

Deutsche Bank (Malaysia) Berhad
(Company No. 312552-W)
(Incorporated in Malaysia)
and its subsidiaries

Basel II Pillar 3 Report
for the Financial Period ended 30 June 2017



1. Regulatory capital requirement

Disclosure on capital adequacy under the Standardised approach

Group and Bank
30 June 2017

RISK TYPE	Gross Exposures	Net Exposures	Risk-Weighted Assets	Minimum Capital Requirement at 8% *
Credit Risk	RM'000	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks #	4,480,884	3,905,677	-	-
Public Sector Entities	-	-	-	-
Banks, Development Financial Institutions and Multilateral Development Banks	2,527,925	2,527,925	899,002	71,920
Insurance Companies, Securities Firms and Fund Managers	-	-	-	-
Corporates	1,123,090	1,123,090	1,122,570	89,806
Regulatory Retail	-	-	-	-
Residential Mortgages	14,436	14,436	5,053	404
Higher Risk Assets	-	-	-	-
Other Assets	340,078	340,078	337,449	26,996
Equity Exposure	1,631	1,631	1,861	149
Defaulted Exposures	2,060	2,060	2,060	165
Total On-Balance Sheet Exposures	8,490,104	7,914,897	2,367,995	189,440
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	2,556,942	1,717,243	819,707	65,577
Credit Derivatives	4,867	4,867	1,526	122
Direct Credit Substitutes	-	-	-	-
Transaction related contingent Items	357,422	356,381	336,477	26,918
Short Term Self Liquidating trade related contingencies	33,458	33,458	29,869	2,389
Other commitments, such as formal standby facilities and credit lines	728,796	728,796	717,436	57,395
Defaulted Exposures	-	-	-	-
Total for Off-Balance Sheet Exposures	3,681,485	2,840,745	1,905,015	152,401
Total On and Off- Balance Sheet Exposures	12,171,589	10,755,642	4,273,010	341,841
Large Exposures Risk Requirements	-	-	-	-
Market Risk (Standardised approach)	Long Position	Short Position		
Interest Rate Risk	118,093,748	117,147,755	1,568,901	125,512
Foreign Currency Risk	380,633	1,659	380,627	30,450
Options	21,017	-	508,164	40,653
			2,457,692	196,615
Operational Risk			656,582	52,527
Total RWA and capital requirements			7,387,284	590,983

* The minimum regulatory capital requirement before including capital conservation buffer and countercyclical capital buffer.

Under Risk Weighted Capital Adequacy Framework (RWCAF), exposures to the Federal Government of Malaysia, Bank Negara Malaysia, overseas federal governments and central banks of their respective jurisdictions are accorded a preferential sovereign risk weight of 0%.

1. Regulatory capital requirement (continued)

Disclosure on capital adequacy under the Standardised approach (continued)

Group and Bank
31 Dec 2016

RISK TYPE	Gross Exposures	Net Exposures	Risk-Weighted Assets	Minimum Capital Requirement at 8% *
Credit Risk	RM'000	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks #	4,170,750	3,562,109	-	-
Public Sector Entities	-	-	-	-
Banks, Development Financial Institutions and Multilateral Development Banks	2,878,723	2,878,723	1,161,921	92,954
Insurance Companies, Securities Firms and Fund Managers	-	-	-	-
Corporates	1,106,678	1,106,678	1,106,091	88,487
Regulatory Retail	-	-	-	-
Residential Mortgages	15,416	15,416	5,395	432
Higher Risk Assets	-	-	-	-
Other Assets	278,928	278,928	277,382	22,191
Equity Exposure	1,631	1,631	1,861	149
Defaulted Exposures	2,456	2,456	2,456	196
Total On-Balance Sheet Exposures	8,454,582	7,845,941	2,555,106	204,409
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	3,072,123	2,058,611	1,104,648	88,371
Credit Derivatives	29,757	29,757	8,961	717
Direct Credit Substitutes	-	-	-	-
Transaction related contingent Items	362,234	361,060	335,371	26,830
Short Term Self Liquidating trade related contingencies	55,966	55,966	47,622	3,810
Other commitments, such as formal standby facilities and credit lines	577,497	577,497	566,137	45,291
Defaulted Exposures	-	-	-	-
Total for Off-Balance Sheet Exposures	4,097,577	3,082,891	2,062,739	165,019
Total On and Off- Balance Sheet Exposures	12,552,159	10,928,832	4,617,845	369,428
Large Exposures Risk Requirements	-	-	-	-
Market Risk (Standardised approach)	Long Position	Short Position		
Interest Rate Risk	120,566,302	119,303,271	1,791,563	143,325
Foreign Currency Risk	504,576	103	504,576	40,366
Options	23,634	-	274,313	21,945
			2,570,452	205,636
Operational Risk			613,663	49,093
Total RWA and capital requirements			7,801,960	624,157

* The minimum regulatory capital requirement before including capital conservation buffer and countercyclical capital buffer.

Under Risk Weighted Capital Adequacy Framework (RWCAF), exposures to the Federal Government of Malaysia, Bank Negara Malaysia, overseas federal governments and central banks of their respective jurisdictions are accorded a preferential sovereign risk weight of 0%.

2. Credit Risk

2.1 Geographic distribution of credit exposures, broken down in significant areas by major types of gross credit exposures

Group and Bank
30 June 2017

Credit Exposure Category	Geography						30-Jun-17
	America RM'000	Europe RM'000	India RM'000	Malaysia RM'000	Singapore RM'000	Others RM'000	Total RM'000
Sovereigns/Central Banks	-	-	-	4,503,677	-	-	4,503,677
Banks, DFIs & MDBs	134,426	468,948	88,709	3,590,440	293,448	77,878	4,653,849
Public Sector Entities	-	-	-	-	-	-	-
Insurance Companies, Securities Firms and Fund Managers	-	-	-	13,047	-	-	13,047
Corporates	-	53,470	-	2,586,029	3,131	181	2,642,811
Regulatory Retails	-	-	-	-	-	-	-
Residential Mortgages	-	-	-	14,436	-	-	14,436
Other Asset	-	-	-	340,078	-	-	340,078
Equity Exposure	-	-	-	1,631	-	-	1,631
Defaulted Exposures	-	-	-	2,060	-	-	2,060
Grand Total	134,426	522,418	88,709	11,051,398	296,579	78,059	12,171,589

Group and Bank
31 Dec 2016

Credit Exposure Category	Geography						31-Dec-16
	America RM'000	Europe RM'000	India RM'000	Malaysia RM'000	Singapore RM'000	Others RM'000	Total RM'000
Sovereigns/Central Banks	-	-	-	4,170,749	-	-	4,170,749
Banks, DFIs & MDBs	65,464	180,056	306,746	3,926,842	787,082	186,851	5,453,041
Public Sector Entities	-	-	-	-	-	-	-
Insurance Companies, Securities Firms and Fund Managers	-	-	-	12,550	-	-	12,550
Corporates	-	40,413	-	2,568,759	8,215	-	2,617,387
Regulatory Retails	-	-	-	-	-	-	-
Residential Mortgages	-	-	-	15,417	-	-	15,417
Other Asset	-	-	-	278,928	-	-	278,928
Equity Exposure	-	-	-	1,631	-	-	1,631
Defaulted Exposures	-	-	-	2,456	-	-	2,456
Grand Total	65,464	220,469	306,746	10,977,332	795,297	186,851	12,552,159

2. Credit Risk (continued)

2.2 Distribution of exposures by sector or economic purpose, broken down by major types of gross credit exposures

Group and Bank
30 June 2017

Credit Exposure Category	Sector											30-Jun-17
	Construction RM000	Education, Health & Others RM000	Electricity, Gas & Water Supply RM000	Finance, Insurance, Real Estate & Business Activities RM000	Household RM000	Manufacturing RM000	Mining & Quarrying RM000	Others RM000	Primary Agriculture RM000	Transport, Storage & Communication RM000	Wholesale & Retail Trade & Restaurants & Hotels RM000	Total RM000
Sovereigns/Central Banks	-	-	-	4,503,677	-	-	-	-	-	-	-	4,503,677
Public Sector Entities	-	-	-	-	-	-	-	-	-	-	-	-
Banks, DFIs & MDBs	-	-	-	4,653,849	-	-	-	-	-	-	-	4,653,849
Insurance Companies, Securities Firms and Fund Managers	-	3,366	-	9,681	-	-	-	-	-	-	-	13,047
Corporates	121,064	200	79,852	388,455	6	1,139,415	21,394	107,372	676	557,884	226,493	2,642,811
Regulatory Retail	-	-	-	-	-	-	-	-	-	-	-	-
Residential Mortgages	-	-	-	-	14,436	-	-	-	-	-	-	14,436
Other Assets	-	-	-	340,078	-	-	-	-	-	-	-	340,078
Equity Exposure	-	-	-	1,631	-	-	-	-	-	-	-	1,631
Defaulted Exposures	-	-	-	-	2,060	-	-	-	-	-	-	2,060
Grand Total	121,064	3,566	79,852	9,897,371	16,502	1,139,415	21,394	107,372	676	557,884	226,493	12,171,589

2. Credit Risk (continued)

2.2 Distribution of exposures by sector or economic purpose, broken down by major types of gross credit exposures (continued)

Group and Bank
31 Dec 2016

Credit Exposure Category	Sector											31-Dec-16
	Construction RM000	Education, Health & Others RM000	Electricity, Gas & Water Supply RM000	Finance, Insurance, Real Estate & Business Activities RM000	Household RM000	Manufacturing RM000	Mining & Quarrying RM000	Others RM000	Primary Agriculture RM000	Transport, Storage & Communication RM000	Wholesale & Retail Trade & Restaurants & Hotels RM000	Total RM000
Sovereigns/Central Banks	-	-	-	4,170,749	-	-	-	-	-	-	-	4,170,749
Public Sector Entities	-	-	-	-	-	-	-	-	-	-	-	-
Banks, DFIs & MDBs	-	-	-	5,453,041	-	-	-	-	-	-	-	5,453,041
Insurance Companies, Securities Firms and Fund Managers	-	3,366	-	9,184	-	-	-	-	-	-	-	12,550
Corporates	108,495	500	91,484	668,151	15	1,032,250	22,860	157,270	7,974	320,938	207,450	2,617,387
Regulatory Retail	-	-	-	-	-	-	-	-	-	-	-	-
Residential Mortgages	-	-	-	-	15,417	-	-	-	-	-	-	15,417
Other Assets	-	-	-	278,928	-	-	-	-	-	-	-	278,928
Equity Exposure	-	-	-	1,631	-	-	-	-	-	-	-	1,631
Defaulted Exposures	-	-	-	-	2,456	-	-	-	-	-	-	2,456
Grand Total	108,495	3,866	91,484	10,581,684	17,888	1,032,250	22,860	157,270	7,974	320,938	207,450	12,552,159

2. Credit Risk (continued)

2.3 Residual contractual maturity breakdown by major types of gross credit exposures

Group and Bank
30 June 2017

Credit Exposure	Maturity			30-Jun-17
	Up to 1year	1-5 year	> 5 years	Total RM'000
Sovereigns/Central Banks	4,503,677	-	-	4,503,677
Public Sector Entities	-	-	-	-
Banks, DFIs & MDBs	3,210,511	1,061,031	382,307	4,653,849
Insurance Cos, Securities Firms & Fund Managers	5,916	3,765	3,366	13,047
Corporates	1,979,083	559,681	104,047	2,642,811
Regulatory Retail	-	-	-	-
Residential Mortgages	-	-	14,436	14,436
Other Assets	340,078	-	-	340,078
Equity Exposure	1,631	-	-	1,631
Defaulted Exposures	-	-	2,060	2,060
Grand Total	10,040,896	1,624,477	506,216	12,171,589

Group and Bank
31 Dec 2016

Credit Exposure	Maturity			31-Dec-16
	Up to 1year	1-5 year	> 5 years	Total RM'000
Sovereigns/Central Banks	4,170,749	-	-	4,170,749
Public Sector Entities	-	-	-	-
Banks, DFIs & MDBs	3,958,758	1,076,707	417,577	5,453,042
Insurance Cos, Securities Firms & Fund Managers	9,184	-	3,366	12,550
Corporates	2,217,691	342,554	57,141	2,617,386
Regulatory Retail	-	-	-	-
Residential Mortgages	-	-	15,417	15,417
Other Assets	278,928	-	-	278,928
Equity Exposure	1,631	-	-	1,631
Defaulted Exposures	-	-	2,456	2,456
Grand Total	10,636,941	1,419,261	495,957	12,552,159

2. Credit Risk (continued)

2.4 Impaired loans and impairment provisions by sector

Impaired loans, advances and financing analysed by economic purpose which are wholly incurred in Malaysia are as follows:

	Group and Bank	
	30 June 2017 RM'000	31 December 2016 RM'000
Household	2,234	2,634
	<u>2,234</u> =====	<u>2,634</u> =====

2.5 Reconciliation of loan impairment provisions

Movements in gross impaired loans, advances and financing which are all wholly incurred in Malaysia:

	Group and Bank	
	30 June 2017 RM'000	31 December 2016 RM'000
Balance at 1 January	2,634	2,982
Classified as impaired during the period/year	263	638
Reclassified as non-impaired during the period/year	(414)	(540)
Amount recovered	(249)	(446)
At 30 June 2017/31 December 2016	<u>2,234</u> =====	<u>2,634</u> =====
Gross impaired loans as a percentage of gross loans, advances and financing	0.13% =====	0.14% =====

2 Credit Risk (continued)

2.5 Reconciliation of loan impairment provisions (continued)

Movements in collective assessment allowance for impaired loans, advances and financing which are all wholly incurred in Malaysia:

	Group and Bank	
	30 June 2017 RM'000	31 December 2016 RM'000
<u>Collective Assessment Allowance</u>		
At 1 January	16,822	9,268
(Reversal) / Allowance made during the period/year	(2,930)	7,554
At 30 June 2017/31 December 2016	<u>13,892</u> =====	<u>16,822</u> =====

Movements in individual assessment allowance for impaired loans, advances and financing which are all wholly incurred in Malaysia:

	Group and Bank	
	30 June 2017 RM'000	31 December 2016 RM'000
<u>Individual Assessment Allowance</u>		
At 1 January	178	315
Allowance made during the period/year	7	126
Amount recovered	(12)	(263)
At 30 June 2017/31 December 2016	<u>173</u> =====	<u>178</u> =====

2 Credit Risk (continued)

2.6 Exposures under the Standardised approach

The following table set out analysis of risk weights under the Standardised approach for the Group and the Bank.

Group and Bank
30 June 2017

Risk Weights	Exposures after Netting & Credit Risk Mitigation												Total Exposures after Netting and Credit Risk Mitigation	Total Risk Weighted Assets
	Sovereigns and Central Banks	Public Sector Entities	Banks, DFIs and MDBs	Insurance Companies, Securities Firms and Fund Managers	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Specialised Financing / Investment	Securitisation	Equity Exposures		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
0%	3,928,470	-	-	-	-	-	-	-	2,629	-	-	-	3,931,099	-
20%	-	-	2,013,794	3,366	14,200	-	-	-	-	-	-	-	2,031,360	406,272
35%	-	-	-	-	-	-	14,436	-	-	-	-	-	14,436	5,053
50%	-	-	1,799,391	-	35,194	-	-	-	-	-	-	-	1,834,585	917,293
75%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	965	9,680	2,592,377	-	2,060	-	337,449	-	-	1,611	2,944,142	2,944,142
1250%	-	-	-	-	-	-	-	-	-	-	-	20	20	250
Total Exposures	3,928,470	-	3,814,150	13,046	2,641,771	-	16,496	-	340,078	-	-	1,631	10,755,642	4,273,010
Risk-Weighted Assets by Exposures	-	-	1,303,419	10,353	2,612,816	-	7,112	-	337,449	-	-	1,861	4,273,010	-
Average Risk Weight	0.0%	0.0%	34.2%	79.4%	98.9%	0.0%	43.1%	0.0%	99.2%	0.0%	0.0%	114.1%	39.7%	-
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-

2 Credit Risk (continued)

2.6 Exposures under the Standardised approach (continued)

The following table set out analysis of risk weights under the Standardised approach for the Group and the Bank.

Group and Bank
31 Dec 2016

Risk Weights	Exposures after Netting & Credit Risk Mitigation												Total Exposures after Netting and Credit Risk Mitigation	Total Risk Weighted Assets
	Sovereigns and Central Banks	Public Sector Entities	Banks, DFIs and MDBs	Insurance Companies, Securities Firms and Fund Managers	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Specialised Financing / Investment	Securitisation	Equity Exposures		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
0%	3,562,109	-	-	-	-	-	-	-	1,546	-	-	-	3,563,655	-
20%	-	-	1,620,920	3,366	14,200	-	-	-	-	-	-	-	1,638,486	327,697
35%	-	-	-	-	-	-	15,416	-	-	-	-	-	15,416	5,395
50%	-	-	2,818,180	-	35,327	-	-	-	-	-	-	-	2,853,507	1,426,753
75%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	431	9,184	2,566,684	-	2,456	-	277,382	-	-	1,611	2,857,748	2,857,750
1250%	-	-	-	-	-	-	-	-	-	-	-	20	20	250
Total Exposures	3,562,109	-	4,439,531	12,550	2,616,211	-	17,872	-	278,928	-	-	1,631	10,928,832	4,617,845
Risk-Weighted Assets by Exposures	-	-	1,733,705	9,857	2,587,188	-	7,852	-	277,382	-	-	1,861	4,617,845	
Average Risk Weight	0.0%	0.0%	39.1%	78.5%	98.9%	0.0%	43.9%	0.0%	99.4%	0.0%	0.0%	114.1%	42.3%	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-

2 Credit Risk (continued)

2.7 Credit Risk Mitigation

The following tables disclose the total exposure before the effect of Credit Risk Mitigation (“CRM”) and the exposures covered by guarantees, credit derivatives, and eligible financial collateral.

Group and Bank
30 June 2017

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees/Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
	RM'000	RM'000	RM'000	RM'000
Credit Risk				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	4,480,884	-	575,208	-
Public Sector Entities	-	-	-	-
Banks, Development Financial Institutions and Multilateral Development Banks	2,527,925	-	-	-
Insurance Companies, Securities Firms and Fund Managers	-	-	-	-
Corporates	1,123,090	468,518	-	-
Regulatory Retail	-	-	-	-
Residential Mortgages	14,436	-	-	-
Higher Risk Assets	-	-	-	-
Other Assets	340,078	-	-	-
Equity Exposure	1,631	-	-	-
Defaulted Exposures	2,060	-	-	-
Total On-Balance Sheet Exposures	8,490,104	468,518	575,208	-
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	2,556,942	-	839,698	-
Credit Derivatives	4,867	-	-	-
Direct Credit Substitutes	-	-	-	-
Transaction related contingent Items	357,422	-	1,041	-
Short Term Self Liquidating trade related contingencies	33,458	-	-	-
Other commitments, such as formal standby facilities and credit lines	728,796	-	-	-
Defaulted Exposures	-	-	-	-
Total for Off-Balance Sheet Exposures	3,681,485	-	840,739	-
Total On and Off- Balance Sheet Exposures	12,171,589	468,518	1,415,947	-

2 Credit Risk (continued)

2.7 Credit Risk Mitigation (continued)

Group and Bank
31 Dec 2016

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees/Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
Credit Risk	RM'000	RM'000	RM'000	RM'000
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	4,170,750	-	608,641	-
Public Sector Entities	-	-	-	-
Banks, Development Financial Institutions and Multilateral Development Banks	2,878,723	-	-	-
Insurance Companies, Securities Firms and Fund Managers	-	-	-	-
Corporates	1,106,678	401,557	-	-
Regulatory Retail	-	-	-	-
Residential Mortgages	15,416	-	-	-
Higher Risk Assets	-	-	-	-
Other Assets	278,928	-	-	-
Equity Exposure	1,631	-	-	-
Defaulted Exposures	2,456	-	-	-
Total On-Balance Sheet Exposures	8,454,582	401,557	608,641	-
<u>Off-Balance Sheet Exposures</u>				
OTC Derivatives	3,072,123	-	1,013,512	-
Credit Derivatives	29,757	-	-	-
Direct Credit Substitutes	-	-	-	-
Transaction related contingent Items	362,234	-	1,174	-
Short Term Self Liquidating trade related contingencies	55,966	-	-	-
Other commitments, such as formal standby facilities and credit lines	577,497	-	-	-
Defaulted Exposures	-	-	-	-
Total for Off-Balance Sheet Exposures	4,097,577	-	1,014,686	-
Total On and Off- Balance Sheet Exposures	12,552,159	401,557	1,623,327	-

2 Credit Risk (continued)

2.8 Off Balance Sheet Exposures and Counterparty Credit Risk

The following tables analyse the Group's and Bank's off-balance sheet and counterparty credit risk.

30-Jun-2017 Group and Bank	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
	RM'000	RM'000	RM'000	RM'000
Direct Credit Substitutes	-		-	-
Transaction related contingent Items	714,843		357,422	336,477
Short Term Self Liquidating trade related contingencies	167,289		33,458	29,869
Foreign exchange related contracts				
One year or less	11,029,400	45,515	200,839	174,310
Over one year to five years	1,020,778	3,228	63,328	63,328
Over five years	310,475	-	34,152	17,076
Interest/Profit rate related contracts				
One year or less	292,830	761	1,365	1,092
Over one year to five years	1,298,763	82,837	158,015	148,415
Over five years	602,709	5,364	50,628	47,934
Equity related contracts				
One year or less	-	-	-	-
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
Credit Derivative Contracts				
One year or less	-	-	-	-
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	95,178,357	1,451,785	2,053,482	369,078
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	515,739	-	257,869	257,869
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	2,354,636		470,927	459,567
Total	113,485,819	1,589,490	3,681,485	1,905,015

2 Credit Risk (continued)

2.8 Off Balance Sheet Exposures and Counterparty Credit Risk (continued)

31-Dec-2016		Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Assets
Group and Bank	Principal Amount			
	RM'000	RM'000	RM'000	RM'000
Direct Credit Substitutes	-		-	-
Transaction related contingent Items	724,468		362,234	335,371
Short Term Self Liquidating trade related contingencies	279,829		55,966	47,622
Foreign exchange related contracts				
One year or less	8,725,219	267,096	404,482	394,771
Over one year to five years	1,264,985	6,036	84,078	84,078
Over five years	310,475	-	34,152	17,076
Interest/Profit rate related contracts				
One year or less	247,678	39,654	83,038	83,038
Over one year to five years	1,187,649	7,753	31,645	18,541
Over five years	33,663	-	3,366	673
Equity related contracts				
One year or less	-	-	-	-
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
Credit Derivative Contracts				
One year or less	-	-	-	-
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	97,368,433	2,458,066	2,461,119	515,432
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	224,027		112,014	112,014
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	2,327,414		465,483	454,123
Total	112,693,840	2,778,605	4,097,577	2,062,739

3 Islamic Bank Operations

Islamic Banking Window - Risk Weighted Assets and Capital Requirements (30 June 2017)

RISK TYPE	Gross Exposures	Net Exposures	Risk-Weighted Assets	Risk-Weighted Assets Absorbed by PSIA	Total Risk-Weighted Assets after effects of PSIA	Minimum Capital Requirement at 8%*
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Credit Risk						
<u>On-Balance Sheet Exposures</u>						
Sovereigns/Central Banks	194,791	194,791	-	-	-	-
Public Sector Entities	-	-	-	-	-	-
Banks, Development Financial Institutions and Multilateral Development Banks	1,651	1,651	826	-	-	66
Insurance Companies, Securities Firms and Fund Managers	-	-	-	-	-	-
Corporates	-	-	-	-	-	-
Regulatory Retail	-	-	-	-	-	-
Residential Mortgages	-	-	-	-	-	-
Higher Risk Assets	-	-	-	-	-	-
Other Assets	4	4	4	-	-	-
Equity Exposure	-	-	-	-	-	-
Defaulted Exposures	-	-	-	-	-	-
Total On-Balance Sheet Exposures	196,446	196,446	830	-	-	66
<u>Off-Balance Sheet Exposures</u>						
OTC Derivatives	-	-	-	-	-	-
Credit Derivatives	-	-	-	-	-	-
Defaulted Exposures	-	-	-	-	-	-
Total for Off-Balance Sheet Exposures	-	-	-	-	-	-
Exposures	196,446	196,446	830	-	-	66
Large Exposures Risk Requirements	-	-	-	-	-	-
Market Risk (Standardised approach)	Long Position	Short Position				
Interest Rate Risk	-	-	-	-	-	-
Foreign Currency Risk	1,651	-	1,651	-	-	132
Options	-	-	-	-	-	-
			1,651	-	-	132
Operational Risk			2,220	-	-	178
Total RWA and capital requirements			4,701			376

* The minimum regulatory capital requirement before including capital conservation buffer and countercyclical capital buffer.

Under RWCAF, exposures to the Federal Government of Malaysia, Bank Negara Malaysia, overseas federal governments and central banks of their respective jurisdictions are accorded a preferential sovereign risk weight of 0%.

3 Islamic Bank Operations (continued)

Islamic Banking Window - Risk Weighted Assets and Capital Requirements (31 December 2016)

RISK TYPE	Gross Exposures	Net Exposures	Risk-Weighted Assets	Risk-Weighted Assets Absorbed by PSIA	Total Risk-Weighted Assets after effects of PSIA	Minimum Capital Requirement at 8%*
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Credit Risk						
<u>On-Balance Sheet Exposures</u>						
Sovereigns/Central Banks	65,793	65,793	-	-	-	-
Public Sector Entities	-	-	-	-	-	-
Banks, Development Financial Institutions and Multilateral Development Banks	1,377	1,377	689	-	-	55
Insurance Companies, Securities Firms and Fund Managers	-	-	-	-	-	-
Corporates	-	-	-	-	-	-
Regulatory Retail	-	-	-	-	-	-
Residential Mortgages	-	-	-	-	-	-
Higher Risk Assets	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-
Equity Exposure	-	-	-	-	-	-
Defaulted Exposures	-	-	-	-	-	-
Total On-Balance Sheet Exposures	67,170	67,170	689	-	-	55
<u>Off-Balance Sheet Exposures</u>						
OTC Derivatives	-	-	-	-	-	-
Credit Derivatives	-	-	-	-	-	-
Defaulted Exposures	-	-	-	-	-	-
Total for Off-Balance Sheet Exposures	-	-	-	-	-	-
Total On and Off- Balance Sheet Exposures	67,170	67,170	689	-	-	55
Large Exposures Risk Requirements	-	-	-	-	-	-
Market Risk (Standardised approach)	Long Position	Short Position				
Interest Rate Risk	-	-	-	-	-	-
Foreign Currency Risk	1,376	-	1,376	-	-	110
Options	-	-	-	-	-	-
			1,376	-	-	110
Operational Risk			1,866	-	-	149
Total RWA and capital requirements			3,931			314

* The minimum regulatory capital requirement before including capital conservation buffer and countercyclical capital buffer.

Under RWCAF, exposures to the Federal Government of Malaysia, Bank Negara Malaysia, overseas federal governments and central banks of their respective jurisdictions are accorded a preferential sovereign risk weight of 0%.

3 Islamic Bank Operations (continued)

Islamic Banking Window - Credit Risk - Risk Weights Under the Standardised Approach (30 June 2017)

Risk Weights	Exposures after Netting & Credit Risk Mitigation												Total Exposures after Netting and Credit Risk Mitigation	Total Risk Weighted Assets
	Sovereigns and Central Banks	Public Sector Entities	Banks, DFIs and MDBs	Insurance Companies, Securities Firms and Fund Managers	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Specialised Financing / Investment	Securitisation	Equity Exposures		
0%	RM'000 194,791	RM'000 -	RM'000 -	RM'000 -	RM'000 -	RM'000 -	RM'000 -	RM'000 -	RM'000 -	RM'000 -	RM'000 -	RM'000 -	RM'000 194,791	RM'000 -
20%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50%	-	-	1,651	-	-	-	-	-	-	-	-	-	1,651	826
75%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	-	-	4	-	-	-	4	4
150%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures	194,791	-	1,651	-	-	-	-	-	4	-	-	-	196,446	830
Risk-Weighted Assets by Exposures	0%	-	826	-	-	-	-	-	4	-	-	-	830	-
Average Risk Weight	-	-	50.0%	-	-	-	-	-	100.0%	-	-	-	0.4%	-
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-

3 Islamic Bank Operations (continued)

Islamic Banking Window - Credit Risk - Risk Weights Under the Standardised Approach (31 December 2016)

Risk Weights	Exposures after Netting & Credit Risk Mitigation												Total Exposures after Netting and Credit Risk Mitigation	Total Risk Weighted Assets	
	Sovereigns and Central Banks	Public Sector Entities	Banks, DFIs and MDBs	Insurance Companies, Securities Firms and Fund Managers	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Specialised Financing / Investment	Securitisation	Equity Exposures			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
0%	65,793	-	-	-	-	-	-	-	-	-	-	-	-	65,793	-
20%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
35%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
50%	-	-	1,377	-	-	-	-	-	-	-	-	-	-	1,377	689
75%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures	65,793	-	1,377	-	-	-	-	-	-	-	-	-	-	67,170	689
Risk-Weighted Assets by Exposures	0%	-	689	-	-	-	-	-	-	-	-	-	-	689	
Average Risk Weight	-	-	50.0%	-	-	-	-	-	-	-	-	-	-	1.0%	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-