



J.P. MORGAN CHASE BANK BERHAD

(Company number: 316347 D)

(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

Domiciled in Malaysia
Principal place of business:
Level 18, Integra Tower
The Intermark
348, Jalan Tun Razak
50400 Kuala Lumpur

J.P. MORGAN CHASE BANK BERHAD (316347-D)
(Incorporated in Malaysia)

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

ASSETS	Note	31 Mar 2019 RM'000	31 Dec 2018 RM'000
Cash and short-term funds	a	3,954,412	4,665,101
Securities purchased under resale agreement		60,235	39,166
Financial assets held at fair value through profit and loss	b	1,150,741	2,024,152
Derivative financial instruments		485,917	568,207
Financial assets held at fair value through other comprehensive income	c	1,133,971	1,356,469
Loans and advances	d	299,176	353,149
Amount due from related parties		669,203	456,667
Statutory deposits with Bank Negara Malaysia		2	2
Other assets	e	324,032	87,514
Tax recoverable		5,760	13,985
Deferred tax assets		3,120	3,120
Fixed assets		12,742	4,085
TOTAL ASSETS		8,099,311	9,571,617
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits from customers	f	4,903,019	6,064,237
Deposits and placements of banks and other financial institutions	g	332,390	550,791
Obligations on securities sold under repurchase agreements		3,635	21,815
Derivative financial instruments		417,521	546,530
Amount due to related parties		687,812	1,137,157
Other liabilities	h	599,720	137,642
Total liabilities		6,944,097	8,458,172
Share capital		127,500	127,500
Retained earnings		999,814	959,653
Reserves		27,900	26,292
Shareholders' equity		1,155,214	1,113,445
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		8,099,311	9,571,617
COMMITMENTS AND CONTINGENCIES	o	79,306,119	77,516,609

J.P. MORGAN CHASE BANK BERHAD (316347-D)
(Incorporated in Malaysia)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	<u>Note</u>	<u>31 Mar 2019</u> (Quarter 1 2019) RM'000	<u>31 Mar 2018</u> (Quarter 1 2018) RM'000
Interest income	i	37,760	26,954
Interest expense	j	(19,117)	(10,295)
Net interest income		18,643	16,659
Other operating income	k	74,600	51,809
Net income		93,243	68,468
Other operating expenses	l	(38,278)	(37,918)
Operating profit before allowances		54,965	30,550
Expected credit losses written-back/(Allowances) for losses on loans and advances	m	568	(41)
Profit before taxation		55,533	30,509
Taxation		(13,625)	(7,611)
Net profit for the financial period		41,908	22,898

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	Share capital RM'000	Fair value reserves of OCI RM'000	Option reserve RM'000	Regulatory reserve RM'000	Distributable Retained earnings RM'000	Total RM'000
At 1 January 2019	127,500	133	11,953	14,206	959,653	1,113,445
Net profit for the financial period	-	-	-	-	41,908	41,908
Transfer to regulatory reserve	-	-	-	1,747	(1,747)	-
Other comprehensive income	-	(139)	-	-	-	(139)
At 31 March 2019	<u>127,500</u>	<u>(6)</u>	<u>11,953</u>	<u>15,953</u>	<u>999,814</u>	<u>1,155,214</u>
At 1 January 2018	127,500	40	18,053	2,415	896,950	1,044,958
Adjustments arising from adoption of MFRS 9	-	-	-	9,636	185	9,821
Adjusted opening balances	127,500	40	18,053	12,051	897,135	1,054,779
Net profit for the financial year	-	-	-	-	64,673	64,673
Transfer to regulatory reserve	-	-	-	2,155	(2,155)	-
Other comprehensive income	-	93	-	-	-	93
Employee share option expense for the year	-	-	2,358	-	-	2,358
Employee share option expense recharged by JPMorgan Chase & Co	-	-	(8,458)	-	-	(8,458)
At 31 December 2018	<u>127,500</u>	<u>133</u>	<u>11,953</u>	<u>14,206</u>	<u>959,653</u>	<u>1,113,445</u>

CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019

	31 Mar 2019 RM'000	31 Mar 2018 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	55,533	30,509
Adjustments for items not involving the movement of cash and cash equivalents:		
Depreciation of fixed assets	807	983
Amortisation of lease	999	-
Loss on written-off of fixed assets	2	18
(Write back)/ allowance for expected credit losses on loans and advances	(568)	41
Net unrealised loss from revaluation of financial assets held at fair value through profit and loss	68	918
Net loss/(gain) on derivatives	12,026	(8,894)
Net unrealised (gain)/loss on revaluation of derivatives	(21,899)	12,376
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	46,968	35,951
(Increase)/decrease in securities purchased under resale agreement	(21,069)	37,288
Decrease/(increase) in financial assets held at fair value through profit and loss	873,343	(185,332)
Increase in derivative financial instruments	(36,846)	(10,013)
Decrease/(increase) in financial assets held at fair value through other comprehensive income	222,359	(749,610)
Decrease in loans and advances	54,542	25,895
Increase in other assets	(246,245)	(175,494)
(Decrease)/increase in deposits from customers	(1,161,218)	3,637,045
(Decrease)/increase in deposits and placements of banks and other financial institutions	(218,401)	114,717
Increase/(decrease) in other liabilities	462,077	(7,749)
Decrease in securities sold under repurchase agreements	(18,180)	(38,479)
Decrease in amount due to related parties	(449,345)	(1,068,333)
Cash (used in)/generated from operating activities	(492,015)	1,615,886
Income taxes paid	(5,400)	(5,100)
Net cash generated from/(used in) operating activities	(497,415)	1,610,786

J.P. MORGAN CHASE BANK BERHAD (316347-D)
(Incorporated in Malaysia)

CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2019 (CONTINUED)

	31 Mar 2019 RM'000	31 Mar 2018 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(738)	(228)
Net cash used in investing activities	<u>(738)</u>	<u>(228)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(498,153)	1,610,558
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	5,121,768	4,443,433
CASH AND CASH EQUIVALENT AT END OF FINANCIAL PERIOD	<u><u>4,623,615</u></u>	<u><u>6,053,991</u></u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and short term funds	3,954,412	5,179,661
Amount due from related parties	669,203	874,330
	<u><u>4,623,615</u></u>	<u><u>6,053,991</u></u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

A Basis of preparation

The unaudited interim financial statements herein have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board.

The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2018. 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 Bank since the financial year ended 31 December 2018.

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 financial year ended 31 December 2018, except for the following:

- MFRS 16: Effective 1 January 2019, the Bank adopted MFRS 16, Leases, supersedes MFRS 117 "Leases". Lessees will recognise a right of use ("ROU") asset and corresponding lease liability on the balance sheet. The asset will be amortised over the length of the lease, and the lease liability measured at amortised cost.

B Auditor's Report on preceding Annual Financial Statements

The auditor's report on the financial statements for the financial year ended 31 December 2018 was not subject to any qualification.

C Seasonality or Cyclical factors

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

D Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Bank for the financial period ended 31 March 2019.

E Change in estimates

There were no changes in estimates of amounts reported in prior financial years that have material effect on the financial results and position of the Bank for the financial period ended 31 March 2019.

F Issuance and repayment of Debts and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period ended 31 March 2019.

G Dividend

No dividend was paid during the financial period ended 31 March 2019.

H Subsequent events

There were no material events subsequent to the end of the reporting date that require disclosure or adjustments to the unaudited interim financial statements.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

I Review of Bank's Performance

The Bank's profit before taxation for the financial period to March 2019 amounted to RM55.5 million. Net interest income for the period was RM18.6 million. Major contributor for interest income include inter-bank lending (RM25.5 million) and interest earned from financial assets held at fair value through other comprehensive income (RM8.8 million). Interest income from loans and advances for the period amounted to RM3.7 million. As for interest expense, amount incurred on inter-bank borrowings was RM2.8 million and interest incurred on customer deposits was RM16.2 million.

Income generated from the Bank's treasury activities comprises net gain on foreign exchange trading of RM27.3 million, net gain in financial assets held at fair value through profit and loss of RM23 million and net gain on derivatives of RM9.9 million. Inter-company charges, commission and fees earned by the Bank amounted to RM14.5 million.

Total overhead expenditure incurred in the 3 months was RM38.3 million. Staff cost and benefits came up to RM13.7 million while establishment expenses amounted to RM2.6 million. Inter-company management fees and attribution fees incurred during the period was RM19 million while other administration and general expenses amounted to RM2.6 million.

Performance for year-to-date March 2019 was higher than that of the corresponding period in 2018. In the current period, the profit before taxation was RM55.5 million (YTD March 2018: RM30.5 million). Net interest income for the current period was higher by RM2 million while other operating income in the first 3 months of 2019 was RM74.6 million, higher than the amount earned in the corresponding period in 2018 by RM22.8 million. The higher net interest income recorded was attributable to higher interest income from money at call and placements with financial institutions by RM7.1 million and financial assets held at fair value through other comprehensive income of RM2.7 million, offset by higher interest expense arising from deposits from customers by RM8.4 million. During the current period, there was higher net gain in foreign exchange of RM0.9 million which was offset by a decrease in other operating income earned by RM3.3 million. Net income from financial assets held at fair value through profit and loss for the first quarter of 2019 amounted to RM23 million while RM11.5 million was earned in the corresponding period for 2018. As for derivatives trading, a net gain of RM9.9 million was recorded in the current quarter against a net loss of RM3.5 million recorded in first quarter of 2018. Other operating expenses came up to RM38.3 million as compared with RM37.9 million incurred during the corresponding period of 2018, reflecting a minimal increase of RM0.4 million.

J Business outlook for 2019

The macro-economic environment appears challenging in FY 2019. A slowdown in economic growth and possible flare up in the U.S. China Trade War, as well as financial-market volatility, are the main downside risks to the economy. Despite the challenges, J.P. Morgan will remain focused on the quality and stability of the Bank's earnings by investing in transaction services, trade and wholesale banking businesses while also enhancing flow business. J.P. Morgan's target clients, which consist of multi-national corporations, large domestic corporates, financial institutions and non-bank financial institutions, benefit from the Bank's significant competitive advantage in terms of the Bank's broad product mix and global network. Both elements ensure the Bank can effectively service clients that have both domestic and international presence.

Globally, with J.P. Morgan's strong capitalisation, fortress balance sheet and proven track record in meeting the needs of the Bank's clients with exceptional products, innovative solutions and best in class advice, the Bank's revenue will continue to grow. In addition, J.P. Morgan's Corporate and Investment Bank's international businesses are important components of J.P. Morgan's overall global strategy and will remain a significant focus of the Bank. These businesses will continue to contribute positively to the Bank's growth aspirations.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

	<u>31 Mar 2019</u> RM '000	<u>31 Dec 2018</u> RM '000
a) Cash and short-term funds		
Cash and balances with banks and other financial institutions	51,584	35,230
Money at call and deposit placements maturing within one month	<u>3,902,828</u>	<u>4,629,871</u>
	<u>3,954,412</u>	<u>4,665,101</u>
b) Financial assets held at fair value through profit or loss		
<u>Money market instruments</u>		
Malaysian Government Securities	530,778	1,223,825
Bank Negara Interbank bills	50,000	397,942
Malaysian Treasury bills	49,108	4,943
Malaysian Government Investment Issuance	343,501	192,568
Khazanah Bonds	23,215	-
<u>Unquoted securities</u>		
Private debt securities	146,609	197,344
Unquoted shares	<u>7,530</u>	<u>7,530</u>
	<u>1,150,741</u>	<u>2,024,152</u>
c) Financial assets held at fair value through other comprehensive income		
<u>Money market instruments</u>		
Bank Negara Interbank Bills	<u>1,133,971</u>	<u>1,356,469</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

	<u>31 Mar 2019</u> RM '000	<u>31 Dec 2018</u> RM '000
d) Loans and advances		
i) Loans and advances analysed by type of loan are as follows:		
Overdrafts	57,927	27,847
Housing loans	574	600
Staff loans	637	652
Revolving credits	141,839	218,155
Trade finance	98,445	106,099
	<u>299,422</u>	<u>353,353</u>
Less: Allowance for losses on loans and advances:		
- ECL not credit impaired	(223)	(181)
- ECL credit impaired	(23)	(23)
Total net loans and advances	<u><u>299,176</u></u>	<u><u>353,149</u></u>
ii) The maturity structure of loans and advances are as follows:		
Maturity within		
- one year	298,367	352,255
- one year to three years	66	46
- three years to five years	149	169
- over five years	840	883
	<u>299,422</u>	<u>353,353</u>
iii) Loans and advances analysed by type of customers are as follows:		
Domestic business enterprises		
- Others	286,442	332,573
Individuals	1,211	1,252
Foreign entities	11,769	19,528
	<u>299,422</u>	<u>353,353</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

	31 Mar 2019 RM '000	31 Dec 2018 RM '000
d) Loans and advances (continued)		
iv) Loans and advances analysed by interest sensitivity are as follows:		
Fixed rate		
- Housing loans	1,211	1,252
Variable rate		
- Cost-plus	298,211	352,101
	<u>299,422</u>	<u>353,353</u>
v) Loans and advances analysed by their economic purpose are as follows:		
Purchase of landed properties	1,211	1,252
Working capital	298,211	352,101
	<u>299,422</u>	<u>353,353</u>
vi) Loans and advances analysed by their geographical distribution are as follows:		
In Malaysia	287,653	333,825
Other countries	11,769	19,528
	<u>299,422</u>	<u>353,353</u>
vii) Loans and advances analysed by measurement basis are as follows:		
Amortised cost	<u>299,422</u>	<u>353,353</u>
viii) Impaired loans		
a) Movement in impaired loans and advances are as follows:		
At 1 January	66	111
Classified as impaired during the financial period/year	-	10
Amount recovered	<u>(1)</u>	<u>(55)</u>
At end of financial period/year	65	66
ECL credit impaired	<u>(23)</u>	<u>(23)</u>
Net impaired loans and advances	<u>42</u>	<u>43</u>
Ratio of net impaired loans and advances to net loans and advances	<u>0.01%</u>	<u>0.01%</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

	31 Mar 2019 RM '000	31 Dec 2018 RM '000
d) Loans and advances (continued)		
viii) Impaired loans (continued)		
b) Impaired loans analysed by their economic purpose are as follows:		
Purchase of landed property	<u>65</u>	<u>66</u>
c) Impaired loans analysed by their geographical distribution are as follows:		
In Malaysia	<u>65</u>	<u>66</u>
d) Movement in allowance for impaired loans and advances are as		
<u>ECL credit impaired</u>		
At 1 January		
- as previously reported	23	-
- effects of adoption of MFRS 9	<u>-</u>	<u>39</u>
- as restated	23	39
- Allowance written back during the financial period/year	<u>-</u>	<u>(16)</u>
Balance at end of financial period/year	<u>23</u>	<u>23</u>
<u>ECL not credit impaired</u>		
At 1 January		
- as previously reported	181	-
- effects of adoption of MFRS 9	<u>-</u>	<u>85</u>
- as restated	181	85
- Allowance made during the financial period/year	<u>42</u>	<u>96</u>
Balance at end of financial period/year	<u>223</u>	<u>181</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

	31 Mar 2019 RM '000	31 Dec 2018 RM '000
e) Other assets		
Other receivables	321,494	77,844
Deposits and prepayments	<u>2,538</u>	<u>9,670</u>
	<u>324,032</u>	<u>87,514</u>
f) Deposits from customers		
i) Deposits from customers analysed by type of deposits are as follows:		
Demand deposits	4,877,150	6,036,321
Fixed deposits	<u>25,869</u>	<u>27,916</u>
	<u>4,903,019</u>	<u>6,064,237</u>
Maturity structure of fixed deposits are as follows:		
Due within six months	<u>25,869</u>	<u>27,916</u>
ii) Deposits from customers analysed by type of customers are as follows:		
Business enterprises	4,902,509	6,063,882
Others	<u>510</u>	<u>355</u>
	<u>4,903,019</u>	<u>6,064,237</u>
g) Deposits and placements of banks and other financial institutions		
Licensed banks	331,553	549,063
Other financial institutions	<u>837</u>	<u>1,728</u>
	<u>332,390</u>	<u>550,791</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

	<u>31 Mar 2019</u> RM '000	<u>31 Dec 2018</u> RM '000
h) Other liabilities		
Other payables	596,099	122,461
Accruals and charges	3,350	14,298
Expected credit loss - off-balance sheet lending commitment	271	883
	<u>599,720</u>	<u>137,642</u>
	<u>31 Mar 2019</u> (Quarter 1 2019) RM '000	<u>31 Mar 2018</u> (Quarter 1 2018) RM '000
i) Interest income		
Loans and advances		
- Interest income other than recoveries from impaired loans	3,742	2,692
- Recoveries from impaired loans	-	1
Money at call and placements with financial institutions	25,233	18,179
Financial assets held at fair value through other comprehensive income	8,785	6,082
	<u>37,760</u>	<u>26,954</u>
j) Interest expense		
Deposits from customers	16,227	7,787
Deposits and placements of banks and other financial institutions	2,848	2,508
Others	42	-
	<u>19,117</u>	<u>10,295</u>
k) Other operating income		
Fee income:		
Service charges and fees	1,157	991
Guarantee fees	1,145	947
	<u>2,302</u>	<u>1,938</u>
Net income from securities:		
Net gain from sale of financial assets fair value through profit or loss	8,614	2,693
Unrealised loss from revaluation of financial assets fair value through profit or loss	(68)	(918)
Interest income from assets held at fair value through profit and loss	14,432	9,761
Derivatives:		
Net (loss)/gain from trading of derivatives	(12,026)	8,894
Unrealised gain/(loss) from revaluation of derivatives	21,899	(12,376)
Other income:		
Foreign exchange gain	27,283	26,393
Other operating income	12,164	15,442
Loss on disposal of fixed assets	-	(18)
	<u>74,600</u>	<u>51,809</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

	31 Mar 2019 (Quarter 1 2019) RM '000	31 Mar 2018 (Quarter 1 2018) RM '000
l) Other operating expenses		
Personnel expenses	13,701	13,600
Establishment expenses	2,632	2,814
Marketing expenses	322	321
Management fee and attribution fees paid	19,004	16,537
General administrative expenses	2,619	4,646
	<u>38,278</u>	<u>37,918</u>
m) Expected credit losses written-back/(Allowance) for losses on loans and advances:		
ECL - off-balance sheet lending commitment	612	(51)
ECL - loans and advances	(42)	12
Loans and advances written-off	(2)	(2)
	<u>568</u>	<u>(41)</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

n) Capital adequacy

The capital adequacy ratios of the Bank are computed in accordance with Bank Negara Malaysia's revised Risk-Weighted Capital Adequacy Framework: Standardised Approach for Credit and Market Risk, and Basic Indicator Approach for Operational Risk (Basel II).

i) The capital adequacy ratios of the Bank are as follows:	<u>31 Mar 2019</u>	<u>31 Dec 2018</u>
	RM '000	RM '000
Tier-I capital		
Share capital	127,500	127,500
Retained earnings	959,653	959,653
Fair value reserve through other comprehensive income	(6)	133
Option reserve	<u>11,953</u>	<u>11,953</u>
	1,099,100	1,099,239
Deferred tax assets	(3,120)	(3,120)
Financial assets at fair value through other comprehensive income	<u>-</u>	<u>(73)</u>
Total Tier I capital	<u>1,095,980</u>	<u>1,096,046</u>
Tier-II capital		
Regulatory reserve	15,953	14,206
ECL not credit impaired	<u>223</u>	<u>181</u>
Total Tier-II capital	<u>16,176</u>	<u>14,387</u>
Total capital	<u><u>1,112,156</u></u>	<u><u>1,110,433</u></u>
Common Equity Tier 1 capital ratio	25.553%	23.174%
Tier 1 capital ratio	25.553%	23.174%
Total capital ratio	25.930%	23.478%

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

n) Capital adequacy (continued)

ii) Total risk weighted assets and capital requirements as at 31 March 2019 and 31 December 2018

Exposure class	31 March 2019				31 December 2018			
	Gross exposures	Net exposures	Risk weighted assets	Capital requirements	Gross exposures	Net exposures	Risk weighted assets	Capital requirements
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
(a) Credit risk								
On-balance sheet exposures								
Sovereigns/central banks	5,114,172	5,114,172	81,675	6,534	6,054,980	6,054,980	248,235	19,859
Public sector entities	84,399	84,399	16,880	1,350	158	158	32	3
Banks, development financial institutions	792,254	792,254	158,463	12,677	261,662	261,662	52,345	4,188
Insurance companies, securities firms and fund managers	159,818	159,818	80,468	6,437	298,911	298,911	149,870	11,990
Corporates	299,397	299,397	298,804	23,904	354,525	354,525	353,312	28,265
Residential mortgages	1141	1141	400	32	1,182	1,182	414	33
Higher risk assets	4	4	6	1.00	4	4	6	1.00
Other assets	24,567	24,567	23,935	1,915	24,748	24,748	24,594	1,967
Defaulted exposures	43	43	21	2	43	43	21	2
Total on-balance sheet exposures	<u>6,475,795</u>	<u>6,475,795</u>	<u>660,652</u>	<u>52,852</u>	<u>6,996,213</u>	<u>6,996,213</u>	<u>828,829</u>	<u>66,308</u>
Off-balance sheet exposures								
over-the-counter ('OTC') derivatives	2,471,253	2,471,253	1,000,110	80,009	2,498,437	2,498,437	951,363	76,108
Off-balance sheet exposures other than OTC derivatives	339,818	339,818	318,199	25,456	600,948	600,948	584,962	46,796
Total off-balance sheet exposures	<u>2,811,071</u>	<u>2,811,071</u>	<u>1,318,309</u>	<u>105,465</u>	<u>3,099,385</u>	<u>3,099,385</u>	<u>1,536,325</u>	<u>122,904</u>
Total on and off-balance sheet exposures	<u>9,286,866</u>	<u>9,286,866</u>	<u>1,978,961</u>	<u>158,317</u>	<u>10,095,598</u>	<u>10,095,598</u>	<u>2,365,154</u>	<u>189,212</u>
(b) Market risk								
	Long position	Short position			Long position	Short position		
Interest rate risk	101,064,805	99,847,112	1,438,894	115,112	92,387,526	90,369,435	1,446,957	115,756
Equity position risk	-	-	-	-	15,909	-	6,363	509
Foreign currency risk	15,407	7	157,413	12,593	1,533	90,754	90,750	7,260
Option risk			220,988	17,679			357,613	28,609
(c) Operational risk								
			492,858	39,429			462,880	37,030
Total risk weighted assets and capital requirements			<u>4,289,114</u>	<u>343,130</u>			<u>4,729,717</u>	<u>378,376</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2019

o) Commitments and contingencies

	31 March 2019			31 December 2018		
	Principal <u>amount</u> RM'000	Credit equivalent <u>amount*</u> RM'000	Risk- weighted <u>amount</u> RM'000	Principal <u>amount</u> RM'000	Credit equivalent <u>amount*</u> RM'000	Risk- weighted <u>amount</u> RM'000
Direct credit substitutes	220,041	220,041	202,777	479,113	479,113	467,360
Transaction-related contingent items	67,703	33,852	29,497	69,002	34,500	30,267
Short-term self-liquidating trade related contingencies	-	-	-	1,382	276	276
Foreign exchange related contracts:						
- less than one year	32,649,243	559,712	266,984	33,639,324	579,311	259,452
- one year to less than five years	3,544,734	349,467	137,511	3,461,257	349,180	123,066
- more than five years	204,150	42,645	11,836	206,850	42,236	11,798
Interest rate related contracts:						
- less than one year	6,097,720	16,299	5,105	5,588,611	15,280	4,995
- one year to less than five years	29,109,157	808,544	275,096	27,887,921	763,008	262,044
- more than five years	2,025,020	160,403	49,976	1,049,595	61,787	19,758
Credit derivatives contracts						
- one year to less than five years	496,426	98,495	36,149	374,346	83,572	27,748
Equity related contracts						
- less than one year	2,558,100	315,793	143,135	2,346,030	439,456	136,257
- one year to less than five years	780,247	119,895	74,318	1,121,817	164,607	106,245
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	171,849	85,925	85,925	174,117	87,059	87,059
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 borrower's creditworthiness	1,381,729	-	-	1,117,244	-	-
	<u>79,306,119</u>	<u>2,811,071</u>	<u>1,318,309</u>	<u>77,516,609</u>	<u>3,099,385</u>	<u>1,536,325</u>

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