

NEWS RELEASE

BIMB HOLDINGS BERHAD'S PBZT GREW 15.8% TO RM246.2 MILLION FOR THE 1ST QUARTER ENDED 31 MARCH 2017

HIGHLIGHTS

- The Group Profit before Zakat and Taxation ("PBZT") rose 15.8% to RM246.2 million.
- Annualised Pre-tax Return on Equity (ROE) of 21.5%.
- Annualised Pre-tax Return on Assets (ROA) of 1.6%
- Bank Islam's PBZT grew 9.7% to RM192.1 million.
- Takaful Malaysia's PBZT increased 24.7% to RM72.6 million.

Kuala Lumpur, Tuesday, 16 May 2017 : BIMB Holdings Berhad ("BHB"), the country's only Islamic financial holding company, reported a first quarter PBZT of RM246.2 million, representing a growth of 15.8% or RM33.7 million, compared with the corresponding period in 2016 of RM212.5 million. This works out to an annualised Pre-Tax Return on Equity (ROE) of 21.5%, and the annualised Pre-Tax Return on Assets (ROA) came to 1.6%.

The net profit attributable to shareholders increased by 11.7% or RM15.8 million to RM151.1 million in the same period. Consequently, Earnings per Share (EPS) rose from 8.57 sen to 9.32 sen. Net assets per share improved to RM2.59 as at 31 March 2017 compared with RM2.44 as at 31 December 2016.

"Our main operating subsidiaries, Bank Islam and Takaful Malaysia, kept up the earnings momentum in the 1st quarter of 2017 to deliver stronger earnings for the Group. We believe that by staying focused on the Group's strategic strengths and building on this positive momentum, they will be able to steer the Group to post another record earnings, as we did last year" Dato' Sri Zukri Samat, BHB's Group CEO, said in his review of the performance.

Islamic Banking

Bank Islam Group ("Bank Islam" or "the Bank") reported a PBZT of RM192.1 million for the 1st quarter ended 31 March 2017, representing an increase of 9.7% or RM17.0 million compared with the corresponding period in 2016.

The Bank's financing portfolio continued to grow, with net financing assets recording a Y-o-Y growth of 12.8% or RM4.5 billion to reach RM39.8 billion at the end of the quarter. Net financing growth, on an annualised basis was 5.8%.

As at end of March 2017, customer deposits and investment accounts stood at RM47.6 billion with a Y-o-Y increase of RM6.0 billion or 14.5%. The CASA and transactional investment accounts ratio stood at 32.6%.

With continued efforts in managing credit risk, the Bank's asset quality improved further. The Bank's gross impaired financing ratio was 0.95% as at end March 2017 compared with 0.98% as at end December 2016.

The Bank's capital position also remained healthy to support the continuous business growth with the Total Capital ratio of 14.9% as at end March 2017. Its annualised pre-tax ROE was 16.6%.

Despite the prevailing economic conditions such as continued uncertainty in commodity prices, higher cost of living that weighs heavily on consumer sentiment and cautious business sentiment, the banking industry is expected to be resilient as banks remain well capitalised with strong asset quality.

Takaful

For the 1st quarter ended 31 March 2017, Takaful Malaysia Group ("Takaful Malaysia") recorded a PBZT of RM72.6 million, an increase of 24.7% compared with RM58.2 million in the corresponding period in 2016.

The higher profit is attributable to higher net wakalah fee income. The operating revenue increased by 4.2% to RM659.8 million from RM633.2 million recorded for the corresponding period in 2016. The increase is mainly attributable to higher sales generated by both Family Takaful and General Takaful business.

Family Takaful recorded gross earned contributions of RM327.2 million compared with RM288.7 million in the corresponding period in 2016, an increase of 13.3%. The increase was mainly attributable to higher sales from Family Takaful mortgage related products.

General Takaful generated gross earned contributions of RM143.4 million compared with RM138.1 million in the corresponding period in 2016, an increase of 3.8%. The growth was mainly from fire and motor classes.

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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