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Bank Muamalat Malaysia Berhad
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Bank Muamalat Reports Nine-Month Results

Net profit increased to RM53.7 million from RM22.4 million in previous corresponding period characterized by competitive cost of funds and enhanced asset quality

Improved performance to date is underpinned by sturdy RWCR, which stood at 17.8% in the period under review

Kuala Lumpur – Bank Muamalat Malaysia Berhad (“Bank Muamalat”) is pleased to report its nine-month results, referring to performance for the nine months to September 2009.

Enhanced performance in the latest three months to September 2009 lifted Bank Muamalat’s net profit for the nine months to September 2009 to RM53.7 million or 139.7% higher compared to the RM22.4 million recorded in the preceding corresponding period. In comparison, net profit rose 118.8% during the first six months of the year from a year ago. Importantly, the improvement reflects strengthened asset quality where allowance for losses on financing narrowed to RM126.7 million from RM132.0 million previously. The sustained supportive monetary policy that prevailed during the period under review had also contributed positively in lowering the bank’s cost of funds where income attributable to depositors moderated 34% to RM155.2 million.

Total assets amounted to RM14.7 billion as at end September 2009, registering a 2.3% increase so far this year. The marginal rise reflected the modest appetite for credit amidst the moderating economic momentum. Still, the bank’s net non-performing financing ratio improved during the period under review, strengthening to 4.0% from 4.4% as at end 2008.

Meanwhile, the first nine months of 2009 also saw the bank’s share capital increased to RM1 billion following the successful raising of capital by shareholders in March, an exercise that further bolstered its Risk-Weighted Capital Ratio (“RWCR”), which has remained sturdy at 17.8% as at end September 2009. The bank’s return on equity ratio improved to 6.8% for the period under review compared to 5.3% for the financial year 2008.
At the same time, net profit for the latest quarter increased to RM31.3 million compared to RM12.1 million in the previous corresponding period. The improved performance for the three months to September 2009 was similarly attributed to the lower cost of funds, which moderated to RM50.0 million from RM78.9 million previously.

Please refer to the financial interim report for further details, which is available online in the Corporate Overview section at www.muamalat.com.my