

Company No. 918091-T

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2015

	Note	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
ASSETS			
Cash and short-term funds	2	1,031,159	926,344
Reverse repurchase agreements	3	98,819	18,985
Deposits and placements with banks and other financial institutions	4	-	-
Financial assets held-for-trading	5	502,337	869,468
Financial assets available-for-sale	6	897,238	651,873
Loans and advances	7	674,685	574,391
Derivative financial assets		595,909	455,939
Statutory deposits with Bank Negara Malaysia	8	946	-
Other assets	9	178,851	158,447
Property, plant and equipment	10	3,272	3,623
Intangible assets	11	2,600	2,600
Deferred tax assets		-	384
TOTAL ASSETS		3,985,816	3,662,054
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits from customers	12	1,830,161	1,442,276
Deposits and placements of banks and other financial institutions	13	1,174,180	1,286,291
Derivative financial liabilities		313,197	290,807
Other liabilities	14	50,596	22,794
Deferred tax liabilities		326	-
Tax liabilities		125	3,587
TOTAL LIABILITIES		3,368,585	3,045,755

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UNAUDITED STATEMENT OF FINANCIAL POSITION
AS OF 31 MARCH 2015 (CONTD.)

	Note	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Share capital	15	601,920	601,920
Accumulated losses		(18,131)	(16,739)
Reserves	16	33,442	31,118
SHAREHOLDER'S EQUITY		617,231	616,299
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		3,985,816	3,662,054
COMMITMENTS AND CONTINGENCIES	24	26,908,435	25,147,715

The accompanying notes form an integral part of the financial statements.

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BNP PARIBAS MALAYSIA BERHAD
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UNAUDITED INCOME STATEMENT
AS OF 31 MARCH 2015

	Note	Bank 31-Mar 2015 RM'000	Bank 31-Mar 2014 RM'000
Operating Revenue		26,165	31,270
Interest income	17	19,112	18,385
Interest expenses	18	(9,201)	(6,761)
Net interest income		9,911	11,624
Net income from Islamic banking business	25	156	46
Other operating income	19	7,053	12,885
Operating expenses	20	(17,030)	(12,506)
Write back/(Allowance made) for impairment on loans and advances	21	554	(128)
Allowance for doubtful debt on other receivables		-	-
Profit/(Loss) before tax		644	11,921
Taxation		(803)	(4,113)
Net profit/(loss) for the financial quarter		(159)	7,808

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UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
AS OF 31 MARCH 2015

	Note	Bank 31-Mar 2015 RM'000	Bank 31-Mar 2014 RM'000
Profit for the period		(159)	7,808
Other comprehensive income/(loss):			
Net income/(loss) on revaluation of financial assets available-for-sale		1,455	297
Income tax relating to component of other comprehensive income/(loss)		(364)	(74)
Other comprehensive income/(loss), net of tax		<u>1,091</u>	<u>223</u>
Total comprehensive income/(loss) for the quarter		<u>932</u>	<u>8,031</u>

The accompanying notes form an integral part of the financial statements.

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STATEMENT OF CHANGES IN EQUITY

BNP PARIBAS MALAYSIA BERHAD

(Incorporated in Malaysia)

CASH FLOW STATEMENT

AS OF 31 MARCH 2015

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Cash Flows from/(Used In) Operating Activities		
Profit/(Loss) before tax	644	48,099
Adjustments for:		
Depreciation of property, plant and equipment	410	1,641
Amortisation of intangible assets	-	34
Property, plant and equipment written-off	-	13
(Write back of allowance)/Allowance for impairment on loans and advances	(554)	(5,671)
Amortisation of premium less accretion of discount	-	-
(Gain)/loss from sale of securities available-for-sale	(4)	127
(Gain)/loss from sale of securities held-for-trading	(8,223)	(3,249)
Unrealised (gain)/loss on revaluation of securities held-for-trading	(1,797)	726
Unrealised foreign exchange (gain)/loss	(138,591)	14,989
Unrealised (gain)/loss on derivatives trading	26,019	14,558
Allowance for doubtful debt on other receivables		2,220
Operating profit before working capital changes	(122,096)	73,487

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CASH FLOW STATEMENT
AS OF 31 MARCH 2015 (CONTD.)

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
(Increase)/Decrease in:		
Financial assets held-for-trading	377,151	(807,680)
Financial assets available-for-sale	(243,906)	(101,067)
Reverse repurchase agreements	(79,834)	(18,985)
Loans, advances and financing	(99,740)	(176,699)
Statutory deposits with Bank Negara Malaysia	(946)	-
Other assets	(20,406)	(127,702)
Increase/(Decrease) in:		
Deposits from customers	387,885	423,067
Deposits and placements of banks and other financial institutions	(112,111)	231,906
Derivative financial assets/liabilities	(5,008)	(140,353)
Other liabilities	27,802	1,926
Cash (used in)/generated from operations	108,791	(642,100)
Income taxes paid	(3,917)	(7,502)
Net cash (used in)/from operating activities	<u>104,874</u>	<u>(649,602)</u>
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(311)	(1,290)
Reclassification of property, plant and equipment	252	
Purchase of intangible asset	-	-
Investment in associated company	-	-
Net cash (used in)/generated from investing activities	<u>(59)</u>	<u>(1,290)</u>

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CASH FLOW STATEMENT
AS OF 31 MARCH 2015 (CONTD.)

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Cash Flows from Financing Activities	-	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	104,815	(650,892)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>926,344</u>	<u>1,577,236</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>1,031,159</u>	<u>926,344</u>
Cash and cash equivalents comprise the following:		
Cash and short-term funds	1,031,159	926,344
Deposits and placements with banks and other financial institutions	-	-
	<u>1,031,159</u>	<u>926,344</u>
	-	-

The accompanying notes form an integral part of the financial statements.

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

The financial statement of the Bank have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), Bank Negara Malaysia Guidelines, International Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia.

2. CASH AND SHORT-TERM FUNDS

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
At Amortised Cost:		
Cash and balances with banks and other financial institutions	55,981	51,805
Money at call and deposit placements maturing within one month	975,178	874,539
	<u>1,031,159</u>	<u>926,344</u>

3. REVERSE REPURCHASE AGREEMENTS

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
At Fair Value:		
Government Securities:		
Malaysian Government Securities	98,819	18,985
	<u>98,819</u>	<u>18,985</u>

4. DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Licensed banks	-	-
Other financial institutions	-	-
	<u>-</u>	<u>-</u>

5. FINANCIAL ASSETS HELD-FOR-TRADING

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
At Fair Value:		
Government Securities:		
Government Investment Issues	-	10,025
Malaysian Government Securities	344,196	208,566
Bank Negara Malaysia Debt Securities	148,223	650,877
Treasury Bills	9,918	-
	<u>502,337</u>	<u>869,468</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

6. FINANCIAL ASSETS AVAILABLE-FOR-SALE

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
At Fair Value:		
Government securities:		
Malaysian Government Securities	112,272	304,065
Treasury Bills	42,957	28,961
Malaysian Government Investment Issues		-
Bank Negara Malaysia Debt Securities	439,194	178,440
Money market instrument:		
Negotiable Instruments of Deposit	302,815	140,407
	<u>897,238</u>	<u>651,873</u>

7. LOANS AND ADVANCES

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
At amortised cost:		
(i) By type		
Revolving credits	467,838	384,623
Overdraft	4,934	5,732
Term loan	46,403	38,078
Bridging loan	91,199	91,205
Trust Receipt	30,043	25,538
Other Trade Bills Discounted	9,408	11,625
Bills Discounting	25,129	17,889
	<u>674,954</u>	<u>574,690</u>
Less: Allowance for impaired loans and financing :		
- Collective assessment allowance	(269)	(299)
Net loans, advances and financing	<u>674,685</u>	<u>574,391</u>
(ii) By type of customer		
Domestic business enterprise	634,399	574,690
Banking institutions	40,555	-
	<u>674,954</u>	<u>574,690</u>
(iii) By interest rate sensitivity		
Variable rate		
Cost plus	<u>674,954</u>	<u>574,690</u>
(iv) By residual contractual maturity		
Maturity within one year	628,550	536,789
More than one year to five years	22,814	22,845
More than five years	23,590	15,056
	<u>674,954</u>	<u>574,690</u>
(v) By geographical distribution		
In Malaysia	674,219	574,690
In Vietnam	735	-
	<u>674,954</u>	<u>574,690</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

7. LOANS AND ADVANCES

(vi) **By Sector**

Manufacturing	352,935	296,275
Mining & Quarrying	140,000	140,014
Wholesale and retail	3,828	3,278
Construction	8,112	6,308
Financial services	40,555	-
Transport, Storage & Communication	94,508	93,803
Other business services	35,016	35,012
	<u>674,954</u>	<u>574,690</u>

(vii) **Movements in allowance for impaired loans and advances are as follows:**

The Bank has not identified any impaired loans for the current financial year.

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Collective Assessment Allowance		
Balance as at 1 January	299	5,970
Allowance made during the year	-	-
Write back made during the year	(30)	(5,671)
Balance as at 31 March	<u>269</u>	<u>299</u>
 Collective impairment (inclusive of regulatory reserve) as % of gross loans, advances and financing after deduction of individual assessment allowance	 <u>1.20%</u>	 <u>1.20%</u>

8. STATUTORY DEPOSITS WITH BANK NEGARA MALAYSIA

Statutory Deposits with Bank Negara Malaysia	<u>946</u>	<u>-</u>
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9. OTHER ASSETS

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Collateral assets	89,237	49,515
Other receivables, deposit and prepayments	91,834	111,152
Less: Allowance for doubtful debt on other receivables	(2,220)	(2,220)
	<u>178,851</u>	<u>158,447</u>

Movements of allowance for doubtful debt on other receivables are as follows:

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Individual impairment allowance		
Balance as at 1 January	2,220	-
Allowance made during the year	-	2,220
Balance as at 31 March	<u>2,220</u>	<u>2,220</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

10. PROPERTY, PLANT AND EQUIPMENT

11. INTANGIBLE ASSETS

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
<u>Computer Software:</u>		
Cost		
At 1 January	247	247
Additions	-	-
Write Off	-	-
At 31 March	<u>247</u>	<u>247</u>
Accumulated Amortisation		
At 1 January	247	213
Amortisation for the year	-	34
Write-off	-	-
At 31 March	<u>247</u>	<u>247</u>
Net Book Value	<u>-</u>	<u>-</u>
<u>Interbank Giro license fees</u>		
Cost		
At 1 January	2,600	2,600
Additions	-	-
Write Off	-	-
At 31 March	<u>2,600</u>	<u>2,600</u>
Accumulated Depreciation		
At 1 January	-	-
Amortisation for the year	-	-
Write-off	-	-
At 31 March	<u>-</u>	<u>-</u>
Net Book Value	<u>2,600</u>	<u>2,600</u>
Total Net Book Value	2,600	2,600

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NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

12. DEPOSITS FROM CUSTOMERS

Type	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
At amortised cost:		
Demand deposits	671,639	324,158
Fixed deposits	605,957	712,486
Collateral deposits	245,101	138,936
Structured deposits	258,155	260,510
Commodity Murabaha	49,309	6,186
	<u>1,830,161</u>	<u>1,442,276</u>
 (i) Maturity structure of fixed deposits is as follows:		
Due within six months	866,775	850,832
Six months to one year	291,747	6,776
More than one year		260,510
	<u>1,158,522</u>	<u>1,118,118</u>
 (ii) The deposits are sourced from the following types of customers:		
Business enterprises	1,242,863	985,705
Non-bank financial institutions	342,197	315,041
Licensed bank	245,101	138,936
Other financial institutions	-	2,594
	<u>1,830,161</u>	<u>1,442,276</u>

13. DEPOSITS AND PLACEMENTS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Licensed banks	370,401	286,591
Other financial institutions	803,779	999,700
	<u>1,174,180</u>	<u>1,286,291</u>

14. OTHER LIABILITIES

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Other payables	42,516	14,365
Accruals and charges	8,080	7,911
Other provision	-	518
	<u>50,596</u>	<u>22,794</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

15. SHARE CAPITAL

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Authorised:		
Ordinary shares of RM1 each	650,000	650,000
Issued and fully paid:		
Balance as at 31 March	601,920	601,920

16. RESERVES

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Non-distributable:		
Share premium	-	-
Statutory reserve	24,366	24,366
Regulatory reserve	7,830	6,597
Unrealised reserves	1,246	155
	33,442	31,118

17. INTEREST INCOME

	Bank 31-Mar 2015 RM'000	Bank 31-Mar 2014 RM'000
Loans, advances and financing	5,374	2,803
Money at call and deposit placements with financial institutions	7,838	11,759
Financial assets - Available-for-sale	7,587	4,320
Financial assets - Held-for-trading	(2,072)	(140)
Other interest income	500	111
	19,227	18,853
Amortisation of premium less accretion of discount	(115)	(468)
Total Interest Income	19,112	18,385
Of which:		
Interest income earned on impaired loans, advances and financing	-	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

18. INTEREST EXPENSE

	Bank 31-Mar 2015 RM'000	Bank 31-Mar 2014 RM'000
Deposits and placements from banks and other financial institutions	625	666
Deposits from customers	8,540	6,089
Other interest expense	36	6
	<u>9,201</u>	<u>6,761</u>

19. OTHER OPERATING INCOME

	Bank 31-Mar 2015 RM'000	Bank 31-Mar 2014 RM'000
Fee income:		
Commissions	134	38
Guarantee fees	217	122
Other fee income	861	3,992
	<u>1,212</u>	<u>4,152</u>
Net gain/(loss) arising from sale of securities:		
Financial assets held-for-trading	8,223	1,424
Financial assets available-for-sale	4	(176)
	<u>8,227</u>	<u>1,248</u>
Unrealised gain/(loss) on revaluation of securities:		
Financial assets held-for-trading	1,797	29
	<u>1,797</u>	<u>29</u>
Gross dividend income from:		
Securities available-for-sale	-	-
	<u>-</u>	<u>-</u>
Other income:		
Foreign exchange:		
- Realised gain/(loss)	(123,477)	18,942
- Unrealised gain/(loss)	138,591	(7,952)
Gain/(Loss) on derivatives trading		
- Realised gain/(loss)	1,444	10,903
- Unrealised gain/(loss)	(26,019)	(21,236)
Others	5,278	6,799
	<u>(4,183)</u>	<u>7,456</u>
	-	-
Total	<u>7,053</u>	<u>12,885</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

20. OTHER OPERATING EXPENSES

	Bank 31-Mar 2015 RM'000	Bank 31-Mar 2014 RM'000
Personnel costs (Note a)	8,001	7,021
Establishment costs (Note b)	3,207	2,165
Marketing expenses (Note c)	283	240
Administration and general expenses (Note d)	5,539	3,080
	<u>17,030</u>	<u>12,506</u>

(a) Personnel costs

Salaries, bonuses and allowances	5,465	5,219
Social security costs	-	-
EPF - defined contribution plan	832	652
Recruitment fees	-	148
Other staff related expenses	1,704	1,002
	<u>8,001</u>	<u>7,021</u>

(b) Establishment costs

Share of information technology costs	1,662	281
Depreciation of property, plant and equipment	409	413
Loss on sale of property, plant and equipment	-	-
Property, plant and equipment written-off	-	-
Amortization of intangible asset	-	20
Rental of premises	517	525
Others	619	926
	<u>3,207</u>	<u>2,165</u>

(c) Marketing Expenses

Advertising	25	23
Others	258	217
	<u>283</u>	<u>240</u>

(d) Administration and general expenses

Legal and professional fees	282	429
Communication & transportation	49	96
Others general expenses	5,208	2,555
	<u>5,539</u>	<u>3,080</u>

21. ALLOWANCE FOR IMPAIRMENT ON LOANS, ADVANCES AND FINANCING

	Bank 31-Mar 2015 RM'000	Bank 31-Mar 2014 RM'000
Allowance for impaired loans, advances and financing:		
Collective Assessment allowance:		
- Made in the financial year	8,310	128
- Written back in the financial year	(8,864)	-
	<u>(554)</u>	<u>128</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

22. CAPITAL ADEQUACY

The components of Tier I and Tier II capital are as follows:

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Tier-I capital		
Paid-up share capital	601,920	601,920
Share premium	-	-
Statutory reserves	24,366	24,366
Regulatory reserves	(7,830)	(6,597)
Accumulated losses	(16,898)	(10,142)
	<u>601,558</u>	<u>609,547</u>
Less :		
- Deferred tax assets	-	(384)
- 55% of cumulative gains of AFS financial instruments	(685)	(85)
- Other disclosed reserves	1,246	155
Total Tier-I capital	<u>602,119</u>	<u>609,233</u>
	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Tier-II Capital		
Collective assessment allowance	269	299
Regulatory reserve	7,830	6,597
Total Tier-II capital	<u>8,099</u>	<u>6,896</u>
Total capital	<u>610,218</u>	<u>616,129</u>
Capital Ratios		
Core capital ratio	26.972%	25.279%
Risk-weighted capital ratio	<u>27.335%</u>	<u>25.566%</u>

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

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Credit Risk	1,368,063	1,252,833
Market Risk	731,332	1,020,669
Operational Risk	132,994	136,492
Total risk-weighted assets	<u>2,232,389</u>	<u>2,409,994</u>

BNP PARIBAS MALAYSIA BERHAD
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1. PERFORMANCE REVIEW

For the quarter ended 31 March 2015, the Bank recorded a net loss after taxation of RM0.159 million. This was achieved on the back of net interest income of RM10.067 million, non-interest income of RM7.053 million plus the write back of allowances for losses on loans and advances of RM0.554 million. This was partially offset by the bank's operating expenses of RM17.030 million, resulting in the recording of pre-tax profit of RM0.644 million.

2. CURRENT YEAR PROSPECT

With the Malaysian economy projected to register a gross domestic product (“GDP”) growth of 5.0% to 5.5% in 2015, the Bank will remain focused on our commitments to our clients by providing specific solutions through the offering of our products and expertise, combined with superior client service.

Moving forward, Malaysia’s GDP is expected to remain on a steady growth path. Domestic demand is expected to remain favourable while investment is projected to remain resilient with broad-based capital spending by both the private and public sectors cushioning the lower oil and gas-related investment activity.

Private investment would remain vibrant and was expected to register double-digit growth supported by the ongoing implementation of the 10 Malaysia Plan, Economic Transformation Programme (“ETP”) and Government Transformation Programme. The ETP has generated significant investment since its launch in 2010.

On the supply side, most sectors are expected to expand with manufacturing and services remaining the drivers of growth, supported by sustained domestic economy activity, higher export oriented manufacturing activities and trade-related services. We are monitoring the evolution of the Oil & Gas sector.

On our business strategy for the coming year, the Bank will continue to grow client assets and continue to build and develop the local platform. The Bank will also maintain its strong risk and control culture, which are critical to set a strong foundation while embarking on our growth plans. We will continue to grow our client base as well as increasing intensity and deepening client relationships with our existing clients.

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STATEMENT OF CHANGES IN EQUITY
AS OF 31 MARCH 2015

Bank	←		Non-distributable		→		Total RM'000
	Share capital RM'000	Share premium RM'000	Statutory reserves RM'000	Regulatory reserves RM'000	Fair Value Reserves AFS Securities RM'000	Accumulated losses RM'000	
At 1 January 2015	601,920		24,366	6,597	155	(16,739)	616,299
Profit/(Loss) for the year						(159)	(159)
Regulatory reserve				1,233		(1,233)	-
Unrealised net gain/(loss) on revaluation of securities available-for-sale					1,507	-	1,507
Deferred tax					(416)	-	(416)
At 31 March 2015	601,920	-	24,366	7,830	1,246	(18,131)	617,231

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

Bank	←		Non-distributable		→		Total RM'000
	Share capital RM'000	Share premium RM'000	Statutory reserves RM'000	Regulatory reserves RM'000	Fair Value Reserves AFS Securities RM'000	Accumulated losses RM'000	
At 1 January 2014	601,920				29	(16,749)	585,200
Profit for the year						30,973	30,973
Transfer to statutory reserve			24,366			(24,366)	-
Transfer to regulatory reserve				6,597		(6,597)	-
Other comprehensive income					126		126
At 31 December 2014	601,920	-	24,366	6,597	155	(16,739)	616,299

The accompanying notes form an integral part of the financial statements.

10. PROPERTY, PLANT AND EQUIPMENT

Bank	Motor Vehicles RM'000	Office Equipment and Machinery RM'000	Renovation and Installation RM'000	Furniture, Fixtures and Fittings RM'000	Computer Equipment RM'000	Renovation work-in progress RM'000	Total RM'000
At 31 March 2015							
Cost							
At 1 January 2015	15	154	3,715	1,435	3,746	606	9,671
Additions		29	208	45	29		311
Disposals							-
Write-off	-						-
Reclassification						(252)	(252)
At 31 March 2015	15	183	3,923	1,480	3,775	354	9,730
Accumulated Depreciation							
At 1 January 2015	2	76	2,219	1,000	2,751		6,048
Charge for the year	1	9	159	73	168		410
Disposals							
Write-off							
At 31 March 2015	3	85	2,378	1,073	2,919	-	6,458
Net Book Value 31 March 2015	12	98	1,545	407	856	354	3,272

PROPERTY, PLANT AND EQUIPMENT (CONTD.)

Bank	Motor Vehicles RM'000	Office equipment RM'000	Renovation and installation RM'000	Furniture, fixtures and fittings RM'000	Computer Equipment and hardware RM'000	Renovation work-in progress RM'000	Total RM'000
2014							
Cost							
At 1 January 2014	-	102	3,531	1,372	3,415		8,420
Additions	15	52	184	102	331	606	1,290
Write-off	-	-	-	(39)	-		(39)
At 31 December 2014	15	154	3,715	1,435	3,746	606	9,671
2014							
Accumulated Depreciation							
At 1 January 2014	-	51	1,601	744	2,037	-	4,433
Charge for the year	2	25	618	282	714	-	1,641
Write-off	-	-		(26)	-		(26)
At 31 December 2014	2	76	2,219	1,000	2,751	-	6,048
Net Book Value 31 December 2014	13	78	1,496	435	995	606	3,623

23 INTEREST RATE RISK

The following table represents the Bank's carrying assets and liabilities at carrying amounts as at 31 March 2015

	Up to 1 month RM'000	1 - 3 months RM'000	3 - 12 months RM'000	Non-Trading Book 1 - 5 years RM'000	Over 5 years RM'000	Non-interest sensitive RM'000	Allowances RM'000	SPI-related items RM'000	Trading book RM'000	Non-interest sensitive RM'000	Total RM'000
Assets											
Cash and short-term funds	1,020,815							10,344			1,031,159
Reverse repurchase agreements	98,819										98,819
Deposits and placements with banks and other financial institutions	-										-
Financial assets held-for-trading			98,461	325,999	18,196			59,681			502,337
Financial assets available-for-sale	446,679	270,258	124,383	31,431				24,487			897,238
Loans, advances and financing	490,889	129,723	7,938	22,814	23,590						674,954
Derivatives Financial assets									595,909		595,909
Statutory deposits with Bank Negara Malaysia										946	946
Other assets								1,446		177,405	178,851
Total Assets	2,057,202	399,981	230,782	380,244	41,786	-	-	95,958	595,909	178,351	3,980,213
Liabilities											
Deposits from customers	1,367,691	80,863	307,383					74,224			1,830,161
Deposits and placements from banks and other financial institutions	762,796	296,322	115,062								1,174,180
Derivatives Financial Liabilities									313,197		313,197
Other liabilities								58		50,538	50,596
Total Liabilities	2,130,487	377,185	422,445	-	-	-	-	74,282	313,197	50,538	3,368,134
Net interest rate gap	(73,285)	22,796	(191,663)	380,244	41,786	-	-	21,676	282,712	127,813	612,079

23 INTEREST RATE RISK (CONTD)

The following table represents the Bank's carrying assets and liabilities at carrying amounts as at 31 December 2014

	Up to 1 month RM'000	1 - 3 months RM'000	3 - 12 months RM'000	Non-Trading Book		Non-interest sensitive RM'000	Allowances RM'000	SPI-related items RM'000	Trading book RM'000	Non-interest sensitive RM'000	Total RM'000
				1 - 5 years RM'000	Over 5 years RM'000						
Assets											
Cash and short-term funds	906,812	-	-	-	-	-	-	19,532	-	-	926,344
Reverse repurchase agreements	18,985	-	-	-	-	-	-	-	-	-	18,985
Deposits and placements with banks and other financial institutions	-	-	-	-	-	-	-	-	-	-	-
Financial assets held-for-trading	-	-	-	-	-	-	-	27,847	841,621	-	869,468
Financial assets available-for-sale	69,234	292,400	259,384	30,855	-	-	-	-	-	-	651,873
Loans, advances and financing	401,048	129,469	6,272	22,845	15,056	-	-	-	-	(299)	574,391
Derivative Financial assets	-	-	-	-	-	-	-	-	455,939	-	455,939
Statutory deposits with Bank Negara Malaysia	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	633	-	157,814	158,447
Total Assets	1,396,079	421,869	265,656	53,700	15,056	-	-	48,012	1,297,560	157,515	3,655,447
Liabilities											
Deposits from customers	1,047,950	48,090	59,309	260,510	-	-	-	26,417	-	-	1,442,276
Deposits and placements from banks and other financial institutions	-	-	-	-	-	-	-	-	-	-	-
Derivatives Financial Liabilities	1,177,846	-	108,445	-	-	-	-	-	-	-	1,286,291
Other liabilities	-	-	-	-	-	-	-	-	290,807	-	290,807
Total Liabilities	2,225,796	48,090	167,754	260,510	-	-	-	26,495	290,807	22,716	3,042,168
Net interest rate gap	(829,717)	373,779	97,902	(206,810)	15,056	-	-	21,517	1,006,753	134,799	613,279

24 COMMITMENTS AND CONTINGENCIES

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

The commitments and contingencies and their related counterparty credit risk of the Bank are as follows:

	31 March 2015		
	Principal amount RM'000	Credit equivalent amount * RM'000	Risk- weighted amount RM'000
<u>Commitments and Contingent Liabilities</u>			
Direct credit substitutes	161,307	161,307	142,405
Transaction-related contingent items			
Short-term self-liquidating trade-related contingencies	49,322	9,864	9,864
Other assets sold with recourse and commitments with certain drawdown			
Irrevocable commitments to extend credit:			
- maturity less than one year			
- maturity more than one year	6,500	3,250	3,250
Foreign exchange related contracts:			
- one year or less	10,229,867	501,266	206,184
- over one year to five years	2,068,753	319,495	216,260
- over five years			
Interest rate related contracts:			
- one year or less	4,473,213	14,744	3,962
- over one year to five years	7,903,300	221,180	56,450
- over five years	385,000	22,242	5,359
Credit Derivatives Contract			
- one year or less	257,126	12,856	2,571
- over one year to five years	1,374,047	93,528	19,808
- over five years			
	<u>26,908,435</u>	<u>1,359,732</u>	<u>666,113</u>

* The credit equivalent amount is arrived at using the credit conversion factor as per Bank Negara Malaysia guidelines.

24 COMMITMENTS AND CONTINGENCIES (CONTD.)

	31 December 2014		
	Principal amount RM'000	Credit equivalent amount * RM'000	Risk- weighted amount RM'000
<u>Commitments and Contingent Liabilities</u>			
Direct credit substitutes	163,612	163,612	143,853
Transaction-related contingent items			
Short-term self-liquidating trade-related contingencies	47,805	9,561	9,561
Other assets sold with recourse and commitments with certain drawdown	-	-	-
Irrevocable commitments to extend credit:			
- maturity less than one year			
- maturity more than one year	55,000	27,500	27,500
Foreign exchange related contracts:			
- one year or less	8,658,297	414,500	151,586
- over one year to five years	2,127,490	261,665	175,760
Interest rate related contracts:			
- one year or less	3,729,220	7,677	2,561
- over one year to five years	7,512,800	210,564	54,905
- over five years	390,000	23,438	5,688
Credit Derivatives Contract			
- one year or less	840,370	43,646	8,729
- over one year to five years	1,623,121	102,308	21,554
	<u>25,147,715</u>	<u>1,264,471</u>	<u>601,697</u>

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

25. Islamic Banking Operations

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS OF 31 March 2015

	Note	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
ASSETS			
Cash and short-term funds	(a)	10,344	19,532
Financial assets held-for-trading	(b)	59,681	27,847
Financial assets available-for-sale	(c)	24,487	-
Other assets	(d)	1,446	633
Property, plant and equipment	(e)	13	8
Intangible assets	(f)	11	11
TOTAL ASSETS		95,982	48,031
LIABILITIES AND ISLAMIC BANKING FUNDS			
Deposits from customers	(g)	74,224	26,417
Other liabilities	(h)	81	78
Deferred tax liabilities		-	-
Total liabilities		74,305	26,495
Capital fund	(i)	24,350	24,350
Reserves	(j)	(2,673)	(2,814)
Islamic Banking Funds		21,677	21,536
TOTAL LIABILITIES AND ISLAMIC BANKING FUNDS		95,982	48,031

The accompanying notes form an integral part of the financial statements.

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

25. Islamic Banking Operations

UNAUDITED INCOME STATEMENT
AS OF 31 March 2015

	Bank	Bank
	31-Mar	31-Mar
	2015	2014
	RM'000	RM'000
	RM'000	
Total income derived from investment of Islamic banking funds and depositors' funds	275	129
Income derived from investment of Islamic banking funds and depositors' funds	-	
Profit expense to depositors	(119)	(83)
Net income derived from investment of Islamic Banking funds and depositors' funds	156	46
Other operating income	324	886
Other operating expenses	(340)	(495)
Profit/(Loss) for the financial quarter before zakat and taxation	140	437
Zakat	-	-
Income tax expense	-	-
Profit/(Loss) for the financial quarter after zakat and income tax	140	437
Other comprehensive income:		
Net income/(loss) on revaluation of financial assets available-for-sale	1	(12)
Income tax relating to component of other comprehensive income/(loss)	-	3
Other comprehensive income/(loss), net of tax	<u>1</u>	<u>(9)</u>
Total comprehensive profit/(loss) for the quarter	<u>141</u>	<u>428</u>

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

25. Islamic Banking Operations

NOTES TO THE FINANCIAL STATEMENTS

1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

(a) CASH AND SHORT-TERM FUNDS

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
At Amortised Cost		
Cash and balances with banks and other financial institutions	10,344	19,532

(b) FINANCIAL ASSETS HELD-FOR-TRADING

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
At Fair Value		
Government Securities:		
Treasury Bills	9,918	-
Bank Negara Malaysia Debt Securities	49,763	27,847
	<u>59,681</u>	<u>27,847</u>

(c) SECURITIES AVAILABLE-FOR-SALE

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
At Fair Value		
Government Securities:		
Malaysian Government Investment Issues	-	-
Bank Negara Malaysia Debt Securities	24,487	-
	<u>24,487</u>	<u>-</u>

(d) OTHER ASSETS

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Other receivables, deposit and prepayments	2,684	1,871
Less: Allowance for doubtful debt on other receivables	(1,238)	(1,238)
	<u>1,446</u>	<u>633</u>

Movements of allowance for doubtful debt on other receivables are as follows:

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Individual impairment allowance		
Balance as at 1 January	1,238	
Allowance made during the year	-	1,238
Balance as at 31 March	<u>1,238</u>	<u>1,238</u>

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

(e) **PROPERTY, PLANT AND EQUIPMENT**

(f) **INTANGIBLE ASSETS**

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
<u>Computer Software:</u>		
Cost		
At 1 January	34	31
Additions	-	3
Write Off	-	-
At 31 March	34	34
Accumulated Amortisation		
At 1 January	23	19
Amortisation for the year	-	4
Write-off	-	-
At 31 March	23	23
Net Book Value	11	11

(g) **DEPOSITS FROM CUSTOMERS**

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Type		
At Amortised Cost		
Non-Mudharabah Fund		
Demand deposits	24,915	20,231
Commodity Murabahah	49,309	6,186
	74,224	26,417

(i) maturity structure of deposit from customers is as follows:

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Due within six months	49,309	6,186

(ii) The deposits are sourced from the following types of customers:

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Business enterprise	2,652	944
Domestic non-bank financial institution	71,572	25,473
	74,224	26,417

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

(h) OTHER LIABILITIES

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Other liabilities	81	78

(i) ISLAMIC BANKING FUNDS

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Issued and fully paid: Balance as at 31 March	24,350	24,350

(j) RESERVES

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Unrealised reserves	1	-
Accumulated losses	(2,674)	(2,814)
	<u>(2,673)</u>	<u>(2,814)</u>

**(k) INCOME DERIVED FROM INVESTMENT OF ISLAMIC
BANKING FUNDS AND DEPOSITORS' FUNDS**

	Bank 31-Mar 2015 RM'000	Bank 31-Mar 2014 RM'000
Money at call and deposit placement with financial institutions	-	16
Financial assets held-for-trading	108	(46)
Financial assets available-for-sale	167	174
Amortisation of premium less accretion of discount	-	(15)
	<u>275</u>	<u>129</u>

(l) OTHER OPERATING INCOME

Fee income:		
Commissions	-	-
Other fee income	-	500
Net gain/(loss) arising from sale of securities:		
Financial assets held-for-trading	290	130
Unrealised gain/(loss) on revaluation of securities:		
Financial assets held-for-trading	10	-
Other income:		
Foreign exchange:		
- Realised gain/(loss)	-	-
- Unrealised gain/(loss)	-	22
Others	24	234
Total	<u>324</u>	<u>886</u>

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

(m) OTHER OPERATING EXPENSES

	Bank 31-Mar 2015 RM'000	Bank 31-Mar 2014 RM'000
Personnel costs (Note i)	133	324
Establishment costs (Note ii)	80	76
Marketing expenses (Note iii)	-	-
Administration and general expenses (Note iv)	127	95
	<u>340</u>	<u>495</u>
(i) Personnel Costs		
Salaries, bonuses and allowances	94	120
Social security costs		
EPF - defined contribution plan	11	17
Recruitment fees	-	148
Other staff related expenses	28	39
	<u>133</u>	<u>324</u>
(ii) Establishment costs		
Share of Group costs		
Share of information technology costs		
Depreciation of property, plant and equipment	2	2
Loss on sale of property, plant and equipment		
Property, plant and equipment written-off		
Amortization of intangible asset	-	3
Rental of premises	59	52
Others	19	19
	<u>80</u>	<u>76</u>
(iii) Marketing Expenses		
Advertising		
Others	-	-
	<u>-</u>	<u>-</u>
(iv) Administration and general expenses		
Legal and professional fees	85	-
Communication & transportation	-	-
Others general expenses	42	95
	<u>127</u>	<u>95</u>

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

n. CAPITAL ADEQUACY

The components of Tier I and Tier II capital are as follows:

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Tier-I capital		
Capital fund	24,350	24,350
Accumulated losses	(2,814)	(2,814)
	<u>21,536</u>	<u>21,536</u>
Less :		
- Deferred tax assets	-	-
- 55% of cumulative gains of AFS financial instruments	-	-
- Other disclosed reserves	-	-
- Current unaudited loss	-	-
Total Tier-I capital	<u>21,536</u>	<u>21,536</u>
Tier-II Capital		
Collective assessment allowance	-	-
Total Tier-II capital	<u>-</u>	<u>-</u>
Capital base	<u>21,536</u>	<u>21,536</u>
Capital Ratios		
Core capital ratio	290.909%	405.574%
Risk-weighted capital ratio	<u>290.909%</u>	<u>405.574%</u>

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

	Bank 31-Mar 2015 RM'000	Bank 31-Dec 2014 RM'000
Credit Risk	2,684	1,871
Market Risk	1,889	888
Operational Risk	2,830	2,551
Total risk-weighted assets	<u>7,403</u>	<u>5,310</u>

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)
Islamic Banking Operations
STATEMENT OF CHANGES IN ISLAMIC BANKING FUNDS
AS OF 31 MARCH 2015

Bank	Non-distributable →			Distributable	Total RM'000
	Share capital RM'000	Statutory reserves RM'000	Fair Value Reserves AFS Securities RM'000	Retained earnings RM'000	
At 1 January 2015	24,350	-		(2,814)	21,536
Profit/(Loss) for the quarter				140	140
Unrealised net loss on revaluation of securities available-for-sale			1		1
Deferred tax					-
At 31 March 2015	24,350	-	1	(2,674)	21,677

Bank	Non-distributable →			Accumulated losses RM'000	Total RM'000
	Capital fund RM'000	Statutory reserve RM'000	Fair Value Reserves AFS Securities RM'000		
At 1 January 2014	24,350	-	18	(476)	23,892
Profit/(Loss) for the year	-	-	-	(2,338)	(2,338)
Realised gain transferred to statement of comprehensive income on disposal of available-for-sale			(18)		(18)
At 31 December 2014	24,350	-	-	(2,814)	21,536

e. PROPERTY, PLANT AND EQUIPMENT

Bank	Office Equipment and Machinery RM'000	Renovation and Installation RM'000	Furniture, Fixtures and Fittings RM'000	Computer Equipment RM'000	Total RM'000
At 31 March 2015					
Cost					
At 1 January 2015				22	22
Additions	6		1		7
Disposals					
Write-off					
At 31 March 2015	6		1	22	29
Accumulated Depreciation					
At 1 January 2015				14	14
Charge for the year				2	2
Disposals					
Write-off					
At 31 March 2015				16	16
Net Book Value 31 March 2015	6		1	6	13

e. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

Bank	Office Equipment and Machinery RM'000	Renovation and Installation RM'000	Furniture, Fixtures and Fittings RM'000	Computer Equipment RM'000	Total RM'000
At 31 December 2014					
Cost					
At 1 January 2014				22	22
Additions					
Disposals					
Write-off					
At 31 December 2014	-	-	-	22	22
Accumulated Depreciation					
At 1 January 2014				7	7
Charge for the year				7	7
Disposals					
Write-off					
At 31 December 2014	-	-	-	14	14
Net Book Value 31 Dec 2014	-	-	-	8	8