

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

Interim Financial Statements
For the Financial Period
1 April 2013 to
31 December 2013
(In Ringgit Malaysia)

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	Note	Group			Bank		
		31 December 2013 RM'000	31 March 2013 (Restated) RM'000	1 April 2012 (Restated) RM'000	31 December 2013 RM'000	31 March 2013 (Restated) RM'000	1 April 2012 RM'000
ASSETS							
Cash and short-term funds		8,693,180	7,336,759	5,468,406	8,594,501	7,255,748	5,133,039
Securities purchased under resale agreements		-	-	384,570	-	-	384,570
Deposits and placements with banks and other financial institutions		3,393,741	1,958,022	1,155,094	3,393,741	1,913,422	1,091,549
Derivative financial assets		607,142	383,243	380,035	607,142	383,243	380,035
Financial assets held-for-trading	A8	2,875,006	4,100,623	8,910,943	2,875,006	4,100,623	8,910,943
Financial investments available-for-sale	A9	4,916,492	3,348,686	4,440,787	5,048,981	3,507,031	4,631,972
Financial investments held-to-maturity	A10	2,340,816	4,033,535	116,155	2,340,581	4,033,164	113,501
Loans and advances	A11	60,313,057	59,685,859	56,491,272	60,127,460	59,486,791	56,252,935
Statutory deposit with Bank Negara Malaysia		2,167,205	2,122,386	2,011,288	2,167,205	2,122,386	2,011,288
Deferred tax assets		98,936	120,781	159,570	49,073	120,523	158,391
Investment in subsidiaries		-	-	-	74,277	65,800	65,800
Investment in associates		2,764	1,955	3,393	122	122	127
Other assets	A12	2,171,132	1,284,192	1,081,351	2,165,364	1,277,009	1,073,126
Property and equipment		151,748	158,617	141,678	117,723	135,326	117,888
Intangible assets		329,645	235,655	170,213	325,073	235,644	170,198
TOTAL ASSETS		88,060,864	84,770,313	80,914,755	87,886,249	84,636,832	80,495,362
LIABILITIES AND EQUITY							
Deposits and placements of banks and other financial institutions	A13	3,644,978	2,327,597	3,963,338	3,677,318	2,338,370	4,528,215
Securities sold under repurchase agreements		-	-	41,195	-	-	41,195
Recourse obligation on loans sold to Cagamas Berhad		1,253,548	1,264,251	1,176,054	1,253,548	1,264,251	1,176,054
Derivative financial liabilities		622,978	422,675	441,704	622,978	422,675	441,704
Deposits from customers	A14	65,413,884	62,147,776	59,359,849	65,444,530	62,120,335	58,496,288
Term funding		4,000,101	4,075,158	4,159,813	4,000,101	4,075,158	4,159,813
Bills and acceptances payable		13,978	1,241,980	353,526	13,978	1,241,980	353,526
Debt capital		3,649,058	3,226,507	3,241,592	3,649,058	3,226,507	3,241,592
Other liabilities	A15	2,448,615	3,242,434	2,149,903	2,450,050	3,232,494	2,138,688
TOTAL LIABILITIES		81,047,140	77,948,378	74,886,974	81,111,561	77,921,770	74,577,075
Share capital		820,364	820,364	820,364	820,364	820,364	820,364
Reserves		6,193,300	6,001,512	5,207,371	5,954,324	5,894,698	5,097,923
Equity attributable to equity holder of the Bank		7,013,664	6,821,876	6,027,735	6,774,688	6,715,062	5,918,287
Non-controlling interests		60	59	46	-	-	-
TOTAL EQUITY		7,013,724	6,821,935	6,027,781	6,774,688	6,715,062	5,918,287
TOTAL LIABILITIES AND EQUITY		88,060,864	84,770,313	80,914,755	87,886,249	84,636,832	80,495,362
COMMITMENTS AND CONTINGENCIES	A30	91,993,115	94,837,116	93,217,815	92,032,391	94,854,488	93,233,992
NET ASSETS PER SHARE (RM)		8.55	8.32	7.35	8.26	8.19	7.21

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2013.

AmBank (M) Berhad
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And Its Subsidiaries

**UNAUDITED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2013**

	Note	Individual Quarter		Cumulative Quarter	
		31 December 2013 RM'000	31 December 2012 (Restated) RM'000	31 December 2013 RM'000	31 December 2012 (Restated) RM'000
Group					
Operating revenue		1,351,237	1,277,093	3,926,617	3,742,919
Interest income	A16	1,136,930	1,088,825	3,363,935	3,236,251
Interest expense	A17	(592,074)	(581,397)	(1,763,417)	(1,715,701)
Net interest income		544,856	507,428	1,600,518	1,520,550
Net income from Islamic banking business	A18	12	(7)	34	2
Other operating income	A19	214,295	188,271	562,648	506,646
Share in results of associates		400	130	809	534
Net income		759,563	695,822	2,164,009	2,027,732
Other operating expenses	A20	(292,293)	(243,030)	(902,530)	(766,295)
Operating profit		467,270	452,792	1,261,479	1,261,437
Writeback of allowance/(Allowance) for impairment on loans and advances	A21	34,348	(36,313)	147,817	5,501
Writeback of provision for commitments and contingencies		1,266	25,676	1,746	60,480
Impairment (loss)/writeback on:					
Doubtful sundry receivables, net		(247)	(378)	(1,135)	(597)
Financial investments	A22	(2,473)	3,350	343	3,173
Foreclosed properties		(210)	(56)	(6,685)	(10,124)
Property and equipment		-	-	-	1,350
Other recoveries		7	571	1,117	3,633
Profit before taxation		499,961	445,642	1,404,682	1,324,853
Taxation		(166,511)	(93,928)	(302,103)	(322,424)
Profit for the period		333,450	351,714	1,102,579	1,002,429
Attributable to:					
Equity holder of the Bank		333,449	351,713	1,102,578	1,002,409
Non-controlling interests		1	1	1	20
Profit for the period		333,450	351,714	1,102,579	1,002,429
Earnings per share (sen)	A23				
Basic/Diluted		40.65	42.87	134.40	122.19

AmBank (M) Berhad
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And Its Subsidiaries

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2013**

	Individual Quarter		Cumulative Quarter	
	31 December 2013	31 December 2012 (Restated)	31 December 2013	31 December 2012 (Restated)
	RM'000	RM'000	RM'000	RM'000
Group				
Profit for the period	333,450	351,714	1,102,579	1,002,429
Other comprehensive income/(loss)				
Items that are or may be reclassified to profit or loss				
Currency translation on:				
- foreign operations	1,058	(4,285)	7,390	(4,778)
- net investment hedge	577	17	6,370	(4,309)
Net gain/(loss) on financial investments available-for-sale	3,098	(41,536)	(57,066)	(36,656)
Net movement on cash flow hedge	10,779	4,058	17,139	(4,967)
Income tax relating to the components of other comprehensive income/(loss)	(3,471)	9,399	9,514	10,555
Other comprehensive income/(loss) for the period, net of tax	12,041	(32,347)	(16,653)	(40,155)
Total comprehensive income for the period	345,491	319,367	1,085,926	962,274
Attributable to:				
Equity holder of the Bank	345,490	319,366	1,085,925	962,254
Non-controlling interests	1	1	1	20
	345,491	319,367	1,085,926	962,274

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2013.

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

UNAUDITED INCOME STATEMENT
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2013

	Note	Individual Quarter		Cumulative Quarter	
		31 December 2013 RM'000	31 December 2012 (Restated) RM'000	31 December 2013 RM'000	31 December 2012 (Restated) RM'000
Bank					
Operating revenue		1,342,995	1,289,237	3,907,772	3,751,472
Interest income	A16	1,134,772	1,086,460	3,357,294	3,229,009
Interest expense	A17	(592,531)	(581,581)	(1,764,235)	(1,716,124)
Net interest income		542,241	504,879	1,593,059	1,512,885
Other operating income	A19	208,223	202,777	550,478	522,463
Net income		750,464	707,656	2,143,537	2,035,348
Other operating expenses	A20	(321,535)	(242,692)	(962,175)	(764,913)
Operating profit		428,929	464,964	1,181,362	1,270,435
Writeback of allowance/(Allowance) for impairment on loans and advances	A21	34,576	(37,588)	138,280	1,914
Writeback of provision for commitments and contingencies		1,246	25,646	1,728	60,470
Impairment (loss)/writeback on:					
Doubtful sundry receivables, net		(249)	(378)	(1,131)	(597)
Financial investments	A22	(2,473)	3,350	125	2,589
Foreclosed properties		(210)	(56)	(6,685)	(10,124)
Property and equipment		-	-	-	1,350
Other recoveries		7	571	1,117	3,633
Profit before taxation		461,826	456,509	1,314,796	1,329,670
Taxation		(157,134)	(91,908)	(350,368)	(320,468)
Profit for the period		304,692	364,601	964,428	1,009,202
Earnings per share (sen)	A23				
Basic/Diluted		37.14	44.44	117.56	123.02

Company No. 8515-D

AmBank (M) Berhad
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And Its Subsidiaries

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2013**

	Individual Quarter		Cumulative Quarter	
	31 December 2013 RM'000	31 December 2012 RM'000	31 December 2013 RM'000	31 December 2012 RM'000
Bank				
Profit for the period	304,692	364,601	964,428	1,009,202
Other comprehensive income/(loss)				
Items that are or may be reclassified to profit or loss				
Currency translation on:				
- foreign operation	815	30	5,115	(298)
- net investment hedge	577	17	6,370	(4,309)
Net gain/(loss) on financial investments available-for-sale	3,607	(40,694)	(57,370)	(34,565)
Net movement on cash flow hedge	10,779	4,058	17,139	(4,967)
Income tax relating to the components of other comprehensive income/(loss)	(3,596)	9,192	9,593	10,043
Other comprehensive income/(loss) for the period, net of tax	12,182	(27,397)	(19,153)	(34,096)
Total comprehensive income for the period	316,874	337,204	945,275	975,106

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2013.

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2013

Group	Attributable to equity holder of the Bank				Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Non-distributable		Distributable				
	Share capital RM'000	Share premium RM'000	Other reserves RM'000	Retained earnings RM'000			
At 1 April 2012	820,364	942,844	1,034,629	3,173,558	5,971,395	46	5,971,441
Effect arising from the pooling of interests (Note A32)	-	-	56,340	-	56,340	-	56,340
As restated	820,364	942,844	1,090,969	3,173,558	6,027,735	46	6,027,781
Effect arising from the pooling of interests	-	-	527,509	(870)	526,639	-	526,639
Profit for the period	-	-	-	1,002,409	1,002,409	20	1,002,429
Other comprehensive loss	-	-	(40,155)	-	(40,155)	-	(40,155)
Total comprehensive income	-	-	487,354	1,001,539	1,488,893	20	1,488,913
Transfer of AMMB Holdings Berhad ("AMMB") Executives' Share Scheme ("ESS") shares recharged - difference on purchase price for shares vested	-	-	-	(9,874)	(9,874)	-	(9,874)
Dividend on ordinary shares:							
- final, financial year ended 31 March 2012	-	-	-	(657,522)	(657,522)	-	(657,522)
- interim, financial year ended 31 March 2013	-	-	-	(213,295)	(213,295)	-	(213,295)
At 31 December 2012	820,364	942,844	1,578,323	3,294,406	6,635,937	66	6,636,003
At 1 April 2013	820,364	942,844	992,907	3,543,804	6,299,919	59	6,299,978
Effect arising from the pooling of interests (Note A32)	-	-	521,957	-	521,957	-	521,957
As restated	820,364	942,844	1,514,864	3,543,804	6,821,876	59	6,821,935
Effect arising from the pooling of interests	-	-	(466,324)	(25,074)	(491,398)	-	(491,398)
Profit for the period	-	-	-	1,102,578	1,102,578	1	1,102,579
Other comprehensive loss	-	-	(16,653)	-	(16,653)	-	(16,653)
Total comprehensive income/(loss)	-	-	(482,977)	1,077,504	594,527	1	594,528
Transfer of AMMB ESS shares recharged - difference on purchase price for shares vested	-	-	-	(2,401)	(2,401)	-	(2,401)
Dividend on ordinary shares:							
- final, financial year ended 31 March 2013	-	-	-	(400,338)	(400,338)	-	(400,338)
At 31 December 2013	820,364	942,844	1,031,887	4,218,569	7,013,664	60	7,013,724

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2013.

Company No. 8515-D

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2013

	Attributable to equity holder of the Bank					Total equity RM'000
	Non-distributable		Distributable			
Bank	Share capital RM'000	Share premium RM'000	Other reserves RM'000	Retained earnings RM'000		
At 1 April 2012	820,364	942,844	992,471	3,162,608		5,918,287
Effect arising from the pooling of interests			522,152	(5,881)		516,271
Profit for the period	-	-	-	1,009,202		1,009,202
Other comprehensive loss	-	-	(34,096)	-		(34,096)
Total comprehensive income	-	-	488,056	1,003,321		1,491,377
Transfer of AMMB ESS shares recharged - difference on purchase price for shares vested	-	-	-	(9,830)		(9,830)
Dividend on ordinary shares:						
- final, financial year ended 31 March 2012	-	-	-	(657,522)		(657,522)
- interim, financial year ended 31 March 2012	-	-	-	(213,295)		(213,295)
At 31 December 2012	820,364	942,844	1,480,527	3,285,282		6,529,017
At 1 April 2013	820,364	942,844	952,231	3,541,122		6,256,561
Effect arising from the pooling of interests (Note A32)	-	-	458,501	-		458,501
As restated	820,364	942,844	1,410,732	3,541,122		6,715,062
Effect arising from the pooling of interests	-	-	(458,501)	(24,420)		(482,921)
Profit for the period	-	-	-	964,428		964,428
Other comprehensive income	-	-	(19,153)	-		(19,153)
Total comprehensive income/(loss)	-	-	(477,654)	940,008		462,354
Transfer of AMMB ESS shares recharged - difference on purchase price for shares vested	-	-	-	(2,390)		(2,390)
Dividend on ordinary shares:						
- final, financial year ended 31 March 2013	-	-	-	(400,338)		(400,338)
At 31 December 2013	820,364	942,844	933,078	4,078,402		6,774,688

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2013.

**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2013**

	Group		Bank	
	31 December 2013	31 December 2012 (Restated)	31 December 2013	31 December 2012 (Restated)
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	1,404,682	1,324,853	1,314,796	1,329,670
Adjustments for non-operating and non-cash items	506,500	249,427	503,742	229,948
Operating profit before working capital changes	1,911,182	1,574,280	1,818,538	1,559,618
Changes in working capital:				
Net change in operating assets	(2,189,697)	(1,398,168)	(2,248,886)	(1,436,296)
Net change in operating liabilities	2,311,308	2,557,139	2,400,006	2,866,268
Tax paid	(289,803)	(278,160)	(288,153)	(276,816)
Net cash generated from operating activities	1,742,990	2,455,091	1,681,505	2,712,774
Net cash generated from/(used in) investing activities	(386,231)	6,968	(342,414)	47,254
Net cash used in financing activities	(338)	(460,817)	(338)	(460,817)
Net increase in cash and cash equivalents	1,356,421	2,001,242	1,338,753	2,299,211
Cash and cash equivalents at beginning of financial year	7,336,759	5,468,406	7,255,748	5,133,039
Cash and cash equivalents at end of financial period	8,693,180	7,469,648	8,594,501	7,432,250

For purposes of Statements of Cash Flows, Cash and cash equivalents comprise cash and bank balances and deposit and placements maturing within one month ("Cash and short-term funds").

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EXPLANATORY NOTES

A1. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and complies with the International Accounting Standard ("IAS") 34, Interim Financial Reporting issued by the International Accounting Standards Board ("IASB"). The financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements of the Group and the Bank for the financial year ended 31 March 2013.

The accounting policies and methods of computation applied in these condensed consolidated interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 March 2013 except for the adoption of the following financial reporting standards, which did not have any impact on the accounting policies, financial position or performance of the Group and the Bank:

1.1 Standards effective for financial year ending 31 March 2014:

- MFRS 3, Business Combinations (IFRS 3, Business Combinations issued by IASB in March 2004)
- MFRS 10, Consolidated Financial Statements
- MFRS 12, Disclosure of Interests in Other Entities
- MFRS 13, Fair Value Measurement
- MFRS 127, Separate Financial Statements
- MFRS 128, Investments in Associates and Joint Ventures
- Amendments to MFRS 7, Disclosures: Offsetting Financial Assets and Financial Liabilities
- Amendments to MFRS 10, MFRS 11 and MFRS 12: Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
- Amendments to MFRS 101, Presentation of Items of Other Comprehensive Income
- Amendments to MFRSs contained in the document entitled "Annual Improvements 2009 - 2011 Cycle"

1.2 Standards issued but not yet effective

The following are financial reporting standards issued by MASB that will be effective for the Group in future years. The Group intends to adopt the relevant standards when they become effective.

- a. Standards effective for financial year ending 31 March 2015:
 - Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities
 - Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities
 - Amendments to MFRS 136: Recoverable Amount Disclosures For Non Financial Assets
 - Amendments to MFRS 139: Novation of derivatives and Continuation of Hedge Accounting
- b. Standards effective for financial year ending 31 March 2016:
 - MFRS 9, Financial Instruments

A2. AUDIT QUALIFICATION

The auditors' report on the audited annual financial statements for the financial year ended 31 March 2013 was not qualified.

A3. SEASONALITY OR CYCLICALITY OF OPERATIONS

The operations of the Group and the Bank are not subject to seasonal or cyclical fluctuation in the current financial quarter and period.

A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items during the current financial quarter and period.

A5. CHANGES IN ESTIMATES

There was no material change in estimates of amounts reported in prior financial years that have a material effect on the financial quarter and period ended 31 December 2013.

A6. ISSUANCE, REPURCHASE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

Repayment of Tranche 3 of the Senior Notes Programme

The Bank has fully repaid Tranche 3 of its Senior Notes Programme amounting to RM100.0 million nominal value on the maturity date, 30 July 2013.

Establishment of Basel III - Compliant Tier 2 Subordinated Notes under a Subordinated Notes Programme of up to RM4.0

The Bank, had on 21 October 2013 and 4 December 2013 obtained the approvals from Bank Negara Malaysia ("BNM") and Securities Commission ("SC") for the establishment of the Basel III - Compliant Tier 2 Subordinated Notes under a Subordinated Notes Programme of up to RM4.0 billion ("Subordinated Notes Programme").

The objective of the programme is to enable the issuance of Tier 2 capital from time to time, for the purpose of enhancing the Bank's total capital position. The programme is set-up in accordance to the requirements spelt out in the Capital Adequacy Framework (Capital Components) issued by BNM, and the securities issued under this programme are fully Basel III-compliant.

Under the Subordinated Notes Programme, the Bank is given the flexibility to issue Subordinated Notes during the availability period of the Subordinated Notes Programme based on the funding requirements of the Bank.

The programme has a tenure of thirty (30) years from the date of the first issuance under the programme. Each issuance of Tier 2 Subordinated Notes under this programme shall have a tenure of at least five (5) years from the date of issuance of each tranche. The Tier 2 Subordinated Notes have been assigned a credit rating of AA3 by RAM Rating Services Berhad ("RAM").

On 30 December 2013, the Bank had issued the first tranche of Tier 2 Subordinated Notes amounting to RM400.0 million under the programme. The interest rate of this tranche is at 5.20%, payable on a half-yearly basis.

Save as above, there were no share buy-backs, share cancellations, shares held as treasury shares, resale of treasury shares and repayment of debt and equity securities by the Bank during the financial period.

A7. DIVIDENDS

The final single-tier cash dividend of 48.80 sen per ordinary share on 820,363,762 ordinary shares amounting to approximately RM400,337,516 in respect of the financial year ended 31 March 2013 was paid on 26 August 2013.

The directors do not recommend the payment of any dividend in respect of the financial quarter and period ended 31 December 2013.

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And Its Subsidiaries

A8. FINANCIAL ASSETS HELD-FOR-TRADING

	Group and Bank		
	31 December 2013 RM'000	31 March 2013 RM'000	1 April 2012 RM'000
At fair value			
Money Market Instruments:			
Malaysian Treasury Bills	9,907	-	54,784
Malaysian Government Securities	396,503	240,252	929,544
Government Investment Issues	64,014	88,625	223,512
Bank Negara Monetary Notes	-	438,302	5,049,904
	<u>470,424</u>	<u>767,179</u>	<u>6,257,744</u>
Quoted Securities:			
<i>In Malaysia:</i>			
Shares	167,114	133,740	247,555
Unit trusts	27,497	88,238	65,033
Warrants	5,872	4,651	2,864
Private debt securities	14,380	23,178	-
	<u>214,863</u>	<u>249,807</u>	<u>315,452</u>
<i>Outside Malaysia:</i>			
Shares	-	4,590	-
	<u>-</u>	<u>4,590</u>	<u>-</u>
Unquoted Securities:			
<i>In Malaysia:</i>			
Private debt securities	2,007,146	2,653,570	1,732,100
	<u>2,007,146</u>	<u>2,653,570</u>	<u>1,732,100</u>
<i>Outside Malaysia:</i>			
Private debt securities	182,573	425,477	605,647
	<u>182,573</u>	<u>425,477</u>	<u>605,647</u>
	<u>2,875,006</u>	<u>4,100,623</u>	<u>8,910,943</u>

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A9. FINANCIAL INVESTMENTS AVAILABLE-FOR-SALE

	31 December 2013	Group 31 March 2013 (Restated)	1 April 2012 (Restated)	31 December 2013	Bank 31 March 2013	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At fair value						
Money Market Instruments:						
Bank Negara Monetary Notes	499,030	-	-	499,030	-	-
Negotiable instruments of deposit	400,000	834,227	1,569,355	400,000	834,227	1,569,355
Malaysian Government Securities	480,819	-	20,782	480,819	-	20,782
Islamic negotiable instruments of deposit	247,575	340,360	823,480	247,575	340,360	823,480
Government Investment Issues	110,132	15,173	45,425	110,132	15,173	45,425
	<u>1,737,556</u>	<u>1,189,760</u>	<u>2,459,042</u>	<u>1,737,556</u>	<u>1,189,760</u>	<u>2,459,042</u>
Quoted Securities:						
<i>In Malaysia:</i>						
Shares	8,153	5,430	11,990	8,153	5,430	11,858
Unit trusts	313,489	212,035	60,160	313,489	212,035	60,160
Private debt securities	-	5,455	27,050	-	5,455	27,050
	<u>321,642</u>	<u>222,920</u>	<u>99,200</u>	<u>321,642</u>	<u>222,920</u>	<u>99,068</u>
<i>Outside Malaysia:</i>						
Shares	59	80	83	26	42	41
	<u>59</u>	<u>80</u>	<u>83</u>	<u>26</u>	<u>42</u>	<u>41</u>
Unquoted securities:						
<i>In Malaysia:</i>						
Private debt securities	2,506,908	1,623,034	1,623,836	2,640,396	1,782,331	1,816,122
	<u>2,506,908</u>	<u>1,623,034</u>	<u>1,623,836</u>	<u>2,640,396</u>	<u>1,782,331</u>	<u>1,816,122</u>
<i>Outside Malaysia:</i>						
Private debt securities	261,853	224,492	170,289	261,853	224,492	170,289
	<u>261,853</u>	<u>224,492</u>	<u>170,289</u>	<u>261,853</u>	<u>224,492</u>	<u>170,289</u>
At cost						
Unquoted securities:						
<i>In Malaysia:</i>						
Shares	87,375	87,375	87,396	87,330	87,330	87,330
	<u>87,375</u>	<u>87,375</u>	<u>87,396</u>	<u>87,330</u>	<u>87,330</u>	<u>87,330</u>
<i>Outside Malaysia:</i>						
Shares	1,099	1,025	941	178	156	80
	<u>1,099</u>	<u>1,025</u>	<u>941</u>	<u>178</u>	<u>156</u>	<u>80</u>
	<u>4,916,492</u>	<u>3,348,686</u>	<u>4,440,787</u>	<u>5,048,981</u>	<u>3,507,031</u>	<u>4,631,972</u>

A10. FINANCIAL INVESTMENTS HELD-TO-MATURITY

	31 December 2013	Group 31 March 2013	1 April 2012	31 December 2013	Bank 31 March 2013	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At amortised cost						
Money Market Instruments:						
Bank Negara Monetary Notes	255,047	2,092,645	-	255,047	2,092,645	-
Foreign Treasury Bills	131,000	-	-	131,000	-	-
	<u>386,047</u>	<u>2,092,645</u>	<u>-</u>	<u>386,047</u>	<u>2,092,645</u>	<u>-</u>
Unquoted:						
<i>In Malaysia:</i>						
Private debt securities	1,963,369	2,134,898	318,210	1,963,134	2,133,336	313,768
Less: Accumulated impairment losses	(8,600)	(194,008)	(202,055)	(8,600)	(192,817)	(200,267)
	<u>2,340,816</u>	<u>4,033,535</u>	<u>116,155</u>	<u>2,340,581</u>	<u>4,033,164</u>	<u>113,501</u>

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A11. LOANS AND ADVANCES

	31 December 2013	Group 31 March 2013 (Restated)	1 April 2012	31 December 2013	Bank 31 March 2013 (Restated)	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At amortised cost:						
Overdraft	2,338,494	2,420,734	2,297,029	2,338,494	2,420,734	2,297,029
Term loans	18,538,945	19,254,701	17,558,672	18,538,945	19,254,701	17,557,035
Housing loan receivables	13,013,760	12,371,805	11,868,932	12,779,687	12,116,379	11,583,554
Hire purchase receivables	16,588,333	16,680,923	16,851,911	16,588,333	16,680,923	16,851,911
Bills receivables	585,890	534,258	326,656	585,890	534,258	326,656
Trust receipts	930,947	885,571	792,784	930,947	885,571	792,784
Claims on customers under acceptance credits	2,614,630	2,534,569	2,442,453	2,614,630	2,534,569	2,442,453
Staff loans	124,130	134,260	147,894	124,130	134,173	147,446
Card receivables	1,787,938	1,863,452	1,446,318	1,787,938	1,863,452	1,446,318
Revolving credit	5,038,040	4,496,311	4,326,943	5,085,899	4,552,441	4,376,193
Others	255,527	171,014	130,844	255,527	171,014	130,844
Gross loans and advances	61,816,634	61,347,598	58,190,436	61,630,420	61,148,215	57,952,223
Allowance for impairment on loans and advances:						
- Collective allowance	(1,376,785)	(1,492,899)	(1,584,690)	(1,376,168)	(1,492,584)	(1,584,814)
- Individual allowance	(126,792)	(168,840)	(114,474)	(126,792)	(168,840)	(114,474)
Net loans and advances	60,313,057	59,685,859	56,491,272	60,127,460	59,486,791	56,252,935

As part of Restricted Profit Sharing Investment Accounts ("RPSIA") arrangement with AmIslamic Bank Berhad ("AmIslamic"), the Bank records the amount it provides as financing under the arrangement as deposits and placements with banks and other financial institutions. The financing to external parties made by AmIslamic is recorded by AmIslamic as financing and advances. As losses from the business venture is borne solely by the Bank, the related collective allowance is recorded by the Bank.

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A11. LOANS AND ADVANCES (CONTD.)

(a) Gross loans and advances analysed by type of customer are as follows:

	31 December 2013	Group 31 March 2013 (Restated)	1 April 2012	31 December 2013	Bank 31 March 2013 (Restated)	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Domestic non-bank financial institutions	228,069	1,925,347	2,384,610	308,733	2,005,853	2,464,527
Domestic business enterprises						
- Small medium enterprises	8,003,053	7,448,088	6,721,159	8,003,053	7,448,088	6,721,159
- Others	20,134,758	19,511,811	18,030,268	20,134,758	19,511,811	18,028,631
Government and statutory bodies	64,702	36,377	3,032	64,702	36,377	3,032
Individuals	32,729,410	31,914,309	30,514,820	32,495,336	31,658,796	30,228,993
Other domestic entities	11,774	13,009	12,715	11,774	13,009	12,715
Foreign entities	644,868	498,657	523,832	612,064	474,281	493,166
	<u>61,816,634</u>	<u>61,347,598</u>	<u>58,190,436</u>	<u>61,630,420</u>	<u>61,148,215</u>	<u>57,952,223</u>

(b) Gross loans and advances analysed by geographical distribution are as follows:

	31 December 2013	Group 31 March 2013 (Restated)	1 April 2012	31 December 2013	Bank 31 March 2013 (Restated)	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
In Malaysia	60,558,184	60,450,074	57,426,097	60,404,774	60,275,066	57,218,550
Outside Malaysia	1,258,450	897,524	764,339	1,225,646	873,149	733,673
	<u>61,816,634</u>	<u>61,347,598</u>	<u>58,190,436</u>	<u>61,630,420</u>	<u>61,148,215</u>	<u>57,952,223</u>

(c) Gross loans and advances analysed by interest rate sensitivity are as follows:

	31 December 2013	Group 31 March 2013 (Restated)	1 April 2012	31 December 2013	Bank 31 March 2013 (Restated)	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Fixed rate						
- Housing loans	303,910	598,237	1,833,433	69,835	342,745	1,547,694
- Hire purchase receivables	15,095,891	14,954,294	14,959,579	15,095,891	14,954,273	14,959,491
- Other fixed rate loans	5,124,671	6,105,600	5,400,261	5,124,671	6,105,600	5,400,261
Variable rate						
- Base lending rate plus	24,044,664	23,274,654	22,061,917	24,044,664	23,274,654	22,061,917
- Cost plus	14,060,299	14,985,617	12,701,345	14,108,160	15,041,747	12,750,596
- Other variable rates	3,187,199	1,429,196	1,233,901	3,187,199	1,429,196	1,232,264
	<u>61,816,634</u>	<u>61,347,598</u>	<u>58,190,436</u>	<u>61,630,420</u>	<u>61,148,215</u>	<u>57,952,223</u>

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A11. LOANS AND ADVANCES (CONTD.)

(d) Gross loans and advances analysed by sector are as follows:

	Group			Bank		
	31 December 2013	31 March 2013 (Restated)	1 April 2012	31 December 2013	31 March 2013 (Restated)	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Agriculture	3,065,263	2,719,051	2,100,167	3,065,263	2,719,051	2,100,167
Mining and quarrying	2,753,863	1,747,207	1,466,216	2,753,863	1,747,207	1,466,216
Manufacturing	6,040,441	5,527,439	5,363,907	6,040,441	5,527,439	5,362,270
Electricity, gas and water	524,371	555,701	1,413,859	524,371	555,701	1,413,859
Construction	2,209,682	2,086,462	2,015,392	2,209,682	2,086,462	2,015,392
Wholesale and retail trade and hotel and restaurants	4,509,512	4,703,894	3,795,913	4,509,512	4,703,894	3,795,913
Transport, storage and communication	1,940,626	2,122,603	1,939,008	1,940,626	2,122,603	1,939,008
Finance and insurance	370,529	1,949,723	2,415,276	418,390	2,005,853	2,464,527
Real estate	5,412,445	5,530,109	4,425,647	5,412,445	5,530,109	4,425,647
Business activities	1,187,146	1,293,249	1,251,729	1,187,146	1,293,249	1,251,729
Education and health	855,174	1,044,614	1,374,018	855,174	1,044,614	1,374,018
Household of which:	32,684,107	31,972,027	30,546,783	32,450,032	31,716,514	30,260,956
- purchase of residential properties	13,308,521	12,519,273	11,987,637	13,074,446	12,263,781	11,701,898
- purchase of transport vehicles	14,849,749	15,276,980	15,014,404	14,849,749	15,276,959	15,014,316
- others	4,525,837	4,175,774	3,544,742	4,525,837	4,175,774	3,544,742
Others	263,475	95,519	82,521	263,475	95,519	82,521
	<u>61,816,634</u>	<u>61,347,598</u>	<u>58,190,436</u>	<u>61,630,420</u>	<u>61,148,215</u>	<u>57,952,223</u>

(e) Gross loans and advances analysed by residual contractual maturity are as follows:

	Group			Bank		
	31 December 2013	31 March 2013 (Restated)	1 April 2012	31 December 2013	31 March 2013 (Restated)	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Maturing within one year	10,237,472	13,734,884	10,869,709	10,285,333	13,791,014	10,915,860
Over one year to three years	6,563,116	6,615,999	8,937,606	6,551,665	6,603,070	8,924,201
Over three years to five years	10,286,079	9,860,183	8,115,921	10,272,851	9,844,242	8,096,586
Over five years	34,729,967	31,136,532	30,267,200	34,520,571	30,909,889	30,015,576
	<u>61,816,634</u>	<u>61,347,598</u>	<u>58,190,436</u>	<u>61,630,420</u>	<u>61,148,215</u>	<u>57,952,223</u>

(f) Movements in impaired loans and advances are as follows:

	Group		Bank	
	31 December 2013	31 March 2013 (Restated)	31 December 2013	31 March 2013 (Restated)
	RM'000	RM'000	RM'000	RM'000
Balance at beginning of financial year	1,396,378	1,663,897	1,395,401	1,663,202
Effect arising from the pooling of interests	11,794	-	11,794	-
As restated	<u>1,408,172</u>	<u>1,663,897</u>	<u>1,407,195</u>	<u>1,663,202</u>
Impaired during the year/period	980,446	957,470	979,043	956,818
Reclassification as non-impaired	(231,973)	(240,481)	(231,742)	(240,146)
Recoveries	(286,672)	(375,190)	(286,607)	(375,155)
Amount written off	(533,031)	(613,110)	(533,031)	(613,110)
Repurchase of impaired loans	-	2,888	-	2,888
Effect arising from the pooling of interests	-	12,698	-	12,698
Balance at end of financial year/period	<u>1,336,942</u>	<u>1,408,172</u>	<u>1,334,858</u>	<u>1,407,195</u>
Gross impaired loans and advances as % of gross loans and advances	<u>2.2%</u>	<u>2.3%</u>	<u>2.2%</u>	<u>2.3%</u>
Loan loss coverage (excluding collateral values)	<u>112.5%</u>	<u>118.0%</u>	<u>112.6%</u>	<u>118.1%</u>

(g) All impaired loans and advances reside in Malaysia.

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A11. LOANS AND ADVANCES (CONTD.)

(h) Impaired loans and advances analysed by sector are as follows:

	Group			Bank		
	31 December 2013	31 March 2013 (Restated)	1 April 2012	31 December 2013	31 March 2013 (Restated)	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Agriculture	18,947	20,239	23,935	18,947	20,239	23,935
Mining and quarrying	4,453	17,866	154,677	4,453	17,866	154,677
Manufacturing	209,811	238,061	184,869	209,811	238,061	184,869
Electricity, gas and water	23,932	25,800	132,130	23,932	25,800	132,130
Construction	26,255	49,114	94,839	26,255	49,114	94,839
Wholesale and retail trade and hotel and restaurants	40,865	42,309	42,430	40,865	42,309	42,430
Transport, storage and communication	51,491	18,382	4,089	51,491	18,382	4,089
Finance and insurance	1,185	28,287	37,628	1,185	28,287	37,628
Real estate	97	9,120	26,200	97	9,120	26,200
Business activities	9,973	11,023	12,369	9,973	11,023	12,369
Education and health	10,221	43,049	44,805	10,221	43,049	44,805
Household of which:	921,469	893,959	895,513	919,385	892,982	894,818
- purchase of residential properties	458,552	515,943	537,997	456,468	514,966	537,302
- purchase of transport vehicles	388,818	289,662	277,835	388,818	289,662	277,835
- others	74,099	88,354	79,681	74,099	88,354	79,681
Others	18,243	10,963	10,413	18,243	10,963	10,413
	<u>1,336,942</u>	<u>1,408,172</u>	<u>1,663,897</u>	<u>1,334,858</u>	<u>1,407,195</u>	<u>1,663,202</u>

(i) Movements in allowances for impaired loans and advances are as follows:

	Group		Bank	
	31 December 2013	31 March 2013 (Restated)	31 December 2013	31 March 2013 (Restated)
	RM'000	RM'000	RM'000	RM'000
Collective allowance				
Balance at beginning of financial year	1,454,239	1,584,690	1,453,924	1,584,814
Effect arising from the pooling of interests	38,660	-	38,660	-
As restated	<u>1,492,899</u>	<u>1,584,690</u>	<u>1,492,584</u>	<u>1,584,814</u>
Charge to income statement, net	214,788	259,774	214,488	259,334
Amount transferred from AmIslamic *	-	1,871	-	1,871
Amount written-off and others	(332,758)	(399,183)	(332,758)	(399,183)
Effect arising from the pooling of interests	-	40,536	-	40,536
Exchange differences	1,856	5,211	1,854	5,212
Balance at end of financial year/period	<u>1,376,785</u>	<u>1,492,899</u>	<u>1,376,168</u>	<u>1,492,584</u>
Collective allowance as % of gross loans and advances less individual allowance	<u>2.2%</u>	<u>2.4%</u>	<u>2.2%</u>	<u>2.4%</u>
Individual allowance				
Balance at beginning of financial year	168,840	114,474	168,840	114,474
Charge to income statement, net	143,677	275,276	143,677	275,276
Amount written-off	(185,725)	(220,910)	(185,725)	(220,910)
Balance at end of financial year/period	<u>126,792</u>	<u>168,840</u>	<u>126,792</u>	<u>168,840</u>

* The gross exposure and collective allowance relating to the RPSIA financing as at 31 December 2013 are RM465.5 million and RM2.6 million respectively (31 March 2013: RM500.9 million and RM2.1 million respectively).

The was no individual allowance provided for the RPSIA financing.

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A12. OTHER ASSETS

	31 December 2013	Group 31 March 2013 (Restated)	1 April 2012 (Restated)	31 December 2013	Bank 31 March 2013	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Other receivables, deposits, prepayments, net of allowance for impairment	1,565,122	658,960	542,028	1,559,581	653,210	534,562
Interest receivable, net of allowance for impairment	165,001	154,662	142,185	164,924	153,379	141,577
Amount due from originators	246,593	256,047	166,238	246,593	256,047	166,238
Foreclosed properties, net of allowance for impairment	66,827	72,832	82,758	66,677	72,682	82,607
Deferred charges	127,589	141,691	148,142	127,589	141,691	148,142
	<u>2,171,132</u>	<u>1,284,192</u>	<u>1,081,351</u>	<u>2,165,364</u>	<u>1,277,009</u>	<u>1,073,126</u>

A13. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	31 December 2013	Group 31 March 2013 (Restated)	1 April 2012 (Restated)	31 December 2013	Bank 31 March 2013	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Licensed banks	2,108,216	183,403	2,274,788	2,135,429	185,624	2,842,893
Licensed investment banks	575,156	830,143	844,829	575,156	830,143	844,829
Other financial Institutions	555,663	485,521	665,517	560,790	494,073	662,289
Bank Negara Malaysia ("BNM")	405,943	828,530	178,204	405,943	828,530	178,204
	<u>3,644,978</u>	<u>2,327,597</u>	<u>3,963,338</u>	<u>3,677,318</u>	<u>2,338,370</u>	<u>4,528,215</u>

A14. DEPOSIT FROM CUSTOMERS

	31 December 2013	Group 31 March 2013	1 April 2012	31 December 2013	Bank 31 March 2013	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Demand deposits	8,987,176	7,098,444	5,655,715	8,989,309	7,099,779	5,656,951
Savings deposits	3,392,548	3,327,501	3,209,941	3,392,548	3,327,501	3,209,941
Term/Investment deposits	52,999,425	51,658,578	49,976,753	53,027,938	51,629,802	49,111,956
Negotiable instruments of deposits	34,735	63,253	517,440	34,735	63,253	517,440
	<u>65,413,884</u>	<u>62,147,776</u>	<u>59,359,849</u>	<u>65,444,530</u>	<u>62,120,335</u>	<u>58,496,288</u>

(i) The deposits are sourced from the following type of customers:

	31 December 2013	Group 31 March 2013	1 April 2012	31 December 2013	Bank 31 March 2013	1 April 2012
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Government and other statutory bodies	4,192,969	5,442,649	5,314,300	4,192,969	5,442,649	5,314,300
Business enterprises	29,429,617	27,442,980	26,111,157	29,460,282	27,416,240	25,247,634
Individuals	30,091,043	28,181,271	26,809,139	30,091,024	28,180,581	26,809,139
Others	1,700,255	1,080,876	1,125,253	1,700,255	1,080,865	1,125,215
	<u>65,413,884</u>	<u>62,147,776</u>	<u>59,359,849</u>	<u>65,444,530</u>	<u>62,120,335</u>	<u>58,496,288</u>

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A14. DEPOSIT FROM CUSTOMERS (CONTD.)

(ii) The maturity structure of term/investment deposits and negotiable instruments of deposits is as follows:

	Group			Bank		
	31 December 2013 RM'000	31 March 2013 RM'000	1 April 2012 RM'000	31 December 2013 RM'000	31 March 2013 RM'000	1 April 2012 RM'000
Due within six months	39,361,946	37,638,162	38,338,036	39,390,459	37,609,386	37,473,239
Over six months to one year	10,116,408	11,460,281	8,795,115	10,116,408	11,460,281	8,795,115
Over one year to three years	2,597,793	2,323,727	2,322,715	2,597,793	2,323,727	2,322,715
Over three years to five years	958,013	299,661	1,038,327	958,013	299,661	1,038,327
	<u>53,034,160</u>	<u>51,721,831</u>	<u>50,494,193</u>	<u>53,062,673</u>	<u>51,693,055</u>	<u>49,629,396</u>

A15. OTHER LIABILITIES

	Group			Bank		
	31 December 2013 RM'000	31 March 2013 (Restated) RM'000	1 April 2012 (Restated) RM'000	31 December 2013 RM'000	31 March 2013 RM'000	1 April 2012 RM'000
Other payables and accruals	1,682,071	2,410,873	1,385,145	1,684,836	2,402,471	1,375,836
Interest payable	527,406	561,931	513,655	527,409	561,926	513,594
Advance rentals	14,480	19,724	31,506	14,480	19,724	31,506
Provision for commitments and contingencies	147,750	148,793	216,837	147,777	148,803	216,835
Provision for taxation	76,908	101,113	2,760	75,548	99,570	917
	<u>2,448,615</u>	<u>3,242,434</u>	<u>2,149,903</u>	<u>2,450,050</u>	<u>3,232,494</u>	<u>2,138,688</u>

A16. INTEREST INCOME

	Individual Quarter		Cumulative Quarter	
	31 December 2013 RM'000	31 December 2012 (Restated) RM'000	31 December 2013 RM'000	31 December 2012 (Restated) RM'000
Group				
Short-term funds and deposits and placements with financial institutions	81,462	52,475	202,408	163,947
Financial assets held-for-trading	21,219	60,977	92,245	176,650
Financial investments available-for-sale	44,694	40,462	123,327	136,548
Financial investments held-to-maturity	23,774	15,689	85,560	35,684
Loans and advances	960,849	915,549	2,848,687	2,709,228
Impaired loans and advances	2,173	537	3,770	3,992
Others	2,759	3,136	7,938	10,202
	<u>1,136,930</u>	<u>1,088,825</u>	<u>3,363,935</u>	<u>3,236,251</u>
Bank				
Short-term funds and deposits and placements with financial institutions	81,068	51,990	201,099	162,418
Financial assets held-for-trading	21,219	60,977	92,245	176,650
Financial investments available-for-sale	46,470	42,662	128,960	143,468
Financial investments held-to-maturity	23,755	15,664	85,519	35,617
Loans and advances	957,328	911,494	2,837,763	2,696,662
Impaired loans and advances	2,173	537	3,770	3,992
Others	2,759	3,136	7,938	10,202
	<u>1,134,772</u>	<u>1,086,460</u>	<u>3,357,294</u>	<u>3,229,009</u>

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A17. INTEREST EXPENSE

	Individual Quarter		Cumulative Quarter	
	31 December 2013 RM'000	31 December 2012 RM'000	31 December 2013 RM'000	31 December 2012 RM'000
Group				
Deposits from customers	467,205	448,993	1,396,481	1,332,130
Deposits and placements of banks and other financial institutions	20,479	19,849	49,450	53,333
Recourse obligation of loans sold to Cagamas Berhad	10,309	10,324	30,741	30,773
Term funding	39,726	42,522	121,979	127,936
Debt capital	47,459	53,472	141,560	150,628
Others	6,896	6,237	23,206	20,901
	<u>592,074</u>	<u>581,397</u>	<u>1,763,417</u>	<u>1,715,701</u>
Bank				
Deposits from customers	467,677	449,156	1,397,251	1,331,574
Deposits and placements of banks and other financial institutions	20,466	19,869	49,510	54,314
Recourse obligation of loans sold to Cagamas Berhad	10,309	10,324	30,741	30,773
Term funding	39,726	42,522	121,979	127,936
Debt capital	47,448	53,472	141,549	150,623
Others	6,905	6,238	23,205	20,904
	<u>592,531</u>	<u>581,581</u>	<u>1,764,235</u>	<u>1,716,124</u>

A18. NET INCOME FROM ISLAMIC BANKING BUSINESS

	Individual Quarter		Cumulative Quarter	
	31 December 2013 RM'000	31 December 2012 RM'000	31 December 2013 RM'000	31 December 2012 RM'000
Group				
Income derived from investment of depositors' funds and others	-	4	-	25
Income derived from investment of shareholder's funds	12	(7)	34	(3)
Income attributable to the depositors	-	(4)	-	(20)
	<u>12</u>	<u>(7)</u>	<u>34</u>	<u>2</u>

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A19. OTHER OPERATING INCOME

Group	Individual Quarter		Cumulative Quarter	
	31 December 2013 RM'000	31 December 2012 (Restated) RM'000	31 December 2013 RM'000	31 December 2012 (Restated) RM'000
Fee and commission income:				
Bancassurance commission	6,641	9,074	24,319	26,426
Brokerage fees, commission and rebates	451	464	1,329	1,355
Fees on loans, advances and securities	64,814	58,449	197,818	150,294
Guarantee fees	12,457	11,844	37,043	29,918
Underwriting fees	-	5,500	-	5,500
Remittances	5,126	7,252	15,718	19,468
Service charges and fees	4,816	5,124	13,725	16,881
Other fee and commission	9,815	9,591	29,719	29,733
	<u>104,120</u>	<u>107,298</u>	<u>319,671</u>	<u>279,575</u>
Investment and trading income:				
Foreign exchange *	36,997	27,138	89,777	75,614
Gross dividend income from:				
Financial assets held-for-trading	2,286	2,304	6,143	6,982
Financial investments available-for-sale	6,983	1,185	17,331	5,119
Net gain/(loss) on sale/redemption of:				
Financial assets held-for-trading	(10,730)	5,123	(37,149)	23,067
Financial investments available-for-sale	43,905	13,899	67,760	38,154
Financial investments held-to-maturity	416	5,355	6,421	40,648
Net gain/(loss) on revaluation of financial assets held-for-trading	10,401	23,832	(11,274)	(10,036)
Net gain/(loss) on derivatives	6,897	(2,736)	64,133	39,575
Others	-	(1,247)	(6)	(3,538)
	<u>97,155</u>	<u>74,853</u>	<u>203,136</u>	<u>215,585</u>
Other income:				
Net gain/(loss) on disposal of property and equipment	26	1	134	(1,242)
Net non trading foreign exchange gain	1,097	850	1,342	724
Rental income	773	1,024	3,203	3,130
Others	11,124	4,245	35,162	8,874
	<u>13,020</u>	<u>6,120</u>	<u>39,841</u>	<u>11,486</u>
	<u>214,295</u>	<u>188,271</u>	<u>562,648</u>	<u>506,646</u>

* Foreign exchange income includes gains and losses from spot and forward contracts and other currency derivatives.

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A19. OTHER OPERATING INCOME (CONTD.)

	Individual Quarter		Cumulative Quarter	
	31 December 2013	31 December 2012 (Restated)	31 December 2013	31 December 2012 (Restated)
	RM'000	RM'000	RM'000	RM'000
Bank				
Fee and commission income:				
Bancassurance commission	6,628	9,041	24,285	26,364
Brokerage fees, commission and rebates	451	464	1,329	1,355
Fees on loans, advances and securities	58,595	57,742	185,289	148,239
Guarantee fees	12,457	11,735	36,998	29,564
Underwriting fees	-	5,500	-	5,500
Remittances	5,126	7,252	15,718	19,468
Service charges and fees	5,064	5,403	14,491	17,738
Other fee and commission	9,781	9,551	29,634	29,647
	<u>98,102</u>	<u>106,688</u>	<u>307,744</u>	<u>277,875</u>
Investment and trading income:				
Foreign exchange *	36,997	27,138	89,777	75,614
Gross dividend income from:				
Associate	-	-	-	1,160
Financial assets held-for-trading	2,286	2,304	6,143	6,982
Financial investments available-for-sale	6,983	1,185	17,331	5,119
Subsidiaries	-	15,323	667	17,393
Net gain/(loss) on sale/redemption of:				
Financial assets held-for-trading	(10,730)	5,123	(37,149)	23,067
Financial investments available-for-sale	43,905	13,899	67,760	38,154
Financial investments held-to-maturity	416	5,355	6,421	40,648
Net gain/(loss) on revaluation of financial assets held-for-trading	10,401	23,832	(11,274)	(10,036)
Net gain/(loss) on derivatives	6,897	(2,736)	64,133	39,575
Others	-	(1,247)	(6)	(3,538)
	<u>97,155</u>	<u>90,176</u>	<u>203,803</u>	<u>234,138</u>
Other income:				
Net gain/(loss) on disposal of property and equipment	27	-	137	(1,624)
Net non trading foreign exchange gain	1,097	804	1,292	670
Rental income	821	801	2,662	2,492
Others	11,021	4,308	34,840	8,912
	<u>12,966</u>	<u>5,913</u>	<u>38,931</u>	<u>10,450</u>
	<u>208,223</u>	<u>202,777</u>	<u>550,478</u>	<u>522,463</u>

* Foreign exchange income includes gains and losses from spot and forward contracts and other currency derivatives.

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A20. OTHER OPERATING EXPENSES

Group	Individual Quarter		Cumulative Quarter	
	31 December 2013 RM'000	31 December 2012 (Restated) RM'000	31 December 2013 RM'000	31 December 2012 (Restated) RM'000
Personnel costs:				
Pension costs - defined contribution plan	26,868	22,823	80,751	71,884
Salaries, allowances and bonuses	182,665	153,247	543,480	473,988
Shares and options granted under AMMB ESS	5,785	8,381	19,801	23,889
Social security costs	1,326	1,228	3,976	3,653
Others	18,137	10,383	59,983	47,247
	<u>234,781</u>	<u>196,062</u>	<u>707,991</u>	<u>620,661</u>
Establishment costs:				
Amortisation of intangible assets	15,765	11,846	39,990	33,763
Cleaning, maintenance and security	3,479	4,969	14,904	16,834
Computerisation expenses	37,346	42,208	120,412	119,809
Depreciation of property and equipment	11,485	11,126	33,871	31,973
Rental	19,221	18,441	58,077	53,619
Others	10,441	7,188	28,884	20,885
	<u>97,737</u>	<u>95,778</u>	<u>296,138</u>	<u>276,883</u>
Marketing and communication expenses:				
Advertising and marketing	11,419	8,761	27,898	21,235
Commission	2,451	921	6,382	1,473
Communication	6,920	11,032	31,797	31,840
Others	2,640	2,967	7,961	8,016
	<u>23,430</u>	<u>23,681</u>	<u>74,038</u>	<u>62,564</u>
Administration and general expenses:				
Professional services	19,989	12,793	62,991	45,815
Others	13,698	10,477	34,852	28,383
	<u>33,687</u>	<u>23,270</u>	<u>97,843</u>	<u>74,198</u>
Service transfer pricing recovery - net	(79,940)	(90,081)	(243,120)	(253,536)
Expenses capitalised	(17,922)	(5,680)	(36,364)	(14,475)
Acquisition and business efficiency costs	520	-	6,004	-
	<u>292,293</u>	<u>243,030</u>	<u>902,530</u>	<u>766,295</u>

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A20. OTHER OPERATING EXPENSES (CONTD.)

	Individual Quarter		Cumulative Quarter	
	31 December 2013	31 December 2012 (Restated)	31 December 2013	31 December 2012 (Restated)
	RM'000	RM'000	RM'000	RM'000
Bank				
Personnel costs:				
Pension costs - defined contribution plan	25,733	22,739	78,275	71,625
Salaries, allowances and bonuses	174,872	152,719	526,453	472,372
Shares and options granted under AMMB ESS	5,782	8,358	19,791	23,829
Social security costs	1,240	1,224	3,786	3,633
Others	18,008	10,360	59,224	47,157
	<u>225,635</u>	<u>195,400</u>	<u>687,529</u>	<u>618,616</u>
Establishment costs:				
Amortisation of intangible assets	15,426	11,845	39,166	33,760
Cleaning, maintenance and security	3,066	4,855	14,057	16,326
Computerisation expenses	38,086	42,214	121,146	119,810
Depreciation of property and equipment	11,299	10,999	32,389	31,589
Rental	18,298	18,865	56,151	54,942
Others	8,582	7,006	26,506	20,284
	<u>94,757</u>	<u>95,784</u>	<u>289,415</u>	<u>276,711</u>
Marketing and communication expenses:				
Advertising and marketing	11,418	8,761	27,897	21,235
Commission	2,444	915	6,358	1,437
Communication	6,798	11,017	31,076	31,791
Others	2,327	2,960	7,328	8,003
	<u>22,987</u>	<u>23,653</u>	<u>72,659</u>	<u>62,466</u>
Administration and general expenses:				
Card operation charges	53,196	-	106,666	-
Professional services	19,961	12,741	62,819	45,684
Others	13,460	10,359	34,140	28,026
	<u>86,617</u>	<u>23,100</u>	<u>203,625</u>	<u>73,710</u>
Service transfer pricing recovery - net	(91,059)	(89,565)	(260,693)	(252,115)
Expenses capitalised	(17,922)	(5,680)	(36,364)	(14,475)
Acquisition and business efficiency costs	520	-	6,004	-
	<u>321,535</u>	<u>242,692</u>	<u>962,175</u>	<u>764,913</u>

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A21. ALLOWANCE/(WRITEBACK OF ALLOWANCE) FOR IMPAIRMENT ON LOANS AND ADVANCES

	Individual Quarter		Cumulative Quarter	
	31 December 2013 RM'000	31 December 2012 (Restated) RM'000	31 December 2013 RM'000	31 December 2012 (Restated) RM'000
Group				
Allowance for impaired loans and advances:				
Individual allowance	25,081	137,676	143,677	200,175
Collective allowance	53,320	13,370	214,788	176,332
Impaired loans and advances recovered, net	(109,799)	(110,853)	(503,332)	(378,128)
Recovery from loans sold to Danaharta	(2,950)	(3,880)	(2,950)	(3,880)
	<u>(34,348)</u>	<u>36,313</u>	<u>(147,817)</u>	<u>(5,501)</u>
Bank				
Allowance for impaired loans and advances:				
Individual allowance	25,081	137,676	143,677	200,175
Collective allowance	53,090	13,405	214,488	175,900
Impaired loans and advances recovered, net	(109,797)	(109,613)	(493,495)	(374,109)
Recovery from loans sold to Danaharta	(2,950)	(3,880)	(2,950)	(3,880)
	<u>(34,576)</u>	<u>37,588</u>	<u>(138,280)</u>	<u>(1,914)</u>

A22. IMPAIRMENT LOSS/(WRITEBACK) ON FINANCIAL INVESTMENTS

	Individual Quarter		Cumulative Quarter	
	31 December 2013 RM'000	31 December 2012 RM'000	31 December 2013 RM'000	31 December 2012 RM'000
Group				
Financial investments available-for-sale	2,473	-	763	(6,704)
Financial investments held-to-maturity	-	(3,350)	(1,106)	3,531
	<u>2,473</u>	<u>(3,350)</u>	<u>(343)</u>	<u>(3,173)</u>
Bank				
Financial investments available-for-sale	2,473	-	763	(6,704)
Financial investments held-to-maturity	-	(3,350)	(888)	4,115
	<u>2,473</u>	<u>(3,350)</u>	<u>(125)</u>	<u>(2,589)</u>

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A23. EARNINGS PER SHARE ("EPS")

(a) Basic/Diluted

Basic earnings per share is calculated by dividing the net profit attributable to the equity holder of the Bank by the weighted average number of ordinary shares in issue during the financial period.

Diluted earnings per share is calculated by dividing the net profit attributable to the equity holder of the Bank by the adjusted weighted average number of ordinary shares in issue and issuable during the financial period. The Bank does not have any dilutive potential ordinary shares.

	Individual Quarter		Cumulative Quarter	
	31 December 2013	31 December 2012 (Restated)	31 December 2013	31 December 2012 (Restated)
Group				
Net profit attributable to shareholder of the Bank (RM'000)	333,449	351,713	1,102,578	1,002,409
Number of ordinary shares at beginning of financial year and end of period representing weighted average number of ordinary shares in issue ('000)	820,364	820,364	820,364	820,364
Basic/Diluted earnings per share (sen)	<u>40.65</u>	<u>42.87</u>	<u>134.40</u>	<u>122.19</u>
	Individual Quarter	Individual Quarter	Cumulative Quarter	Cumulative Quarter
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Bank				
Net profit attributable to shareholder of the Bank (RM'000)	304,692	364,601	964,428	1,009,202
Number of ordinary shares at beginning of financial year and end of period representing weighted average number of ordinary shares in issue ('000)	820,364	820,364	820,364	820,364
Basic/Diluted earnings per share (sen)	<u>37.14</u>	<u>44.44</u>	<u>117.56</u>	<u>123.02</u>

Company No. 8515-D

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A24. BUSINESS SEGMENT ANALYSIS

Group	Retail banking	Business banking	Corporate and institutional banking	Markets	Group functions and others	Total
Financial quarter ended 31 December 2013	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Operating revenue	1,793,101	488,207	900,206	203,307	541,796	3,926,617
Income	1,130,983	356,280	291,697	182,179	202,870	2,164,009
Other operating expenses	(517,583)	(53,293)	(40,887)	(47,754)	(243,013)	(902,530)
Profit/(Loss) before provisions	613,400	302,987	250,810	134,425	(40,143)	1,261,479
Provisions	(46,006)	(19,158)	32,794	(483)	176,056	143,203
Profit before taxation	567,394	283,829	283,604	133,942	135,913	1,404,682
Taxation	(142,198)	(69,870)	(55,910)	(32,988)	(1,137)	(302,103)
Profit for the period	425,196	213,959	227,694	100,954	134,776	1,102,579

Other information

Cost to income ratio	45.8%	15.0%	14.0%	26.2%	119.8%	41.7%
Gross loans and advances	35,193,848	12,725,884	13,617,365	-	279,537	61,816,634
Net loans and advances	34,466,112	12,591,434	13,521,388	-	(265,877)	60,313,057
Impaired loans and advances	1,064,796	119,077	-	-	153,069	1,336,942
Deposits	33,234,364	7,929,632	24,526,131	170,668	3,198,067	69,058,862

Company No. 8515-D

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A24. BUSINESS SEGMENT ANALYSIS (CONTD.)

Group Financial quarter ended 31 December 2012	Retail banking RM'000	Business banking RM'000	Corporate and institutional banking RM'000	Markets RM'000	Group functions and others RM'000	Total RM'000
Operating revenue	1,614,710	456,420	940,572	223,261	507,956	3,742,919
Income	1,005,582	355,942	312,554	204,497	149,157	2,027,732
Other operating expenses	(421,687)	(57,344)	(41,699)	(51,790)	(193,775)	(766,295)
Profit before provisions	583,895	298,598	270,855	152,707	(44,618)	1,261,437
Provisions	(87,571)	(49,265)	70,446	9,188	120,618	63,416
Profit before taxation	496,324	249,333	341,301	161,895	76,000	1,324,853
Taxation	(124,960)	(61,403)	(79,129)	(40,305)	(16,627)	(322,424)
Profit for the period	371,364	187,930	262,172	121,590	59,373	1,002,429

Other information

Cost to income ratio	41.9%	16.1%	13.3%	25.3%	129.9%	37.8%
Gross loans and advances	34,468,565	12,477,523	13,488,238	-	246,257	60,680,583
Net loans and advances	33,662,435	12,294,886	13,393,938	-	(281,077)	59,070,182
Impaired loans and advances	1,039,172	143,670	-	-	237,209	1,420,051
Deposits	29,411,651	6,384,541	26,037,590	85,102	3,210,776	65,129,660

Note:

1. The financial information by geographical segment is not presented as the Group's activities are principally conducted in Malaysia.
2. Certain comparative figures have been restated due to effect of pooling of interests (Note A32) and to conform with current period's presentation.

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A25. PERFORMANCE REVIEW FOR THE PERIOD ENDED 31 DECEMBER 2013

The Group registered a profit before taxation ("pre-tax profit") of RM1,404.7 million representing a 6.0% increase compared to the pre-tax profit for the corresponding period last year.

For the current period, net interest income and other operating income increased by RM80.0 million and RM56.0 million respectively. The increase in net interest income was mainly from interest income on loans and advances. The increase in other operating income was mainly from card business acquired from a related company, MBF Cards (M'sia) Sdn Bhd. Writeback of allowance for impairment on loans and advances was higher by RM142.3 million due to higher bad debt recoveries.

Other operating expenses increased by RM136.2 million or 17.8% mainly due to higher personnel cost. For the current period, writeback of provision for commitments and contingencies was lower by RM58.7 million.

The Group and the Bank remained well capitalised with total capital ratios of 14.7% and 14.6% respectively.

In the opinion of the Directors, the results of operations of the Group and the Bank for the financial quarter have not been substantially affected by any item, transaction or event of a material and unusual nature.

A26. PROSPECTS FOR FINANCIAL YEAR ENDING 31 MARCH 2014

For full year 2013, our projection on Malaysia economy to grow 4.6% year-on-year (yoy) remains unchanged. Moving into 2014, the AmBank Group (AMMB Holdings Berhad and its subsidiaries) expects a moderate growth of 4.8% yoy driven by private investments and supported by exports. Private investment will benefit from improved speed on the implementation of Economic Transformation Programme, more value-added foreign direct investments flowing in and positive impacts from exports complemented by Visit Malaysia Year 2014.

As the authorities continue to adopt prudent and pragmatic macroeconomic policies, reining in fiscal deficit and public debt, domestic demand is expected to moderate. Consumer loans demand may soften given the various responsible lending measures to address household debts and easing consumer spending from on-going rationalization of subsidy.

At AmBank Group, we remain agile and adaptive to the changing environment and will continue our disciplined approach in executing to our strategic priorities. Our medium term strategic priorities remain unchanged, (1) Integrate acquisitions and deliver synergies; (2) Simplify business model and streamline processes; (3) Accelerate organic growth with focus on cross-sell, flow business, small business, and emerging affluent customers; (4) Build scale in specialist businesses with strategic partners; and (5) Optimise capital and holding company structures.

A27. VALUATION OF PROPERTY AND EQUIPMENT

The Group's and the Bank's property and equipment are stated at cost or valuation less accumulated depreciation and accumulated impairment losses.

A28. SIGNIFICANT EVENTS

1. Reorganisation Of AmBank Group's Card Business

On 26 April 2013, the holding company, AMMB Holdings Berhad ("AMMB") had received approval from Bank Negara Malaysia ("BNM") for the reorganisation of the AmBank Group's card business comprising:

- a) the consolidation of card business of a related company, MBF Cards (M'sia) Sdn Bhd ("MBF Cards") under the Bank;
- b) outsourcing of card operations of the Bank and AmIslamic Bank Berhad to AmCard Services Berhad, (formerly known as Arab-Malaysian Credit Berhad) ("AmCard"); and
- c) acquisition of 100% equity interest in AmCard by the Bank from a related company, AMFB Holdings Berhad ("AMFB").

On 7 May 2013, the Bank entered into a Business Transfer Agreement ("BTA") with MBF Cards. Under the BTA, MBF Cards will transfer its assets, liabilities, activities, business and undertakings of the credit card business to the Bank ("Business Transfer"). The Business Transfer was completed on 1 July 2013 and the acquisition price was payable by cash amounting to approximately RM449.4 million based on the book value of the net assets transferred.

On 13 June 2013, the Bank entered into a sale and purchase agreement with AMFB to acquire 100% equity interest held by AMFB in AmCard at a purchase consideration of approximately RM8.5 million. The acquisition includes AmCard's 100% equity interest in its subsidiary, AMMB Factors Sdn Bhd.

The Bank, AmCard and MBF Cards are under common control, accordingly, the abovementioned acquisitions had been accounted for by the Group and the Bank via the pooling of interests method. Under the pooling of interests method, the results and financial position of the abovementioned acquisitions are included in the financial statements as if the merger had been effected prior to and throughout the current financial period.

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A28. SIGNIFICANT EVENTS (CONTD.)

1. Reorganisation Of AmBank Group's Card Business (Contd.)

The effect of pooling of interests method for the current financial period (effect for the beginning of financial year up to 30 September 2013) is as follows:

	Cumulative Quarter	
	Bank	Group
	RM'000	RM'000
Operating revenue	53,010	53,716
Interest income	20,002	20,311
Other operating income	33,008	33,405
Share in results of associates	-	37
Net income	53,010	53,753
Other operating expenses	(20,449)	(20,538)
Operating profit	32,561	33,215
Writeback of allowance for impairment on loans and advances	491	491
Provision for commitments and contingencies	(55)	(55)
Writeback on doubtful sundry receivables, net	29	29
Profit before taxation	33,026	33,680
Taxation	(8,606)	(8,606)
Profit for the period	24,420	25,074

The effect of pooling of interests method for the abovementioned acquisitions for the comparative period is disclosed in Note A32.

2. Establishment of a Euro Medium Term Notes Programme of up to USD2.0 billion in nominal value (or its equivalent in other currencies).

AMMB, on 5 July 2013 announced that, the Bank, has obtained the approval of the SC via the SC's letter dated 4 July 2013 for the establishment of a Euro Medium Term Notes Programme of up to USD2.0 billion ("Proposed Programme") in nominal value (or its equivalent in other currencies). The Proposed Programme is approved by the SC under its deemed approval process.

The net proceeds from the Proposed Programme will be utilised by the Bank for its working capital, general funding requirement and other corporate purposes.

AmInvestment Bank Berhad (the Principal Adviser) and Australia New Zealand Banking Group Limited are the arrangers for the Proposed Programme.

As at 31 December 2013, no issuance was made from the programme.

3. Member's voluntary winding up of wholly owned subsidiaries.

The following wholly owned subsidiaries of the Bank had commenced member's voluntary winding up process pursuant to Section 254(1)(b) of the Companies Act, 1965:

Subsidiaries

- a) Everflow Credit & Leasing Corporation Sdn. Bhd.
- b) Komuda Credit & Leasing Sdn. Bhd.
- c) AmCredit & Leasing Sdn. Bhd.
- d) AmCapital (L) Inc (incorporated under the Labuan Companies Act, 1990)
- e) AMMB Factors Sdn Bhd

These subsidiaries are dormant companies and there is no plan for them to resume business.

The winding up of the above subsidiaries will not have any material effect on the Group's performance for the financial year 2014.

A29. CHANGES IN THE COMPOSITION OF THE GROUP

There were no significant changes in the composition of the Group for the financial period ended 31 December 2013 other than as disclosed in Note A28.

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A30. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. The 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	Group			Bank		
	31 December 2013 RM'000	31 March 2013 (Restated) RM'000	1 April 2012 (Restated) RM'000	31 December 2013 RM'000	31 March 2013 (Restated) RM'000	1 April 2012 RM'000
Contingent Liabilities						
Direct credit substitutes	1,238,160	1,253,726	1,608,754	1,238,160	1,253,726	1,608,754
Transaction related contingent items	4,395,982	3,812,587	3,120,757	4,395,982	3,812,587	3,120,757
Short term self liquidating trade related contingencies	615,050	617,806	615,243	615,021	617,689	613,825
Obligations under on-going underwriting agreements	250,000	250,000	265,000	250,000	250,000	265,000
Others	200	200	200	150	150	150
	<u>6,499,392</u>	<u>5,934,319</u>	<u>5,609,954</u>	<u>6,499,313</u>	<u>5,934,152</u>	<u>5,608,486</u>
Commitments						
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	15,305,502	14,674,911	13,251,953	15,344,857	14,715,741	13,292,670
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	5,654,558	5,859,056	4,682,068	5,654,558	5,859,056	4,682,068
Unutilised credit card lines	3,674,951	3,322,548	2,953,565	3,674,951	3,322,548	2,953,565
Forward asset purchase	35,183	108,266	360,899	35,183	108,266	360,899
	<u>24,670,194</u>	<u>23,964,781</u>	<u>21,248,485</u>	<u>24,709,549</u>	<u>24,005,611</u>	<u>21,289,202</u>
Derivative Financial Instruments						
Foreign exchange related contracts						
- One year or less	19,041,878	22,584,554	20,064,852	19,041,878	22,584,554	20,064,852
- Over one year to five years	3,459,162	3,440,503	3,145,654	3,459,162	3,440,503	3,145,654
- Over five years	905,091	837,446	58,532	905,091	837,446	58,532
Interest rate related contracts						
- One year or less	3,099,375	4,548,404	14,448,655	3,099,375	4,548,404	14,448,655
- Over one year to five years	28,230,993	22,110,386	18,849,399	28,230,993	22,110,386	18,849,399
- Over five years	4,651,084	9,682,407	8,042,138	4,651,084	9,682,407	8,042,138
Credit related contracts						
- One year or less	-	267,510	61,290	-	267,510	61,290
- Over one year to five years	306,998	298,274	549,473	306,998	298,274	549,473
- Over five years	306,444	297,752	292,733	306,444	297,752	292,733
Equity and commodity related contracts						
- One year or less	490,426	322,791	484,281	490,426	322,791	484,281
- Over one year to five years	332,078	547,989	362,369	332,078	547,989	362,369
	<u>60,823,529</u>	<u>64,938,016</u>	<u>66,359,376</u>	<u>60,823,529</u>	<u>64,938,016</u>	<u>66,359,376</u>
Total	<u>91,993,115</u>	<u>94,837,116</u>	<u>93,217,815</u>	<u>92,032,391</u>	<u>94,877,779</u>	<u>93,257,064</u>

The breakdown of the commitment and contingencies of the Bank is as follows:

	31 December 2013 RM'000	31 March 2013 RM'000	1 April 2012 RM'000
Relating to AmBank (M) Berhad	92,032,391	94,854,488	93,233,992
Relating to AMIL with external parties*	-	23,291	23,072
	<u>92,032,391</u>	<u>94,877,779</u>	<u>93,257,064</u>

* The Bank has given a continuing guarantee to Labuan Financial Services Authority ("LFSA") to meet all the liabilities and financial obligations of its subsidiary, AmInternational (L) Ltd ("AMIL").

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A31. CAPITAL ADEQUACY

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

	Group		Bank	
	31 December 2013	31 March 2013 (Restated)	31 December 2013	31 March 2013 (Restated)
Before deducting proposed dividends				
Common Equity Tier 1	8.677%	9.336%	8.598%	9.196%
Tier 1 Capital Ratio	10.883%	11.586%	10.799%	11.450%
Total Capital Ratio	14.747%	14.916%	14.652%	14.792%
After deducting proposed dividends				
Common Equity Tier 1	8.677%	8.759%	8.598%	8.619%
Tier 1 Capital Ratio	10.883%	11.009%	10.799%	10.872%
Total Capital Ratio	14.747%	14.339%	14.652%	14.215%

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 capital adequacy ratios are computed in accordance with BNM's guidelines on Capital Adequacy Framework (Capital Components) issued on 28 November 2012, which is based on the Basel III capital accord. The minimum regulatory capital adequacy are set out as follows:

	Calender year 2013	Calender year 2014	Calender year 2015 onwards
Common Equity Tier 1 ("CET 1")	3.5%	4.0%	4.5%
Tier 1 Capital Ratio	4.5%	5.5%	6.0%
Total Capital Ratio	8.0%	8.0%	8.0%

The capital adequacy ratios of the Bank refers to the combined capital base as a ratio of the combined risk weighted assets (RWA) of the Bank and its wholly-owned offshore banking subsidiary, AMIL.

(b) The capital adequacy ratios of AMIL is as follows:

	31 December 2013	31 March 2013
Core capital ratio	87.126%	61.253%
Risk-weighted capital ratio	87.358%	61.382%

The capital adequacy ratios of AMIL for capital compliance on a standalone basis as reported by the subsidiary are computed in accordance with the BNM guidelines of RWCAF based on the Basel II capital accord.

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A31. CAPITAL ADEQUACY (CONTD.)

(c) The components of CET 1, Additional Tier 1, Tier 2 and Total Capital of the Group and the Bank are as follows:

	Group		Bank	
	31 December 2013	31 March 2013 (Restated)	31 December 2013	31 March 2013 (Restated)
	RM'000	RM'000	RM'000	RM'000
CET 1 Capital				
Ordinary shares	820,364	820,364	820,364	820,364
Share premium	942,844	942,844	942,844	942,844
Retained earnings	3,776,497	3,543,804	3,734,283	3,501,590
Less: Proposed dividend - final	-	(400,338)	-	(400,338)
Unrealised losses on financial investments available-for-sale	(52,440)	(9,174)	(51,902)	(8,402)
Foreign exchange translation reserve	(1,000)	(14,760)	(1,000)	(14,760)
Statutory reserve	980,969	980,969	980,969	980,969
Merger reserve	104,149	570,473	48,516	507,017
Cash flow hedging reserve	210	(12,644)	210	(12,644)
Less: Regulatory adjustments applied on CET1 Capital				
Intangible assets	(329,645)	(235,655)	(325,082)	(235,655)
Deferred tax assets	(98,936)	(120,781)	(49,073)	(120,523)
Cash flow hedging reserve	(210)	12,644	(210)	12,644
Total CET1 Capital	6,142,802	6,077,746	6,099,919	5,973,106
Additional Tier 1 Capital				
Additional Tier 1 Capital instruments (subject to gradual phase-out treatment)	1,561,590	1,561,590	1,561,590	1,561,590
Total Tier 1 Capital	7,704,392	7,639,336	7,661,509	7,534,696
Tier 2 Capital				
Tier 2 Capital instruments meeting all relevant criteria for inclusion	400,000	-	400,000	-
Tier 2 Capital instruments subject to gradual phase-out treatment	1,557,800	1,557,800	1,557,800	1,557,800
Collective allowance and regulatory reserves	780,141	754,762	784,363	758,815
Less : Regulatory adjustments applied on Tier 2 Capital	(2,764)	(1,955)	(8,610)	(133)
Total Tier 2 capital	2,735,177	2,310,607	2,733,553	2,316,482
Total Capital	10,439,569	9,949,943	10,395,062	9,851,178

The breakdown of the risk weighted assets ("RWA") in various categories of risk is as follows:

	Group		Bank	
	31 December 2013	31 March 2013 (Restated)	31 December 2013	31 March 2013 (Restated)
	RM'000	RM'000	RM'000	RM'000
Credit RWA	62,411,264	60,380,941	62,749,058	60,705,227
Market RWA	3,248,081	3,722,181	3,248,081	3,722,181
Operational RWA	5,130,345	5,286,074	4,950,108	4,875,083
Large exposure risk RWA for equity holdings	642	713	642	713
Total risk weighted assets	70,790,332	69,389,909	70,947,889	69,303,204

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

A32. CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT OF COMPARATIVES

Certain comparative figures were restated arising from the reorganisation of the AmBank Group's Card Business as mentioned in Note A28. The summary of financial impact of the restatement is as follows:

(i) Reconciliation of statements of financial position

	As previously reported RM'000	Effect of pooling of interests method RM'000	As restated RM'000
Group			
As at 31 March 2013			
Cash and short-term funds	7,324,650	12,109	7,336,759
Deposits and placements with banks and other financial institutions	1,913,422	44,600	1,958,022
Financial investments available-for-sale	3,348,641	45	3,348,686
Loans and advances	59,231,752	454,107	59,685,859
Investment in associates	892	1,063	1,955
Other assets	1,174,721	109,471	1,284,192
Property and equipment	149,150	9,467	158,617
Intangible assets	234,687	968	235,655
Deposits and placements of banks and other financial institutions	2,330,512	(2,915)	2,327,597
Other liabilities	3,129,646	112,788	3,242,434
Reserves	5,479,555	521,957	6,001,512
As at 1 April 2012			
Cash and short-term funds	5,453,638	14,768	5,468,406
Deposits and placements with banks and other financial institutions	1,122,194	32,900	1,155,094
Financial investments available-for-sale	4,440,721	66	4,440,787
Investment in associates	1,611	1,782	3,393
Other assets	1,078,760	2,591	1,081,351
Deposits and placements of banks and other financial institutions	3,968,264	(4,926)	3,963,338
Other liabilities	2,149,210	693	2,149,903
Reserves	5,151,031	56,340	5,207,371
Bank			
As at 31 March 2013			
Loans and advances	59,032,684	454,107	59,486,791
Other assets	1,169,340	107,669	1,277,009
Property and equipment	125,859	9,467	135,326
Intangible assets	234,676	968	235,644
Other liabilities	3,118,784	113,710	3,232,494
Reserves	5,436,197	458,501	5,894,698

A32. CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT OF COMPARATIVES (CONTD.)

(ii) Reconciliation of income statement and statement of comprehensive income

	As previously reported RM'000	Effect of pooling of interests method RM'000	As restated RM'000
Income statement for the cumulative quarter ended 31 December 2012			
Group			
Operating revenue	3,721,888	21,031	3,742,919
Interest income	3,227,716	8,535	3,236,251
Other operating income	494,150	12,496	506,646
Share in results of associates	267	267	534
Other operating expenses	(759,403)	(6,892)	(766,295)
Writeback of allowance for impairment on loans and advances	5,737	(236)	5,501
Impairment (loss)/writeback on doubtful sundry receivables, net	(790)	193	(597)
Taxation	(319,299)	(3,125)	(322,424)
Bank			
Operating revenue	3,733,867	17,605	3,751,472
Interest income	3,221,767	7,242	3,229,009
Other operating income	512,100	10,363	522,463
Other operating expenses	(759,006)	(5,907)	(764,913)
Writeback of allowance for impairment on loans and advances	4,792	(2,878)	1,914
Impairment (loss)/writeback on doubtful sundry receivables, net	(790)	193	(597)
Taxation	(317,336)	(3,132)	(320,468)
Income statement for the individual quarter ended 31 December 2012			
Group			
Operating revenue	1,258,288	18,805	1,277,093
Interest income	1,081,134	7,691	1,088,825
Other operating income	177,157	11,114	188,271
Share in results of associates	65	65	130
Other operating expenses	(236,775)	(6,255)	(243,030)
Allowance for impairment on loans and advances	(34,674)	(1,639)	(36,313)
Impairment (loss)/writeback on doubtful sundry receivables, net	(571)	193	(378)
Taxation	(90,803)	(3,125)	(93,928)
Bank			
Operating revenue	1,271,632	17,605	1,289,237
Interest income	1,079,218	7,242	1,086,460
Other operating income	192,414	10,363	202,777
Other operating expenses	(236,785)	(5,907)	(242,692)
Allowance for impairment on loans and advances	(34,710)	(2,878)	(37,588)
Impairment (loss)/writeback on doubtful sundry receivables, net	(571)	193	(378)
Taxation	(88,776)	(3,132)	(91,908)
Group			
Statement of comprehensive income for the quarter ended 31 December 2012			
Net loss on financial investments available-for-sale	(36,635)	(21)	(36,656)

A32. CHANGES IN ACCOUNTING POLICIES AND RESTATEMENT OF COMPARATIVES (CONTD.)

(iii) Reconciliation of condensed statements of cash flows

	As previously reported RM'000	Effect of pooling of interests method RM'000	As restated RM'000
31 December 2012			
Group			
Profit before taxation	1,310,490	14,363	1,324,853
Adjustments for non-operating and non-cash items	242,774	6,653	249,427
Net change in operating assets	(780,568)	(617,600)	(1,398,168)
Net change in operating liabilities	1,961,928	595,211	2,557,139
Net cash generated from/(used in) investing activities	20,358	(13,390)	6,968
Cash and cash equivalents at beginning of financial year	5,453,638	14,768	5,468,406
Cash and cash equivalents at end of financial period	7,469,643	5	7,469,648
Bank			
Profit before taxation	1,320,657	9,013	1,329,670
Adjustments for non-operating and non-cash items	225,821	4,127	229,948
Net change in operating assets	(842,421)	(593,875)	(1,436,296)
Net change in operating liabilities	2,273,110	593,158	2,866,268
Net cash generated from/(used in) investing activities	59,677	(12,423)	47,254