

NEWS RELEASE

BIMB HOLDINGS BERHAD ACHIEVED RM834.44 MILLION PBZT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

HIGHLIGHTS

- The Group's FY2015 Profit Before Zakat and Taxation (PBZT) up 2.34% to RM834.44 million
- FY2015 net profit attributable to shareholders also grew by RM14.95 million or 2.81% to RM547.28 million
- Earnings per share of 35.53 sen compared with 35.64 sen for FY2014.
- An interim dividend of 12.20 sen per ordinary share, amounting to RM188.15 million was declared on 30 November 2015.
- Gross impaired financing ratio of 1.09% as at December 2015
- Healthy capital position – Bank Islam's capital ratio of 15.32%

Kuala Lumpur, 26 February 2016 : BIMB Holdings Berhad ("BHB") Group, Malaysia's first Islamic Financial Holding company today announced that Profit before Zakat and Taxation ("PBZT") rose by RM19.05 million to achieve RM834.44 million for the financial year ended 31 December 2015 ("FY2015") or 2.34% higher from a year earlier.

The net profit attributable to shareholders also grew 2.81% or RM14.95 million Y-o-Y to RM547.28 million. Despite a dilution impact resulting from the issuance of 48,703,800 new ordinary shares on 13 January 2014, via the Dividend Reinvestment Plan, the Earnings Per Share of 35.53 sen for FY2015 was only marginally lower than that reported in FY2014 of 35.64 sen.

BHB Group also recorded return on equity of 24.24% with return on assets of 1.51% for FY2015.

On 30 November 2015, the Board of Directors of BHB declared an interim single tier dividend of 12.20 sen per ordinary share, amounting to RM188.15 million for FY2015. From the total dividend, approximately 16.31% or RM30.69 million was distributed as cash dividend on 22 January 2016 whilst the remaining 83.69% amounting to RM157.46 million was reinvested to subscribe for 46,469,480 new ordinary shares of RM1.00 each at an issue price of RM3.39 each via the Dividend Reinvestment Plan.

Islamic Banking

Bank Islam Group ("Bank Islam" or "the Bank") reported a PBZT of RM685.66 million for FY2015, slightly lower by 2.43% compared with FY2014. The decrease was mainly arising from the finance cost incurred on the issuance of Subordinated Sukuk Murabahah ("Sukuk"), higher cost of deposits and incremental operating expenses. The Bank's network expansion also contributed to the increase in operating expenses as five more branches were opened during the year bringing the total number to 144 branches to-date.

Bank Islam sustained its healthy financing growth momentum despite the challenging economic environment. The Bank achieved a double-digit financing growth of 16.16% or RM4.77 billion to reach RM34.29 billion as at December 2015, almost double the rate expected for the banking industry.

Despite the strong expansion in the financing portfolio and amidst the continuously challenging economic environment, the assets quality remained resilient with a low gross impaired financing ratio of 1.09% as at December 2015, lower than 1.14% registered as at December 2014. The strong asset quality is a result of the Bank's robust risk management and stringent underwriting standards. The Bank also took a cautious stance by implementing measures in its approval processes as well as putting in efforts towards effective recovery processes.

On the funding aspect, the Bank's customer deposits grew by RM2.55 billion or 6.21% to reach RM43.56 billion as at December 2015. The Current and Savings ("CASA") ratio stood at 35.03%.

The Bank also launched its Investment Accounts on 1 June 2015 under the Mudharabah and Wakalah concept and the balance stood at RM676.11 million as at December 2015.

The Bank's financing to deposits ratio remained healthy at 78.71%.

As part of the Bank's proactive capital management, the Bank issued RM300 million and RM400 million from its Sukuk programme in April 2015 and December 2015 respectively. The Sukuk qualifies as Tier II capital for the computation of the regulatory capital of the Bank. The capital position of the Bank continued to be healthy as reflected by its Common Equity Tier 1 and Tier 1 Capital Ratio of 12.09% and total Capital Ratio of 15.32%. The Bank's pre-tax return on equity was 17.67%. The pre-tax return on assets was 1.43%.

Moving forward, in the pursuit of growth and profitability amidst the continuously challenging environment, the Bank will focus on liability management, further enhancing its assets quality and maintaining a healthy capital position. The Bank plans to maintain its cautious and stringent underwriting standards to uphold its asset quality and continue with its aggressive collection strategy. The Bank will continue to assess the capital requirements to ensure that it is well positioned to support the Bank's business growth strategies.

Takaful

For the financial year ended 31 December 2015, Takaful Malaysia Group (“Takaful Malaysia”) recorded a PBZT of RM204.21 million, an increase of 9.38% or RM17.51 million compared with RM186.70 million achieved in the corresponding period in 2014. The higher profit is attributable to higher wakalah fee income.

Operating revenue increased by 8.2% to RM1,788.6 million from RM1,652.6 million recorded for the corresponding period in 2014. The increase is mainly attributable to higher sales generated by both Family Takaful and General Takaful business and higher net investment income. For the financial year ended 31 December 2015, Family Takaful generated gross earned contributions of RM1,048.2 million compared with RM958.1 million in the corresponding period last year. The increase is mainly attributable to higher sales from Family Takaful Group Medical Products. For the same period, General Takaful recorded gross earned contributions of RM470.5 million compared with RM457.4 million in the corresponding period last year. The growth was mainly from Fire and Motor class of business.

Takaful Malaysia will continue its value proposition of rewarding its customers with 15% Cash Back for General Takaful products and establish a strong foothold in the local insurance and takaful arena as the preferred choice for insurance. Through its extensive range of products and services, Takaful Malaysia continues to be the market leader in the Group Family Takaful business.

For further information on BHB, please visit www.bimbholdings.com

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 Berhad and BIMB Securities Sendirian Berhad.

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