



**Standard Chartered Bank
Malaysia Berhad**
(Company No. 115793P)
(Incorporated in Malaysia)
and its subsidiaries

**Financial statements for the three months ended
31 March 2009**

Domiciled in Malaysia
Principal place of business
Level 16, Menara Standard Chartered
No. 30, Jalan Sultan Ismail
50250 Kuala Lumpur

STANDARD CHARTERED BANK MALAYSIA BERHAD
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED BALANCE SHEETS AS AT 31 MARCH 2009

	Note	Group		Bank	
		31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
Assets					
Cash and short term funds		11,051,744	4,124,252	8,039,944	1,918,776
Deposits and placements with banks and other financial institutions		65,000	985,270	265,000	985,000
Securities purchased under resale agreements		114,907	3,495,149	114,907	3,495,149
Securities held for trading	11	4,344,717	3,676,856	4,344,717	3,676,856
Securities available-for-sale	12	4,972,820	6,704,281	4,627,683	6,462,209
Loans, advances and financing	13	20,315,992	20,579,280	18,839,630	19,211,240
Other receivables	15	4,691,999	3,827,602	4,990,697	3,766,578
Prepaid lease payments		1,143	1,149	1,143	1,149
Statutory deposits with Bank Negara Malaysia		118,000	500,000	98,000	446,000
Investments in subsidiaries		-	-	200,022	200,022
Property, plant and equipment		56,355	59,375	56,355	59,375
Deferred tax assets		99,825	102,304	93,261	95,347
Total assets		45,832,502	44,055,518	41,671,359	40,317,701
Liabilities					
Deposits from customers	16	33,216,913	33,010,073	28,814,679	28,586,783
Deposits and placements of banks and other financial institutions	17	3,954,203	3,292,897	3,730,096	3,245,719
Bills and acceptances payable		23,001	135,181	23,001	106,239
Recourse obligations on loans sold to Cagamas		147,455	161,898	147,455	161,898
Other payables	18	5,393,069	4,412,329	5,870,576	5,183,859
Tax payable		51,841	52,774	51,002	51,201
Subordinated debts		901,239	900,058	901,239	900,058
Total liabilities		43,687,721	41,965,210	39,538,048	38,235,757
Equity					
Share capital		125,000	125,000	125,000	125,000
Reserves		2,019,781	1,965,308	2,008,311	1,956,944
Total equity attributable to equity holder of the Bank	19	2,144,781	2,090,308	2,133,311	2,081,944
Total liabilities and equity		45,832,502	44,055,518	41,671,359	40,317,701
Commitments and contingencies	26	197,108,415	201,688,112	196,714,193	201,382,959
CAPITAL ADEQUACY					
Core capital ratio	27	8.74%	8.30%	9.25%	8.76%
Risk-weighted capital ratio	27	13.88%	13.51%	13.68%	13.24%

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2008.

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE 1ST QUARTER ENDED 31 MARCH 2009

	Note	Group			
		1st Quarter ended		Three months ended	
		31 March 2009	31 March 2008	31 March 2009	31 March 2008
		RM'000	RM'000	RM'000	RM'000
Interest income	20	365,623	452,021	365,623	452,021
Interest expense	21	(180,696)	(234,136)	(180,696)	(234,136)
Net interest income		<u>184,927</u>	<u>217,885</u>	<u>184,927</u>	<u>217,885</u>
Net income from Islamic Banking operations	22	27,871	15,303	27,871	15,303
		<u>212,798</u>	<u>233,188</u>	<u>212,798</u>	<u>233,188</u>
Other operating income	23	161,706	331,046	161,706	331,046
Total net income		<u>374,504</u>	<u>564,234</u>	<u>374,504</u>	<u>564,234</u>
Other operating expenses	24	(174,425)	(178,482)	(174,425)	(178,482)
Operating profit		<u>200,079</u>	<u>385,752</u>	<u>200,079</u>	<u>385,752</u>
Allowance for bad and doubtful debts and financing	25	(34,009)	(33,910)	(34,009)	(33,910)
Profit before taxation		<u>166,070</u>	<u>351,842</u>	<u>166,070</u>	<u>351,842</u>
Tax expense		(44,036)	(97,765)	(44,036)	(97,765)
Profit for the period		<u><u>122,034</u></u>	<u><u>254,077</u></u>	<u><u>122,034</u></u>	<u><u>254,077</u></u>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2008.

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE 1ST QUARTER ENDED 31 MARCH 2009

	Note	Bank			
		1st Quarter ended		Three months ended	
		31 March 2009	31 March 2008	31 March 2009	31 March 2008
		RM'000	RM'000	RM'000	RM'000
Interest income	20	372,008	452,021	372,008	452,021
Interest expense	21	(180,696)	(234,136)	(180,696)	(234,136)
Net interest income		191,312	217,885	191,312	217,885
Net income from Islamic Banking operations	22	-	15,303	-	15,303
Other operating income	23	161,706	331,046	161,706	331,046
Total net income		353,018	564,234	353,018	564,234
Other operating expenses	24	(164,711)	(178,482)	(164,711)	(178,482)
Operating profit		188,307	385,752	188,307	385,752
Allowance for bad and doubtful debts and financing	25	(24,834)	(33,910)	(24,834)	(33,910)
Profit before taxation		163,473	351,842	163,473	351,842
Tax expense		(43,363)	(97,765)	(43,363)	(97,765)
Profit for the period		<u>120,110</u>	<u>254,077</u>	<u>120,110</u>	<u>254,077</u>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2008.

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF RECOGNISED INCOME AND EXPENSE
FOR THE THREE MONTHS ENDED 31 MARCH 2009

	Note	Group		Bank	
		31 March 2009 RM'000	31 March 2008 RM'000	31 March 2009 RM'000	31 March 2008 RM'000
Unrealised net gain on revaluation of securities available-for-sale		2,525	11,040	998	11,040
Realised gain from disposal of securities available-for-sale transferred to income statements		(4,747)	(3,675)	(4,796)	(3,675)
Unrealised gain/(loss) on cash flow hedge		13,608	(4,202)	13,608	(4,202)
Realised (gain)/loss on cash flow hedge transferred to income statements		(1,468)	10,522	(1,468)	10,522
Tax effect on income and expense recognised directly in equity		<u>(2,479)</u>	<u>(3,410)</u>	<u>(2,085)</u>	<u>(3,410)</u>
Income and expense recognised directly in equity	19	7,439	10,275	6,257	10,275
Profit for the period		122,034	254,077	120,110	254,077
Total recognised income and expense for the period attributable to equity holder of the Bank		<u>129,473</u>	<u>264,352</u>	<u>126,367</u>	<u>264,352</u>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2008.

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED CASH FLOW STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2009

	Group		Bank	
	31 March 2009 RM'000	31 March 2008 RM'000	31 March 2009 RM'000	31 March 2008 RM'000
Profit before taxation	166,070	351,842	163,473	351,842
Adjustment for non-operating items	-	(277)	-	(277)
Adjustment for non-cash items	24,098	1,620	24,076	1,620
Operating profit before working capital changes	190,168	353,185	187,549	353,185
Changes in working capital:-				
Net changes in operating assets	3,425,682	(5,569,795)	2,940,012	(5,569,795)
Net changes in operating liabilities	1,723,447	4,067,557	1,302,490	4,067,557
Income taxes paid	(44,968)	(40,450)	(43,562)	(40,450)
Net cash generated from/(used in) operating activities	5,294,329	(1,189,503)	4,386,489	(1,189,503)
Net cash generated from/(used in) investing activities	1,708,163	(260,939)	1,809,679	(260,939)
Net cash used in financing activities	(75,000)	(380,800)	(75,000)	(380,800)
Net increase/(decrease) in cash and cash equivalents	6,927,492	(1,831,242)	6,121,168	(1,831,242)
Cash and cash equivalent at beginning of the year	4,124,252	14,819,024	1,918,776	14,819,024
Cash and cash equivalent at end of the period	<u>11,051,744</u>	<u>12,987,782</u>	<u>8,039,944</u>	<u>12,987,782</u>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2008.

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REVIEW OF PERFORMANCE

The Group's profit before taxation for the financial three months ended 31 March 2009 was RM 166.07 million, which is RM 185.77 million or 52.80% lower than the corresponding period last year. Net interest income declined by 15.13% to RM 184.93 million while other operating income (including income from Islamic Banking operations) decreased by RM 156.77 million to RM 189.58 million. Allowance for bad and doubtful debts was higher by RM 0.10 million while overheads decreased by RM 4.06 million. Total assets registered an increase of RM 1.78 billion or 4.03% to RM 45.83 billion compared to the last financial year ended 31 December 2008. The Group's core capital ratio and risk-weighted capital ratio remained strong at 8.74% and 13.88% respectively.

PROSPECTS

The Bank will continue to grow its business in Malaysia in support of a focused strategic agenda to achieve the Standard Chartered PLC's ambition to be the best international bank, leading the way in Asia, Africa and the Middle East. Over the past few years, the Bank has built significant momentum to lead the way in product innovation, service, performance culture, corporate governance and enhancing shareholder value. The strategic agenda for 2009 is set out below:-

- Deliver superior financial performance, in line with the market
- Continuously improve the way we work, to make things simpler, faster and better
- Massively multiply our leadership capability, attracting and retaining more talent and turning managers into true leaders
- Reinforce the brand, making it even more powerful and well-known across our footprint
- Building our Saadiq brand name to grow our Islamic Banking business

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Notes to the financial statements for the financial three months ended 31 March 2009

1. Basis of preparation of the financial statements

The unaudited condensed interim financial statements for the first quarter and the financial three months ended 31 March 2009 have been prepared in accordance with FRS 134, Interim Financial Reporting, issued by the Malaysian Accounting Standards Board ("MASB") and Bank Negara Malaysia guidelines.

The financial statements incorporate those activities relating to Islamic Banking which have been undertaken by the Group. Islamic Banking refers generally to the acceptance of deposits and granting of financing under the Shariah principles.

The accounting policies and methods of computation in the unaudited condensed interim financial statements are consistent with those adopted in the last audited financial statements.

The unaudited interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008. The explanatory notes attached in the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group and the Bank since the year ended 31 December 2008.

2. Auditor's report on preceding annual financial statements

The auditor's report on the financial statements for the financial year ended 31 December 2008 was not qualified.

3. Seasonal or cyclical factors

The business operations of the Group and the Bank have not been affected by any material seasonal or cyclical factors.

4. Unusual items due to their nature, size or incidence

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank in the first quarter and the financial three months ended 31 March 2009.

5. Changes in accounting estimates

There were no material changes in estimates of amounts reported that have a material effect on the unaudited condensed interim financial statements in the first quarter and the financial three months ended 31 March 2009.

6. Issuances, cancellations, repurchases, resale and repayments of securities portfolio

There were no issuance and repayment of debt and equity securities, share-buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares in the financial three months ended 31 March 2009.

7. Dividend

During the financial three months ended 31 March 2009, a final dividend (gross) of 80 sen per share, less income tax, amounting to RM 75,000,000 in respect of the financial year ended 31 December 2008 were paid on 30 March 2009.

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8. Carrying amount of revalued assets

The Group's and the Bank's property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The valuations of certain land and buildings of the Group and the Bank have been brought forward without amendment from the previous audited annual financial statements for the financial year ended 31 December 2008.

9. Subsequent events

There were no material events subsequent to the balance sheet date that requires disclosure or adjustments to the unaudited condensed interim financial statements.

10. Changes in the composition of the Group

There were no significant changes in the composition of the Group in the financial three months ended 31 March 2009.

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11. Securities held for trading

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
<u>At fair value</u>				
Malaysian Government treasury bills	395,619	9,213	395,619	9,213
Malaysian Government bonds/securities	2,148,290	2,469,909	2,148,290	2,469,909
Government Islamic bonds	-	120,294	-	120,294
Khazanah Islamic bonds	-	12,678	-	12,678
Bank Negara Malaysia bills	1,256,226	322,271	1,256,226	322,271
Cagamas bonds	44,550	38,800	44,550	38,800
Private debt securities	500,032	703,691	500,032	703,691
	<u>4,344,717</u>	<u>3,676,856</u>	<u>4,344,717</u>	<u>3,676,856</u>

12. Securities available-for-sale

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
<u>At fair value</u>				
Malaysian Government bonds/ securities	2,431,931	2,966,216	2,431,931	2,966,216
Bank Negara Malaysia bills	900,803	1,398,304	781,260	1,398,304
Cagamas bonds	65,142	64,478	-	-
Bankers' acceptances and Islamic acceptance bills	163,735	-	163,735	-
Negotiable instruments of deposit	1,246,291	2,095,095	1,201,305	2,050,100
Government Islamic bonds	25,368	25,138	-	-
Private debt securities	90,098	107,461	-	-
Equity shares	18,074	16,211	18,074	16,211
	<u>4,941,442</u>	<u>6,672,903</u>	<u>4,596,305</u>	<u>6,430,831</u>
Unquoted securities:-				
Equity shares	9,098	9,098	9,098	9,098
Private debt securities	22,280	22,280	22,280	22,280
	<u>4,972,820</u>	<u>6,704,281</u>	<u>4,627,683</u>	<u>6,462,209</u>

Included in unquoted equity shares are 51% shareholdings held in Popular Ambience Sdn. Bhd. ("PASB") and Resolution Alliance Sdn Bhd ("RASB"), amounting to RM 51 each. The shares in RASB were acquired during the year. Both companies are incorporated in Malaysia. The remaining 49% shareholdings of PASB are held by Standard Chartered Bank (Hong Kong) Limited ("SCBHK"), while that of RASB are held by SCBHK (40%) and an unrelated third party (9%). The principal activities of PASB and RASB are that of special purpose vehicles established to undertake the purchase of non-performing loans.

In accordance with paragraphs 12 and 13 of FRS 127, Consolidated and Separate Financial Statements, consolidated financial statements shall include the financial statements of all subsidiaries of the parent where control exists.

The shareholders of PASB and RASB have signed separate Master Shareholders' Agreements in which the Bank had assigned to SCBHK its rights over all the profits or losses of PASB and RASB and the entitlement to appoint Directors of PASB and RASB. Pursuant to these Master Shareholders' Agreements, the Bank therefore ceased to have control over PASB and RASB as it does not have the ability to exercise its power to govern the financial and operating policies of PASB and RASB so as to obtain benefits from its activities. On this basis, PASB and RASB are excluded from the Group's consolidation and they are classified under securities available-for-sale.

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13. Loans, advances and financing**(i) By type**

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
Overdrafts	719,672	754,040	719,672	754,040
Term loans/financing				
- Housing loans/financing	10,617,873	10,541,370	10,376,512	10,300,314
- Syndicated term loan/financing	97,556	94,888	97,556	94,888
- Lease receivables	21,981	20,142	-	-
- Other term loans/financing	4,364,899	4,115,714	3,118,247	3,081,317
Bills receivable	2,803,215	2,981,597	2,765,240	2,947,728
Trust receipts	71,490	1,798	-	-
Claims on customers under acceptance credits	-	135,441	-	106,422
Staff loans/financing (of which loans to Directors - Nil for 2009 and 2008)	87,919	90,892	84,254	87,862
Loans/financing to banks and other financial institutions	69	87,588	69	87,588
Credit card receivables	1,253,601	1,331,373	1,253,601	1,331,373
Revolving credit	1,386,391	1,386,127	920,207	925,873
	<u>21,424,666</u>	<u>21,540,970</u>	<u>19,335,358</u>	<u>19,717,405</u>
Less: Unearned interest and income	<u>(600,025)</u>	<u>(442,672)</u>	<u>(10,440)</u>	<u>(8,877)</u>
Gross loans, advances and financing	20,824,641	21,098,298	19,324,918	19,708,528
Less: Allowance for bad and doubtful debts and financing:-				
- Specific	(194,728)	(203,747)	(193,898)	(202,898)
- General	<u>(313,921)</u>	<u>(315,271)</u>	<u>(291,390)</u>	<u>(294,390)</u>
Total net loans, advances and financing	<u><u>20,315,992</u></u>	<u><u>20,579,280</u></u>	<u><u>18,839,630</u></u>	<u><u>19,211,240</u></u>

(ii) By type of customer

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
Domestic banking institutions	69	87,588	69	87,588
Domestic non-bank financial institutions	475,332	509,289	398,559	431,189
<i>Stockbroking companies</i>	-	-	-	-
<i>Others</i>	<u>475,332</u>	<u>509,289</u>	<u>398,559</u>	<u>431,189</u>
Domestic business enterprises	5,701,822	5,858,238	5,058,031	5,284,095
<i>Small medium enterprises</i>	<u>1,829,267</u>	<u>1,767,803</u>	<u>1,719,553</u>	<u>1,685,032</u>
<i>Others</i>	<u>3,872,555</u>	<u>4,090,435</u>	<u>3,338,478</u>	<u>3,599,063</u>
Individuals	14,052,722	14,094,423	13,282,430	13,362,560
Other domestic entities	680	488	680	488
Foreign entities	594,016	548,272	585,149	542,608
	<u><u>20,824,641</u></u>	<u><u>21,098,298</u></u>	<u><u>19,324,918</u></u>	<u><u>19,708,528</u></u>

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13. Loans, advances and financing (continued)**(iii) By interest/profit rate sensitivity**

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
Fixed rate				
Housing loans/financing	70,227	72,375	64,206	66,356
Other fixed rate loan/financing	2,197,881	2,168,588	1,390,929	1,454,366
Variable rate				
BLR plus	13,336,309	13,196,538	13,112,113	12,984,171
Cost plus	4,374,232	4,759,664	3,911,678	4,302,502
Other variable rates	845,992	901,133	845,992	901,133
	<u>20,824,641</u>	<u>21,098,298</u>	<u>19,324,918</u>	<u>19,708,528</u>

(iv) By sector

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
Agriculture	121,485	112,933	121,468	112,912
Mining and quarrying	6,650	11,202	4,886	8,202
Manufacturing	2,065,314	2,263,379	2,013,732	2,213,432
Electricity, gas and water	116,899	87,002	86,899	87,002
Construction	259,026	239,021	204,417	232,538
Real estate	161,361	120,903	72,713	59,221
Purchase of landed property	12,304,754	12,256,962	12,154,341	12,094,021
- Residential	10,622,457	10,566,523	10,520,636	10,452,946
- Non-residential	1,682,297	1,690,439	1,633,705	1,641,075
Wholesale & retail trade and restaurants & hotels	2,020,046	2,030,047	1,734,745	1,730,836
Transport, storage and communication	138,945	159,769	70,960	73,365
Finance, insurance and business services	794,045	915,394	703,667	811,019
Consumption credit	2,705,183	2,784,746	2,076,429	2,210,150
Others	130,933	116,940	80,661	75,830
	<u>20,824,641</u>	<u>21,098,298</u>	<u>19,324,918</u>	<u>19,708,528</u>

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14. Non-performing loans/financing (NPL/NPF)**(i) Movements in the non-performing loans, advances and financing**

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
At 1 January	552,325	556,673	543,071	556,673
Classified as non-performing during the financial period	151,847	430,454	141,292	421,301
Reclassified as performing during the financial period	(66,171)	(247,726)	(65,918)	(247,539)
Amount recovered during the financial period	(21,181)	(33,011)	(20,569)	(32,862)
Amount written off	(55,579)	(154,065)	(48,045)	(148,837)
Amount vested over to Standard Chartered Saadiq Berhad ("Saadiq")	-	-	-	(5,665)
At end of reporting period	<u>561,241</u>	<u>552,325</u>	<u>549,831</u>	<u>543,071</u>
Specific allowance	<u>(194,728)</u>	<u>(203,747)</u>	<u>(193,898)</u>	<u>(202,898)</u>
Net non-performing loans, advances and financing	<u>366,513</u>	<u>348,578</u>	<u>355,933</u>	<u>340,173</u>
Ratio of net non-performing loans, advances and financing to net loans, advances and financing	<u>1.78%</u>	<u>1.67%</u>	<u>1.86%</u>	<u>1.74%</u>

(ii) Movements in allowance for bad and doubtful debts

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
General Allowance				
At 1 January	315,271	300,421	294,390	300,421
Allowance made during the financial period	4,800	14,850	3,000	14,000
Amount written back	(6,150)	-	(6,000)	-
Amount vested over to Saadiq	-	-	-	(20,031)
At end of reporting period	<u>313,921</u>	<u>315,271</u>	<u>291,390</u>	<u>294,390</u>
As a percentage of gross loans, advances and financing less specific allowance	<u>1.5%</u>	<u>1.5%</u>	<u>1.5%</u>	<u>1.5%</u>
Specific Allowance				
At 1 January	203,747	197,418	202,898	197,418
Allowance made during the financial period	58,066	201,730	50,507	196,688
Amount written back in respect of recoveries	(29,804)	(105,047)	(29,768)	(104,975)
Amount written off	(37,281)	(90,354)	(29,739)	(85,392)
Amount vested over to Saadiq	-	-	-	(841)
At end of reporting period	<u>194,728</u>	<u>203,747</u>	<u>193,898</u>	<u>202,898</u>

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14. Non-performing loans/financing (NPL/NPF) (continued)**(iii) NPL/NPF by sector**

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
Agriculture	-	-	-	-
Mining and quarrying	500	500	500	500
Manufacturing	59,346	59,342	59,346	59,342
Construction	3,854	4,259	3,854	4,259
Real estate	-	795	-	795
Purchase of landed property	398,189	377,311	394,541	374,440
- Residential	378,699	365,496	375,640	362,625
- Non-residential	19,490	11,815	18,901	11,815
Wholesale & retail trade and restaurants & hotels	13,118	16,294	13,017	16,294
Transport, storage and communication	102	40	102	40
Finance, insurance and business services	10,204	9,863	10,204	9,863
Consumption credit	43,723	47,611	36,062	41,228
Others	32,205	36,310	32,205	36,310
	561,241	552,325	549,831	543,071

15. Other receivables

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
Derivatives	3,854,190	3,461,287	3,849,390	3,458,686
Interest/Income receivables	306,294	191,205	305,864	190,156
Other receivables, deposit and prepayments	531,515	175,110	835,443	117,736
	4,691,999	3,827,602	4,990,697	3,766,578

16. Deposits from customers**(i) By type of deposit**

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
Demand deposits	10,516,694	10,323,248	9,926,696	10,077,017
Savings deposits	5,386,863	4,648,283	5,331,286	4,592,411
Fixed/Investment deposits	15,868,428	16,382,211	12,550,034	12,704,035
Negotiable instruments of deposits	1,444,928	1,656,331	1,006,663	1,213,320
	33,216,913	33,010,073	28,814,679	28,586,783

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16. Deposits from customers (continued)**(ii) By type of customers**

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
Government and statutory bodies	19,429	14,395	19,429	14,395
Business enterprises	12,623,514	13,236,641	9,475,234	9,761,746
Individuals	17,675,211	16,769,513	17,009,518	16,453,793
Others	2,898,759	2,989,524	2,310,498	2,356,849
	<u>33,216,913</u>	<u>33,010,073</u>	<u>28,814,679</u>	<u>28,586,783</u>

17. Deposits and placements of banks and other financial institutions

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
Licensed banks	1,084,083	331,276	899,391	286,625
Bank Negara Malaysia	29,697	31,103	29,355	30,779
Other financial institutions	2,840,423	2,930,518	2,801,350	2,928,315
	<u>3,954,203</u>	<u>3,292,897</u>	<u>3,730,096</u>	<u>3,245,719</u>

18. Other payables

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
Derivatives	3,333,365	2,932,097	3,328,836	2,929,776
Interest/Profit payable	363,623	257,040	353,649	244,362
Amount owing to subsidiaries	-	-	22	22
Profit equalisation reserve	6,548	5,744	-	-
Other payables and accruals	1,689,533	1,217,448	2,188,069	2,009,699
	<u>5,393,069</u>	<u>4,412,329</u>	<u>5,870,576</u>	<u>5,183,859</u>

The movements in profit equalisation reserve are as follows:-

Profit equalisation reserve

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
At 1 January	5,744	1,074	-	1,074
Amount provided during the financial period	804	6,110	-	5,100
Amount written back during the financial period	-	(1,440)	-	(1,440)
Amount vested over to Saadiq	-	-	-	(4,734)
At end of reporting period	<u>6,548</u>	<u>5,744</u>	<u>-</u>	<u>-</u>

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19. Capital and reserves**Reconciliation of movement in capital and reserves**

GROUP	← Non Distributable Reserves →					→ Distributable Reserves		Total RM'000
	Share capital RM'000	Share premium RM'000	Statutory reserves RM'000	Capital redemption reserves RM'000	AFS reserves RM'000	Cash flow hedge reserves RM'000	Retained profits RM'000	
At 1 January 2008	125,000	375,000	125,000	190	(1,102)	4,571	1,123,636	1,752,295
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	-	8,291	-	-	8,291
Realised gain from disposal of securities available-for-sale transferred to income statements	-	-	-	-	(2,756)	-	-	(2,756)
Unrealised loss on cash flow hedge	-	-	-	-	-	(3,152)	-	(3,152)
Realised loss on cash flow hedge transferred to income statements	-	-	-	-	-	7,892	-	7,892
Net gains recognised directly in equity	-	-	-	-	5,535	4,740	-	10,275
Profit for the period	-	-	-	-	-	-	254,077	254,077
Total recognised income and expense for the period	-	-	-	-	5,535	4,740	254,077	264,352
Dividends (ordinary shares):-								
- 2007 final	-	-	-	-	-	-	(310,800)	(310,800)
- 2007 special	-	-	-	-	-	-	(70,000)	(70,000)
At 31 March 2008	125,000	375,000	125,000	190	4,433	9,311	996,913	1,635,847

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19. Capital and reserves (continued)

Reconciliation of movement in capital and reserves (continued)

GROUP	← Non Distributable Reserves →					→ Distributable Reserves		Total RM'000
	Share capital RM'000	Share premium RM'000	Statutory reserves RM'000	Capital redemption reserves RM'000	AFS reserves RM'000	Cash flow hedge reserves RM'000	Retained profits RM'000	
At 1 January 2009	125,000	375,000	126,539	190	9,465	(5,803)	1,459,917	2,090,308
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	-	1,894	-	-	1,894
Realised gain from disposal of securities available-for-sale transferred to income statements	-	-	-	-	(3,560)	-	-	(3,560)
Unrealised gain on cash flow hedge	-	-	-	-	-	10,206	-	10,206
Realised gain on cash flow hedge transferred to income statements	-	-	-	-	-	(1,101)	-	(1,101)
Net gains/(losses) recognised directly in equity	-	-	-	-	(1,666)	9,105	-	7,439
Profit for the period	-	-	-	-	-	-	122,034	122,034
Total recognised income and expense for the period	-	-	-	-	(1,666)	9,105	122,034	129,473
Dividends (ordinary shares):- - 2008 final	-	-	-	-	-	-	(75,000)	(75,000)
At 31 March 2009	125,000	375,000	126,539	190	7,799	3,302	1,506,951	2,144,781

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19. Capital and reserves (continued)**Reconciliation of movement in capital and reserves (continued)**

BANK	← <i>Non Distributable Reserves</i> →					→ <i>Distributable Reserves</i>		Total RM'000
	Share capital RM'000	Share premium RM'000	Statutory reserves RM'000	Capital redemption reserves RM'000	AFS reserves RM'000	Cash flow hedge reserves RM'000	Retained profits RM'000	
At 1 January 2008	125,000	375,000	125,000	190	(1,102)	4,571	1,123,636	1,752,295
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	-	8,291	-	-	8,291
Realised gain from disposal of securities available-for-sale transferred to income statements	-	-	-	-	(2,756)	-	-	(2,756)
Unrealised loss on cash flow hedge	-	-	-	-	-	(3,152)	-	(3,152)
Realised loss on cash flow hedge transferred to income statements	-	-	-	-	-	7,892	-	7,892
Net gains recognised directly in equity	-	-	-	-	5,535	4,740	-	10,275
Profit for the period	-	-	-	-	-	-	254,077	254,077
Total recognised income and expense for the period	-	-	-	-	5,535	4,740	254,077	264,352
Dividends (ordinary shares):-								
- 2007 final	-	-	-	-	-	-	(310,800)	(310,800)
- 2007 special	-	-	-	-	-	-	(70,000)	(70,000)
At 31 March 2008	125,000	375,000	125,000	190	4,433	9,311	996,913	1,635,847

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19. Capital and reserves (continued)

Reconciliation of movement in capital and reserves (continued)

BANK	← Non Distributable Reserves →					→ Distributable Reserves		Total RM'000
	Share capital RM'000	Share premium RM'000	Statutory reserves RM'000	Capital redemption reserves RM'000	AFS reserves RM'000	Cash flow hedge reserves RM'000	Retained profits RM'000	
At 1 January 2009	125,000	375,000	125,000	190	10,369	(5,803)	1,452,188	2,081,944
Unrealised net gain on revaluation of securities available-for-sale	-	-	-	-	749	-	-	749
Realised gain from disposal of securities available-for-sale transferred to income statements	-	-	-	-	(3,597)	-	-	(3,597)
Unrealised gain on cash flow hedge	-	-	-	-	-	10,206	-	10,206
Realised gain on cash flow hedge transferred to income statements	-	-	-	-	-	(1,101)	-	(1,101)
Net gains/(losses) recognised directly in equity	-	-	-	-	(2,848)	9,105	-	6,257
Profit for the period	-	-	-	-	-	-	120,110	120,110
Total recognised income and expense for the period	-	-	-	-	(2,848)	9,105	120,110	126,367
Dividends (ordinary shares):- - 2008 final	-	-	-	-	-	-	(75,000)	(75,000)
At 31 March 2009	125,000	375,000	125,000	190	7,521	3,302	1,497,298	2,133,311

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20. Interest income

	Group			
	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Loans and advances				
- Interest income other than recoveries from NPLs	234,809	294,053	234,809	294,053
- Recoveries from NPLs	16,162	13,144	16,162	13,144
Money at call and deposit placements with banks and other financial institutions	47,735	126,968	47,735	126,968
Securities held for trading	23,742	5,032	23,742	5,032
Securities available-for-sale	44,783	10,941	44,783	10,941
	<u>367,231</u>	<u>450,138</u>	<u>367,231</u>	<u>450,138</u>
Amortisation of premium less accretion of discount	4,762	6,300	4,762	6,300
Interest suspended	(6,370)	(4,417)	(6,370)	(4,417)
Total interest income	<u>365,623</u>	<u>452,021</u>	<u>365,623</u>	<u>452,021</u>
	Bank			
	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Loans and advances				
- Interest income other than recoveries from NPLs	241,194	294,053	241,194	294,053
- Recoveries from NPLs	16,162	13,144	16,162	13,144
Money at call and deposit placements with banks and other financial institutions	47,735	126,968	47,735	126,968
Securities held for trading	23,742	5,032	23,742	5,032
Securities available-for-sale	44,783	10,941	44,783	10,941
	<u>373,616</u>	<u>450,138</u>	<u>373,616</u>	<u>450,138</u>
Amortisation of premium less accretion of discount	4,762	6,300	4,762	6,300
Interest suspended	(6,370)	(4,417)	(6,370)	(4,417)
Total interest income	<u>372,008</u>	<u>452,021</u>	<u>372,008</u>	<u>452,021</u>

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21. Interest expense

	Group and Bank			
	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	15,348	45,855	15,348	45,855
Deposits from customers	151,700	180,029	151,700	180,029
Loans sold to Cagamas	1,769	2,917	1,769	2,917
Subordinated debts	11,879	5,335	11,879	5,335
	<u>180,696</u>	<u>234,136</u>	<u>180,696</u>	<u>234,136</u>

22. Net income from Islamic Banking operations

	Group			
	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	28,836	59,496	28,836	59,496
Transfer to profit equalisation reserves	(804)	(360)	(804)	(360)
Total distributable income	28,032	59,136	28,032	59,136
Income attributable to depositors	(26,328)	(38,173)	(26,328)	(38,173)
Income attributable to the Bank	1,704	20,963	1,704	20,963
Income derived from investment of Islamic banking capital funds and shareholder's funds	26,167	990	26,167	990
Less: Income attributable to investors of subordinated debt	-	(6,650)	-	(6,650)
	<u>27,871</u>	<u>15,303</u>	<u>27,871</u>	<u>15,303</u>

	Bank			
	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	-	59,496	-	59,496
Transfer to profit equalisation reserves	-	(360)	-	(360)
Total distributable income	-	59,136	-	59,136
Income attributable to depositors	-	(38,173)	-	(38,173)
Income attributable to the Bank	-	20,963	-	20,963
Income derived from investment of Islamic banking capital funds	-	990	-	990
Less: Income attributable to investors of subordinated debt	-	(6,650)	-	(6,650)
	<u>-</u>	<u>15,303</u>	<u>-</u>	<u>15,303</u>

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23. Other operating income

	Group and Bank			
	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Fee income:-				
Commission	32,444	38,119	32,444	38,119
Service charges and fees	5,543	5,797	5,543	5,797
Guarantee fees	6,782	5,537	6,782	5,537
	<u>44,769</u>	<u>49,453</u>	<u>44,769</u>	<u>49,453</u>
Gains from sale of securities and other financial instruments				
- Securities held for trading and other financial instruments	119,259	10,143	119,259	10,143
- Securities available-for-sale	17,952	3,699	17,952	3,699
Unrealised (loss)/gain on revaluation of securities held-for-trading and other financial instruments	(67,977)	169,862	(67,977)	169,862
Gross dividends from unquoted investments	-	277	-	277
	<u>69,234</u>	<u>183,981</u>	<u>69,234</u>	<u>183,981</u>
Other income:-				
Foreign exchange currency gains				
- Gain from dealing in foreign currency	42,097	79,412	42,097	79,412
- Unrealised gain/(loss) from foreign exchange translation	5,549	(10,948)	5,549	(10,948)
Rental income	33	154	33	154
Gain on disposal of property, plant and equipment	-	139	-	139
Others	24	28,855	24	28,855
	<u>47,703</u>	<u>97,612</u>	<u>47,703</u>	<u>97,612</u>
Total other operating income	<u>161,706</u>	<u>331,046</u>	<u>161,706</u>	<u>331,046</u>

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24. Other operating expenses

	Group			
	1st Quarter ended 31 March 2009 RM'000	31 March 2008 RM'000	Three months ended 31 March 2009 RM'000	31 March 2008 RM'000
Personnel costs				
- Salaries, bonus, wages and allowances	54,929	63,217	54,929	63,217
- Pension fund contributions	6,616	6,377	6,616	6,377
- Other staff related cost	7,846	5,240	7,846	5,240
	<u>69,391</u>	<u>74,834</u>	<u>69,391</u>	<u>74,834</u>
Establishment costs				
- Depreciation of property, plant and equipment	5,311	4,975	5,311	4,975
- Amortisation of prepaid lease payments	6	6	6	6
- Rental	5,425	5,584	5,425	5,584
- Information technology and project expenses	24,489	19,787	24,489	19,787
- Others	7,713	6,161	7,713	6,161
	<u>42,944</u>	<u>36,513</u>	<u>42,944</u>	<u>36,513</u>
Marketing expenses				
- Advertisement and publicity	2,945	6,063	2,945	6,063
- Others	3,184	2,425	3,184	2,425
	<u>6,129</u>	<u>8,488</u>	<u>6,129</u>	<u>8,488</u>
Administration and general expenses				
- Communication expenses	4,016	4,055	4,016	4,055
- Group administration and business support expenses	25,463	25,612	25,463	25,612
- Outsourcing expenses	8,967	7,589	8,967	7,589
- Others	17,515	21,391	17,515	21,391
	<u>55,961</u>	<u>58,647</u>	<u>55,961</u>	<u>58,647</u>
Total other operating expenses	<u>174,425</u>	<u>178,482</u>	<u>174,425</u>	<u>178,482</u>

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24. Other operating expenses (continued)

	Bank			
	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, bonus, wages and allowances	54,717	63,217	54,717	63,217
- Pension fund contributions	6,616	6,377	6,616	6,377
- Other staff related cost	7,823	5,240	7,823	5,240
	<u>69,156</u>	<u>74,834</u>	<u>69,156</u>	<u>74,834</u>
Establishment costs				
- Depreciation of property, plant and equipment	5,311	4,975	5,311	4,975
- Amortisation of prepaid lease payments	6	6	6	6
- Rental	5,425	5,584	5,425	5,584
- Information technology and project expenses	24,489	19,787	24,489	19,787
- Others	7,677	6,161	7,677	6,161
	<u>42,908</u>	<u>36,513</u>	<u>42,908</u>	<u>36,513</u>
Marketing expenses				
- Advertisement and publicity	2,884	6,063	2,884	6,063
- Others	3,169	2,425	3,169	2,425
	<u>6,053</u>	<u>8,488</u>	<u>6,053</u>	<u>8,488</u>
Administration and general expenses				
- Communication expenses	4,000	4,055	4,000	4,055
- Group administration and business support expenses	24,885	25,612	24,885	25,612
- Outsourcing expenses	8,967	7,589	8,967	7,589
- Others	8,742	21,391	8,742	21,391
	<u>46,594</u>	<u>58,647</u>	<u>46,594</u>	<u>58,647</u>
Total other operating expenses	<u>164,711</u>	<u>178,482</u>	<u>164,711</u>	<u>178,482</u>

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25. Allowance for bad and doubtful debts and financing

	Group			
	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Allowance for bad and doubtful debts on loans, advances and financing:-				
Specific allowance (net)	28,264	19,428	28,264	19,428
- Made in the financial period	58,068	47,094	58,068	47,094
- Written back	(29,804)	(27,666)	(29,804)	(27,666)
General allowance				
- Made in the financial period	4,800	9,500	4,800	9,500
- Written back	(6,150)	-	(6,150)	-
Bad and doubtful debts on loans, advances and financing:-				
Written off	18,562	18,110	18,562	18,110
Recovered	(11,467)	(13,128)	(11,467)	(13,128)
	<u>34,009</u>	<u>33,910</u>	<u>34,009</u>	<u>33,910</u>

	Bank			
	1st Quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Allowance for bad and doubtful debts on loans, advances and financing:-				
Specific allowance (net)	20,739	19,428	20,739	19,428
- Made in the financial period	50,507	47,094	50,507	47,094
- Written back	(29,768)	(27,666)	(29,768)	(27,666)
General allowance				
- Made in the financial period	3,000	9,500	3,000	9,500
- Written back	(6,000)	-	(6,000)	-
Bad and doubtful debts on loans, advances and financing:-				
Written off	18,562	18,110	18,562	18,110
Recovered	(11,467)	(13,128)	(11,467)	(13,128)
	<u>24,834</u>	<u>33,910</u>	<u>24,834</u>	<u>33,910</u>

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26. Commitments and contingencies

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

The commitments and contingencies are as follows:-

Group	As at 31 March 2009			As at 31 December 2008		
	Principal amount RM'000	Credit equivalent amount * RM'000	Risk weighted amount * RM'000	Principal amount RM'000	Credit equivalent amount * RM'000	Risk weighted amount * RM'000
Direct credit substitutes	1,211,434	1,211,434	840,653	939,093	939,093	801,697
Transaction-related contingent items	2,966,009	1,483,005	1,331,921	2,947,907	1,473,954	1,325,170
Short-term self liquidating trade-related contingencies	115,775	23,155	22,800	111,852	22,370	21,542
Irrevocable commitments to extend credit:-						
- maturity not exceeding one year	8,992,518	-	-	9,376,773	-	-
- maturity exceeding one year	2,939,451	1,469,726	969,548	2,590,767	1,295,384	801,654
Foreign exchange related contracts:-						
- less than one year	37,503,678	1,036,742	344,806	48,090,999	1,148,429	376,314
- one year to less than five years	15,411,972	1,564,870	561,594	16,132,696	1,110,193	359,055
- five years and above	5,626,521	972,987	206,158	5,494,202	1,098,023	232,465
Interest rate related contracts						
- less than one year	46,910,324	226,707	48,177	45,503,529	173,784	34,983
- one year to less than five years	58,464,846	1,966,060	459,672	58,559,749	1,985,350	470,080
- five years and above	8,900,715	1,007,385	271,401	8,559,229	1,081,285	288,121
Miscellaneous commitments and contingencies	8,065,172	-	-	3,381,316	-	-
	<u>197,108,415</u>	<u>10,962,070</u>	<u>5,056,729</u>	<u>201,688,112</u>	<u>10,327,865</u>	<u>4,711,081</u>

* The credit equivalent amount and the risk weighted amount are arrived at using the credit conversion factor and risk weights respectively, as per Bank Negara Malaysia guidelines.

Foreign exchange and interest rate related contracts are subject to market risk and credit risk.

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26. Commitments and contingencies (continued)

	As at 31 March 2009			As at 31 December 2008		
	Principal amount RM'000	Credit equivalent amount * RM'000	Risk weighted amount * RM'000	Principal amount RM'000	Credit equivalent amount * RM'000	Risk weighted amount * RM'000
Bank						
Direct credit substitutes	1,195,682	1,195,682	825,744	919,474	919,474	782,078
Transaction-related contingent items	2,960,919	1,480,460	1,330,004	2,943,400	1,471,700	1,323,544
Short-term self liquidating trade-related contingencies	115,283	23,057	22,542	105,785	21,157	20,832
Irrevocable commitments to extend credit:-						
- maturity not exceeding one year	8,718,546	-	-	9,197,474	-	-
- maturity exceeding one year	2,901,681	1,450,841	956,250	2,554,831	1,277,416	789,010
Foreign exchange related contracts:-						
- less than one year	37,503,678	1,036,742	344,806	48,090,999	1,148,488	376,327
- one year to less than five years	15,350,827	1,555,444	557,589	16,072,971	1,103,036	356,205
- five years and above	5,626,521	972,987	206,158	5,494,202	1,098,023	232,465
Interest rate related contracts						
- less than one year	46,910,324	226,707	48,177	45,503,529	173,784	34,983
- one year to less than five years	58,464,846	1,964,792	459,418	58,559,749	1,989,625	470,424
- five years and above	8,900,715	1,007,385	271,401	8,559,229	1,078,731	288,121
Miscellaneous commitments and contingencies	8,065,172	-	-	3,381,316	-	-
	<u>196,714,193</u>	<u>10,914,097</u>	<u>5,022,089</u>	<u>201,382,959</u>	<u>10,281,434</u>	<u>4,673,989</u>

* The credit equivalent amount and the risk weighted amount are arrived at using the credit conversion factor and risk weights respectively, as per Bank Negara Malaysia guidelines.

Foreign exchange and interest rate related contracts are subject to market risk and credit risk.

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27. Capital adequacy

The capital adequacy ratios of the Group and the Bank are analysed as follows:-

	Group		Bank	
	31 March 2009 RM'000	31 December 2008 RM'000	31 March 2009 RM'000	31 December 2008 RM'000
Tier 1 Capital				
Paid-up ordinary share capital	125,000	125,000	125,000	125,000
Share premium	375,000	375,000	375,000	375,000
Other reserves	1,631,756	1,586,646	1,622,488	1,577,378
Less: Deferred tax assets	(103,834)	(103,834)	(97,178)	(97,178)
Total Tier 1 Capital	<u>2,027,922</u>	<u>1,982,812</u>	<u>2,025,310</u>	<u>1,980,200</u>
Tier 2 Capital				
Islamic subordinated debt	380,000	380,000	380,000	380,000
Subordinated bonds	500,000	500,000	500,000	500,000
General allowance for bad and doubtful debts and financing	313,921	315,271	291,390	294,390
Total Tier 2 Capital	<u>1,193,921</u>	<u>1,195,271</u>	<u>1,171,390</u>	<u>1,174,390</u>
Total capital	3,221,843	3,178,083	3,196,700	3,154,590
Less: Investment in subsidiaries	-	-	(200,022)	(200,022)
Total Capital Base	<u>3,221,843</u>	<u>3,178,083</u>	<u>2,996,678</u>	<u>2,954,568</u>

Breakdown of risk-weighted assets in the various categories of risk-weights are as follows:-

	Group			
	2009		2008	
	Principal amount RM'000	Risk weight amount RM'000	Principal amount RM'000	Risk weight amount RM'000
0%	14,697,902	-	13,228,567	-
10%	-	-	-	-
20%	8,755,614	1,751,123	8,957,912	1,791,582
50%	12,917,838	6,458,919	12,652,897	6,326,449
100%	12,663,139	12,663,139	12,952,557	12,952,557
	<u>49,034,493</u>	<u>20,873,181</u>	<u>47,791,933</u>	<u>21,070,588</u>
		2009		2008
		RM'000		RM'000
Total risk-weighted assets				
- credit risk (as above)		20,873,181		21,070,588
- market risk		2,333,143		1,905,438
		<u>23,206,324</u>		<u>22,976,026</u>

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27. Capital adequacy (continued)

	Bank			
	2009		2008	
	Principal amount RM'000	Risk weight amount RM'000	Principal amount RM'000	Risk weight amount RM'000
0%	11,145,647	-	10,294,384	-
10%	-	-	-	-
20%	9,019,710	1,803,942	9,217,374	1,843,475
50%	12,793,223	6,396,611	12,540,344	6,270,172
100%	11,371,232	11,371,232	11,737,069	11,737,069
	<u>44,329,812</u>	<u>19,571,785</u>	<u>43,789,171</u>	<u>19,850,716</u>
		2009		2008
		RM'000		RM'000
Total risk-weighted assets				
- credit risk (as above)		19,571,785		19,850,716
- market risk		<u>2,333,143</u>		<u>1,905,438</u>
		<u>21,904,928</u>		<u>21,756,154</u>
		Group		Bank
	2009	2008	2009	2008
Core capital ratio	8.74%	8.30%	9.25%	8.76%
Risk-weighted capital ratio	13.88%	13.51%	13.68%	13.24%

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28. Interest rate risk

Group As at 31 March 2009	← Non Trading books →								Non interest sensitive RM'000	Trading books RM'000	Total RM'000	Effective interest rate (%)
	Up to 1 month RM'000	> 1 - 3 months RM'000	> 3 - 12 months RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	Over 5 years RM'000				
Assets												
Cash and short term funds	10,882,132	-	-	-	-	-	-	-	169,612	-	11,051,744	2.05
Deposits and placements with banks and other financial institutions	-	65,000	-	-	-	-	-	-	-	-	65,000	2.78
Securities purchased under resale agreements	114,907	-	-	-	-	-	-	-	-	-	114,907	0.84
Securities held for trading	-	-	-	-	-	-	-	-	-	4,344,717	4,344,717	2.75
Securities available-for-sale	677,262	754,114	1,554,810	309,658	1,187,010	395,575	44,938	243	49,210	-	4,972,820	2.34
Loans, advances and financing												
- Performing	15,718,518	1,346,306	1,549,544	211,323	176,431	164,026	347,377	421,990	13,964	-	19,949,479	5.42
- Non performing	-	-	-	-	-	-	-	-	366,513	-	366,513	
Other non-interest sensitive balances	-	-	-	-	-	-	-	-	4,967,322	-	4,967,322	
Total assets	27,392,819	2,165,420	3,104,354	520,981	1,363,441	559,601	392,315	422,233	5,566,621	4,344,717	45,832,502	
Liabilities and shareholder's equity												
Deposits from customers	18,076,230	3,418,113	5,119,881	103,093	453,383	20,108	345,587	380,730	5,299,788	-	33,216,913	1.99
Deposits and placements of banks and other financial institutions	3,257,779	380,898	300,833	7,621	-	-	7,072	-	-	-	3,954,203	1.65
Bills and acceptances payable	23,001	-	-	-	-	-	-	-	-	-	23,001	3.17
Recourse obligations on loans sold to Cagamas	-	-	8,101	139,354	-	-	-	-	-	-	147,455	4.48
Subordinated debts	-	-	-	-	380,000	521,239	-	-	-	-	901,239	5.43
Other non-interest sensitive balances	-	-	-	-	-	-	-	-	5,444,910	-	5,444,910	
Total liabilities	21,357,010	3,799,011	5,428,815	250,068	833,383	541,347	352,659	380,730	10,744,698	-	43,687,721	
Shareholder's equity	-	-	-	-	-	-	-	-	2,144,781	-	2,144,781	
Total liabilities and shareholder's equity	21,357,010	3,799,011	5,428,815	250,068	833,383	541,347	352,659	380,730	12,889,479	-	45,832,502	
On-balance sheet interest sensitivity gap	6,035,809	(1,633,591)	(2,324,461)	270,913	530,058	18,254	39,656	41,503	(7,322,858)	4,344,717		
Off-balance sheet interest sensitivity gap	(3,200,705)	89,130	1,823,331	1,470,301	770,524	(894,735)	664,100	(721,665)	-	-		
Total interest sensitivity gap	2,835,104	(1,544,461)	(501,130)	1,741,214	1,300,582	(876,481)	703,756	(680,162)	(7,322,858)	4,344,717		

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28. Interest rate risk (continued)

Group As at 31 December 2008	← Non Trading books →								Non interest sensitive RM'000	Trading books RM'000	Total RM'000	Effective interest rate (%)
	Up to 1 month RM'000	> 1 - 3 months RM'000	> 3 - 12 months RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	Over 5 years RM'000				
Assets												
Cash and short term funds	3,958,447	-	-	-	-	-	-	-	165,805	-	4,124,252	3.00
Deposits and placements with banks and other financial institutions	-	985,270	-	-	-	-	-	-	-	-	985,270	3.31
Securities purchased under resale agreements	3,495,149	-	-	-	-	-	-	-	-	-	3,495,149	2.95
Securities held for trading	-	-	-	-	-	-	-	-	-	3,676,856	3,676,856	3.70
Securities available-for-sale	1,314,523	1,892,804	1,245,773	129,716	1,998,782	213	74,880	243	47,347	-	6,704,281	3.23
Loans, advances and financing												
- Performing	14,847,866	1,894,467	2,241,870	187,030	198,669	138,043	342,042	364,238	16,477	-	20,230,702	6.18
- Non performing	-	-	-	-	-	-	-	-	348,578	-	348,578	
Other non-interest sensitive balances	-	-	-	-	-	-	-	-	4,490,430	-	4,490,430	
Total assets	23,615,985	4,772,541	3,487,643	316,746	2,197,451	138,256	416,922	364,481	5,068,637	3,676,856	44,055,518	
Liabilities and shareholder's equity												
Deposits from customers	17,392,077	3,683,622	4,757,904	497,382	478,671	19,862	234,877	379,015	5,566,663	-	33,010,073	2.30
Deposits and placements of banks and other financial institutions	2,981,915	20,823	271,497	11,652	-	-	7,010	-	-	-	3,292,897	2.70
Bills and acceptances payable	135,181	-	-	-	-	-	-	-	-	-	135,181	3.89
Recourse obligations on loans sold to Cagamas	-	11,002	-	64,693	86,203	-	-	-	-	-	161,898	4.47
Subordinated debts	-	-	-	-	-	380,000	520,058	-	-	-	900,058	5.43
Other non-interest sensitive balances	-	-	-	-	-	-	-	-	4,465,103	-	4,465,103	
Total liabilities	20,509,173	3,715,447	5,029,401	573,727	564,874	399,862	761,945	379,015	10,031,766	-	41,965,210	
Shareholder's equity	-	-	-	-	-	-	-	-	2,090,308	-	2,090,308	
Total liabilities and shareholder's equity	20,509,173	3,715,447	5,029,401	573,727	564,874	399,862	761,945	379,015	12,122,074	-	44,055,518	
On-balance sheet interest sensitivity gap	3,106,812	1,057,094	(1,541,758)	(256,981)	1,632,577	(261,606)	(345,023)	(14,534)	(7,053,437)	3,676,856		
Off-balance sheet interest sensitivity gap	(3,120,705)	89,130	(1,100,934)	3,307,698	1,272,391	(370,015)	364,100	(441,665)	-	-		
Total interest sensitivity gap	(13,893)	1,146,224	(2,642,692)	3,050,717	2,904,968	(631,621)	19,077	(456,199)	(7,053,437)	3,676,856		

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28. Interest rate risk (continued)

Bank As at 31 March 2009	← Non Trading books →								Non interest sensitive RM'000	Trading books RM'000	Total RM'000	Effective interest rate (%)
	Up to 1 month RM'000	> 1 - 3 months RM'000	> 3 - 12 months RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	Over 5 years RM'000				
Assets												
Cash and short term funds	7,875,270	-	-	-	-	-	-	-	164,674	-	8,039,944	2.07
Deposits and placements with banks and other financial institutions	-	65,000	200,000	-	-	-	-	-	-	-	265,000	3.51
Securities purchased under resale agreements	114,907	-	-	-	-	-	-	-	-	-	114,907	0.84
Securities held for trading	-	-	-	-	-	-	-	-	-	4,344,717	4,344,717	2.75
Securities available-for-sale	667,262	599,585	1,499,488	219,322	1,157,042	395,575	39,956	243	49,210	-	4,627,683	2.28
Loans, advances and financing												
- Performing	15,311,379	1,299,118	1,464,208	107,879	55,540	50,570	51,154	143,849	-	-	18,483,697	5.04
- Non performing	-	-	-	-	-	-	-	-	355,933	-	355,933	
Other non-interest sensitive balances	-	-	-	-	-	-	-	-	5,439,478	-	5,439,478	
Total assets	23,968,818	1,963,703	3,163,696	327,201	1,212,582	446,145	91,110	144,092	6,009,295	4,344,717	41,671,359	
Liabilities and shareholder's equity												
Deposits from customers	16,148,680	1,741,764	4,759,868	103,037	113,748	13,116	333,466	301,212	5,299,788	-	28,814,679	1.95
Deposits and placements of banks and other financial institutions	3,048,365	380,898	300,833	-	-	-	-	-	-	-	3,730,096	1.63
Bills and acceptances payable	23,001	-	-	-	-	-	-	-	-	-	23,001	3.17
Recourse obligations on loans sold to Cagamas	-	-	8,101	139,354	-	-	-	-	-	-	147,455	4.48
Subordinated debts	-	-	-	-	380,000	521,239	-	-	-	-	901,239	5.43
Other non-interest sensitive balances	-	-	-	-	-	-	-	-	5,921,578	-	5,921,578	
Total liabilities	19,220,046	2,122,662	5,068,802	242,391	493,748	534,355	333,466	301,212	11,221,366	-	39,538,048	
Shareholder's equity	-	-	-	-	-	-	-	-	2,133,311	-	2,133,311	
Total liabilities and shareholder's equity	19,220,046	2,122,662	5,068,802	242,391	493,748	534,355	333,466	301,212	13,354,677	-	41,671,359	
On-balance sheet interest sensitivity gap	4,748,772	(158,959)	(1,905,106)	84,810	718,834	(88,210)	(242,356)	(157,120)	(7,345,382)	4,344,717		
Off-balance sheet interest sensitivity gap	(3,200,705)	89,130	1,823,331	1,470,301	770,524	(894,735)	664,100	(721,665)	-	-		
Total interest sensitivity gap	1,548,067	(69,829)	(81,775)	1,555,111	1,489,358	(982,945)	421,744	(878,785)	(7,345,382)	4,344,717		

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28. Interest rate risk (continued)

Bank As at 31 December 2008	← Non Trading books →								Non interest sensitive RM'000	Trading books RM'000	Total RM'000	Effective interest rate (%)
	Up to 1 month RM'000	> 1 - 3 months RM'000	> 3 - 12 months RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	Over 5 years RM'000				
Assets												
Cash and short term funds	1,759,311	-	-	-	-	-	-	-	159,465	-	1,918,776	2.70
Deposits and placements with banks and other financial institutions	-	785,000	200,000	-	-	-	-	-	-	-	985,000	3.40
Securities purchased under resale agreements	3,495,149	-	-	-	-	-	-	-	-	-	3,495,149	2.95
Securities held for trading	-	-	-	-	-	-	-	-	-	3,676,856	3,676,856	3.70
Securities available-for-sale	1,299,526	1,844,800	1,220,656	15,083	1,993,841	213	40,500	243	47,347	-	6,462,209	3.19
Loans, advances and financing												
- Performing	14,816,679	1,833,114	1,811,991	97,562	64,291	50,920	51,474	145,036	-	-	18,871,067	5.90
- Non performing	-	-	-	-	-	-	-	-	340,173	-	340,173	
Other non-interest sensitive balances	-	-	-	-	-	-	-	-	4,568,471	-	4,568,471	
Total assets	21,370,665	4,462,914	3,232,647	112,645	2,058,132	51,133	91,974	145,279	5,115,456	3,676,856	40,317,701	
Liabilities and shareholder's equity												
Deposits from customers	15,128,301	2,283,536	4,441,539	497,331	133,278	12,932	222,890	300,313	5,566,663	-	28,586,783	2.39
Deposits and placements of banks and other financial institutions	2,953,399	20,823	271,497	-	-	-	-	-	-	-	3,245,719	2.72
Bills and acceptances payable	106,239	-	-	-	-	-	-	-	-	-	106,239	3.89
Recourse obligations on loans sold to Cagamas	-	11,002	-	64,693	86,203	-	-	-	-	-	161,898	4.47
Subordinated debts	-	-	-	-	-	380,000	520,058	-	-	-	900,058	5.43
Other non-interest sensitive balances	-	-	-	-	-	-	-	-	5,235,060	-	5,235,060	
Total liabilities	18,187,939	2,315,361	4,713,036	562,024	219,481	392,932	742,948	300,313	10,801,723	-	38,235,757	
Shareholder's equity	-	-	-	-	-	-	-	-	2,081,944	-	2,081,944	
Total liabilities and shareholder's equity	18,187,939	2,315,361	4,713,036	562,024	219,481	392,932	742,948	300,313	12,883,667	-	40,317,701	
On-balance sheet interest sensitivity gap	3,182,726	2,147,553	(1,480,389)	(449,379)	1,838,651	(341,799)	(650,974)	(155,034)	(7,768,211)	3,676,856		
Off-balance sheet interest sensitivity gap	(3,120,705)	89,130	(1,100,934)	3,307,698	1,272,391	(370,015)	364,100	(441,665)	-	-		
Total interest sensitivity gap	62,021	2,236,683	(2,581,323)	2,858,319	3,111,042	(711,814)	(286,874)	(596,699)	(7,768,211)	3,676,856		