PRESS RELEASE
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BANK MUAMALAT POST PRE-TAX PROFITS OF RM40.8 MILLION IN FIRST QUARTER

- Total income increased to RM206.5 million for the three months to June 2011, increasing 16.2% from a year ago;
- Higher financing growth and improvement in asset quality characterized the steady performance during the first quarter;
- Capital strength remains at robust levels with core capital and risk weighted capital ratios steady at 15.3% and 21.1%, respectively

Kuala Lumpur – Bank Muamalat Malaysia Berhad today reported a pre-tax profit of RM40.8 million for its first quarter, referring to the latest three months to June 2011. Net profits amounted to RM28.9 million during the same period under review.

The steady performance broadly reflected higher contribution from operating income and enhanced asset quality where allowances for impairment on financing moderated further in the three months to June 2011.

Total income increased to RM206.5 million in the three months under review, increasing 16.2% from a year ago. This was mainly due to a 9.6% increase in financing, which rose to RM7.3 billion as at end June 2011, with steady demand for both consumer and business products.

At the same time, financing provisions eased to RM11.9 million or almost 40% lower compared to the corresponding period in 2010, reflecting continued improvements in the bank’s credit portfolio and collection and recovery efforts.

Dato’ Mohd Redza Shah Abdul Wahid, Chief Executive Officer of Bank Muamalat Malaysia Berhad, added “We are pleased with our performance and, as guided by our 5-year business plan, will continue to build on the progress of balance sheet strengthening and staying focused within our niche, which have augured well for the bank despite the increased uncertainty in the global financial markets.”

Meanwhile, total assets increased to RM16.8 billion as at end June 2011, increasing almost 8% from a year ago. Deposits from customers increased to RM14.4 billion compared to RM13.5 billion as at the corresponding period in
Gross impaired financing narrowed further in the first quarter of 2011, easing to RM387.8 million, equivalent to 30.1% lower from a year ago. Its ratio to total financing improved to 4.9% as at end June 2011 compared to 7.3% as at end June 2010.

In terms of capital adequacy measure, the bank’s key capital ratios remained among the highest in the industry with a core capital ratio of 15.3% compared to 12.8% a year ago while the risk-weighted capital ratio (RWCR) stands at 21.1% compared to 16.5% a year ago.

*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).*