



A Subsidiary of the EPF (9417-K)

Your Financial Provider

BRIEFING FOR ANALYSTS PERFORMANCE FOR 1 MARCH – 30 JUNE 2014

**by Dato' Ahmad Zaini Othman
President and CEO
14th AUGUST 2014**



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- Initiatives and Planned Activities
- Financial Review

INITIATIVES & PLANNED ACTIVITIES

AREA	INITIATIVES
RETAIL BUSINESS	<ul style="list-style-type: none">✓ Personal Financing<ul style="list-style-type: none">- <i>Opened 1 new Ekspres Tunai (ET) Centre (Kota Kinabalu) . Current total 10 ET</i>- <i>Launched new campaign, Shop with MBSB</i>✓ Mortgage<ul style="list-style-type: none">- <i>Launched new campaign, MBSB Home Spree</i>✓ Auto Finance<ul style="list-style-type: none">- <i>New Auto Finance Hub will be open in Butterworth in 4th Qtr</i>

INITIATIVES & PLANNED ACTIVITIES



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AREA	INITIATIVES
CORPORATE BUSINESS	<ul style="list-style-type: none">✓ Secured loan approvals of RM1.4 bn in 2nd Qtr✓ Disbursement of RM0.5 bn and Loan Stock stood at RM3.3 bn as at 1st Half 2014✓ Talent for Oil Palm Plantation Financing and Industrial Hire Purchase hired✓ Enhance recruitment drive to strengthen Corporate Business
WHOLESALE BANKING	<ul style="list-style-type: none">✓ Secured loan approvals of RM0.6 bn in 2nd Qtr✓ Disbursement of RM0.2 bn and Loan Stock stood at RM1.0 bn as at 1st Half 2014

INITIATIVES & PLANNED ACTIVITIES

AREA	INITIATIVES
TREASURY	<ul style="list-style-type: none">✓ 11 new corporate depositors✓ Complied with prudential measures imposed by Bank Negara
BRANCH NETWORK	<ul style="list-style-type: none">✓ To open new Kids Fun Branch in Penang and Johor Bahru by end of the year✓ New SSC opened in Labuan✓ Total no. of SSCs 46 & REPs 12

INITIATIVES & PLANNED ACTIVITIES

AREA	INITIATIVES
COMPLIANCE & RISK MANAGEMENT	<ul style="list-style-type: none">✓ Foreign Account Tax Compliance Act (“FATCA”) registration with Inland Revenue Board as Participating Foreign Financial Institution✓ Conducted Disaster Recovery (DR) / Business Continuity Management (BCM) exercise✓ Developed and enhanced a new Retail & Corporate Scorecard with EY✓ Developed Contingency Funding Plan and Maximum Cumulative Outflow

INITIATIVES & PLANNED ACTIVITIES

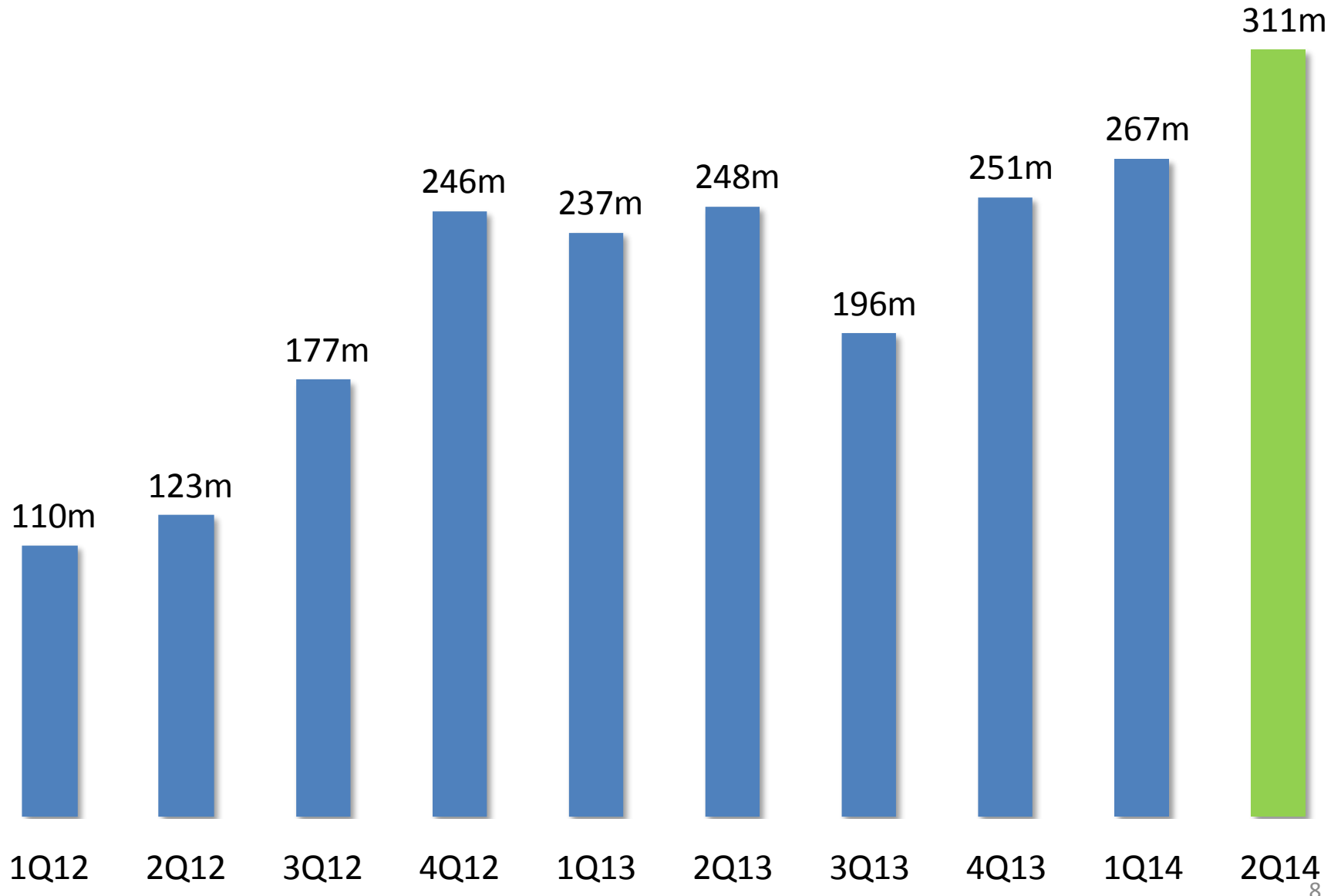
AREA	INITIATIVES
OTHERS	<ul style="list-style-type: none">✓ Company NPL ratio stood at 5.2% (1Q14: 5.2%), continued strengthening of collection process✓ Accolades<ul style="list-style-type: none">• The Brandlaureatte Award<ul style="list-style-type: none">-Best Brands Signature Award Category Financial Services• The Edge Billion Ringgit Club 2014 <u>Financial Service Sector</u><ul style="list-style-type: none">-Winner for Highest Profit Growth Company-Winner for Most Profitable Company✓ New Shariah Advisor being appointed, Dr Zurina Shafii

GROUP PROFIT BEFORE TAX



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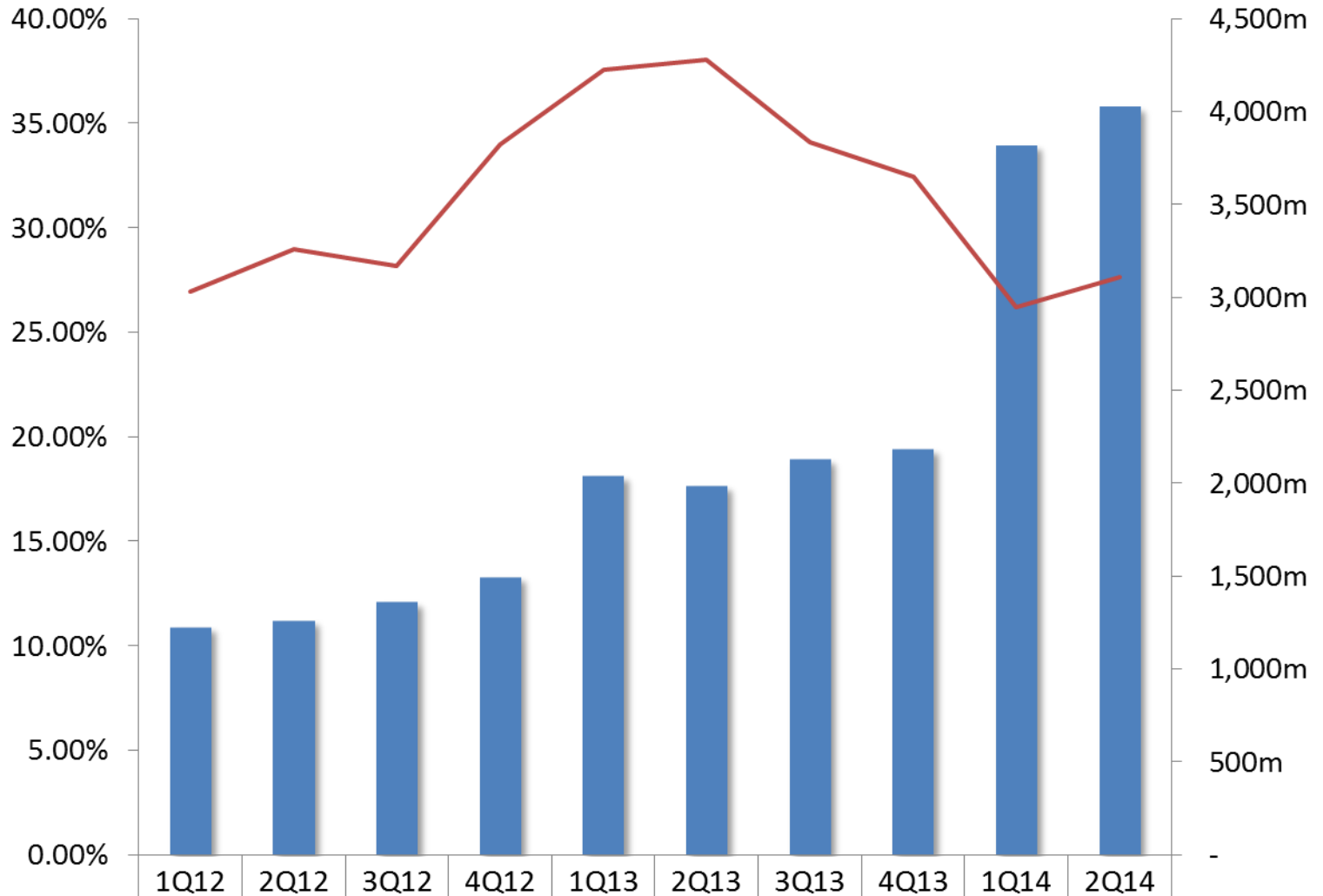
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GROUP SHAREHOLDERS' EQUITY & ROE



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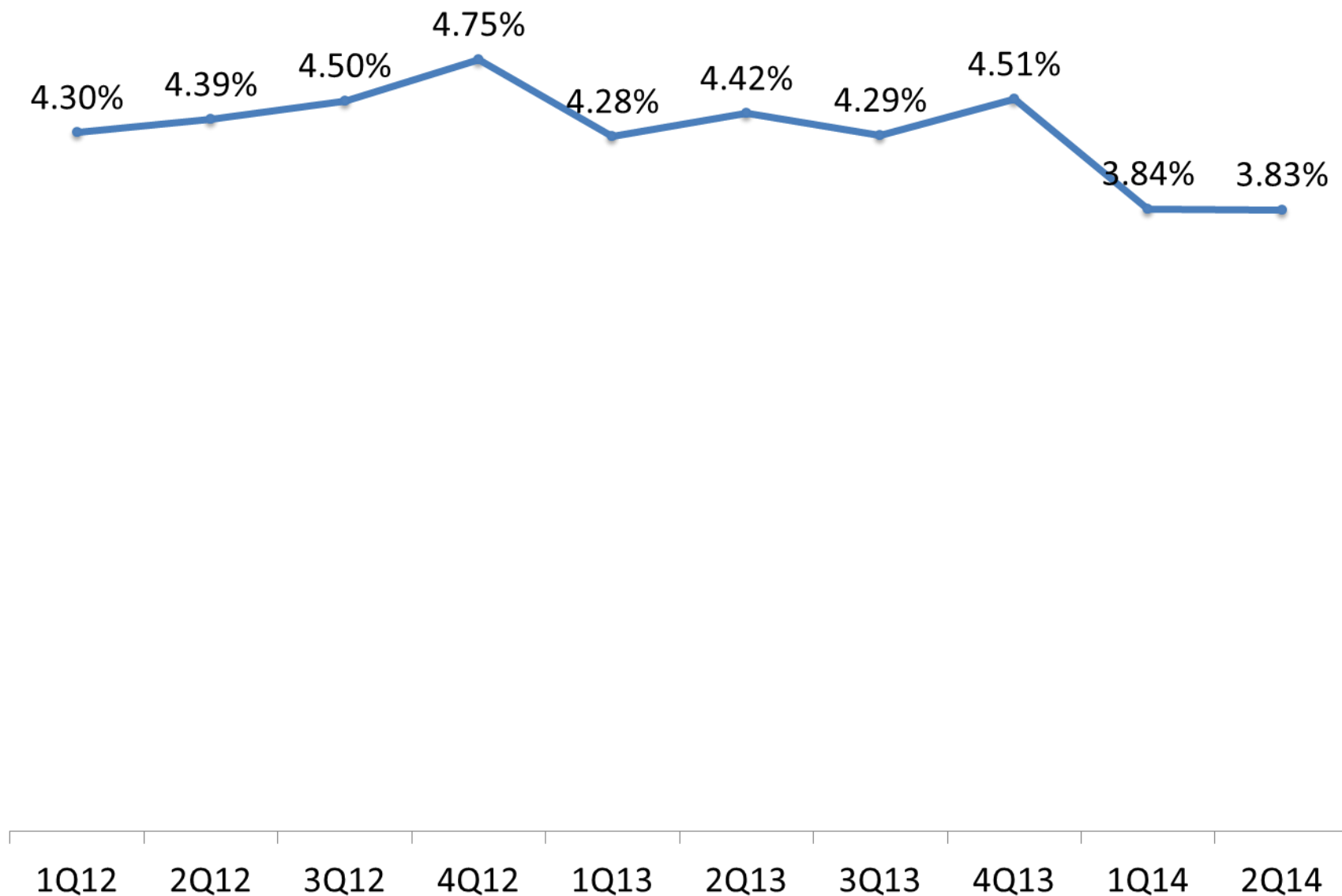


Shareholders' equity	1,226m	1,260m	1,360m	1,497m	2,041m	1,987m	2,131m	2,186m	3,824m	4,030m
ROE Annualised	26.96%	28.97%	28.17%	34.01%	37.57%	38.04%	34.11%	32.45%	26.19%	27.64%

TOTAL EARNINGS ASSETS NET INTEREST/PROFIT MARGIN



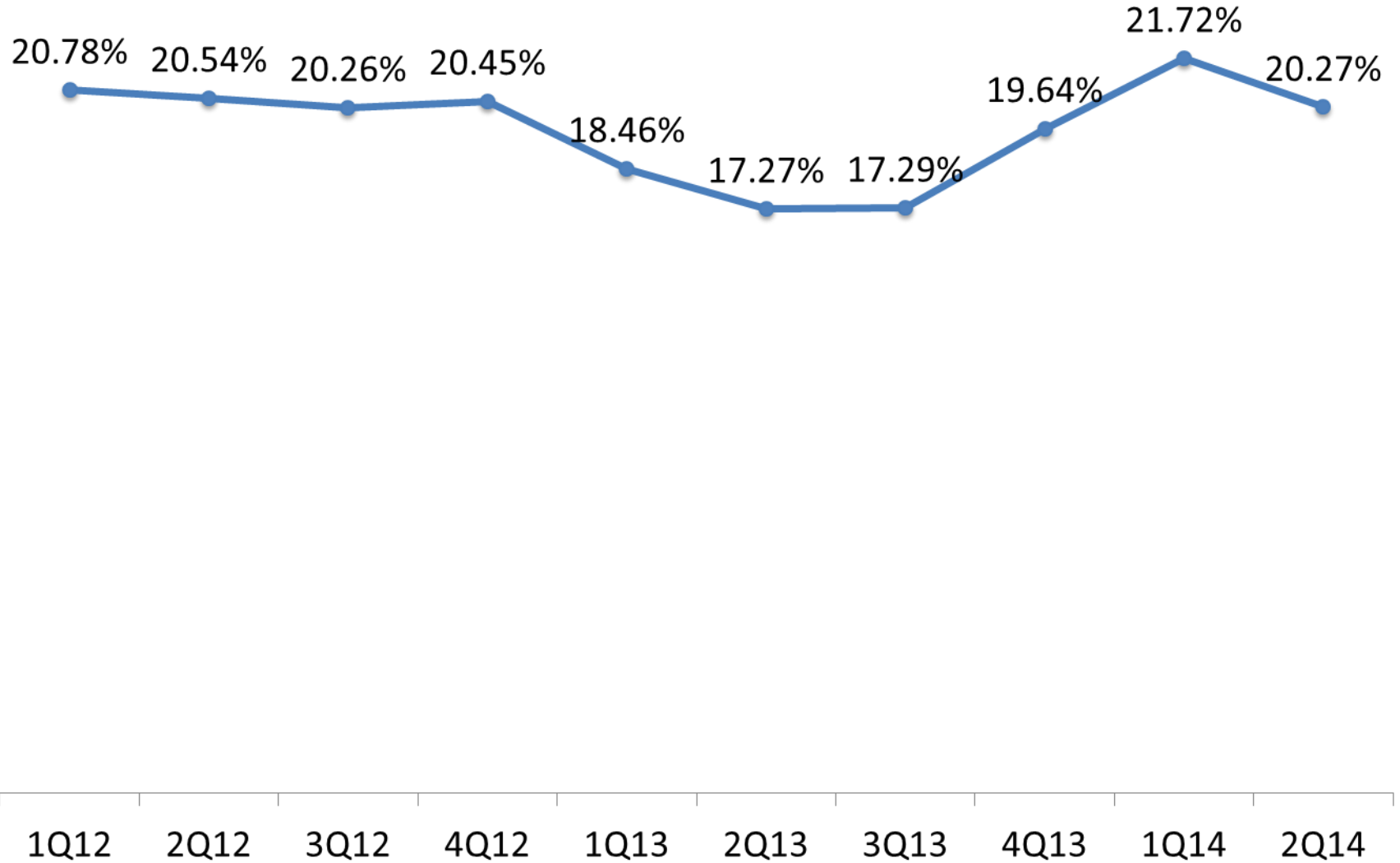
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COST TO INCOME RATIO – YTD BASIS



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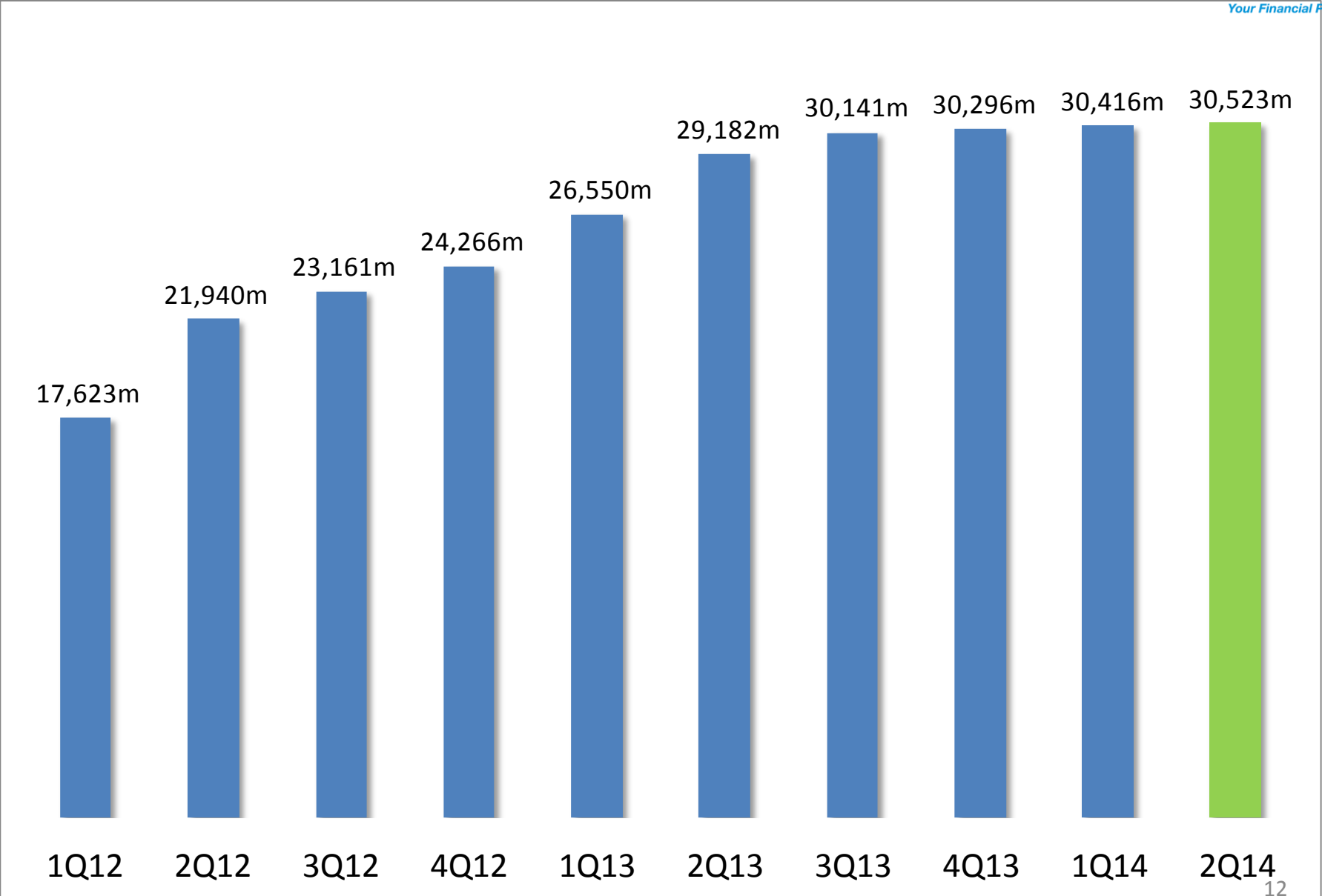


GROWTH IN NET LOANS AND FINANCING

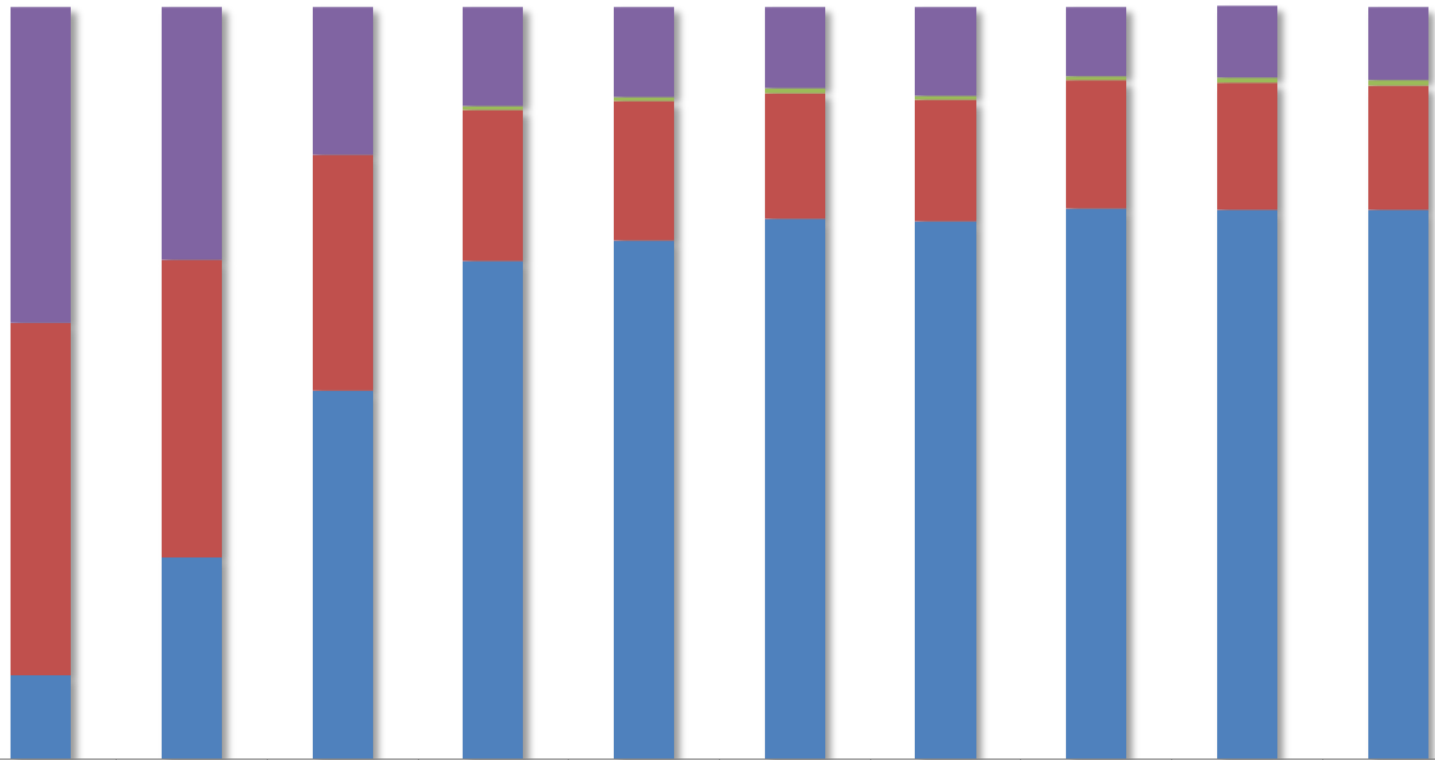


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COMPOSITION OF GROSS LOANS AND FINANCING

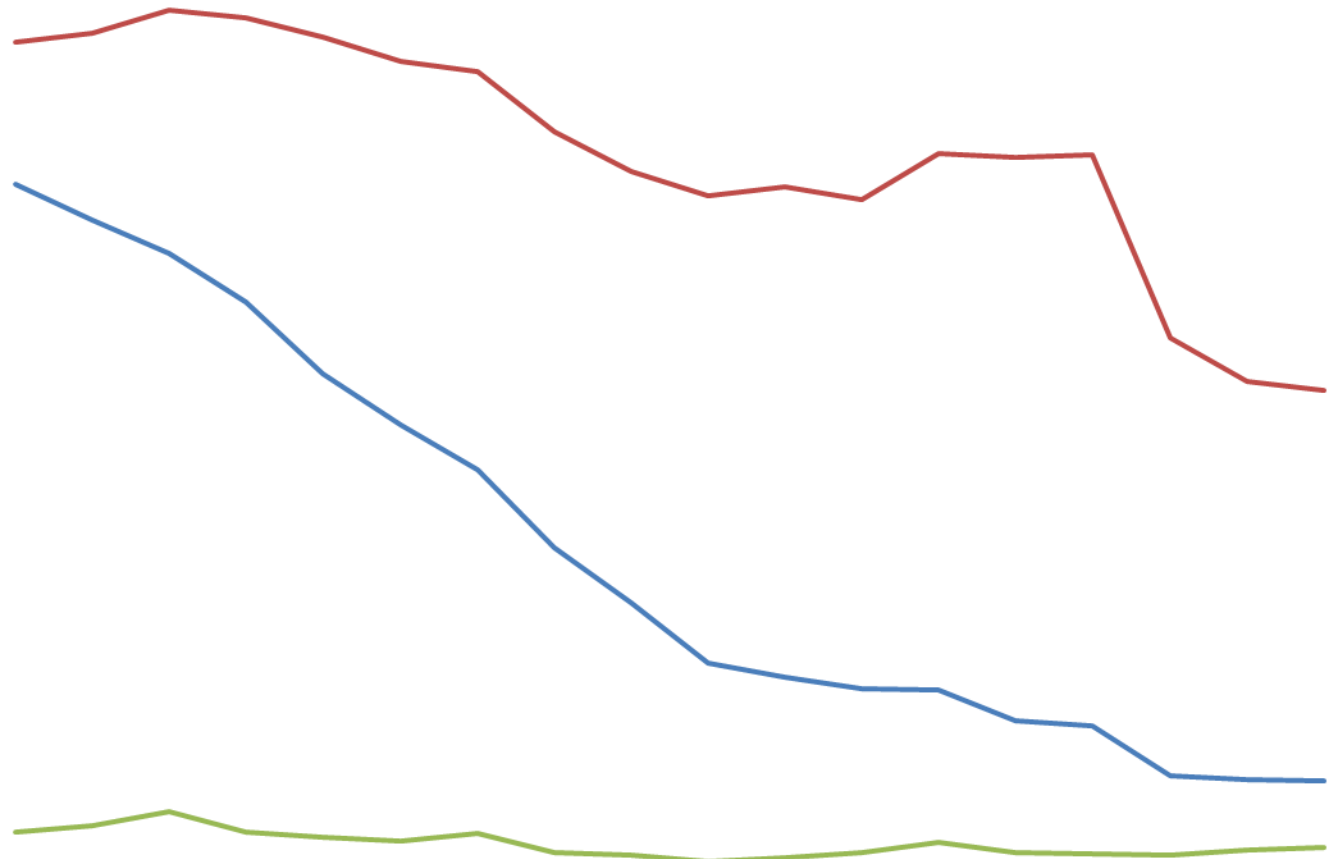


	31-12-09	31-12-10	31-12-11	31-12-12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14
Corporate	41.97%	33.64%	19.60%	13.10%	12.00%	10.80%	11.80%	9.20%	9.50%	9.70%
Auto	0.00%	0.00%	0.00%	0.50%	0.50%	0.60%	0.60%	0.60%	0.70%	0.70%
Mortgage	46.75%	39.38%	31.40%	20.10%	18.50%	16.80%	16.10%	16.90%	16.80%	16.50%
PFI	11.28%	26.97%	49.00%	66.30%	69.00%	71.80%	71.50%	73.30%	73.10%	73.00%

COMPANY 3 MONTHS **GROSS** NON-PERFORMING LOAN/FINANCING – PRE & POST 1 APR 2009



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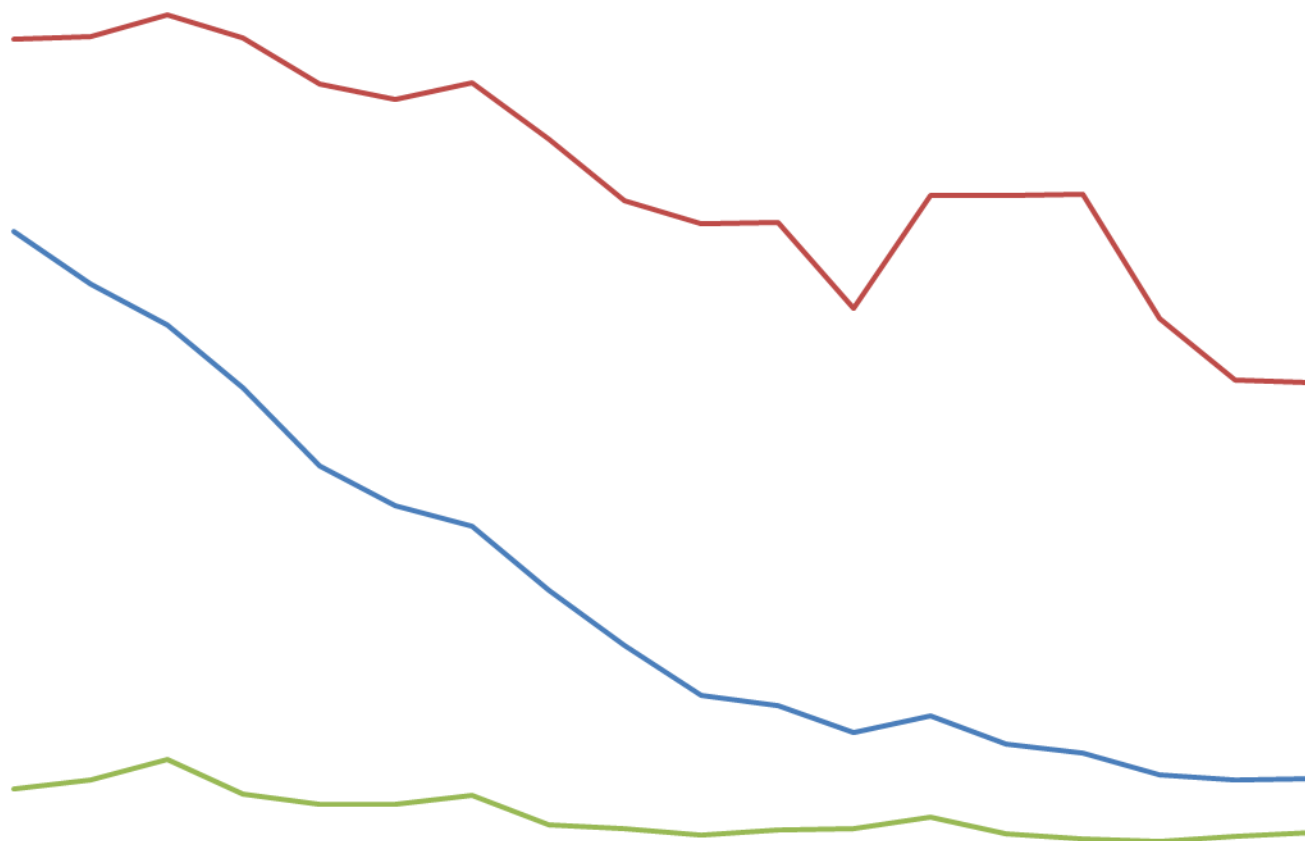


	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14
— Total Gross NPL ratio	49.7%	47.2%	44.9%	41.5%	36.6%	33.0%	29.9%	24.5%	20.7%	16.5%	15.5%	14.8%	14.7%	12.5%	12.1%	8.7%	8.4%	8.3%
— Total Pre 1/4/09 NPL ratio	59.6%	60.2%	61.7%	61.2%	59.9%	58.2%	57.5%	53.3%	50.5%	48.8%	49.5%	48.6%	51.8%	51.5%	51.7%	39.0%	36.0%	35.4%
— Total Post 1/4/09 ratio	4.8%	5.2%	6.2%	4.8%	4.5%	4.2%	4.7%	3.4%	3.2%	2.8%	3.0%	3.4%	4.1%	3.4%	3.2%	3.2%	3.5%	3.7%

COMPANY 3 MONTHS **NET** NON-PERFORMING LOAN/FINANCING – PRE & POST 1 APR 2009



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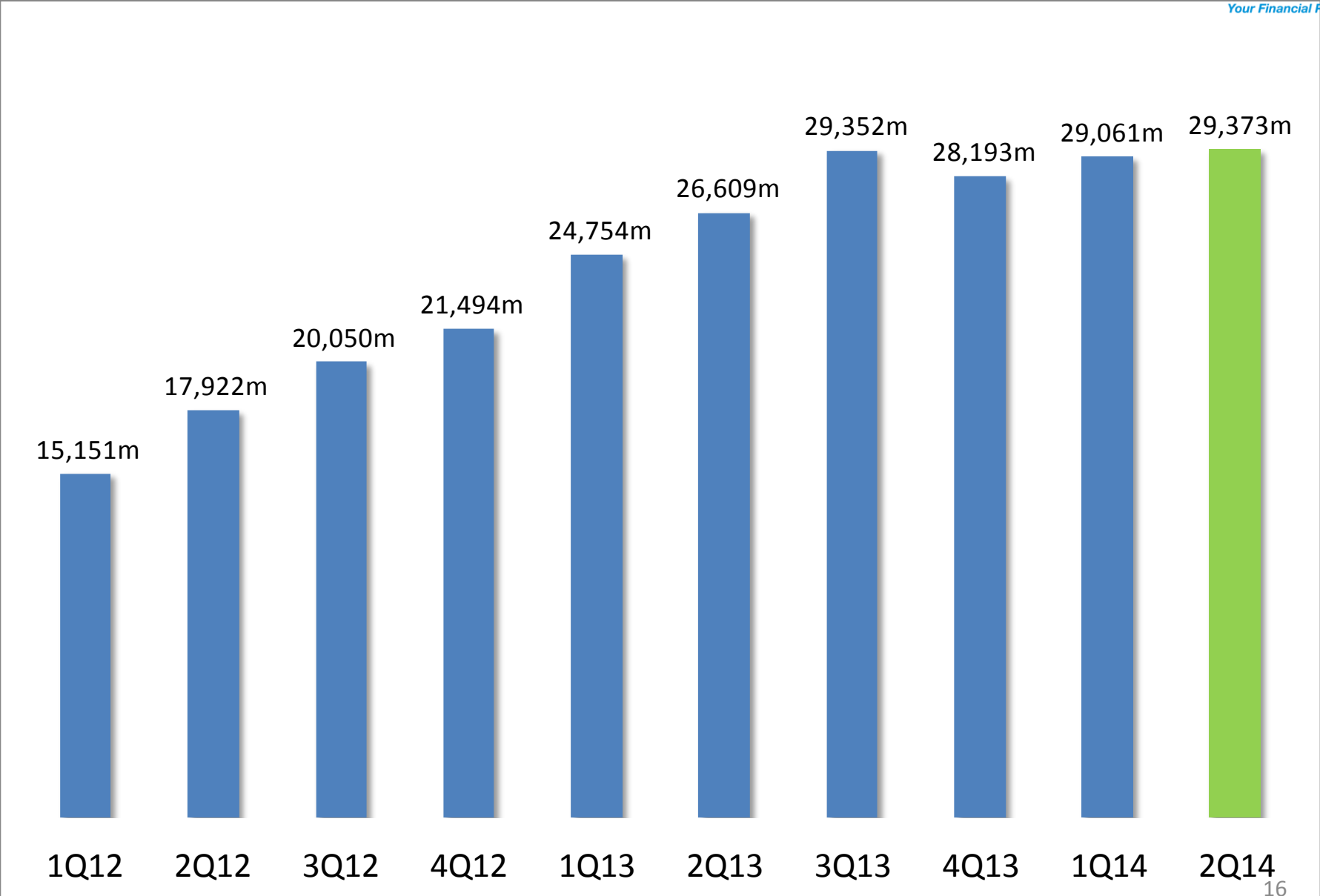
	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14
— Total Net NPL ratio	32.3%	29.7%	27.7%	24.6%	20.7%	18.7%	17.7%	14.5%	11.8%	9.3%	8.8%	7.5%	8.4%	7.0%	6.5%	5.4%	5.2%	5.2%
— Total Pre 1/4/09 NPL ratio	41.8%	42.0%	43.0%	41.9%	39.6%	38.8%	39.7%	36.9%	33.8%	32.7%	32.8%	28.5%	34.1%	34.1%	34.1%	28.0%	25.0%	24.8%
— Total Post 1/4/09 NPL ratio	4.8%	5.2%	6.2%	4.5%	4.0%	4.0%	4.4%	2.9%	2.8%	2.4%	2.7%	2.8%	3.3%	2.5%	2.3%	2.1%	2.4%	2.6%

GROWTH IN DEPOSITS



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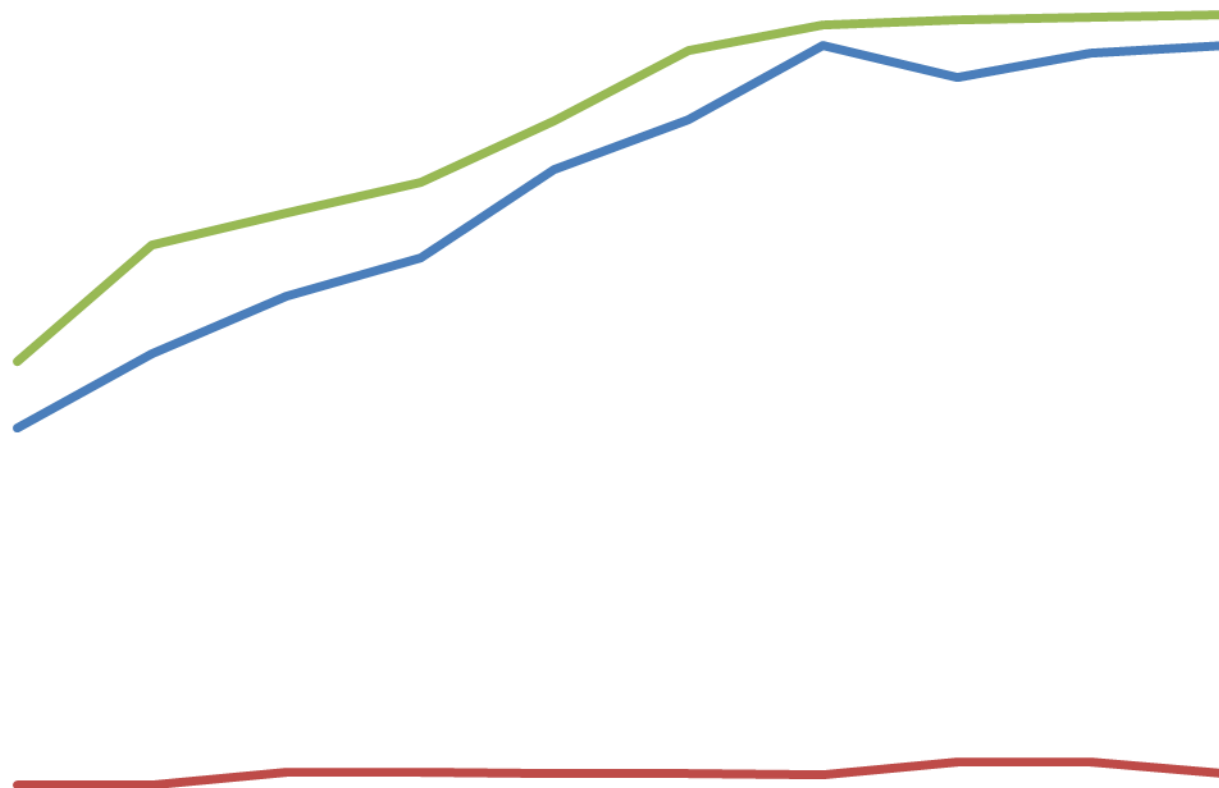
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NET LOANS/FINANCING VS DEPOSITS & SECURITISATION



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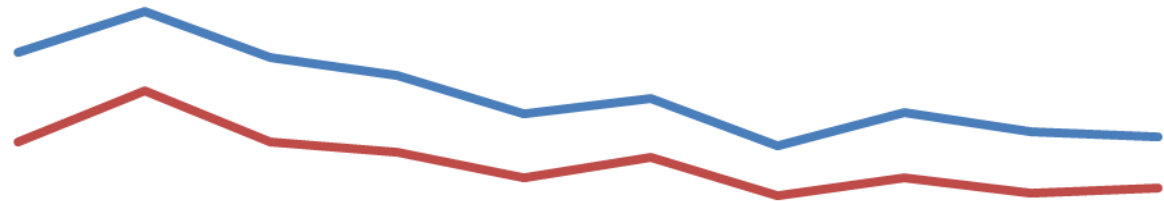
	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14
— Deposit	15,151m	17,922m	20,050m	21,494m	24,754m	26,609m	29,352m	28,193m	29,061m	29,373m
— Securitisation	1,915m	1,897m	2,383m	2,362m	2,340m	2,312m	2,294m	2,760m	2,745m	2,331m
— Net loans/financing	17,623m	21,940m	23,161m	24,266m	26,550m	29,182m	30,141m	30,296m	30,416m	30,523m

NET LOANS TO DEPOSITS & SECURITISATION RATIOS



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	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14
— Net loan to deposit ratio	116.3%	122.4%	115.5%	112.9%	107.3%	109.7%	102.7%	107.5%	104.7%	103.9%
— Net loan to deposit + securitisation ratio	103.3%	110.7%	103.2%	101.7%	98.0%	100.9%	95.2%	97.9%	95.6%	96.3%



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Q & A
