PRESS RELEASE

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For Immediate Release

BANK MUAMALAT ACHIEVES A HISTORICAL HIGH PBT FOR FY ENDED MARCH 2013

- Profit Before Tax grew more than double compared to the preceding financial year result
- Total revenue achieved almost RM1 billion
- Gross financing surpassed RM10 billion mark
- Gross impairment ratio improved significantly to 2.5% from 4.7% previously

Kuala Lumpur – Bank Muamalat Malaysia Berhad (BMMB) today announced a historical high Profit Before Tax of RM236.0 million in its 13-year milestone, equivalent to an increase of 129% year-on-year. The stellar performance was underpinned by strong financing growth and low credit cost arising from the improved asset quality coupled with its concerted efforts in capturing fee based income.

Total revenue increased 11.8% to hit almost RM1 billion in the period under review. The increase was supported by a 10.4% growth in financing income and hibah, growing from RM819.3 million previously to RM904.6 million. Similarly, fee and other income improved to RM94.7 million, a notable year-on-year growth of 27.5%, derived from the Bank’s focus in expanding its Ar-Rahnu business and wealth management services, in addition to its increased corporate advisory activities.

The Bank registered a net write back of RM20.2 million for its financial assets, reversing the net provision of RM63.0 million made in the previous financial year. Asset quality as measured by gross impairment ratio, has improved to 2.5%, almost half of 4.7% recorded in the previous financial year. These improvements are reflective of the Bank’s continuous effort on prudent recovery, credit risk management initiatives taken and better quality financing base expansion.
Gross financing grew to RM10.6 billion fuelled by 30.2% growth in consumer financing over the preceding year. Consumer financing contributed 66% of the overall financing portfolio. With the growth in financing, the Bank closed its financial year with total assets of RM21.1 billion.

Total deposits grew to RM18.7 billion with a growth of 17.3% in savings deposits from the expanded customer base in the period under review.

The Bank’s key capital ratios remained at healthy levels, with core capital ratio at 14.7% and risk weighted capital ratio at 19.2%, both of which remained above the industry averages of 11.0% and 13.5%, respectively.

Dato’ Hj Mohd Redza Shah Abdul Wahid, Chief Executive Officer of Bank Muamalat Malaysia Berhad said, “It was a record year for the bank and we have achieved a new milestone in our financial results. More importantly, we have closed the year with a healthier balance sheet. To keep this momentum going, we will continue to place great emphasis on strengthening our balance sheet to position the Bank towards long term sustainable growth.”

The Bank has proposed first and final dividend of 26% to its shareholders for the financial year ended 31 March 2013, subject to its shareholders’ approval.