,977	265,701	301,288
Manufacturing	4,902,281	4,838,887	4,295,924	4,207,498
Electricity, gas and water	737,547	816,120	637,437	716,004
Construction	814,625	1,062,486	728,013	985,527
Real estate	4,887,624	4,350,295	4,809,289	4,269,985
Wholesale and retail trade and restaurants and hotels	5,096,450	4,846,634	4,889,088	4,645,864
Transport, storage and communication	1,113,539	1,216,769	953,315	1,064,505
Finance, insurance and business services	1,551,901	1,429,305	1,510,738	1,397,171
Community, social and personal services	1,103,729	668,459	1,061,030	639,111
Household sector, of which				
i. Purchase of residential properties	10,879,061	10,092,467	10,751,915	9,975,853
ii. Purchase of non-residential properties	1,421,061	1,220,609	1,417,807	1,217,855
iii. Others	2,601,059	2,359,480	2,132,583	2,020,317
Others	1,602,219	342,311	1,540,167	279,936
	<u>39,386,051</u>	<u>36,068,718</u>	<u>36,798,854</u>	<u>33,512,980</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**17 LOANS, ADVANCES AND FINANCING (continued)**

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
v) By geographical distribution				
Malaysia	39,211,356	35,896,212	36,685,003	33,402,226
Singapore	129,334	129,471	68,705	67,719
Other ASEAN	3,174	2,899	2,959	2,899
Rest of the world	42,187	40,136	42,187	40,136
	<u>39,386,051</u>	<u>36,068,718</u>	<u>36,798,854</u>	<u>33,512,980</u>

The analysis by geography is determined based on where the credit risk resides.

vi) By residual contractual maturity

Maturity within one year	15,947,198	13,832,285	15,218,208	12,932,098
One year to five years	9,772,277	9,497,541	8,600,152	8,497,054
Over five years	13,666,576	12,738,892	12,980,494	12,083,828
	<u>39,386,051</u>	<u>36,068,718</u>	<u>36,798,854</u>	<u>33,512,980</u>

18 IMPAIRED LOANS, ADVANCES AND FINANCING

i) The movements in the impaired loans, advances and financing are as follows :

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Balance at 1 January	1,006,464	1,234,780	961,020	1,181,182
Classified as impaired	195,548	451,038	174,253	404,984
Reclassified as non-impaired	(81,969)	(173,010)	(77,687)	(161,072)
Amount recovered	(126,263)	(359,577)	(120,251)	(340,818)
Amount written off	(39,937)	(143,257)	(31,188)	(119,746)
Effect of foreign exchange difference	(868)	(3,510)	(868)	(3,510)
Balance at 30 June/ 31 December	952,975	1,006,464	905,279	961,020
Less: individually assessed impairment allowance	<u>(389,110)</u>	<u>(389,872)</u>	<u>(354,671)</u>	<u>(358,784)</u>
Net impaired loans, advances and financing	<u>563,865</u>	<u>616,592</u>	<u>550,608</u>	<u>602,236</u>
Estimated fair value of collateral held	<u>938,148</u>	<u>1,004,258</u>	<u>915,313</u>	<u>978,468</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**18 IMPAIRED LOANS, ADVANCES AND FINANCING (continued)**

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

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
<u>Individually assessed impairment allowance</u>				
Balance at 1 January	389,872	457,392	358,784	418,140
Effect of adopting FRS 139	-	(27,236)	-	(27,236)
Balance at 1 January, restated	389,872	430,156	358,784	390,904
Allowance made during the period / year	94,585	253,728	74,693	214,814
Amount written back	(52,118)	(136,342)	(44,371)	(112,991)
Amount written off	(39,934)	(143,257)	(31,186)	(119,746)
Interest recognised	(2,860)	(12,611)	(2,814)	(12,395)
Effect of foreign exchange difference	(435)	(1,802)	(435)	(1,802)
Balance at 30 June/ 31 December	<u>389,110</u>	<u>389,872</u>	<u>354,671</u>	<u>358,784</u>
<u>Collectively assessed impairment allowance</u>				
Balance at 1 January	535,727	489,927	497,773	451,197
Allowance made during the period / year	49,588	45,800	49,251	46,576
Balance at end of the period / year	<u>585,315</u>	<u>535,727</u>	<u>547,024</u>	<u>497,773</u>
(As % of gross loans, advances and financing less individual assessment allowance)	<u>1.50%</u>	<u>1.50%</u>	<u>1.50%</u>	<u>1.50%</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**18 IMPAIRED LOANS, ADVANCES AND FINANCING (continued)**

a) Individually assessed impairment allowance by sector is as follows:

Group	Cumulative impairment allowance		Impairment allowance charged to income statements		Impairment allowance written off	
	30 June 2011	31Dec 2010	30 June 2011	31Dec 2010	30 June 2011	31Dec 2010
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Agriculture	672	1,040	265	282	621	36
Manufacturing	133,260	139,451	11,807	54,637	2,736	37,856
Electricity, gas and water	-	48	-	-	48	-
Construction	48,381	48,912	3,509	40,011	3,463	6,360
Real estate	7,629	7,760	439	1,874	175	4,107
Wholesale and retail trade and restaurant	53,784	55,721	9,605	28,401	4,224	27,677
Transport, storage and communication	8,480	9,034	242	8,129	594	700
Finance, insurance and business services	2,830	3,650	614	1,557	268	774
Community, social and personal services	1,089	944	386	539	2	361
Household sector, of which						
i. Purchase of residential properties	77,486	76,710	22,533	36,183	6,526	11,325
ii. Purchase of non-residential properties	5,876	5,383	619	2,856	31	612
iii. Others	33,079	31,885	30,334	72,973	15,777	48,990
Others	16,544	9,334	14,232	6,286	5,469	4,459
	389,110	389,872	94,585	253,728	39,934	143,257

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**18 IMPAIRED LOANS, ADVANCES AND FINANCING (continued)**

a) Individually assessed impairment allowance by sector is as follows (continued):

	Cumulative impairment allowance		Impairment allowance charged to income statements		Impairment allowance written off	
	30 June 2011 RM'000	31Dec 2010 RM'000	30 June 2011 RM'000	31Dec 2010 RM'000	30 June 2011 RM'000	31Dec 2010 RM'000
<u>Bank</u>						
Agriculture	470	839	261	208	621	36
Manufacturing	114,441	121,024	9,422	47,292	2,334	34,653
Electricity, gas and water	-	48	-	-	48	-
Construction	47,956	47,437	3,421	39,144	2,515	3,769
Real estate	7,622	7,752	438	1,873	175	4,022
Wholesale and retail trade and restaurant	53,081	55,071	9,454	27,838	4,177	25,571
Transport, storage and communication	8,270	8,527	178	8,128	290	700
Finance, insurance and business services	2,516	3,332	614	1,240	268	774
Community, social and personal services	1,032	876	49	485	2	184
Household sector, of which						
i. Purchase of residential properties	76,651	75,782	22,123	35,877	6,213	11,164
ii. Purchase of non-residential properties	5,876	5,383	619	2,833	31	585
iii. Others	21,123	23,526	18,398	48,402	13,281	33,836
Others	15,633	9,187	9,716	1,494	1,231	4,452
	354,671	358,784	74,693	214,814	31,186	119,746

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**18 IMPAIRED LOANS, ADVANCES AND FINANCING (continued)**

b) Individually assessed impairment allowance by geographical distribution are as follows:

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Malaysia	389,110	389,872	354,671	358,784

c) Collectively assessed impairment allowance by sector is as follows:

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Agriculture	32,873	34,040	27,328	27,116
Mining and quarrying	7,488	-	3,986	-
Manufacturing	71,535	70,492	62,722	61,297
Electricity, gas and water	11,064	12,241	9,562	10,739
Construction	11,494	15,204	10,201	14,071
Real estate	73,200	65,138	72,025	63,933
Wholesale and retail trade and restaurant	75,640	71,864	72,540	68,862
Transport, storage and communication	16,575	18,116	14,175	15,840
Finance, insurance and business services	23,236	21,385	22,623	20,908
Community, social and personal services	16,540	10,013	15,900	9,574
Household sector, of which				
i. Purchase of residential properties	162,023	150,236	160,129	148,501
ii. Purchase of non-residential properties	21,228	18,228	21,179	18,187
iii. Others	38,520	34,914	31,672	29,952
Others	23,899	13,856	22,982	8,793
	585,315	535,727	547,024	497,773

d) Collectively assessed impairment allowance by geographical distribution are as follows:

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Malaysia	582,695	533,140	545,316	496,112
Singapore	1,940	1,942	1,031	1,016
Other ASEAN	47	43	44	43
Rest of the world	633	602	633	602
	585,315	535,727	547,024	497,773

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**18 IMPAIRED LOANS, ADVANCES AND FINANCING (continued)**

iii) Impaired loans, advances and financing by sector are as follows:

	<u>Group</u>		<u>Bank</u>	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Agriculture	10,515	13,224	9,993	12,704
Manufacturing	340,968	348,289	317,541	324,273
Electricity, gas and water	-	48	-	48
Construction	66,874	70,443	63,439	66,316
Real estate	42,647	49,954	42,640	49,947
Wholesale and retail trade and restaurant	141,771	144,883	137,813	141,425
Transport, storage and communication	24,128	23,697	23,678	23,189
Finance, insurance and business services	22,080	21,685	21,053	20,698
Community, social and personal services	4,691	3,391	4,058	3,242
Household sector, of which				
i. Purchase of residential properties	207,960	229,864	205,679	226,552
ii. Purchase of non-residential properties	19,092	18,488	19,092	18,488
iii. Others	67,450	76,209	55,494	67,849
Others	4,799	6,289	4,799	6,289
	<u>952,975</u>	<u>1,006,464</u>	<u>905,279</u>	<u>961,020</u>

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

	<u>Group</u>		<u>Bank</u>	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Malaysia	<u>952,975</u>	<u>1,006,464</u>	<u>905,279</u>	<u>961,020</u>

v) Included in impaired loans, advances and financing of the Group and the Bank are impaired loans, advances and financing of RM59,282,774 (31 December 2010: RM62,262,000) and RM58,784,219 (31 December 2010: RM62,839,000) respectively, without impairment allowances as the individual loan, advance and financing's recoverable amount exceeded the carrying amount.

vi) Impaired loans, advances and financing by period overdue:

	<u>Group</u>		<u>Bank</u>	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Over 270 days	653,283	722,473	625,997	695,471
Over 180 days to 270 days	44,642	74,000	43,194	71,891
Over 90 days to 180 days	102,997	82,256	95,947	73,783
Less than 90 days	152,053	127,735	140,141	119,875
	<u>952,975</u>	<u>1,006,464</u>	<u>905,279</u>	<u>961,020</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**18 IMPAIRED LOANS, ADVANCES AND FINANCING (continued)**

vii) Impaired loans, advances and financing by collateral type:

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Property	692,683	755,256	690,405	752,013
Fixed deposits	619	484	619	484
Stock and shares	5,254	5,522	5,254	5,522
Secured-others	122,492	113,973	94,746	86,277
Unsecured- corporate and other guarantees	65,238	73,213	62,655	70,113
Unsecured- clean	66,689	58,016	51,600	46,611
	<u>952,975</u>	<u>1,006,464</u>	<u>905,279</u>	<u>961,020</u>

19 DERIVATIVE ASSETS AND LIABILITIES

Group	30 June 2010			31 Dec 2010		
	Contract or underlying principal amount RM'000	Fair value		Contract or underlying principal amount RM'000	Fair value	
		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
Trading:						
Foreign exchange derivatives						
- forward	7,049,557	27,443	43,162	3,642,172	19,973	36,409
- swaps	30,465,718	265,058	338,788	17,708,541	258,152	258,696
- options	3,030,052	22,775	19,832	1,315,447	13,115	13,813
- others	27,873	3,360	3,361	17,262	2,648	2,648
Interest rate derivatives						
- swaps	27,279,378	128,210	101,149	25,727,144	184,855	137,629
- options	2,185,981	1,414	13,165	1,490,742	2,380	10,765
- swaptions	450,000	2,216	1,373	200,000	-	1,009
- others	45,455	4,218	-	27,770	2,710	-
Equity and other derivatives						
- swaps	71,780	1,480	1,480	71,780	779	779
- exchange traded futures	13,843	18	-	21,170	1	62
- options	597,393	1,624	41,245	555,421	688	21,272
- commodity futures	22,556	204	205	1,887	7	-
	<u>71,239,586</u>	<u>458,020</u>	<u>563,760</u>	<u>50,779,336</u>	<u>485,308</u>	<u>483,082</u>
Hedging:						
Interest rate derivatives						
- swaps	1,327,577	5,295	4,934	1,370,653	14,464	2,095
	<u>72,567,163</u>	<u>463,315</u>	<u>568,694</u>	<u>52,149,989</u>	<u>499,772</u>	<u>485,177</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**19 DERIVATIVE ASSETS AND LIABILITIES (continued)**

Bank	30 June 2010			31 Dec 2010		
	Contract or underlying principal amount RM'000	Fair value		Contract or underlying principal amount RM'000	Fair value	
		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
Trading:						
Foreign exchange derivatives						
- forward	6,527,210	27,444	31,453	3,484,689	19,702	30,637
- swaps	30,985,631	265,058	350,510	17,595,139	252,639	258,696
- options	2,944,550	20,990	18,051	1,228,189	11,259	11,957
- others	27,873	3,360	3,361	17,262	2,648	2,648
Interest rate derivatives						
- swaps	27,279,378	128,210	101,149	25,727,144	184,855	137,629
- options	2,185,981	1,414	13,165	1,490,742	2,380	10,765
- swaptions	450,000	2,216	1,373	200,000	-	1,009
- others	45,455	4,218	-	27,770	2,710	-
Equity and other derivatives						
- swaps	71,780	1,480	1,480	71,780	779	779
- exchange traded futures	13,843	18	-	21,170	1	62
- options	597,393	1,624	41,245	555,421	688	21,272
- commodity futures	22,556	204	204	1,887	7	-
	<u>71,151,650</u>	<u>456,236</u>	<u>561,991</u>	<u>50,421,193</u>	<u>477,668</u>	<u>475,454</u>
Hedging:						
Interest rate derivatives						
- swaps	1,327,577	5,295	4,934	1,370,653	14,464	2,095
	<u>72,479,227</u>	<u>461,531</u>	<u>566,925</u>	<u>51,791,846</u>	<u>492,132</u>	<u>477,549</u>

20 OTHER ASSETS

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Interest receivable	18,885	83,944	85,089	76,869
Unquoted Islamic Subordinated Bonds of subsidiary	-	-	200,000	200,000
Other debtors, deposits and prepayments	216,942	119,869	215,581	118,161
	<u>235,827</u>	<u>203,813</u>	<u>500,670</u>	<u>395,030</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**21 STATUTORY DEPOSITS WITH BANK NEGARA MALAYSIA**

The non-interest bearing statutory deposits are maintained with Bank Negara Malaysia in compliance with Section 37(1) (c) of the Central Bank of Malaysia Act 1958 (Revised - 1994), the amounts of which are determined as set percentages of total eligible liabilities.

Pursuant to BNM's circular "Statutory Reserve Requirement" and BNM's subsequent letter dated 10 July 2009 in regards to "Regulatory Treatment related to the Statutory Reserve Requirement (SRR) Incentive for Principal Dealers and Islamic Principal Dealers", the Bank has utilised Malaysian Government Securities instead of cash to meet a portion of the SRR requirement as allowed under the Principal Dealership granted to the Bank. The nominal value of securities utilised as at 30 June 2011 is RM348,000,000 (31 December 2010: RM233,000,000).

22 DEPOSITS FROM CUSTOMERS

	Group		Bank	
	30 June 2011	31 Dec 2010	30 June 2011	31 Dec 2010
	RM'000	RM'000	RM'000	RM'000
i) By type of deposits				
Demand deposits	6,824,186	6,550,242	5,614,470	5,497,122
Savings deposits	2,882,716	2,866,111	2,548,881	2,534,891
Fixed deposits	28,988,129	25,796,190	28,988,149	24,820,206
Negotiable instruments of deposits	74,118	106,860	38,263	38,839
Short-term money market deposits	6,693,206	6,635,552	4,951,078	6,256,487
Structured investments	1,906,931	1,271,963	1,859,341	1,224,101
Others	9,208	10,015	9,208	10,015
	<u>47,378,494</u>	<u>43,236,933</u>	<u>44,009,390</u>	<u>40,381,661</u>
ii) By type of customers				
Government and statutory bodies	466,168	416,667	5,676	4,663
Business enterprises	22,400,015	22,321,686	20,274,554	20,753,410
Individuals	20,041,456	17,856,169	19,577,013	17,406,410
Foreign entities	1,123,817	10,465	1,114,573	-
Others	3,347,038	2,631,946	3,037,574	2,217,178
	<u>47,378,494</u>	<u>43,236,933</u>	<u>44,009,390</u>	<u>40,381,661</u>
iii) By maturity structure				
Maturity within six months	41,061,027	37,718,345	37,869,391	34,955,112
Six months to one year	4,433,813	4,052,463	4,306,043	4,010,557
One year to three years	600,883	808,786	551,512	800,798
Three years to five years	1,282,771	657,339	1,282,444	615,194
	<u>47,378,494</u>	<u>43,236,933</u>	<u>44,009,390</u>	<u>40,381,661</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**23 DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS**

	<u>Group</u>		<u>Bank</u>	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Licensed banks	5,188,961	4,510,560	4,936,557	4,231,597
Bank Negara Malaysia	1,358,264	-	1,358,264	-
Other financial institutions	472,701	502,828	472,701	502,828
	<u>7,019,926</u>	<u>5,013,388</u>	<u>6,767,522</u>	<u>4,734,425</u>

24 SUBORDINATED TERM LOAN / BONDS

	<u>Group and Bank</u>	
	30 June 2011 RM'000	31 Dec 2010 RM'000
RM 200 million redeemable Islamic subordinated bonds 2006/2021	200,000	200,000
RM 400 million redeemable subordinated bonds 2007/2017	403,398	406,027
RM 400 million Innovative Tier 1 Capital Securities	400,000	400,000
RM 500 million redeemable subordinated bonds 2010/2020	497,839	498,105
	<u>1,501,237</u>	<u>1,504,132</u>

25 OTHER LIABILITIES

	<u>Group</u>		<u>Bank</u>	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Accruals for personnel costs *	34,808	57,297	34,784	57,265
Equity compensation benefits	13,007	14,524	13,007	14,524
Obligations under finance lease	-	-	311	363
Provision for commitments and contingencies	7,704	7,704	7,704	7,704
Interest payable	213,850	185,048	203,039	177,667
Other accruals and charges	234,084	207,756	171,777	182,643
	<u>503,453</u>	<u>472,329</u>	<u>430,622</u>	<u>440,166</u>

* Includes accrual for salary, bonus, employee benefits and EPF

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**26 NET INTEREST INCOME**

	2nd Quarter Ended		Half Year Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
Group	RM'000	RM'000	RM'000	RM'000
Interest income				
Loans, advances and financing				
- Other than recoveries from impaired loans, advances and financing	453,851	384,510	884,404	742,481
- Recoveries from impaired loans, advances and financing	2,673	7,411	5,922	18,038
- Interest earned from impaired loan, advances and financing	1,149	3,267	2,814	6,482
Money at call and deposit placements with financial institutions	89,201	57,623	163,928	119,273
Securities held-for-trading	4,066	2,877	6,288	5,746
Securities available-for-sale	40,084	41,304	79,332	79,447
Others	1,098	4,332	1,998	8,890
	<u>592,122</u>	<u>501,324</u>	<u>1,144,686</u>	<u>980,357</u>
Interest expense				
Deposits from other customers	248,567	178,686	475,238	354,398
Deposits and placements of banks and other financial institutions	25,227	19,528	40,751	36,485
Loans sold to Cagamas Berhad	3,243	3,557	6,524	7,075
Subordinated term loan / bonds	16,976	17,257	33,521	34,793
Others	1,540	1,257	3,063	2,307
	<u>295,553</u>	<u>220,285</u>	<u>559,097</u>	<u>435,058</u>
Net interest income	<u>296,569</u>	<u>281,039</u>	<u>585,589</u>	<u>545,299</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**26 NET INTEREST INCOME (continued)**

	2nd Quarter Ended		Half Year Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
Bank	RM'000	RM'000	RM'000	RM'000
Interest income				
Loans, advances and financing				
- Other than recoveries from impaired loans, advances and financing	453,851	384,510	884,404	742,481
- Recoveries from impaired loans, advances and financing	2,673	7,411	5,922	18,038
- Interest earned from impaired loan, advances and financing	1,149	3,267	2,814	6,482
Money at call and deposit placements with financial institutions	91,701	57,623	170,394	119,273
Securities held-for-trading	4,066	2,877	6,288	5,746
Securities available-for-sale	40,084	41,304	79,332	79,447
Unquoted Islamic Subordinated Bonds of subsidiary	3,148	3,573	6,261	6,261
Others	1,098	6,952	1,998	14,241
	<u>597,770</u>	<u>507,517</u>	<u>1,157,413</u>	<u>991,969</u>
Interest expense				
Deposits from other customers	248,567	178,686	475,238	354,398
Deposits and placements of banks and other financial institutions	25,227	19,528	40,751	36,485
Loans sold to Cagamas Berhad	3,243	3,557	6,524	7,075
Subordinated term loan / bonds	16,976	17,257	33,521	34,793
Others	1,534	1,263	3,075	2,319
	<u>295,547</u>	<u>220,291</u>	<u>559,109</u>	<u>435,070</u>
Net interest income	<u>302,223</u>	<u>287,226</u>	<u>598,304</u>	<u>556,899</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**27 NET FEE AND COMMISSION INCOME**

	2nd Quarter Ended		Half Year Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
Group	RM'000	RM'000	RM'000	RM'000
Commission	23,283	21,964	46,933	44,296
Service charges and fees	45,755	29,978	80,137	65,122
Guarantee fees	5,832	4,896	10,643	8,776
Other fee income	2,700	1,872	5,812	4,078
	<u>77,570</u>	<u>58,710</u>	<u>143,525</u>	<u>122,272</u>
Bank				
Commission	23,283	21,964	46,933	44,296
Service charges and fees	45,755	29,978	80,137	65,122
Guarantee fees	5,832	4,896	10,643	8,776
Other fee income	15,174	13,566	29,963	26,306
	<u>90,044</u>	<u>70,404</u>	<u>167,676</u>	<u>144,500</u>

28 NET TRADING INCOME

	2nd Quarter Ended		Half Year Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
Group	RM'000	RM'000	RM'000	RM'000
Gains on foreign currency	48,001	39,657	123,604	124,466
Losses on hedging derivatives	(208)	(696)	(603)	(828)
Realised gains/(losses) on securities held-for-trading	13,522	(396)	18,945	(381)
Realised (losses)/gains on trading derivatives	(17,085)	4,189	(25,909)	(5,854)
Unrealised losses on securities held-for-trading	(24,180)	(6,240)	(10,208)	(15)
Unrealised gain/(losses) on trading derivatives	14,226	(1,142)	(22,623)	(14,178)
	<u>34,276</u>	<u>35,372</u>	<u>83,206</u>	<u>103,210</u>
Bank				
Gains on foreign currency	48,001	39,657	123,604	124,466
Losses on hedging derivatives	(208)	(696)	(603)	(828)
Realised gains/(losses) on securities held-for-trading	13,522	(396)	18,945	(381)
Realised (losses)/gains on trading derivatives	(17,085)	4,189	(25,909)	(5,854)
Unrealised losses on securities held-for-trading	(24,180)	(6,240)	(10,208)	(15)
Unrealised gain/(losses) on trading derivatives	14,226	(1,142)	(22,623)	(14,178)
	<u>34,276</u>	<u>35,372</u>	<u>83,206</u>	<u>103,210</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**29 OTHER OPERATING INCOME**

	2nd Quarter Ended		Half Year Ended	
	30 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
<u>Group</u>				
Gross dividends from securities available- for-sale				
- Malaysia	18,301	825	19,148	1,128
- Outside Malaysia	18	17	34	32
Rental of premises	1,595	1,601	3,248	3,174
Net gains from disposal of securities available-for-sale	9,261	5,152	10,336	10,803
Net (losses)/gains from disposal of property, plant and equipment	(1)	206	1	207
Others	125	91	130	93
	<u>29,299</u>	<u>7,892</u>	<u>32,897</u>	<u>15,437</u>
<u>Bank</u>				
Gross dividends from securities available- for-sale				
- Malaysia	18,301	825	19,148	1,128
- Outside Malaysia	18	17	34	32
Rental of premises	1,615	1,701	3,293	3,283
Net gains from disposal of securities available-for-sale	9,261	5,152	10,336	10,803
Net (losses)/gains from disposal of property, plant and equipment	(1)	206	1	207
Others	125	91	130	93
	<u>29,319</u>	<u>7,992</u>	<u>32,942</u>	<u>15,546</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**30 PERSONNEL AND OPERATING EXPENSES**

Group	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Personnel expenses (i)	92,987	84,152	183,526	151,666
Establishment expenses (ii)	19,202	20,383	37,862	40,658
Marketing expenses (iii)	7,119	6,057	12,444	11,474
Administration and general expenses (iv)	58,323	60,280	112,676	110,844
	177,631	170,872	346,508	314,642

Bank	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Personnel expenses (i)	84,494	78,050	167,953	140,303
Establishment expenses (ii)	17,897	19,154	35,350	38,269
Marketing expenses (iii)	6,680	5,983	11,757	11,201
Administration and general expenses (iv)	54,421	56,867	104,764	104,850
	163,492	160,054	319,824	294,623

(i) Personnel expenses

Group	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and bonus	72,239	65,911	142,459	119,576
Defined contribution plan (EPF)	11,212	10,526	22,322	19,117
Equity compensation benefits	2,128	1,792	4,316	3,741
Other personnel costs	7,408	5,923	14,429	9,232
	92,987	84,152	183,526	151,666

Bank	2nd Quarter Ended		Half Year Ended	
	30 June	30 June	30 June	30 June
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and bonus	65,542	60,960	130,176	110,459
Defined contribution plan (EPF)	10,221	9,760	20,427	17,695
Equity compensation benefits	2,069	1,744	4,203	3,667
Other personnel costs	6,662	5,586	13,147	8,482
	84,494	78,050	167,953	140,303

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**30 PERSONNEL AND OPERATING EXPENSES (continued)****(ii) Establishment expenses**

	<u>2nd Quarter Ended</u>		<u>Half Year Ended</u>	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
<u>Group</u>	RM'000	RM'000	RM'000	RM'000
Rental of premises	2,930	2,958	5,971	5,931
Rental of equipment	479	445	967	965
Depreciation of property, plant and equipment	9,504	10,312	19,050	21,187
Depreciation of investment properties	263	399	525	531
Amortisation of prepaid lease payments	9	13	18	26
Repair and maintenance	1,406	1,439	2,431	2,747
Others	4,611	4,817	8,900	9,271
	<u>19,202</u>	<u>20,383</u>	<u>37,862</u>	<u>40,658</u>

	<u>2nd Quarter Ended</u>		<u>Half Year Ended</u>	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
<u>Bank</u>	RM'000	RM'000	RM'000	RM'000
Rental of premises	2,558	2,574	5,229	5,092
Rental of equipment	479	445	967	965
Depreciation of property, plant and equipment	8,847	10,017	17,743	20,623
Depreciation of investment properties	263	399	525	531
Amortisation of prepaid lease payments	9	13	18	26
Repair and maintenance	1,332	1,380	2,310	2,687
Others	4,409	4,326	8,558	8,345
	<u>17,897</u>	<u>19,154</u>	<u>35,350</u>	<u>38,269</u>

(iii) Marketing expenses

	<u>2nd Quarter Ended</u>		<u>Half Year Ended</u>	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
<u>Group</u>	RM'000	RM'000	RM'000	RM'000
Transport and travelling	1,722	1,237	2,830	2,374
Advertisement and business promotion	5,121	4,566	8,886	8,494
Others	276	254	728	606
	<u>7,119</u>	<u>6,057</u>	<u>12,444</u>	<u>11,474</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**30 PERSONNEL AND OPERATING EXPENSES (continued)****(iii) Marketing expenses (continued)**

	2nd Quarter Ended		Half Year Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
<u>Bank</u>	RM'000	RM'000	RM'000	RM'000
Transport and travelling	1,578	1,132	2,613	2,192
Advertisement and business promotion	4,838	4,606	8,437	8,417
Others	264	245	707	592
	<u>6,680</u>	<u>5,983</u>	<u>11,757</u>	<u>11,201</u>

(iv) Administration and general expenses

	2nd Quarter Ended		Half Year Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
<u>Group</u>	RM'000	RM'000	RM'000	RM'000
Printing and stationery	1,855	1,694	3,295	3,442
Postage and courier	1,558	1,058	3,096	2,364
Telephone, telex and fax	2,354	2,143	4,476	4,145
Legal and consultancy fees	2,348	1,228	3,697	2,524
Transaction processing fees	37,580	38,142	72,176	70,240
Other administrative and general expenses	12,628	16,015	25,936	28,129
	<u>58,323</u>	<u>60,280</u>	<u>112,676</u>	<u>110,844</u>

	2nd Quarter Ended		Half Year Ended	
	30 June 2011	30 June 2010	30 June 2011	30 June 2010
<u>Bank</u>	RM'000	RM'000	RM'000	RM'000
Printing and stationery	1,710	1,523	3,016	3,104
Postage and courier	1,476	1,001	2,906	2,243
Telephone, telex and fax	2,236	2,031	4,225	3,931
Legal and consultancy fees	2,217	1,111	3,471	2,370
Transaction processing fees	34,367	35,397	65,592	65,241
Other administrative and general expenses	12,415	15,804	25,554	27,961
	<u>54,421</u>	<u>56,867</u>	<u>104,764</u>	<u>104,850</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**31 IMPAIRMENT ALLOWANCE ON LOANS, ADVANCES AND FINANCING**

	2nd Quarter Ended		Half Year Ended	
	30 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
Group				
Impairment allowance of impaired loans, advances and financing:				
i) Individually assessed impairment allowances				
- made during the financial period	37,233	49,323	94,585	103,301
- written back	(23,178)	(18,679)	(52,118)	(53,895)
ii) Collectively assessed impairment allowances				
- made during the financial period	37,977	6,128	49,588	14,803
Impaired loans, advances and financing - recovered	(13,136)	(12,539)	(20,054)	(18,915)
Others	(75)	143	15	253
	<u>38,821</u>	<u>24,376</u>	<u>72,016</u>	<u>45,547</u>

	2nd Quarter Ended		Half Year Ended	
	30 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
Bank				
Impairment allowance of impaired loans, advances and financing:				
i) Individually assessed impairment allowances				
- made during the financial period	28,646	45,681	74,693	83,710
- written back	(19,879)	(18,160)	(44,371)	(42,416)
ii) Collectively assessed impairment allowances				
- made during the financial period	38,650	6,128	49,251	15,579
Impaired loans, advances and financing - recovered	(11,306)	(11,256)	(16,747)	(16,839)
Others	(75)	143	-	253
	<u>36,036</u>	<u>22,536</u>	<u>62,826</u>	<u>40,287</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**32 INCOME TAX EXPENSE**

	<u>2nd Quarter Ended</u>		<u>Half Year Ended</u>	
	30 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
<u>Group</u>				
Malaysian income tax				
- Current period	78,908	60,470	134,360	132,359
Deferred tax :				
- relating to originating and reversal of temporary differences	(16,676)	(4,677)	(8,882)	(5,841)
	<u>62,232</u>	<u>55,793</u>	<u>125,478</u>	<u>126,518</u>

	<u>2nd Quarter Ended</u>		<u>Half Year Ended</u>	
	30 June 2011 RM'000	30 June 2010 RM'000	30 June 2011 RM'000	30 June 2010 RM'000
<u>Bank</u>				
Malaysian income tax				
- Current period	76,215	58,260	130,426	128,945
Deferred tax :				
- relating to originating and reversal of temporary differences	(16,413)	(4,693)	(9,113)	(7,998)
	<u>59,802</u>	<u>53,567</u>	<u>121,313</u>	<u>120,947</u>

33 CAPITAL COMMITMENTS

	<u>Group</u>		<u>Bank</u>	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
<u>Group</u>				
Capital expenditure in respect of property, plant and equipment:-				
- authorised and contracted for	20,363	6,741	19,421	5,869
- authorised but not contracted for	100,407	41,998	80,167	22,331
	<u>120,770</u>	<u>48,739</u>	<u>99,588</u>	<u>28,200</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**34 COMMITMENTS AND CONTINGENCIES**

In the normal course of business, the Group and the Bank make various commitments and incurs certain contingent liabilities with legal recourse to their customers. Apart from the provision for commitments and contingencies already made in the interim condensed financial statements (Note 33), no material losses are anticipated as a result of these transactions.

	30 June 2010				31 Dec 2010			
	Principal amount	Positive fair value of derivative contracts	Credit equivalent amount*	Risk weighted amount	Principal amount	Positive fair value of derivative contracts	Credit equivalent amount*	Risk weighted amount
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group								
Direct credit substitutes	308,062		308,062	280,232	225,280		225,280	192,329
Transaction-related contingent items	2,111,596		1,055,798	1,109,205	2,035,213		1,017,607	1,089,435
Short-term self-liquidating trade-related contingencies	425,875		85,175	93,571	451,331		90,267	58,317
Commitments with certain drawdowns	158,499		158,499	27,998	-		-	-
Obligations under underwriting agreement	5,000		2,500	2,500	8,000		4,000	4,000
Foreign exchange related contracts								
- less than one year	36,652,140	226,730	671,583	102,946	17,204,174	184,115	459,224	119,782
- one year to less than five years	2,429,580	22,409	245,192	108,708	1,991,282	41,861	215,289	114,290
- five years and above	1,328,184	64,025	306,379	263,052	783,419	53,330	194,938	181,992
Interest rate contracts								
- less than one year	9,731,780	41,656	59,461	18,681	7,295,035	21,320	32,254	5,583
- one year to less than five years	17,682,055	133,274	474,525	130,448	18,790,778	184,020	544,515	215,007
- five years and above	1,699,931	15,624	126,155	65,940	999,923	20,181	88,621	37,568
Equity and commodity related contracts	324,818	1,736	23,746	6,299	242,352	-	14,958	1,289
Formal standby facilities and credit lines:								
- maturity not exceeding one year	13,346		2,669	2,002	7,950		1,590	1,192
- maturity exceeding one year	2,038,996		1,982,399	256,318	1,481,016		1,069,626	1,183,964
Other unconditionally cancellable commitments	13,328,397		783,284	149,445	12,980,333		467,906	134,373
Total	88,238,259	505,454	6,285,427	2,617,345	64,496,086	504,827	4,426,075	3,339,121

* The credit equivalent and risk weighted amounts were computed using the credit conversion factors and risk weights as defined in Bank Negara Malaysia's Capital Adequacy Framework (Basel II) - Internal Ratings Approach.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**34 COMMITMENTS AND CONTINGENCIES (continued)**

	30 June 2010				31 Dec 2010			
	Principal amount RM'000	Positive fair value of derivative contracts RM'000	Credit equivalent amount* RM'000	Risk weighted amount RM'000	Principal amount RM'000	Positive fair value of derivative contracts RM'000	Credit equivalent amount* RM'000	Risk weighted amount RM'000
Bank								
Direct credit substitutes	303,714		303,714	275,896	220,927		220,927	187,989
Transaction-related contingent items	2,018,184		1,009,092	1,073,640	1,953,925		976,963	1,058,865
Short-term self-liquidating trade-related contingencies	395,803		79,161	89,380	422,113		84,423	52,088
Commitments with certain drawdowns	135,870		135,870	23,472	-		-	-
Obligations under underwriting agreement	5,000		2,500	2,500	8,000		4,000	4,000
Foreign exchange related contracts								
- less than one year	35,940,684	221,918	654,264	97,447	16,942,929	178,340	449,414	111,171
- one year to less than five years	2,375,851	21,579	239,809	104,372	1,900,151	36,133	203,105	109,276
- five years and above	1,328,184	64,024	306,379	263,052	783,419	53,330	194,938	181,992
Interest rate contracts								
- less than one year	9,731,780	41,656	59,461	18,681	7,295,035	21,320	32,254	5,583
- one year to less than five years	17,682,055	133,274	474,525	130,448	18,790,778	184,020	544,515	215,007
- five years and above	1,699,931	15,624	126,155	65,940	999,923	20,181	88,621	37,568
Equity and commodity related contracts	324,818	1,736	23,746	6,299	242,352	-	14,958	1,289
Formal standby facilities and credit lines:								
- maturity not exceeding one year	13,032		2,607	1,955	5,740		1,148	861
- maturity exceeding one year	2,030,572		1,975,184	254,805	1,472,644		1,062,657	1,181,587
Other unconditionally cancellable commitments	12,635,864		783,284	149,445	12,352,715		467,906	134,373
Total	86,621,342	499,811	6,175,751	2,557,332	63,390,651	493,324	4,345,829	3,281,649

* The credit equivalent and risk weighted amounts were computed using the credit conversion factors and risk weights as defined in Bank Negara Malaysia's Capital Adequacy Framework (Basel II) - Internal Ratings Approach.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**35 CREDIT EXPOSURE ARISING FROM CREDIT TRANSACTIONS WITH CONNECTED PARTIES**

The following disclosure information are made pursuant to the revised BNM "Guidelines on Credit Transactions and Exposure with Connected Parties":

	<u>Group</u>		<u>Bank</u>	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Aggregate value of outstanding credit exposure with connected parties [^] :				
Credit facility and leasing (except guarantee)	280,022	347,814	279,568	347,071
Off statements of financial position exposures*	<u>1,281,795</u>	<u>1,218,297</u>	<u>1,765,620</u>	<u>1,701,950</u>
Total credit exposures	<u>1,561,817</u>	<u>1,566,111</u>	<u>2,045,188</u>	<u>2,049,021</u>
Percentage of outstanding credit exposures to connected parties				
- as a proportion of total credit exposures	3.26%	3.71%	4.55%	5.17%
- which is non-performing or in default	0.00%	0.00%	0.00%	0.00%

[^] Compromise of total outstanding balance and unutilised limit.

* Off statements of financial position transactions that give rise to credit and/or counterparty risk.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**36 CREDIT RISKS**

Credit risk is the risk of a financial loss to the Group and the Bank if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The following table presents the Group and the Bank's maximum credit exposure of the financial assets, without taking into account any collateral held or other credit enhancements of the Group and the Bank. For financial assets reported in the statements of financial position, the exposure to credit risk equals their carrying amount. For contingent liabilities, the maximum exposure to credit risk is the maximum amount that the Group and the Bank would have to pay if the obligations of the instruments issued are called upon. For credit commitments, the maximum exposure to credit risk is the full amount of the undrawn credit facilities granted to customers.

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Cash and cash equivalents	12,395,825	11,004,041	11,828,273	10,616,038
Deposits and placements with banks and other financial institutions	2,154,238	1,935,632	2,188,676	2,235,614
Securities held-for-trading	989,250	505,657	989,250	505,657
Securities available-for-sale	6,463,714	5,964,308	5,311,174	4,904,779
Loans, advances and financing	38,411,626	35,143,119	35,897,159	32,656,423
Derivatives assets	463,315	499,772	461,531	492,132
Unquoted Islamic Subordinated Bonds of subsidiary	-	-	200,000	200,000
Contingent liabilities and commitments	<u>34,175,140</u>	<u>31,294,526</u>	<u>34,015,941</u>	<u>31,169,085</u>
	<u>95,053,108</u>	<u>86,347,055</u>	<u>90,892,004</u>	<u>82,779,728</u>

Collaterals

The main types of collateral obtained by the Group and the Bank are as follows:

- For personal housing loans, mortgages over residential properties;
- For commercial property loans, charges over the properties being financed;
- For car loans, charges over the vehicles financed;
- For share margin financing, listed securities of Malaysia; and
- For other loans, charges over business assets such as premises, inventories, trade receivables or deposits.

As at 30 June 2011, there were no assets repossessed by the Group and the Bank as a result of taking possession of collaterals held as security, or by calling upon other credit enhancements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**36 CREDIT RISKS*****Credit quality***

a) Credit quality of loans, advances and financing

Analysis of loans advances and financing by type, by type of customers and by sector are set out in Note 17.

Gross loans, advances and financing into are analysed as follows :

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Neither past due not impaired	37,890,342	34,358,071	35,370,792	32,014,254
Past due loans				
- not impaired	542,734	704,183	522,783	537,706
- impaired	852,875	890,471	810,822	849,836
	1,395,609	1,594,654	1,333,605	1,387,542
Impaired but not past due	100,100	115,993	94,457	111,184
Total Loans, advances and financing (net)	39,386,051	36,068,718	36,798,854	33,512,980

Loans, advances and financing neither past due nor impaired

Loans, advances and financing are categorised according to the Group and the Bank's customer classification grades as Passed, Special Mention, Substandard, Doubtful and Bad. Loans classified as Substandard, Doubtful and Bad are impaired loans, advances and financing.

Analysis of loans, advances and financing that are neither past due nor impaired analysed based on the Group and the Bank's internal grading system is as follows:

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
Passed	36,809,474	32,853,296	34,334,624	30,607,339
Special mention	1,080,868	1,504,775	1,036,168	1,406,915
	37,890,342	34,358,071	35,370,792	32,014,254

Loans, advances and financing of the Group and the Bank that would have been impaired had they not been rescheduled or restructured amounted to RM427,301,000 (31 December 2010: RM276,187,000) and RM390,301,000 (31 December 2010: RM233,840,000) respectively for the period ended 30 June 2011.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**36 CREDIT RISKS (continued)**Loans, advances and financing past due but not impaired

Analysis of loans, advances and financing past due but not impaired are as follow:

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
i) By period overdue				
Over 60 days to 90 days	36,274	32,635	33,814	29,692
Over 30 days to 60 days	506,460	671,548	488,969	508,014
	<u>542,734</u>	<u>704,183</u>	<u>522,783</u>	<u>537,706</u>
ii) By geographical distribution				
Malaysia	<u>542,734</u>	<u>704,183</u>	<u>522,783</u>	<u>537,706</u>
iii) By sector				
Agriculture	-	141,956	-	3,955
Mining and quarrying	365	169	365	-
Manufacturing	11,878	23,012	5,481	8,890
Electricity, gas and water	-	264	-	264
Construction	2,904	5,661	1,959	5,235
Real estate	70,291	55,308	70,291	55,308
Wholesale and retail trade and restaurant	14,656	44,611	13,624	43,476
Transport, storage and communication	200,950	204,141	200,456	203,647
Finance, insurance and business services	3,010	2,404	2,519	2,325
Community, social and personal services	2,460	2,014	2,097	1,410
Household sector, of which				
i. Purchase of residential properties	183,830	173,294	181,233	169,979
ii. Purchase of non-residential properties	3,402	5,101	3,291	5,048
iii. Others	48,988	45,885	41,467	37,806
Others	-	363	-	363
	<u>542,734</u>	<u>704,183</u>	<u>522,783</u>	<u>537,706</u>

Impaired loans, advances and financing

Refer to Note 18 for detailed analysis

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**36 CREDIT RISKS (continued)**

b) Credit quality of securities held-for-trading

In view of the following sound credit rating of counterparties, the Group and the Bank do not expect any counterparty to fail to meet its obligation. Analysis of securities held-for-trading are as follows:

	Group and Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000
i) By geography		
Malaysia	<u>989,250</u>	<u>505,657</u>
ii) By credit rating		
Malaysian Government issued notes	633,545	105,075
Investment grade (AAA to BBB)	80,236	283,050
Non-rated	<u>275,469</u>	<u>117,532</u>
	<u>989,250</u>	<u>505,657</u>
iii) By industry – concentration risks		
Agriculture, mining and quarrying	105	450
Manufacturing	41,443	48,741
Construction	1,180	95,417
Wholesale and retail trade and restaurant	163	-
Transport, storage and communication	74,823	4,953
Financial, insurance, real estate and business services	725,239	176,501
Others	<u>146,297</u>	<u>179,595</u>
	<u>989,250</u>	<u>505,657</u>
iv) By issuer		
Government	633,545	105,075
Banks	47,902	3,387
Other financial institutions	25,136	-
Corporates	<u>282,667</u>	<u>397,195</u>
	<u>989,250</u>	<u>505,657</u>
v) By residual contractual maturity		
Maturity within one year	452,085	186,442
One year to five years	141,568	304,206
Over five years	<u>395,597</u>	<u>15,009</u>
	<u>989,250</u>	<u>505,657</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**36 CREDIT RISKS (continued)**

c) Credit quality of securities available-for-sale

In view of the following sound credit rating of counterparties, the Group and the Bank do not expect any counterparty to fail to meet its obligation except for the allowance for impairment loss recognised in respect of available-for-sale securities as disclosed in Note 16. Analysis of securities available-for-sale are as follows:

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
i) By geography				
Malaysia	5,903,530	5,491,190	4,750,990	4,471,589
Singapore	157,518	-	157,518	-
Other ASEAN countries	-	39,928	-	-
Rest of the world	402,666	433,190	402,666	433,190
	<u>6,463,714</u>	<u>5,964,308</u>	<u>5,311,174</u>	<u>4,904,779</u>
ii) By credit rating				
Malaysian Government issued notes	3,753,151	3,672,492	2,858,129	3,119,835
Other government securities	-	39,928	-	-
Investment grade (AAA to BBB)	1,416,116	1,511,741	1,257,133	1,106,592
Non-rated	1,294,447	740,147	1,195,912	678,352
	<u>6,463,714</u>	<u>5,964,308</u>	<u>5,311,174</u>	<u>4,904,779</u>
iii) By industry – concentration risks				
Manufacturing	70,421	70,511	-	-
Construction	70,723	45,379	35,871	-
Wholesale and retail trade and restaurant	42,069	50,695	42,069	50,695
Transport, storage and communication	136,177	15,063	121,128	-
Financial, insurance, real estate and business services	4,737,782	4,586,235	4,685,714	4,401,968
Others	1,406,542	1,196,425	426,392	452,116
	<u>6,463,714</u>	<u>5,964,308</u>	<u>5,311,174</u>	<u>4,904,779</u>
iv) By issuer				
Government	2,858,129	3,119,835	2,858,129	3,119,835
Public sector	913,971	664,114	-	19,137
Banks	1,546,609	1,102,820	1,513,502	937,690
Other financial institutions	316,007	325,127	316,007	325,127
Corporates	828,819	752,234	623,357	502,812
Others	179	178	179	178
	<u>6,463,714</u>	<u>5,964,308</u>	<u>5,311,174</u>	<u>4,904,779</u>
v) By residual contractual maturity				
Maturity within one year	1,600,946	1,756,436	1,239,456	1,250,350
One year to five years	4,142,643	3,789,255	3,416,799	3,187,786
Over five years	720,125	418,617	654,919	466,643
	<u>6,463,714</u>	<u>5,964,308</u>	<u>5,311,174</u>	<u>4,904,779</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**36 CREDIT RISKS (continued)**

d) Credit quality of derivatives assets

Analysis of derivatives assets are as follow:

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
i) Analysed by geography				
Malaysia	423,646	29,675	423,653	458,260
Singapore	31,136	458,263	31,130	23,893
Other ASEAN countries	1	5	1	5
Rest of the world	8,532	11,829	6,747	9,974
	<u>463,315</u>	<u>499,772</u>	<u>461,531</u>	<u>492,132</u>

The analysis by geography is determined based on where the credit risk resides.

ii) By industry – concentration risks

Agriculture, mining and quarrying	4,049	4,994	4,049	4,994
Manufacturing	22,369	19,138	22,369	19,067
Construction	15,886	6,875	15,886	6,871
Wholesale and retail trade and restaurant	4,762	4,410	4,762	4,410
Transport, storage and communication	61,417	54,046	61,417	54,046
Financial, insurance, real estate and business services	340,499	392,430	338,715	384,865
Others	14,333	17,879	14,333	17,879
	<u>463,315</u>	<u>499,772</u>	<u>461,531</u>	<u>492,132</u>

iii) Analysed by counterparty

Banks	334,892	384,038	333,115	376,476
Other financial institutions	18,622	12,988	18,616	12,985
Corporates	103,513	98,463	103,512	98,388
Individuals	4,560	3,595	4,560	3,595
Others	1,728	688	1,728	688
	<u>463,315</u>	<u>499,772</u>	<u>461,531</u>	<u>492,132</u>

iv) By residual contractual maturity

Maturity within one year	250,666	218,904	249,059	213,119
One year to five years	134,956	259,981	134,779	258,126
Over five years	77,693	20,887	77,693	20,887
	<u>463,315</u>	<u>499,772</u>	<u>461,531</u>	<u>492,132</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**36 CREDIT RISKS (continued)**

e) Credit quality of contingent liabilities and commitments

Analysis of contingent liabilities and commitments are as follow:

	Group		Bank	
	30 June 2011 RM'000	31 Dec 2010 RM'000	30 June 2011 RM'000	31 Dec 2010 RM'000
i) Analysed by geography				
Malaysia	27,568,536	26,958,393	27,409,336	26,832,952
Singapore	3,468,060	4,014,672	3,468,060	4,014,672
Other ASEAN countries	3,928	52,815	3,928	52,815
Rest of the world	<u>3,134,616</u>	<u>268,646</u>	<u>3,134,616</u>	<u>268,646</u>
	<u>34,175,140</u>	<u>31,294,526</u>	<u>34,015,940</u>	<u>31,169,085</u>

The analysis by geography is determined based on where the credit risk resides.

ii) By industry – concentration risks

Agriculture, mining and quarrying	842,611	884,780	839,333	882,471
Manufacturing	667,443	789,435	648,606	762,775
Construction	732,680	850,305	644,773	774,887
Wholesale and retail trade and restaurant	332,292	383,072	319,838	380,075
Transport, storage and communication	41,359	346,221	35,116	337,631
Financial, insurance, real estate and business services	29,424,019	27,572,134	29,422,211	27,569,814
Others	<u>2,134,736</u>	<u>468,579</u>	<u>2,106,063</u>	<u>461,432</u>
	<u>34,175,140</u>	<u>31,294,526</u>	<u>34,015,940</u>	<u>31,169,085</u>

iii) Analysed by counterparty

Government	70,737	-	70,737	-
Banks	26,884,501	25,511,493	26,884,501	25,511,493
Other financial institutions	320,412	284,612	319,644	283,321
Corporates	3,242,172	4,065,370	3,089,784	3,946,367
Small medium enterprise	715,062	917,019	715,062	917,019
Individuals	2,909,185	502,540	2,903,180	497,432
Others	<u>33,071</u>	<u>13,492</u>	<u>33,032</u>	<u>13,453</u>
	<u>34,175,140</u>	<u>31,294,526</u>	<u>34,015,940</u>	<u>31,169,085</u>

iv) By residual contractual maturity

Maturity within one year	11,409,561	9,236,895	11,328,693	9,164,166
One year to five years	19,044,509	20,332,127	18,994,693	20,287,338
Over five years	<u>3,721,070</u>	<u>1,725,504</u>	<u>3,692,554</u>	<u>1,717,581</u>
	<u>34,175,140</u>	<u>31,294,526</u>	<u>34,015,940</u>	<u>31,169,085</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**37 CAPITAL ADEQUACY**

The capital adequacy ratios of the Group and the Bank are as follows:

	Group		Bank	
	Basel II	Basel II	Basel II	Basel II
	30 June	31 Dec	30 June	31 Dec
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
		restated		
<u>Tier-1 capital</u>				
Paid-up share capital	287,500	287,500	287,500	287,500
Paid-up non-cumulative perpetual preference shares	4,000	4,000	4,000	4,000
Share premium	858,500	858,500	858,500	858,500
Retained profits	2,734,423	2,688,851	2,749,999	2,704,217
Other reserves	342,582	330,660	322,000	322,000
Innovative Tier 1 capital	400,000	400,000	400,000	400,000
Capital reserves	56,619	56,619	-	-
	<u>4,683,624</u>	<u>4,626,130</u>	<u>4,621,999</u>	<u>4,576,217</u>
Less: Deferred tax assets	(154,089)	(144,999)	(143,909)	(134,795)
Eligible Tier-1 capital	<u>4,529,535</u>	<u>4,481,131</u>	<u>4,478,090</u>	<u>4,441,422</u>
<u>Tier-2 capital</u>				
Collectively assessed allowance (2009: General allowance) on unimpaired loans, advances and financing computed under standardised approach	107,148	105,078	96,321	97,102
Subordinated debt capital	1,096,397	1,096,117	896,397	896,117
Surplus of total Eligible Provisions, subject to limit	124,218	73,544	112,609	67,628
Total Tier-2 capital	<u>1,327,763</u>	<u>1,274,739</u>	<u>1,105,327</u>	<u>1,060,847</u>
Less:				
Investment in subsidiaries	-	-	(256,617)	(256,617)
Valuation adjustments	-	-	-	-
Eligible Tier-2 capital	<u>1,327,763</u>	<u>1,274,739</u>	<u>848,710</u>	<u>804,230</u>
Capital base	<u>5,857,298</u>	<u>5,755,870</u>	<u>5,326,800</u>	<u>5,245,652</u>
<u>Before payment of dividend</u>				
Core capital ratio	12.67%	13.23%	13.48%	14.31%
Risk-weighted capital ratio	<u>16.38%</u>	<u>17.00%</u>	<u>16.03%</u>	<u>16.90%</u>
<u>After payment of dividend</u>				
Core capital ratio	12.49%	12.25%	13.28%	13.24%
Risk-weighted capital ratio	<u>16.20%</u>	<u>16.01%</u>	<u>15.84%</u>	<u>15.83%</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS – 30 JUNE 2011 (continued)**37 CAPITAL ADEQUACY (continued)**

Breakdown of risk-weighted assets ("RWA") in the various categories of risk-weights:

	Group		Bank	
	Basel II	Basel II	Basel II	Basel II
	Risk-weighted	Risk-weighted	Risk-weighted	Risk-weighted
	30 June	31 Dec	30 June	31 Dec
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Credit risk RWA	30,877,576	29,783,175	28,493,077	27,068,410
Market risk RWA	1,561,912	1,016,271	1,555,697	1,007,869
Operational risk RWA	3,110,824	3,037,280	2,970,594	2,929,398
Large Exposure for Equity Holdings RWA	202,823	28,849	202,823	28,849
Total RWA	<u>35,753,135</u>	<u>33,865,575</u>	<u>33,222,191</u>	<u>31,034,526</u>

The core capital ratio is a ratio of eligible Tier 1 capital over Total RWA, while the risk-weighted capital ratio is a ratio of capital base over Total RWA. The Total RWA of the Group is derived from the consolidated balances of the Bank and all its banking subsidiaries. There are no other banking subsidiaries that are not included in the consolidation for regulatory purposes and for those consolidated, there are no differences in the basis of consolidation for accounting and regulatory purposes.

The capital ratios of the Group and Bank are computed in accordance with Bank Negara Malaysia's Risk Weighted Capital Adequacy Framework (RWCAF-Basel II) which is based on the Basel Committee on Banking Supervision's "International Convergence of Capital Measurement and Capital Standards", commonly known as Basel II. The Group and the Bank have adopted the Internal Ratings-Based Approach for Credit Risk for the major credit portfolios whilst the other credit portfolios are on Standardised Approach. For market risk and operational risk, the Group and Bank have adopted the Standardised Approach and the Basic Indicator Approach, respectively.

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

	OCBC Al-Amin Bank Berhad	
	2011	2010
	RM'000	RM'000
Core capital ratio	10.46%	10.00%
Risk-weighted capital ratio	<u>15.99%</u>	<u>15.55%</u>

The capital adequacy ratios of OCBC Al-Amin Bank Berhad are computed in accordance with Bank Negara Malaysia's Capital Adequacy Framework for Islamic Banks (CAFIB), which is based on the Basel II. OCBC Al-Amin Bank Berhad has adopted the Internal Ratings Based Approach for Credit Risk for its major credit portfolios, the Standardised Approach for Market Risk and the Basic Indicator Approach for Operational Risk.