

NEWS RELEASE

BIMB HOLDINGS BERHAD's NINE MONTHS PAZT GROWS 9.1% TO RM474.1 MILLION

HIGHLIGHTS

- The Group's Profit After Zakat and Taxation ("PAZT") rose 9.1% year-on-year (y-o-y) to RM474.1 million with annualised Return on Equity (ROE) of 15.3%
- Earnings per share (EPS) rose to 26.47 sen from 25.03 sen a year ago
- Bank Islam's PAZT grew by 8.6% y-o-y to RM396.7 million
- Net financing recorded annualised growth of 11.0%
- Total Capital Ratio remained healthy at 15.1%
- Takaful Malaysia's PAZT improved 10.8% Y-o-Y to RM135.6 million

Kuala Lumpur, 30 November 2016 : Malaysia's only Islamic financial holding company, BIMB Holdings Berhad ("BHB"), reported a 9.1% higher PAZT of RM474.1 million for the nine months ended 30 September 2016, compared with RM434.7 million, in the same corresponding period in 2015. The stronger performance gives BHB an annualised Return on Equity (ROE) of 15.3% (based on PAZT) and earnings per share (EPS) of 26.47 sen from 25.03 sen previously. Net assets per share also improved to RM2.58 as at 30 September 2016 compared with RM2.21 as at 31 December 2015.

Dato' Sri Zukri Samat, the Group CEO said "BHB's financial performance for the first nine months of 2016 has been positive, demonstrating resilience of the Group operating under challenging circumstances. Both Bank Islam and Takaful Malaysia, the two main subsidiaries of the BHB Group, generated robust earnings arising from sound business strategies of sustaining stable revenue for the Group."

Islamic Banking

Bank Islam Group ("Bank Islam" or "the Bank") reported a Profit Before Zakat and Taxation ("PBZT") of RM541.4 million, 2.2% higher than the same corresponding period in 2015. Meanwhile, PAZT came in at RM396.7 million representing a y-o-y increase of 8.6%. Subsequently, the Bank registered an annualised ROE of 12.4% (based on PAZT).

Bank Islam continued to maintain its financing growth with net financing assets recording a year-on-year growth of 15.2% or RM4.9 billion to reach RM37.1 billion as at 30 September 2016. For the nine months to September 2016, net financing growth on an annualised basis was 11.0%.

As at end of September 2016, the Bank's customer deposits and investment accounts stood at RM44.0 billion, an increase of RM3.3 billion or a growth of 8.0% Y-o-Y. The CASA ratio as at end September 2016 stood at 32.9%.

With continued efforts in credit risk management, the Bank was able to maintain its strong asset quality. The Bank's gross impaired financing ratio remained at 1.09% as at end September 2016, the same level as at end December 2015.

The Bank's capital position also remained healthy to support the continuous business growth with the Total Capital ratio of 15.1% as at end September 2016.

Bank Islam remains cognizant of the prolonged uncertainty surrounding the economy. As such, the Bank intends to follow through its strategic development plan that focuses on sustaining capital through robust liability management, safeguarding asset quality, and driving earnings growth mainly through strong promotion of the Bank's investment account products. Given the operating outlook, cost and resource optimisation will be of paramount importance.

Takaful

For the nine months ended 30 September 2016, Takaful Malaysia Group ("Takaful Malaysia") recorded a PBZT of RM180.1 million and PAZT of RM135.6 million, representing y-o-y growth of **15.5%** and 10.8% respectively. The higher profit is attributable to higher wakalah fee income.

The operating revenue increased by 9.9% to RM1,552.4 million from RM1,385.2 million in the corresponding period in 2015. The increase is mainly attributable to higher sales generated by both Family Takaful and General Takaful business.

Takaful Malaysia will continue to strengthen its foothold in the local insurance and takaful arena as the preferred choice for insurance. Its value proposition of rewarding its customers with 15% Cash Back for General Takaful products will also remain. Through its extensive range of products and services, Takaful Malaysia continues to be the market leader in the Group Family Takaful business. The successful implementation of core initiatives in Operational Excellence, Technology Driven Capabilities, Product Innovation and Performance Oriented Culture will enable Takaful Malaysia to be ahead of its competitors, increasing its overall market share and continuously improving shareholders' value.

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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