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PRESS RELEASE
KENYATAAN AKHBAR
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MBSB NET PROFIT INCREASED 81%

For the nine (9) months ended 30 September 2011, MBSB Group achieved a net profit of RM241.6 million, an increase of 81% as compared to the net profit of RM133.2 million for the corresponding period in 2010. Pre-tax profit grew by 142% to RM327.1 million compared to same corresponding period last year. This contributed to improved basic earnings per share of 27.65 sen and annualised return on equity of 45%.

On quarterly basis, the Group recorded a net profit of RM95.1 million for the 3rd quarter 2011 as compared to the 2nd quarter net profit of RM78.2 million.

The higher profit was mainly due to higher income from Islamic banking operations, higher conventional business net interest income and higher other operating income. These were partially set off by impairment allowances on loans and higher other operating expenses.

The strong earnings posted for 3rd quarter 2011 was mainly due to the increase in retail assets with Personal Financing-i continue to grow by about 98% in terms of gross loans. MBSB continues to provide Personal Financing-i to the Government servant market with packages that are more attractive and the bundling of will writing and takaful products. This product bundling has helped to build the fee-based income. MBSB also made headway into the high net worth segment for its home mortgage product, Mortgage Ultimate, which was, launched late 2010.



Dato' Ahmad Zaini says, "The Company believes that the mortgage segment market is not all about pricing but about turnaround time and customer service". As at 30 September 2011, net loan, advances and financing stood at RM14.5 billion, an increase of 35% as compared to RM10.7 billion as at 31 December 2010. The deposits, which stood at RM13.5 billion as at 30 September 2011, grew by 29% from 31 December 2010 of RM10.5 billion.

The growth in corporate assets has also shown steady improvement and this is contributed by Project Financing and Contract Financing products. The Company's foray into the Private Finance Initiative (PFI) projects, specifically in sectors such as education is also gaining momentum. In the same period under review, MBSB has also opened an additional full-fledged branch and two Representative Offices, all in the states of Selangor, Johor and Perak. This enables MBSB to have a greater reach to its customers.

He further added, "We are on the right trajectory and the transformation program that we had embarked on almost three years ago is beginning to show positive results and this, we believe shall continue towards end of this year".

If you have any further queries or require more information, please contact:-

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