

**UNAUDITED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2013**

	Note	Group		Bank	
		30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
<b>ASSETS</b>					
Cash and balances with banks		<b>4,063,214</b>	3,856,468	<b>4,057,537</b>	3,847,809
Financial assets held-for-trading	1	-	-	-	-
Financial assets available-for-sale	2	<b>10,563,734</b>	9,802,481	<b>10,558,601</b>	9,797,317
Financial assets held-to-maturity	3	<b>10,355,413</b>	8,220,956	<b>10,355,413</b>	8,220,956
Financing and advances	4	<b>56,684,754</b>	55,233,276	<b>56,684,754</b>	55,233,276
Trade receivables		<b>12,301</b>	8,435	-	-
Other assets	5	<b>827,277</b>	841,479	<b>772,520</b>	791,441
Inventories		<b>643</b>	613	-	-
Property development		<b>4,343</b>	4,182	-	-
Investment in subsidiaries		-	-	<b>43,500</b>	43,500
Property and equipment		<b>883,376</b>	670,657	<b>853,640</b>	647,953
Goodwill on consolidation		<b>13,185</b>	13,185	-	-
Investment properties		<b>235,027</b>	236,581	<b>147,084</b>	145,384
Prepaid lease payment		<b>81,854</b>	83,943	<b>69,142</b>	70,991
Deferred tax assets		<b>270,000</b>	408,494	<b>270,000</b>	410,000
<b>TOTAL ASSETS</b>		<b>83,995,121</b>	79,380,750	<b>83,812,191</b>	79,208,627

These 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

**UNAUDITED STATEMENTS OF FINANCIAL POSITION  
AS AT 30 JUNE 2013 (CONTINUED)**

	Note	Group		Bank	
		30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
<b>LIABILITIES</b>					
Deposits from customers	6	<b>67,643,561</b>	62,666,004	<b>67,643,561</b>	62,666,004
Deposits and placements from other banks		<b>550,000</b>	200,000	<b>550,000</b>	200,000
Trade payables		<b>7,836</b>	6,734	-	-
Recourse obligations on financing sold to Cagamas		<b>1,896,882</b>	3,172,301	<b>1,896,882</b>	3,172,301
Debt securities issued		<b>1,016,903</b>	1,006,658	<b>1,016,904</b>	1,006,658
Other liabilities	7	<b>1,445,802</b>	1,439,966	<b>1,579,792</b>	1,570,329
Provision for taxation		<b>1,437</b>	47,616	-	46,684
Profit equalisation reserve (Investor)		<b>185,674</b>	220,538	<b>185,674</b>	220,538
Financing from other financial institutions		<b>42,177</b>	40,431	-	-
<b>TOTAL LIABILITIES</b>		<b>72,790,272</b>	68,800,248	<b>72,872,813</b>	68,882,514
<b>SHAREHOLDERS' FUND</b>					
Share capital		<b>2,972,024</b>	2,865,004	<b>2,972,024</b>	2,865,004
Share redemption fund		<b>53,671</b>	53,671	<b>53,671</b>	53,671
Reserves	8	<b>7,868,187</b>	7,297,724	<b>7,602,716</b>	7,043,335
Profit equalisation reserve (Bank)		<b>310,967</b>	364,103	<b>310,967</b>	364,103
<b>TOTAL SHAREHOLDERS' FUND</b>		<b>11,204,849</b>	10,580,502	<b>10,939,378</b>	10,326,113
<b>TOTAL LIABILITIES AND SHAREHOLDERS' FUND</b>		<b>83,993,121</b>	79,380,750	<b>83,812,191</b>	79,208,627
<b>COMMITMENT AND CONTINGENCIES</b>	14	<b>2,848,387</b>	2,549,528	<b>2,848,387</b>	2,548,578

These 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

**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE 3<sup>RD</sup> QUARTER ENDED 30 SEPTEMBER 2013**

Group	Note	3 <sup>rd</sup> 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
Income	9	<b>1,396,955</b>	1,477,731	<b>4,277,519</b>	4,401,320
Expenditure	10	<b>(545,150)</b>	(601, 571)	<b>(1,723,096)</b>	(1,797,267)
Net income		<b>851,805</b>	876,160	<b>2,554,423</b>	2,604,053
Allowance for impairment	11	<b>(165,578)</b>	(178,048)	<b>(626,852)</b>	(566,888)
Other operating income	12	<b>110,415</b>	117,722	<b>421,498</b>	322,637
Operating expenses	13	<b>(264,849)</b>	(244,488)	<b>(700,731)</b>	(724,586)
Profit before taxation and zakat		<b>531,793</b>	571,346	<b>1,648,338</b>	1,635,216
Taxation		<b>(82,967)</b>	(51,823)	<b>(238,592)</b>	(262,871)
Zakat		<b>9,536</b>	(14,034)	<b>(34,394)</b>	(31,807)
Profit after taxation and zakat		<b>458,362</b>	505,489	<b>1,375,352</b>	1,340,538
Net gain/(loss) on revaluation of financial assets available-for-sale		<b>(56,637)</b>	(21,491)	<b>(126,153)</b>	47,489
Net addition/(utilisation) of profit equalisation reserve		<b>(43,922)</b>	25,382	<b>(53,136)</b>	46,048
Other comprehensive income for the period		<b>(100,559)</b>	3,891	<b>(179,289)</b>	93,537
Total comprehensive income for the period		<b>357,803</b>	509,380	<b>1,196,063</b>	1,434,075

These 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

**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE 3<sup>RD</sup> QUARTER ENDED 30 SEPTEMBER 2013**

Bank	Note	3 <sup>rd</sup> 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
Income	9	<b>1,381,307</b>	1,465,857	<b>4,227,220</b>	4,357,918
Expenditure	10	<b>(533,481)</b>	(595,585)	<b>(1,684,191)</b>	(1,761,934)
Net income		<b>847,826</b>	870,272	<b>2,543,029</b>	2,595,984
Allowance for impairment	11	<b>(165,578)</b>	(178,048)	<b>(626,852)</b>	(566,888)
Other operating income	12	<b>110,203</b>	120,155	<b>420,774</b>	321,738
Operating expenses	13	<b>(265,941)</b>	(245,251)	<b>(703,004)</b>	(728,057)
Profit before taxation and zakat		<b>526,510</b>	567,128	<b>1,633,947</b>	1,622,777
Taxation		<b>(86,896)</b>	(51,123)	<b>(235,677)</b>	(260,742)
Zakat		<b>9,684</b>	(13,964)	<b>(34,000)</b>	(31,662)
Profit after taxation and zakat		<b>449,298</b>	502,041	<b>1,364,270</b>	1,330,373
Net gain/(loss) on revaluation of financial assets available-for-sale		<b>(56,637)</b>	(21,491)	<b>(126,153)</b>	47,489
Net addition/(utilisation) of profit equalisation reserve		<b>(43,922)</b>	25,382	<b>(53,136)</b>	46,048
Other comprehensive income for the period		<b>(100,559)</b>	3,891	<b>(179,289)</b>	93,537
Total comprehensive income for the period		<b>348,739</b>	505,932	<b>1,184,981</b>	1,423,910

These 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

**UNAUDITED STATEMENT OF CHANGES IN EQUITY  
FOR THE 3<sup>RD</sup> QUARTER ENDED 30 SEPTEMBER 2013**

Group	Share capital RM'000	Share redemption fund RM'000	Capital reserve RM'000	Statutory reserve RM'000	Financial assets available-for-sale reserves RM'000	Profit equalisation reserve RM'000	Retained profits RM'000	Total RM'000
At 1 January 2012	2,349,063	53,671	14,617	2,858,048	109,503	230,565	2,995,438	8,610,905
Total comprehensive income for the period	-	-	-	-	47,489	46,048	1,340,538	1,434,075
Issuance to new members	380,021	-	-	-	-	-	-	380,021
Dividend	106,125	-	-	-	-	-	(428,475)	(322,350)
Adjustment on dividend	-	-	-	-	-	-	(6,743)	(6,743)
Overprovision in contribution to Yayasan Bank Rakyat	-	-	-	-	-	-	234	234
At 30 September 2012	2,835,209	53,671	14,617	2,858,048	156,992	276,613	3,900,992	10,096,142
At 1 January 2013	<b>2,865,004</b>	<b>53,671</b>	<b>14,617</b>	<b>3,304,452</b>	<b>178,283</b>	<b>364,103</b>	<b>3,800,372</b>	<b>10,580,502</b>
Total comprehensive income for the period	-	-	-	-	(126,153)	(53,136)	1,375,352	1,196,063
Issuance to new members	<b>52,389</b>	-	-	-	-	-	-	<b>52,389</b>
Dividend	<b>54,631</b>	-	-	-	-	-	(495,058)	(440,427)
Adjustment on defined benefit plan	-	-	-	-	-	-	(183,877)	(183,877)
Overprovision in contribution to Yayasan Bank Rakyat	-	-	-	-	-	-	199	199
At 30 September 2013	<b>2,972,024</b>	<b>53,671</b>	<b>14,617</b>	<b>3,304,452</b>	<b>52,130</b>	<b>310,967</b>	<b>4,496,988</b>	<b>11,204,849</b>

These 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

**UNAUDITED STATEMENT OF CHANGES IN EQUITY  
FOR THE 3<sup>RD</sup> QUARTER ENDED 30 SEPTEMBER 2013 (CONTINUED)**

Bank	Share capital RM'000	Share redemption fund RM'000	Capital reserve RM'000	Statutory reserve RM'000	Financial assets available-for-sale reserves RM'000	Profit equalisation reserve RM'000	Retained profits RM'000	Total RM'000
At 1 January 2012	2,349,063	53,671	15,358	2,858,048	109,503	230,565	2,738,395	8,354,603
Total comprehensive income for the period	-	-	-	-	47,489	46,048	1,330,373	1,423,910
Issuance to new members	380,021	-	-	-	-	-	-	380,021
Dividend	106,125	-	-	-	-	-	(428,475)	(322,350)
Adjustment on dividend	-	-	-	-	-	-	(6,743)	(6,743)
Overprovision in contribution to Yayasan Bank Rakyat	-	-	-	-	-	-	234	234
At 30 September 2012	2,835,209	53,671	15,358	2,858,048	156,992	276,613	3,633,784	9,829,675
At 1 January 2013	2,865,004	53,671	15,358	3,304,452	178,283	364,103	3,545,242	10,326,113
Total comprehensive income for the period	-	-	-	-	(126,153)	(53,136)	1,364,270	1,184,981
Issuance to new members	52,389	-	-	-	-	-	-	52,389
Dividend	54,631	-	-	-	-	-	(495,058)	(440,427)
Adjustment on defined benefit plan	-	-	-	-	-	-	(183,877)	(183,877)
Overprovision in contribution to Yayasan Bank Rakyat	-	-	-	-	-	-	199	199
At 30 September 2013	2,972,024	53,671	15,358	3,304,452	52,130	310,967	4,230,776	10,939,378

These 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

**UNAUDITED STATEMENTS OF CASH FLOWS  
FOR THE 3<sup>RD</sup> QUARTER ENDED 30 SEPTEMBER 2013**

	Group		Bank	
	Nine Months Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
<b>CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES</b>				
Profit for the period	<b>1,375,352</b>	1,340,538	<b>1,364,270</b>	1,330,374
<b>Adjustments for:</b>				
Allowance for impairment on financing and advances	<b>626,852</b>	537,614	<b>626,852</b>	537,614
Allowance for impairment on financial assets held-to-maturity	-	29,274	-	29,274
Profit expense on debt securities issued	<b>30,180</b>	-	<b>30,180</b>	-
Taxation	<b>238,592</b>	262,871	<b>235,677</b>	260,742
Zakat	<b>34,394</b>	31,807	<b>34,000</b>	31,662
Depreciation of property and equipment	<b>57,824</b>	52,105	<b>55,625</b>	49,966
Amortisation of prepaid lease payments	<b>2,089</b>	1,108	<b>1,849</b>	1,104
Provision for defined benefits plan	<b>16,324</b>	11,879	<b>16,324</b>	11,879
Loss on property and equipment written-off	<b>694</b>	98	<b>694</b>	98
Loss on financing written-off	<b>6,191</b>	8,979	<b>6,191</b>	8,979
Finance cost	<b>1,725</b>	1,662	-	-
Allowance for doubtful debts no longer required	<b>(10,295)</b>	-	<b>(10,295)</b>	-
Allowance for impairment loss on financial assets held-to-maturity no longer required	<b>(101,092)</b>	(653)	<b>(101,092)</b>	(653)
Net gain on disposal of financial assets held-for-trading	<b>(141)</b>	(690)	<b>(141)</b>	(690)
Net gain on disposal of financial assets available-for-sale	<b>(15,069)</b>	(15,977)	<b>(15,069)</b>	(15,977)
Net gain on redemption of financial assets held-to-maturity	<b>(600)</b>	(433)	<b>(600)</b>	(433)
Transfer from/(to) profit equalisation reserve	<b>(88,000)</b>	73,300	<b>(88,000)</b>	73,300
Profit expense on financing sold with recourse to Cagamas	<b>79,241</b>	87,082	<b>79,241</b>	87,082
Operating profit before working capital changes	<b>2,254,261</b>	2,420,564	<b>2,235,706</b>	2,404,321

These 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

**UNAUDITED STATEMENTS OF CASH FLOWS  
FOR THE 3<sup>RD</sup> QUARTER ENDED 30 SEPTEMBER 2013 (CONTINUED)**

	Group		Bank	
	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
<b>(Increase)/Decrease in operating assets:</b>				
Financing and advances	<b>(2,084,521)</b>	(5,341,225)	<b>(2,084,521)</b>	(5,341,225)
Property development	<b>(161)</b>	(3,032)	-	-
Inventories	<b>(30)</b>	271	-	-
Trade receivables	<b>(3,866)</b>	(1,394)	-	-
Other assets	<b>(198,667)</b>	(417,625)	<b>(194,315)</b>	(407,975)
	<b>(32,984)</b>	(3,342,441)	<b>(43,130)</b>	(3,344,879)
<b>Increase/(Decrease) in operating liabilities:</b>				
Deposits from customers	<b>4,977,557</b>	6,411,234	<b>4,977,557</b>	6,411,234
Deposits from financial institutions	<b>350,000</b>	55,000	<b>350,000</b>	55,000
Other liabilities	<b>938</b>	(196,375)	<b>5,171</b>	(189,842)
Trade payables	<b>1,100</b>	7,550	-	-
Recourse obligation on financing sold to Cagamas	<b>(1,354,660)</b>	(860,143)	<b>(1,354,660)</b>	(860,143)
Cash generated from operations	<b>3,941,951</b>	2,074,825	<b>3,934,938</b>	2,071,370
Income tax paid	<b>(201,498)</b>	(223,865)	<b>(197,214)</b>	(222,422)
Zakat paid	<b>(29,297)</b>	(38,433)	<b>(29,510)</b>	(38,263)
Increase in/(Contribution to) defined benefits plan	<b>78,183</b>	(100,950)	<b>78,183</b>	(100,950)
Net cash from operating activities	<b>3,789,339</b>	1,711,577	<b>3,786,397</b>	1,709,735

These 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



**UNAUDITED STATEMENTS OF CASH FLOWS  
FOR THE 3<sup>RD</sup> QUARTER ENDED 30 SEPTEMBER 2013 (CONTINUED)**

	Group		Bank	
	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
<b>CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES</b>				
Purchases of financial assets held-for-trading	<b>(380,000)</b>	(320,000)	<b>(380,000)</b>	(320,000)
Proceeds from disposal of financial assets held-for-trading	<b>380,142</b>	300,946	<b>380,142</b>	300,946
Purchases of financial assets available-for-sale	<b>(1,878,430)</b>	(2,663,827)	<b>(1,878,430)</b>	(2,663,827)
Proceeds from disposal of financial assets available-for-sale	<b>1,006,093</b>	2,812,944	<b>1,006,062</b>	2,812,425
Purchases of financial assets held-to-maturity	<b>(2,671,871)</b>	(5,637,442)	<b>(2,671,871)</b>	(5,637,442)
Proceeds from disposal of financial assets held-to-maturity	<b>639,107</b>	1,484,933	<b>639,106</b>	1,484,933
Purchases of property and equipment	<b>(271,238)</b>	(183,018)	<b>(263,706)</b>	(176,579)
Addition in prepaid lease payment	-	-	-	-
Proceeds from disposal of investment properties	<b>1,554</b>	3,194	-	-
Net cash used in investing activities	<b>(3,174,643)</b>	(4,202,270)	<b>(3,168,697)</b>	(4,199,544)
<b>CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES</b>				
Proceeds from issue of shares to members	<b>52,389</b>	380,021	<b>52,389</b>	380,021
Dividend paid	<b>(440,427)</b>	(329,093)	<b>(440,427)</b>	(329,093)
Fund received from government	-	60,527	-	60,527
Repayment of debt securities issued	<b>(19,934)</b>	-	<b>(19,934)</b>	-
Addition in/(Repayment of) financing from other financial institution	<b>21</b>	(1,516)	-	-
Net cash from financing activities	<b>(407,951)</b>	109,939	<b>(407,972)</b>	111,455
Net increase/(decrease) in cash and cash equivalent	<b>206,745</b>	(2,380,754)	<b>209,728</b>	(2,378,354)
Cash and cash equivalent at beginning of year	<b>3,856,469</b>	7,990,449	<b>3,847,809</b>	7,978,643
Cash and cash equivalent at end of year	<b>4,063,214</b>	5,609,695	<b>4,057,537</b>	5,600,289
<b>Cash and cash equivalent</b>				
Cash and short-term funds	<b>4,063,214</b>	5,609,695	<b>4,057,537</b>	5,600,289

These 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

## EXPLANATORY NOTES PURSUANT TO MALAYSIAN REPORTING STANDARD 134 (“MFRS 134”)

### **Basis of Preparation**

The unaudited interim financial statements for the 3<sup>rd</sup> quarter and financial half year ended 30 September 2013 have been prepared under historical cost convention except for the following assets and liabilities which are stated at fair values, i.e. financial assets held-for-trading, financial assets available-for-sale, and investment properties.

The unaudited interim financial statements have been prepared in accordance with MFRS 134; Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”). The unaudited interim financial statements should be read in conjunction with the audited 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.

### **Auditors’ Report on Preceding Annual Financial Statements**

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

### **Comments on Seasonal or Cyclical Factors**

The operations of the Group and the Bank were not materially affected by any seasonal or cyclical factors in the 3<sup>rd</sup> quarter and financial half year ended 30 September 2013.

### **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 3<sup>rd</sup> quarter and financial half year ended 30 September 2013.

### **Changes in Estimates**

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the 3<sup>rd</sup> quarter and financial half year ended 30 September 2013.

### **Debt and Equity Securities**

There were no new issuance of debt securities by the Bank during the period.

### **Dividends Paid and Distributed**

During the financial half year ended 30 September 2013, final dividend for the year ended 31 December 2012 was paid amounting to RM495,058,203 comprising of 16% cash dividend and 2% bonus dividend.

**NOTE 1: FINANCIAL ASSETS HELD-FOR-TRADING**

	<b>Group</b>		<b>Bank</b>	
	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
<b>At fair value</b>				
Government investment issues	-	-	-	-

**NOTE 2: FINANCIAL ASSETS AVAILABLE-FOR-SALE**

	<b>Group</b>		<b>Bank</b>	
	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
<b>At fair value</b>				
Government investment issues	<b>6,255,903</b>	5,591,321	<b>6,255,903</b>	5,591,321
Government bonds	<b>1,759,657</b>	1,737,625	<b>1,759,657</b>	1,737,625
Khazanah bonds	<b>22,290</b>	21,877	<b>22,290</b>	21,877
Cagamas bonds	<b>10,117</b>	10,047	<b>10,117</b>	10,047
Islamic debt securities	<b>2,331,350</b>	2,253,273	<b>2,331,350</b>	2,253,273
Quoted shares	<b>171,387</b>	175,347	<b>170,670</b>	174,591
Unit trust shares	<b>1,781</b>	1,750	<b>1,781</b>	1,750
<b>At cost, net of impairment loss</b>				
Unquoted shares	<b>11,249</b>	11,241	<b>6,833</b>	6,833
	<b>10,563,734</b>	9,802,481	<b>10,558,601</b>	9,797,317

**NOTE 3: FINANCIAL ASSETS HELD-TO-MATURITY**

	<b>Group &amp; Bank</b>	
	<b>30 September 2013 RM'000</b>	31 December 2012 RM'000
<b>At amortised cost</b>		
Government investment issues	<b>8,552,568</b>	6,649,152
Government bonds	<b>842,784</b>	521,435
Khazanah bonds	<b>303,702</b>	294,854
Cagamas bonds	<b>303,297</b>	351,278
Islamic debt securities	<b>570,148</b>	690,425
Islamic commercial papers	<b>62,007</b>	93,998
	<b>10,634,506</b>	8,601,142
<b>Less: accumulated impairment losses</b>		
Islamic debt securities	<b>(222,057)</b>	(306,971)
Islamic commercial papers	<b>(57,036)</b>	(73,215)
	<b>(279,093)</b>	(380,186)
	<b>10,355,413</b>	8,220,956

**NOTE 4: FINANCING AND ADVANCES**

(i) By type of financing

	<b>Group &amp; Bank</b>	
	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
<b>At amortised cost</b>		
Personal financing	<b>46,467,532</b>	43,951,408
Term financing	<b>5,478,527</b>	5,349,912
House financing	<b>2,586,590</b>	2,978,340
Pawn broking	<b>1,716,361</b>	1,741,343
Bridging financing	<b>628,089</b>	819,219
Revolving credit	<b>516,847</b>	485,419
Credit cards	<b>425,128</b>	397,135
Hire-purchase receivables	<b>354,241</b>	420,621
Staff financing	<b>276,018</b>	290,030
Syndicated financing	<b>137,925</b>	323,060
<b>Gross financing and advances, net of unearned income</b>	<b>58,587,258</b>	56,756,487
<b>Allowance for impairment on financing and advances</b>		
Individual impairment	<b>(259,741)</b>	(285,543)
Collective impairment	<b>(1,642,763)</b>	(1,237,668)
	<b>(1,902,504)</b>	(1,523,211)
<b>Net financing and advances</b>	<b>56,684,754</b>	55,233,276

**NOTE 4: FINANCING AND ADVANCES**

(ii) By type of customer

	Group & Bank	
	30 September 2013 RM'000	31 December 2012 RM'000
Individuals	52,350,928	50,242,172
Business enterprises	4,130,838	4,570,770
Non-bank financial institutions		
Co-operatives	1,762,506	1,582,963
Others	55,788	58,310
Foreign entities	280,994	294,630
Other entities	6,143	7,571
Banking institutions	61	71
	<b>58,587,258</b>	<b>56,756,487</b>

(iii) By economic sector

	Group & Bank	
	30 September 2013 RM'000	31 December 2012 RM'000
Consumption credit	49,887,445	47,577,806
Financial, insurance and business services	2,511,819	2,279,279
Purchase of landed property	2,412,402	2,614,660
Construction	1,603,656	1,913,490
Manufacturing	1,014,776	1,218,702
Agriculture	450,074	531,904
Transportation & communication	342,261	223,594
Wholesale & retail trade	123,386	137,568
Purchase of securities	97,362	108,647
Mining and quarrying	91,943	100,820
Community, social and personal services	52,014	49,745
Electricity, gas and water	120	272
	<b>58,587,258</b>	<b>56,756,487</b>

**NOTE 4: FINANCING AND ADVANCES**

(iv) Impaired financing and advances by economic sector

	<b>Group &amp; Bank</b>	
	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
Consumption credit	<b>678,569</b>	484,922
Financial, insurance, property and business services	<b>246,749</b>	259,660
Purchase of landed property	<b>220,877</b>	273,144
Construction	<b>122,181</b>	163,360
Manufacturing	<b>69,941</b>	57,242
Agriculture	<b>68,299</b>	67,584
Wholesale & retail trade	<b>46,112</b>	41,234
Transportation & communication	<b>43,425</b>	81,510
Community, social and personal services	<b>3,953</b>	1,016
Purchase of securities	<b>1,511</b>	1,933
Electricity, gas and water	<b>31</b>	132
	<b>1,501,648</b>	1,431,737

(v) Movement in impaired financing and advances

	<b>Group &amp; Bank</b>	
	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
As of 1 January	<b>1,431,737</b>	1,429,833
Classified as impaired during the period	<b>1,360,682</b>	1,892,376
Amount written-back in respect of recoveries	<b>(1,079,286)</b>	(1,397,794)
Amount written-off during the period	<b>(211,485)</b>	(492,678)
	<b>69,911</b>	1,904
Closing balance	<b>1,501,648</b>	1,431,737
Gross impaired financing and advances as a percentage of gross financing and advances	<b>2.56%</b>	2.52%

**NOTE 4: FINANCING AND ADVANCES**

(vi) Movement in allowance for individual impairment on financing and advances

	<b>Group &amp; Bank</b>	
	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
<b>Individual assessment impairment</b>		
As of 1 January		
- As previously stated	<b>285,543</b>	416,509
- Transfer to collective assessment impairment	-	(296,717)
As of 1 January, as restated	<b>285,543</b>	119,792
Allowance made during the year	<b>205,722</b>	279,819
Amount written-back in respect of recoveries	<b>(139,544)</b>	(90,915)
Amount written-off during the year	<b>(91,980)</b>	(23,153)
	<b>(25,802)</b>	165,751
Closing balance	<b>259,741</b>	285,543

(vii) Movement in allowance for collective impairment on financing and advances

	<b>Group &amp; Bank</b>	
	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
<b>Collective assessment impairment</b>		
As of 1 January		
- As previously stated	<b>1,237,668</b>	1,107,497
- Transfer from individual assessment impairment	-	296,717
As of 1 January, as restated	<b>1,237,668</b>	1,404,214
Allowance made during the year	<b>552,017</b>	303,012
Amount written-off during the year	<b>(146,922)</b>	(469,558)
	<b>405,095</b>	(166,546)
Closing balance	<b>1,642,763</b>	1,237,668



**NOTE 5: OTHER ASSETS**

	<b>Group</b>		<b>Bank</b>	
	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
Other receivables	466,820	464,193	414,330	416,204
Defined benefit plan	217,660	312,167	217,660	312,167
Income receivable	66,527	64,720	64,611	62,469
Tax recoverable	55,319	99	54,853	-
Prepayments	34,729	25,544	34,026	24,670
Refundable deposits	9,172	7,957	7,164	6,132
Amount due from subsidiaries	-	-	2,671	2,889
Allowance for doubtful debts	(22,950)	(33,201)	(22,795)	(33,090)
	<b>827,277</b>	<b>841,479</b>	<b>772,520</b>	<b>791,441</b>

**NOTE 6: DEPOSITS FROM CUSTOMERS**

(i) By type of deposit

	<b>Group &amp; Bank</b>	
	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
<b>Non-Mudarabah</b>		
Term deposits	33,431,226	10,248,802
Negotiable Islamic debt certificate	7,895,669	3,014,379
Savings	684,920	688,339
	<b>42,011,815</b>	<b>13,951,520</b>
<b>Mudarabah</b>		
General investment accounts	22,787,086	45,882,785
Savings	2,710,960	2,708,999
Special investment accounts	133,700	122,700
	<b>25,631,746</b>	<b>48,714,484</b>
	<b>67,643,561</b>	<b>62,666,004</b>

**NOTE 6: DEPOSITS FROM CUSTOMERS**

(ii) By type of customer

	<b>Group &amp; Bank</b>	
	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
Government	<b>29,829,951</b>	32,120,664
Business enterprises	<b>26,395,871</b>	15,763,095
Individuals	<b>9,475,047</b>	7,349,836
Others	<b>1,181,586</b>	6,701,442
Co-operatives	<b>761,106</b>	730,967
	<b>67,643,561</b>	62,666,004

**NOTE 7: OTHER LIABILITIES**

	<b>Group</b>		<b>Bank</b>	
	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
Other accruals	<b>451,160</b>	595,410	<b>446,607</b>	592,711
Other payables	<b>429,246</b>	286,943	<b>398,791</b>	252,421
Income payable	<b>415,667</b>	416,734	<b>415,666</b>	416,734
Government fund	<b>90,352</b>	86,435	<b>90,352</b>	86,435
Zakat payable	<b>59,377</b>	54,444	<b>58,565</b>	54,076
Amount due to subsidiaries	-	-	<b>169,811</b>	167,952
	<b>1,445,802</b>	1,439,966	<b>1,579,792</b>	1,570,329

**NOTE 8: RESERVES**

	<b>Group</b>		<b>Bank</b>	
	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>	<b>30 September 2013 RM'000</b>	<b>31 December 2012 RM'000</b>
Statutory reserve	<b>3,304,452</b>	3,304,452	<b>3,304,452</b>	3,304,452
Capital reserve	<b>14,617</b>	14,617	<b>15,358</b>	15,358
Retained profits	<b>4,496,988</b>	3,800,372	<b>4,230,776</b>	3,545,242
Financial assets available-for-sale reserves	<b>52,130</b>	178,283	<b>52,130</b>	178,283
	<b>7,868,187</b>	7,297,724	<b>7,602,716</b>	7,043,335

**NOTE 9: INCOME**

Group	3 <sup>rd</sup> 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
Income derived from investment of depositors' fund (i)	<b>1,128,308</b>	1,210,121	<b>3,416,596</b>	3,591,801
Income derived from investment of shareholders' fund (ii)	<b>252,999</b>	255,736	<b>810,624</b>	766,117
Income generated by subsidiary companies (iii)	<b>15,648</b>	11,874	<b>50,299</b>	43,402
	<b>1,396,955</b>	1,477,731	<b>4,277,519</b>	4,401,320

Bank	3 <sup>rd</sup> 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
Income derived from investment of depositors' fund (i)	<b>1,128,308</b>	1,210,121	<b>3,416,596</b>	3,591,801
Income derived from investment of shareholders' fund (ii)	<b>252,999</b>	255,736	<b>810,624</b>	766,117
Income generated by subsidiary companies (iii)	-	-	-	-
	<b>1,381,307</b>	1,465,857	<b>4,227,220</b>	4,357,918

(i) Income derived from investment of depositors' fund

Group & Bank	3 <sup>rd</sup> 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
Income from financing and advances	<b>940,972</b>	1,047,570	<b>2,884,427</b>	3,064,870
Income from deposits and placements with bank and other financial institutions	<b>23,416</b>	28,115	<b>78,600</b>	149,500
Income from financial assets	<b>163,920</b>	134,436	<b>453,569</b>	377,431
	<b>1,128,308</b>	1,210,121	<b>3,416,596</b>	3,591,801

**NOTE 9: INCOME**

(ii) Income derived from investment of shareholders' fund

Group & Bank	3 <sup>rd</sup> Quarter Ended		Nine Months Ended	
	30 September 2013	30 September 2012	30 September 2013	30 September 2012
	RM'000	RM'000	RM'000	RM'000
Income from financing and advances	<b>210,767</b>	221,428	<b>684,361</b>	653,724
Income from deposits and placements with bank and other financial institutions	<b>5,201</b>	5,875	<b>18,649</b>	31,888
Income from financial assets	<b>37,031</b>	28,433	<b>107,614</b>	80,505
	<b>252,999</b>	255,736	<b>810,624</b>	766,117

(iii) Income generated by subsidiary companies

Group & Bank	3 <sup>rd</sup> Quarter Ended		Nine Months Ended	
	30 September 2013	30 September 2012	30 September 2013	30 September 2012
	RM'000	RM'000	RM'000	RM'000
Agency income	<b>5,525</b>	5,494	<b>23,780</b>	22,230
Pawning income	<b>1,112</b>	758	<b>3,086</b>	2,649
Rental income	<b>4,777</b>	3,249	<b>13,771</b>	9,887
Management fee	<b>2,548</b>	937	<b>4,186</b>	2,727
Sale of goods & services	<b>1,514</b>	1,172	<b>4,803</b>	5,234
Other fees	<b>172</b>	264	<b>673</b>	675
	<b>15,648</b>	11,874	<b>50,299</b>	43,402

**NOTE 10: EXPENDITURE**

Group	3 <sup>rd</sup> 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
Income attributable to depositors *	573,385	531,104	1,662,770	1,601,552
Profit expense on financing sold with recourse to Cagamas	20,024	24,681	79,241	87,082
Transfer to/(from) profit equalisation reserve	(70,000)	39,800	(88,000)	73,300
Profit expense on debt securities issued	10,072	-	30,180	-
Cost of sales	11,669	5,986	38,905	35,333
	<b>545,150</b>	<b>601,571</b>	<b>1,723,096</b>	<b>1,797,267</b>

Bank	3 <sup>rd</sup> 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
Income attributable to depositors *	573,385	531,104	1,662,770	1,601,552
Profit expense on financing sold with recourse to Cagamas	20,024	24,681	79,241	87,082
Transfer to/(from) profit equalisation reserve	(70,000)	39,800	(88,000)	73,300
Profit expense on debt securities issued	10,072	-	30,180	-
Cost of sales	-	-	-	-
	<b>533,481</b>	<b>595,585</b>	<b>1,684,191</b>	<b>1,761,934</b>

**NOTE 10: EXPENDITURE**

\* Income attributable to depositors

Group & Bank	3 <sup>rd</sup> 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
<b>Deposits from customers</b>				
Mudarabah	253,404	482,031	888,640	1,489,390
Non-Mudarabah	315,831	47,096	760,364	93,984
<b>Deposits and placements from banks and other financial institutions</b>				
Mudarabah	4,150	1,977	13,766	18,178
	<b>573,385</b>	531,104	<b>1,662,770</b>	1,601,552

**NOTE 11: ALLOWANCE FOR IMPAIRMENT**

Group & Bank	3 <sup>rd</sup> 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
Allowance for impairment on financing and advances (i)	165,578	148,774	626,852	537,614
Allowance for impairment on financial assets (ii)	-	29,274	-	29,274
	<b>165,578</b>	178,048	<b>626,852</b>	566,888

(i) Allowance for impairment on financing and advances

Group & Bank	3 <sup>rd</sup> 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
Individual impairment	90,915	(197,539)	66,178	77,875
Individual impairment on rescheduled financing	3,801	5,443	8,656	11,664
Collective impairment	70,862	340,870	552,018	448,075
	<b>165,578</b>	148,774	<b>626,852</b>	537,614

**NOTE 11: ALLOWANCE FOR IMPAIRMENT**

(ii) Allowance for impairment on financial assets

Group & Bank	3 <sup>rd</sup> Quarter Ended		Nine Months Ended	
	30 September 2013	30 September 2012	30 September 2013	30 September 2012
	RM'000	RM'000	RM'000	RM'000
Financial assets available-for-sale	-	-	-	-
Financial assets held-to-maturity	-	29,274	-	29,274
	-	29,274	-	29,274

**NOTE 12: OTHER OPERATING INCOME**

Group	3 <sup>rd</sup> Quarter Ended		Nine Months Ended	
	30 September 2013	30 September 2012	30 September 2013	30 September 2012
	RM'000	RM'000	RM'000	RM'000
Fees and commission (i)	13,836	38,554	70,466	83,448
Other income (ii)	96,579	79,168	351,032	239,189
	110,415	117,722	421,498	322,637

Bank	3 <sup>rd</sup> Quarter Ended		Nine Months Ended	
	30 September 2013	30 September 2012	30 September 2013	30 September 2012
	RM'000	RM'000	RM'000	RM'000
Fees and commission (i)	13,836	38,554	70,466	83,448
Other income (ii)	96,367	81,601	350,308	238,290
	110,203	120,155	420,774	321,738

**NOTE 12: OTHER OPERATING INCOME**

(i) Fees and commission

Group & Bank	3 <sup>rd</sup> 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
Takaful commission	3,953	24,775	35,088	48,002
Other commission	1,340	2,249	9,607	6,786
ATM service fees	2,028	3,023	8,159	9,461
Wasiat commission	1,116	1,888	4,688	5,940
Guarantee fees	2,491	2,698	4,286	3,681
MEPS fees	1,678	1,300	3,995	3,606
Other fees	890	804	2,621	2,274
Processing fees	340	1,817	2,022	3,698
	<b>13,836</b>	<b>38,554</b>	<b>70,466</b>	<b>83,448</b>

(ii) Other income

Group	3 <sup>rd</sup> 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
<b>Other income from financial instruments</b>				
Dividend from investment securities	1,347	1,071	6,644	5,524
Net gain on disposal of financial assets held-for-trading	44	139	141	690
Net (loss) on revaluation of financial assets held-for-trading	648	-	-	-
Net gain on disposal of financial assets available-for-sale	6,390	8,467	15,069	15,977
Net gain on redemption of financial assets held-to-maturity	2	116	600	433
<b>Others</b>				
Rental income	1,222	1,566	4,286	4,720
Compensation for late payment	1,871	1,746	6,128	5,260
Other service charges	1,638	1,794	5,944	6,120
Recoveries on financing written-off	51,078	55,091	157,215	165,628
Allowance for doubtful debts no longer required	476	-	10,295	-
Allowance for impairment loss on financial assets held-to-maturity no longer required	5,964	125	101,092	653
Other income	25,899	9,053	43,618	34,184
	<b>96,579</b>	<b>79,168</b>	<b>351,032</b>	<b>239,189</b>



**NOTE 12: OTHER OPERATING INCOME**

(ii) Other income

Bank	3 <sup>rd</sup> 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
<b>Other income from financial instruments</b>				
Dividend from investment securities	1,347	1,071	6,644	5,524
Net gain on disposal of financial assets held-for-trading	44	139	141	690
Net (loss) on revaluation of financial assets held-for-trading	648	-	-	-
Net gain on disposal of financial assets available-for-sale	6,390	8,467	15,069	15,977
Net gain on redemption of financial assets held-to-maturity	2	116	600	433
<b>Others</b>				
Rental income	1,222	1,566	4,286	4,720
Compensation for late payment	1,871	1,746	6,128	5,260
Other service charges	1,638	1,794	5,944	6,120
Recoveries on financing written-off	51,078	55,091	157,215	165,628
Allowance for doubtful debts no longer required	476	-	10,295	-
Allowance for impairment loss on financial assets held-to-maturity no longer required	5,964	125	101,092	653
Other income	25,687	11,486	42,894	33,285
	<b>96,367</b>	<b>81,601</b>	<b>350,308</b>	<b>238,290</b>

**NOTE 13: OPERATING EXPENSES**

Group	3 <sup>rd</sup> 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
Personnel expenses (i)	162,799	144,420	380,187	431,927
Other overheads and expenditure (ii)	102,050	100,068	320,544	292,659
	<b>264,849</b>	<b>244,488</b>	<b>700,731</b>	<b>724,586</b>

**NOTE 13: OPERATING EXPENSES**

Bank	3 <sup>rd</sup> 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
Personnel expenses (i)	161,098	142,609	374,817	426,625
Other overheads and expenditure (ii)	104,843	102,642	328,187	301,432
	<b>265,941</b>	245,251	<b>703,004</b>	728,057

(i) Personnel expenses

Group	3 <sup>rd</sup> 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
Salaries and wages	53,438	48,164	154,518	144,369
Allowances and bonuses	63,085	62,791	117,363	188,684
Defined benefit plan	8,105	3,960	16,324	11,879
Defined contribution plan - EPF	19,333	18,779	44,192	54,079
Social security contributions - SOCSO	640	614	1,873	1,813
Other staff related costs	18,198	10,112	45,917	31,103
	<b>162,799</b>	144,420	<b>380,187</b>	431,927

Bank	3 <sup>rd</sup> 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
Salaries and wages	52,384	47,059	151,463	141,114
Allowances and bonuses	62,635	62,266	115,612	187,160
Defined benefit plan	8,104	3,960	16,324	11,879
Defined contribution plan - EPF	19,195	18,661	43,785	53,711
Social security contributions - SOCSO	627	601	1,834	1,774
Other staff related costs	18,153	10,062	45,799	30,987
	<b>161,098</b>	142,609	<b>374,817</b>	426,625

**NOTE 13: OPERATING EXPENSES**

(ii) Other overheads and expenditure

Group	3 <sup>rd</sup> 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
<b>Establishment costs</b>				
Depreciation and amortisation of prepaid lease payment	21,339	18,069	59,913	53,213
Repair and maintenance	20,138	12,806	47,594	34,766
Rental	5,241	4,457	14,612	14,063
Takaful protection	3,222	1,183	6,653	4,183
	<b>49,940</b>	<b>36,515</b>	<b>128,772</b>	<b>106,225</b>
<b>Marketing expenses</b>				
Advertisement and publicity	13,620	9,763	31,975	33,785
	<b>13,620</b>	<b>9,763</b>	<b>31,975</b>	<b>33,785</b>
<b>Administration and general expenses</b>				
Commission expenses	14,323	6,668	31,565	15,488
Service charges	6,772	12,262	27,266	30,651
Communication expenses	(3,864)	7,245	23,600	22,792
Printing and stationery	4,402	3,562	12,656	11,743
Travelling and transportation	3,727	3,202	10,312	10,409
Postage and courier	4,407	3,116	9,405	7,795
Security expenses	4,024	3,341	8,985	9,897
Utilities expenses	(2,128)	4,831	6,547	14,833
Loss on financing written-off	2,067	4,281	6,191	8,979
Legal and profesional fees	2,196	853	4,281	4,279
Auditors' remuneration	431	388	1,324	1,225
Loss on property and equipment written-off	259	4	694	98
Others	1,874	4,037	16,971	14,460
	<b>38,490</b>	<b>53,790</b>	<b>159,797</b>	<b>152,649</b>
	<b>102,050</b>	<b>100,068</b>	<b>320,544</b>	<b>292,659</b>

**NOTE 13: OPERATING EXPENSES**

(ii) Other overheads and expenditure

Bank	3 <sup>rd</sup> 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
<b>Establishment costs</b>				
Depreciation and amortisation of prepaid lease payment	20,365	17,385	57,474	51,070
Repair and maintenance	20,049	12,735	47,312	34,541
Rental	5,225	4,529	14,582	14,121
Takaful protection	3,164	1,120	6,504	4,063
	<b>48,803</b>	35,769	<b>125,872</b>	103,795
<b>Marketing expenses</b>				
Advertisement and publicity	13,469	9,701	31,699	33,500
	<b>13,469</b>	9,701	<b>31,699</b>	33,500
<b>Administration and general expenses</b>				
Service charges	11,845	15,705	40,067	43,319
Commission expenses	14,322	6,668	31,565	15,488
Communication expenses	(3,904)	7,200	23,479	22,662
Printing and stationery	4,362	3,519	12,521	11,637
Travelling and transportation	3,567	3,143	9,919	10,112
Postage and courier	4,398	3,101	9,358	7,757
Security expenses	4,001	3,314	8,918	9,828
Loss on financing written-off	2,067	4,281	6,191	8,979
Utilities expenses	(2,306)	4,680	6,077	14,433
Legal and profesional fees	2,260	1,502	5,376	5,845
Auditors' remuneration	405	364	1,216	1,143
Loss on property and equipment written-off	259	4	694	98
Others	1,295	3,691	15,235	12,836
	<b>42,571</b>	57,172	<b>170,616</b>	164,137
	<b>104,843</b>	102,642	<b>328,187</b>	301,432

**NOTE 14: COMMITMENT AND CONTINGENCIES**

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

	Group		Bank	
	Nine Months Ended		Nine Months Ended	
	30 September 2013 RM'000	31 December 2012 RM'000	30 September 2013 RM'000	31 December 2012 RM'000
<b>Contingent liabilities</b>				
Bank guarantee given in respect of banking facilities granted to customers	582,471	441,781	582,471	441,781
Claims for damages from litigation taken against the Bank	1,206	15,619	1,206	14,219
<b>Commitments</b>				
Undrawn financing	2,264,710	2,092,578	2,264,710	2,092,578
	<b>2,848,387</b>	2,549,528	<b>2,848,387</b>	2,548,578

**NOTE 15: CAPITAL ADEQUACY**

The Bank is required to comply with the core capital ratio and risk-weighted capital adequacy ratio prescribed by Bank Negara Malaysia. The Bank was in compliance with all prescribed capital ratios throughout the period.

	Bank	
	30 September 2013 RM'000	31 December 2012 RM'000 Restated
Core capital ratio	15.13%	15.78%
Risk-weighted capital adequacy ratio	15.44%	16.39%

**NOTE 15: CAPITAL ADEQUACY**

The capital ratios are derived by taking into account the core capital and capital base against the risk weighted assets of the Bank. Components of the capital are as follows:

	Bank	
	30 September 2013 RM'000	31 December 2012 RM'000 Restated
<b>Tier I capital</b>		
Paid-up share capital *	2,972,024	2,919,636
Retained earnings **	2,866,307	3,050,261
Other reserves	3,319,810	3,319,810
<b>Total Tier I capital (core)</b>	<b>9,158,141</b>	<b>9,289,707</b>
<b>Tier II capital</b>		
Collective impairment ***	698,978	686,274
<b>Total Tier II capital</b>	<b>698,978</b>	<b>686,274</b>
<b>Total capital</b>	<b>9,857,119</b>	<b>9,975,981</b>
Less: Investment in subsidiaries	(43,500)	(43,500)
Less: Investment in fixed asset ****	(466,220)	(284,439)
	<b>(509,720)</b>	<b>(327,939)</b>
<b>Total capital base</b>	<b>9,347,399</b>	<b>9,648,042</b>

\* Inclusive of bonus shares dividend for 2012.

\*\* After deducting final dividend for 2012 and adjustment on adoption of MFRS 119.

\*\*\* This is surplus amount allowable after taking into account collective impairment allowance on impaired financing of the Bank.

\*\*\*\* This refers to cumulative payment for the construction of Menara Berkembar Bank Rakyat in Jalan Travers, Kuala Lumpur.

Assets in various categories are risk-weighted as follows:

	Bank	
	30 September 2013 RM'000	31 December 2012 RM'000
Total assets assigned 10% risk-weighted	-	145,222
Total assets assigned 20% risk-weighted	757,860	450,440
Total assets assigned 50% risk-weighted	1,371,597	1,568,002
Total assets assigned 100% risk-weighted	58,391,600	56,698,506
	<b>60,521,057</b>	<b>58,862,170</b>