

AFFIN Islamic Bank Berhad

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS**UNAUDITED STATEMENTS OF FINANCIAL POSITION as at 30 June 2013**

	Economic Entity		The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
ASSETS				
Cash and short-term funds	3,123,786	4,076,266	3,123,786	4,076,266
Deposits and placements with banks and other financial institutions	175,298	250,086	175,298	250,086
Financial investments available-for-sale	1,692,796	1,979,812	1,692,796	1,979,812
Financial investments held-to-maturity	85,048	-	85,048	-
Financing, advances and other financing	5,453,418	5,143,356	5,453,418	5,143,356
Other assets	644	64,317	644	64,317
Amount due from jointly controlled entity	2,745	2,745	2,745	2,745
Deferred tax assets	460	-	460	-
Statutory deposits with Bank Negara Malaysia	211,000	201,500	211,000	201,500
Investment in jointly controlled entity	15	60	500	500
Investment in associate	150	-	150	-
Property and equipment	2,836	3,027	2,836	3,027
Intangible assets	2,059	2,458	2,059	2,458
TOTAL ASSETS	10,750,255	11,723,627	10,750,740	11,724,067
LIABILITIES AND EQUITY				
Deposits from customers	7,753,692	9,042,261	7,753,692	9,042,261
Deposits and placements of banks and other financial institutions	2,005,577	1,839,724	2,005,577	1,839,724
Other liabilities	109,805	23,521	109,805	23,521
Amount due to holding company	194,421	153,296	194,421	153,296
Provision for taxation	8,697	9,560	8,697	9,560
Deferred tax liabilities	-	266	-	266
TOTAL LIABILITIES	10,072,192	11,068,628	10,072,192	11,068,628
Share capital	360,000	360,000	360,000	360,000
Reserves	318,063	294,999	318,548	295,439
TOTAL EQUITY	678,063	654,999	678,548	655,439
TOTAL LIABILITIES AND EQUITY	10,750,255	11,723,627	10,750,740	11,724,067
COMMITMENTS AND CONTINGENCIES	1,467,650	1,569,943	1,467,650	1,569,943
Capital Adequacy				
CET1 capital ratio	13.934%	-	13.944%	-
Tier 1 capital ratio/Core capital ratio	13.934%	14.613%	13.944%	14.623%
Total capital ratio/Risk-weighted capital ratio	14.388%	15.146%	14.397%	15.156%

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INTERIM FINANCIAL STATEMENTS**UNAUDITED INCOME STATEMENTS** *for the financial quarter ended 30 June 2013*

	Individual Quarter Economic Entity		Cumulative Quarter Economic Entity	
	Current Financial Quarter 30/6/2013 RM'000	Preceding Year Corresponding Quarter 30/6/2012 RM'000	Current Financial Quarter 30/6/2013 RM'000	Preceding Year Corresponding Quarter 30/6/2012 RM'000
Income derived from investment of depositors' funds and others	103,167	116,803	207,762	228,344
Income derived from investment of shareholders' funds	7,458	5,567	14,729	10,409
Allowances for losses on financing	497	16,580	311	16,461
Total distributable income	111,122	138,950	222,802	255,214
Income attributable to the depositors	(62,882)	(76,275)	(126,910)	(147,801)
Total net income	48,240	62,675	95,892	107,413
Personnel expenses	(16,149)	(15,496)	(32,037)	(30,513)
Other overheads and expenditures	(9,093)	(8,785)	(18,321)	(17,783)
	22,998	38,394	45,534	59,117
Share of joint venture's results	(29)	(41)	(45)	(78)
Operating profit/ (loss)	22,969	38,353	45,489	59,039
Zakat	(8,583)	(6,064)	(8,583)	(6,064)
Profit before taxation	14,386	32,289	36,906	52,975
Taxation	(4,960)	(9,520)	(10,376)	(14,605)
Net profit after zakat and taxation	9,426	22,769	26,530	38,370
Attributable to:				
Equity holders of the Bank	9,426	22,769	26,530	38,370
Earnings per share (sen):				
- Basic/fully diluted	2.6	8.8	7.4	14.8

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INTERIM FINANCIAL STATEMENTS**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME***for the financial quarter ended 30 June 2013(continued)*

	Individual Quarter Economic Entity		Cumulative Quarter Economic Entity	
	Current Financial Quarter 30/6/2013 RM'000	Preceding Year Corresponding Quarter 30/6/2012 RM'000	Current Financial Quarter 30/6/2013 RM'000	Preceding Year Corresponding Quarter 30/6/2012 RM'000
Profit after zakat and taxation	9,426	22,769	26,530	38,370
Other comprehensive income:				
Net fair value change in financial investments available-for-sale	(3,486)	4,011	(4,621)	362
Deferred tax on financial investments available-for-sale	871	(1,127)	1,155	(217)
Other comprehensive income for the financial period, net of tax	(2,615)	2,884	(3,466)	145
Total comprehensive income for the financial period	6,811	25,653	23,064	38,515
Attributable to equity holders of the Bank:				
- Total comprehensive income	6,811	25,653	23,064	38,515

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INTERIM FINANCIAL STATEMENTS**UNAUDITED INCOME STATEMENTS for the financial quarter ended 30 June 2013***(continued)*

	Individual Quarter		Cumulative Quarter	
	The Bank		The Bank	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Quarter	Quarter	Quarter	Quarter
	30/6/2013	30/6/2012	30/6/2013	30/6/2012
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	103,167	116,803	207,762	228,344
Income derived from investment of shareholders' funds	7,458	5,567	14,729	10,409
Allowances for losses on financing	497	16,580	311	16,461
Total distributable income	111,122	138,950	222,802	255,214
Income attributable to the depositors	(62,882)	(76,275)	(126,910)	(147,801)
Total net income	48,240	62,675	95,892	107,413
Personnel expenses	(16,149)	(15,496)	(32,037)	(30,513)
Other overheads and expenditures	(9,093)	(8,785)	(18,321)	(17,783)
Operating profit/(loss)	22,998	38,394	45,534	59,117
Zakat	(8,583)	(6,064)	(8,583)	(6,064)
Profit before taxation	14,415	32,330	36,951	53,053
Taxation	(4,960)	(9,520)	(10,376)	(14,605)
Net profit after zakat and taxation	9,455	22,810	26,575	38,448
Attributable to:				
Equity holders of the Bank	9,455	22,810	26,575	38,448
Earnings per share (sen):				
- Basic/fully diluted	2.6	8.8	7.4	14.8

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INTERIM FINANCIAL STATEMENTS**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME***for the financial quarter ended 30 June 2013(continued)*

	Individual Quarter		Cumulative Quarter	
	The Bank		The Bank	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Quarter	Quarter	Quarter	Quarter
	30/6/2013	30/6/2012	30/6/2013	30/6/2012
	RM'000	RM'000	RM'000	RM'000
Profit after taxation	9,455	22,810	26,575	38,448
Other comprehensive income:				
Net fair value change in financial investments available-for-sale	(3,486)	4,011	(4,621)	362
Deferred tax on financial investments available-for-sale	871	(1,127)	1,155	(217)
Other comprehensive income for the financial period, net of tax	(2,615)	2,884	(3,466)	145
Total comprehensive income for the financial period	6,840	25,694	23,109	38,593
Attributable to equity holders of the Bank:				
- Total comprehensive income	6,840	25,694	23,109	38,593

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INTERIM FINANCIAL STATEMENTS**UNAUDITED STATEMENTS OF CHANGES IN EQUITY***for the financial quarter ended 30 June 2013*

Economic Entity	Attributable to Equity Holders of the Bank				
	Share capital	Statutory reserves	AFS revaluation reserves	Retained profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2013	360,000	143,451	2,598	148,950	654,999
Comprehensive income:					
Net profit for the financial period	-	-	-	26,530	26,530
Other comprehensive income (net of tax)					
- Financial investments available-for-sale	-	-	(3,466)	-	(3,466)
Total comprehensive income	-	-	(3,466)	26,530	23,064
At 30 June 2013	360,000	143,451	(868)	175,480	678,063
Economic Entity	Share capital	Statutory reserves	AFS revaluation reserves	Retained profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2012	260,000	106,420	2,719	112,149	481,288
Comprehensive income:					
Net profit for the financial period	-	-	-	38,370	38,370
Other comprehensive income (net of tax)					
- Financial investments available-for-sale	-	-	145	-	145
Total comprehensive income	-	-	145	38,370	38,515
At 30 June 2012	260,000	106,420	2,864	150,519	519,803

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INTERIM FINANCIAL STATEMENTS**UNAUDITED STATEMENTS OF CHANGES IN EQUITY***for the financial quarter ended 30 June 2013**(continued)*

	Non-distributable		Distributable		Total
	Share capital	Statutory reserves	AFS revaluation reserves	Retained profits	
The Bank	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2013	360,000	143,451	2,598	149,390	655,439
Comprehensive income:					
Net profit for the financial period	-	-	-	26,575	26,575
Other comprehensive income (net of tax)					
- Financial investments available-for-sale	-	-	(3,466)	-	(3,466)
Total comprehensive income	-	-	(3,466)	26,575	23,109
At 30 June 2013	360,000	143,451	(868)	175,965	678,548
The Bank	Share capital	Statutory reserves	AFS revaluation reserves	Retained profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2012	260,000	106,420	2,719	112,359	481,498
Comprehensive income:					
Net profit for the financial period	-	-	-	38,448	38,448
Other comprehensive income (net of tax)					
- Financial investments available-for-sale	-	-	145	-	145
Total comprehensive income	-	-	145	38,448	38,593
At 30 June 2012	260,000	106,420	2,864	150,807	520,091

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INTERIM FINANCIAL STATEMENTS**UNAUDITED STATEMENTS OF CASH FLOWS for the financial quarter ended 30 June 2013**

	Economic Entity		The Bank	
	30/6/2013 RM'000	30/6/2012 RM'000	30/6/2013 RM'000	30/6/2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before zakat and taxation	45,489	59,039	45,534	59,117
Adjustments for items not involving the movement of cash and cash equivalents:				
Finance income and hibah from:				
- financial investments available-for-sale	(29,854)	(28,021)	(29,854)	(28,021)
- financial investments held-to-maturity	(48)	-	(48)	-
Accretion of discount less amortisation of premium:				
- financial investments available-for-sale	(2,821)	(10,367)	(2,821)	(10,367)
Gain on sale from:				
- financial investments available-for-sale	(768)	(4,180)	(768)	(4,180)
Unrealised gain on revaluation:				
Depreciation of property and equipment	400	555	400	555
Amortisation of intangible assets	399	398	399	398
Net individual impairment	280	130	280	130
Net collective impairment	85	(16,374)	85	(16,374)
Bad debt on financing written-off	-	18	-	18
Share of joint venture's results	45	78	-	-
Operating profit before changes in working capital	13,207	1,276	13,207	1,276
<i>(Increase)/decrease in operating assets:</i>				
Deposits and placements with banks and other financial institutions	74,788	(80,058)	74,788	(80,058)
Foreign exchange transaction	895	(1,140)	895	(1,140)
Financing, advances and other financing	(310,427)	(314,364)	(310,427)	(314,364)
Other assets	63,648	47,956	63,648	47,956
Statutory deposits with Bank Negara Malaysia	(9,500)	(36,000)	(9,500)	(36,000)
<i>Increase/(decrease) in operating liabilities:</i>				
Deposits from customers	(1,288,569)	1,040,652	(1,288,569)	1,040,652
Deposits and placements of banks and other financial institutions	165,853	(761,784)	165,853	(761,784)
Amount due to holding company	41,125	(240,948)	41,125	(240,948)
Other liabilities	79,606	70,458	79,606	70,458
Cash generated from operations	(1,169,374)	(273,952)	(1,169,374)	(273,952)
Tax refund	25	-	25	-
Tax paid	(10,833)	(998)	(10,833)	(998)
Zakat paid	(1,881)	(653)	(1,881)	(653)
Net cash generated from operating activities	(1,182,063)	(275,603)	(1,182,063)	(275,603)

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INTERIM FINANCIAL STATEMENTS**UNAUDITED STATEMENTS OF CASH FLOWS for the financial quarter ended 30 June 2013***(continued)*

	Economic Entity		The Bank	
	30/6/2013	30/6/2012	30/6/2013	30/6/2012
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM INVESTING				
ACTIVITIES				
Investment in jointly controlled entity	(150)	-	(150)	-
Finance income and hibah received from:				
- financial investments available-for-sale	29,854	28,021	29,854	28,021
- financial investments held-to-maturity	48	-	48	-
Net sale/(purchase) of financial investments available-for-sale	285,982	(494,047)	285,982	(494,047)
Redemption of financial investments held-to-maturity net of purchase	(85,048)	-	(85,048)	-
Purchase of property and equipment	(208)	(918)	(208)	(918)
Net cash generated from/(used in) investing activities	230,478	(466,944)	230,478	(466,944)
Net decrease in cash and cash equivalents	(951,585)	(742,547)	(951,585)	(742,547)
Net (decrease)/increase in foreign exchange	(895)	1,140	(895)	1,140
Cash and cash equivalents at beginning of the financial period	4,076,266	4,455,700	4,076,266	4,455,700
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	3,123,786	3,714,293	3,123,786	3,714,293

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MFRS 134 INTERIM FINANCIAL REPORTING - 30 JUNE 2013

1 BASIS OF PREPARATION

This unaudited condensed interim financial information for the 6 months ended 30 June 2013 has been prepared in accordance with MFRS134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ('MASB') Approved Accounting Standards in Malaysia for Entities Other Than Private Entities, Bank Negara Malaysia ('BNM') Guidelines and the requirements of the Companies Act, 1965 in Malaysia.

The financial statements of the Bank have been prepared under the historical cost convention, unless otherwise indicated in this summary of significant accounting policies.

The unaudited condensed interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2012, which have been prepared in accordance with the Malaysian Financial Reporting Standards ('MFRS'). The explanatory notes to this interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the Bank since the year ended 31 December 2012.

2 ACCOUNTING POLICIES

The consolidated financial statements include the financial statements of the Bank and a jointly controlled entity, made up to the quarter ended 30 June 2013.

The presentation of the comparative financial statements of the Bank has been restated to conform with the current period's presentation. The new and revised Malaysian Financial Reporting Standards ('MFRS') which became effective for the financial period beginning 1 January 2013 are duly adopted by the Bank when preparing the financial report for the quarter ended 30 June 2013 are as follows:

MFRS 10 "Consolidated financial statements"
MFRS 11 "Joint arrangements"
MFRS 12 "Disclosures of interests in other entities"
MFRS 13 "Fair value measurement"
The revised MFRS 127 "Separate financial statements"
The revised MFRS 128 "Investments in associates and joint ventures"
Amendment to MFRS 7 "Financial instruments: Disclosures"

3 QUALIFICATION OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2012 was not qualified.

4 SEASONAL OR CYCLICAL FACTORS

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

5 EXCEPTIONAL ITEMS

There was no exceptional items for the quarter ended 30 June 2013.

6 CHANGES IN ACCOUNTING POLICIES AND ADJUSTMENT

Refer to Note 2

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7 CHANGES IN DEBTS AND EQUITY SECURITIES

There were no purchases or disposal of quoted securities for the quarter ended 30 June 2013 other than in the ordinary course of business.

8 DIVIDENDS

There were no interim dividend declared.

9 SUBSEQUENT MATERIAL EVENT

There is no material subsequent event after the quarter ended 30 June 2013 that have material financial impact.

10 CHANGES IN THE COMPOSITION OF THE BANK

On 2 January 2013, AFFIN Islamic Bank Berhad (the 'Bank') entered into a Musharakah Joint Venture Agreement ('JV Agreement') with Albatha Bukit Kiara Holdings Sdn Bhd ("Albatha"), a subsidiary of Bukit Kiara Capital Sdn Bhd, to jointly develop a project namely "VERVE Suites KL South" at Jalan Klang Lama, Kuala Lumpur.

Pursuant to the JV Agreement, the Bank acquired 30% stake in the joint venture company namely KL South Development Sdn Bhd (formerly known as Grand Duplex Sdn Bhd) ("KL South") by way of subscription of 150,000 shares of RM1.00 each in KL South at par. The remaining stake of 70% in KL South is held by Albatha.

Under the Musharakah structure, the Bank would be the sole banker to KL South, providing financing using the Islamic concept such as Ijarah for the purchase of building and Istina' for the bridging financing.

Major strategic operation and financial decisions relating to the activities of KL South requires consent by both joint venture parties. The Bank's interest in KL South has been treated as investment in jointly controlled entity, which has been accounted for in the consolidated financial statements using the equity method of accounting.

KL South has commenced operations and the project is scheduled for completion by mid 2016.

11 PURCHASE AND SALE OF QUOTED SECURITIES

There were no purchases or disposals of quoted securities for the quarter ended 30 June 2013 other than in the ordinary course of business.

12 STATUS OF CORPORATE PROPOSAL

There were no corporate proposals announced but not completed during the period ended 30 June 2013.

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MFRS 134 INTERIM FINANCIAL REPORTING - 30 JUNE 2013**13 FINANCING, ADVANCES AND OTHER FINANCING****(i) By type**

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Cash line	215,171	187,020
Term financing		
- House financing	1,625,647	1,511,961
- Hire purchase receivables	1,598,863	1,438,230
- Syndicated financing	258,116	259,993
- Other term financing	1,515,123	1,458,138
Bills receivables	3,634	390
Trust receipts	15,235	28,445
Claims on customers under acceptances credits	96,992	133,577
Staff financing (of which RM Nil to Directors)	11,419	10,899
Revolving credits	182,791	184,734
Gross financing, advances and other financing	5,522,991	5,213,387
Less:		
Allowance for impairment		
- Individual	(34,552)	(35,095)
- Collective	(35,021)	(34,936)
Total net financing, advances and other financing	5,453,418	5,143,356

(ii) By maturity structure

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Maturing within one year	530,855	565,710
One year to three years	527,123	354,583
Three years to five years	676,912	770,713
Over five years	3,788,101	3,522,381
	5,522,991	5,213,387

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13 FINANCING, ADVANCES AND OTHER FINANCING (continued)

(iii) By contract

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Bai' Bithamin Ajil (deferred payment sale)	2,089,141	2,223,828
AITAB	1,598,863	1,438,230
Murabahah (cost-plus)	370,528	248,623
Others	1,464,459	1,302,706
	5,522,991	5,213,387

(iv) By type of customer

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Domestic non-banking institutions		
- Others	184,480	310,059
Domestic business enterprises		
- Small medium enterprises	408,256	427,991
- Others	1,442,884	1,326,600
Government and statutory bodies	11,812	21,662
Individuals	3,186,895	2,916,350
Other domestic entities	172,424	85,726
Foreign entities	116,240	124,999
	5,522,991	5,213,387

(v) By profit rate sensitivity

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Fixed rate		
- House financing	78,089	83,011
- Hire purchase receivables	1,598,863	1,438,230
- Other fixed rate financing	618,498	662,096
Variable rate		
- BLR - plus	2,479,841	2,395,805
- Cost - plus	747,700	634,245
	5,522,991	5,213,387

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MFRS 134 INTERIM FINANCIAL REPORTING - 30 JUNE 2013**13 FINANCING, ADVANCES AND OTHER FINANCING (continued)****(vi) By economic purpose**

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Purchase of securities	21	34
Purchase of transport vehicles	1,598,317	1,438,181
Purchase of landed property of which:		
- Residential	1,640,758	1,601,485
- Non-residential	934,101	865,774
Fixed assets other than land and building	40,933	65,883
Personal use	42,224	39,854
Consumer durable	12	17
Construction	314,999	214,075
Working capital	939,239	981,028
Others	12,387	7,056
	5,522,991	5,213,387

(vii) By geographical distribution

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Perlis	77,574	9,337
Kedah	279,718	275,950
Pulau Pinang	106,105	90,357
Perak	281,865	249,961
Selangor	1,925,891	1,854,322
Wilayah Persekutuan	1,442,790	1,417,487
Negeri Sembilan	115,390	98,342
Melaka	71,710	55,684
Johor	217,252	181,161
Pahang	248,881	250,096
Terengganu	365,011	354,214
Kelantan	195,812	195,746
Sarawak	27,741	26,755
Sabah	75,563	53,344
Labuan	6	7
Outside Malaysia	91,682	100,624
	5,522,991	5,213,387

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MFRS 134 INTERIM FINANCIAL REPORTING - 30 JUNE 2013**13 FINANCING, ADVANCES AND OTHER FINANCING (continued)****(viii) Movements of impaired financing**

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
At beginning of the financial period	129,792	172,344
Classified as impaired	32,695	67,040
Reclassified as non-impaired	(21,479)	(80,004)
Amount recovered	(5,866)	(21,384)
Amount written-off	-	(8,204)
At end of the financial period	135,142	129,792
 Ratio of gross impaired financing, advances and other financing to gross financing, advances and other financing	 2.45%	 2.49%

(ix) Movements in allowance for impairment on financing

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Individual impairment		
At beginning of the financial period	35,095	34,927
Provision for loan impairment	323	2,823
Amount recovered	(43)	(170)
Amount written-off	-	-
Unwinding of discount of allowance	(823)	(2,485)
At end of the financial period	34,552	35,095
 Collective impairment		
At beginning of the financial period	34,936	60,709
Provision for loan impairment/(recovered)	85	(17,569)
Amount written-off	-	(8,204)
At end of the financial period	35,021	34,936

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MFRS 134 INTERIM FINANCIAL REPORTING - 30 JUNE 2013**13 FINANCING, ADVANCES AND OTHER FINANCING (continued)****(x) Impaired financing by economic purpose**

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Purchase of securities	3	-
Purchase of transport vehicles	7,658	6,079
Purchase of landed property of which:		
- Residential	32,589	32,115
- Non-residential	1,909	560
Personal use	135	-
Construction	63,499	61,296
Working capital	29,269	29,637
Others	80	105
	135,142	129,792

(xi) Impaired financing by geographical distribution

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Perlis	66	-
Kedah	1,662	1,225
Pulau Pinang	1,798	1,342
Perak	2,034	1,484
Selangor	46,160	44,752
Wilayah Persekutuan	5,159	5,955
Negeri Sembilan	2,420	2,375
Melaka	333	237
Johor	2,650	2,116
Pahang	3,088	2,961
Terengganu	1,346	1,687
Kelantan	3,055	2,375
Sarawak	471	587
Sabah	1,401	1,400
Outside Malaysia	63,499	61,296
	135,142	129,792

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MFRS 134 INTERIM FINANCIAL REPORTING - 30 JUNE 2013**14 DEPOSITS FROM CUSTOMERS****(i) By type of deposit**

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Non-Mudharabah		
Demand deposits	1,927,083	2,604,233
Savings deposits	235,124	221,111
Mudharabah		
Demand deposits	37,371	31,496
Savings deposits	116,692	112,378
General investment deposits	4,746,924	5,239,911
Special investment deposits	690,498	833,132
	<u>7,753,692</u>	<u>9,042,261</u>

(ii) Maturity structure of general investment deposits and NID

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Due within six months	2,959,362	4,353,807
Six months to one year	1,785,487	874,676
One year to three years	1,872	11,227
Three years to five years	203	201
	<u>4,746,924</u>	<u>5,239,911</u>

(iii) By type of customer

	Economic Entity/The Bank	
	Current Financial Quarter 30/6/2013 RM'000	Previous Financial Year-End 31/12/2012 RM'000
Government and statutory bodies	2,414,159	2,941,589
Business enterprise	2,620,228	3,302,604
Individuals	912,164	845,270
Others	1,807,141	1,952,798
	<u>7,753,692</u>	<u>9,042,261</u>

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MFRS 134 INTERIM FINANCIAL REPORTING - 30 JUNE 2013**15 INCOME FROM ISLAMIC BANKING OPERATIONS**

	Individual Quarter		Cumulative Quarter	
	Economic Entity/The Bank		Economic Entity/The Bank	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Quarter	Quarter	Quarter	Quarter
	30/6/2013	30/6/2012	30/6/2013	30/6/2012
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	103,167	116,803	207,762	228,344
Income attributable to depositors	(62,882)	(76,275)	(126,910)	(147,801)
Income derived from investment of shareholders' funds	7,458	5,567	14,729	10,409
	47,743	46,095	95,581	90,952
of which:				
Profit earned on impaired financing, advances and other financing	(373)	124	498	332

16 INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS AND OTHERS

	Individual Quarter		Cumulative Quarter	
	Economic Entity/The Bank		Economic Entity/The Bank	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Quarter	Quarter	Quarter	Quarter
	30/6/2013	30/6/2012	30/6/2013	30/6/2012
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of:				
- General investment deposits (i)	66,254	79,786	131,805	143,309
- Other deposits (ii)	36,913	37,017	75,957	85,035
	103,167	116,803	207,762	228,344

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MFRS 134 INTERIM FINANCIAL REPORTING - 30 JUNE 2013**16 INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS AND OTHERS (continued)****(i) INCOME DERIVED FROM INVESTMENT OF GENERAL INVESTMENT DEPOSITS**

	Individual Quarter		Cumulative Quarter	
	Economic Entity/The Bank		Economic Entity/The Bank	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Quarter	Quarter	Quarter	Quarter
	30/6/2013	30/6/2012	30/6/2013	30/6/2012
	RM'000	RM'000	RM'000	RM'000
Finance income and hibah				
Financing, advances and other loans	41,392	41,524	80,949	75,729
Financial assets held-for-trading	-	-	-	-
Financial investments available-for-sale	8,978	9,579	17,686	16,819
Financial investments held-to-maturity	28	-	28	-
Money at call and deposits with other financial institutions	12,948	21,403	27,330	38,712
Total finance income and hibah	63,346	72,506	125,993	131,260
Accretion of discount less amortisation of premium	598	4,046	1,671	6,223
	63,944	76,552	127,664	137,483
Other operating income				
Fee income				
Commission	168	261	313	515
Service charges and fees	719	933	1,564	1,535
Guarantee fees	251	233	615	423
	1,138	1,427	2,492	2,473
Income from financial instruments				
Gains on arising on financial investments available-for-sale:				
- net gain on disposal	443	1,309	455	2,509
	443	1,309	455	2,509
Other income				
Foreign exchange profit:				
- realised	116	40	254	74
Other non-operating income	613	458	940	770
	729	498	1,194	844
	66,254	79,786	131,805	143,309

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16 INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS AND OTHERS (continued)

(ii) INCOME DERIVED FROM INVESTMENT OF OTHER DEPOSITS

	Individual Quarter		Cumulative Quarter	
	Economic Entity/The Bank Current Financial Quarter 30/6/2013 RM'000	Preceding Year Corresponding Quarter 30/6/2012 RM'000	Economic Entity/The Bank Current Financial Quarter 30/6/2013 RM'000	Preceding Year Corresponding Quarter 30/6/2012 RM'000
Finance income and hibah				
Financing, advances and other loans	23,088	19,078	46,650	44,935
Financial investments available-for-sale	5,005	4,507	10,192	9,980
Financial investments held-to-maturity	16	-	16	-
Money at call and deposits with other financial institutions	7,183	9,886	15,750	22,970
Total finance income and hibah	35,292	33,471	72,608	77,885
Accretion of discount less amortisation of premium	324	2,046	963	3,692
	35,616	35,517	73,571	81,577
Other operating income				
Fee income				
Commission	95	114	181	306
Service charges and fees	398	456	901	911
Guarantee fees	138	107	355	251
	631	677	1,437	1,468
Income from financial instruments				
Gains on arising on financial investments available-for-sale:				
- net gain on disposal	255	583	262	1,489
	255	583	262	1,489
Other income				
Foreign exchange profit:				
- realised	64	18	146	44
Other non-operating income	347	222	541	457
	411	240	687	501
	36,913	37,017	75,957	85,035

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17 INCOME DERIVED FROM INVESTMENT OF SHAREHOLDERS' FUNDS

	Individual Quarter		Cumulative Quarter	
	Economic Entity/The Bank Current Financial Quarter 30/6/2013 RM'000	Preceding Year Corresponding Quarter 30/6/2012 RM'000	Economic Entity/The Bank Current Financial Quarter 30/6/2013 RM'000	Preceding Year Corresponding Quarter 30/6/2012 RM'000
Finance income and hibah				
Financing, advances and other loans	4,658	2,894	9,046	5,501
Financial investments available-for-sale	1,010	670	1,976	1,222
Financial investments held-to-maturity	3	-	3	-
Money at call and deposits with other financial institutions	1,459	1,493	3,054	2,812
Total finance income and hibah	7,130	5,057	14,079	9,535
Accretion of discount less amortisation of premium	68	286	187	452
	7,198	5,343	14,266	9,987
Other operating income				
Fee income				
Commission	19	18	35	37
Service charges and fees	81	65	175	111
Guarantee fees	29	16	69	31
	129	99	279	179
Income from financial instruments				
Gains on arising on financial investments available-for-sale:				
- net gain on disposal	50	91	51	182
	50	91	51	182
Other income				
Foreign exchange profit:				
- realised	13	2	28	5
Other non-operating income	68	32	105	56
	81	34	133	61
	7,458	5,567	14,729	10,409

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MFRS 134 INTERIM FINANCIAL REPORTING - 30 JUNE 2013**18 ALLOWANCES FOR LOSSES ON FINANCING**

	Individual Quarter		Cumulative Quarter	
	Economic Entity/The Bank	Economic Entity/The Bank	Economic Entity/The Bank	Economic Entity/The Bank
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Quarter	Quarter	Quarter	Quarter
	30/6/2013	30/6/2012	30/6/2013	30/6/2012
	RM'000	RM'000	RM'000	RM'000
Individual impairment				
- made in the financial period	85	61	323	145
- written-back	(12)	(2)	(43)	(15)
Collective impairment				
- made/(written-back)	(412)	(16,512)	85	(16,374)
Bad debts on financing				
- recovered	(158)	(128)	(676)	(235)
- written-off	-	1	-	18
	(497)	(16,580)	(311)	(16,461)

19 INCOME ATTRIBUTABLE TO DEPOSITORS

	Individual Quarter		Cumulative Quarter	
	Economic Entity/The Bank	Economic Entity/The Bank	Economic Entity/The Bank	Economic Entity/The Bank
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Quarter	Quarter	Quarter	Quarter
	30/6/2013	30/6/2012	30/6/2013	30/6/2012
	RM'000	RM'000	RM'000	RM'000
Deposits from customers				
- Mudharabah	43,388	53,910	87,883	97,721
- Non-mudharabah	7,880	7,104	15,885	14,035
Deposits and placements of banks and other financial institutions				
- Mudharabah	10,644	14,693	20,823	34,758
Others	970	568	2,319	1,287
	62,882	76,275	126,910	147,801

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	Individual Quarter		Cumulative Quarter	
	Economic Entity/The Bank		Economic Entity/The Bank	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Quarter	Quarter	Quarter	Quarter
	30/6/2013	30/6/2012	30/6/2013	30/6/2012
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and bonuses	12,561	11,882	24,975	23,677
Defined contribution plan ('EPF')	2,042	1,935	4,054	3,853
Other personnel costs	1,546	1,679	3,008	2,983
	16,149	15,496	32,037	30,513

21 OTHER OVERHEADS AND EXPENDITURES

	Individual Quarter		Cumulative Quarter	
	Economic Entity/The Bank		Economic Entity/The Bank	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Quarter	Quarter	Quarter	Quarter
	30/6/2013	30/6/2012	30/6/2013	30/6/2012
	RM'000	RM'000	RM'000	RM'000
Establishment costs				
Rental of premises	997	958	1,967	1,908
Equipment rental	13	8	23	16
Repair and maintenance	1,027	839	2,107	2,269
Depreciation of property and equipment	174	291	400	555
Amortisation of intangible assets	200	199	399	398
IT consultancy fees	2,172	1,947	4,370	3,896
Dataline rental	136	142	232	288
Security services	684	527	1,272	1,028
Electricity, water and sewerage	398	365	749	730
Licence fee	47	46	97	100
Insurance/takaful and indemnities	31	5	60	66
Other establishment costs	843	927	1,710	1,918
	6,722	6,254	13,386	13,172

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21 OTHER OVERHEADS AND EXPENDITURES (continued)

	Individual Quarter		Cumulative Quarter	
	Economic Entity/The Bank Current Financial Quarter 30/6/2013 RM'000	Preceding Year Corresponding Quarter 30/6/2012 RM'000	Economic Entity/The Bank Current Financial Quarter 30/6/2013 RM'000	Preceding Year Corresponding Quarter 30/6/2012 RM'000
Marketing expenses				
Business promotion and advertisement	124	146	157	215
Entertainment	79	77	170	164
Traveling and accommodation	323	285	575	536
Other marketing expenses	61	50	205	213
	587	558	1,107	1,128

	Individual Quarter		Cumulative Quarter	
	Economic Entity/The Bank Current Financial Quarter 30/6/2013 RM'000	Preceding Year Corresponding Quarter 30/6/2012 RM'000	Economic Entity/The Bank Current Financial Quarter 30/6/2013 RM'000	Preceding Year Corresponding Quarter 30/6/2012 RM'000
Administration and general expenses				
Telecommunication expenses	218	200	439	386
Auditors' remuneration	95	64	171	141
Professional fees	261	464	490	598
Mail and courier charges	105	148	254	300
Stationery and consumables	496	629	1,108	1,023
Commissions expenses	39	61	91	102
Brokerage expenses	34	26	54	61
Directors' fees and allowances	410	207	947	515
Donations	24	59	28	96
Settlement, clearing and bank charges	69	67	171	165
Stamp duties	-	-	1	1
Other administration and general expenses	33	48	74	95
	1,784	1,973	3,828	3,483
	9,093	8,785	18,321	17,783

22 COMMITMENTS AND CONTINGENCIES

	Current financial quarter ended 30/6/2013			Previous financial year ended 31/12/2012		
	Principal Amount RM'000	* Credit Equivalent RM'000	* Risk- weighted Amount RM'000	Principal Amount RM'000	* Credit Equivalent RM'000	* Risk- weighted Amount RM'000
Economic Entity/The Bank						
Direct credit substitutes	8,774	8,775	7,088	9,374	9,374	7,732
Transaction-related contingent items	117,063	58,532	56,392	130,067	65,034	63,374
Short-term self-liquidating trade-related contingencies	163,255	32,651	10,000	237,199	47,440	11,535
Irrevocable commitments to extend credit:						
- Maturity less than one year	824,928	164,985	124,773	811,391	162,278	139,768
- Maturity more than one year	353,630	176,815	161,271	381,912	190,955	175,291
	1,467,650	441,758	359,524	1,569,943	475,081	397,700

* The credit equivalent amount and risk-weighted amount is arrived at using the credit conversion factor as per Bank Negara Malaysia Guidelines.

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23 CAPITAL MANAGEMENT

Bank Negara Malaysia ('BNM') has issued its Guidelines on Capital Adequacy Framework (Capital Components) dated 28 November 2012 and the implementation date of the guideline take effect on 1 January 2013.

The Bank has adopted and to comply with the Guidelines and are subject to the transition arrangements as set out by BNM.

The Bank's objectives when managing capital, are:

- To comply with the capital requirements set by the regulators of the banking markets where the entities within the Bank.
- To safeguard the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

The Bank maintains a ratio of total regulatory capital to its risk-weighted assets above a minimum level agreed with the management which takes into account the risk profile of the Bank.

The table in Note 24 below summarises the composition of regulatory capital and the ratios of the Bank for the financial quarter ended 31 March 2013.

24 CAPITAL ADEQUACY

The capital adequacy ratios are as follows:

	Economic Entity		The Bank	
	Current	Previous	Current	Previous
	Financial	Financial	Financial	Financial
	Quarter	Year-End	Quarter	Year-End
	30/6/2013	31/12/2012	30/6/2013	31/12/2012
	RM'000	RM'000	RM'000	RM'000
Tier I capital				
Paid-up share capital	360,000	360,000	360,000	360,000
Share premium	-	-	-	-
Retained profits	148,950	148,950	149,390	149,390
Statutory reserves	143,451	143,451	143,451	143,451
Unrealised gains and losses on AFS	(1,157)	-	(1,157)	-
	651,244	652,401	651,684	652,841
Less:				
Deferred tax assets *	(600)	(600)	(600)	(600)
CET1 Capital	650,644	651,801	651,084	652,241
Tier 1 Capital	650,644	651,801	651,084	652,241

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MFRS 134 INTERIM FINANCIAL REPORTING - 30 JUNE 2013**23 CAPITAL ADEQUACY (continued)**

	Economic Entity		The Bank	
	Current Financial Quarter Financial 30/6/2013 RM'000	Previous Financial Year-End Financial 31/12/2012 RM'000	Current Financial Quarter Financial 30/6/2013 RM'000	Previous Financial Year-End Financial 31/12/2012 RM'000
Collective impairment ^	21,830	23,782	21,830	23,782
Less:				
Investment in subsidiaries/associates/ jointly controlled entity	(650)	-	(650)	-
Total Tier II capital	21,180	23,782	21,180	23,782
Total Capital/Capital base	671,824	675,583	672,264	676,023
CET1 capital ratio	13.934%	-	13.944%	-
Tier 1 capital ratio/Core capital ratio	13.934%	14.613%	13.944%	14.623%
Total capital ratio/Risk-weighted capital ra	14.388%	15.146%	14.397%	15.156%
CET1 capital ratio (net of proposed dividends)	13.934%	-	13.944%	-
Tier 1 capital ratio/Core capital ratio (net of proposed dividends)	13.934%	14.613%	13.944%	14.623%
Total capital ratio/Risk-weighted capital ratio (net of proposed dividends)	14.388%	15.146%	14.397%	15.156%

* Deferred tax assets exclude deferred tax arising from AFS revaluation reserves.

^ Qualifying collective impairment is restricted to allowances on unimpaired portion of the financing, advances and other financing.

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24 CAPITAL ADEQUACY (continued)

Breakdown of gross risk weighted assets in the various categories of risk-weights:

	Economic Entity		The Bank	
	Principal Current Financial Quarter 30/6/2013 RM'000	Principal Previous Financial Year-End 31/12/2012 RM'000	Principal Current Financial Quarter 30/6/2013 RM'000	Principal Previous Financial Year-End 31/12/2012 RM'000
0%	3,972,681	5,290,465	3,972,681	5,290,465
20%	1,090,858	1,083,348	1,090,858	1,083,348
35%	1,228,054	839,987	1,228,054	839,987
50%	197,130	290,780	197,130	290,780
75%	1,776,098	1,863,854	1,776,098	1,863,854
100%	2,179,039	1,962,728	2,179,039	1,962,728
150%	51,028	79,084	51,028	79,084
Total risk-weighted assets for credit risk	10,494,888	11,410,246	10,494,888	11,410,246

	Economic Entity		The Bank	
	Risk-Weighted Current Financial Quarter 30/6/2013 RM'000	Risk-Weighted Previous Financial Year-End 31/12/2012 RM'000	Risk-Weighted Current Financial Quarter 30/6/2013 RM'000	Risk-Weighted Previous Financial Year-End 31/12/2012 RM'000
0%	-	-	-	-
20%	218,172	216,670	218,172	216,670
35%	429,819	293,995	429,819	293,995
50%	98,565	145,390	98,565	145,390
75%	1,332,073	1,397,891	1,332,073	1,397,891
100%	2,179,039	1,962,728	2,179,039	1,962,728
150%	76,542	118,626	76,542	118,626
Total risk-weighted assets for credit risk	4,334,210	4,135,300	4,334,210	4,135,300
Risk-weighted assets for market risk	4,007	1,782	4,007	1,782
Risk-weighted assets for operational risk	331,096	323,284	331,096	323,284
Total risk-weighted assets	4,669,313	4,460,366	4,669,313	4,460,366

Effective 1 January 2008, the Bank's capital ratios is being computed in accordance with the RWCAF (Basel II - Risk Weighted Assets Computation) or Capital Adequacy Framework for Islamic Banks (CAFIB). The Bank has adopted the Standardised Approach for credit risk and market risk, and Basic Indicator Approach for operational risk computation.

The following information concerning the Bank's risk exposures are disclosed in Appendix I, II, III and IV.

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25 REVIEW OF PERFORMANCE OF THE BANK

(Analysis of financial performance of current quarter comparing to previous year's corresponding quarter)

During the 2nd quarter of 2013, the Bank registered a profit before tax of RM23.0 million as compared to the previous year's corresponding quarter of RM38.4 million, a decrease of RM15.4 million or 40.1%.

This was due to:

- i) lower income derived from investment of depositors' funds and others by RM13.6 million.
- ii) lower net writeback of allowances for losses on financing by RM16.1 million.
- iii) higher operating expenses by RM1.0 million.

The above was off-set by:

- i) higher income derived from investment of shareholders' funds by RM1.9 million.
- ii) lower income attributable to depositors' funds by RM13.4 million.

26 COMMENT ON FINANCIAL RESULTS

(Analysis of financial performance of current quarter comparing to immediate preceding quarter)

The Bank's profit before tax for 2nd quarter of 2013 stood at RM23.0 million as compared to RM22.5 million reported in the 1st quarter of 2013, an increase of RM0.5 million or 2.0%.

Increase in profit before tax as compared to immediate preceding quarter due to:

- i) higher income derived from investment of shareholders' funds by RM 0.2 million.
- ii) lower income attributable to depositors by RM1.1 million.
- iii) lower allowances for losses on financing by RM0.7 million.

The above was off-set by:

- i) lower income derived from investment of depositors' funds and others by RM1.4 million.
- ii) higher other operating expenses by RM0.1 million.

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27 PROSPECT FOR THE CURRENT FINANCIAL YEAR

In 2013, AFFIN Islamic will look into the following areas:

- Continue to increase business revenue:
 - Improve existing business by expanding existing successful business and improving underperforming business
 - Introduce new business/products
 - Improve profit margin and fee income growth
 - Value added product/ cross selling opportunities
 - Review product/pricing/package competitiveness against competitors
 - Step-up marketing and sales performance at both Head Office and branches
 - Capabilities and capacity building, including opening of new branches
- More efficient use of Group distributional channels and services.
- Continuous improvement in Financing assets portfolio.
- Closer synergy and teamwork with Parent Bank to drive Group Business goals and aspirations.
- Increase market visibility.
- Continuous migration towards globally accepted Shariah based products and practices.

AFFIN Islamic is confident that the business climate will be favourable in the coming year. Eventhough, the Bank is still relatively new and small, it is an advantage as it is able to move agilely and change accordingly to the needs of the market.

Being a wholly-owned subsidiary of AFFIN Bank, AFFIN Islamic believes that it will act as a catalyst to increase market share and create new business opportunities.

While there are synergistic and tangible benefits from the sharing of resources, branches as well as people, the unity that is demonstrated by close collaboration will ensure that AFFIN Islamic will have the opportunity to be a meaningful contributor to the Group as the growth of Islamic banking in Malaysia is on the rise.

Furthermore, the strength and capabilities of the Bank in promoting its Islamic banking products and services will place the bank in good standing not only in Malaysia but in the region.

AFFIN Islamic anticipates that 2013 will provide growth opportunities in various business segments especially within the ASEAN region. The Bank will seek to leverage on these opportunities and will play a catalytic role to ensure that it remains a significant and relevant entity to the growth of Islamic banking throughout.

28 VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

The Bank's profit before tax registered an adverse variance of RM11.8 million. The main contributing factors are follows:

Net income and other operating income

The net income and other operating income showed an adverse variance of RM7.3 million.

Other operating expenses

Operating costs showed a favourable variance of RM1.7 million.

Allowance for losses on financing

Allowance for losses on financing showed an adverse variance of RM6.2 million.

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29 CONNECTED PARTIES TRANSACTIONS AND BALANCES

The following credit exposure are based on Bank Negara Malaysia's revised Guidelines on Credit Transaction and Exposures with Connected Parties, which are effective 1 January 2008.

i)	The aggregate value of outstanding credit exposures with connected parties (RM'000)	517,780
ii)	The percentage of outstanding credit exposures to connected parties as a proportion of total credit exposures	7%
iii)	The percentage of outstanding credit exposures with connected parties which is non-performing or in default	Nil

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BASEL II Pillar 3 Disclosures**Disclosure on Capital Adequacy under the Standardised Approach (RM'000)****Economic Entity/The Bank****30.6.2013**

		Gross Exposures /EAD before CRM	Net Exposures /EAD after CRM	Risk Weighted Assets	Total Risk Weighted Assets after Effects of PSIA	Minimum Capital Requirements at 8%
1	CREDIT RISK					
	<u>On Balance Sheet Exposures</u>					
	Corporates	2,322,355	2,036,159	1,681,232	1,681,232	134,499
	Regulatory Retail	1,719,093	1,712,748	1,286,956	1,286,956	102,957
	Other Assets	283,436	283,436	27,278	27,278	2,182
	Sovereigns/Central Banks	3,707,590	3,707,590	-	-	-
	Banks, Development Financial Institutions & MDBs	625,201	605,627	121,125	121,125	9,690
	Insurance Companies, Securities Firms & Fund Managers	110,232	94,922	94,922	94,922	7,594
	Residential Mortgages	1,489,465	1,485,129	602,019	602,019	48,161
	Higher Risk Assets	18,150	18,150	27,226	27,226	2,178
	Defaulted Exposures	120,794	120,784	133,927	133,927	10,714
	Total for On-Balance Sheet Exposures	10,396,316	10,064,545	3,974,685	3,974,685	317,975
	<u>Off Balance Sheet Exposures</u>					
	Off Balance sheet Exposures other than OTC derivatives or credit derivatives	441,049	429,634	358,462	358,462	28,677
Defaulted Exposures	709	709	1,063	1,063	85	
Total for Off-Balance Sheet Exposures	441,758	430,343	359,525	359,525	28,762	
Total for On and Off-Balance Sheet Exposures	10,838,074	10,494,888	4,334,210	4,334,210	346,737	
2	MARKET RISK					
		Long Position	Short Position			
	Foreign Currency Risk	1,741	4,007	(2,266)	4,007	-
3	OPERATIONAL RISK					
	Operational Risk			331,096		26,488
Total RWA and Capital Requirements				4,669,313	4,334,210	373,546

OTC "Over The Counter"

PSIA "Profit Sharing Investment Account"

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BASEL II Pillar 3 Disclosures (continued)**Disclosure on Capital Adequacy under the Standardised Approach (RM'000)****Economic Entity/The Bank**

31.12.2012

1	Exposure Class	Gross Exposures /EAD before CRM		Net Exposures /EAD after CRM	Risk Weighted Assets	Total Risk Weighted Assets after Effects of PSIA	Minimum Capital Requirements at 8%
1	CREDIT RISK						
	<u>On Balance Sheet Exposures</u>						
	Corporates	2,243,072	1,944,118	1,536,425	1,536,425	122,914	
	Regulatory Retail	1,799,481	1,792,264	1,346,797	1,346,797	107,744	
	Other Assets	297,875	297,875	29,842	29,842	2,387	
	Sovereigns/Central Banks	5,021,400	5,021,400	-	-	-	
	Banks, Development Financial Institutions & MDBs	574,720	555,004	111,001	111,001	8,880	
	Insurance Companies, Securities Firms & Fund Managers	110,286	95,149	95,149	95,149	7,612	
	Residential Real Estate (RRE) Financing	1,115,133	1,112,664	457,488	457,488	36,599	
	Higher Risk Assets	31,459	31,443	47,164	47,164	3,773	
	Defaulted Exposures	95,029	95,011	113,734	113,734	9,098	
	Total for On-Balance Sheet Exposures	11,288,455	10,944,928	3,737,600	3,737,600	299,007	
	<u>Off Balance Sheet Exposures</u>						
	Off Balance Sheet Exposures other than OTC derivatives or credit derivatives	474,399	464,636	396,677	396,677	31,734	
Defaulted Exposures	682	682	1,023	1,023	82		
Total for Off-Balance Sheet Exposures	475,081	465,318	397,700	397,700	31,816		
Total for On and Off-Balance Sheet Exposures	11,763,536	11,410,246	4,135,300	4,135,300	330,823		
2	MARKET RISK						
	Foreign Currency Risk	Long Position	Short Position				
		1,782	-	1,782	1,782	-	143
3	OPERATIONAL RISK						
	Operational Risk				323,284		25,863
Total RWA and Capital Requirements					4,460,366	4,135,300	356,829

OTC "Over The Counter"

PSIA "Profit Sharing Investment Account"

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BASEL II Pillar 3 Disclosures (continued)

Disclosure on Capital Adequacy under the Standardised Approach (RM'000)

Market risk is defined as the risk of losses in on and off-balance sheet positions arising from movements in market prices. The Bank's Capital-at-Risk ('CaR') is defined as the amount of the Bank's capital that is exposed to the risk of unexpected losses arising particularly from movements in profit rates and foreign exchange rates. A CaR Limit is set as a management trigger to ensure that the Bank's exposure to such movements do not compromise the Bank's capital adequacy. The Bank is currently adopting BNM's Standardised Approach for the computation of market risk capital charges. The market risk capital charges addresses among others, capital requirement for market risk which includes the profit rate risk pertaining to the Bank's exposure in the trading book as well as foreign exchange risk in the trading and banking books.

The computation of market risk capital charge covers the following outstanding financial instruments:

- a) Foreign Exchange
- b) Islamic Profit Rate Swap
- c) Cross Currency Swap ('CCS')
- d) Fixed Income instruments (i.e. Private Debt and Government Securities)

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BASEL II Pillar 3 Disclosures (continued)

Disclosure on Credit Risk: Disclosures on Risk Weights under the Standardised Approach (RM'000)

Economic Entity/The Bank

30.6.2013

Risk Weights	Exposures after Netting and Credit Risk Mitigation												Total Exposure after Netting & Credit Risk Mitigation	Total Risk Weighted Assets
	Sovereigns & Central Banks	PSEs	Banks, MDBs and FDIs	Insurance Companies, Securities Firms & Fund Managers	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Specialised Financing /Investment	Securitization	Equity		
0%	3,719,478	-	-	-	-	-	-	-	253,203	-	-	-	3,972,681	-
10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20%	27,550	-	609,168	-	450,445	-	-	-	3,695	-	-	-	1,090,858	218,172
35%	-	-	-	-	-	-	1,228,054	-	-	-	-	-	1,228,054	429,819
50%	-	-	1,673	-	26,380	-	169,077	-	-	-	-	-	197,130	98,565
70%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
75%	-	-	-	-	-	1,769,818	6,280	-	-	-	-	-	1,776,098	1,332,073
90%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	-	115,085	1,915,225	1,481	120,710	-	26,538	-	-	-	2,179,039	2,179,039
110%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
115%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	1,829	24,113	5,907	19,179	-	-	-	-	51,028	76,542
250%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
270%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1250%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Average Risk Weight														
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-

PSE "Public Sector Entities"

MDB "Multilateral Development Banks"

FDI "Financial Development Institutions"

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BASEL II Pillar 3 Disclosures (continued)

Disclosure on Credit Risk: Disclosures on Risk Weights (RM'000)

Economic Entity/The Bank

31.12.2012

Risk Weights	Exposures after Netting and Credit Risk Mitigation											Total Exposure after Netting & Credit Risk Mitigation	Total Risk Weighted Assets	
	Sovereigns & Central Banks	PSEs	Banks, MDBs and FDIs	Insurance Companies, Securities Firms & Fund Managers	Corporates	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Specialised Financing /Investment	Securitization			Equity
0%	5,024,482	-	-	-	-	-	-	-	265,983	-	-	-	5,290,465	-
10%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20%	44,881	-	558,118	-	475,759	-	-	-	4,590	-	-	-	1,083,348	216,670
35%	-	-	-	-	-	-	839,987	-	-	-	-	-	839,987	293,995
50%	-	-	-	-	75,733	-	215,047	-	-	-	-	-	290,780	145,390
70%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
75%	-	-	-	-	-	1,852,387	11,467	-	-	-	-	-	1,863,854	1,397,891
90%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	-	134,081	1,718,142	5,517	80,727	204	24,057	-	-	-	1,962,728	1,962,728
110%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
115%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
125%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
135%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150%	-	-	-	-	567	20,659	10,177	44,436	3,245	-	-	-	79,084	118,626
250%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
270%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
350%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
400%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
625%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
937.5%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1250%	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Average Risk Weight														
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-

PSE "Public Sector Entities"

MDB "Multilateral Development Banks"

FDI "Financial Development Institutions"

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BASEL II Pillar 3 Disclosures (continued)(i) **Disclosures on Rated Exposures according to Ratings by ECAIs (RM'000)****Economic Entity/The Bank****30.6.2013**

Exposure Class	Ratings of Corporate by Approved ECAIs					
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Rating & Investment Inc	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
On and Off-Balance-Sheet Exposures						
Credit Exposures (using Corporate Risk Weights)						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)						
Insurance Cos, Securities Firms & Fund Managers						
Corporates						
Total						
		-	-	-	-	-
		18,116	26,500	-	-	130,833
		18,116	26,500	-	-	2,644,555
						2,775,388

Exposure Class	Short term Ratings of Banking Institutions and Corporate by Approved ECAIs					
	Moody's	P-1	P-2	P-3	Others	Unrated
	S&P	A-1	A-2	A-3	Others	Unrated
	Fitch	F1+, F1	F2	F3	B to D	Unrated
	RAM	P-1	P-2	P-3	NP	Unrated
	MARC	MARC-1	MARC-2	MARC-3-	MARC-4	Unrated
	Rating & Investment Inc	a-1+, a-1	a-2	a-3	b, c	Unrated
On and Off-Balance-Sheet Exposures						
Banks, MDBs and FDIs						
Rated Credit Exposures (using Corporate Risk Weights)						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)						
Insurance Cos, Securities Firms & Fund Managers						
Corporates						
Total						
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-
		-	-	-	-	-

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BASEL II Pillar 3 Disclosures (continued)**(i) Disclosures on Rated Exposures according to Ratings by ECAIs (RM'000)****Economic Entity/The Bank**

31.12.2012

Exposure Class	Ratings of Corporate by Approved ECAIs					
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Ba3	B1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	RAM	AAA to AA3	A to A3	BBB1 to BB3	B to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
	Rating & Investment Inc	AAA to AA-	A+ to A-	BBB+ to BB-	B+ to D	Unrated
<u>On and Off-Balance-Sheet Exposures</u>						
<u>Credit Exposures (using Corporate Risk Weights)</u>						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)		-	-	-	-	-
Insurance Cos, Securities Firms & Fund Managers		-	-	-	-	149,884
Corporates		22,016	40,989	-	-	2,513,719
Total		22,016	40,989	-	-	2,663,603

Exposure Class	Short term Ratings of Banking Institutions and Corporate by Approved ECAIs					
	Moody's	P-1	P-2	P-3	Others	Unrated
	S&P	A-1	A-2	A-3	Others	Unrated
	Fitch	F1+, F1	F2	F3	B to D	Unrated
	RAM	P-1	P-2	P-3	NP	Unrated
	MARC	MARC-1	MARC-2	MARC-3-	MARC-4	Unrated
	Rating & Investment Inc	a-1+, a-1	a-2	a-3	b, c	Unrated
<u>On and Off-Balance-Sheet Exposures</u>						
Banks, MDBs and FDIs		-	-	-	-	-
<u>Rated Credit Exposures (using Corporate Risk Weights)</u>						
Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)		-	-	-	-	-
Insurance Cos, Securities Firms & Fund Managers		-	-	-	-	-
Corporates		-	-	-	-	-
Total		-	-	-	-	-

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BASEL II Pillar 3 Disclosures (continued)

- (ii) **Disclosures on Rated Exposures according to Ratings by ECAIs (RM'000) (continued)**
Economic Entity/The Bank
30.6.2012

Exposure Class	Ratings of Sovereigns and Central Banks by Approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Rating & Investment Inc	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to C	Unrated
On and Off-Balance-Sheet Exposures							
Sovereigns and Central Banks		-	3,747,028	-	-	-	-
Total		-	3,747,028	-	-	-	-

Exposure Class	Ratings of Banking Institutions by Approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3-	A1 to A3	BBB1+ to BBB3	BB1 to B3	C1+ to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
On and Off-Balance-Sheet Exposures							
Banks, MDBs and FDIs		53,541	-	-	-	-	576,874
Total		53,541	-	-	-	-	576,874

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BASEL II Pillar 3 Disclosures (continued)

- (ii) **Disclosures on Rated Exposures according to Ratings by ECAIs (RM'000) (continued)**
Economic Entity/The Bank
 31.12.2012

Exposure Class	Ratings of Sovereigns and Central Banks by Approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Fitch	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	Rating & Investment Inc	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to C	Unrated
<u>On and Off-Balance-Sheet Exposures</u>							
Sovereigns and Central Banks		-	5,069,362	-	-	-	-
Total		-	5,069,362	-	-	-	-

Exposure Class	Ratings of Banking Institutions by Approved ECAIs						
	Moody's	Aaa to Aa3	A1 to A3	Baa1 to Baa3	Ba1 to B3	Caa1 to C	Unrated
	S&P	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	CCC+ to D	Unrated
	RAM	AAA to AA3-	A1 to A3	BBB1+ to BBB3	BB1 to B3	C1+ to D	Unrated
	MARC	AAA to AA-	A+ to A-	BBB+ to BBB-	BB+ to B-	C+ to D	Unrated
<u>On and Off-Balance-Sheet Exposures</u>							
Banks, MDBs and FDIs		3,114	-	-	-	-	574,720
Total		3,114	-	-	-	-	574,720

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BASEL II Pillar 3 Disclosures (continued)

a) **Disclosures on Credit Risk Mitigation (RM'000)**
Economic Entity/The Bank
30.6.2013

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees /Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
Credit Risk				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	3,707,590	-	-	-
Banks, Development Financial Institutions & MDBs	625,201	-	-	-
Insurance Cos, Securities Firms & Fund Managers	110,232	-	673	-
Corporates	2,322,355	1,947	101,078	-
Regulatory Retail	1,719,093	-	8,225	-
Residential Mortgages	1,489,465	-	4,336	-
Higher Risk Assets	18,150	-	-	-
Other Assets	283,436	-	-	-
Defaulted Exposures	120,794	-	-	-
Total for On-Balance Sheet Exposures	10,396,316	1,947	114,312	-
<u>Off-Balance Sheet Exposures</u>				
Off-Balance sheet exposures other than OTC derivatives or credit derivatives	441,049	-	-	-
Defaulted Exposures	709	-	11	-
Total for Off-Balance Sheet Exposures	441,758	-	11	-
Total On and Off-Balance Sheet Exposures	10,838,074	1,947	114,323	-

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BASEL II Pillar 3 Disclosures (continued)**a) Disclosures on Credit Risk Mitigation (RM'000)****Economic Entity/The Bank**

31.12.2012

Exposure Class	Exposures before CRM	Exposures Covered by Guarantees /Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
<u>Credit Risk</u>				
<u>On-Balance Sheet Exposures</u>				
Sovereigns/Central Banks	5,021,400	-	-	-
Banks, Development Financial Institutions & MDBs	574,720	-	-	-
Insurance Cos, Securities Firms & Fund Managers	110,286	-	673	-
Corporates	2,243,072	3,200	94,219	-
Regulatory Retail	1,799,481	-	8,744	-
Residential Mortgages	1,115,133	-	2,469	-
Higher Risk Assets	31,459	-	17	-
Other Assets	297,875	-	-	-
Defaulted Exposures	95,029	-	18	-
Total for On-Balance Sheet Exposures	11,288,455	3,200	106,140	-
<u>Off-Balance Sheet Exposures</u>				
Off-Balance sheet exposures other than OTC derivatives or credit derivatives	474,399	-	-	-
Defaulted Exposures	682	-	-	-
Total for Off-Balance Sheet Exposures	475,081	-	-	-
Total On and Off-Balance Sheet Exposures	11,763,536	3,200	106,140	-

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BASEL II Pillar 3 Disclosures (continued)**b) Disclosure on Off-Balance Sheet and Counterparty Credit Risk (RM'000)**

Counterparty Credit Risk is the risk that the counterparty to a transaction could default before the final settlement of the transaction's cashflows. An economic loss could occur if the transactions with the counterparty has a positive economic value for the Bank at the time of default.

In contrast to the exposure to credit risk through a financing, where the exposure to credit risk is unilateral and only the financing bank faces the risk of loss, Counterparty Credit Risk creates a bilateral risk of loss where the market value for many types of transactions can be positive or negative to either counterparty.

In respect of Off-balance sheet items, the credit risk inherent in each off-balance sheet instrument is translated into an on-balance sheet exposure equivalent (credit equivalent) by multiplying the nominal principal amount with a credit conversion factor ('CCF') as prescribed by the Standardised Approach under the Risk Weighted Capital Adequacy Framework. The resulting amount is then weighted against the risk weight of the counterparty. In addition, counterparty risk weights for over-the-counter ('OTC') derivative transactions will be determined based on the external rating of the counterparty and will not be subject to any specific ceiling.

Economic Entity/The Bank**30.6.2013**

Description	Total Principle Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Amount
Direct Credit Substitutes	8,775		8,775	7,088
Transaction related contingent Items	117,063		58,532	56,392
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	353,630		176,815	161,271
Short Term Self Liquidating trade related contingencies	163,254		32,651	10,000
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	824,928		164,985	124,773
Total	1,467,650	-	441,758	359,524

b) Disclosure on Off Balance Sheet and Counterparty Credit Risk (RM'000)

Economic Entity/The Bank

31.12.2012

Description	Total Principle Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk Weighted Amount
Direct Credit Substitutes	9,374		9,374	7,732
Transaction related contingent Items	130,067		65,034	63,374
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	810,050		190,955	175,291
Short Term Self Liquidating trade related contingencies	237,199			11,535
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	383,253		162,278	139,768
Total	1,569,943	-	427,641	397,700

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(Incorporated in Malaysia)

BASEL II Pillar 3 Disclosures (continued)**c) Disclosures on Market Risk - Profit Rate Risk/Rate of Return Risk in the Banking Book (RM million)**

Profit rate risk is the current and prospective impact to the Bank's financial condition due to adverse changes in the profit rates to which the statement of financial position is exposed. The objective is to manage profit rate risk to achieve stable and sustainable net gap income in the long term which impact can be viewed from the perspectives of (1) earnings in the next 12 months, and (2) economic value.

(1) Next 12 months' Earnings - Profit rate risk from the earnings perspective is the impact based on changes to the net gap income over the next 12 months. This risk is measured monthly through sensitivity analysis including the application of an instantaneous 100 basis point parallel shock in profit rates across the yield curve. The prospective change to the net gap income is measured using an Asset Liability Management simulation model which incorporates the assessment of both existing and new business.

(2) Economic Value - Measuring the change in the economic value of equity is an assessment of the long term impact to the earnings potential. This is assessed through the application of relevant duration factors to capture the net economic value impact over the long term or total life of all balance sheet assets and liabilities to adverse changes in profit rates.

The above calculations do not take into account loan prepayments.

Type of Currency	The Bank/Economic Entity 30.6.2013		The Bank/Economic Entity 31.12.2012	
	Impact on Positions (100 basis points) Parallel Shift			
	Increase/(Decline) in Earnings	Increase/(Decline) in Economic Value	Increase/(Decline) in Earnings	Increase/(Decline) in Economic Value
Ringgit Malaysia	(5.6)	101.8	13.5	86.7
US Dollar	(0.7)	-	(0.5)	(0.1)
Total	(6.3)	101.8	13.0	86.6

* Others comprise of AUD, EUR and GBP currencies where the amount of each currency is relatively small.

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BASEL II Pillar 3 Disclosures (continued)**d) Disclosures on indicators of Displaced Commercial Risk (DCR)**

	The Bank/Economic Entity 30.6.2013		The Bank/Economic Entity 31.12.2012	
	RM'000	%	RM'000	%
PER for SIA				
At beginning of reporting period	-	-	-	-
Islamic bank's portion	-		-	
IAH's portion	-		-	
Provision during the reporting period	-	-	-	-
Islamic bank's portion	-		-	
IAH's portion	-		-	
Write-back during the reporting period	-	-	-	-
Islamic bank's portion	-		-	
IAH's portion	-		-	
At end of the reporting period	-	-	-	-
Islamic bank's portion	-		-	
IAH's portion	-		-	