

PUBLIC BANK BERHAD
(6463 - H)
(Incorporated in Malaysia)
INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2013

	Group		Bank			
	30 September	31 December	1 January	30 September	31 December	1 January
	2013	2012	2012	2013	2012	2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
		(Restated)	(Restated)		(Restated)	(Restated)
ASSETS						
Cash and balances with banks	26,298,450	18,635,951	18,633,783	17,739,367	11,679,843	10,508,349
Reverse repurchase agreements	8,118,681	8,158,506	9,287,255	7,376,429	7,309,153	8,435,611
Financial assets held-for-trading	14,524,810	16,617,135	10,656,825	11,619,298	13,599,044	10,406,551
Derivative financial assets	358,802	370,465	493,852	344,399	364,344	492,536
Financial investments						
available-for-sale	16,526,850	17,201,120	16,719,433	14,878,894	15,620,244	14,287,941
Financial investments						
held-to-maturity	7,069,235	6,257,771	7,629,233	4,648,772	4,509,314	7,073,857
Loans, advances and financing	213,853,209	196,051,603	175,952,777	177,206,699	162,968,608	143,385,498
Other assets	2,462,775	2,205,998	2,221,635	2,029,019	2,098,972	2,119,787
Statutory deposits with						
Central Banks	6,668,447	5,787,206	5,597,801	5,427,807	4,738,213	4,496,365
Deferred tax assets	66,423	63,227	46,093	-	-	-
Investment in subsidiary						
companies	-	-	-	4,438,581	4,263,581	4,088,581
Investment in associated						
companies	158,353	151,210	155,997	121,325	121,325	121,325
Investment properties	96,566	87,886	70,754	-	-	-
Property and equipment	1,296,635	1,309,533	1,341,940	565,340	607,934	657,124
Intangible assets	1,999,333	1,926,347	1,965,476	695,393	695,393	695,393
TOTAL ASSETS	<u>299,498,569</u>	<u>274,823,958</u>	<u>250,772,854</u>	<u>247,091,323</u>	<u>228,575,968</u>	<u>206,768,918</u>
LIABILITIES						
Deposits from customers	247,332,347	225,042,325	200,370,525	199,129,709	181,688,444	159,384,439
Deposits from banks	14,694,339	12,849,313	15,806,732	15,704,799	14,408,778	16,717,349
Bills and acceptances payable	1,878,324	3,048,821	2,095,335	1,887,645	3,132,692	2,095,076
Recourse obligations on loans						
and financing sold to Cagamas	500,008	501,496	11,789	-	1,493	11,789
Derivative financial liabilities	264,057	233,564	236,724	305,640	210,760	190,325
Debt securities issued and other						
borrowed funds	9,809,073	9,946,853	11,317,833	9,010,943	9,081,942	10,422,749
Other liabilities	4,325,147	3,670,249	3,560,244	2,909,539	2,578,888	2,457,855
Provision for tax expense						
and zakat	594,466	740,283	777,405	366,571	522,088	563,807
Deferred tax liabilities	51,282	72,750	85,793	21,605	55,990	80,841
TOTAL LIABILITIES	<u>279,449,043</u>	<u>256,105,654</u>	<u>234,262,380</u>	<u>229,336,451</u>	<u>211,681,075</u>	<u>191,924,230</u>

The Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2012.

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(6463 - H)
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UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2013

	Group			Bank		
	30 September	31 December	1 January	30 September	31 December	1 January
	2013	2012	2012	2013	2012	2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
		(Restated)	(Restated)		(Restated)	(Restated)
EQUITY						
Share capital	3,531,926	3,531,926	3,531,926	3,531,926	3,531,926	3,531,926
Reserves	15,958,866	14,702,086	12,496,636	14,438,518	13,578,539	11,528,334
Treasury shares	(215,572)	(215,572)	(215,572)	(215,572)	(215,572)	(215,572)
Equity attributable to equity holders of the Bank	19,275,220	18,018,440	15,812,990	17,754,872	16,894,893	14,844,688
Non-controlling interests	774,306	699,864	697,484	-	-	-
TOTAL EQUITY	20,049,526	18,718,304	16,510,474	17,754,872	16,894,893	14,844,688
TOTAL LIABILITIES AND EQUITY	299,498,569	274,823,958	250,772,854	247,091,323	228,575,968	206,768,918
COMMITMENTS AND CONTINGENCIES	82,949,262	79,457,595	70,847,182	77,641,343	75,691,031	66,266,801
CAPITAL ADEQUACY						
<u>Before deducting interim dividends</u>						
Common Equity Tier I Capital Ratio	8.245%	N/A	N/A	10.013%	N/A	N/A
Tier I Capital Ratio	10.054%	11.413%	11.235%	12.156%	13.632%	13.549%
Total Capital Ratio	12.846%	14.674%	15.625%	12.652%	14.534%	15.643%
<u>After deducting interim dividends</u>						
Common Equity Tier I Capital Ratio	8.245%	N/A	N/A	10.013%	N/A	N/A
Tier I Capital Ratio	10.054%	10.828%	10.634%	12.156%	12.931%	12.823%
Total Capital Ratio	12.846%	14.089%	15.024%	12.652%	13.833%	14.917%
Net assets per share attributable to ordinary equity holders of the Bank (RM)	5.50	5.15	4.52	5.07	4.82	4.24

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PUBLIC BANK BERHAD
(6463 - H)
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2013

<u>Group</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)
Operating revenue	3,869,542	3,588,750	11,345,627	10,428,040
Interest income	2,883,862	2,648,257	8,458,428	7,687,818
Interest expense	(1,462,572)	(1,299,111)	(4,301,452)	(3,770,436)
Net interest income	1,421,290	1,349,146	4,156,976	3,917,382
Net income from Islamic banking business	215,934	214,917	633,204	637,737
	1,637,224	1,564,063	4,790,180	4,555,119
Net fee and commission income	315,862	296,781	941,002	868,845
Net gains and losses on financial instruments	58,738	40,331	133,613	128,557
Other operating income	63,910	85,710	233,048	220,752
Net income	2,075,734	1,986,885	6,097,843	5,773,273
Other operating expenses	(611,784)	(605,771)	(1,873,242)	(1,821,922)
Operating profit	1,463,950	1,381,114	4,224,601	3,951,351
Allowance for impairment on loans, advances and financing	(103,283)	(81,488)	(260,969)	(195,077)
(Impairment) / writeback of impairment on other assets	(4,223)	153	(1,064)	(1,291)
	1,356,444	1,299,779	3,962,568	3,754,983
Share of profit / (loss) after tax of equity accounted associated companies	1,720	(1,416)	6,130	922
Profit before tax expense and zakat	1,358,164	1,298,363	3,968,698	3,755,905
Tax expense and zakat	(300,802)	(316,853)	(898,127)	(883,314)
Profit for the period	1,057,362	981,510	3,070,571	2,872,591
Profit for the period attributable to :				
- Equity holders of the Bank	1,047,260	972,664	3,039,066	2,844,914
- Non-controlling interests	10,102	8,846	31,505	27,677
	1,057,362	981,510	3,070,571	2,872,591
Earnings per RM1.00 share:				
- basic / diluted (sen)	29.9	27.8	86.8	81.2

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PUBLIC BANK BERHAD
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2013

<u>Group</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)
Profit for the period	<u>1,057,362</u>	<u>981,510</u>	<u>3,070,571</u>	<u>2,872,591</u>
Other comprehensive income / (loss):				
<u>Items that may be reclassified to profit or loss:</u>				
Foreign currency translation reserves:				
- Currency translation differences in respect of:				
- Foreign operations	121,788	(146,961)	274,521	(131,238)
- Net investment hedge	<u>(86,551)</u>	<u>113,050</u>	<u>(193,364)</u>	<u>105,801</u>
	<u>35,237</u>	<u>(33,911)</u>	<u>81,157</u>	<u>(25,437)</u>
Revaluation reserves:				
- Net (loss) / gain on revaluation of financial investments available-for-sale	<u>(12,030)</u>	14,284	<u>(9,996)</u>	27,905
Hedging reserves:				
- Net change in cash flow hedges	8,045	(523)	17,585	(29,967)
	<u>31,252</u>	<u>(20,150)</u>	<u>88,746</u>	<u>(27,499)</u>
Income tax relating to components of other comprehensive income / loss:				
- Revaluation reserves	3,901	(1,793)	2,326	(4,741)
- Hedging reserves	<u>(747)</u>	<u>131</u>	<u>(3,132)</u>	<u>7,492</u>
	<u>3,154</u>	<u>(1,662)</u>	<u>(806)</u>	<u>2,751</u>
Other comprehensive income / (loss) for the period, net of tax	<u>34,406</u>	<u>(21,812)</u>	<u>87,940</u>	<u>(24,748)</u>
Total comprehensive income for the period	<u>1,091,768</u>	<u>959,698</u>	<u>3,158,511</u>	<u>2,847,843</u>
Total comprehensive income for the period attributable to:				
- Equity holders of the Bank	1,059,701	977,190	3,077,885	2,843,653
- Non-controlling interests	<u>32,067</u>	<u>(17,492)</u>	<u>80,626</u>	<u>4,190</u>
	<u>1,091,768</u>	<u>959,698</u>	<u>3,158,511</u>	<u>2,847,843</u>

The Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2012.

PUBLIC BANK BERHAD
(6463 - H)
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2013

<u>Bank</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)
Operating revenue	2,887,729	2,746,641	8,542,795	7,865,249
Interest income	2,624,410	2,412,130	7,709,193	6,985,322
Interest expense	(1,405,019)	(1,241,642)	(4,132,604)	(3,594,608)
Net interest income	1,219,391	1,170,488	3,576,589	3,390,714
Net fee and commission income	124,846	127,956	382,373	364,594
Net gains and losses on financial instruments	44,382	41,915	125,967	127,561
Other operating income	181,281	308,422	691,679	872,379
Net income	1,569,900	1,648,781	4,776,608	4,755,248
Other operating expenses	(415,225)	(411,564)	(1,295,143)	(1,248,489)
Operating profit	1,154,675	1,237,217	3,481,465	3,506,759
Allowance for impairment on loans, advances and financing (Impairment) / writeback of impairment on other assets	(34,490)	(22,720)	(69,413)	(43,575)
	(4,222)	291	(1,039)	(1,130)
Profit before tax expense and zakat	1,115,963	1,214,788	3,411,013	3,462,054
Tax expense and zakat	(235,465)	(248,445)	(696,776)	(683,844)
Profit for the period	880,498	966,343	2,714,237	2,778,210

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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2013

<u>Bank</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)
Profit for the period	<u>880,498</u>	<u>966,343</u>	<u>2,714,237</u>	<u>2,778,210</u>
Other comprehensive (loss) / income:				
<u>Items that may be reclassified to profit or loss:</u>				
Revaluation reserves:				
- Net (loss) / gain on revaluation of financial investments available-for-sale	(12,029)	11,646	(8,277)	16,587
Hedging reserves:				
- Net change in cash flow hedges	(19,685)	(20,983)	(37,613)	(38,331)
	<u>(31,714)</u>	<u>(9,337)</u>	<u>(45,890)</u>	<u>(21,744)</u>
Income tax relating to components of other comprehensive income / loss:				
- Revaluation reserves	3,007	(2,912)	2,069	(4,147)
- Hedging reserves	6,186	5,246	10,668	9,583
	<u>9,193</u>	<u>2,334</u>	<u>12,737</u>	<u>5,436</u>
Other comprehensive loss for the period, net of tax	<u>(22,521)</u>	<u>(7,003)</u>	<u>(33,153)</u>	<u>(16,308)</u>
Total comprehensive income for the period	<u>857,977</u>	<u>959,340</u>	<u>2,681,084</u>	<u>2,761,902</u>

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PUBLIC BANK BERHAD
(6463 - H)
(Incorporated in Malaysia)
INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2013

<----- Attributable to Equity Holders of the Bank ----->

<u>Group</u>	Non-distributable		Distributable		Treasury Shares RM'000	Total Shareholders' Equity RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	<u>Reserves</u> Other Reserves RM'000	<u>Reserves</u> Retained Profits RM'000				
At 1 January 2013								
- as previously stated	3,531,926	1,073,310	4,100,612	9,453,647	(215,572)	17,943,923	699,864	18,643,787
- effects of adoption of MFRS 119	-	-	253,255	(178,738)	-	74,517	-	74,517
At 1 January 2013, as restated	3,531,926	1,073,310	4,353,867	9,274,909	(215,572)	18,018,440	699,864	18,718,304
Profit for the period	-	-	-	3,039,066	-	3,039,066	31,505	3,070,571
Other comprehensive income for the period	-	-	38,819	-	-	38,819	49,121 *	87,940
Total comprehensive income for the period	-	-	38,819	3,039,066	-	3,077,885	80,626	3,158,511
Transactions with owners / other equity movements:								
Transfer to statutory reserves	-	-	4,480	(4,480)	-	-	-	-
Transfer from Profit Equalisation Reserve of the Islamic banking institution	-	-	(172)	172	-	-	-	-
Transfer to regulatory reserves	-	-	494	(494)	-	-	-	-
Transfer to general reserves	-	-	800	(800)	-	-	-	-
Dividends paid	-	-	-	(1,821,105)	-	(1,821,105)	(6,184)	(1,827,289)
	-	-	5,602	(1,826,707)	-	(1,821,105)	(6,184)	(1,827,289)
At 30 September 2013	3,531,926	1,073,310	4,398,288	10,487,268	(215,572)	19,275,220	774,306	20,049,526

* Represent non-controlling interests' share of currency translation differences in respect of foreign operations.

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INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2013

<----- Attributable to Equity Holders of the Bank ----->

<u>Group</u>	Non-distributable		Distributable		Treasury Shares RM'000	Total Shareholders' Equity RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	<u>Reserves</u> Other Reserves RM'000	<u>Reserves</u> Retained Profits RM'000				
At 1 January 2012								
- as previously stated	3,531,926	1,073,310	4,056,014	7,276,808	(215,572)	15,722,486	697,484	16,419,970
- effects of adoption of MFRS 119	-	-	226,723	(136,219)	-	90,504	-	90,504
At 1 January 2012, as restated	<u>3,531,926</u>	<u>1,073,310</u>	<u>4,282,737</u>	<u>7,140,589</u>	<u>(215,572)</u>	<u>15,812,990</u>	<u>697,484</u>	<u>16,510,474</u>
Profit for the period	-	-	-	2,844,914	-	2,844,914	27,677	2,872,591
Other comprehensive loss for the period	-	-	(1,261)	-	-	(1,261)	(23,487) *	(24,748)
Total comprehensive (loss) / income for the period	<u>-</u>	<u>-</u>	<u>(1,261)</u>	<u>2,844,914</u>	<u>-</u>	<u>2,843,653</u>	<u>4,190</u>	<u>2,847,843</u>
Transactions with owners / other equity movements:								
Transfer to Profit Equalisation Reserve of the Islamic banking institution	-	-	530	(530)	-	-	-	-
Transfer to statutory reserves	-	-	4,733	(4,733)	-	-	-	-
Transfer from regulatory reserves	-	-	(3,843)	3,843	-	-	-	-
Transfer to general reserves	-	-	673	(673)	-	-	-	-
Dividends paid	-	-	-	(1,681,020)	-	(1,681,020)	(5,805)	(1,686,825)
	<u>-</u>	<u>-</u>	<u>2,093</u>	<u>(1,683,113)</u>	<u>-</u>	<u>(1,681,020)</u>	<u>(5,805)</u>	<u>(1,686,825)</u>
At 30 September 2012	<u><u>3,531,926</u></u>	<u><u>1,073,310</u></u>	<u><u>4,283,569</u></u>	<u><u>8,302,390</u></u>	<u><u>(215,572)</u></u>	<u><u>16,975,623</u></u>	<u><u>695,869</u></u>	<u><u>17,671,492</u></u>

* Represent non-controlling interests' share of currency translation differences in respect of foreign operations.

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(Incorporated in Malaysia)
INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2013

	<----- Attributable to Equity Holders of the Bank ----->					
	Share Capital RM'000	Share Premium RM'000	Non-distributable Reserves Other Reserves RM'000	Distributable Reserves Retained Profits RM'000	Treasury Shares RM'000	Total RM'000
Bank						
At 1 January 2013						
- as previously stated	3,531,926	1,073,310	3,514,328	8,918,940	(215,572)	16,822,932
- effects of adoption of MFRS 119	-	-	244,569	(172,608)	-	71,961
At 1 January 2013, as restated	3,531,926	1,073,310	3,758,897	8,746,332	(215,572)	16,894,893
Profit for the period	-	-	-	2,714,237	-	2,714,237
Other comprehensive loss for the period	-	-	(33,153)	-	-	(33,153)
Total comprehensive (loss) / income for the period	-	-	(33,153)	2,714,237	-	2,681,084
Transactions with owners / other equity movements:						
Transfer to general reserves	-	-	800	(800)	-	-
Dividends paid	-	-	-	(1,821,105)	-	(1,821,105)
	-	-	800	(1,821,905)	-	(1,821,105)
At 30 September 2013	3,531,926	1,073,310	3,726,544	9,638,664	(215,572)	17,754,872

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PUBLIC BANK BERHAD
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2013

	<----- Attributable to Equity Holders of the Bank ----->					
	Non-distributable			Distributable		
	Share	Share	<u>Reserves</u>	<u>Reserves</u>	Treasury	
<u>Bank</u>	Capital	Premium	Other	Retained	Shares	Total
	RM'000	RM'000	Reserves	Profits	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2012						
- as previously stated	3,531,926	1,073,310	3,515,306	6,852,318	(215,572)	14,757,288
- effects of adoption of MFRS 119	-	-	218,947	(131,547)	-	87,400
At 1 January 2012, as restated	3,531,926	1,073,310	3,734,253	6,720,771	(215,572)	14,844,688
Profit for the period	-	-	-	2,778,210	-	2,778,210
Other comprehensive loss for the period	-	-	(16,308)	-	-	(16,308)
Total comprehensive (loss) / income for the period	-	-	(16,308)	2,778,210	-	2,761,902
Transactions with owners / other equity movements:						
Transfer to general reserves	-	-	673	(673)	-	-
Dividends paid	-	-	-	(1,681,020)	-	(1,681,020)
	-	-	673	(1,681,693)	-	(1,681,020)
At 30 September 2012	3,531,926	1,073,310	3,718,618	7,817,288	(215,572)	15,925,570

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PUBLIC BANK BERHAD
(6463 - H)
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INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2013

	Group		Bank	
	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)
Cash Flows from Operating Activities				
Profit before tax expense and zakat	3,968,698	3,755,905	3,411,013	3,462,054
Adjustments for non-cash items:				
Share of profit after tax of equity accounted associated companies	(6,130)	(922)	-	-
Allowance for impaired loans and financing	409,938	345,229	152,474	127,242
Depreciation of property and equipment	122,173	125,529	98,252	101,804
Net gain on financial instruments	(13,223)	(5,267)	(9,317)	(8,307)
Dividends received	(114,194)	(113,919)	(645,922)	(756,159)
Transfer to profit equalisation reserve	497	302	-	-
Impairment losses	1,064	1,291	1,039	1,130
Other non-cash items	54,535	34,111	54,608	39,799
Operating profit before working capital changes	4,423,358	4,142,259	3,062,147	2,967,563
Changes in working capital:				
Increase in operating assets	(17,678,104)	(21,850,152)	(13,789,682)	(18,119,323)
Increase in operating liabilities	23,407,005	20,057,602	17,844,221	17,341,747
Cash generated from operations	10,152,259	2,349,709	7,116,686	2,189,987
Tax expense and zakat paid	(1,068,887)	(808,732)	(873,829)	(606,378)
Net cash generated from operating activities	9,083,372	1,540,977	6,242,857	1,583,609
Cash Flows from Investing Activities				
Purchase of property and equipment	(109,049)	(68,314)	(55,432)	(35,572)
Proceeds from disposal of properties	29,136	21,293	28,175	20,767
Net (purchase) / sale of financial investments	(193,474)	2,006,070	560,948	2,309,726
Additional investment in a subsidiary company	-	-	(175,000)	(175,000)
Dividends received	120,541	118,724	828,355	912,318
Net cash (used in) / generated from investing activities	(152,846)	2,077,773	1,187,046	3,032,239

The Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2012.

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INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2013

	Group		Bank	
	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)
Cash Flows from Financing Activities				
Dividends paid	(1,827,289)	(1,686,825)	(1,821,105)	(1,681,020)
Net repayment of borrowings	(66,781)	(344,157)	-	-
Net proceeds from issuance of debt securities	1,398,850	-	1,398,850	-
Redemption of debt securities	(1,400,000)	(1,263,400)	(1,400,000)	(1,263,400)
Net cash used in financing activities	(1,895,220)	(3,294,382)	(1,822,255)	(2,944,420)
Net change in cash and cash equivalents	7,035,306	324,368	5,607,648	1,671,428
Cash and cash equivalents at beginning of the period	16,835,772	16,570,679	10,238,710	8,111,742
Exchange differences on translation of opening balances	227,092	(134,178)	-	-
Cash and cash equivalents at end of the period (Note)	<u>24,098,170</u>	<u>16,760,869</u>	<u>15,846,358</u>	<u>9,783,170</u>
Note:				
Cash and balances with banks	26,298,450	18,480,043	17,739,367	11,411,098
Less: Balances with banks with maturity more than one month	(2,200,280)	(1,719,174)	(1,893,009)	(1,627,928)
Cash and cash equivalents at end of the period	<u>24,098,170</u>	<u>16,760,869</u>	<u>15,846,358</u>	<u>9,783,170</u>

The Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2012.

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**Part A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") and
Policy Document on Financial Reporting Issued by Bank Negara Malaysia**

A1. Basis of Preparation

The unaudited interim financial statements for the 3rd quarter and nine months ended 30 September 2013 have been prepared under the historical cost convention except for the following assets and liabilities which are stated at fair values: financial assets held-for-trading, financial investments available-for-sale, derivative financial instruments and investment properties.

The unaudited interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The unaudited interim financial statements should be read in conjunction with the audited annual financial statements of the Group and the Bank for the financial year ended 31 December 2012. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the year ended 31 December 2012.

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

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statements for the year ended 31 December 2012, except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs during the current financial period:

MFRS 10	Consolidated Financial Statements
MFRS 11	Joint Arrangements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (as amended by IASB in June 2011)
MFRS 127	Separate Financial Statements (as amended by IASB in May 2011)
MFRS 128	Investments in Associates and Joint Ventures (as amended by IASB in May 2011)
MFRS 3	Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)
MFRS 127	Consolidated and Separate Financial Statements (IAS 27 Consolidated and Separate Financial Statements revised by IASB in December 2003)
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Government Loans (Amendments to MFRS 1)	
Disclosures - Offsetting Financial Assets and Financial Liabilities (Amendments to MFRS 7)	
Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (Amendments to MFRS 10, MFRS 11 and MFRS 12)	

The adoption of MFRS 119 has affected the way in which the Group and the Bank account for employee benefits, in particular with respect to post-employment benefits under its defined benefit plan. The financial effects of the adoption of MFRS 119 are discussed in Note A31 Changes in Accounting Policies.

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A1. Basis of Preparation (continued)

IC Interpretation 20 is not applicable to the Group and the Bank as it is not relevant to the Group's operations. Government Loans (Amendments to MFRS 1) has no financial impact to the Group and the Bank as the Group and the Bank do not hold any government grants or receive any government assistance.

The adoption of all the other MFRSs and amendments to MFRSs did not have any financial impact to the Group and the Bank.

With effect from 1 January 2013, the Group and the Bank have adopted the Bank Negara Malaysia's Capital Adequacy Framework (Capital Components and Basel II - Risk-weighted Assets) ("the Framework") issued on 28 November 2012. This Framework outlines the general requirements on regulatory capital adequacy ratios, the components of eligible regulatory capital as well as the levels of those ratios at which banking institutions are required to operate. The Framework has been developed based on internationally agreed standards on capital adequacy promulgated by the Basel Committee on Banking Supervision. Under the Framework, the minimum capital adequacy ratios are progressively increased from 1 January 2013 to 1 January 2019, and includes a phased introduction of a new capital conservation buffer of 2.5%. Additional capital requirements, including a new counter-cyclical buffer ranging from 0% to 2.5% will be detailed out at a later stage.

On 28 June 2013, Bank Negara Malaysia issued policy documents on Financial Reporting and Financial Reporting for Islamic Banking Institutions ("Policy Documents") to replace the Guidelines on Financial Reporting for Banking Institutions and Guidelines on Financial Reporting for Islamic Banking Institutions (BNM/GP8-i) respectively. The Policy Documents set minimum expectations for the application of the MFRSs and aim to ensure adequate disclosures in the financial statements of banking institutions. The Bank and the domestic banking subsidiaries of the Group have adopted the Policy Documents with effect from 30 June 2013. Since the adoption of the Policy Documents only affect disclosures in the financial statements, there is no impact on the financial results of the Group and the Bank.

The following MFRSs, Amendments to MFRSs and IC Interpretation have been issued by the MASB but are not yet effective to the Group and the Bank:

Effective for annual periods commencing on or after 1 January 2014

Offsetting Financial Assets and Financial Liabilities (Amendments to MFRS 132)
Investment Entities (Amendments to MFRS 10, MFRS 12 and MFRS 127)
Recoverable Amount Disclosures for Non-Financial Assets (Amendments to MFRS 136)
Novation of Derivatives and Continuation of Hedge Accounting (Amendments to MFRS 139)
IC Interpretation 21 Levies

Effective for annual periods commencing on or after 1 January 2015

MFRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009)
MFRS 9 Financial Instruments (IFRS 9 issued by IASB in October 2010)
Mandatory Effective Date of MFRS 9 and Transition Disclosures (Amendments to MFRS 9 (IFRS 9 issued by IASB in November 2009), MFRS 9 (IFRS 9 issued by IASB in October 2010) and MFRS 7)

MFRS 9 introduces significant changes in the way the Group accounts for financial instruments. Due to the complexity of this standard and its proposed changes, the financial effects of its adoption are still being assessed by the Group.

IC Interpretation 21 is not applicable to the Group and the Bank as it is not relevant to the Group's operations.

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A1. Basis of Preparation (continued)

The adoption of Amendments to MFRS 132 is not expected to have any financial impact to the Group and the Bank as the current practice for offsetting arrangements remained unchanged. The adoption of Amendments to MFRS 10, MFRS 12 and MFRS 127 is not expected to have any financial impact to the Group as the Bank is not an investment entity as defined in MFRS 10. The adoption of Amendments to MFRS 136 affects only disclosures in the financial statements and will not have any financial impact to the Group and the Bank. The amendments to MFRS 139 provide an exception from discontinuing hedge accounting in circumstances when a hedging instrument is required to be novated to a central counterparty as a result of laws or regulations. The adoption of this amendment is not expected to have any financial impact to the Group and the Bank.

A2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2012 was not qualified.

A3. Comments about Seasonal or Cyclical Factors

The operations of the Group and the Bank were not materially affected by any seasonal or cyclical factors in the 3rd quarter and nine months ended 30 September 2013.

A4. 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 in the 3rd quarter and nine months ended 30 September 2013.

A5. Changes in Estimates

Other than as disclosed in Note A31 Changes in Accounting Policies, there were no material changes in estimates of amounts reported in prior financial years that have a material effect in the 3rd quarter and nine months ended 30 September 2013.

A6. Debt and Equity Securities

Save as disclosed below, there were no issuances of shares, share buy-backs and repayment of debt and equity securities by the Bank:

a) **RM5.0 Billion Senior Medium Term Notes Programme**

On 5 April 2013, the Bank obtained the approval from the Securities Commission for the establishment of a Senior Medium Term Notes Programme for the issuance of Senior Medium Term Notes ("Senior MTNs") of up to RM5.0 billion in Nominal Value.

During the period, the Group issued RM400 million in nominal value of Senior MTNs with a tenor of 5 years.

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A6. Debt and Equity Securities (continued)

Save as disclosed below, there were no issuances of shares, share buy-backs and repayment of debt and equity securities by the Bank (continued):

b) Subordinated Notes

i) RM5.0 Billion Subordinated Medium Term Note Programme

On 16 May 2013, the Bank had redeemed the RM1,400 million 4.73% Subordinated Notes together with accrued interest.

ii) RM10.0 Billion Basel III - Compliant Tier II Subordinated Medium Term Notes Programme

The Bank obtained approvals from Bank Negara Malaysia and the Securities Commission vide their letters dated 14 June 2013 and 10 July 2013 respectively, for the establishment of a Basel III - Compliant Tier II Subordinated Medium Term Notes Programme of up to RM10.0 billion in nominal value.

On 25 September 2013, the Bank issued the first tranche of RM1,000 million in aggregate nominal amount under the said Programme. The Notes will due on 25 September 2023 and callable on 25 September 2018 and bear interest at 4.80% per annum.

A7. Dividends Paid and Distributed

During the nine months ended 30 September 2013:-

- a) A second interim single tier dividend of 30% in respect of the financial year ended 31 December 2012, amounting to RM1,050,637,539 was paid on 5 March 2013.
- b) A first interim single tier dividend of 22% in respect of the financial year ending 31 December 2013, amounting to RM770,467,529 was paid on 20 August 2013.

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A8. Financial Assets Held-for-trading

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	-	68,286	-	68,286
Malaysian Government Securities	49,908	141,362	49,596	141,362
Malaysian Government Investment Certificates	766,615	193,352	766,615	193,352
Bank Negara Malaysia Monetary Notes	764,554	3,424,343	14,182	1,906,237
Bank Negara Malaysia Bills	-	149,736	-	-
	<u>1,581,077</u>	<u>3,977,079</u>	<u>830,393</u>	<u>2,309,237</u>
Money market instruments:				
Negotiable instruments of deposit	<u>12,539,193</u>	11,836,221	<u>10,503,167</u>	10,715,460
Non-money market instruments:				
Equity securities:				
- Quoted shares in Malaysia	214	879	214	879
Debt securities:				
- Unquoted private debt securities	404,326	802,956	285,524	573,468
	<u>404,540</u>	<u>803,835</u>	<u>285,738</u>	<u>574,347</u>
Total financial assets held-for-trading	<u>14,524,810</u>	<u>16,617,135</u>	<u>11,619,298</u>	<u>13,599,044</u>

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A9. Financial Investments Available-for-sale

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
At fair value				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	1,095,706	845,916	1,095,706	845,916
Malaysian Government Securities	681,157	491,355	681,157	491,355
Malaysian Government Investment Certificates	1,511,091	1,389,493	914,703	836,162
Bank Negara Malaysia Monetary Notes	5,882,888	7,341,239	5,882,888	7,341,239
	<u>9,170,842</u>	<u>10,068,003</u>	<u>8,574,454</u>	<u>9,514,672</u>
Money market instruments:				
Negotiable instruments of deposit	<u>100,610</u>	-	<u>100,610</u>	-
Non-money market instruments:				
Equity securities #:				
- Quoted shares and convertible loan stocks in Malaysia	6,606	36,210	6,606	36,210
- Quoted shares and convertible loan stocks outside Malaysia	11,805	10,984	-	-
- Unquoted shares	110,107	108,383	106,154	104,614
Debt securities:				
- Unquoted private debt securities	2,060,221	2,014,665	1,589,150	1,554,903
Unit trust funds	5,066,659	4,962,875	4,501,920	4,409,845
	<u>7,255,398</u>	<u>7,133,117</u>	<u>6,203,830</u>	<u>6,105,572</u>
Total financial investments available-for-sale	<u>16,526,850</u>	<u>17,201,120</u>	<u>14,878,894</u>	<u>15,620,244</u>

Stated at cost, net of impairment loss.

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A10. Financial Investments Held-to-maturity

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
At amortised cost				
Government securities and treasury bills:				
Malaysian Government Treasury Bills	29,775	-	-	-
Malaysian Government Securities	1,023,961	1,139,827	993,740	1,089,201
Malaysian Government Investment Certificates	1,952,100	1,739,184	1,881,845	1,739,184
Foreign Government Treasury Bills	949,400	727,307	122,925	58,285
	<u>3,955,236</u>	<u>3,606,318</u>	<u>2,998,510</u>	<u>2,886,670</u>
Money market instruments:				
Negotiable instruments of deposit	2,098,864	1,717,161	1,514,499	1,472,807
Bankers' acceptances and Islamic accepted bills	103,857	299,437	-	-
	<u>2,202,721</u>	<u>2,016,598</u>	<u>1,514,499</u>	<u>1,472,807</u>
Non-money market instruments:				
Debt securities:				
- Cagamas bonds	45,167	5,059	5,001	5,059
- Unquoted private debt securities	866,218	629,951	130,869	144,933
	<u>911,385</u>	<u>635,010</u>	<u>135,870</u>	<u>149,992</u>
Accumulated impairment losses	(107)	(155)	(107)	(155)
Total financial investments held-to-maturity	<u>7,069,235</u>	<u>6,257,771</u>	<u>4,648,772</u>	<u>4,509,314</u>

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A11. Loans, Advances and Financing

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
At amortised cost				
Overdrafts	9,636,737	9,528,841	8,310,905	8,291,756
Term loans				
- Housing loans / financing	67,071,779	59,867,383	58,504,733	52,536,395
- Syndicated term loan / financing	1,948,415	1,974,334	1,074,563	881,720
- Hire purchase receivables	44,479,607	42,021,461	31,229,624	30,138,506
- Other term loans / financing	81,048,980	73,633,407	68,029,084	61,665,524
Credit card receivables	1,566,986	1,604,211	1,555,622	1,594,106
Bills receivables	133,482	130,609	104,741	97,980
Trust receipts	322,406	324,142	260,837	278,177
Claims on customers under acceptance credits	4,200,114	4,020,397	4,117,687	4,007,132
Revolving credits	3,882,900	3,464,140	3,935,009	3,505,412
Staff loans *	1,299,561	1,214,239	1,220,745	1,141,458
Gross loans, advances and financing	<u>215,590,967</u>	197,783,164	<u>178,343,550</u>	164,138,166
Allowance for impaired loans and financing:				
- collective assessment allowance	(1,568,127)	(1,529,566)	(1,054,453)	(1,059,484)
- individual assessment allowance	(169,631)	(201,995)	(82,398)	(110,074)
Net loans, advances and financing	<u>213,853,209</u>	<u>196,051,603</u>	<u>177,206,699</u>	<u>162,968,608</u>

* Included in staff loans of the Group and the Bank are loans to Directors of subsidiary companies amounting to RM3,570,000 (2012: RM3,785,000) and RM3,144,000 (2012 - RM3,313,000) respectively.

A11a. By class

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Retail loans / financing *				
- Housing loans / financing	67,071,779	59,867,383	58,504,733	52,536,395
- Hire purchase	44,479,607	42,021,461	31,229,624	30,138,506
- Credit cards	1,566,986	1,604,211	1,555,622	1,594,106
- Other loans / financing ^	72,633,324	66,421,547	62,955,972	57,307,670
	<u>185,751,696</u>	169,914,602	<u>154,245,951</u>	141,576,677
Corporate loans / financing	29,839,271	27,868,562	24,097,599	22,561,489
	<u>215,590,967</u>	<u>197,783,164</u>	<u>178,343,550</u>	<u>164,138,166</u>

* Included in retail loans / financing are loans / financing granted to individual borrowers and mid-market commercial enterprises.

^ Included in other loans / financing are term loans, trade financing, overdrafts and revolving credits.

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A11. Loans, Advances and Financing (continued)

A11b. By type of customer

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Banking institutions	218,702	572,034	32,635	397,658
Non-bank financial institutions				
- Stock-broking companies	12,838	14,202	12,838	14,202
- Others	5,617,070	5,676,475	5,546,514	5,434,225
Business enterprises				
- Small and medium enterprises	44,753,065	38,966,081	40,244,327	35,195,448
- Others	24,691,325	24,147,664	19,924,985	19,727,188
Government and statutory bodies	325,164	341,178	1,202	19,300
Individuals	137,543,804	126,071,304	110,306,212	101,473,775
Other entities	42,831	42,618	40,089	39,740
Foreign entities	2,386,168	1,951,608	2,234,748	1,836,630
	<u>215,590,967</u>	<u>197,783,164</u>	<u>178,343,550</u>	<u>164,138,166</u>

A11c. By interest / profit rate sensitivity

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Fixed rate				
- Housing loans / financing	812,082	1,200,815	134,565	461,400
- Hire purchase receivables	42,798,556	40,487,636	31,219,409	30,128,935
- Other fixed rate loans / financing	15,366,257	15,447,863	8,212,631	8,170,545
Variable rate				
- Base lending rate plus	126,919,486	113,302,637	119,318,204	107,615,616
- Cost plus	19,409,143	17,881,772	18,713,963	17,123,260
- Other variable rates	10,285,443	9,462,441	744,778	638,410
	<u>215,590,967</u>	<u>197,783,164</u>	<u>178,343,550</u>	<u>164,138,166</u>

A11d. By residual contractual maturity

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Maturity within one year	29,082,602	26,478,852	24,391,008	22,175,219
More than one year to three years	21,891,294	22,671,399	17,435,301	18,602,463
More than three years to five years	20,955,254	18,899,528	16,153,346	14,547,090
More than five years	143,661,817	129,733,385	120,363,895	108,813,394
	<u>215,590,967</u>	<u>197,783,164</u>	<u>178,343,550</u>	<u>164,138,166</u>

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A11. Loans, Advances and Financing (continued)

A11e. By geographical distribution

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Malaysia	201,230,295	184,541,775	177,841,771	163,752,137
Hong Kong SAR and the People's Republic of China	11,471,748	10,778,263	-	-
Cambodia	2,387,145	2,077,097	-	-
Other countries	501,779	386,029	501,779	386,029
	<u>215,590,967</u>	<u>197,783,164</u>	<u>178,343,550</u>	<u>164,138,166</u>

A11f. Gross loans, advances and financing by economic purpose

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Purchase of securities	4,000,863	4,126,999	3,880,864	4,050,091
Purchase of transport vehicles	44,718,786	42,238,571	31,455,560	30,344,330
Purchase of landed properties	121,600,098	108,286,165	107,948,000	96,520,395
(of which: - residential	<u>68,574,317</u>	<u>61,130,701</u>	<u>60,026,527</u>	<u>53,826,198</u>
- non-residential)	<u>53,025,781</u>	<u>47,155,464</u>	<u>47,921,473</u>	<u>42,694,197</u>
Purchase of fixed assets (excluding landed properties)	250,380	298,551	220,603	258,721
Personal use	9,097,434	9,318,142	4,422,558	4,270,035
Credit card	1,566,986	1,604,211	1,555,622	1,594,106
Purchase of consumer durables	16,795	16,746	13,485	13,103
Construction	2,703,423	2,493,576	2,081,162	1,911,728
Mergers and acquisitions	217,027	220,006	217,027	220,006
Working capital	27,575,487	25,325,719	22,982,116	21,365,295
Other purpose	3,843,688	3,854,478	3,566,553	3,590,356
	<u>215,590,967</u>	<u>197,783,164</u>	<u>178,343,550</u>	<u>164,138,166</u>

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A11. Loans, Advances and Financing (continued)

A11g. Gross loans, advances and financing by sectors

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Agriculture, hunting, forestry and fishing	2,876,525	2,690,193	2,507,604	2,422,271
Mining and quarrying	194,797	158,556	164,383	138,374
Manufacturing	8,813,823	8,149,499	7,843,633	7,316,331
Electricity, gas and water	41,157	38,083	21,474	14,898
Construction	6,390,466	6,039,106	5,432,148	5,174,150
Wholesale & retail trade and restaurants & hotels	18,921,498	17,304,919	17,278,017	15,819,202
Transport, storage and communication	3,396,754	3,182,098	2,550,750	2,434,007
Finance, insurance and business services	11,774,932	11,325,402	10,477,977	10,077,315
Real estate	20,281,164	17,850,585	17,057,885	14,926,521
Community, social and personal services	4,254,920	3,947,054	3,825,412	3,542,013
Households	137,738,588	126,342,848	111,070,975	102,115,314
Others	906,343	754,821	113,292	157,770
	<u>215,590,967</u>	<u>197,783,164</u>	<u>178,343,550</u>	<u>164,138,166</u>

A11h. Loans, advances and financing pledged as collateral are as follows:

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Bankers' acceptances rediscounted	<u>1,119,147</u>	<u>2,306,869</u>	<u>1,118,101</u>	<u>2,305,913</u>

A11i. Movements in impaired loans, advances and financing ("impaired loans") are as follows:

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
At 1 January	1,374,086	1,529,657	1,014,660	1,150,234
Impaired during the period / year	2,255,385	2,575,901	1,645,503	1,881,155
Reclassified as non-impaired	(1,491,489)	(1,924,842)	(1,199,014)	(1,571,125)
Recoveries	(246,698)	(299,087)	(127,492)	(234,953)
Amount written off	(418,827)	(475,296)	(185,535)	(185,974)
Loans converted to foreclosed properties / investments	(3,772)	(24,759)	(3,595)	(24,502)
Exchange differences	12,459	(7,488)	147	(175)
Closing balance	<u>1,481,144</u>	<u>1,374,086</u>	<u>1,144,674</u>	<u>1,014,660</u>
Gross impaired loans as a percentage of gross loans, advances and financing	<u>0.69%</u>	<u>0.69%</u>	<u>0.64%</u>	<u>0.62%</u>

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A11. Loans, Advances and Financing (continued)

A11j. Impaired loans, advances and financing by geographical distribution

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Malaysia	1,363,997	1,212,622	1,140,982	1,012,355
Hong Kong SAR and the People's Republic of China	72,934	96,054	-	-
Cambodia	40,521	63,105	-	-
Other countries	3,692	2,305	3,692	2,305
	1,481,144	1,374,086	1,144,674	1,014,660

A11k. Impaired loans, advances and financing by economic purpose

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Purchase of securities	5,483	5,852	5,479	5,848
Purchase of transport vehicles	338,941	263,313	246,218	189,226
Purchase of landed properties	677,116	591,758	612,522	497,871
(of which: - residential	528,427	420,286	471,218	371,040
- non-residential)	148,689	171,472	141,304	126,831
Purchase of fixed assets (excluding landed properties)	5,932	6,168	5,912	6,049
Personal use	171,708	165,205	48,546	47,086
Credit card	23,930	23,421	23,903	23,309
Purchase of consumer durables	81	377	4	309
Construction	11,448	14,109	8,848	13,369
Working capital	231,753	283,886	178,622	211,641
Other purpose	14,752	19,997	14,620	19,952
	1,481,144	1,374,086	1,144,674	1,014,660

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A11. Loans, Advances and Financing (continued)

A11l. Impaired loans, advances and financing by sectors

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Agriculture, hunting, forestry and fishing	15,341	11,772	2,440	4,422
Mining and quarrying	1,585	132	428	97
Manufacturing	117,558	130,029	106,085	117,907
Electricity, gas and water	1,557	1,205	-	-
Construction	43,595	68,336	39,429	66,813
Wholesale & retail trade and restaurants & hotels	130,883	117,113	108,538	86,462
Transport, storage and communication	56,498	54,959	55,054	47,954
Finance, insurance and business services	26,030	44,217	21,735	21,186
Real estate	23,446	61,688	22,051	30,388
Community, social and personal services	22,177	16,091	21,606	15,980
Households	1,040,692	867,416	766,522	622,571
Others	1,782	1,128	786	880
	<u>1,481,144</u>	<u>1,374,086</u>	<u>1,144,674</u>	<u>1,014,660</u>

A11m. Movements in the allowance for impaired loans, advances and financing are as follows:

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
<u>Collective Assessment Allowance</u>				
At 1 January	1,529,566	1,496,044	1,059,484	1,038,212
Allowance made during the period / year	240,527	279,199	146,558	187,119
Amount written off	(204,611)	(243,996)	(151,943)	(165,574)
Exchange differences	2,645	(1,681)	354	(273)
Closing balance	<u>1,568,127</u>	<u>1,529,566</u>	<u>1,054,453</u>	<u>1,059,484</u>

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
<u>Individual Assessment Allowance</u>				
At 1 January	201,995	245,196	110,074	134,748
Allowance made during the period / year	184,727	246,919	13,861	27,173
Amount written back in respect of recoveries	(15,316)	(52,054)	(7,945)	(30,043)
Amount written off	(214,216)	(231,300)	(33,592)	(20,400)
Amount transferred to allowance for impairment loss on foreclosed properties	-	(1,404)	-	(1,404)
Exchange differences	12,441	(5,362)	-	-
Closing balance	<u>169,631</u>	<u>201,995</u>	<u>82,398</u>	<u>110,074</u>

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A12. Other Assets

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000 (Restated)	30 September 2013 RM'000	31 December 2012 RM'000 (Restated)
Deferred handling fees	243,237	236,571	173,007	173,995
Interest / Income receivable	60,078	32,942	34,856	20,560
Other receivables, deposits and prepayments	1,414,363	1,283,277	1,335,099	1,156,749
Manager's stocks	116,147	67,652	-	-
Employee benefits	140,886	199,079	136,190	192,251
Amount due from trust funds	144,270	97,891	-	-
Foreclosed properties	58,936	82,673	57,566	80,522
Taxi licenses	1,126	1,056	-	-
Outstanding contracts on clients' accounts	283,732	204,857	-	-
Amount due from subsidiary companies	-	-	45,201	45,248
Dividend receivable from subsidiary companies	-	-	247,100	429,647
	<u>2,462,775</u>	<u>2,205,998</u>	<u>2,029,019</u>	<u>2,098,972</u>

A13. Deposits from Customers

a) By type of deposit

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
At amortised cost				
Core deposits:				
- Demand deposits	36,692,464	32,632,541	31,972,129	28,643,745
- Savings deposits	25,280,517	23,726,493	18,045,039	16,843,952
- Fixed deposits	134,263,680	120,675,603	105,322,690	93,931,585
	<u>196,236,661</u>	<u>177,034,637</u>	<u>155,339,858</u>	<u>139,419,282</u>
Wholesale deposits:				
- Negotiable instruments of deposit	2,095,485	1,223,620	280,449	90,112
- Money market deposits	48,900,403	46,593,137	43,411,915	41,991,233
	<u>50,995,888</u>	<u>47,816,757</u>	<u>43,692,364</u>	<u>42,081,345</u>
Other deposits	99,798	190,931	97,487	187,817
	<u>247,332,347</u>	<u>225,042,325</u>	<u>199,129,709</u>	<u>181,688,444</u>

b) By type of customer

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Federal and state governments	1,370,499	1,617,446	270,759	162,506
Local government and statutory authorities	2,702,777	3,154,490	1,862,333	2,041,839
Business enterprises	73,723,780	64,959,217	59,193,194	52,239,124
Individuals	109,286,888	102,008,645	94,675,492	88,167,268
Foreign customers	4,920,119	4,444,181	4,228,604	3,840,822
Others	55,328,284	48,858,346	38,899,327	35,236,885
	<u>247,332,347</u>	<u>225,042,325</u>	<u>199,129,709</u>	<u>181,688,444</u>

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A13. Deposits from Customers (continued)

- c) The maturity structure of fixed deposits, negotiable instruments of deposit and money market deposits are as follows:

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Due within six months	165,433,729	151,771,362	132,704,032	121,861,534
More than six months to one year	19,443,408	16,345,923	16,211,022	14,023,613
More than one year to three years	377,790	367,778	96,319	122,377
More than three years to five years	4,641	7,297	3,681	5,406
	<u>185,259,568</u>	<u>168,492,360</u>	<u>149,015,054</u>	<u>136,012,930</u>

A14. Deposits from Banks

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
At amortised cost				
Licensed banks	3,460,336	3,080,562	2,567,619	2,168,377
Licensed Islamic banks	1,731,042	1,428,121	601,042	808,850
Licensed investment banks	3,520,562	3,573,682	3,528,157	3,435,195
Bank Negara Malaysia	725,037	2,602,861	724,082	2,602,861
Other financial institutions	5,257,362	2,164,087	8,283,899	5,393,495
	<u>14,694,339</u>	<u>12,849,313</u>	<u>15,704,799</u>	<u>14,408,778</u>

A15. Other Liabilities

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000 (Restated)	30 September 2013 RM'000	31 December 2012 RM'000 (Restated)
Interest / Income payable	1,138,396	1,102,170	975,146	935,099
Other payables and accruals	2,599,443	2,120,839	1,880,316	1,565,466
Amount due to trust funds	189,459	46,656	-	-
Unprocessed sales and / or redemptions	86,915	127,505	-	-
Profit Equalisation Reserve of the investment account holder	486	265	-	-
Finance lease liabilities	35,157	60,723	35,157	60,723
Outstanding contracts on clients' accounts	271,777	199,195	-	-
Dividend payable to shareholders	3,514	12,896	3,514	2,461
Amount due to subsidiary companies	-	-	15,406	15,139
	<u>4,325,147</u>	<u>3,670,249</u>	<u>2,909,539</u>	<u>2,578,888</u>

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A16. Interest Income

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Loans and advances	2,438,449	2,264,423	7,118,207	6,554,915
Balances with banks	183,719	93,732	557,435	306,325
Financial investments available-for-sale	70,093	83,645	218,463	251,011
Financial investments held-to-maturity	64,054	58,311	179,761	203,964
Others	34,096	27,931	96,877	76,242
	<u>2,790,411</u>	<u>2,528,042</u>	<u>8,170,743</u>	<u>7,392,457</u>
Financial assets held-for-trading	93,451	120,215	287,685	295,361
	<u>2,883,862</u>	<u>2,648,257</u>	<u>8,458,428</u>	<u>7,687,818</u>

Of which:

Interest income earned on impaired loans
and advances

	<u>13,686</u>	<u>13,474</u>	<u>40,059</u>	<u>39,677</u>
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	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Loans and advances	2,219,812	2,063,866	6,487,967	5,961,333
Balances with banks	172,904	88,357	523,181	287,383
Financial investments available-for-sale	68,310	80,732	213,279	240,911
Financial investments held-to-maturity	43,765	40,381	125,560	145,879
Others	34,094	27,927	96,870	76,224
	<u>2,538,885</u>	<u>2,301,263</u>	<u>7,446,857</u>	<u>6,711,730</u>
Financial assets held-for-trading	85,525	110,867	262,336	273,592
	<u>2,624,410</u>	<u>2,412,130</u>	<u>7,709,193</u>	<u>6,985,322</u>

Of which:

Interest income earned on impaired loans
and advances

	<u>13,144</u>	<u>12,762</u>	<u>37,438</u>	<u>37,531</u>
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A17. Interest Expense

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
<u>Group</u>				
Deposits from banks	84,010	52,422	256,321	170,556
Deposits from customers	1,288,517	1,147,845	3,765,335	3,295,558
Loans sold to Cagamas	2	90	23	318
Debt securities issued and other borrowed funds	89,336	96,037	274,656	296,337
Others	707	2,717	5,117	7,667
	<u>1,462,572</u>	<u>1,299,111</u>	<u>4,301,452</u>	<u>3,770,436</u>

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Deposits from banks	76,749	69,218	233,489	150,612
Deposits from customers	1,241,519	1,076,824	3,629,482	3,149,856
Loans sold to Cagamas	2	90	23	318
Debt securities issued and other borrowed funds	86,089	92,860	264,671	286,363
Others	660	2,650	4,939	7,459
	<u>1,405,019</u>	<u>1,241,642</u>	<u>4,132,604</u>	<u>3,594,608</u>

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A18. Net Fee and Commission Income

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Group				
Fee and commission income:				
Commissions	96,292	89,200	280,614	258,968
Service charges and fees	67,745	67,730	202,263	200,582
Guarantee fees	7,165	6,829	24,286	23,340
Processing fees	4,461	4,434	12,141	11,416
Commitment fees	14,899	15,042	46,194	45,039
Unit trust management fees	181,757	154,790	515,100	448,493
Fee on sale of trust units	81,221	64,583	231,448	196,618
Net brokerage and commissions from stockbroking activities	18,816	18,892	60,544	60,669
Other fee and commission income	8,684	14,297	29,406	40,026
	<u>481,040</u>	<u>435,797</u>	<u>1,401,996</u>	<u>1,285,151</u>
Fee and commission expense:				
Loan related fee	(63,620)	(55,825)	(186,331)	(168,213)
Unit trust agency fee	(96,335)	(78,441)	(261,443)	(233,071)
Other fee and commission expense	(5,223)	(4,750)	(13,220)	(15,022)
	<u>(165,178)</u>	<u>(139,016)</u>	<u>(460,994)</u>	<u>(416,306)</u>
Net fee and commission income	<u>315,862</u>	<u>296,781</u>	<u>941,002</u>	<u>868,845</u>

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Bank				
Fee and commission income:				
Commissions	110,980	99,500	329,362	288,952
Service charges and fees	50,897	52,452	152,442	150,284
Guarantee fees	6,392	6,077	22,013	21,062
Processing fees	1,040	1,100	3,172	2,523
Commitment fees	14,157	14,327	44,030	42,906
Other fee and commission income	6,848	11,963	23,072	32,771
	<u>190,314</u>	<u>185,419</u>	<u>574,091</u>	<u>538,498</u>
Fee and commission expense:				
Loan related fee	(62,552)	(54,791)	(183,187)	(165,253)
Other fee and commission expense	(2,916)	(2,672)	(8,531)	(8,651)
	<u>(65,468)</u>	<u>(57,463)</u>	<u>(191,718)</u>	<u>(173,904)</u>
Net fee and commission income	<u>124,846</u>	<u>127,956</u>	<u>382,373</u>	<u>364,594</u>

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A19. Net Gains and Losses on Financial Instruments

	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000	30 September 2013 RM'000	30 September 2012 RM'000
<u>Group</u>				
Net gain / (loss) arising on financial assets held-for-trading:				
- net gain on disposal	774	3,470	6,186	9,349
- gross dividend income	2	5	10	22
- unrealised revaluation loss	<u>(1,308)</u>	<u>(2,716)</u>	<u>(3,780)</u>	<u>(4,773)</u>
	<u>(532)</u>	<u>759</u>	<u>2,416</u>	<u>4,598</u>
Net (loss) / gain arising on trading derivatives				
- net (loss) / gain on disposal	(6,407)	258	(6,126)	624
- unrealised revaluation gain / (loss)	<u>20,943</u>	<u>(309)</u>	<u>14,187</u>	<u>3,998</u>
	<u>14,536</u>	<u>(51)</u>	<u>8,061</u>	<u>4,622</u>
Net gain arising on financial investments available-for-sale:				
- net gain on disposal	1,885	704	7,117	7,015
- gross dividend income	<u>39,040</u>	<u>39,624</u>	<u>114,194</u>	<u>113,919</u>
	<u>40,925</u>	<u>40,328</u>	<u>121,311</u>	<u>120,934</u>
Net gain / (loss) representing ineffective portions of hedging derivatives:				
- fair value hedge	3,547	(720)	1,529	(1,613)
- cash flow hedge	<u>262</u>	<u>15</u>	<u>296</u>	<u>16</u>
	<u>3,809</u>	<u>(705)</u>	<u>1,825</u>	<u>(1,597)</u>
Net gains and losses on financial instruments	<u>58,738</u>	<u>40,331</u>	<u>133,613</u>	<u>128,557</u>
	3rd Quarter Ended	3rd Quarter Ended	Nine Months Ended	Nine Months Ended
	30 September 2013 RM'000	30 September 2012 RM'000	30 September 2013 RM'000	30 September 2012 RM'000
<u>Bank</u>				
Net gain / (loss) arising on financial assets held-for-trading:				
- net gain on disposal	1,168	3,320	6,602	8,938
- gross dividend income	2	5	10	22
- unrealised revaluation loss	<u>(1,327)</u>	<u>(2,677)</u>	<u>(3,780)</u>	<u>(4,743)</u>
	<u>(157)</u>	<u>648</u>	<u>2,832</u>	<u>4,217</u>
Net (loss) / gain arising on trading derivatives				
- net (loss) / gain on disposal	(6,407)	258	(6,126)	624
- unrealised revaluation gain	<u>8,254</u>	<u>2,371</u>	<u>10,339</u>	<u>6,202</u>
	<u>1,847</u>	<u>2,629</u>	<u>4,213</u>	<u>6,826</u>
Net gain arising on financial investments available-for-sale:				
- net gain on disposal	1,885	704	7,117	7,015
- gross dividend income	<u>38,006</u>	<u>38,581</u>	<u>110,038</u>	<u>110,294</u>
	<u>39,891</u>	<u>39,285</u>	<u>117,155</u>	<u>117,309</u>
Net gain / (loss) representing ineffective portions of hedging derivatives:				
- fair value hedge	2,539	(662)	1,471	(807)
- cash flow hedge	<u>262</u>	<u>15</u>	<u>296</u>	<u>16</u>
	<u>2,801</u>	<u>(647)</u>	<u>1,767</u>	<u>(791)</u>
Net gains and losses on financial instruments	<u>44,382</u>	<u>41,915</u>	<u>125,967</u>	<u>127,561</u>

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A20. Other Operating Income

	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000	30 September 2013 RM'000	30 September 2012 RM'000
Group				
Other income:				
Foreign exchange profit	47,446	72,217	174,492	172,394
Rental income from:				
- investment properties	1,619	1,446	4,478	4,077
- other properties	3,960	3,907	11,046	10,893
Net gain / (loss) on disposal of property and equipment	144	36	430	(580)
Net (loss) / gain on disposal of foreclosed properties	(149)	(73)	2,332	(669)
Net gain on revaluation of investment properties	36	8	2,136	6,997
Others	10,854	8,169	38,134	27,640
Total other operating income	<u>63,910</u>	<u>85,710</u>	<u>233,048</u>	<u>220,752</u>
	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000	30 September 2013 RM'000	30 September 2012 RM'000
Bank				
Gross dividend income from:				
- associated companies	-	4,783	6,460	4,783
- subsidiary companies				
- quoted outside Malaysia	-	-	16,519	16,496
- unquoted in Malaysia	140,152	193,217	512,905	624,586
	<u>140,152</u>	<u>198,000</u>	<u>535,884</u>	<u>645,865</u>
Other income:				
Foreign exchange profit	31,698	101,702	116,942	199,427
Rental income from other properties	3,068	3,127	8,543	8,629
Net gain / (loss) on disposal of property and equipment	139	50	499	(558)
Net (loss) / gain on disposal of foreclosed properties	(149)	(73)	2,332	(669)
Others	6,373	5,616	27,479	19,685
	<u>41,129</u>	<u>110,422</u>	<u>155,795</u>	<u>226,514</u>
Total other operating income	<u>181,281</u>	<u>308,422</u>	<u>691,679</u>	<u>872,379</u>

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A21. Other Operating Expenses

<u>Group</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)
Personnel costs				
- Salaries, allowances and bonuses	322,661	341,402	1,034,858	999,907
- Pension costs	69,935	51,059	170,327	153,378
- Others	30,586	28,339	91,837	89,482
	<u>423,182</u>	<u>420,800</u>	<u>1,297,022</u>	<u>1,242,767</u>
Establishment costs				
- Depreciation	39,080	41,123	122,173	125,529
- Rental	23,717	21,886	68,267	62,870
- Insurance	4,911	4,159	17,068	16,260
- Water and electricity	11,793	12,106	33,520	32,475
- General repairs and maintenance	18,288	19,249	52,623	57,857
- Information technology expenses	6,978	6,717	20,895	20,552
- Others	10,854	9,111	32,870	27,060
	<u>115,621</u>	<u>114,351</u>	<u>347,416</u>	<u>342,603</u>
Marketing expenses				
- Advertisement and publicity	16,327	18,660	51,142	57,572
- Others	20,580	18,401	62,285	61,206
	<u>36,907</u>	<u>37,061</u>	<u>113,427</u>	<u>118,778</u>
Administration and general expenses				
- Communication expenses	8,984	8,925	29,327	28,710
- Legal and professional fees	9,555	10,877	31,432	33,581
- Others	17,535	13,757	54,618	55,483
	<u>36,074</u>	<u>33,559</u>	<u>115,377</u>	<u>117,774</u>
Total other operating expenses	<u>611,784</u>	<u>605,771</u>	<u>1,873,242</u>	<u>1,821,922</u>

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A21. Other Operating Expenses (continued)

<u>Bank</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)
Personnel costs				
- Salaries, allowances and bonuses	262,086	263,327	821,623	790,998
- Pension costs	51,706	45,806	160,317	137,459
- Others	26,955	25,090	80,726	78,812
	<u>340,747</u>	<u>334,223</u>	<u>1,062,666</u>	<u>1,007,269</u>
Establishment costs				
- Depreciation	30,917	33,302	98,252	101,804
- Rental	21,713	21,090	63,646	60,653
- Insurance	3,637	3,416	12,974	12,657
- Water and electricity	8,581	9,035	25,038	23,981
- General repairs and maintenance	15,986	17,356	46,455	51,991
- Information technology expenses	3,714	3,851	11,142	11,367
- Others	8,130	6,703	24,931	19,797
	<u>92,678</u>	<u>94,753</u>	<u>282,438</u>	<u>282,250</u>
Marketing expenses				
- Advertisement and publicity	6,104	6,331	19,194	19,464
- Others	10,605	10,852	31,708	34,863
	<u>16,709</u>	<u>17,183</u>	<u>50,902</u>	<u>54,327</u>
Administration and general expenses				
- Communication expenses	7,960	6,830	26,810	21,492
- Legal and professional fees	6,934	8,216	23,547	26,540
- Others	9,512	6,261	28,813	22,225
	<u>24,406</u>	<u>21,307</u>	<u>79,170</u>	<u>70,257</u>
Shared service cost charged to Public Islamic Bank Berhad	(59,315)	(55,902)	(180,033)	(165,614)
Total other operating expenses	<u>415,225</u>	<u>411,564</u>	<u>1,295,143</u>	<u>1,248,489</u>

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A22. Allowance for Impairment on Loans, Advances and Financing

	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000	30 September 2013 RM'000	30 September 2012 RM'000
<u>Group</u>				
Allowance for impaired loans and financing:				
Collective assessment allowance	95,217	77,659	240,527	203,041
Individual assessment allowance	56,164	55,162	169,411	142,188
Allowance / (writeback of allowance) for bad debts from stockbroking activities	-	15	(129)	(29)
Impaired loans and financing written off	266	200	624	635
Impaired loans and financing recovered	(48,364)	(51,548)	(149,464)	(150,758)
	<u>103,283</u>	<u>81,488</u>	<u>260,969</u>	<u>195,077</u>
	3rd Quarter Ended	30 September	30 September	Nine Months Ended
	2013	2012	2013	30 September
	RM'000	RM'000	RM'000	2012
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
Allowance / (writeback of allowance) for impaired loans:				
Collective assessment allowance	62,972	49,798	146,558	130,769
Individual assessment allowance	(1,297)	(98)	5,916	(3,527)
Impaired loans written off	226	160	529	502
Impaired loans recovered	(27,411)	(27,140)	(83,590)	(84,169)
	<u>34,490</u>	<u>22,720</u>	<u>69,413</u>	<u>43,575</u>

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A23. Segment Information

3rd Quarter Ended 30 September 2013	----- Operating Segments ----->							Head Office RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000					
External revenue	586,715	1,862,936	267,504	458,367	52,459	263,213	1,323	95,694	3,588,211	281,331	-	3,869,542
Revenue from other segments	-	314,426	2,946	192,218	3,296	3,360	7,424	297,480	821,150	991	(822,141)	-
	<u>586,715</u>	<u>2,177,362</u>	<u>270,450</u>	<u>650,585</u>	<u>55,755</u>	<u>266,573</u>	<u>8,747</u>	<u>393,174</u>	<u>4,409,361</u>	<u>282,322</u>	<u>(822,141)</u>	<u>3,869,542</u>
Net interest income and												
Islamic banking income	223,273	1,044,806	73,542	35,565	4,593	3,595	(1,927)	61,942	1,445,389	191,835	-	1,637,224
Other income	334	127,057	6,996	65,880	14,366	150,294	8,681	45,112	418,720	36,356	(16,566)	438,510
Net income	<u>223,607</u>	<u>1,171,863</u>	<u>80,538</u>	<u>101,445</u>	<u>18,959</u>	<u>153,889</u>	<u>6,754</u>	<u>107,054</u>	<u>1,864,109</u>	<u>228,191</u>	<u>(16,566)</u>	<u>2,075,734</u>
Other operating expenses	(49,403)	(322,241)	(3,027)	(5,549)	(6,690)	(43,447)	(3,840)	(98,447)	(532,644)	(95,706)	16,566	(611,784)
(Allowance) / writeback of												
allowance for impairment on												
loans, advances and financing	(61,289)	(4,338)	3,789	-	223	-	-	-	(61,615)	(41,668)	-	(103,283)
Allowance for impairment												
on other assets	-	(4,223)	-	-	-	-	-	-	(4,223)	-	-	(4,223)
Profit by segments	<u>112,915</u>	<u>841,061</u>	<u>81,300</u>	<u>95,896</u>	<u>12,492</u>	<u>110,442</u>	<u>2,914</u>	<u>8,607</u>	<u>1,265,627</u>	<u>90,817</u>	<u>-</u>	<u>1,356,444</u>
Reconciliation of segment profits												
to consolidated profits:												
Share of (loss) / profit after tax												
of equity accounted associated												
companies									(401)	2,121		1,720
Profit before tax expense and zakat									<u>1,265,226</u>	<u>92,938</u>		<u>1,358,164</u>

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A23. Segment Information (continued)

3rd Quarter Ended 30 September 2012 (Restated)	----- Operating Segments -----							Head Office RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000					
External revenue	568,659	1,723,078	245,273	427,460	44,247	219,558	1,212	108,632	3,338,119	250,631	-	3,588,750
Revenue from other segments	-	255,995	3,029	205,766	3,938	3,103	7,441	452,339	931,611	942	(932,553)	-
	<u>568,659</u>	<u>1,979,073</u>	<u>248,302</u>	<u>633,226</u>	<u>48,185</u>	<u>222,661</u>	<u>8,653</u>	<u>560,971</u>	<u>4,269,730</u>	<u>251,573</u>	<u>(932,553)</u>	<u>3,588,750</u>
Net interest income and												
Islamic banking income	253,762	999,313	69,827	41,424	3,656	3,288	(1,914)	29,701	1,399,057	165,006	-	1,564,063
Other income	1,572	123,812	8,970	59,190	15,064	128,878	8,580	64,890	410,956	28,556	(16,690)	422,822
Net income	<u>255,334</u>	<u>1,123,125</u>	<u>78,797</u>	<u>100,614</u>	<u>18,720</u>	<u>132,166</u>	<u>6,666</u>	<u>94,591</u>	<u>1,810,013</u>	<u>193,562</u>	<u>(16,690)</u>	<u>1,986,885</u>
Other operating expenses	(52,241)	(335,085)	(2,694)	(4,986)	(7,031)	(36,719)	(3,770)	(92,352)	(534,878)	(87,583)	16,690	(605,771)
Allowance for impairment on loans, advances and financing	(34,443)	(9,639)	(126)	-	(43)	-	-	-	(44,251)	(37,237)	-	(81,488)
Writeback of impairment / impairment on other assets	-	289	-	-	-	-	-	-	289	(136)	-	153
Profit by segments	<u>168,650</u>	<u>778,690</u>	<u>75,977</u>	<u>95,628</u>	<u>11,646</u>	<u>95,447</u>	<u>2,896</u>	<u>2,239</u>	<u>1,231,173</u>	<u>68,606</u>	<u>-</u>	<u>1,299,779</u>
Reconciliation of segment profits to consolidated profits:												
Share of (loss) / profit after tax of equity accounted associated companies									(1,714)	298		(1,416)
Profit before tax expense and zakat									<u>1,229,459</u>	<u>68,904</u>		<u>1,298,363</u>

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A23. Segment Information

Nine Months Ended 30 September 2013	----- Operating Segments -----							Head Office RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000					
External revenue	1,744,417	5,437,821	791,173	1,382,398	154,165	747,171	3,803	274,598	10,535,546	810,081	-	11,345,627
Revenue from other segments	-	888,119	8,642	576,606	11,366	9,162	22,112	928,902	2,444,909	2,901	(2,447,810)	-
	<u>1,744,417</u>	<u>6,325,940</u>	<u>799,815</u>	<u>1,959,004</u>	<u>165,531</u>	<u>756,333</u>	<u>25,915</u>	<u>1,203,500</u>	<u>12,980,455</u>	<u>812,982</u>	<u>(2,447,810)</u>	<u>11,345,627</u>
Net interest income and												
Islamic banking income	698,461	3,033,239	213,321	101,467	12,520	9,785	(5,758)	177,948	4,240,983	549,197	-	4,790,180
Other income	1,465	386,768	30,755	189,302	45,962	430,486	25,738	137,216	1,247,692	109,581	(49,610)	1,307,663
Net income	<u>699,926</u>	<u>3,420,007</u>	<u>244,076</u>	<u>290,769</u>	<u>58,482</u>	<u>440,271</u>	<u>19,980</u>	<u>315,164</u>	<u>5,488,675</u>	<u>658,778</u>	<u>(49,610)</u>	<u>6,097,843</u>
Other operating expenses (Allowance) / writeback of	(162,012)	(987,042)	(8,056)	(16,162)	(22,494)	(127,071)	(10,802)	(309,162)	(1,642,801)	(280,051)	49,610	(1,873,242)
allowance for impairment on loans, advances and financing	(152,950)	2,437	5,803	-	(196)	-	-	-	(144,906)	(116,063)	-	(260,969)
Allowance for impairment on other assets	-	(1,064)	-	-	-	-	-	-	(1,064)	-	-	(1,064)
Profit by segments	<u>384,964</u>	<u>2,434,338</u>	<u>241,823</u>	<u>274,607</u>	<u>35,792</u>	<u>313,200</u>	<u>9,178</u>	<u>6,002</u>	<u>3,699,904</u>	<u>262,664</u>	<u>-</u>	<u>3,962,568</u>
Reconciliation of segment profits to consolidated profits:												
Share of (loss) / profit after tax of equity accounted associated companies									(630)	6,760		6,130
Profit before tax expense and zakat									<u>3,699,274</u>	<u>269,424</u>		<u>3,968,698</u>
Cost income ratio	23.1%	28.9%	3.3%	5.6%	38.5%	28.9%	54.1%	98.1%	29.9%	42.5%		30.7%
Gross loans	42,751,147	133,174,983	24,881,032	-	366,812	54,140	2,181	-	201,230,295	14,360,672		215,590,967
Loan growth	5.7%	10.6%	6.8%	-	17.0%	5.0%	11.6%	-	9.0%	8.5%		9.0%
Impaired loans, advances and financing	316,303	955,930	91,764	-	-	-	-	-	1,363,997	117,147		1,481,144
Impaired loan ratio	0.7%	0.7%	0.4%	-	-	-	-	-	0.7%	0.8%		0.7%
Deposits from customers	-	173,612,229	267,593	54,758,998	2,993,834	-	-	-	231,632,654	15,699,693		247,332,347
Deposit growth	-	13.0%	-16.7%	2.0%	-0.1%	-	-	-	9.9%	9.3%		9.9%
Segment assets	<u>42,502,170</u>	<u>181,096,518</u>	<u>24,810,293</u>	<u>70,983,522</u>	<u>4,247,049</u>	<u>407,922</u>	<u>321,153</u>	<u>20,313,136</u>	<u>344,681,763</u>	<u>21,235,327</u>	<u>(69,481,517)</u>	<u>296,435,573</u>
Reconciliation of segment assets to consolidated assets:												
Investment in associated companies									36,380	121,973		158,353
Unallocated assets									905,310	-		905,310
Intangible assets									769,251	1,230,082		1,999,333
Total assets									<u>346,392,704</u>	<u>22,587,382</u>		<u>299,498,569</u>

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A23. Segment Information (continued)

Nine Months Ended 30 September 2012 (Restated)	-----<----- Operating Segments ----->-----							Head Office RM'000	Total Domestic Operations RM'000	Total Overseas Operations RM'000	Inter- segment Elimination RM'000	Group Total RM'000
	Hire Purchase RM'000	Retail Operations RM'000	Corporate Lending RM'000	Treasury and Capital Market Operations RM'000	Investment Banking RM'000	Fund Management RM'000	Others RM'000					
External revenue	1,684,376	4,990,903	711,328	1,230,837	140,260	645,667	3,564	267,537	9,674,472	753,568	-	10,428,040
Revenue from other segments	-	753,885	9,637	539,803	22,682	9,123	22,033	1,101,526	2,458,689	2,548	(2,461,237)	-
	<u>1,684,376</u>	<u>5,744,788</u>	<u>720,965</u>	<u>1,770,640</u>	<u>162,942</u>	<u>654,790</u>	<u>25,597</u>	<u>1,369,063</u>	<u>12,133,161</u>	<u>756,116</u>	<u>(2,461,237)</u>	<u>10,428,040</u>
Net interest income and												
Islamic banking income	753,342	2,895,380	198,045	94,265	10,387	9,679	(5,757)	113,379	4,068,720	486,399	-	4,555,119
Other income	4,699	353,958	35,600	173,975	48,148	376,635	25,422	148,907	1,167,344	100,568	(49,758)	1,218,154
Net income	<u>758,041</u>	<u>3,249,338</u>	<u>233,645</u>	<u>268,240</u>	<u>58,535</u>	<u>386,314</u>	<u>19,665</u>	<u>262,286</u>	<u>5,236,064</u>	<u>586,967</u>	<u>(49,758)</u>	<u>5,773,273</u>
Other operating expenses	(158,243)	(1,013,983)	(7,389)	(14,537)	(21,916)	(110,958)	(10,855)	(270,717)	(1,608,598)	(263,082)	49,758	(1,821,922)
(Allowance) / writeback of												
allowance for impairment on												
loans, advances and financing	(84,375)	(22,512)	6,676	-	(20)	-	-	-	(100,231)	(94,846)	-	(195,077)
Impairment on other assets	-	(1,155)	-	-	-	-	-	-	(1,155)	(136)	-	(1,291)
Profit / (loss) by segments	<u>515,423</u>	<u>2,211,688</u>	<u>232,932</u>	<u>253,703</u>	<u>36,599</u>	<u>275,356</u>	<u>8,810</u>	<u>(8,431)</u>	<u>3,526,080</u>	<u>228,903</u>	<u>-</u>	<u>3,754,983</u>
Reconciliation of segment profits												
to consolidated profits:												
Share of (loss) / profit after tax												
of equity accounted associated												
companies									(4,009)	4,931		922
Profit before tax expense and zakat									<u>3,522,071</u>	<u>233,834</u>		<u>3,755,905</u>
Cost income ratio	20.9%	31.2%	3.2%	5.4%	37.4%	28.7%	55.2%	103.2%	30.7%	44.8%		31.6%
Gross loans	39,723,467	116,615,343	23,199,890	-	287,237	50,126	2,076	-	179,878,139	12,937,054		192,815,193
Loan growth	7.1%	11.1%	6.8%	-	12.3%	3.7%	-1.8%	-	9.6%	-5.0%		8.5%
Impaired loans, advances and												
financing	231,151	869,979	130,580	-	-	-	-	-	1,231,710	160,782		1,392,492
Impaired loan ratio	0.6%	0.7%	0.6%	-	-	-	-	-	0.7%	1.2%		0.7%
Deposits from customers	-	149,089,733	199,408	54,238,764	2,544,976	-	-	-	206,072,881	14,124,473		220,197,354
Deposit growth	-	11.4%	-36.6%	11.1%	-25.5%	-	-	-	10.5%	1.4%		9.9%
Segment assets	<u>39,565,156</u>	<u>157,261,701</u>	<u>23,089,189</u>	<u>70,661,519</u>	<u>3,850,159</u>	<u>355,466</u>	<u>296,187</u>	<u>18,699,106</u>	<u>313,778,483</u>	<u>18,692,290</u>	<u>(65,342,848)</u>	<u>267,127,925</u>
Reconciliation of segment assets to												
consolidated assets:												
Investment in associated companies									36,963	111,319		148,282
Unallocated assets									1,050,267	-		1,050,267
Intangible assets									769,251	1,158,484		1,927,735
Total assets									<u>315,634,964</u>	<u>19,962,093</u>		<u>270,254,209</u>

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A23. Segment Information on Operating Revenue, Profit Before Tax Expense and Assets (continued)

The Group's overseas operations includes its operations in Hong Kong SAR, the People's Republic of China, Sri Lanka, the Socialist Republic of Vietnam, Cambodia and the Lao People's Democratic Republic.

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

A24. Subsequent Events

There were no material events subsequent to the end of the reporting date that require disclosure or adjustments to the unaudited interim financial statements.

A25. Changes in the Composition of the Group

There were no material changes in the composition of the Group during the 3rd quarter and nine months ended 30 September 2013.

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A26. Commitments and Contingencies

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. The commitments and contingencies are not secured against the Group's and the Bank's assets.

The notional amounts of the commitments and contingencies of the Group and the Bank are as follows:

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
Contingent liabilities				
Direct credit substitutes	1,456,827	1,549,134	1,178,893	1,175,058
Transaction-related contingent items	1,116,799	1,031,792	990,796	908,204
Short term self-liquidating trade-related contingencies	404,371	525,150	329,764	341,952
	2,977,997	3,106,076	2,499,453	2,425,214
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- exceeding one year	27,888,646	24,158,799	25,559,271	22,211,606
- not exceeding one year	22,412,467	20,955,923	20,226,185	19,422,068
Unutilised credit card lines	3,893,258	3,693,110	3,783,287	3,587,921
Forward asset purchases	110,542	30,386	107,174	-
	54,304,913	48,838,218	49,675,917	45,221,595
Derivative financial instruments				
Foreign exchange related contracts:				
- less than one year	13,339,391	11,879,221	12,579,497	11,822,972
- one year to less than five years	1,647,102	1,376,100	1,647,102	1,376,100
Interest rate related contracts:				
- less than one year	1,528,399	1,552,000	1,414,199	1,552,000
- one year to less than five years	6,392,340	9,929,440	5,963,940	9,408,350
- five years and above	2,705,885	2,649,740	3,808,000	3,758,000
Commodity related contracts:				
- less than one year	48	206	48	206
Equity related contracts:				
- less than one year	53,187	73,589	53,187	73,589
- one year to less than five years	-	53,005	-	53,005
	25,666,352	27,513,301	25,465,973	28,044,222
	82,949,262	79,457,595	77,641,343	75,691,031

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A27. Derivative Financial Instruments

Details of derivative financial instruments outstanding as at 30 September 2013 and 31 December 2012 are as follows:

i) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts:

Group As at 30 September 2013	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,449,563	15,677	-	1,465,240	21,290	107	-	21,397	6,319	111	-	6,430
- Swaps	11,886,871	-	-	11,886,871	101,975	-	-	101,975	40,902	-	-	40,902
- Options	2,957	-	-	2,957	2	-	-	2	2	-	-	2
Equity related contracts												
- Options purchased	53,187	-	-	53,187	14,905	-	-	14,905	-	-	-	-
Precious metal contracts												
- Forwards	48	-	-	48	1	-	-	1	-	-	-	-
	13,392,626	15,677	-	13,408,303	138,173	107	-	138,280	47,223	111	-	47,334
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	1,249,399	1,892,340	5,505,885	8,647,624	299	91,965	102,498	194,762	29,895	46,345	9,841	86,081
Cash Flow Hedge												
Foreign exchange contracts												
- Cross currency interest rate swaps	-	-	1,631,425	1,631,425	-	-	-	-	-	-	130,615	130,615
Interest rate related contracts												
- Swaps	279,000	-	1,700,000	1,979,000	107	-	25,653	25,760	27	-	-	27
	1,528,399	1,892,340	8,837,310	12,258,049	406	91,965	128,151	220,522	29,922	46,345	140,456	216,723
Total	14,921,025	1,908,017	8,837,310	25,666,352	138,579	92,072	128,151	358,802	77,145	46,456	140,456	264,057

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A27. Derivative Financial Instruments (continued)

Details of derivative financial instruments outstanding as at 30 September 2013 and 31 December 2012 are as follows (continued):

i) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts (continued):

Group As at 31 December 2012	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,033,464	-	-	1,033,464	3,876	-	-	3,876	6,225	-	-	6,225
- Swaps	10,845,757	-	-	10,845,757	11,659	-	-	11,659	57,565	-	-	57,565
Equity related contracts												
- Options purchased	73,589	53,005	-	126,594	-	12,154	-	12,154	-	-	-	-
Precious metal contracts												
- Forwards	206	-	-	206	1	-	-	1	-	-	-	-
	<u>11,953,016</u>	<u>53,005</u>	<u>-</u>	<u>12,006,021</u>	<u>15,536</u>	<u>12,154</u>	<u>-</u>	<u>27,690</u>	<u>63,790</u>	<u>-</u>	<u>-</u>	<u>63,790</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	1,400,000	2,390,840	7,161,340	10,952,180	4,973	5,159	311,562	321,694	-	119,516	14,477	133,993
Cash Flow Hedge												
Foreign exchange contracts												
- Cross currency interest rate swaps	-	-	1,376,100	1,376,100	-	-	-	-	-	-	35,669	35,669
Interest rate related contracts												
- Swaps	152,000	227,000	2,800,000	3,179,000	1,083	215	19,783	21,081	-	112	-	112
	<u>1,552,000</u>	<u>2,617,840</u>	<u>11,337,440</u>	<u>15,507,280</u>	<u>6,056</u>	<u>5,374</u>	<u>331,345</u>	<u>342,775</u>	<u>-</u>	<u>119,628</u>	<u>50,146</u>	<u>169,774</u>
Total	<u>13,505,016</u>	<u>2,670,845</u>	<u>11,337,440</u>	<u>27,513,301</u>	<u>21,592</u>	<u>17,528</u>	<u>331,345</u>	<u>370,465</u>	<u>63,790</u>	<u>119,628</u>	<u>50,146</u>	<u>233,564</u>

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A27. Derivative Financial Instruments (continued)

Details of derivative financial instruments outstanding as at 30 September 2013 and 31 December 2012 are as follows (continued):

i) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts (continued):

Bank As at 30 September 2013	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
Trading derivatives:												
Foreign exchange contracts												
- Forwards	1,161,997	15,677	-	1,177,674	21,100	107	-	21,207	6,148	111	-	6,259
- Swaps	11,414,543	-	-	11,414,543	97,366	-	-	97,366	40,841	-	-	40,841
- Options	2,957	-	-	2,957	2	-	-	2	2	-	-	2
Interest rate related contracts												
- Swaps	19,577	-	-	19,577	-	-	-	-	810	-	-	810
Equity related contracts												
- Options purchased	53,187	-	-	53,187	14,905	-	-	14,905	-	-	-	-
Precious metal contracts												
- Forwards	48	-	-	48	1	-	-	1	-	-	-	-
	12,652,309	15,677	-	12,667,986	133,374	107	-	133,481	47,801	111	-	47,912
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	1,115,622	1,663,940	5,408,000	8,187,562	299	91,965	102,498	194,762	25,268	34,390	-	59,658
Cash Flow Hedge												
Foreign exchange contracts												
- Cross currency interest rate swaps	-	-	1,631,425	1,631,425	-	-	-	-	-	-	130,615	130,615
Interest rate related contracts												
- Swaps	279,000	-	2,700,000	2,979,000	107	-	16,049	16,156	27	-	67,428	67,455
	1,394,622	1,663,940	9,739,425	12,797,987	406	91,965	118,547	210,918	25,295	34,390	198,043	257,728
Total	14,046,931	1,679,617	9,739,425	25,465,973	133,780	92,072	118,547	344,399	73,096	34,501	198,043	305,640

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A27. Derivative Financial Instruments (continued)

Details of derivative financial instruments outstanding as at 30 September 2013 and 31 December 2012 are as follows (continued):

i) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts (continued):

Bank As at 31 December 2012	Contract / Notional Amount				Positive Fair Value				Negative Fair Value			
	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000	Up To 1 Year RM'000	> 1 - 3 Years RM'000	> 3 Years RM'000	Total RM'000
Trading derivatives:												
Foreign exchange contracts												
- Forwards	990,285	-	-	990,285	3,814	-	-	3,814	6,175	-	-	6,175
- Swaps	10,832,687	-	-	10,832,687	11,595	-	-	11,595	57,562	-	-	57,562
Interest rate related contracts												
- Swaps	-	18,348	-	18,348	-	-	-	-	-	1,360	-	1,360
Equity related contracts												
- Options purchased	73,589	53,005	-	126,594	-	12,154	-	12,154	-	-	-	-
Precious metal contracts												
- Forwards	206	-	-	206	1	-	-	1	-	-	-	-
	<u>11,896,767</u>	<u>71,353</u>	<u>-</u>	<u>11,968,120</u>	<u>15,410</u>	<u>12,154</u>	<u>-</u>	<u>27,564</u>	<u>63,737</u>	<u>1,360</u>	<u>-</u>	<u>65,097</u>
Hedging Derivatives:												
Fair Value Hedge												
Interest rate related contracts												
- Swaps	1,400,000	2,051,402	7,069,600	10,521,002	4,973	5,159	311,562	321,694	-	94,038	-	94,038
Cash Flow Hedge												
Foreign exchange contracts												
- Cross currency interest rate swaps	-	-	1,376,100	1,376,100	-	-	-	-	-	-	35,669	35,669
Interest rate related contracts												
- Swaps	152,000	227,000	3,800,000	4,179,000	1,083	215	13,788	15,086	-	112	15,844	15,956
	<u>1,552,000</u>	<u>2,278,402</u>	<u>12,245,700</u>	<u>16,076,102</u>	<u>6,056</u>	<u>5,374</u>	<u>325,350</u>	<u>336,780</u>	<u>-</u>	<u>94,150</u>	<u>51,513</u>	<u>145,663</u>
Total	<u>13,448,767</u>	<u>2,349,755</u>	<u>12,245,700</u>	<u>28,044,222</u>	<u>21,466</u>	<u>17,528</u>	<u>325,350</u>	<u>364,344</u>	<u>63,737</u>	<u>95,510</u>	<u>51,513</u>	<u>210,760</u>

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A27. Derivative Financial Instruments (continued)

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

Market Risk

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

Credit Risk

Credit risk arises from the possibility that a counter-party may be unable to meet the terms of a contract in which the Group and the Bank has a gain in a contract. As at 30 September 2013, the amount of credit risk in the Group and the Bank, measured in terms of the cost to replace the profitable contracts, was RM358,802,000 (2012: RM370,465,000) and RM344,399,000 (2012: RM364,344,000) respectively. This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity Risk

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

- iii) Cash Requirements of the Derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as the fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at 30 September 2013, the Group and the Bank had posted cash collateral of RM40,730,000 (2012: RM21,376,000) on their derivative contracts.

- iv) There have been no changes since the end of the previous financial year in respect of the following:
- a) the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
 - b) the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and
 - c) the related accounting policies.

The above information, policies and procedures in respect of derivative financial instruments of the Group and the Bank are discussed in the audited annual financial statements for the financial year ended 31 December 2012 and Pillar 3 Disclosures section of the 2012 Annual Report.

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A28. Fair Values of Financial Instruments

Determination of Fair Value and Fair Value Hierarchy

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

Level 1 - Quoted market prices: quoted prices (unadjusted) in active markets for identical instruments;

Level 2 - Valuation techniques based on observable inputs: inputs other than quoted prices included within Level 1 that are observable for the instrument, whether directly (i.e. prices) or indirectly (i.e. derived from prices), are used; and

Level 3 - Valuation techniques using significant unobservable inputs: inputs used are not based on observable market data and the unobservable inputs have a significant impact on the instrument's valuation.

The following tables show the Group's and the Bank's financial instruments which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy:

Group	Level 1	Level 2	Level 3	Total
30 September 2013	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets held-for-trading				
- Government securities and treasury bills	-	1,581,077	-	1,581,077
- Money market instruments	-	12,539,193	-	12,539,193
- Non-money market instruments	214	404,326	-	404,540
	<u>214</u>	<u>14,524,596</u>	<u>-</u>	<u>14,524,810</u>
Financial investments available-for-sale				
- Government securities and treasury bills	-	9,170,842	-	9,170,842
- Money market instruments	-	100,610	-	100,610
- Non-money market instruments #	3,329,360	3,815,931	-	7,145,291
	<u>3,329,360</u>	<u>13,087,383</u>	<u>-</u>	<u>16,416,743</u>
Derivative financial assets	-	343,897	14,905	358,802
Total financial assets measured at fair value	<u>3,329,574</u>	<u>27,955,876</u>	<u>14,905</u>	<u>31,300,355</u>
Financial liabilities				
Derivative financial liabilities	-	264,057	-	264,057
Total financial liabilities measured at fair value	<u>-</u>	<u>264,057</u>	<u>-</u>	<u>264,057</u>

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A28. Fair Values of Financial Instruments (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

The following tables show the Group's and the Bank's financial instruments which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy (continued):

Group	Level 1	Level 2	Level 3	Total
31 December 2012	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets held-for-trading				
- Government securities and treasury bills	-	3,977,079	-	3,977,079
- Money market instruments	-	11,836,221	-	11,836,221
- Non-money market instruments	879	802,956	-	803,835
	<u>879</u>	<u>16,616,256</u>	<u>-</u>	<u>16,617,135</u>
Financial investments available-for-sale				
- Government securities and treasury bills	-	10,068,003	-	10,068,003
- Non-money market instruments #	3,288,512	3,736,222	-	7,024,734
	<u>3,288,512</u>	<u>13,804,225</u>	<u>-</u>	<u>17,092,737</u>
Derivative financial assets	-	358,311	12,154	370,465
Total financial assets measured at fair value	<u>3,289,391</u>	<u>30,778,792</u>	<u>12,154</u>	<u>34,080,337</u>
Financial liabilities				
Derivative financial liabilities	-	233,564	-	233,564
Total financial liabilities measured at fair value	<u>-</u>	<u>233,564</u>	<u>-</u>	<u>233,564</u>

Excluding the carrying amount of equity securities - unquoted shares of the Group of RM110,107,000 (2012: RM108,383,000) which are not carried at fair value.

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A28. Fair Values of Financial Instruments (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

The following tables show the Group's and the Bank's financial instruments which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy (continued):

Bank	Level 1	Level 2	Level 3	Total
30 September 2013	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets held-for-trading				
- Government securities and treasury bills	-	830,393	-	830,393
- Money market instruments	-	10,503,167	-	10,503,167
- Non-money market instruments	214	285,524	-	285,738
	214	11,619,084	-	11,619,298
Financial investments available-for-sale				
- Government securities and treasury bills	-	8,574,454	-	8,574,454
- Money market instruments	-	100,610	-	100,610
- Non-money market instruments #	2,866,465	3,231,211	-	6,097,676
	2,866,465	11,906,275	-	14,772,740
Derivative financial assets	-	329,494	14,905	344,399
Total financial assets measured at fair value	2,866,679	23,854,853	14,905	26,736,437
Financial liabilities				
Derivative financial liabilities	-	305,640	-	305,640
Total financial liabilities measured at fair value	-	305,640	-	305,640

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A28. Fair Values of Financial Instruments (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

The following tables show the Group's and the Bank's financial instruments which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy (continued):

Bank	Level 1	Level 2	Level 3	Total
31 December 2012	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets held-for-trading				
- Government securities and treasury bills	-	2,309,237	-	2,309,237
- Money market instruments	-	10,715,460	-	10,715,460
- Non-money market instruments	879	573,468	-	574,347
	879	13,598,165	-	13,599,044
Financial investments available-for-sale				
- Government securities and treasury bills	-	9,514,672	-	9,514,672
- Non-money market instruments #	2,835,936	3,165,022	-	6,000,958
	2,835,936	12,679,694	-	15,515,630
Derivative financial assets	-	352,190	12,154	364,344
Total financial assets measured at fair value	2,836,815	26,630,049	12,154	29,479,018
Financial liabilities				
Derivative financial liabilities	-	210,760	-	210,760
Total financial liabilities measured at fair value	-	210,760	-	210,760

Excluding the carrying amount of equity securities - unquoted shares of the Bank of RM106,154,000 (2012: RM104,614,000) which are not carried at fair value.

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the financial period.

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A28. Fair Values of Financial Instruments (continued)

Determination of Fair Value and Fair Value Hierarchy (continued)

Reconciliation of movements in Level 3 financial instruments:

	Group and Bank	
	30 September	31 December
	2013	2012
	RM'000	RM'000
Derivative Financial Assets		
At 1 January	12,154	11,244
Recognised in the profit or loss		
- Realised (losses) / gains	(6,126)	772
- Unrealised gains	9,788	2,871
Sales	(911)	(2,733)
Closing balance	14,905	12,154

Changing one or more of the inputs to reasonable alternative assumptions would not change the value significantly for the financial assets in Level 3 of the fair value hierarchy.

For financial instruments measured at fair value, where available, quoted and observable market prices in an active market or dealer price quotations are used to measure fair value. These include listed equity securities and broker quotes from Bloomberg and Reuters.

Where such quoted and observable market prices are not available, fair values are determined using appropriate valuation techniques, which include the use of mathematical models, such as discounted cash flow models and option pricing models, comparison to similar instruments for which market observable prices exist and other valuation techniques. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date, that would have been determined by market participants acting at arm's length. Valuation techniques used incorporate assumptions regarding discount rates, interest/profit rate yield curves, estimates of future cash flows and other factors. Changes in these assumptions could materially affect the fair values derived. The Group and the Bank generally use widely recognised valuation techniques with market observable inputs for the determination of fair value, which require minimal management judgement and estimation, due to the low complexity of the financial instruments held.

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A29. Capital Adequacy

- a) The capital adequacy ratios of the Group and the Bank below are disclosed pursuant to the requirements of Bank Negara Malaysia's Risk Weighted Capital Adequacy Framework (Basel II) - Disclosure Requirements (Pillar 3):

	Group		Bank	
	30 September 2013	31 December 2012 (Restated)	30 September 2013	31 December 2012 (Restated)
<u>Before deducting interim dividends *</u>				
Common equity Tier I ("CET I") capital ratio	8.245%	N/A	10.013%	N/A
Tier I capital ratio	10.054%	11.413%	12.156%	13.632%
Total capital ratio	12.846%	14.674%	12.652%	14.534%
<u>After deducting interim dividends *</u>				
CET I capital ratio	8.245%	N/A	10.013%	N/A
Tier I capital ratio	10.054%	10.828%	12.156%	12.931%
Total capital ratio	12.846%	14.089%	12.652%	13.833%

* Refers to interim dividends declared subsequent to the financial period / year end.

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000 (Restated)	30 September 2013 RM'000	31 December 2012 RM'000 (Restated)
Components of CET I, Tier I and Tier II capital:				
<u>CET I / Tier I capital:</u>				
Paid-up share capital	3,531,926	3,531,926	3,531,926	3,531,926
Share premium	1,073,310	1,073,310	1,073,310	1,073,310
Other reserves	4,258,829	4,218,576	3,787,614	3,750,880
Retained profits	9,192,093	9,274,909	9,018,070	9,104,376
Treasury shares	(215,572)	(215,572)	(215,572)	(215,572)
Qualifying non-controlling interests	523,676	699,864	-	-
Less: Goodwill	(1,999,333)	(1,899,875)	(695,393)	(695,393)
Less: Deferred tax assets, net	(66,423)	(64,900)	-	-
Less: Defined benefit pension fund assets	(105,735)	-	(102,410)	-
Total CET I capital	16,192,771	16,618,238	16,397,545	16,549,527
Innovative Tier I capital securities	1,630,440	1,810,317	1,630,440	1,810,317
Non-innovative Tier I stapled securities	1,879,200	2,083,146	1,879,200	2,083,146
Qualifying CET I and additional Tier I capital instruments held by third parties	42,621	-	-	-
Total Tier I capital	19,745,032	20,511,701	19,907,185	20,442,990

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A29. Capital Adequacy (continued)

a) The capital adequacy ratios of the Group and the Bank (continued):

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000 (Restated)	30 September 2013 RM'000	31 December 2012 RM'000 (Restated)
<u>Tier II capital</u>				
Collective assessment allowance and regulatory reserves #	1,098,492	1,038,369	605,288	691,258
Subordinated notes				
- meeting all relevant criteria	1,000,000	-	1,000,000	-
- subject to gradual phase-out treatment	3,470,972	4,870,351	3,470,972	4,870,351
Qualifying CET I and additional Tier I and Tier II capital instruments held by third parties	56,829	-	-	-
Less: Investment in banking / insurance subsidiary companies and associated companies	(142,255)	(960)	(4,264,787)	(4,162,284)
Less: Holdings of other financial institutions' capital instruments	-	(46,834)	-	(46,834)
Total Tier II capital	<u>5,484,038</u>	<u>5,860,926</u>	<u>811,473</u>	<u>1,352,491</u>
Total capital	<u>25,229,070</u>	<u>26,372,627</u>	<u>20,718,658</u>	<u>21,795,481</u>

Excludes collective assessment allowance on impaired loans restricted from Tier II capital of the Group and the Bank of RM601,275,000 (2012: RM491,197,000) and RM450,082,000 (2012: RM369,214,000) respectively.

Includes the Group's qualifying regulatory reserves for non-impaired loans which pertain to Public Bank (Hong Kong) Limited and Public Finance Limited amounting to RM131,640,000 (2012: N/A).

The capital adequacy ratios of the Group consist of total capital and risk-weighted assets derived from consolidated balances of the Bank and its subsidiary companies. The capital adequacy ratios of the Bank consist of total capital and risk-weighted assets derived from the Bank and from its wholly-owned offshore banking subsidiary company, Public Bank (L) Ltd.

The Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk. With effect from 1 January 2013, the total capital and capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia's Capital Adequacy Framework (Capital Components and Basel II - Risk-weighted Assets) dated 28 November 2012. In line with the transitional arrangements under the Bank Negara Malaysia's Capital Adequacy Framework (Capital Components), the minimum capital adequacy requirement for CET I capital ratio and Tier I capital ratio are 3.5% and 4.5% respectively for year 2013. The minimum regulatory capital adequacy requirement remains at 8.0% (2012 - 8.0%) for total capital ratio.

The comparative capital adequacy ratios and total capital have been restated for effects of the adoption of MFRS 119 Employee Benefits and are computed in accordance with Bank Negara Malaysia's revised Risk Weighted Capital Adequacy Framework (Basel II). Please refer to Note A31 Changes in Accounting Policies for a summary of the changes.

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A29. Capital Adequacy (continued)

b) The capital adequacy ratios of the banking subsidiary companies of the Group are as follows:

	Public Islamic Bank Berhad¹	Public Investment Bank Berhad²	Public Bank (L) Ltd.³	Public Bank (Hong Kong) Limited⁴	Public Finance Limited⁴	Cambodian Public Bank Plc⁵
30 September 2013						
<u>Before deducting interim dividends: *</u>						
CET I capital ratio	11.259%	21.381%	N/A	13.503%	26.112%	N/A
Tier I capital ratio	11.259%	21.381%	24.006%	13.503%	26.112%	N/A
Total capital ratio	11.843%	21.556%	24.052%	14.674%	27.054%	19.893%
<u>After deducting interim dividends: *</u>						
CET I capital ratio	11.259%	21.381%	N/A	13.503%	26.112%	N/A
Tier I capital ratio	11.259%	21.381%	24.006%	13.503%	26.112%	N/A
Total capital ratio	11.843%	21.556%	24.052%	14.674%	27.054%	19.893%
31 December 2012 (Restated)						
<u>Before deducting interim dividends: *</u>						
CET I capital ratio	N/A	N/A	N/A	N/A	N/A	N/A
Tier I capital ratio	12.296% #	27.454% #	21.791%	16.423%	28.962%	N/A
Total capital ratio	13.013% #	27.622% #	21.842%	16.423%	30.119%	21.566%
<u>After deducting interim dividends: *</u>						
CET I capital ratio	N/A	N/A	N/A	N/A	N/A	N/A
Tier I capital ratio	11.354% #	26.426% #	21.791%	16.423%	26.509%	N/A
Total capital ratio	12.071% #	26.595% #	21.842%	16.423%	27.666%	21.566%

* Refers to interim dividends declared subsequent to the financial period / year end.

Restated for effects of the adoption of MFRS 119.

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A29. Capital Adequacy (continued)

b) The capital adequacy ratios of the banking subsidiary companies of the Group are as follows:

- ¹ Public Islamic Bank Berhad has adopted the Standardised Approach for Credit and Market Risk and the Basic Indicator Approach for Operational Risk. With effect from 1 January 2013, the capital adequacy ratios are computed in accordance with Bank Negara Malaysia's Capital Adequacy Framework for Islamic Banks (Capital Components and Risk-weighted Assets) dated 28 November 2012. The minimum regulatory capital adequacy requirement for CET I capital ratio, Tier I capital ratio and total capital ratio are 3.5%, 4.5% and 8.0% respectively for year 2013. The comparative capital adequacy ratios of Public Islamic Bank Berhad are computed in accordance with Bank Negara Malaysia's Capital Adequacy Framework for Islamic Banks (CAFIB), which are based on the Basel II capital accord.
- ² Public Investment Bank Berhad has adopted the Standardised Approach for Credit and Market Risk and the Basic Indicator Approach for Operational Risk. With effect from 1 January 2013, the capital adequacy ratios are computed in accordance with Bank Negara Malaysia's Capital Adequacy Framework (Capital Components and Basel II - Risk-weighted Assets) dated 28 November 2012. The minimum regulatory capital adequacy requirement for CET I capital ratio, Tier I capital ratio and total capital ratio are 3.5%, 4.5% and 8.0% respectively for year 2013. The comparative capital adequacy ratios of Public Investment Bank Berhad are computed in accordance with Bank Negara Malaysia's revised Risk-weighted Capital Adequacy Framework, which are based on the Basel II capital accord.
- ³ The capital adequacy ratios of Public Bank (L) Ltd. for capital compliance on a standalone basis are computed in accordance with the Guidelines on Risk-weighted Capital Adequacy issued by the Labuan Financial Services Authority (Labuan FSA), which is based on the Basel I capital accord. The minimum regulatory capital adequacy requirements are 4.0% and 8.0% for the Tier I capital ratio and total capital ratio respectively.
- ⁴ These two subsidiary companies have adopted the Standardised Approach for Credit and Market Risk. Public Bank (Hong Kong) Limited has adopted the Basic Indicator Approach for Operational Risk and Public Finance Limited has adopted the Standardised Approach for Operational Risk. With effect from 1 January 2013, the capital adequacy ratios of these two subsidiaries are computed in accordance with the provisions of the Banking (Amendment) Ordinance 2012 relating to Basel III capital standards and the amended Banking Capital Rules. The comparative capital adequacy ratios of these two subsidiary companies are based on the Basel II capital accord.
- ⁵ The amount presented here is the Solvency Ratio of Cambodian Public Bank Plc, which is the nearest equivalent regulatory compliance ratio. This ratio is computed in accordance with Prakas B7-010-182, B7-00-46, B7-04-206 and B7-07-135 issued by the National Bank of Cambodia. This ratio is derived as Cambodian Public Bank Plc's net worth divided by its risk-weighted assets and off-balance sheet items. The minimum regulatory solvency ratio requirement is 15.0%.

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A29. Capital Adequacy (continued)

c) The breakdown of risk-weighted assets by each major risk category is as follows:

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000 (Restated)	30 September 2013 RM'000	31 December 2012 RM'000 (Restated)
Credit risk	180,092,576	164,279,544	150,937,292	137,471,265
Market risk	1,929,636	1,713,076	2,679,657	2,579,721
Operational risk	14,368,356	13,733,324	10,141,663	9,915,430
	196,390,568	179,725,944	163,758,612	149,966,416

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A30. Operations of Islamic Banking

A30a. Statement of Financial Position As At 30 September 2013

	30 September 2013 RM'000	Group 31 December 2012 RM'000 (Restated)	1 January 2012 RM'000 (Restated)
ASSETS			
Cash and balances with banks	6,419,911	4,709,388	6,257,092
Financial assets held-for-trading	2,786,398	2,638,867	1,249,014
Derivative financial assets	77,032	21,839	-
Financial investments available-for-sale	1,047,478	994,923	1,830,720
Financial investments held-to-maturity	-	-	5,022
Financing and advances	22,648,312	20,168,110	19,224,468
Other assets	102,618	77,402	85,645
Statutory deposits with Bank Negara Malaysia	858,100	671,450	775,700
Investment in an associated company	20,000	20,000	20,000
Property and equipment	1,095	1,327	1,619
Total Assets	<u>33,960,944</u>	<u>29,303,306</u>	<u>29,449,280</u>
LIABILITIES AND ISLAMIC BANKING FUNDS			
Deposits from customers	27,087,544	23,703,338	20,029,935
Deposits from banks	3,746,556	2,644,831	7,179,533
Bills and acceptances payable	443	625	334
Recourse obligations on financing sold to Cagamas	500,008	500,003	-
Other liabilities	107,805	108,897	73,120
Provision for zakat and taxation	34,925	50,188	46,512
Deferred tax liabilities	19,878	6,588	1,029
Total Liabilities	<u>31,497,159</u>	<u>27,014,470</u>	<u>27,330,463</u>
Islamic Banking Funds	<u>2,463,785</u>	<u>2,288,836</u>	<u>2,118,817</u>
Total Liabilities and Islamic Banking Funds	<u>33,960,944</u>	<u>29,303,306</u>	<u>29,449,280</u>
COMMITMENTS AND CONTINGENCIES	<u>5,114,622</u>	<u>4,642,159</u>	<u>1,910,159</u>

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A30b. Statement of Profit or Loss for the 3rd Quarter and Nine Months Ended 30 September 2013

	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)
<u>Group</u>				
Income derived from investment of depositors' funds and others	364,399	354,431	1,056,506	1,045,554
Income derived from investment of Islamic Banking Funds	30,678	28,157	88,862	82,049
Allowance for impairment on financing and advances	(28,055)	(8,666)	(76,193)	(37,986)
Impairment on other assets	(1)	(2)	(25)	(25)
Profit Equalisation Reserve	(497)	(440)	(497)	(1,714)
Total distributable income	366,524	373,480	1,068,653	1,087,878
Income attributable to the depositors and others	(178,646)	(167,231)	(511,667)	(488,152)
Total net income	187,878	206,249	556,986	599,726
Other overheads and expenditures	(63,137)	(62,994)	(195,146)	(188,945)
Profit before zakat and taxation	124,741	143,255	361,840	410,781
Zakat	(66)	(83)	(198)	(248)
Taxation	(29,842)	(34,083)	(88,412)	(100,414)
Profit for the period	94,833	109,089	273,230	310,119

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A30c. Statement of Profit or Loss and Other Comprehensive Income for the 3rd Quarter and Nine Months Ended 30 September 2013

	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)
<u>Group</u>				
Profit for the period	94,833	109,089	273,230	310,119
Other comprehensive (loss) / income:				
Revaluation reserves:				
- Net loss on revaluation of financial investments available-for-sale	(3,314)	(4,265)	(843)	(241)
Hedging reserves:				
- Net change in cash flow hedges	27,730	20,460	55,198	8,364
	24,416	16,195	54,355	8,123
Income tax relating to components of other comprehensive income / loss:				
- Revaluation reserves	829	1,066	211	60
- Hedging reserves	(6,933)	(5,115)	(13,800)	(2,091)
	(6,104)	(4,049)	(13,589)	(2,031)
Other comprehensive income for the period, net of tax	18,312	12,146	40,766	6,092
Total comprehensive income for the period	113,145	121,235	313,996	316,211

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A30d. Financing and Advances

	Group	
	30 September 2013 RM'000	31 December 2012 RM'000
Bai Bithaman Ajil (deferred payment sale)	8,052,729	7,011,275
Ijarah Thamma Al-Bai' (leasing)	11,416,414	10,189,015
Ijarah Muntahia Bittamlik	-	112,326
Bai-Al-Einah	2,573,227	3,062,356
Musharakah Mutanaqisah	880,509	45,276
Murabahah Purchase Order	16,319	2,762
Gross financing and advances	22,939,198	20,423,010
Allowance for impairment on financing and advances:		
- collective assessment allowance	(290,886)	(254,261)
- individual assessment allowance	-	(639)
Net financing and advances	22,648,312	20,168,110

Movements in impaired financing and advances are as follows:

	Group	
	30 September 2013 RM'000	31 December 2012 RM'000
At 1 January	175,167	173,277
Impaired during the period / year	384,424	442,749
Reclassified as non-impaired	(284,051)	(332,199)
Recoveries	(23,401)	(29,725)
Amount written off	(52,668)	(78,678)
Financing converted to foreclosed properties	(177)	(257)
Closing balance	199,294	175,167
Impaired financing and advances as a percentage of gross financing and advances	0.87%	0.86%

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A30e. Deposits from Customers

By type of deposit	Group	
	30 September 2013 RM'000	31 December 2012 RM'000
Savings deposit		
- Wadiah	4,750,082	4,568,625
- Mudharabah	<u>64,175</u>	<u>66,681</u>
	<u>4,814,257</u>	<u>4,635,306</u>
Demand deposit		
- Wadiah	2,629,393	2,462,377
- Mudharabah	<u>83,189</u>	<u>57,198</u>
	<u>2,712,582</u>	<u>2,519,575</u>
Term deposit		
- Negotiable Islamic Debt Certificate		
- Bai-Al-Einah	<u>857,827</u>	<u>522,400</u>
- General investment account		
- Mudharabah	2,735,146	3,075,664
- Wakalah	<u>12,821,958</u>	<u>10,326,345</u>
	<u>15,557,104</u>	<u>13,402,009</u>
- Special investment account		
- Wakalah	<u>3,145,774</u>	<u>2,624,048</u>
	<u>27,087,544</u>	<u>23,703,338</u>

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A31. Changes in Accounting Policies

Effect of adopting MFRS 119 Employee Benefits (as amended by IASB in June 2011)

The adoption of the revised MFRS 119 affected the accounting treatment of certain items such as the timing of the recognition of certain gains and losses arising from defined benefit plans and the presentation of changes in defined benefit liability or asset. The key changes to the accounting policy and financial impact to the Group and the Bank are as follows:

- Actuarial gains and losses (renamed as 'remeasurements') are recognised immediately in other comprehensive income, and are not subsequently recycled to the profit or loss. The corridor approach for accounting for unrecognised actuarial gains is removed.
- Past service costs, whether unvested or already vested, are recognised immediately in the profit or loss as incurred. Pension costs for a funded benefit plan will include net interest expense or income, calculated by applying the discount rate to the net defined benefit asset or liability. This will replace the interest cost and expected return on plan assets.

The revised MFRS 119 has resulted in changes to the recognition and measurement of defined benefit pension expense and termination benefits, and to the disclosures for all employee benefits. This change in accounting policy has been accounted for retrospectively and a summary of financial impact to the Group and the Bank on initial adoption are as follows:

	Group		Bank	
	31 December 2012 RM'000	1 January 2012 RM'000	31 December 2012 RM'000	1 January 2012 RM'000
(i) Statements of Financial Position				
<u>Other Assets - Employee Benefits</u>				
As previously stated	-	-	-	-
- Reclassification	99,723	92,709	96,303	89,528
- Effects of MFRS 119	99,356	120,672	95,948	116,533
As restated	<u>199,079</u>	<u>213,381</u>	<u>192,251</u>	<u>206,061</u>
<u>Other Liabilities - Employee Benefits</u>				
As previously stated	(99,723)	(92,709)	(96,303)	(89,528)
- Reclassification	99,723	92,709	96,303	89,528
As restated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Deferred Tax Liabilities</u>				
As previously stated	47,911	55,625	32,003	51,708
- Effects of MFRS 119	24,839	30,168	23,987	29,133
As restated	<u>72,750</u>	<u>85,793</u>	<u>55,990</u>	<u>80,841</u>
<u>Retained Profits</u>				
As previously stated	9,453,647	7,276,808	8,918,940	6,852,318
- Effects of MFRS 119	(178,738)	(136,219)	(172,608)	(131,547)
As restated	<u>9,274,909</u>	<u>7,140,589</u>	<u>8,746,332</u>	<u>6,720,771</u>
<u>Other Reserves - Defined Benefit Reserves</u>				
As previously stated	-	-	-	-
Effects of MFRS 119	253,255	226,723	244,569	218,947
As restated	<u>253,255</u>	<u>226,723</u>	<u>244,569</u>	<u>218,947</u>

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A31. Changes in Accounting Policies (continued)

Effect of adopting MFRS 119 Employee Benefits (as amended by IASB in June 2011) (continued)

	Group		Bank	
	3rd Quarter Ended 30 September 2012 RM'000	Nine Months Ended 30 September 2012 RM'000	3rd Quarter Ended 30 September 2012 RM'000	Nine Months Ended 30 September 2012 RM'000
(ii) Statements of Profit or Loss				
<u>Other Operating Expenses - Personnel Costs</u>				
<u>- Pension Costs</u>				
As previously stated	36,886	110,859	32,119	96,398
- Effects of MFRS 119	14,173	42,519	13,687	41,061
As restated	<u>51,059</u>	<u>153,378</u>	<u>45,806</u>	<u>137,459</u>
<u>Tax Expense and Zakat</u>				
As previously stated	320,396	893,943	251,867	694,110
- Effects of MFRS 119	(3,543)	(10,629)	(3,422)	(10,266)
As restated	<u>316,853</u>	<u>883,314</u>	<u>248,445</u>	<u>683,844</u>

(iii) Capital adequacy

The adjustments to the financial statements of the Group and the Bank as a result of the adoption of MFRS 119, as discussed above, also had consequential effects on the comparative capital adequacy ratios. These are summarised below:

	As at 31 December 2012		As at 1 January 2012	
	As previously stated	As restated	As previously stated	As restated
Group				
Tier 1 capital (RM'000)	20,437,184	20,511,701	18,249,867	18,340,371
Total capital (RM'000)	26,298,110	26,372,627	25,416,082	25,506,586
Risk-weighted assets (RM'000)	179,526,865	179,725,944	163,027,275	163,240,656
<u>Before deducting second interim dividends *</u>				
Tier 1 capital ratio (%)	11.384	11.413	11.194	11.235
Total capital ratio (%)	14.649	14.674	15.590	15.625
<u>After deducting second interim dividends *</u>				
Tier 1 capital ratio (%)	10.799	10.828	10.593	10.634
Total capital ratio (%)	14.063	14.089	14.989	15.024
Bank				
Tier 1 capital (RM'000)	20,371,029	20,442,990	18,216,433	18,303,833
Total capital (RM'000)	21,723,520	21,795,481	21,044,900	21,132,300
Risk-weighted assets (RM'000)	149,774,165	149,966,416	134,887,816	135,093,877
<u>Before deducting second interim dividends *</u>				
Tier 1 capital ratio (%)	13.601	13.632	13.505	13.549
Total capital ratio (%)	14.504	14.534	15.602	15.643
<u>After deducting second interim dividends *</u>				
Tier 1 capital ratio (%)	12.900	12.931	12.778	12.823
Total capital ratio (%)	13.803	13.833	14.875	14.917

* Refers to second interim dividends declared subsequent to the financial year end.

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

B1. Performance Review

a) Current Year-to date vs. Previous Year-to-date

The Group's pre-tax profit for the nine months ended 30 September 2013 of RM3,968.7 million was RM212.8 million or 5.7% higher than the previous corresponding nine months of RM3,755.9 million. Net profit attributable to equity holders improved by RM194.2 million or 6.8% to RM3,039.1 million. The improved earnings was mainly due to higher net interest income by RM239.6 million (6.1%), higher net fee and commission income by RM72.2 million (8.3%). These were partially offset by higher loan impairment allowance by RM65.9 million and higher other operating expenses by RM51.3 million in line with the increased business volumes. Annualised credit charges remained low and stable at 0.17% for the current period.

The growth in the Group's net interest income and finance income was driven by continued healthy loans and customer deposits growth coupled with sustained strong asset quality. Gross loans had grown at an annualised rate of 12.0% to RM215.6 billion as at 30 September 2013 as compared to RM197.8 billion as at 31 December 2012 mainly arising from property financing, financing of passenger vehicles and lending to small- and medium-sized enterprises ("SMEs"). Total deposits from customers had also grown at an annualised rate of 13.2% to RM247.3 billion as at 30 September 2013 which partly contributed to the higher net interest income for the current period. The Group's impaired loan ratio remained low at 0.7% as at the end of September 2013.

The performance of the respective operating business segments for the nine months ended 30 September 2013 as compared to the previous corresponding period is analysed as follows:-

- 1) Retail Operations – The increase in pre-tax profit by RM222.7 million (10.1%) to RM2,434.3 million was mainly due to higher net interest income on higher average loan and deposit balances, higher fee income, lower other operating expenses and net writeback of loan impairment allowance.
- 2) Hire purchase – Pre-tax profit decreased by RM130.5 million (-25.3%) to RM385.0 million, mainly due to higher loan impairment allowance and lower net interest income resulting from decline in net interest margin.
- 3) Corporate lending – Pre-tax profit increased marginally by RM8.9 million (3.8%) to RM241.8 million, mainly due to higher net interest income on higher average loan balances partially offset by lower other operating income.
- 4) Treasury and capital market operations – The increase in pre-tax profit by RM20.9 million (8.2%) to RM274.6 million was mainly due to higher net interest income achieved on treasury gapping, funding and liquidity management activities and higher foreign exchange income.
- 5) Investment banking – Pre-tax profit decreased marginally by RM0.8 million (-2.2%) to RM35.8 million.
- 6) Fund management – Pre-tax profit increased by RM37.8 million (13.7%) to RM313.2 million, mainly due to higher management fee earned on higher average net asset value of funds under management and higher net fee income on sale of trust units, partially offset by higher other operating expenses.
- 7) Overseas operations – Pre-tax profit increased by RM35.6 million (15.2%) to RM269.4 million, mainly due to higher net interest income due to improved net interest margin and higher average loan balances partially offset by higher loan impairment allowances.

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B1. Performance Review (continued)

b) Current Quarter vs. Previous Year Corresponding Quarter

For the 3rd quarter ended 30 September 2013, the Group registered a pre-tax profit of RM1,358.2 million, an improvement of RM59.8 million or 4.6% as compared to the previous corresponding quarter. Net profit attributable to equity holders grew by 7.7% or RM74.6 million over the same period. The improved earnings was mainly due to higher net interest income, higher net fee and commission income and higher investment income partially offset by higher loan impairment allowances.

Performance of the respective operating business segments for the 3rd quarter ended 30 September 2013 as compared to the previous corresponding quarter is analysed as follows:-

- 1) Retail operations – Pre-tax profit increased by RM62.4 million (8.0%) to RM841.1 million, mainly due to higher net interest income, lower other operating expenses and lower loan impairment allowance.
- 2) Hire purchase – Pre-tax profit decreased by RM55.7 million (-33.0%) to RM112.9 million, mainly due to lower net interest income and higher loan impairment allowance.
- 3) Corporate lending – Pre-tax profit increased by RM5.3 million (7.0%) to RM81.3 million, mainly due to higher net interest income and writeback of loan impairment allowances partially offset by lower fee income.
- 4) Treasury and capital market operations – Pre-tax profit increased marginally by RM0.3 million (0.3%) to RM95.9 million, mainly due to higher foreign exchange income partially offset by lower net interest margin earned on treasury gapping activities.
- 5) Investment banking – Pre-tax profit increased by RM0.8 million (7.3%) to RM12.5 million, mainly due to higher net interest margin earned on treasury gapping activities partially offset by lower corporate advisory fee income.
- 6) Fund management business – Pre-tax profit increased by RM15.0 million (15.7%) to RM110.4 million, mainly due to higher management fee earned on higher average net asset value of funds under management and higher net fee income on sale of trust units, partially offset by higher other operating expenses.
- 7) Overseas Operations – The increase in pre-tax profit by RM24.0 million (34.9%) was mainly due to higher net interest income and higher other operating income partially offset by higher other operating expenses and higher loan impairment allowances.

B2. Variation of Results Against Preceding Quarter

The Group registered a pre-tax profit of RM1,358.2 million for the 3rd quarter ended 30 September 2013, a marginal increase of RM17.6 million or 1.3% as compared to the pre-tax profit of RM1,340.6 million for the preceding quarter ended 30 June 2013. The increase in profit is mainly due to higher net interest income partially offset by higher loan impairment allowances. Net profit attributable to equity holders increased by RM23.8 million or 2.3% over the same period.

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B3. Prospects for 2013

The global economic growth remains subdued. Despite recent signs of stabilisation in the global economy, downside risks remain due to the uncertainty over Quantitative Easing ("QE") tapering and fiscal worries in the US, and ongoing sovereign debt concerns in Europe. Continued fiscal consolidation, prolonged high unemployment and still weak consumer and business confidence are also expected to continue to weigh on the advanced economies. For emerging countries, economic growth will be affected by the weakness in the external environment. Also, targeted policy by some emerging countries to maintain financial stability while sustaining growth momentum will have an impact on the region's growth prospects.

The Malaysian economy is expected to improve from a slower first half growth rate of 4.2% with growth rate of between 4.5% - 5.0% forecasted for 2013. While the external sector is likely to remain soft, domestic demand will continue to support the economy, underpinned by sustained private consumption and investment. Headline inflation is expected to be higher due to domestic cost factors, but it is likely to remain contained at 2 - 3%.

The banking sector is expected to remain supportive of domestic economic activity in 2013. Backed by strong capitalisation, sustained profitability and ample liquidity, the banking sector will continue to play its role as an effective and efficient financial intermediary in facilitating growth of the Malaysian economy.

The Public Bank Group is expected to sustain its strong market position in the domestic retail operations segment, supported by continuing growth in consumer credit and SMEs lending. The Group continues to see growth opportunities for residential properties given various Government initiatives to increase home ownership and improve accessibility, particularly in suburban areas, as well as attractive offers and incentives from property developers. The Group is expected to sustain its residential property financing segment growth given its focus on home mortgages for owner occupation and the broader base mass market segment, despite intense competition and amid the various macro prudential measures by Bank Negara Malaysia in addressing excessive household indebtedness.

The Public Bank Group will continue to provide strong support to SMEs. The Group is expected to sustain its portfolio growth and market leadership in the SME segment by focusing on providing customers with relevant products and fast loan delivery service. SME growth will continue to benefit from the continued expansion of the Malaysian economy and the ongoing implementation of Economic Transformation Programme. Government's SME Masterplan 2012-2020 which sets the path for further growth in the SME sector will further enhance development of SMEs.

The Public Bank Group will continue to grow its vehicle hire purchase financing business amid industry adjustment in response to the Government's proposal to reduce car prices over time. Despite intense competition and uncertainties in the market, the Group is expected to sustain its leading position in the industry by focusing on implementing proactive marketing strategies, backed by competitive pricing and efficient service delivery.

The Public Bank Group will also continue to focus on maintaining a healthy level of liquidity by building up its core customer deposits base and investing in high grade liquefiable securities.

The Public Bank Group's fund management business will grow further in 2013 and continue to sustain its leading position in the private unit trust industry in Malaysia. This is reinforced by the ongoing demand for investment products and the Group's new fund launches, diverse range of fund products, strong distribution capabilities and strong branding. The Group is expected to further leverage on its private retirement scheme (PRS) funds amid support from authorities to accelerate people's awareness of PRS and its benefits. On the bancassurance front, the Group's strategic partnership with the enlarged AIA Bhd will further strengthen its fee-based activity and continue to contribute positively to the Group's long-term fee-based revenue.

The Public Bank Group's overseas operations will continue to contribute to the Group's expansion amid the continued economic growth in the countries in which the Group is operating. The Group remains committed to expanding its overseas operations through organic growth and will continue to transfer the best practices from its domestic operations to accelerate business growth in its overseas operations. The Group will also continue to leverage on its strong customer relationship and provide efficient customer service as well as attractive and competitive product packages.

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B4. Profit Forecast or Profit Guarantee

There were no profit forecast or profit guarantee issued by the Group and the Bank.

B5. Tax Expense and Zakat

The analysis of the tax expense for the 3rd quarter and nine months ended 30 September 2013 are as follows:

<u>Group</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)
Malaysian income tax	294,333	316,818	875,650	876,354
Overseas income tax	17,983	12,905	50,279	46,655
	312,316	329,723	925,929	923,009
(Over) / under provision in prior years				
- Malaysian income tax	(3,290)	512	(3,419)	1,237
- Overseas income tax	7	2	475	525
	309,033	330,237	922,985	924,771
Deferred tax expense				
- Relating to origination and reversal of temporary differences	(11,370)	(13,467)	(28,193)	(41,705)
- Under provision	3,073	-	3,137	-
Tax expense	300,736	316,770	897,929	883,066
Zakat	66	83	198	248
	300,802	316,853	898,127	883,314

The Group's effective tax rates for the 3rd quarter and nine months ended 30 September 2013 and 30 September 2012 were lower than the statutory tax rate due to the effects of lower tax rates in other tax jurisdictions and certain income not subject to tax.

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B5. Tax Expense and Zakat (continued)

The analysis of the tax expense for the 3rd quarter and nine months ended 30 September 2013 are as follows (continued):

<u>Bank</u>	3rd Quarter Ended		Nine Months Ended	
	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)	30 September 2013 RM'000	30 September 2012 RM'000 (Restated)
Malaysian income tax	244,498	261,420	715,054	714,039
Overseas income tax	2,928	637	7,525	1,772
	247,426	262,057	722,579	715,811
(Over) / under provision in prior years				
- Malaysian income tax	(4,214)	-	(4,214)	-
- Overseas income tax	-	1	60	348
	243,212	262,058	718,425	716,159
Deferred tax expense				
- Relating to origination and reversal of temporary differences	(10,841)	(13,613)	(24,807)	(32,315)
- Under provision	3,094	-	3,158	-
	235,465	248,445	696,776	683,844

The Bank's effective tax rate for the 3rd quarter and nine months ended 30 September 2013 and 30 September 2012 were lower than the statutory tax rate due to certain income not subject to tax.

B6. Status of Corporate Proposals Announced but Not Completed

There were no corporate proposals announced but not completed as at 30 September 2013.

B7. Status of Utilisation of Proceeds Raised from Corporate Proposals

The proceeds raised from the issuances of Senior Medium Term Notes and Basel III - Compliant Tier II Subordinated Medium Term Notes during the period have been used for working capital, general banking and other corporate purposes, as intended.

The proceeds raised from the issuances of subordinated notes, Innovative Tier I capital securities and Non-innovative Tier I stapled securities in prior years have been used for working capital, general banking and other corporate purposes, as intended.

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B8. Realised and Unrealised Profits

The breakdown of retained profits of the Group and the Bank as at the reporting date, into realised and unrealised profits, as disclosed pursuant to the directive issued by Bursa Malaysia Securities Berhad ("Bursa Malaysia") on 25 March 2010, is as follows:

	Group	
	30 September 2013 RM'000	31 December 2012 RM'000 (Restated)
Total retained profits of Public Bank Berhad and its subsidiaries:		
- Realised	11,384,947	10,385,052
- Unrealised	96,313	65,997
	11,481,260	10,451,049
Total share of retained profits from associated companies:		
- Realised	4,165	4,495
- Unrealised	-	-
	11,485,425	10,455,544
Less: Consolidation adjustments	(998,157)	(1,180,635)
Total Group retained profits as per consolidated accounts	10,487,268	9,274,909
	Bank	
	30 September 2013 RM'000	31 December 2012 RM'000 (Restated)
Total retained profits of Public Bank Berhad:		
- Realised	9,662,803	8,795,317
- Unrealised	(24,139)	(48,985)
Total Bank retained profits as per accounts	9,638,664	8,746,332

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

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

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

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B9. Deposits From Customers and Banks and Debt Securities Issued and Other Borrowed Funds

	Group		Bank	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
(a) <u>Deposits from customers</u>				
- Fixed deposits				
One year or less	134,062,666	120,388,610	105,231,649	93,813,034
More than one year	201,014	286,993	91,041	118,551
- Negotiable instruments of deposits				
One year or less	1,914,068	1,135,538	271,490	80,880
More than one year	181,417	88,082	8,959	9,232
- Money market deposits				
One year or less	48,900,403	46,593,137	43,411,915	41,991,233
- Savings deposits	25,280,517	23,726,493	18,045,039	16,843,952
- Demand deposits	36,692,464	32,632,541	31,972,129	28,643,745
- Others	99,798	190,931	97,487	187,817
	<u>247,332,347</u>	<u>225,042,325</u>	<u>199,129,709</u>	<u>181,688,444</u>
(b) <u>Deposits from banks</u>				
- One year or less	<u>14,694,339</u>	<u>12,849,313</u>	<u>15,704,799</u>	<u>14,408,778</u>
(c) <u>Debt securities issued and other borrowed funds</u>				
Borrowings denominated in HKD (unsecured)				
Term loan				
- One year or less	463,684	550,981	-	-
- More than one year	334,446	313,930	-	-
	<u>798,130</u>	<u>864,911</u>	<u>-</u>	<u>-</u>
Senior Medium Term notes denominated in RM (unsecured)				
- More than one year	<u>398,949</u>	<u>-</u>	<u>398,949</u>	<u>-</u>
Subordinated notes denominated in RM (unsecured)				
- More than one year	<u>4,505,663</u>	<u>4,937,918</u>	<u>4,505,663</u>	<u>4,937,918</u>
Innovative Tier I capital securities denominated in USD (unsecured)				
- More than one year	741,676	719,818	741,676	719,818
Innovative Tier I capital securities denominated in RM (unsecured)				
- More than one year	<u>1,224,607</u>	<u>1,235,947</u>	<u>1,224,607</u>	<u>1,235,947</u>
	<u>1,966,283</u>	<u>1,955,765</u>	<u>1,966,283</u>	<u>1,955,765</u>
Non-innovative Tier I stapled securities denominated in RM (unsecured)				
- More than one year	<u>2,140,048</u>	<u>2,188,259</u>	<u>2,140,048</u>	<u>2,188,259</u>
	<u>9,809,073</u>	<u>9,946,853</u>	<u>9,010,943</u>	<u>9,081,942</u>

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B10. Changes in Material Litigation

The Group and the Bank do not have any material litigation which would materially and adversely affect the financial position of the Group and the Bank.

B11. Dividends

No dividend has been proposed for the 3rd quarter ended 30 September 2013.

B12. Earnings Per Share

	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2013	2012	2013	2012
		(Restated)		(Restated)
Net profit attributable to equity holders (RM'000)	<u><u>1,047,260</u></u>	<u><u>972,664</u></u>	<u><u>3,039,066</u></u>	<u><u>2,844,914</u></u>
Weighted average number of PBB Shares ('000)	<u><u>3,502,125</u></u>	<u><u>3,502,125</u></u>	<u><u>3,502,125</u></u>	<u><u>3,502,125</u></u>
Basic earnings per share (sen)	<u><u>29.9</u></u>	<u><u>27.8</u></u>	<u><u>86.8</u></u>	<u><u>81.2</u></u>

Diluted

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