

# NEWS RELEASE



## BIMB HOLDINGS BERHAD'S PBZT GREW 16.8% TO RM319.6 MILLION FOR THE 1<sup>ST</sup> QUARTER ENDED 31 MARCH 2019

### HIGHLIGHTS

- Group Profit Before Zakat and Taxation (PBZT) rose 16.8% to RM319.6 million
- Return on Equity of 16.1%
- Bank Islam's PBZT increased 6.1% to RM219.9 million
- Net financing Year-on-Year growth of 8.7%
- Takaful Malaysia's PBZT rose 33.5% to RM113.3 million

**Kuala Lumpur, Thursday, 23 May 2019:** BIMB Holdings Berhad ("BHB"), Malaysia's premier Islamic financial services Group notched up a 16.8% growth in Profit Before Zakat and Taxation ("PBZT") to RM319.6 million for the first quarter ended 31 March 2019.

The strong performance translates to an annualized after tax Return on Equity ("ROE") of 16.1%, one of the highest in the industry.

For the period under review, net profit attributable to shareholders rose 17.7% or RM30.4 million to RM202.5 million. Earnings per share also improved, rising to 11.63 sen from 10.26 sen in the corresponding period last year.

### Islamic Banking

Bank Islam Group ("Bank Islam" or "the Bank") reported a PBZT of RM219.9 million for the first quarter ended 31 March 2019, representing an increase of 6.1% or RM12.7 million over the corresponding period in 2018.

Bank Islam's profitability growth was mainly due to higher total net income. Gross fund based income increased 12.5% on the back of an 8.7% year-on-year ("Y-o-Y") growth in net financing assets to reach RM46.1 billion as at 31 March 2019. While non-fund based income increased 37.3% compared to the corresponding period last year.

The quality of the Bank's increased assets portfolio remained strong and is reflected in the low gross impaired financing ratio of 0.95% as at 31 March 2019, lower than the 1.48% of the Banking system as at end February 2019. The Bank's financing loss coverage ratio

of 172.9% was the highest among industry peers and much higher than the industry average of 96.2% of the same period.

On the funding side, the Bank's customer deposits and investment accounts stood at RM47.5 billion and RM6.4 billion. The Current and Savings Accounts ("CASA") and Investment Accounts (IA) without maturity, low cost deposits/IA stood at RM17.6 billion as at 31 March 2019. The CASA and IA without maturity, low cost deposits/IA ratio stood at 32.7% as at end March 2019, higher than the 32.1% registered as at end December 2018 and higher than the CASA industry average of 26.1% as at February 2019.

The Bank's capital position continued to be healthy, with Total Capital Ratio at 17.7%, compared to 16.9% a year ago.

For the rest of 2019, the Bank will continue to focus on its 3-year strategic plan to deliver sustainable performance based on the principles of Value-Based Intermediation (VBI).

### **Takaful**

In the first quarter ended March 31, 2019, Syarikat Takaful Malaysia Keluarga Berhad Group ("Takaful Malaysia") recorded a 33.5% higher PBZT of RM113.3 million, compared to RM84.9 million in the same period in 2018. The higher profit was attributable to higher net Wakalah fee income generated by growth in the Family Takaful business.

Takaful Malaysia's operating revenue of RM918.2 million for the quarter under review increased by 23.1% compared to the corresponding period in 2018.

The increase was mainly attributable to higher sales generated by Family Takaful business, which recorded gross earned contributions of RM502.9 million, an increase by 55.2%, from the corresponding period last year. The growth came mainly from higher sales of credit-related products.

General Takaful's gross earned contributions rose to RM204.2 million, an increase of 12.0% compared to the corresponding period last year. The growth came mainly from fire class.

Despite business sentiments remaining cautious in 2019, the Takaful industry is expected to outperform the conventional insurers in view of the strong demand in the Takaful products

For further information on BHB, please visit [www.bimbholdings.com](http://www.bimbholdings.com)

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### **About BIMB Holdings Berhad**

BIMB Holdings Berhad ("BHB") is the first Islamic Financial Holding company approved by Bank Negara Malaysia under the Islamic Financial Services Act 2013. BHB was incorporated in Malaysia on 20 March 1997, and was listed on the Main Market of Bursa Malaysia Securities Berhad on 16 September in the same year. The core subsidiaries of

the BHB Group are pioneers in various Islamic financial services including banking, takaful, stockbroking, and other related services namely Bank Islam Malaysia Berhad, Syarikat Takaful Malaysia Keluarga Berhad and BIMB Securities Sendirian Berhad.

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