



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

**UNAUDITED CONDENSED FINANCIAL STATEMENTS**  
**30 SEP 2012**

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 30 SEP 2012**

	Note	Group		Bank	
		Sep 2012 RM'000	Dec 2011 RM'000	Sep 2012 RM'000	Dec 2011 RM'000
<b>ASSETS</b>					
Cash and short term funds	1	12,738,823	11,968,440	12,738,803	11,968,420
Deposits and placements with banks and other financial institutions	2	214,552	1,516,673	214,552	1,516,673
Securities purchased under resale agreements		778,430	1,218,993	778,430	1,218,993
Financial assets held-for-trading	3	2,492,866	2,336,849	2,492,866	2,336,849
Financial investments available for-sale	4	4,302,372	5,225,508	4,302,372	5,225,508
Loans, advances and financing	5	19,885,499	20,357,257	19,885,499	20,357,257
Other assets	7	1,543,327	1,306,012	1,543,327	1,306,012
Statutory deposits with Bank					
Negara Malaysia	8	468,990	398,080	468,990	398,080
Deferred tax assets		4,468	796	4,468	796
Investment in subsidiary companies		-	-	20	20
Plant and equipment		110,755	120,905	110,755	120,905
<b>TOTAL ASSETS</b>		<b>42,540,082</b>	<b>44,449,513</b>	<b>42,540,082</b>	<b>44,449,513</b>
<b>LIABILITIES</b>					
Deposits from customers	9	32,133,215	30,051,586	32,133,215	30,051,586
Deposits and placements of banks and other financial institutions	10	3,762,413	7,777,097	3,762,413	7,777,097
Bills and acceptances payable		40,333	63,761	40,333	63,761
Other liabilities	11	2,435,857	2,537,714	2,435,857	2,537,714
<b>TOTAL LIABILITIES</b>		<b>38,371,817</b>	<b>40,430,158</b>	<b>38,371,817</b>	<b>40,430,158</b>
<b>EQUITY</b>					
Share capital	12	121,697	121,697	121,697	121,697
Reserves	13	4,046,568	3,897,658	4,046,568	3,897,658
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDER OF THE BANK</b>		<b>4,168,265</b>	<b>4,019,355</b>	<b>4,168,265</b>	<b>4,019,355</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>42,540,082</b>	<b>44,449,513</b>	<b>42,540,082</b>	<b>44,449,513</b>
<b>OFF-BALANCE SHEET EXPOSURES</b>	20	<b>80,705,644</b>	<b>79,632,078</b>	<b>80,705,644</b>	<b>79,632,078</b>

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 2011 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 NINE MONTHS ENDED 30 SEP 2012**

	Note	Group and Bank	
		Sep 2012 RM'000	Sep 2011 RM'000
Revenue		1,816,737	1,738,270
Interest income	14	1,265,568	1,265,791
Interest expense	15	(404,071)	(379,177)
<b>Net interest income</b>		<u>861,497</u>	<u>886,615</u>
Net income from Islamic banking operations		28,854	12,524
Other operating income	16	522,314	459,955
Total net income		<u>1,412,666</u>	<u>1,359,093</u>
Other operating expenses	17	(682,214)	(635,771)
Operating profit		<u>730,452</u>	<u>723,322</u>
Allowance/Provision for loans, advances and financing	18	(95,640)	(102,416)
<b>Profit before taxation</b>		<u>634,813</u>	<u>620,906</u>
Tax expense		(172,288)	(108,448)
<b>Profit for the period</b>		<u><u>462,525</u></u>	<u><u>512,459</u></u>
<b>Other comprehensive (expense)/income, net of income tax</b>			
Net loss on revaluation of financial investments available-for-sale		<u>(13,615)</u>	<u>5,794</u>
<b>Other comprehensive (expense)/income for the period, net of income tax</b>		<u>(13,615)</u>	<u>5,794</u>
<b>Total comprehensive income for the period</b>		<u><u>448,910</u></u>	<u><u>518,252</u></u>
<b>Profit for the period attributable to:</b>			
Equity holder of the Bank		<u><u>462,525</u></u>	<u><u>512,459</u></u>
<b>Total comprehensive income attributable to:</b>			
Equity holder of the Bank		<u><u>448,910</u></u>	<u><u>518,252</u></u>
Earnings per share - basic (sen)		<u><u>507</u></u>	<u><u>561</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 2011 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 NINE MONTHS ENDED 30 SEP 2012**

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			
<b>At 1 January 2011</b>	121,697	380,303	121,697	(6,630)	2,998,408	3,493,778	3,615,475	
Profit for the period	-	-	-	-	512,459	512,459	512,459	
Other comprehensive expense for the period	-	-	-	5,794	-	5,794	5,794	
Dividend paid	-	-	-	-	(300,000)	(300,000)	(300,000)	
<b>At 30 September 2011</b>	<u>121,697</u>	<u>380,303</u>	<u>121,697</u>	<u>(836)</u>	<u>3,210,867</u>	<u>3,712,030</u>	<u>3,833,727</u>	
<b>At 1 January 2012</b>	121,697	380,303	121,697	7,387	3,388,271	3,897,658	4,019,355	
Profit for the period	-	-	-	-	462,525	462,525	462,525	
Other comprehensive expense for the period	-	-	-	(13,615)	-	(13,615)	(13,615)	
Dividend paid	-	-	-	-	(300,000)	(300,000)	(300,000)	
<b>At 30 September 2012</b>	<u>121,697</u>	<u>380,303</u>	<u>121,697</u>	<u>(6,228)</u>	<u>3,550,796</u>	<u>4,046,568</u>	<u>4,168,265</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 2011 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 NINE MONTHS ENDED 30 SEP 2012**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Sep 2011 RM'000</b>
Profit before taxation	634,813	620,906
Adjustments for non cash items	129,940	(50,393)
Operating profit before working capital changes	764,753	570,513
Changes in working capital :		
Net changes in operating assets	1,585,188	(3,130,375)
Net changes in operating liabilities	(2,094,609)	11,397,461
Income taxes paid	(136,019)	(162,633)
Net cash generated from operating activities	119,312	8,674,967
Net cash generated from/(used in) investing activities	951,071	(1,721,028)
Net cash used in financing activities	(300,000)	(300,000)
Net changes in cash and cash equivalents	770,383	6,653,939
Cash and cash equivalents at beginning of the year	11,968,420	10,481,013
Cash and cash equivalents at end of the period	12,738,803	17,134,952

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 2011 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 nine months ended 30 September 2012 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 2011. 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 2011.

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 2011.

**A2 Auditor's Report on preceeding Annual Financial Statement**

The audit report on the audited financial statements for the financial year ended 31 December 2011 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 nine months ended 30 September 2012.

**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 nine months ended 30 September 2012.

**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 nine months ended 30 September 2012.

**A7 Dividend**

The final ordinary dividends proposed in respect of the year ended 31 December 2011 of RM300 million was paid during the current financial period.

**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 nine months ended 30 September 2012.

**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 RM635 million and revenue of RM1,817 million for nine months ended 30 Sept 2012, an increase of 2% or RM14 million in pre-tax profit year on year basis. The higher profit was mainly contributed by an increase of 14% or RM62 million in other operating income arising from bankcard fees against the corresponding financial period in 2011. Other operating expense recorded an increase of 7% or RM46 million largely arising from increased processing cost. Net income from Islamic banking operation increased by RM16 million due to reduction of transfer to Profit Equalisation Reserve.

Total assets decrease by 4% or RM1.9 billion to RM43 billion against 31 December 2011. Deposits and placements with banks and other financial institutions recorded a drop of RM1.3 billion, followed by a decrease in financial investments available-for-sale of 18% or RM923 million. Cash and short term funds increased by RM700 million or 6%.

The decrease in deposits and placements of banks and other financial institutions of 52% or RM4 billion and an increase in deposits from customers by 7% or RM2.1 billion contributes to the overall decrease in total liabilities.

**B2 Prospects for 2012**

Budget 2013 announced in September sought to balance between continued fiscal consolidation and pre-election goodies. With fiscal transfers and investment uplift cushioning growth against export slowdown, monetary policy will be on an extended pause. The smaller 2012 and 2013 fiscal deficit targets are ambitious but realistic. Consumption indicators are holding steady, helped by a stable labor market. The investment boom has improved employment prospects and bolstering consumer sentiment. Available indicators suggest 3Q GDP is on track to moderate to about 5% YoY growth (2Q: 5.4%). YoY growth will likely bottom in either 4Q12 or 1Q13 in tandem with exports. While consumption could eventually moderate as the external slowdown hurts sentiment, investments should sustain double-digit growth rates well into 2013.

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(1) Cash and short term funds**

	<b>Group</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Cash and balances with banks and other financial institutions	62,143	61,830
Money at call and deposit placements maturing within one month	12,676,680	11,906,610
	12,738,823	11,968,440
	12,738,823	11,968,440

	<b>Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Cash and balances with banks and other financial institutions	62,123	61,810
Money at call and deposit placements maturing within one month	12,676,680	11,906,610
	12,738,803	11,968,420
	12,738,803	11,968,420

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

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Licensed banks	214,552	1,516,673
	214,552	1,516,673
	214,552	1,516,673



**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(3) Financial assets held-for-trading**

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>		
Malaysian Government Treasury Bills	72,656	101,468
Malaysian Government Securities	961,322	1,004,580
Malaysian Government Investment Issues	246,210	13,572
Bank Negara Malaysia Bills/Notes	1,212,679	1,217,229
	<hr/>	<hr/>
	<u>2,492,866</u>	<u>2,336,849</u>

**(4) Financial investment available-for-sale**

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Malaysian Government Treasury Bills/ Securities	2,167,043	3,368,908
Bank Negara Malaysia Bills	953,065	-
Malaysian Government Investment Issues	1,174,765	1,849,101
Unquoted securities	7,499	7,499
	<hr/>	<hr/>
	<u>4,302,372</u>	<u>5,225,508</u>

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(5) Loans, advances and financing**

**(i) By type**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Overdrafts	437,267	298,496
Term loans/financing		
-Housing loans/financing	8,944,328	9,192,709
-Hire purchase receivables	808	1,592
-Lease receivables	570	698
-Other term loans/financing	1,405,984	1,474,378
Bills receivable	971,461	954,240
Trust receipts	8,710	15,671
Claims on customers under acceptance credits	839,626	1,125,751
Staff loans	94,282	94,091
Share margin financing	186,703	182,814
Credit cards receivables	5,922,077	5,951,843
Revolving credit	1,668,794	1,676,429
Other loans	-	3,492
	20,480,610	20,972,204
Unearned interest and income	(25,730)	(30,186)
Gross loans, advances and financing	20,454,880	20,942,018
Less:		
Allowance for impaired loans, advances and financing		
- Collective assessment allowance	(362,978)	(365,325)
- Individual assessment allowance	(206,403)	(219,436)
Net loans, advances and financing	19,885,499	20,357,257

**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**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Fixed rate		
Housing loans/financing	759,940	823,612
Hire purchase receivables	808	1,592
Other fixed rate loans/financing	9,608,148	10,028,422
Variable rate		
BLR plus	9,022,172	9,229,388
Cost plus	1,063,812	859,004
	20,454,880	20,942,018

**(iii) By sector**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Primary agriculture	105,454	105,178
Mining & quarrying	27,993	18,991
Manufacturing (including agriculture based)	2,076,107	2,409,876
Electricity, gas, water	92,077	86,891
Construction	43,916	45,704
Wholesale, retail trade, restaurants and hotels	910,279	921,901
Transport, storage and communication	338,616	301,573
Finance, insurance, real estate and business services	777,397	800,246
Education, health and others	11,805	16,160
Household		
- consumption credit	6,518,731	6,501,532
- residential	8,751,196	9,001,842
- purchase of securities	186,703	182,813
- others	255,175	271,948
Other sectors	359,431	277,364
	20,454,880	20,942,018

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(5) Loans, advances and financing (continued)**

**(iv) Residual contractual maturity**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Maturing within one year	10,442,400	10,620,013
One to five years	608,530	714,320
Over five years	9,403,950	9,607,685
	20,454,880	20,942,018

**(v) By geographical distribution**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Within Malaysia	20,454,880	20,942,018

**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:**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
At 1 January	490,537	540,814
Classified as impaired during the period/year	540,475	727,676
Reclassified as performing during the period/year	(262,110)	(384,262)
Amount recovered	(167,430)	(231,379)
Amount written off	(122,830)	(162,312)
At 30 September / 31 December	478,641	490,537
Individual assessment allowance	(206,403)	(219,436)
Net impaired loans, advances and financing	272,238	271,101
Ratio of net impaired loans and financing to gross loans and financing less individual assessment allowance	1.34%	1.31%

**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:**

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<u>Collective assessment allowance</u>		
At 1 January	365,325	369,357
(Written back)/Allowance during the period/year, net	(2,347)	(4,032)
At 30 September / 31 December	362,978	365,325
As % of gross loans, advances and financing less individual assessment allowance	1.79%	1.76%
<u>Individual assessment allowance</u>		
At 1 January	219,435	229,542
Allowance made during the period/year	7,055	16,888
Written back during the period/year	(16,548)	(19,419)
Written off during the period/year	(3,539)	(7,576)
At 30 September / 31 December	206,403	219,435

**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**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Primary agriculture	7,698	7,328
Mining & quarrying	373	373
Manufacturing (including agriculture based)	29,248	32,041
Construction	14,041	14,934
Wholesale, retail trade, restaurants and hotels	16,320	18,082
Transport, storage and communication	75	84
Finance, insurance, real estate and business services	8,884	9,970
Household		
- consumption credit	114,164	86,539
- residential	267,179	299,025
- purchase of securities	20,155	20,475
Other sectors	504	1,686
	478,641	490,537
	478,641	490,537

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

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Within Malaysia	478,641	490,537
	478,641	490,537

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(7) Other assets**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Interest/Income receivables	59,682	66,174
Other debtors, deposits and prepayments	819,968	414,094
Derivative assets (Note 21)	663,677	820,647
Taxation	-	5,097
	1,543,327	1,306,012

**(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**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Demand deposits	12,382,239	10,026,162
Saving deposits	777,961	935,372
Fixed deposits	13,131,061	9,559,230
Other deposits	5,659,083	9,444,737
Negotiable instruments of deposit	150,654	75,917
Others - cash collateral	32,216	10,168
	32,133,215	30,051,586



**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(9) Deposits from customers (continued)**

**(ii) By type of customers**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Government and statutory bodies	344,854	177,664
Business enterprises	17,081,052	17,418,167
Individuals	11,932,915	9,795,376
Others	2,774,394	2,660,379
	32,133,215	30,051,586

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

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Due within six months	15,212,384	15,085,525
Six months to one year	3,205,948	3,395,429
One year to three years	203,571	372,522
Three years to five years	318,895	226,408
	18,940,798	19,079,884

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

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Licensed banks	3,644,206	7,777,097
Licensed finance companies	118,207	-
	3,762,413	7,777,097

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(11) Other liabilities**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Interest/Profit payables	81,382	81,090
Other creditors and accruals	1,635,487	1,673,582
Provision for retirement benefits	72	701
Profit Equalisation Reserve	12,391	12,391
Taxation	6,552	-
Derivatives liabilities (Note 21)	699,974	769,950
	<hr/>	<hr/>
	<u>2,435,857</u>	<u>2,537,714</u>

**(12) Share capital**

	<b>Group and Bank</b>			
	<b>Amount</b>	<b>Number of shares</b>		<b>Number of shares</b>
	<b>Sep 2012 RM'000</b>	<b>Sep 2012 '000</b>	<b>Dec 2011 RM'000</b>	<b>Dec 2011 '000</b>
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**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Share premium	380,303	380,303
Statutory reserve	121,697	121,697
Fair value reserve	(6,228)	7,387
Retained profits	3,550,796	3,388,271
	<hr/>	<hr/>
	<u>4,046,568</u>	<u>3,897,658</u>

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(14) Interest income**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Sep 2011 RM'000</b>
Loans and advances		
- Interest income other than recoveries from impaired loans	875,281	912,922
- Recoveries from impaired loans	40,447	33,698
Money at call and deposit placements with financial institutions	160,403	184,100
Financial assets held-for-trading	34,683	34,058
Financial investments available-for-sale	72,856	52,162
Financial investments held-to maturity	-	3,122
Securities purchased under resale agreements	23,988	21,898
	<u>1,207,658</u>	<u>1,241,959</u>
Accretion of discounts	57,910	23,833
	<u><u>1,265,568</u></u>	<u><u>1,265,791</u></u>

**(15) Interest expense**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Sep 2011 RM'000</b>
Deposits and placements of banks and other financial institutions	27,092	20,674
Deposits from customers	374,140	354,972
Others	2,839	3,531
	<u>404,071</u>	<u>379,177</u>

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(16) Other operating income**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Sep 2011 RM'000</b>
Fee income:		
Commission	108,609	112,504
Service charges and fees	11,460	2,457
Guarantee fees	4,841	4,945
Bankcard fees	173,202	117,519
Insurance premium and referral	20,455	14,346
Other fee income	34,916	29,898
	<u>353,483</u>	<u>281,670</u>
Trading income:		
Unrealised (loss)/gain from revaluation of financial assets held-for-trading	(2,947)	322
Net gain from sales of securities		
- Financial assets held-for-trading	5,510	24,270
- Financial investments available-for-sale	17,688	2,837
Gross dividends from unquoted securities	28	28
	<u>20,279</u>	<u>27,457</u>
Other income:		
Foreign exchange profit		
- unrealised gain	78,797	131,317
- realised gain	26,746	23,915
Gain/(loss) from derivatives	43,248	(4,198)
Loss on disposal of of plant and equipment	(240)	(206)
	<u>148,552</u>	<u>150,828</u>
Total other operating income	<u>522,314</u>	<u>459,955</u>

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(17) Other operating expenses**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Sep 2011 RM'000</b>
Personnel costs		
-Salaries, allowances and bonuses	248,588	237,634
-Contribution to Employees Provident Fund	31,238	28,272
-Staff benefits and other compensations	34,226	34,503
-Others	8,196	5,431
	<u>322,248</u>	<u>305,839</u>
Establishment costs		
-Depreciation	20,571	22,144
-Rental of premises	18,000	15,082
-Hire of equipments	3,113	2,460
-Utilities	4,724	4,912
-Others	19,824	16,508
	<u>66,232</u>	<u>61,106</u>
Marketing expenses		
-Advertisement and promotional expenses	37,717	31,845
-Others	1,071	1,073
	<u>38,788</u>	<u>32,918</u>
Administration and general expenses		
-Processing cost	174,532	146,145
-Auditors' remuneration	306	324
-Stationeries and supplies	3,538	5,361
-Communication expenses	5,161	12,262
-Maintenance of office equipment	3,139	3,365
-Others	68,267	68,450
	<u>254,945</u>	<u>235,907</u>
Total other operating expenses	<u><u>682,214</u></u>	<u><u>635,771</u></u>

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

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

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Sep 2011 RM'000</b>
Allowance/provision for loans, advances and financing :		
<u>Individual assessment</u>		
- made in the financial period	7,055	9,516
- written back	(16,548)	(11,531)
<u>Collective assessment</u>		
-written back in the financial period	(2,347)	(12,468)
<u>Impaired loans, advances and financing</u>		
- written back	(67,824)	(57,928)
- written off	175,304	174,827
	95,640	102,416

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(19) Capital adequacy**

(a) The capital adequacy ratios are as follows:

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Computation of Total Risk Weighted Assets ("RWA")</b>		
Total credit RWA	21,469,631	22,272,830
Total market RWA	2,019,463	2,019,640
Total operational RWA	3,543,783	3,525,964
<b>Total Risk Weighted Assets</b>	<b>27,032,877</b>	<b>27,818,434</b>
<b>Computation of Capital Ratios</b>		
Tier 1 Capital	3,709,576	4,008,709
Capital Base *	3,928,225	4,262,475
<b>Before deducting proposed dividends:</b>		
Core capital ratio		14.41%
Risk weighted capital ratio		15.32%
<b>After deducting dividend payment / proposed dividends:</b>		
Core capital ratio	13.72%	13.33%
Risk weighted capital ratio	14.53%	14.24%

\* In arriving at the capital base used in the ratio calculations of the Bank, payment of dividends were deducted for June 2012 (proposed dividends were not deducted for Dec 2011).

With effect from 1 January 2009, the capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia's revised Risk-Weighted Capital Adequacy Framework (RWCAF-Basel II). The Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk. The minimum regulatory capital adequacy requirement is 8% for the risk-weighted capital ratio.

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

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Tier I Capital</b>		
Paid up ordinary share capital	121,697	121,697
Share premium	380,303	380,303
Retained profits	3,088,271	3,388,271
Other reserves	121,697	121,697
Less: Deferred tax assets	(2,392)	(3,259)
<b>Total Tier I Capital (Core Capital)</b>	<b>3,709,576</b>	<b>4,008,709</b>
<b>Tier II Capital</b>		
Collective assessment allowance*	218,669	253,786
Maximum allowable subordinated debt capital	-	-
<b>Total Tier II Capital</b>	<b>218,669</b>	<b>253,786</b>
Total Eligible Tier II	218,669	253,786
Less: Investment in subsidiary companies	(20)	(20)
<b>Capital Base</b>	<b>3,928,225</b>	<b>4,262,475</b>

\* Excludes collective assessment allowance on impairment loans restricted from Tier II Capital by BNM of RM144.3 million (2011: RM111.5 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:

<b>Sep 2012</b>			
<b>Group and Bank</b>	<b>Principal</b>	<b>Credit</b>	<b>Risk</b>
<b>Nature of item</b>	<b>amount</b>	<b>equivalent</b>	<b>weighted</b>
	<b>RM'000</b>	<b>amount</b>	<b>assets</b>
		<b>RM'000</b>	<b>RM'000</b>
Direct credit substitutes	1,542,119	1,542,119	1,345,072
Transaction related contingent items	474,193	237,097	193,351
Short term self liquidating trade related contingencies	216,232	43,246	40,986
Forward asset purchases	151,373	151,373	1,090
Foreign exchange related contracts:			
One year or less	25,460,620	606,157	358,781
Over one year to five years	4,155,634	435,802	244,956
Over five years	122,390	23,798	20,109
Interest/Profit rate related contracts:			
One year or less	8,880,702	144,423	33,457
Over one year to five years	12,326,380	397,292	139,919
Over five years	1,625,797	162,419	67,927
Equity related contracts:			
One year or less	115,944	9,798	3,823
Over one year to five years	130,460	14,947	7,978
Over five years	-	-	-
Debt security contracts and other commodity contracts:			
One year or less	58,464	10,307	6,073
Over one year to five years	59,868	9,145	4,623
Over five years	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	623,574	124,715	124,715
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	1,030,447	515,223	387,256
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	5,489,711	-	-
Unutilised credit card lines	18,241,736	3,648,347	2,738,912
<b>Total</b>	<b>80,705,644</b>	<b>8,076,208</b>	<b>5,719,028</b>



**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):

<b>December 2011</b>			
<b>Group and Bank</b>	<b>Principal</b>	<b>Credit</b>	<b>Risk</b>
<b>Nature of item</b>	<b>amount</b>	<b>equivalent</b>	<b>weighted</b>
	<b>RM'000</b>	<b>amount</b>	<b>assets</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Direct credit substitutes	1,707,320	1,707,320	1,410,933
Transaction related contingent items	399,731	199,865	158,071
Short term self liquidating trade related contingencies	148,283	29,657	22,854
Forward asset purchases	12,220	12,220	6,110
Foreign exchange related contracts:			
One year or less	24,279,480	568,900	387,454
Over one year to five years	4,180,829	532,616	322,054
Over five years	91,650	18,855	18,855
Interest/Profit rate related contracts:			
One year or less	6,343,210	18,265	7,496
Over one year to five years	14,940,969	474,983	158,715
Over five years	2,342,535	248,393	110,993
Equity related contracts:			
One year or less	54,639	4,577	1,648
Over one year to five years	123,596	16,482	8,593
Over five years	-	-	-
Debt security contracts and other commodity contracts:			
One year or less	-	3,687	1,843
Over one year to five years	210,358	27,579	23,095
Over five years	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	990,462	198,092	198,092
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	598,618	299,309	227,000
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	5,376,095	-	-
Unutilised credit card lines	17,832,083	3,566,418	2,677,910
<b>Total</b>	<b>79,632,078</b>	<b>7,927,218</b>	<b>5,741,716</b>

**CITIBANK BERHAD  
AND ITS SUBSIDIARY COMPANIES**

(Company No. 297089 M)

(Incorporated in Malaysia)

**(21) Derivative financial instruments**

	:----- 30 Sep 2012 -----:			:----- 31 Dec 2011 -----:		
	<b>Contract Amount RM'000</b>	<b>Positive fair value RM'000</b>	<b>Negative fair value RM'000</b>	<b>Contract amount RM'000</b>	<b>Positive fair value RM'000</b>	<b>Negative fair value RM'000</b>
Foreign exchange related contracts:						
- Forwards	46,091,023	154,450	159,822	44,501,232	202,448	96,410
- Cross currency interest rate swaps	5,918,952	248,974	243,306	5,212,667	294,397	294,535
- Options	2,676,619	9,158	7,835	2,034,702	9,026	2,956
Interest rate contracts:						
- Futures	1,545,000	-	-	3,915,000	-	-
- Swaps	22,739,126	236,870	262,829	22,286,981	298,967	351,462
- Options	456,523	54	1,686	474,793	397	2,494
Equity related contracts	246,403	7,352	7,352	178,235	7,893	7,893
Others	584,638	6,819	17,144	785,672	7,519	14,200
	80,258,284	663,677	699,974	79,389,282	820,647	769,950
		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 30 SEP 2012**

		<b>Group and Bank</b>	
		<b>Sep</b>	<b>Dec</b>
		<b>2012</b>	<b>2011</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>			
Cash and short term funds	(a)	742,155	68,863
Financial assets held-for-trading	(b)	47,918	-
Financial investments available-for-sale	(c)	98,281	431,792
Financing, advances and other loans	(d)	403,773	444,160
Deferred tax assets		1,290	239
Other assets	(f)	12,946	15,593
		<hr/>	<hr/>
<b>Total assets</b>		<b>1,306,365</b>	<b>960,647</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities</b>			
Deposits from customers	(g)	936,780	649,448
Other liabilities	(h)	124,859	85,107
		<hr/>	<hr/>
<b>Total liabilities</b>		<b>1,061,639</b>	<b>734,555</b>
		<hr/> <hr/>	<hr/> <hr/>
Islamic banking funds	(i)	244,726	226,092
		<hr/>	<hr/>
<b>Total liabilities and Islamic banking funds</b>		<b>1,306,364</b>	<b>960,648</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>Off-balance sheet exposures</b>	(r)	<b>907,470</b>	<b>658,992</b>
		<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 2011 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 NINE MONTHS ENDED 30 SEP 2012**

		<b>Group and Bank</b>	
		<b>Sep 2012 RM'000</b>	<b>Sep 2011 RM'000</b>
Income derived from investments of depositors' funds and others	(j)	23,184	32,963
Provision for financing, advances and other loans	(k)	(761)	512
Transfer to Profit Equalisation Reserve	(l)	<u>-</u>	<u>(10,233)</u>
Total attributable income		22,423	23,243
Income attributable to depositors	(m)	<u>(7,634)</u>	<u>(10,919)</u>
Total attributable to the Bank		14,789	12,324
Income derived from investment of Islamic Banking Capital funds	(n)	<u>13,304</u>	<u>712</u>
Total net income		28,093	13,036
Other operating expenses	(p)	(2,160)	(2,138)
<b>Profit before taxation</b>		<u>25,933</u>	<u>10,898</u>
Tax expense		(7,066)	(2,517)
Profit for the period		<u><u>18,867</u></u>	<u><u>8,381</u></u>
<b>Other comprehensive expense, net of income tax</b>			
Net loss on revaluation of financial investments available-for-sale		<u>(233)</u>	<u>(156)</u>
<b>Other comprehensive expense for the period, net of income tax</b>		(233)	(156)
<b>Total comprehensive income for the period</b>		<u><u>18,634</u></u>	<u><u>8,225</u></u>
<b>Profit for the period attributable to:</b>			
Equity holder of the Bank		<u><u>18,867</u></u>	<u><u>8,381</u></u>
<b>Total comprehensive income attributable to:</b>			
Equity holder of the Bank		<u><u>18,634</u></u>	<u><u>8,225</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 2011 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 NINE MONTHS ENDED 30 SEP 2012**

	<b>Group and Bank</b>			
	<b>Capital funds RM'000</b>	<b>Fair value reserve RM'000</b>	<b>Retained profits RM'000</b>	<b>Total RM'000</b>
<b>At 1 January 2011</b>	20,000	(664)	184,714	204,050
Profit for the period	-	-	8,381	8,381
Other comprehensive expense for the period	-	(156)	-	(156)
<b>At 30 September 2011</b>	<u>20,000</u>	<u>(820)</u>	<u>193,095</u>	<u>212,275</u>
<b>At 1 January 2012</b>	20,000	542	205,550	226,092
Profit for the period	-	-	18,867	18,867
Other comprehensive expense for the period	-	(233)	-	(233)
<b>At 30 September 2012</b>	<u>20,000</u>	<u>309</u>	<u>224,417</u>	<u>244,726</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 2011 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**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Cash and balances with banks and other financial institutions	4,155	2,863
Money at call and deposit placements maturing within one month	738,000	66,000
	<u>742,155</u>	<u>68,863</u>

**(b) Financial assets held-for-trading**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
<b>At fair value</b>		
Bank Negara Malaysia Islamic Bills	47,918	-
	<u>47,918</u>	<u>-</u>

**(c) Financial investments available-for-sale**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
<b>At fair value</b>		
Malaysian Government Investment Issues	98,281	431,792
	<u>98,281</u>	<u>431,792</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**

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Term financing		
- Housing loans/financing	433,573	475,960
- Hire purchase receivables	808	1,592
- Lease receivables	570	631
	<u>434,951</u>	<u>478,183</u>
Unearned income	(21,544)	(25,140)
	<u>413,407</u>	<u>453,043</u>
Gross financing, advances and other loans		
Less:		
Allowance for impaired loans, advances and financing		
- Collective assessment allowance	(7,491)	(6,764)
- Individual assessment allowance	(2,142)	(2,119)
	<u>403,773</u>	<u>444,160</u>
Total net financing, advances and other loans		

**(ii) By contract**

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Bai' Bithamin Ajil	30,669	34,701
Ijarah Muntahia Bittamilik	1,378	2,223
Diminishing Musharakah	381,360	416,119
	<u>413,407</u>	<u>453,043</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**

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed rate		
- House loans/financing	412,029	450,820
- Hire purchase receivables	808	1,592
- Other fixed rate/financing	570	631
	<hr/>	<hr/>
	<u>413,407</u>	<u>453,043</u>

**(iv) By sector**

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Manufacturing (including agriculture based)	1,378	2,156
Transport, storage and communication	-	67
Household-residential	409,254	448,418
Other sectors	2,775	2,402
	<hr/>	<hr/>
	<u>413,407</u>	<u>453,043</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:**

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January	9,629	13,257
Classified as impaired during the period/year	1,449	57
Amount recovered	(2,025)	(3,685)
At 30 September / 31 December	9,054	9,629
Individual assessment allowance	(2,142)	(2,119)
Net impaired financing, advances and other loans	6,911	7,510
Ratio of net impaired financing, advances and other loans to total gross financing, advances and other loans	1.68%	1.67%

**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:**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
<u>Collective assessment allowance</u>		
At 1 January	6,764	7,626
Allowance made/(written back) during the period/year	728	(862)
At 30 September / 31 December	7,491	6,764
As % of gross financing, advances and other loans less individual assessment allowance	1.82%	1.50%
<u>Individual assessment allowance</u>		
At 1 January	2,119	2,084
Allowance made during the period/year	33	40
Amount written off	(10)	(5)
At 30 September / 31 December	2,142	2,119

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

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Manufacturing (including agriculture based)	1,378	1,380
Household - Residential	7,677	8,249
	9,055	9,629

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

(Company No. 297089 M)

(Incorporated in Malaysia)

**(f) Other assets**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
Profit receivables	943	4,440
Other debtors, deposits and prepayments	6,961	8,529
Revaluation gain on profit rate undertaking contracts (Note s)	5,042	2,624
	<hr/>	<hr/>
	<u>12,946</u>	<u>15,593</u>

**(g) Deposits from customers**

**(i) By type of deposit**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Dec 2011 RM'000</b>
<b>Non-Mudharabah Fund</b>		
Demand deposits	740,369	495,235
Saving deposits	57,052	69,912
Other deposits	46,487	48,247
Negotiable Instrument of Deposit	85,580	-
<b>Mudharabah fund</b>		
General investment deposits	7,292	36,054
	<hr/>	<hr/>
	<u>936,780</u>	<u>649,448</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**

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Government and statutory bodies	92,055	8,339
Business enterprises	462,371	208,987
Individuals	303,779	333,959
Others	78,575	98,163
	<hr/>	<hr/>
	<u>936,780</u>	<u>649,448</u>

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

**(h) Other liabilities**

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Profit payable	11,051	8,846
Other creditors and accruals	96,375	61,246
Profit Equalisation Reserve (Note 1)	12,391	12,391
Revaluation loss on profit rate undertaking contracts (Note s)	5,042	2,624
	<hr/>	<hr/>
	<u>124,859</u>	<u>85,107</u>

**(i) Islamic Banking Fund**

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Fund allocated	20,000	20,000
Fair value reserve	309	542
Retained earnings	224,417	205,550
	<hr/>	<hr/>
	<u>244,726</u>	<u>226,092</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**

	<b>Group and Bank</b>	
	<b>Sep 2012</b>	<b>Sep 2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Income derived from investment of:		
(i) General investment deposits	20,155	31,189
(ii) Other deposits	3,030	1,775
	<hr/>	<hr/>
	<b>23,184</b>	<b>32,963</b>
	<hr/> <hr/>	<hr/> <hr/>

**(i) Income derived from investment of general investment deposits**

	<b>Group and Bank</b>	
	<b>Sep 2012</b>	<b>Sep 2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Finance income and hibah</b>		
Financing, advances and other loans	10,678	14,300
Money at call and placements with financial institutions	4,005	7,165
Income from financial investments available-for-sale	2,866	6,730
Income from financial assets held-for-trading	389	170
	<hr/>	<hr/>
	17,939	28,365
Accretion of discount less amortisation of premium	2,178	1,977
Total finance income and hibah	<hr/>	<hr/>
	20,117	30,342
	<hr/>	<hr/>
<b>Other operating income</b>		
Fee income	38	847
	<hr/>	<hr/>
Income from general investment deposits	<b>20,155</b>	<b>31,189</b>
	<hr/> <hr/>	<hr/> <hr/>

**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**

	<b>Group and Bank</b>	
	<b>Sep 2012</b>	<b>Sep 2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Finance income and hibah</b>		
Financing, advances and other loans	1,605	813
Money at call and placements with financial institutions	602	408
Income from financial investments available-for-sale	431	383
Income from securities held-for-trading	58	10
	<u>2,696</u>	<u>1,614</u>
Accretion of discount less amortisation of premium	327	113
Total finance income and hibah	<u>3,024</u>	<u>1,727</u>
<b>Other operating income</b>		
Fee income	6	48
	<u>3,030</u>	<u>1,775</u>

**(k) Provision for financing, advances and other loans**

	<b>Group and Bank</b>	
	<b>Sep 2012</b>	<b>Sep 2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Provision for financing, advances and other loans:		
<u>Individual assessment allowance</u>		
- made in the financial period	124	154
- written back	(91)	(52)
<u>Collective assessment allowance</u>		
- reversal during the period	728	(614)
<u>Impaired financing, advances and other loans</u>		
- written back	-	-
	<u>761</u>	<u>(512)</u>

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

(Company No. 297089 M)

(Incorporated in Malaysia)

**(l) Profit Equalisation Reserve**

The movement in Profit Equalisation Reserve is as follows:

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Sep 2011 RM'000</b>
At 1 January	12,391	9,187
Movement in the financial period	-	10,233
	<hr/>	<hr/>
At 30 September	<u>12,391</u>	<u>19,420</u>

**(m) Income attributable to depositors**

	<b>Group and Bank</b>	
	<b>Sep 2012 RM'000</b>	<b>Sep 2011 RM'000</b>
Deposits from customers		
- Mudharabah funds	5,387	8,804
- Non-Mudharabah funds	2,206	2,177
Deposits and placements of banks and other financial institutions		
- Non-Mudharabah funds	-	24
Others	40	(86)
	<hr/>	<hr/>
	<u>7,634</u>	<u>10,919</u>



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

(Company No. 297089 M)

(Incorporated in Malaysia)

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

	<b>Group and Bank</b>	
	<b>Sep 2012</b>	<b>Sep 2011</b>
	<b>RM'000</b>	<b>RM'000</b>
Financing, advances and other loans	3,243	1,749
Money at call and placements with financial institutions	1,216	876
Income from financial investments available-for-sale	870	823
Income from securities held-for-trading	118	21
	<u>5,447</u>	<u>3,469</u>
Accretion of discount less amortisation of premium	540	(31)
Total finance income and hibah	<u>5,987</u>	<u>3,438</u>
<b>Other operating income/(expense)</b>		
(Loss)/gain from financial assets held-for-trading	(674)	85
Gain from financial investments available-for-sale	1,044	945
Fee income	1,110	499
Gain/(loss) from trading activities	5,634	(4,255)
Insurance premium and referral	203	-
	<u>7,317</u>	<u>(2,726)</u>
	<u>13,304</u>	<u>712</u>
Income from Islamic Banking Capital Funds	<u>13,304</u>	<u>712</u>

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

(Company No. 297089 M)

(Incorporated in Malaysia)

**(o) Income from Islamic banking operations**

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

		<b>Group and Bank</b>	
		<b>Sep 2012 RM'000</b>	<b>Sep 2011 RM'000</b>
Income derived from investment of depositors' funds and others	(j)	23,184	32,963
Profit Equalisation Reserve	(l)	-	(10,233)
Income attributable to depositors	(m)	(7,634)	(10,919)
Income derived from investment of Islamic Banking Funds	(n)	13,304	712
		<hr/>	<hr/>
		<u>28,854</u>	<u>12,524</u>

**(p) Other operating expenses**

		<b>Group and Bank</b>	
		<b>Sep 2012 RM'000</b>	<b>Sep 2011 RM'000</b>
Personnel costs		121	193
Administrative and general expenses		2,040	1,945
		<hr/>	<hr/>
		<u>2,160</u>	<u>2,138</u>

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

(Company No. 297089 M)

(Incorporated in Malaysia)

**(q) Capital adequacy**

(i) The capital adequacy ratios are as follows:

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Computation of Total Risk Weighted Assets ("RWA")</b>		
Total credit RWA	180,483	199,050
Total market RWA	159,555	20,319
Total operational RWA	71,227	84,785
<b>Total Risk Weighted Assets</b>	<b>411,265</b>	<b>304,154</b>
<b>Computation of Capital Ratios</b>		
Tier 1 Capital	224,157	225,131
Capital Base	230,837	231,517
<b>Core capital ratio</b>	<b>54.50%</b>	<b>74.02%</b>
<b>Risk weighted capital ratio</b>	<b>56.13%</b>	<b>76.12%</b>

With effect from 1 January 2009, the capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia's revised Risk-Weighted Capital Adequacy Framework (RWCAF-Basel II). The Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk. The minimum regulatory capital adequacy requirement is 8% for the risk-weighted capital ratio.

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

	<b>Group and Bank</b>	
	<b>Sep</b>	<b>Dec</b>
	<b>2012</b>	<b>2011</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Tier I Capital</b>		
Fund allocated	20,000	20,000
Retained earnings	205,550	205,550
Less: Deferred tax assets	(1,393)	(419)
<b>Total Tier I Capital (Core Capital)</b>	<b>224,157</b>	<b>225,131</b>
<b>Tier II Capital</b>		
Collective assessment allowance*	6,680	6,386
<b>Capital Base</b>	<b>230,837</b>	<b>231,517</b>

\* Excludes collective assessment allowance on impairment loans restricted from Tier II Capital by BNM of RM811,000 (2011: RM378,000)

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

(Company No. 297089 M)

(Incorporated in Malaysia)

**(r) Off-balance sheet exposures**

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

<b>Sep 2012 Group and Bank</b>	<b>Principal amount RM'000</b>	<b>Credit equivalent amount RM'000</b>	<b>Risk weighted assets RM'000</b>
<b>Nature of item</b>			
Interest/Profit rate related contracts:			
One year or less	300,000	480	518
Over one year to five years	400,000	14,945	8,651
Over five years	200,000	12,457	7,395
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	7,470	3,735	2,767
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	-	-	-
<b>Total</b>	<b>907,470</b>	<b>31,617</b>	<b>19,331</b>

<b>December 2011 Group and Bank</b>	<b>Principal amount RM'000</b>	<b>Credit equivalent amount RM'000</b>	<b>Risk weighted assets RM'000</b>
<b>Nature of item</b>			
Interest/Profit rate related contracts:			
One year or less	-	-	-
Over one year to five years	350,000	9,000	4,200
Over five years	300,000	19,721	11,144
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	158	32	32
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	8,834	4,416	3,275
<b>Total</b>	<b>658,992</b>	<b>33,169</b>	<b>18,651</b>

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

**(s) Derivative financial instruments**

	<----- 30 Sep 2012 ----->			:----- 31 Dec 2011 ----->		
	<b>Contract</b>	<b>Positive</b>	<b>Negative</b>	<b>Contract</b>	<b>Positive</b>	<b>Negative</b>
	<b>Amount</b>	<b>fair</b>	<b>fair</b>	<b>amount</b>	<b>fair</b>	<b>fair</b>
	<b>RM'000</b>	<b>value</b>	<b>value</b>	<b>RM'000</b>	<b>value</b>	<b>value</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Others						
- Islamic profit rate undertaking	1,300,000	5,042	5,042	800,000	2,624	2,624
	1,300,000	5,042	5,042	800,000	2,624	2,624
		Note (f)	Note (h)		Note (f)	Note (h)