Bank Muamalat Posts 114% increase in Pre-Tax Profit in First Quarter

- Pre-Tax Profit increased to RM44.8 million for the three months to June 2010 compared to RM21.0 million in the previous corresponding quarter;
- Total Assets advanced 20% from a year ago to RM15.5 billion;
- Core Capital Ratio and Risk-Weighted Capital Ratio remained healthy at 12.8% and 16.5% respectively as at end of June 2010

*Kuala Lumpur* – Bank Muamalat Malaysia Berhad today reported a pre-tax profit of RM44.8 million for the three months to June 2010, an increase of 114% compared to RM21.0 million registered in the previous corresponding quarter. Net profit of the bank similarly strengthened in the period under review, increasing 107% to RM33.4 million.

The enhanced performance was attributed to increased contribution from operating income and improved asset quality where allowances for impairment in financing narrowed considerably in the three months to June 2010. Net provisions made in the first quarter eased to RM18.9 million or 64% lower from a year ago.

“We are most pleased with the progress made and the improved performance is a testament to the on-going transformation initiatives pursued by the bank, as guided by our 5-year business plan that we had commenced at the beginning of last year” said Dato’ Mohd Redza Shah Abdul Wahid, the Chief Executive Officer of Bank Muamalat Malaysia Berhad.

Total assets increased to RM15.5 billion as at end June 2010, equivalent to 20% higher from a year ago. Gross financing grew by RM854.6 million or 13% higher on an annualised basis, underpinned by higher financing for both, the consumer and business segments.

At the same time, the bank’s gross non-performing financing, or gross impaired financing following the adoption of Financial Reporting Standard (FRS) 139, has moderated to RM555 million as at end June 2010, almost a quarter lower from the corresponding period in 2009.

Meanwhile, total customer deposits grew a robust 24% y-o-y in the same period under review, advancing to RM13.5 billion. The targeted core deposits, comprising savings, current and general investment accounts, expanded most, increasing by RM2.4 billion or almost 27% on an annualised basis.

The bank’s capital position remained at healthy levels with both the Core Capital Ratio and Risk-Weighted Capital Ratio (RWCR) maintaining at 12.8% and 16.5%, respectively.

*Please refer to the financial report for further details, which is available online in the Corporate Overview section at [www.muamalat.com.my](http://www.muamalat.com.my).*