



A Subsidiary of the EPF (9417-K)

Your Financial Provider

BRIEFING FOR ANALYSTS PERFORMANCE FOR 1 JAN – 31 MARCH 2014

**by Dato' Ahmad Zaini Othman
President and CEO
15th MAY 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 3 new Ekspres Tunai (ET) Centres (Menara MBSB, Kuala Terengganu and Ipoh) . Current total 9 ET</i>- <i>2 more ET will be opened in Kota Bahru and Kota Kinabalu</i>-<i>The first PFi Centre has been opened at Shah Alam SSC</i>✓ Mortgage<ul style="list-style-type: none">- <i>2 New Mortgage Heads will be joining in 2nd Qtr</i>✓ Auto Finance<ul style="list-style-type: none">- <i>New Head of Auto Finance has joined in April</i>-<i>New Auto Finance Hub opened in Kulaijaya, Johor</i>

INITIATIVES & PLANNED ACTIVITIES



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AREA	INITIATIVES
CORPORATE BUSINESS	<ul style="list-style-type: none">✓ Secured loan approvals of RM0.8 bn in 1st Qtr✓ Disbursement of RM0.2 bn and Loan Stock stood at RM2.5 bn in 1st Qtr✓ Secured financing for 26 PR1MA projects worth RM1.8 bn✓ Head for Industrial Hire Purchase is joining soon✓ Enhance recruitment drive to strengthen Corporate Business✓ Setting up the 4th Corporate Business Team by end of 2014
WHOLESALE BANKING	<ul style="list-style-type: none">✓ Secured loan approvals of RM0.7 bn in 1st Qtr✓ Disbursement of RM60 mn and Loan Stock stood at RM0.8 bn in 1st Qtr

INITIATIVES & PLANNED ACTIVITIES

AREA	INITIATIVES
TREASURY	<ul style="list-style-type: none">✓ Corporate Deposit Growth of RM0.8 bn✓ 18 new corporate depositors✓ Appointment of new Regional Deposit Managers (RDMs) in Sabah and Penang. Total RDMs 7✓ Will launch a new Islamic Deposit product to conform with the IFSA 2013 – Deposit Commodity Murabahah
BRANCH NETWORK	<ul style="list-style-type: none">✓ Kids Fun Branch opened in March✓ Total no. of SSCs 45 & REPs 12

INITIATIVES & PLANNED ACTIVITIES

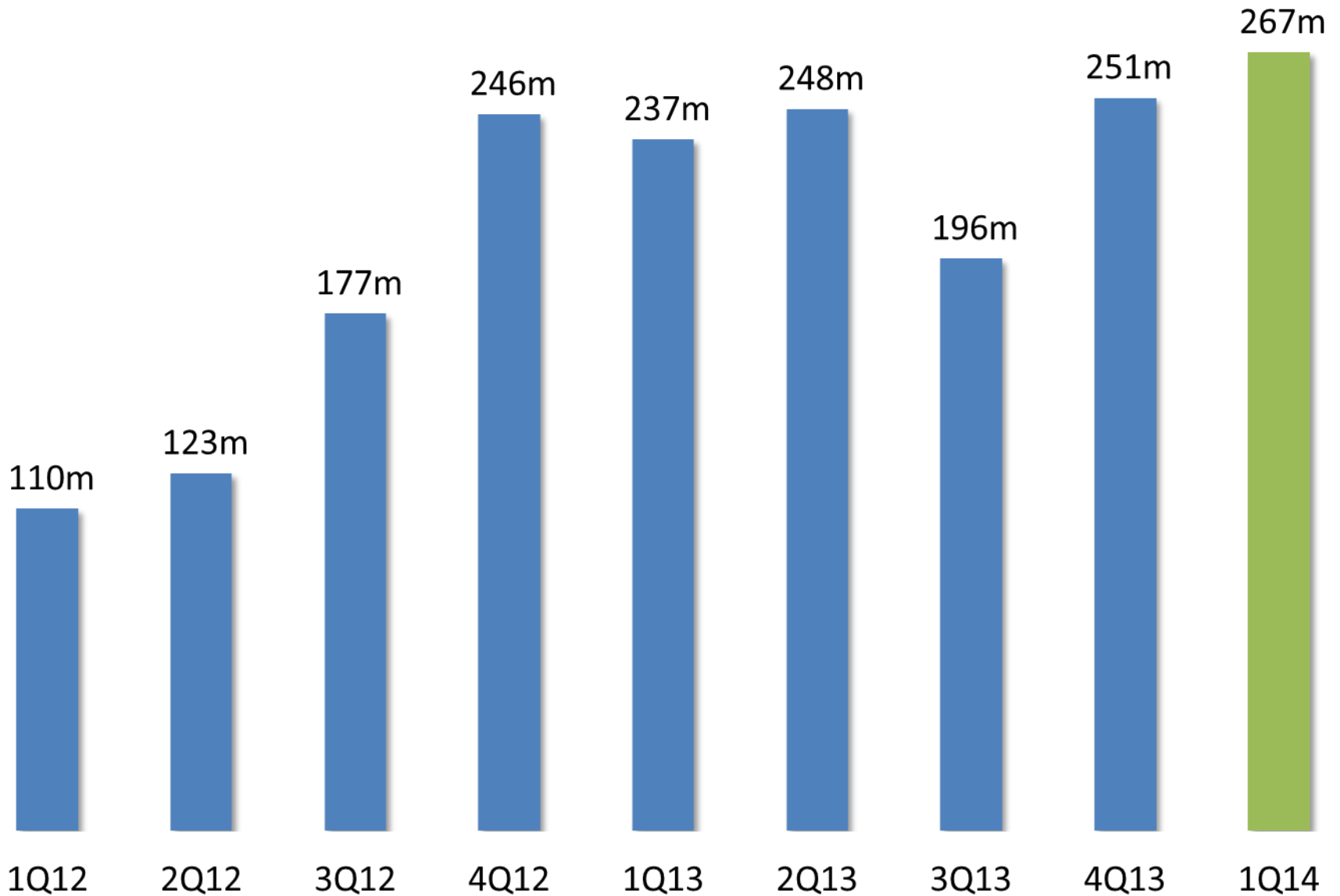
AREA	INITIATIVES
OTHERS	<ul style="list-style-type: none">✓ NPL ratio stood at 5.2% (4Q13: 5.4%), continued strengthening of collection process✓ Accolades:<ul style="list-style-type: none">• Islamic Finance Awards<ul style="list-style-type: none">-Structured Finance Deal of the Year: MBSB RM495 mn Covered Sukuk Commodity Murabahah (First Tranche)• 11th RAM League Awards<ul style="list-style-type: none">- Blueprint Award 2013:<ul style="list-style-type: none">i) New Structured- Finance Benchmark Dealii) Outstanding Deal of the Year

GROUP PROFIT BEFORE TAX



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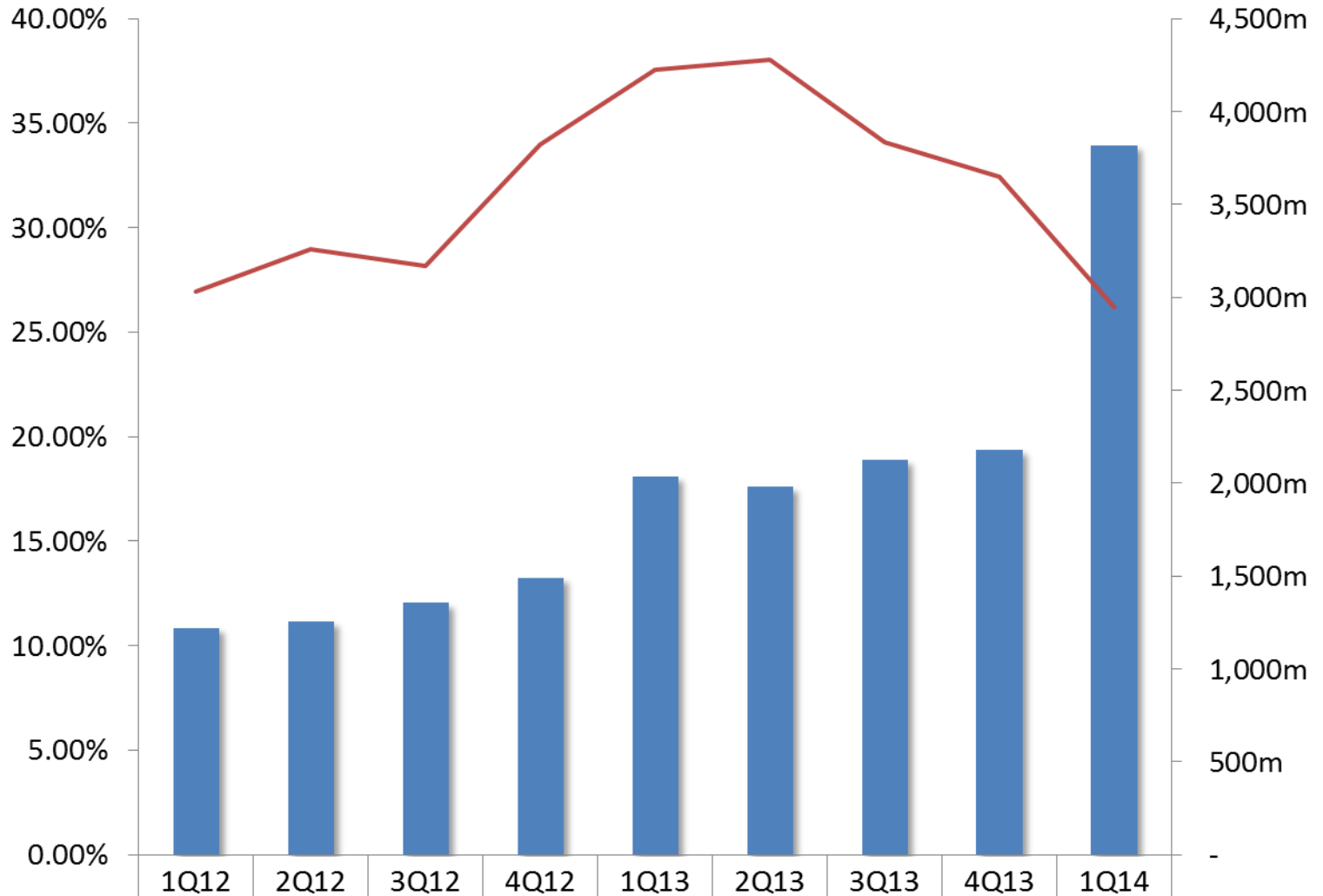


GROUP SHAREHOLDERS' EQUITY & ROE



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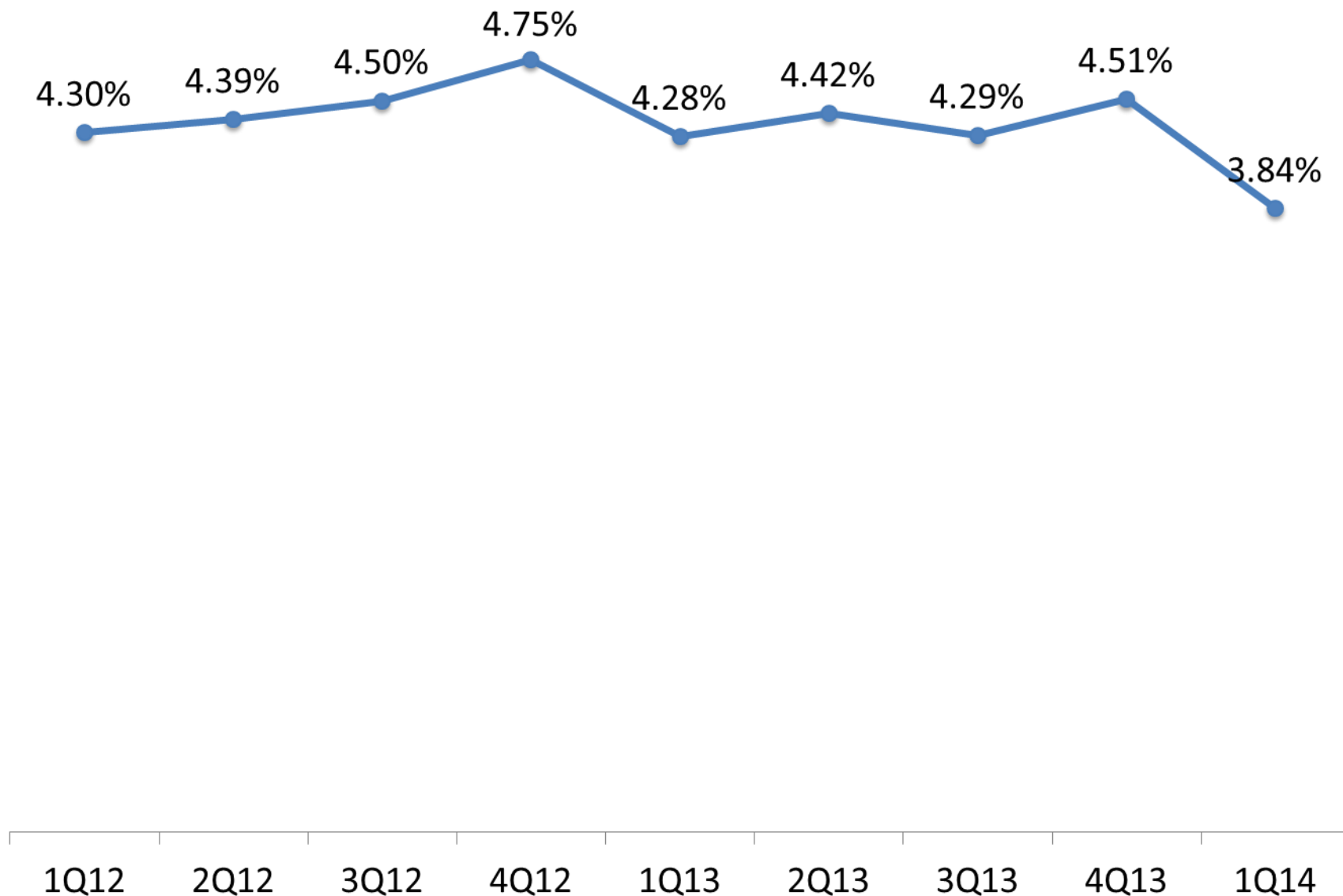


Shareholders' equity	1,226m	1,260m	1,360m	1,497m	2,041m	1,987m	2,131m	2,186m	3,824m
ROE Annualised	26.96%	28.97%	28.17%	34.01%	37.57%	38.04%	34.11%	32.45%	26.19%

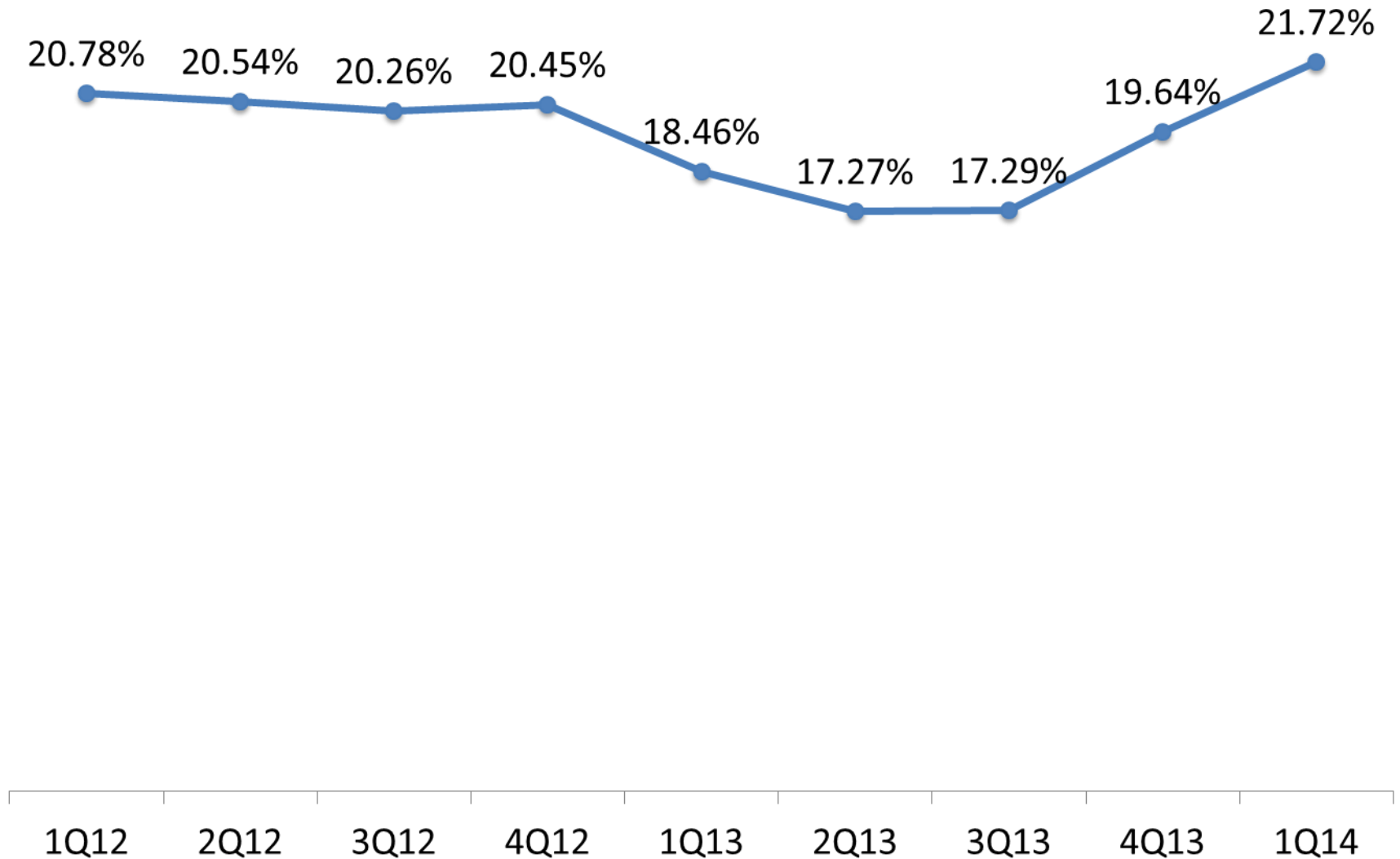
TOTAL EARNINGS ASSETS NET INTEREST/PROFIT MARGIN



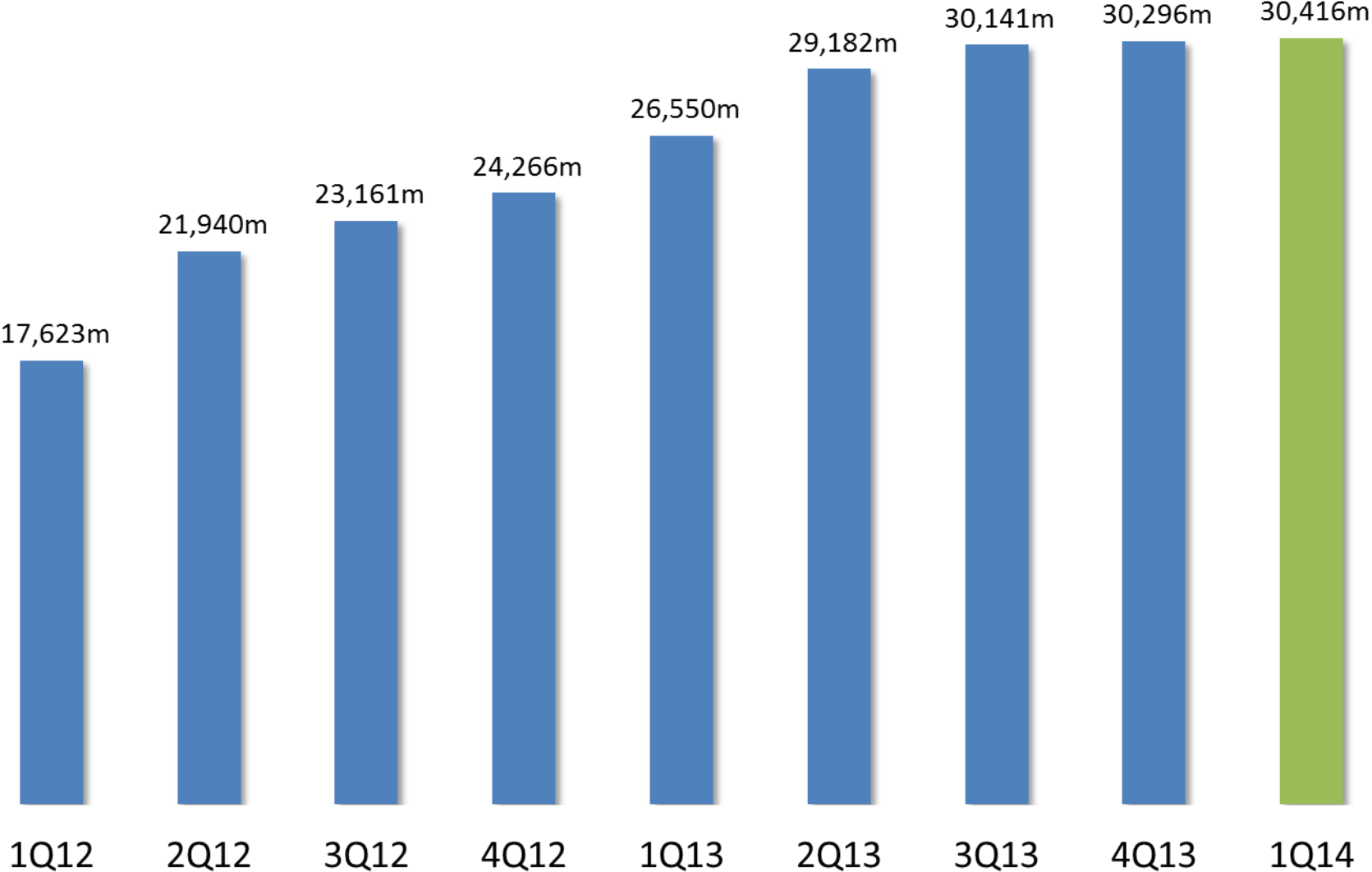
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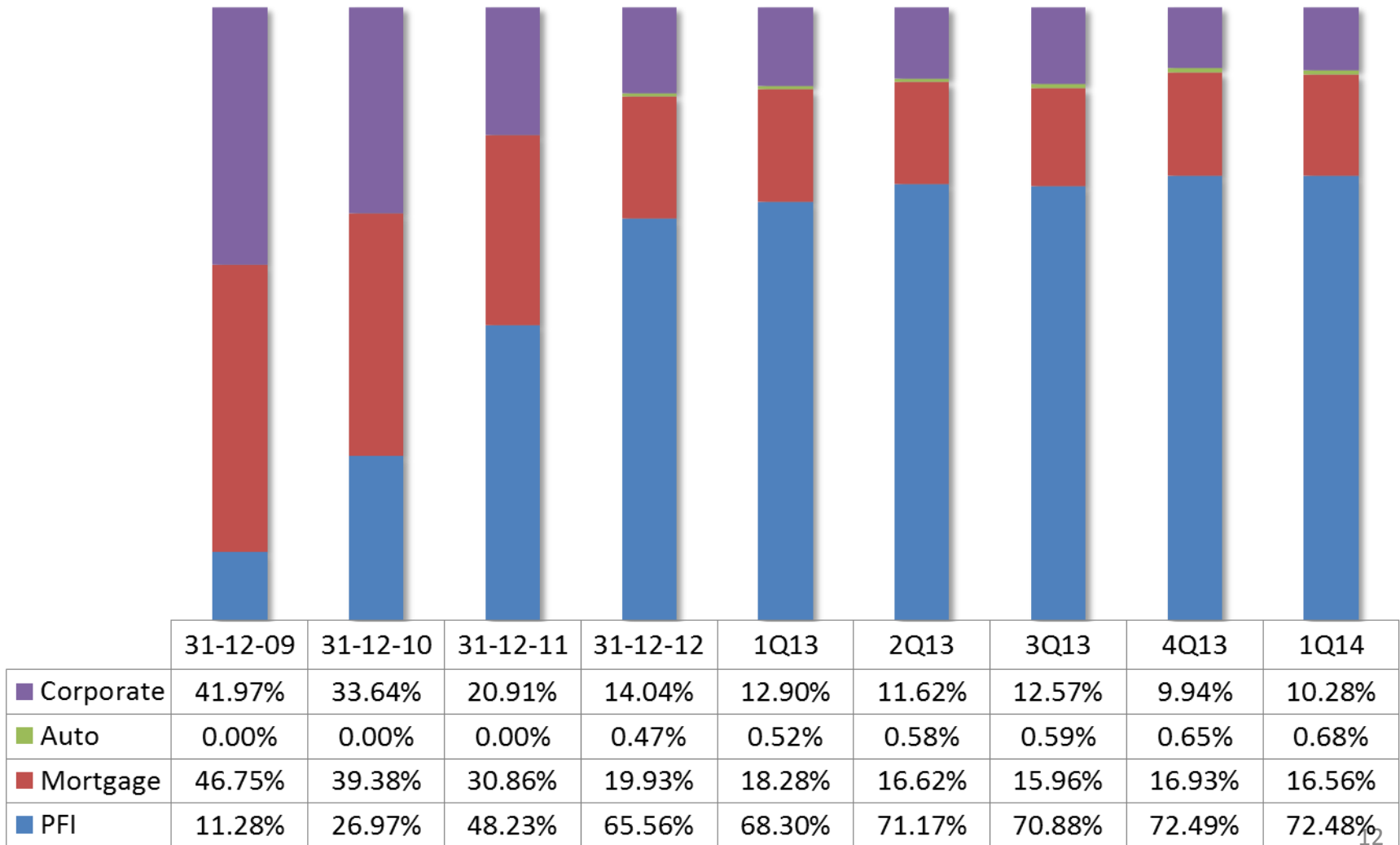
COST TO INCOME RATIO – YTD BASIS



GROWTH IN NET LOANS AND FINANCING



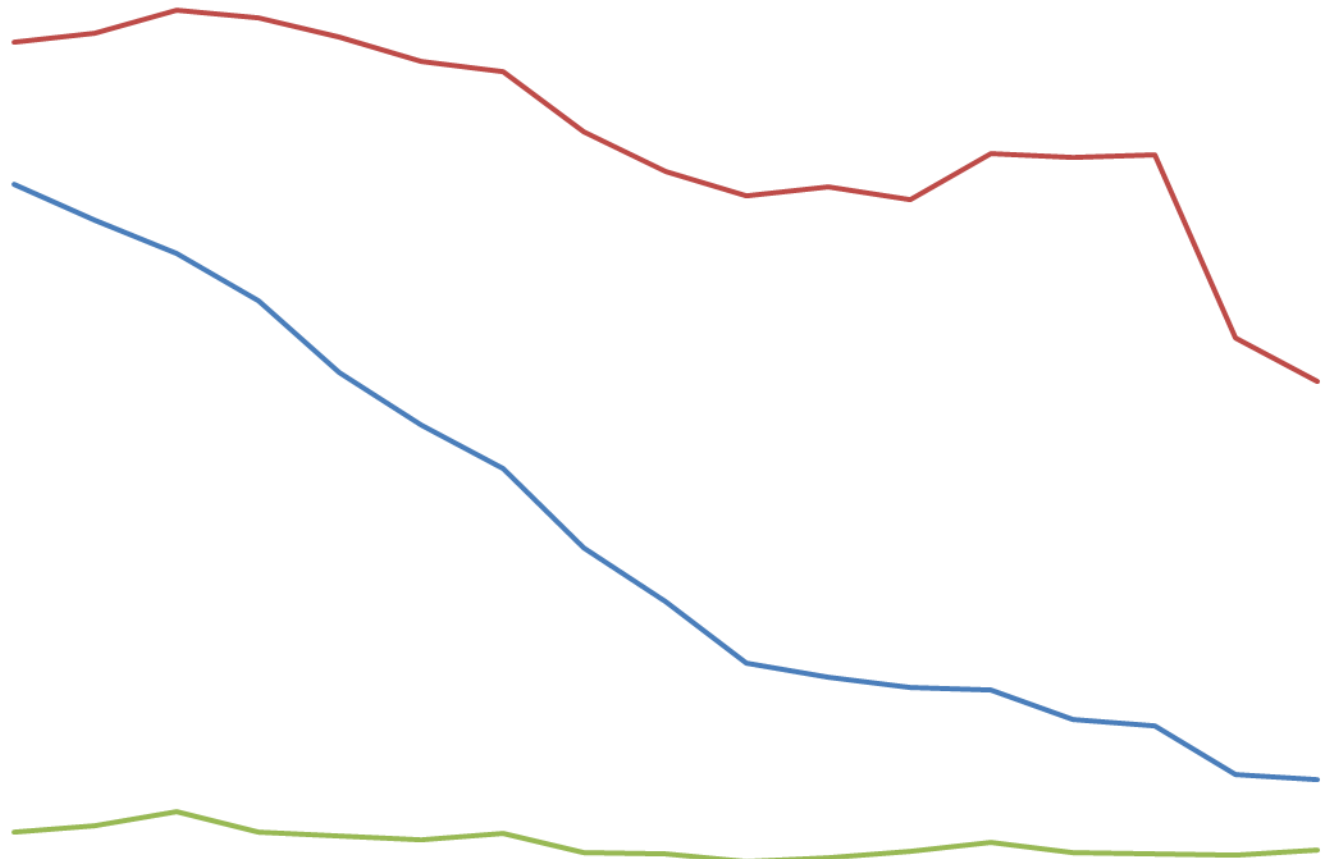
COMPOSITION OF GROSS LOANS AND FINANCING



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



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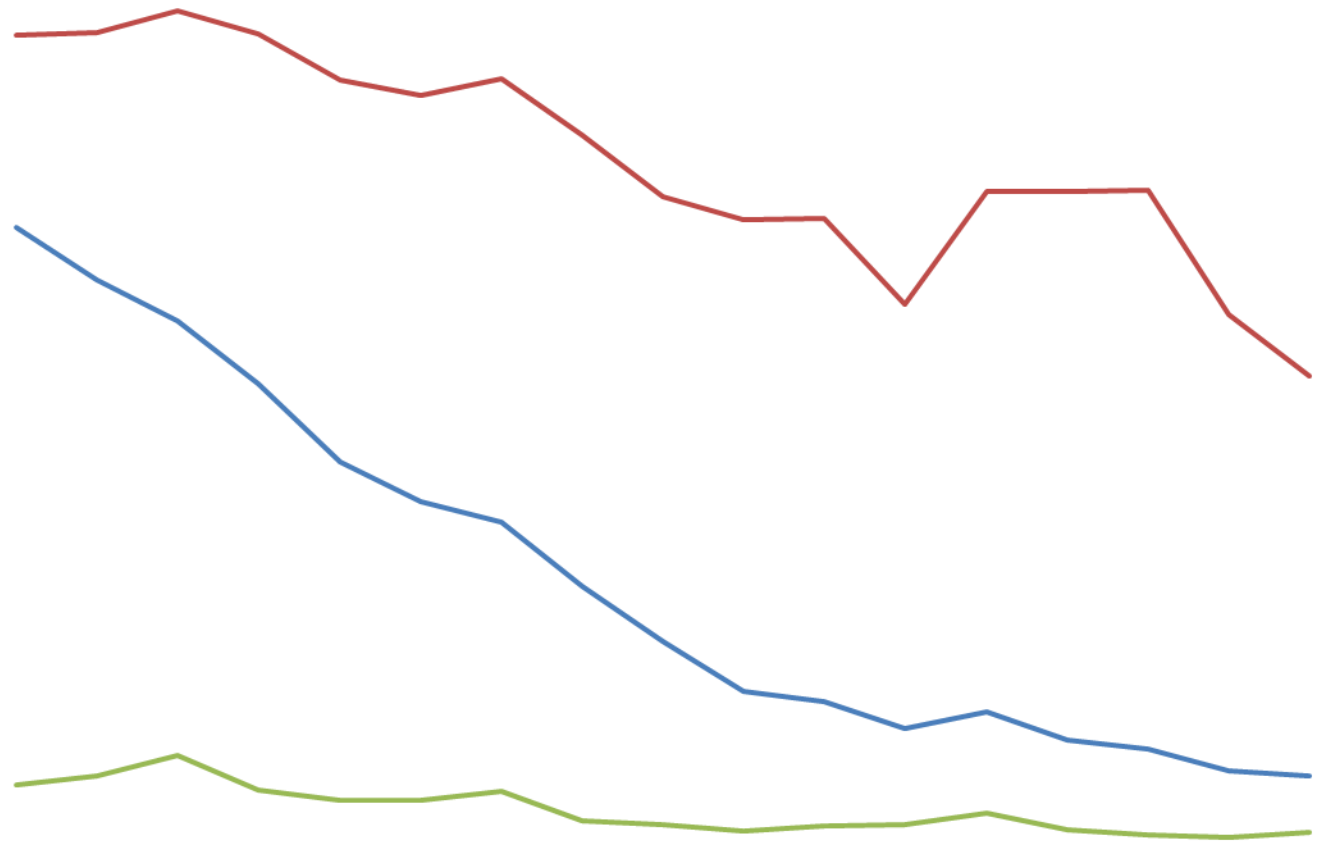


	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
— Total Gross NPL ratio	49.7%	47.2%	44.9%	41.5%	36.6%	33.0%	29.9%	24.5%	20.7%	16.5%	15.5%	14.8%	14.7%	12.5%	12.1%	8.7%	8.4%
— Total Pre 1/4/09 NPL ratio	59.6%	60.2%	61.7%	61.2%	59.9%	58.2%	57.5%	53.3%	50.5%	48.8%	49.5%	48.6%	51.8%	51.5%	51.7%	39.0%	36.0%
— 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%

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



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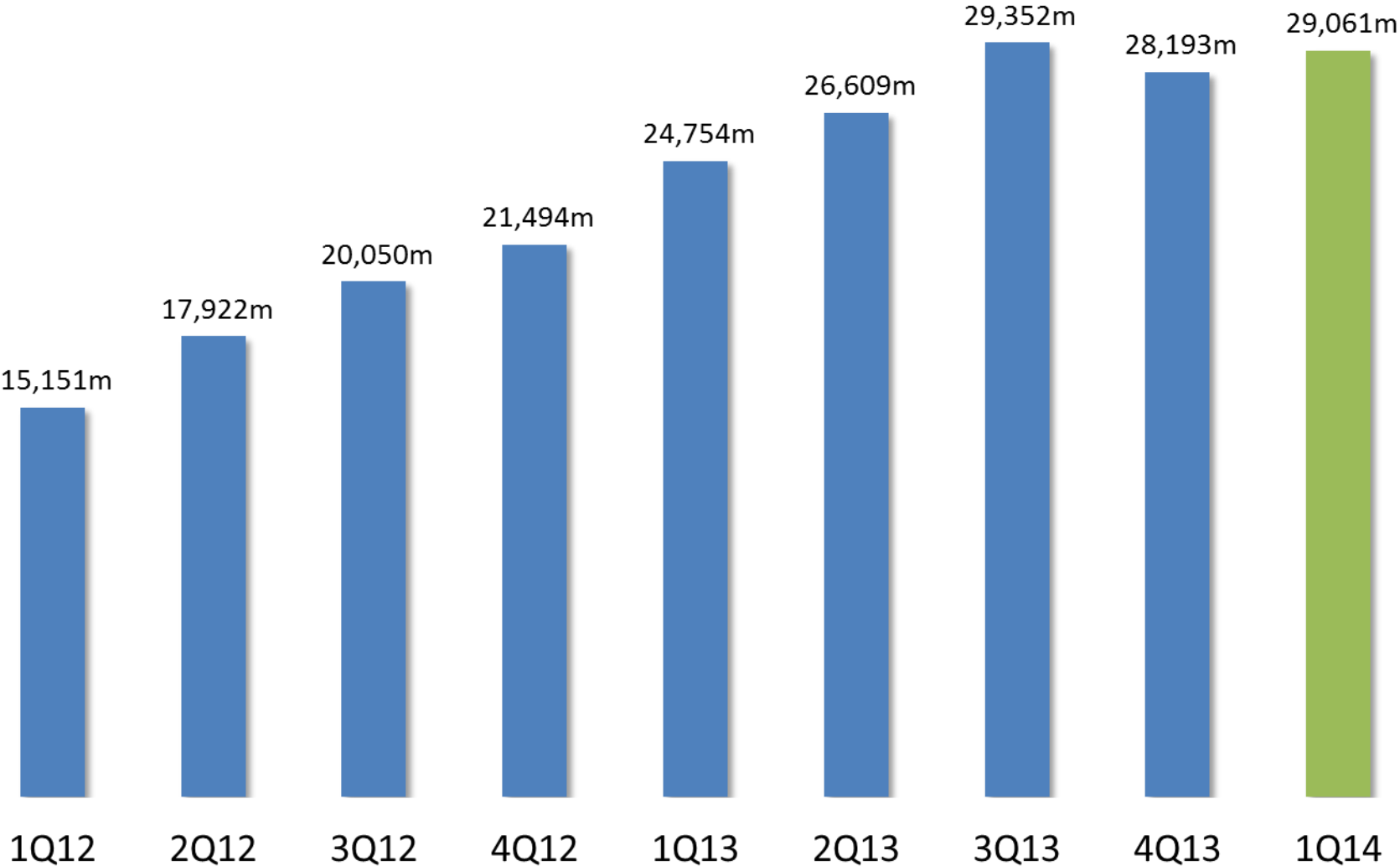


	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
— Total Net NPL ratio	32.3%	29.7%	27.7%	24.6%	20.7%	18.7%	17.7%	14.5%	11.8%	9.3%	8.8%	7.5%	8.4%	7.0%	6.5%	5.4%	5.2%
— Total Pre 1/4/09 NPL ratio	41.8%	42.0%	43.0%	41.9%	39.6%	38.8%	39.7%	36.9%	33.8%	32.7%	32.8%	28.5%	34.1%	34.1%	34.1%	28.0%	25.0%
— 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%

GROWTH IN DEPOSITS



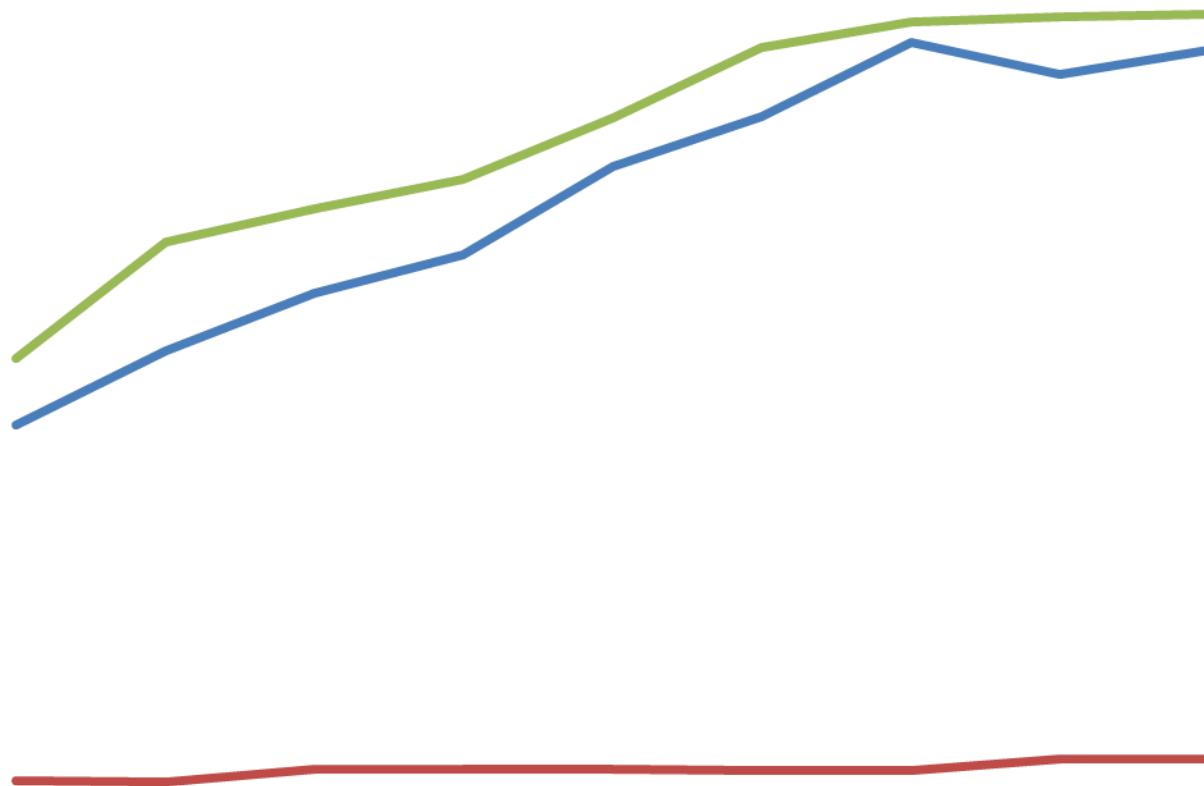
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NET LOANS/FINANCING VS DEPOSITS & SECURITISATION



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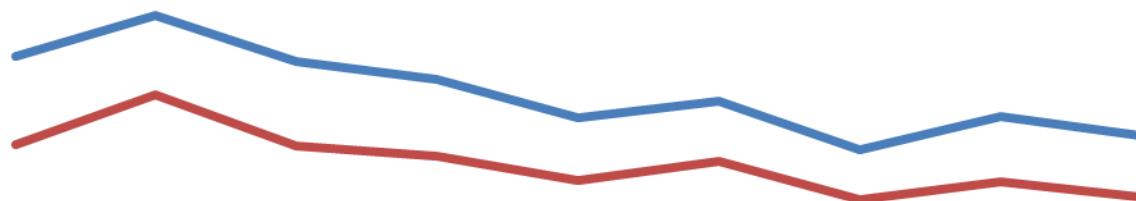


	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13	4Q13	1Q14
— Deposit	15,151m	17,922m	20,050m	21,494m	24,754m	26,609m	29,352m	28,193m	29,061m
— Securitisation	1,915m	1,897m	2,383m	2,362m	2,340m	2,312m	2,294m	2,760m	2,745m
— Net loans/financing	17,623m	21,940m	23,161m	24,266m	26,550m	29,182m	30,141m	30,296m	30,416m

NET LOANS TO DEPOSITS & SECURITISATION RATIOS



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



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Q & A
