



CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
(Company No. 297089 M)
(Incorporated in Malaysia)

UNAUDITED CONDENSED FINANCIAL STATEMENTS
31 Mar 2013

Domiciled in Malaysia
Principal place of business :
Menara Citibank
165 Jalan Ampang
50450 Kuala Lumpur

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAR 2013

	Note	Group		Bank	
		Mar 2013 RM'000	Dec 2012 RM'000	Mar 2013 RM'000	Dec 2012 RM'000
ASSETS					
Cash and short term funds	1	12,768,620	10,293,235	12,768,600	10,293,215
Deposits and placements with banks and other financial institutions	2	1,157,517	296,775	1,157,517	296,775
Securities purchased under resale agreements		411,842	743,921	411,842	743,921
Financial assets held-for-trading	3	3,055,440	3,045,057	3,055,440	3,045,057
Financial investments available for-sale	4	2,309,232	3,399,436	2,309,232	3,399,436
Loans, advances and financing	5	18,831,353	19,276,194	18,831,353	19,276,194
Other assets	7	760,265	832,926	760,265	832,926
Statutory deposits with Bank Negara Malaysia	8	416,530	438,840	416,530	438,840
Deferred tax assets		9,525	17,292	9,525	17,292
Investment in subsidiary companies		-	-	20	20
Plant and equipment		102,781	109,343	102,781	109,343
TOTAL ASSETS		39,823,104	38,453,019	39,823,104	38,453,019
LIABILITIES					
Deposits from customers	9	29,216,567	28,932,489	29,216,567	28,932,489
Deposits and placements of banks and other financial institutions	10	3,985,079	2,855,220	3,985,079	2,855,220
Bills and acceptances payable		48,807	133,076	48,807	133,076
Other liabilities	11	2,178,009	2,246,414	2,178,009	2,246,414
TOTAL LIABILITIES		35,428,462	34,167,199	35,428,462	34,167,199
EQUITY					
Share capital	12	121,697	121,697	121,697	121,697
Reserves	13	4,272,945	4,164,123	4,272,945	4,164,123
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDER OF THE BANK		4,394,642	4,285,820	4,394,642	4,285,820
TOTAL LIABILITIES AND EQUITY		39,823,104	38,453,019	39,823,104	38,453,019
OFF-BALANCE SHEET EXPOSURES	20	76,818,537	79,345,922	76,818,537	79,345,922

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2012 and the accompanying notes on page 5 to 44 attached to the unaudited condensed interim financial statements.

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD THREE MONTHS ENDED 31 MAR 2013**

	Note	Group and Bank	
		Mar 2013 RM'000	Mar 2012 RM'000
Revenue		535,675	628,738
Interest income	14	386,239	423,036
Interest expense	15	(113,839)	(131,213)
Net interest income		<u>272,400</u>	<u>291,823</u>
Net income from Islamic banking operations		7,805	14,225
Other operating income	16	141,631	191,477
Total net income		<u>421,836</u>	<u>497,525</u>
Other operating expenses	17	(230,303)	(219,283)
Operating profit		<u>191,533</u>	<u>278,242</u>
Allowance/Provision for loans, advances and financing	18	(47,181)	(31,110)
Profit before taxation		<u>144,352</u>	<u>247,132</u>
Tax expense		(36,275)	(60,689)
Profit for the period		<u><u>108,077</u></u>	<u><u>186,443</u></u>
Other comprehensive (expense)/income, net of income tax			
Net loss on revaluation of financial investments available-for-sale		<u>745</u>	<u>(14,776)</u>
Other comprehensive (expense)/income for the period, net of income tax		<u>745</u>	<u>(14,776)</u>
Total comprehensive income for the period		<u><u>108,822</u></u>	<u><u>171,667</u></u>
Profit for the period attributable to:			
Equity holder of the Bank		<u><u>108,077</u></u>	<u><u>186,443</u></u>
Total comprehensive income attributable to:			
Equity holder of the Bank		<u><u>108,822</u></u>	<u><u>171,667</u></u>
Earnings per share - basic (sen)		<u><u>355</u></u>	<u><u>613</u></u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2012 and the accompanying notes on page 5 to 44 attached to the unaudited condensed interim financial statements.

CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
(Company No. 297089)
(Incorporated in Malaysia)

UNAUDITED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD THREE MONTHS ENDED 31 MAR 2013

Group and Bank	←----- Attributable to equity holder of the Bank -----→							Total RM'000
	<----- Non-Distributable ----->				Distributable		Total Reserves RM'000	
	Share Capital RM'000	Share Premium RM'000	Statutory Reserve RM'000	Fair value Reserve RM'000	Retained Profits RM'000			
At 1 January 2012	121,697	380,303	121,697	7,387	3,384,339	3,893,726	4,015,423	
Profit for the period	-	-	-	-	186,443	186,443	186,443	
Other comprehensive expense for the period	-	-	-	(14,776)	-	(14,776)	(14,776)	
Dividend paid	-	-	-	-	-	-	-	
At 31 March 2012	<u>121,697</u>	<u>380,303</u>	<u>121,697</u>	<u>(7,389)</u>	<u>3,570,782</u>	<u>4,065,393</u>	<u>4,187,090</u>	
At 1 January 2013	121,697	380,303	121,697	(823)	3,662,946	4,164,123	4,285,820	
Profit for the period	-	-	-	-	108,077	108,077	108,077	
Other comprehensive expense for the period	-	-	-	745	-	745	745	
Dividend paid	-	-	-	-	-	-	-	
At 31 March 2013	<u>121,697</u>	<u>380,303</u>	<u>121,697</u>	<u>(78)</u>	<u>3,771,023</u>	<u>4,272,945</u>	<u>4,394,642</u>	

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2012 and the accompanying notes on page 5 to 44 attached to the unaudited condensed interim financial statements.

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE
FINANCIAL PERIOD THREE MONTHS ENDED 31 MAR 2013**

	Group and Bank	
	Mar 2013 RM'000	Mar 2012 RM'000
Profit before taxation	144,352	247,132
Adjustments for non cash items	92,045	(15,206)
Operating profit before working capital changes	236,397	231,926
Changes in working capital :		
Net changes in operating assets	(59,017)	(2,405,186)
Net changes in operating liabilities	1,282,388	2,537,863
Income taxes paid	(57,400)	(45,666)
Net cash generated from operating activities	1,402,368	318,937
Net cash generated from/(used in) investing activities	1,073,017	1,365,693
Net cash used in financing activities	-	-
Net changes in cash and cash equivalents	2,475,385	1,684,630
Cash and cash equivalents at beginning of the year	10,293,215	11,968,420
Cash and cash equivalents at end of the period	12,768,600	13,653,050

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2012 and the accompanying notes on page 5 to 44 attached to the unaudited condensed interim financial statements.

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

- A** Explanatory Notes Pursuant to Revised Guidelines on Financial Reporting for Banking Institutions (BNM/RH/GL 001-31) Issued by Bank Negara Malaysia.

A1 Basis of preparation

The unaudited interim financial statements for the financial period three months ended 31 March 2013 have been prepared in accordance with the revised Guidelines on Financial Reporting issued by Bank Negara Malaysia ("BNM") on 21 February 2012.

The unaudited interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2012. The explanatory notes attached in the unaudited interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group and the Bank since the year ended 31 December 2012.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2012.

A2 Auditor's Report on preceeding Annual Financial Statement

The audit report on the audited financial statements for the financial year ended 31 December 2012 was not subject to any qualification.

A3 Seasonality or Cyclical factors

The business operations of the Bank are not subject to material seasonal or cyclical fluctuations.

A4 Unusual items due to their nature, size or incidence

There were no unusual item affecting assets, liabilities, equity, net income or cash flows of the Bank for the financial period three months ended 31 March 2013.

A5 Changes in estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the financial results and position of the Bank for the financial period three months ended 31 March 2013.

A6 Issuance and repayment of Debt and Equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period three months ended 31 March 2013.

A7 Dividend

The final ordinary dividends proposed in respect of the year ended 31 December 2012 of RM500 million is pending approval from BNM and therefore is not reflected in the interim financial statements.

A8 Significant events subsequent to the Balance Sheet date

There were no material events subsequent to the Balance Sheet date that require disclosure or adjustments to the unaudited condensed interim financial statements.

A9 Changes in the composition of the Group

There were no changes in the composition of the Group for the financial period three months ended 31 March 2013.

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

B Review of performance and current year prospects

B1 Performance Review

Citibank Berhad registered a pre-tax profit of RM144 million and revenue of RM536 million for three months ended 31 March 2013, a decrease of 42% or RM103 million in pre-tax profit year on year basis. The lower profit was mainly contributed by a decrease of 26% or RM50 million in other operating income arising from derivatives against the corresponding financial period in 2012. Other operating expense recorded an increase of 5% or RM11 million largely arising from increased processing cost. Net income from Islamic banking operation decreased by RM6 million due to reduction of gain from trading activities.

Total assets increased by 4% or RM1.4 billion to RM40 billion against 31 December 2012. Deposits and placements with banks and other financial institutions recorded an increase of RM0.8 billion, followed by an increase in cash and short term funds of 24% or RM2.5 billion. Total liabilities increased by 4% or RM1.3 billion mainly due to the increase in deposits and placements of banks and other financial institutions of 40% or RM1.1 billion.

B2 Prospects for 2013

There will likely be policy continuity to encourage investment, generate economic growth and create jobs, irrespective of the outcome of GE13. GDP is forecast to range between 5-6% based on resilient domestic demand and a gradually improving external sector in line with the global growth outlook. Firm labour market conditions, domestic income growth and investments generated through the Economic Transformation Programme will remain the key growth drivers. Infrastructure development will continue to bolster the country's economic growth.

Consumption will remain supported by government aid such as the BR1M handouts while inflation is likely to inch up to 2-3%. The minimum wage is expected to have a modest impact in a tight labour market. Monetary policy will continue to focus on managing upside risks to inflation, ensuring growth remains at sustainable levels and supporting a stable rate of 3%. We intend to continue being a responsible lender and take advantage of the growth opportunities in the banking sector.

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(1) Cash and short term funds

	Group	
	Mar 2013 RM'000	Dec 2012 RM'000
Cash and balances with banks and other financial institutions	73,302	88,995
Money at call and deposit placements maturing within one month	12,695,319	10,204,240
	12,768,620	10,293,235
	12,768,620	10,293,235

	Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Cash and balances with banks and other financial institutions	73,282	88,975
Money at call and deposit placements maturing within one month	12,695,319	10,204,240
	12,768,600	10,293,215
	12,768,600	10,293,215

(2) Deposits and placements with banks and other financial institutions

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Licensed banks	1,157,517	296,775
	1,157,517	296,775
	1,157,517	296,775

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(3) Financial assets held-for-trading

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
At fair value		
Malaysian Government Treasury Bills	113,943	103,053
Malaysian Government Securities	910,375	642,680
Malaysian Government Investment Issues	158,388	267,104
Bank Negara Malaysia Bills/Notes	1,872,735	2,032,220
	<hr/>	<hr/>
	3,055,440	3,045,057
	<hr/> <hr/>	<hr/> <hr/>

(4) Financial investment available-for-sale

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Malaysian Government Treasury Bills/ Securities	906,182	1,698,966
Bank Negara Malaysia Bills	442,207	788,073
Malaysian Government Investment Issues	953,343	904,898
Unquoted securities	7,499	7,499
	<hr/>	<hr/>
	2,309,232	3,399,436
	<hr/> <hr/>	<hr/> <hr/>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(5) Loans, advances and financing

(i) By type

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Overdrafts	437,608	408,205
Term loans/financing		
-Housing loans/financing	8,982,530	8,956,129
-Hire purchase receivables	808	808
-Lease receivables	570	570
-Other term loans/financing	1,325,425	1,350,200
Bills receivable	933,377	740,065
Trust receipts	6,163	13,100
Claims on customers under acceptance credits	793,678	922,132
Staff loans	90,711	91,719
Share margin financing	169,758	180,455
Credit cards receivables	5,847,680	6,093,593
Revolving credit	839,160	1,099,443
Other loans	-	6,578
	<u>19,427,468</u>	<u>19,862,997</u>
Unearned interest and income	(22,917)	(23,970)
Gross loans, advances and financing	<u>19,404,551</u>	<u>19,839,027</u>
Less:		
Allowance for impaired loans, advances and financing		
- Collective assessment allowance	(369,085)	(357,064)
- Individual assessment allowance	(204,114)	(205,769)
Net loans, advances and financing	<u><u>18,831,353</u></u>	<u><u>19,276,194</u></u>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(5) Loans, advances and financing (continued)

(ii) By interest/profit rate sensitivity

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Fixed rate		
Housing loans/financing	722,788	741,937
Hire purchase receivables	808	808
Other fixed rate loans/financing	8,919,128	9,181,998
Variable rate		
BLR plus	9,038,126	9,034,808
Cost plus	723,701	879,476
	19,404,551	19,839,027

(iii) By sector

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Primary agriculture	94,928	93,268
Mining & quarrying	36,993	32,050
Manufacturing (including agriculture based)	1,675,832	1,705,728
Electricity, gas, water	108,561	84,074
Construction	41,874	43,163
Wholesale, retail trade, restaurants and hotels	645,341	758,725
Transport, storage and communication	287,208	307,544
Finance, insurance, real estate and business services	572,153	639,076
Education, health and others	10,797	9,862
Household		
- consumption credit	6,445,430	6,689,390
- residential	8,760,026	8,751,212
- purchase of securities	170,239	180,455
- others	242,049	248,291
Other sectors	313,120	296,190
	19,404,551	19,839,027

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(5) Loans, advances and financing (continued)

(iv) Residual contractual maturity

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Maturing within one year	9,239,763	9,691,474
One to five years	740,595	739,269
Over five years	9,424,193	9,408,284
	19,404,551	19,839,027

(v) By geographical distribution

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Within Malaysia	19,404,551	19,839,027

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(6) Impaired loans, advances and financing

**(i) Movements in impaired loans, advances and financing
are as follows:**

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
At 1 January	481,854	518,800
Classified as impaired during the period/year	178,347	694,620
Reclassified as performing during the period/year	(99,441)	(361,861)
Amount recovered	(41,872)	(205,842)
Amount written off	(39,439)	(163,863)
At 31 March / 31 December	479,450	481,854
Individual assessment allowance	(204,114)	(205,769)
Net impaired loans, advances and financing	275,336	276,085
Ratio of net impaired loans and financing to gross loans and financing less individual assessment allowance	1.43%	1.41%

CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
(Company No. 297089 M)
(Incorporated in Malaysia)

(6) Impaired loans, advances and financing (continued)

(ii) Movements in the allowance for impaired loans, advances and financing are as follows:

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
<u>Collective assessment allowance</u>		
At 1 January	357,064	365,325
(Written back)/Allowance during the period/year, net	12,021	(8,261)
At 31 March / 31 December	369,085	357,064
As % of gross loans, advances and financing less individual assessment allowance	1.92%	1.82%
<u>Individual assessment allowance</u>		
At 1 January	205,769	219,436
Allowance made during the period/year	2,129	10,957
Written back during the period/year	(2,716)	(19,777)
Written off during the period/year	(1,068)	(4,847)
At 31 March / 31 December	204,114	205,769

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(6) Impaired loans, advances and financing (continued)

(iii) Impaired loans, advances and financing by sector

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Primary agriculture	7,679	7,689
Mining & quarrying	-	373
Manufacturing (including agriculture based)	33,563	33,651
Construction	13,432	13,492
Wholesale, retail trade, restaurants and hotels	16,318	16,300
Transport, storage and communication	68	71
Finance, insurance, real estate and business services	7,540	7,556
Household		
- consumption credit	125,238	117,880
- residential	255,484	264,529
- purchase of securities	19,687	19,831
Other sectors	441	482
	<hr/>	<hr/>
	<u>479,450</u>	<u>481,854</u>

(iv) Impaired loans, advances and financing by geographical distribution

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Within Malaysia	<hr/>	<hr/>
	<u>479,450</u>	<u>481,854</u>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(7) Other assets

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Interest/Income receivables	37,154	42,295
Other debtors, deposits and prepayments	254,542	293,651
Derivative assets (Note 21)	416,103	472,092
Taxation	52,465	24,888
	<u>760,265</u>	<u>832,926</u>

(8) Statutory deposits with Bank Negara Malaysia

The non-interest bearing statutory deposits are maintained with Bank Negara Malaysia (“BNM”) in compliance with Section 37(1)(c) of the Central Bank of Malaysia Act 1958 (revised - 1994) to satisfy the Statutory Reserve Requirement (“SRR”), the amount of which is determined as a set percentage of total eligible liabilities.

Based on the revised SRR guideline issued by BNM, the SRR rate was revised to 4% effective on 16 July 2011 (16 May 2011: 3%).

(9) Deposits from customers

(i) By type of deposit

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Demand deposits	12,544,228	11,908,032
Saving deposits	778,314	762,393
Fixed deposits	8,850,216	9,791,266
Other deposits	6,878,260	6,289,233
Negotiable instruments of deposit	143,772	144,403
Others - cash collateral	21,777	37,162
	<u>29,216,567</u>	<u>28,932,489</u>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(9) Deposits from customers (continued)

(ii) By type of customers

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Government and statutory bodies	451,536	281,570
Business enterprises	16,893,760	15,755,296
Individuals	9,426,803	9,810,329
Others	2,444,468	3,085,294
	29,216,567	28,932,489

**(iii) Maturity structure of fixed deposits, other deposits and negotiable instruments
of deposit are as follows:**

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Due within six months	12,348,621	12,652,604
Six months to one year	3,069,962	3,084,133
One year to three years	345,769	371,650
Three years to five years	107,896	116,515
	15,872,248	16,224,902

(10) Deposits and placements of banks and other financial institutions

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Licensed banks	3,837,172	2,746,513
Licensed finance companies	147,907	108,707
	3,985,079	2,855,220

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(11) Other liabilities

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Interest/Profit payables	50,649	52,883
Other creditors and accruals	1,657,959	1,664,584
Provision for retirement benefits	0	270
Profit Equalisation Reserve	0	0
Taxation	0	-
Derivatives liabilities (Note 21)	469,401	528,677
	<u>2,178,009</u>	<u>2,246,414</u>

(12) Share capital

	Group and Bank			
	Amount	Number of shares		Number of shares
	Mar 2013 RM'000	Mar 2013 '000	Dec 2012 RM'000	Dec 2012 '000
Ordinary shares of RM1 each				
Authorised	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Issued and fully paid	<u>121,697</u>	<u>121,697</u>	<u>121,697</u>	<u>121,697</u>

(13) Reserves

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Share premium	380,303	380,303
Statutory reserve	121,697	121,697
Fair value reserve	(78)	(823)
Retained profits	3,771,023	3,662,946
	<u>4,272,945</u>	<u>4,164,123</u>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(14) Interest income

	Group and Bank	
	Mar 2013 RM'000	Mar 2012 RM'000
Loans and advances		
- Interest income other than recoveries from impaired loans	286,390	294,534
- Recoveries from impaired loans	12,149	13,493
Money at call and deposit placements with financial institutions	34,216	53,227
Financial assets held-for-trading	14,128	8,952
Financial investments available-for-sale	16,974	23,626
Financial investments held-to maturity	-	-
Securities purchased under resale agreements	7,045	9,997
	<u>370,902</u>	<u>403,829</u>
Accretion of discounts	15,337	19,207
	<u><u>386,239</u></u>	<u><u>423,036</u></u>

(15) Interest expense

	Group and Bank	
	Mar 2013 RM'000	Mar 2012 RM'000
Deposits and placements of banks and other financial institutions	5,141	20,674
Deposits from customers	107,699	109,701
Others	999	838
	<u>113,839</u>	<u>131,213</u>
	<u><u>113,839</u></u>	<u><u>131,213</u></u>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(16) Other operating income

	Group and Bank	
	Mar 2013 RM'000	Mar 2012 RM'000
Fee income:		
Commission	39,178	36,471
Service charges and fees	3,456	3,892
Guarantee fees	1,534	1,743
Bankcard fees	40,862	48,631
Insurance premium and referral	7,552	6,358
Other fee income	15,103	11,376
	<u>107,684</u>	<u>108,471</u>
Trading income:		
Unrealised (loss)/gain from revaluation of financial assets held-for-trading	293	(1,864)
Net gain from sales of securities		
- Financial assets held-for-trading	2,411	1,973
- Financial investments available-for-sale	1,663	10,816
Gross dividends from unquoted securities	-	-
	<u>4,368</u>	<u>10,925</u>
Other income:		
Foreign exchange profit		
- unrealised gain	26,638	29,402
- realised gain	6,056	9,836
Gain/(loss) from derivatives	(3,114)	32,854
Loss on disposal of of plant and equipment	0	(11)
	<u>29,580</u>	<u>72,081</u>
Total other operating income	<u>141,631</u>	<u>191,477</u>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(17) Other operating expenses

	Group and Bank	
	Mar 2013 RM'000	Mar 2012 RM'000
Personnel costs		
-Salaries, allowances and bonuses	78,626	77,202
-Contribution to Employees Provident Fund	8,912	10,293
-Staff benefits and other compensations	13,227	14,106
-Others	2,774	1,148
	103,538	102,749
Establishment costs		
-Depreciation	9,268	6,661
-Rental of premises	5,577	6,179
-Hire of equipments	987	1,123
-Utilities	1,449	1,545
-Others	3,647	6,496
	20,929	22,004
Marketing expenses		
-Advertisement and promotional expenses	11,904	11,304
-Others	231	282
	12,135	11,586
Administration and general expenses		
-Processing cost	68,596	43,446
-Auditors' remuneration	167	478
-Stationeries and supplies	1,036	1,207
-Communication expenses	1,176	2,921
-Maintenance of office equipment	226	587
-Others	22,501	34,305
	93,702	82,944
Total other operating expenses	230,303	219,283

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(18) Allowance/provision for loans, advances and financing

	Group and Bank	
	Mar 2013 RM'000	Mar 2012 RM'000
Allowance/provision for loans, advances and financing :		
<u>Individual assessment</u>		
- made in the financial period	2,129	7,694
- written back	(2,716)	(3,619)
<u>Collective assessment</u>		
-written back in the financial period	12,021	(3,408)
<u>Impaired loans, advances and financing</u>		
- written back	(21,623)	(24,144)
- written off	57,371	54,587
	47,181	31,110

CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES

(Company No. 297089 M)
(Incorporated in Malaysia)

(19) Capital adequacy

(a) The capital adequacy ratios are as follows:

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Computation of Total Risk Weighted Assets ("RWA")		
Total credit RWA	22,182,939	20,634,205
Total market RWA	1,741,278	2,223,864
Total operational RWA	3,529,357	3,546,462
Total Risk Weighted Assets	27,453,573	26,404,531
Computation of Capital Ratios		
Common Equity Tier I ("CET I") Capital	4,277,040	N/A
Tier I Capital	4,277,040	4,269,626
Total Capital *	4,507,081	4,484,017
Before deducting proposed dividends:		
Common Equity Tier I ("CET I") capital ratio	15.58%	N/A
Tier I capital ratio	15.58%	16.17%
Total capital ratio	16.42%	16.98%
After deducting dividend payment / proposed dividends:		
Common Equity Tier I ("CET I") capital ratio	13.76%	N/A
Tier I capital ratio	13.76%	14.28%
Total capital ratio	14.60%	15.09%

* In arriving at the total capital used in the ratio calculations of the Bank, proposed dividends were not deducted for Mar 2013 and Dec 2012).

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

(b) The components of CET I, Tier I and Tier II Capital are as follows:

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
CET I Capital		
Paid up ordinary share capital	121,697	121,697
Share premium	380,303	380,303
Retained profits	3,662,946	3,662,946
Other reserves	121,619	121,697
Less: Deferred tax assets, net	(9,525)	(17,017)
Total CET I Capital	4,277,040	4,269,626
Innovative Tier I capital securities	-	-
Non-innovative Tier I stapled securities	-	-
Qualifying CET I and additional Tier I capital instruments held by third parties	-	-
Total Tier I Capital	4,277,040	4,269,626
Tier II Capital		
Collective impairment provisions and regulatory reserves*	230,041	214,411
Total Tier II Capital	230,041	214,411
Total Eligible Tier II	230,041	214,411
Less: Investment in subsidiary companies	-	(20)
Total Capital	4,507,081	4,484,017

* Excludes collective assessment allowance on impairment loans restricted from Tier II Capital by BNM of RM139.0 million (2012: RM142.7 million)

CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
(Company No. 297089 M)
(Incorporated in Malaysia)

(20) Off-balance sheet exposures

The off-balance sheet exposures and their related counterparty credit risk of the Group and the Bank are as follows:

Mar 2013			
Group and Bank	Principal amount	Credit equivalent amount	Risk weighted assets
Nature of item	RM'000	RM'000	RM'000
Direct credit substitutes	2,038,489	2,038,489	1,895,893
Transaction related contingent items	441,093	220,547	181,916
Short term self liquidating trade related contingencies	129,504	25,901	24,651
Forward asset purchases	277,764	277,764	57,595
Foreign exchange related contracts:			
One year or less	21,620,190	396,266	273,072
Over one year to five years	4,202,309	403,626	248,506
Over five years	-	-	-
Interest/Profit rate related contracts:			
One year or less	7,346,013	137,416	31,233
Over one year to five years	12,856,500	456,059	148,454
Over five years	934,543	77,723	33,729
Equity related contracts:			
One year or less	61,877	5,859	1,172
Over one year to five years	131,246	13,620	7,486
Over five years	-	-	-
Debt security contracts and other commodity contracts:			
One year or less	145,086	18,725	9,920
Over one year to five years	55,383	8,158	4,181
Over five years	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	699,486	139,897	139,897
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	1,170,331	585,165	427,764
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	4,977,884	-	-
Unutilised credit card lines	19,730,838	3,946,168	2,962,486
Total	76,818,537	8,751,383	6,447,956

CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
(Company No. 297089 M)
(Incorporated in Malaysia)

(20) Off-balance sheet exposures (continued)

The off-balance sheet exposures and their related counterparty credit risk of the Group and the Bank are as follows (continued):

December 2012			
Group and Bank	Principal	Credit	Risk
Nature of item	amount	equivalent	weighted
	RM'000	amount	assets
	RM'000	RM'000	RM'000
Direct credit substitutes	1,775,552	1,775,552	1,614,183
Transaction related contingent items	459,766	229,883	193,184
Short term self liquidating trade related contingencies	223,238	44,648	34,165
Forward asset purchases	233,379	233,379	168,747
Foreign exchange related contracts:			
One year or less	24,502,920	450,794	279,071
Over one year to five years	4,118,926	417,698	231,938
Over five years	91,650	19,022	19,022
Interest/Profit rate related contracts:			
One year or less	8,194,786	133,790	30,061
Over one year to five years	13,016,035	438,593	143,666
Over five years	1,276,778	123,369	51,781
Equity related contracts:			
One year or less	82,608	7,192	1,438
Over one year to five years	130,311	13,794	7,484
Over five years	-	-	-
Debt security contracts and other commodity contracts:			
One year or less	56,113	7,466	5,479
Over one year to five years	60,497	9,299	4,712
Over five years	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	568,688	113,738	113,738
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	1,074,639	537,320	399,334
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	4,861,934	-	-
Unutilised credit card lines	18,618,102	3,723,620	2,795,626
Total	79,345,922	8,279,157	6,093,629

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

(21) Derivative financial instruments

	----- 31 Mar 2013 -----			----- 31 Dec 2012 -----		
	Contract	Positive	Negative	Contract	Positive	Negative
	Amount	fair	fair	amount	fair	fair
	RM'000	value	value	RM'000	value	value
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Foreign exchange						
related contracts:						
- Forwards	37,271,672	80,840	105,921	43,496,302	68,211	98,562
- Cross currency interest rate swaps	5,346,941	128,967	132,967	5,946,434	176,445	175,376
- Options	3,440,336	9,906	5,651	2,093,720	5,099	5,021
Interest rate contracts:						
- Forwards	309,050	-	-	-	-	-
- Futures	1,215,000	-	-	1,445,000	-	-
- Swaps	21,689,958	185,300	204,887	22,806,028	212,748	231,305
- Options	446,764	72	1,163	454,262	45	1,308
Equity related contracts	193,123	5,267	5,267	212,919	5,604	5,604
Others	368,128	5,750	13,545	274,330	3,940	11,501
	70,280,973	416,103	469,401	76,728,995	472,092	528,677
		Note 7	Note 11		Note 7	Note 11

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MAR 2013

		Group and Bank	
		Mar	Dec
		2013	2012
		RM'000	RM'000
Assets			
Cash and short term funds	(a)	368,464	91,705
Financial assets held-for-trading	(b)	342,622	671,823
Financial investments available-for-sale	(c)	56,285	58,071
Financing, advances and other loans	(d)	384,953	397,083
Deferred tax assets		1,528	1,411
Other assets	(f)	9,089	9,249
		<hr/>	<hr/>
Total assets		1,162,940	1,229,342
		<hr/> <hr/>	<hr/> <hr/>
Liabilities			
Deposits from customers	(g)	833,364	907,552
Other liabilities	(h)	69,134	66,523
		<hr/>	<hr/>
Total liabilities		902,499	974,075
		<hr/> <hr/>	<hr/> <hr/>
Islamic banking funds	(i)	260,442	255,267
		<hr/>	<hr/>
Total liabilities and Islamic banking funds		1,162,940	1,229,342
		<hr/> <hr/>	<hr/> <hr/>
Off-balance sheet exposures	(q)	606,491	1,207,205
		<hr/> <hr/>	<hr/> <hr/>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2012 and the accompanying notes on page 29 to 44 attached to the unaudited condensed interim financial statements.

CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS
(Company No. 297089 M)
(Incorporated in Malaysia)

UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD THREE MONTHS ENDED 31 MAR 2013

		Group and Bank	
		Mar 2013 RM'000	Mar 2012 RM'000
Income derived from investments of depositors' funds and others	(j)	8,355	7,994
Provision for financing, advances and other loans	(k)	(182)	225
Total attributable income		8,173	8,219
Income attributable to depositors	(l)	<u>(1,576)</u>	<u>(1,642)</u>
Total attributable to the Bank		6,596	6,577
Income derived from investment of Islamic Banking Capital funds	(m)	<u>1,026</u>	<u>7,873</u>
Total net income		7,623	14,450
Other operating expenses	(o)	(761)	(776)
Profit before taxation		<u>6,861</u>	<u>13,674</u>
Tax expense		(1,715)	(3,015)
Profit for the period		<u><u>5,146</u></u>	<u><u>10,659</u></u>
Other comprehensive expense, net of income tax			
Net loss on revaluation of financial investments available-for-sale		<u>29</u>	<u>(301)</u>
Other comprehensive expense for the period, net of income tax		29	(301)
Total comprehensive income for the period		<u><u>5,175</u></u>	<u><u>10,358</u></u>
Profit for the period attributable to:			
Equity holder of the Bank		<u><u>5,146</u></u>	<u><u>10,659</u></u>
Total comprehensive income attributable to:			
Equity holder of the Bank		<u><u>5,175</u></u>	<u><u>10,358</u></u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2012 and the accompanying notes on page 29 to 44 attached to the unaudited condensed interim financial statements.

CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS
(Company No. 297089 M)
(Incorporated in Malaysia)

UNAUDITED STATEMENTS OF CHANGES IN ISLAMIC BANKING FUNDS
FOR THE FINANCIAL PERIOD THREE MONTHS ENDED 31 MAR 2013

	Group and Bank			
	Capital funds RM'000	Fair value reserve RM'000	Retained profits RM'000	Total RM'000
At 1 January 2012	20,000	542	203,039	223,581
Profit for the period	-	-	10,659	10,659
Other comprehensive expense for the period	-	(301)	-	(301)
At 31 March 2012	<u>20,000</u>	<u>241</u>	<u>213,698</u>	<u>233,939</u>
At 1 January 2013	20,000	169	235,098	255,267
Profit for the period	-	-	5,146	5,146
Other comprehensive expense for the period	-	29	-	29
At 31 March 2013	<u>20,000</u>	<u>198</u>	<u>240,244</u>	<u>260,442</u>

Note (i)

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31

December 2012 and the accompanying notes on page 29 to 44 attached to the unaudited condensed interim financial statements.

CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS
(Company No. 297089 M)
(Incorporated in Malaysia)

(a) Cash and short term funds

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Cash and balances with banks and other financial institutions	4,464	3,705
Money at call and deposit placements maturing within one month	364,000	88,000
	<u>368,464</u>	<u>91,705</u>

(b) Financial assets held-for-trading

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
At fair value		
Bank Negara Malaysia Islamic Bills	342,622	662,090
	<u>342,622</u>	<u>671,823</u>

(c) Financial investments available-for-sale

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
At fair value		
Malaysian Government Investment Issues	56,285	58,071
	<u>56,285</u>	<u>58,071</u>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

(d) Financing, advances and other loans

(i) By type

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Term financing		
- Housing loans/financing	405,548	418,414
- Hire purchase receivables	808	808
- Lease receivables	570	570
	<u>406,926</u>	<u>419,792</u>
Unearned income	(19,104)	(20,022)
	<u>387,822</u>	<u>399,770</u>
Gross financing, advances and other loans		
Less:		
Allowance for impaired loans, advances and financing		
- Collective assessment allowance	(712)	(543)
- Individual assessment allowance	(2,157)	(2,144)
	<u>384,953</u>	<u>397,083</u>
Total net financing, advances and other loans		

(ii) By contract

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Bai' Bithamin Ajil	27,761	30,669
Ijarah Muntahia Bittamilik	1,377	1,378
Diminishing Musharakah	358,684	367,723
	<u>387,822</u>	<u>399,770</u>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

(d) Financing, advances and other loans (continued)

(iii) By profit rate sensitivity

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Fixed rate		
- House loans/financing	386,445	398,392
- Hire purchase receivables	808	808
- Other fixed rate/financing	569	570
	<hr/>	<hr/>
	<u>387,822</u>	<u>399,770</u>

(iv) By sector

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Manufacturing (including agriculture based)	1,377	1,377
Transport, storage and communication	-	-
Household-residential	383,333	395,188
Other sectors	3,112	3,205
	<hr/>	<hr/>
	<u>387,822</u>	<u>399,770</u>

CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS

(Company No. 297089 M)

(Incorporated in Malaysia)

(e) Impaired financing, advances and other loans

(i) Movements in impaired financing, advances and other loans are as follows:

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
At 1 January	9,758	9,629
Classified as impaired during the period/year	200	2,354
Amount recovered	(701)	(2,225)
At 31 March / 31 December	9,257	9,758
Individual assessment allowance	(2,157)	(2,144)
Net impaired financing, advances and other loans	7,101	7,614
Ratio of net impaired financing, advances and other loans to total gross financing, advances and other loans	1.84%	1.91%

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

(e) Impaired financing, advances and other loans (continued)

(ii) Movements in the allowance for impaired financing, advances and other loans are as follows:

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
<u>Collective assessment allowance</u>		
At 1 January	543	6,764
Allowance made/(written back) during the period/year	169	(6,221)
At 31 March / 31 December	712	543
As % of gross financing, advances and other loans less individual assessment allowance	0.18%	0.14%
<u>Individual assessment allowance</u>		
At 1 January	2,144	2,119
Allowance made during the period/year	26	133
Allowance written back during the period/year	-	(91)
Amount written off	(12)	(17)
At 31 March / 31 December	2,157	2,144

(iii) Impaired financing, advances and other loans by sector are as follows:

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Manufacturing (including agriculture based)	1,377	1,377
Household - Residential	7,880	8,381
	9,257	9,758

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

(f) Other assets

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Profit receivables	452	876
Other debtors, deposits and prepayments	6,122	6,352
Revaluation gain on profit rate undertaking contracts (Note r)	2,515	2,021
	<hr/>	<hr/>
	<u>9,089</u>	<u>9,249</u>

(g) Deposits from customers

(i) By type of deposit

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Non-Mudharabah Fund		
Demand deposits	610,032	685,700
Saving deposits	55,793	53,787
Other deposits	61,143	60,294
Negotiable Instrument of Deposit	85,580	85,581
Mudharabah fund		
General investment deposits	20,817	22,190
	<hr/>	<hr/>
	<u>833,364</u>	<u>907,552</u>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

(g) Deposits from customers (continued)

(ii) By type of customers

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Government and statutory bodies	126,038	145,853
Business enterprises	324,892	191,370
Individuals	288,948	498,605
Others	93,486	71,724
	<hr/>	<hr/>
	833,364	907,552
	<hr/> <hr/>	<hr/> <hr/>

CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS
(Company No. 297089 M)
(Incorporated in Malaysia)

(h) Other liabilities

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Profit payable	61	65
Other creditors and accruals	65,044	62,880
Revaluation loss on profit rate undertaking contracts (Note r)	2,515	2,021
Taxation	1,514	1,557
	<hr/>	<hr/>
	<u>69,134</u>	<u>66,523</u>

(i) Islamic Banking Fund

	Group and Bank	
	Mar	Dec
	2013	2012
	RM'000	RM'000
Fund allocated	20,000	20,000
Fair value reserve	198	169
Retained earnings	240,244	235,098
	<hr/>	<hr/>
	<u>260,442</u>	<u>255,267</u>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

(j) Income derived from investment of depositors' funds and others

	Group and Bank	
	Mar 2013 RM'000	Mar 2012 RM'000
Income derived from investment of:		
(i) General investment deposits	7,348	6,919
(ii) Other deposits	1,007	1,075
	8,355	7,994
	8,355	7,994

(i) Income derived from investment of general investment deposits

	Group and Bank	
	Mar 2013 RM'000	Mar 2012 RM'000
Finance income and hibah		
Financing, advances and other loans	3,410	3,626
Money at call and placements with financial institutions	1,938	1,359
Income from financial investments available-for-sale	361	1,622
Income from financial assets held-for-trading	101	-
	5,810	6,607
Accretion of discount less amortisation of premium	1,532	291
Total finance income and hibah	7,342	6,898
Other operating income		
Fee income	6	21
	7,348	6,919
	7,348	6,919

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

(j) Income derived from investment of depositors' funds and others (continued)

(ii) Income derived from investment of other deposits

	Group and Bank	
	Mar 2013 RM'000	Mar 2012 RM'000
Finance income and hibah		
Financing, advances and other loans	467	564
Money at call and placements with financial institutions	266	211
Income from financial investments available-for-sale	49	252
Income from securities held-for-trading	14	-
	<u>796</u>	<u>1,027</u>
Accretion of discount less amortisation of premium	210	45
Total finance income and hibah	<u>1,006</u>	<u>1,072</u>
Other operating income		
Fee income	1	3
	<u>1,007</u>	<u>1,075</u>

(k) Provision for financing, advances and other loans

	Group and Bank	
	Mar 2013 RM'000	Mar 2012 RM'000
Provision for financing, advances and other loans:		
<u>Individual assessment allowance</u>		
- made in the financial period	26	16
- written back	(12)	(52)
<u>Collective assessment allowance</u>		
- reversal during the period	169	(189)
<u>Impaired financing, advances and other loans</u>		
- written back	-	-
	<u>182</u>	<u>(225)</u>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

(l) Income attributable to depositors

	Group and Bank	
	Mar	Mar
	2013	2012
	RM'000	RM'000
Deposits from customers		
- Mudharabah funds	816	906
- Non-Mudharabah funds	740	730
Deposits and placements of banks and other financial institutions		
- Non-Mudharabah funds	-	-
Others	20	6
	1,576	1,642

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

(m) Income/(expense) derived from investment of Islamic Banking Capital Funds

	Group and Bank	
	Mar 2013 RM'000	Mar 2012 RM'000
Financing, advances and other loans	758	1,172
Money at call and placements with financial institutions	431	439
Income from financial investments available-for-sale	80	524
Income from securities held-for-trading	23	-
	<u>1,291</u>	<u>2,135</u>
Accretion of discount less amortisation of premium	337	(5)
Total finance income and hibah	<u>1,628</u>	<u>2,130</u>
Other operating income/(expense)		
(Loss)/gain from financial assets held-for-trading	43	(28)
Gain from financial investments available-for-sale	-	1,044
Fee income	310	624
Gain/(loss) from trading activities	(1,079)	4,103
Insurance premium and referral	124	-
	<u>(602)</u>	<u>5,743</u>
Income from Islamic Banking Capital Funds	<u><u>1,026</u></u>	<u><u>7,873</u></u>

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

(n) Income from Islamic banking operations

For consolidation with the conventional operations, income from Islamic banking operations comprises the following:

		Group and Bank	
		Mar 2013 RM'000	Mar 2012 RM'000
Income derived from investment of depositors' funds and others	(j)	8,355	7,994
Income attributable to depositors	(l)	(1,576)	(1,642)
Income derived from investment of Islamic Banking Funds	(m)	1,026	7,873
		<hr/>	<hr/>
		<u>7,805</u>	<u>14,225</u>

(o) Other operating expenses

		Group and Bank	
		Mar 2013 RM'000	Mar 2012 RM'000
Personnel costs		43	88
Administrative and general expenses		718	688
		<hr/>	<hr/>
		<u>761</u>	<u>776</u>

CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS
(Company No. 297089 M)
(Incorporated in Malaysia)

(p) Capital adequacy

(i) The capital adequacy ratios are as follows:

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
Computation of Total Risk Weighted Assets ("RWA")		
Total credit RWA	152,936	189,349
Total market RWA	117,011	192,293
Total operational RWA	73,897	73,421
Total Risk Weighted Assets	343,844	455,063
Computation of Capital Ratios		
Common Equity Tier I ("CET I") Capital	253,659	N/A
Tier 1 Capital	253,659	253,585
Total Capital	253,877	253,805
Common Equity Tier I ("CET I") capital ratio	73.77%	N/A
Tier 1 capital ratio	73.77%	55.73%
Total capital ratio	73.84%	55.77%

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

(ii) The components of CET I, Tier I and Tier II Capital are as follows:

	Group and Bank	
	Mar 2013 RM'000	Dec 2012 RM'000
CET I Capital		
Fund allocated	20,000	20,000
Retained earnings	235,098	235,098
Other reserves	198	-
Less: Deferred tax assets, net	(1,528)	(1,513)
Less: 55% of cumulative gains of AFS financial instruments (other than financing and receivables)	(109)	-
Total CET I Capital	253,659	253,585
Innovative Tier 1 capital securities	-	-
Non-innovative Tier 1 stapled securities	-	-
Qualifying CET I and additional Tier I capital instruments held by third parties	-	-
Total Tier I Capital	253,659	253,585
Tier II Capital		
Collective impairment provisions and regulatory reserves*	218	220
Total Capital	253,877	253,805

* Excludes collective assessment allowance on impairment loans restricted from Tier II Capital by BNM of RM494,000 (2012: RM323,000)

**CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS**

(Company No. 297089 M)

(Incorporated in Malaysia)

(q) Off-balance sheet exposures

The off-balance sheet exposures and their related counterparty credit risk of the Group and the Bank are as follows:

Mar 2013 Group and Bank	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
Nature of item			
Interest/Profit rate related contracts:			
One year or less			
Over one year to five years	600,000	23,881	4,776
Over five years			
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	6,491	3,246	2,392
Total	<u>606,491</u>	<u>27,126</u>	<u>7,169</u>

December 2012 Group and Bank	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
Nature of item			
Interest/Profit rate related contracts:			
One year or less	100,000	100	104
Over one year to five years	500,000	19,854	12,971
Over five years	-	-	-
Debt security contracts and other commodity contracts			
One year or less	100,000	-	-
Over one year to five years	500,000	19,953	12,991
Over five years	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	7,205	3,603	2,613
Total	<u>1,207,205</u>	<u>43,510</u>	<u>28,679</u>

CITIBANK BERHAD
AND ITS SUBSIDIARY COMPANIES
ISLAMIC BANKING OPERATIONS
(Company No. 297089 M)
(Incorporated in Malaysia)

(r) Derivative financial instruments

	<----- 31 Mar 2013 ----->			<----- 31 Dec 2012 ----->		
	Contract	Positive	Negative	Contract	Positive	Negative
	Amount	fair	fair	amount	fair	fair
	RM'000	value	value	RM'000	value	value
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Others						
- Islamic profit rate undertaking	1,200,000	2,515	2,515	1,200,000	2,021	2,021
	1,200,000	2,515	2,515	1,200,000	2,021	2,021
		Note (f)	Note (h)		Note (f)	Note (h)