

MALAYSIA'S PREMIER
SHARIAH - COMPLIANT
FINANCIAL SERVICES GROUP



FINANCIAL HIGHLIGHTS

FY2019

BIMB HOLDINGS BERHAD
28 FEBRUARY 2020

BHB GROUP FY2019 HIGHLIGHTS

Total Revenue

**RM5.38
billion**

Growth 19.1%

ROE (based on PAZT)

15.7%

EPS 44.75 sen

Net Financing

RM49.47 billion

Growth 8.3%

[Industry = 4.1% *Dec 2019*]

Gross Fund Based
Income

RM3.2 billion

Growth 6.8%

PBZT

**RM1.21
billion**

Growth 13.1%

Gross Impaired
Financing ratio

0.86%

[Industry = 1.51% *Dec 2019*]

Family Takaful
Gross Earned
Contribution

RM2.0 billion

Growth 27.0%

Total Assets

**RM77.26
billion**

Growth 6.7%

Takaful Assets

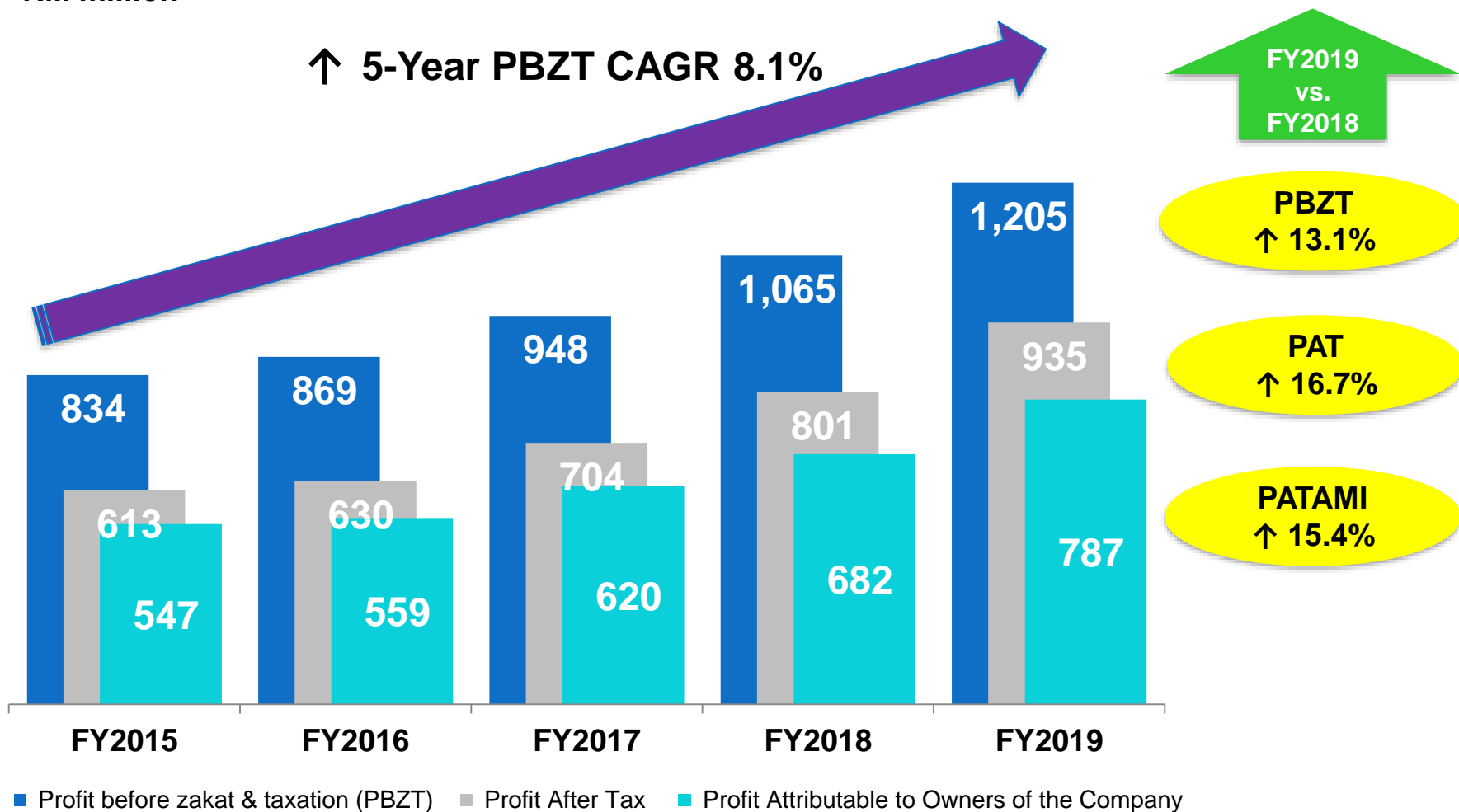
RM1.0 billion

YoY Growth 41.9%

PROFITABILITY – ANOTHER RECORD RESULTS FOR FY2019

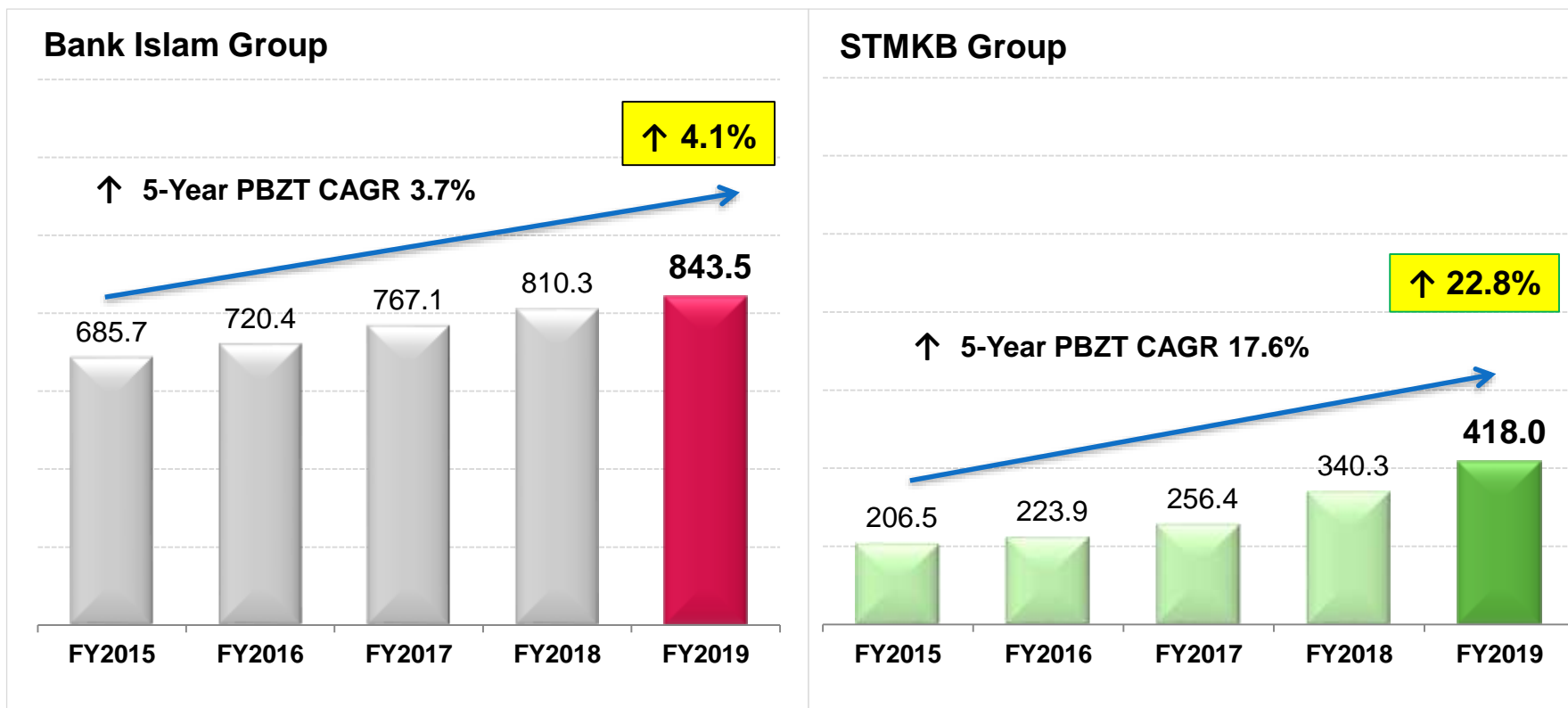
RM million

↑ 5-Year PBZT CAGR 8.1%



PROFITABILITY TREND – BHB GROUP

Profit before zakat and taxation (RM million)



GROUP KEY FINANCIAL INDICATORS – Strong performance

	FY2019	FY2018	FY2017	FY2016	FY2015
Return on Equity (%) based on PAT	15.7%	15.4%	15.4%	15.9%	17.8%
Return on Assets (%) based on PAT	1.3%	1.2%	1.1%	1.0%	1.1%
Return on Equity (%) based on PATAMI	14.4%	14.3%	14.7%	15.3%	17.2%
Return on Assets (%) based on PATAMI	1.1%	1.0%	1.0%	0.9%	1.0%
Cost Income Ratio (%)	57.7%	57.5%	61.4%	58.7%	58.8%
Earnings per Share (sen)	44.75	40.36	37.94	35.25	35.53
Net tangible assets per share (RM)	3.34	2.97	2.77	2.44	2.21

CONSOLIDATED PROFIT & LOSS

RM million	FY2019	FY2018	Variance	
			Amount	%
Total revenue	5,381.6	4,516.8	864.8	19.1
Profit to depositors & investment account holders	(1,525.4)	(1,359.1)	(166.3)	-12.2
Profit to Takaful Operator/participants	(665.0)	(314.3)	(350.7)	-111.6
Net income	3,191.2	2,843.4	347.8	12.2
Total operating overheads	(1,760.6)	(1,553.0)	(207.6)	-13.4
Operating results	1,430.6	1,290.4	140.2	10.9
Net allowance for impairment on financial assets	(87.5)	(81.4)	(6.1)	-7.5
Finance cost from issuance of sukuk	(119.9)	(143.5)	23.6	16.4
Profit expense on lease	(18.2)	-	(18.2)	-
Profit before zakat & taxation (PBZT)	1,205.0	1,065.5	139.5	13.1
Zakat	(12.2)	(14.7)	2.5	17.0
Taxation	(257.4)	(249.4)	(8.0)	-3.2
Profit after zakat & taxation (PAT)	935.4	801.4	134.0	16.7
Profit attributable to Owners of the Company	786.9	682.1	104.8	15.4

KEY CONSOLIDATED FINANCIAL POSITION ITEMS

RM million	FY2018	FY2018	Variance	
			Amount	%
Total Assets	77,263.5	72,388.5	4,875.0	6.7
<i>of which:</i>				
Cash, short-term funds and placements	5,916.1	6,287.1	(371.0)	-5.9
Financial assets measured at FVTPL	1,494.5	1,402.6	91.9	6.6
Financial assets measured at FVOCI	16,946.9	15,687.1	1,259.8	8.0
Net financing, advances and others	49,472.5	45,680.7	3,791.8	8.3
<i>Gross impaired financing</i>	<i>433.0</i>	<i>425.9</i>	<i>7.1</i>	<i>1.7</i>
Takaful assets	959.5	676.2	283.3	41.9
Rights-of-use-assets	250.4	-	250.4	-
Deposits from customers	46,752.7	49,433.5	(2,680.8)	-5.4
Investment accounts	9,797.5	5,037.7	4,759.9	94.6
Recourse obligation on financing sold to Cagamas	1,501.2	1,501.2	-	-
Lease liability	328.1	-	328.1	-
Takaful liabilities	8,684.2	7,438.9	1,245.3	16.7
Sukuk liabilities	2,139.7	2,102.7	37.0	1.8
Equity	6,418.1	5,494.7	923.4	16.8

CAPITAL ADEQUACY RATIO – firm capital structure

- On 16 October 2015, BNM has issued a Policy Document on Observation Period Reporting requesting Financial Holding Companies (FHCs) to report on Capital Adequacy Ratios effective 1 January 2016 on a quarterly basis.
- The following are the minimum capital adequacy requirements (including the capital conservation buffer (CCB)) which FHCs are required to maintain:

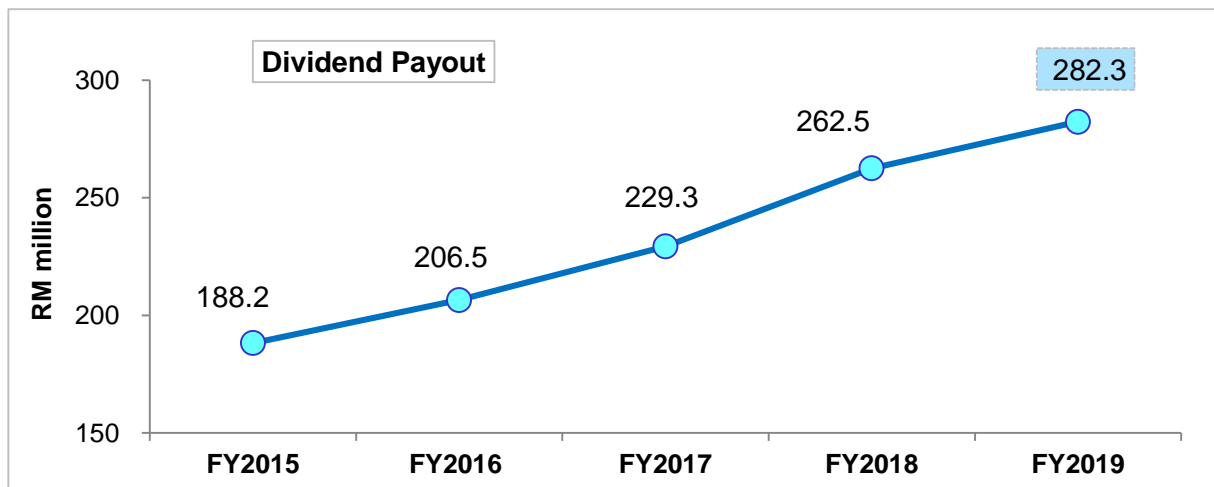
	CET 1 Capital Ratio	Tier 1 Capital Ratio	Total Capital Ratio	of which CCB
2016	5.125%	6.625%	8.625%	0.625%
2017	5.750%	7.250%	9.250%	1.25%
2018	6.375%	7.875%	9.875%	1.875%
2019	7.000%	8.500%	10.500%	2.5%

CAPITAL ADEQUACY RATIOS RM million	Dec 19	Dec 18
RATIOS		
Common Equity Tier 1 (CET1)/ Tier 1 Capital (%)	12.656%	11.109%
Total Capital Ratio (%)	17.052%	15.530%
CAPITAL		
Total CET1 and Tier 1 Capital	5,020	4,387
Sukuk Murabahah	1,300	1,300
Collective assessment allowance	443	445
Total Capital	6,763	6,132
RISK WEIGHTED ASSETS (RWA)		
Credit RWA	42,747	39,133
Credit RWA Investment Account (IA)	(7,268)	(3,495)
Market RWA	580	423
Operational RWA	3,603	3,426
Total RWA	39,662	39,487

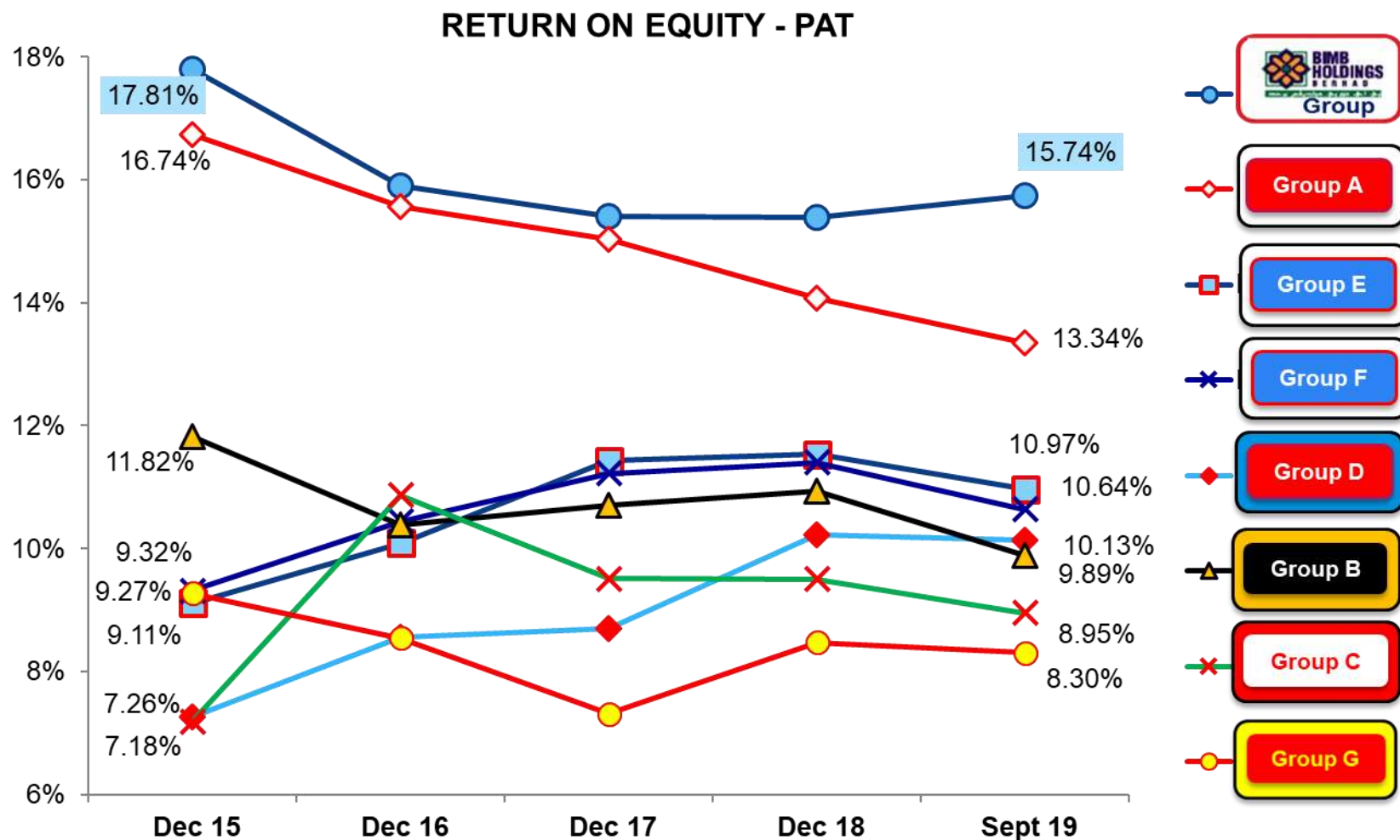
DIVIDEND PAYOUT TRENDS – bringing value to shareholders

Financial Year	Dividend Type	Paid-up Capital	Dividend Payout		% of Net Profit Attributable to Shareholders
		'000	%	RM'000	%
FY2015	Interim	1,542,210	12.2	188,150	89.18
FY2016	Interim	1,588,680	13.0	206,528	94.15
FY2017	Interim	1,637,741	14.0	229,284	93.41
FY2018	Interim	1,693,566	15.5	262,503	94.17
FY2019	Interim	1,764,283	16.0	282,285	80.75

Highest dividend payout



SELECTED FINANCIAL HOLDING CONGLOMERATES



Excluding BHB Group, the other financial conglomerates operate both Islamic and conventional banking operations



FINANCIAL HIGHLIGHTS DECEMBER 2019

Assuring Trust. Delivering Value.

KEY FINANCIAL INDICATORS

	FY2019	FY2018	Islamic Banking System	Banking System
PROFITABILITY				
Return on equity (%) – based on PBZT	15.3%	15.8%	15.7% *	12.6% *
Return on assets (%) – based on PBZT	1.3%	1.3%	1.1% *	1.4% *
Return on equity (%) – based on PAZT	11.4%	11.5%	NA	NA
Return on assets (%) – based on PAZT	1.0%	1.0%	NA	NA
Non-Fund Based Income Ratio (%)	10.8%	8.6%	4.5% *	16.6% *
Cost Income Ratio (%)	52.9%	52.2%	41.5% *	44.6% *
ASSET QUALITY				
Gross impaired financing ratio (%)	0.86%	0.92%	1.43% #	1.51% #
Net impaired financing ratio – less IA & CA (%)	-0.64%	-0.80%	0.22% #	0.16% #
Financing loss coverage ratio (%)	179.3%	187.8%	85.0% #	89.6% #
Financing credit cost ratio (%)	0.17%	0.18%	NA	NA
EFFICIENCY				
Financing to available fund ratio (%)	78.9%	77.7%	89.1% #	83.2% #
CASA & Transactional IA to Total Deposits & IA (%)	32.8%	32.1%	21.6% ##	26.5% ##
CAPITALISATION				
Total Capital Ratio (%)	18.6%^a	17.7% ^a	17.7% #	17.9% #

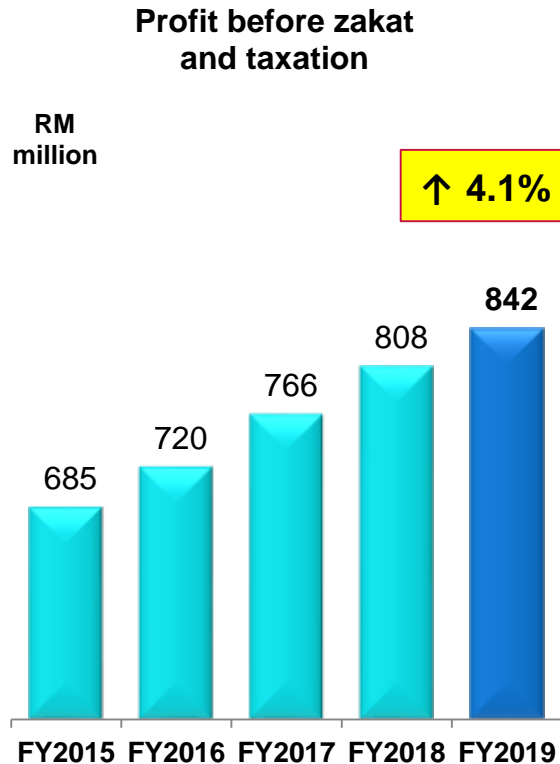
* Bank Negara Malaysia Annual Report 2018

Bank Negara Malaysia Monthly Statistical Bulletin @ December 2019

Excludes Transactional IA

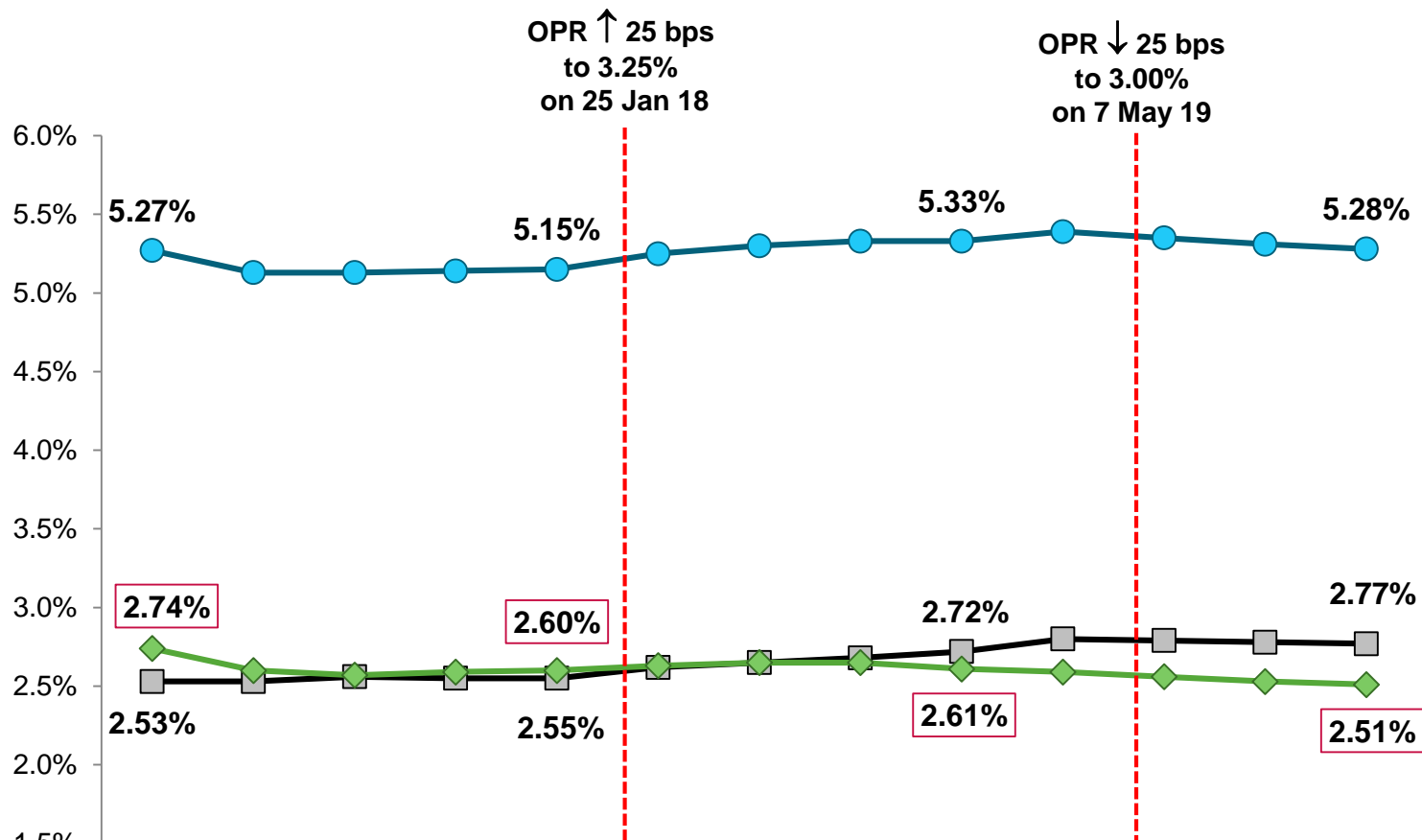
^a After capitalising profits Jul – Dec 2019

BANK ISLAM – PROFIT & LOSS



RM million	FY2019	FY2018	Variance	
			Amount	%
Total revenue	3,616.0	3,302.5	313.5	9.5
Profit to depositors & investment account holders	(1,552.2)	(1,384.1)	(168.1)	-12.1
Total operating overheads	(1,046.9)	(972.1)	(74.8)	-7.7
Operating results	1,016.9	946.3	70.6	7.5
Allowance for impairment on financing & advances	(83.7)	(81.5)	(2.2)	-2.7
Allowance for/(Reversal of) impairment on other financial assets	(3.8)	0.1	(3.9)	-3900.0
Finance cost from issuance of sukuk	(69.9)	(56.7)	(13.2)	-23.3
Finance cost – profit expense on lease	(18.0)	-	(18.0)	-
Profit before zakat & taxation (PBZT)	841.5	808.2	33.3	4.1
Profit after zakat & taxation (PAZT)	626.0	590.5	35.5	6.0

NET INCOME MARGIN TREND



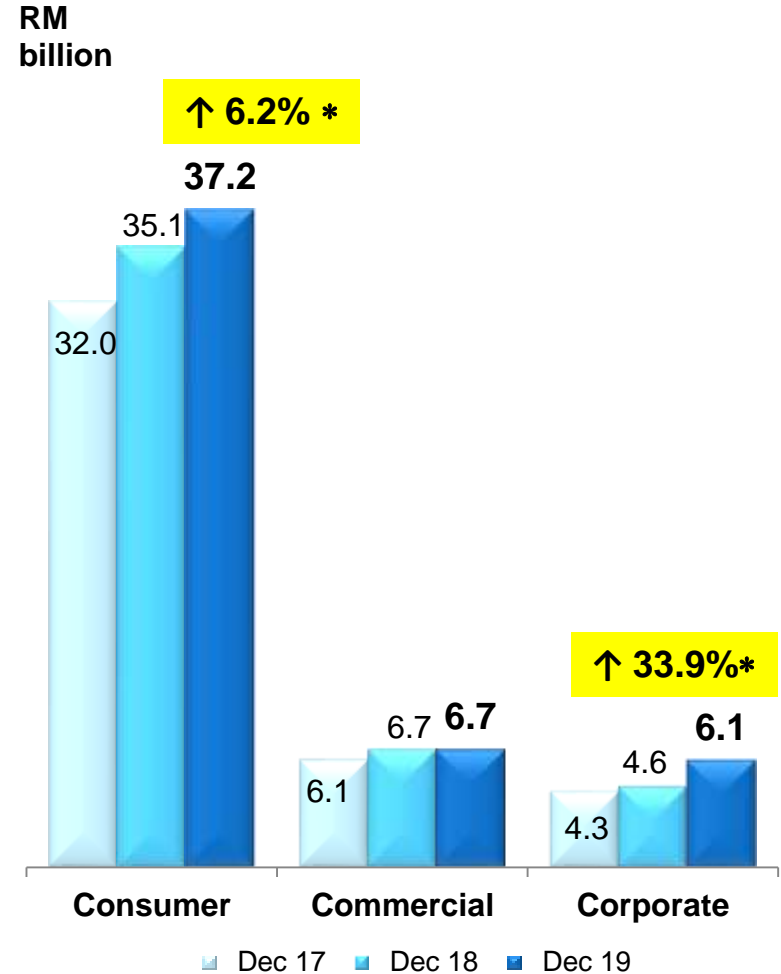
	Dec 16	Mar 17	June 17	Sept 17	Dec 17	Mar 18	June 18	Sept 18	Dec 18	Mar 19	June 19	Sept 19	Dec 19
● Average assets rate	5.27%	5.13%	5.13%	5.14%	5.15%	5.25%	5.30%	5.33%	5.33%	5.39%	5.35%	5.31%	5.28%
■ Average liabilities rate	2.53%	2.53%	2.56%	2.55%	2.55%	2.62%	2.65%	2.68%	2.72%	2.80%	2.79%	2.78%	2.77%
◆ Net income margin	2.74%	2.60%	2.57%	2.59%	2.60%	2.63%	2.65%	2.65%	2.61%	2.59%	2.56%	2.53%	2.51%

HEALTHY FINANCING GROWTH

Healthy net financing growth
and higher than banking industry growth



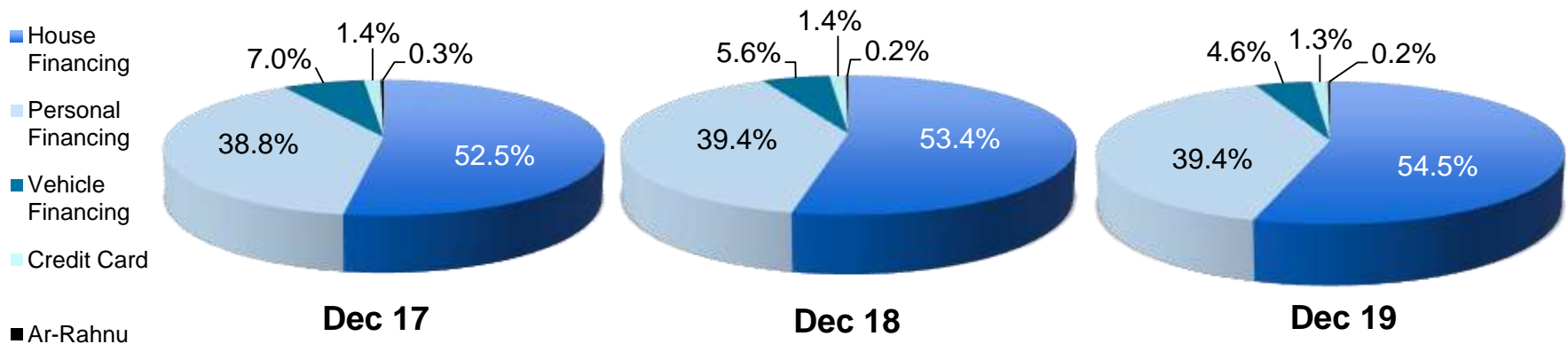
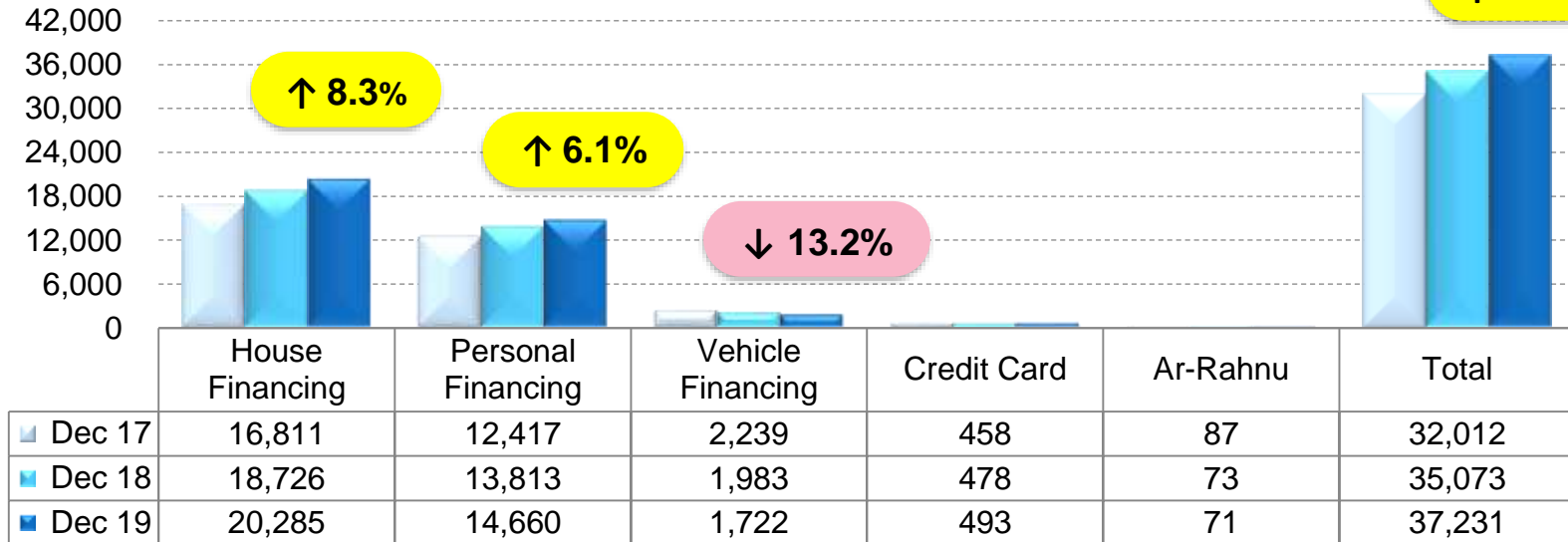
Gross financing growth of 8.1%*



CONSUMER FINANCING

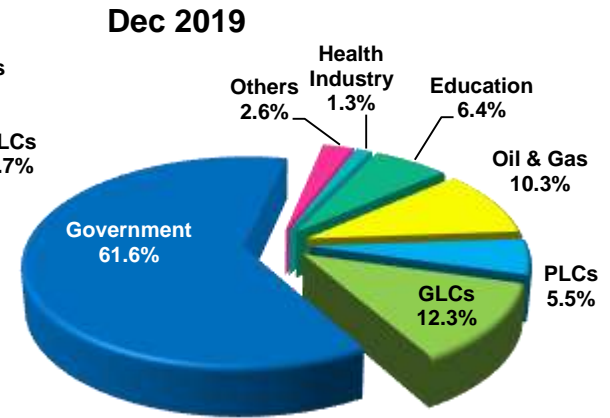
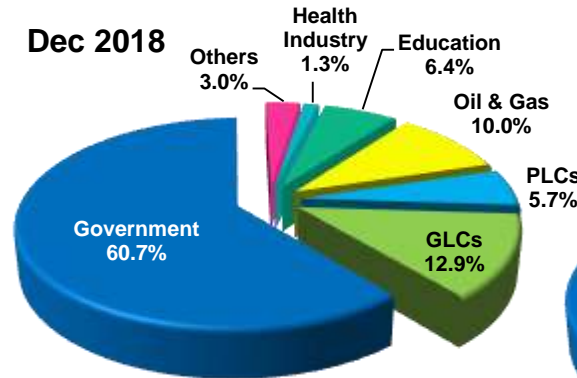
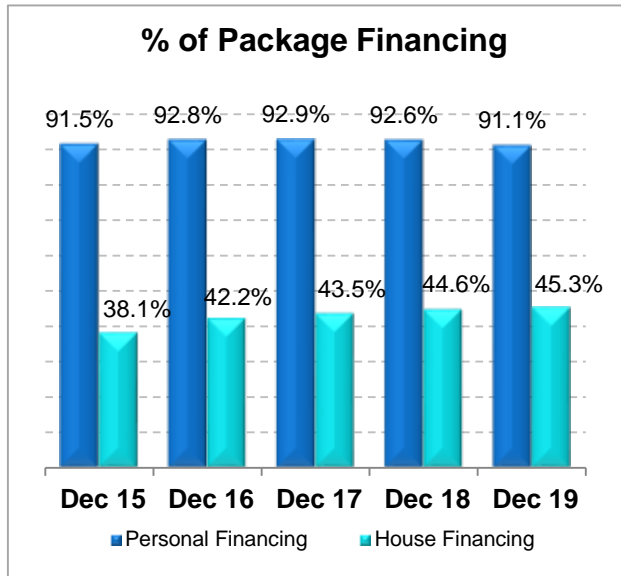
RM million

* Year-on-Year growth

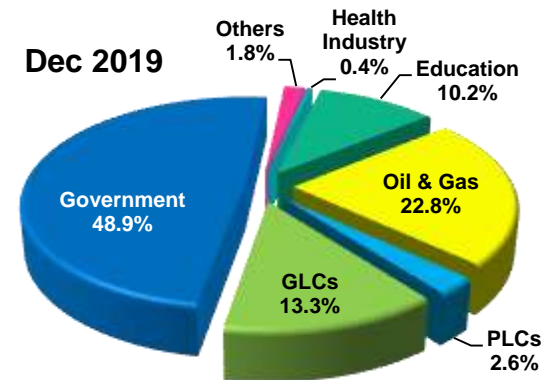
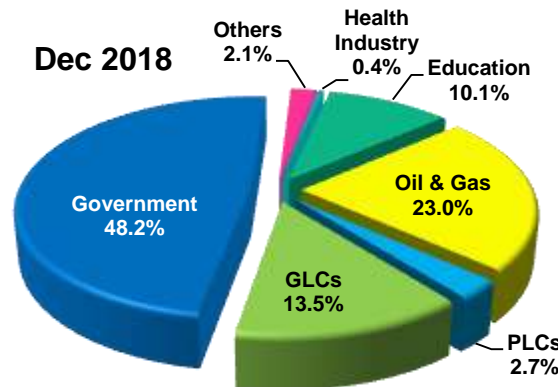


CONSUMER FINANCING via PACKAGE FINANCING

Personal Financing - Package Employers

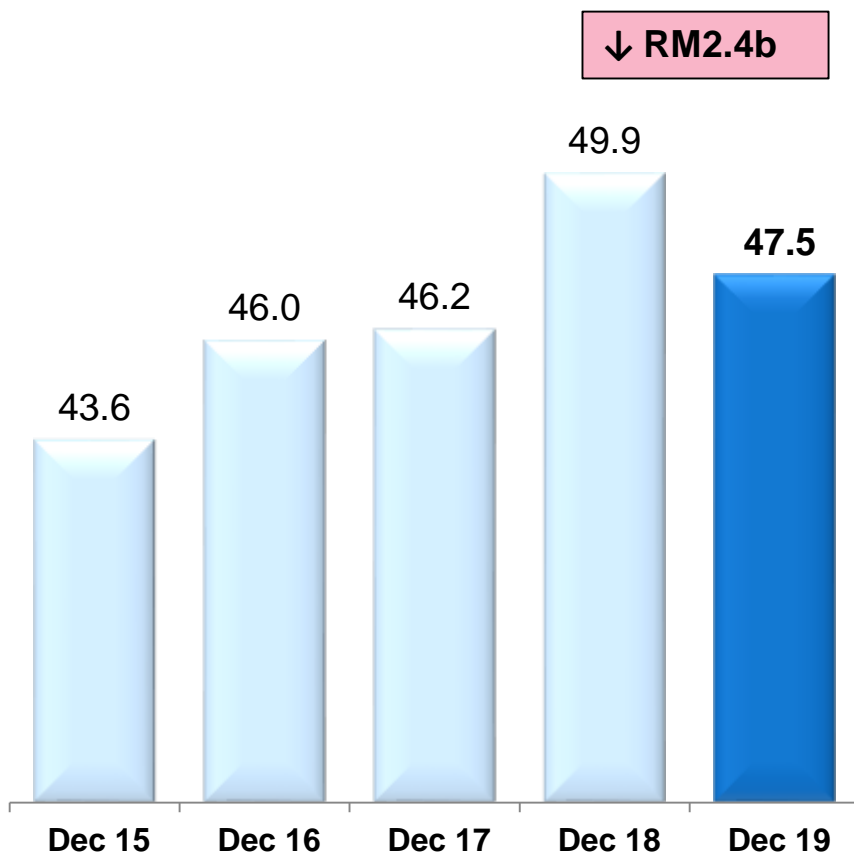


House Financing - Package Employers



FUNDING

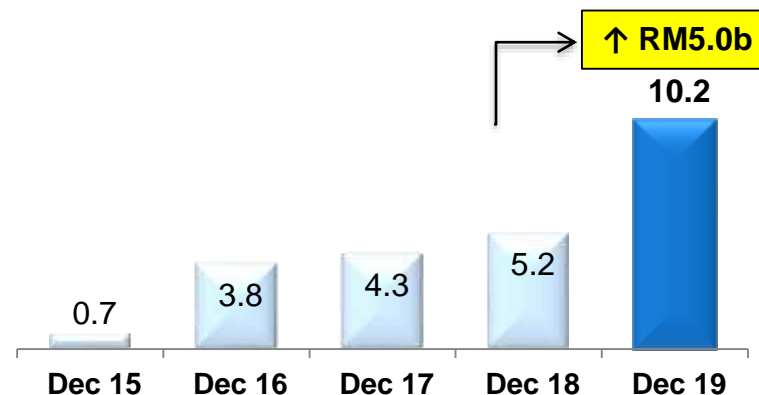
CUSTOMER DEPOSITS RM Billion



INVESTMENT ACCOUNT

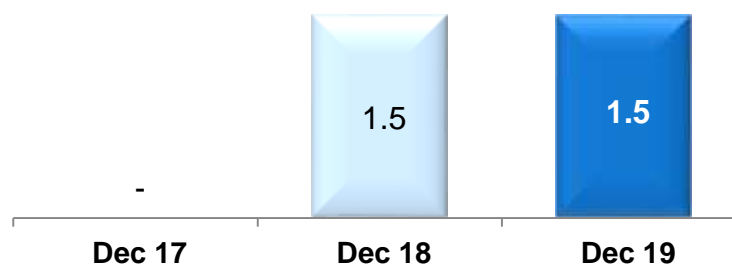
RM Million

Unrestricted Investment Account (URIA)



RECOURSE OBLIGATION ON FINANCING SOLD TO CAGAMAS

RM Million



CASA DEPOSITS & TRANSACTIONAL INVESTMENT ACCOUNT

RM million	Dec 15	Dec 16	Dec 17	Dec 18	Dec 19
Total Deposits	43,595	45,950	46,209	49,909	47,477
<i>of which: CASA Deposits</i>	15,288	14,136	15,482	15,081	15,711
Investment Accounts (URIA)	676	3,812	4,260	5,177	10,240
<i>of which: Transactional IA</i>	461	1,517	1,994	2,595	3,211
Total Deposits & Investment Accounts	44,271	49,762	50,469	55,086	57,717
➔ CASA Deposits & Transactional IA	15,749	15,653	17,476	17,676	18,922

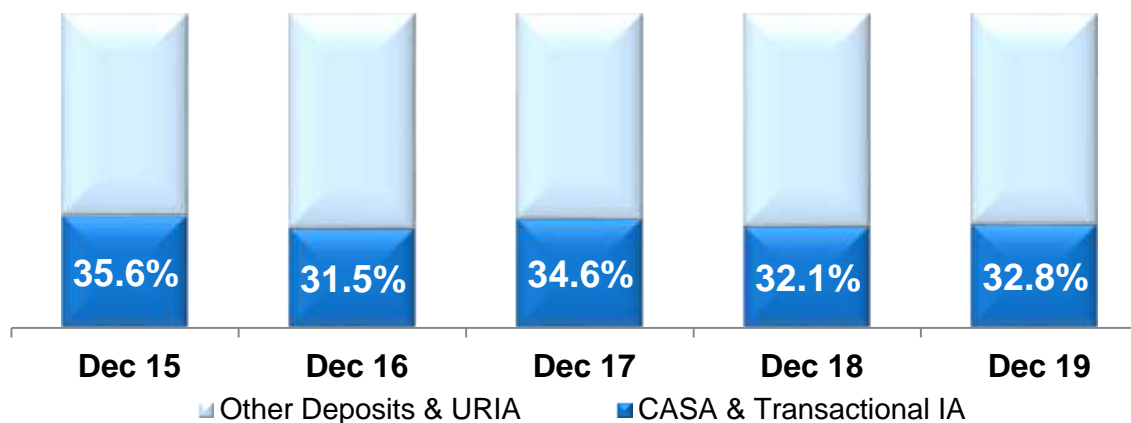


↑ 4.2%

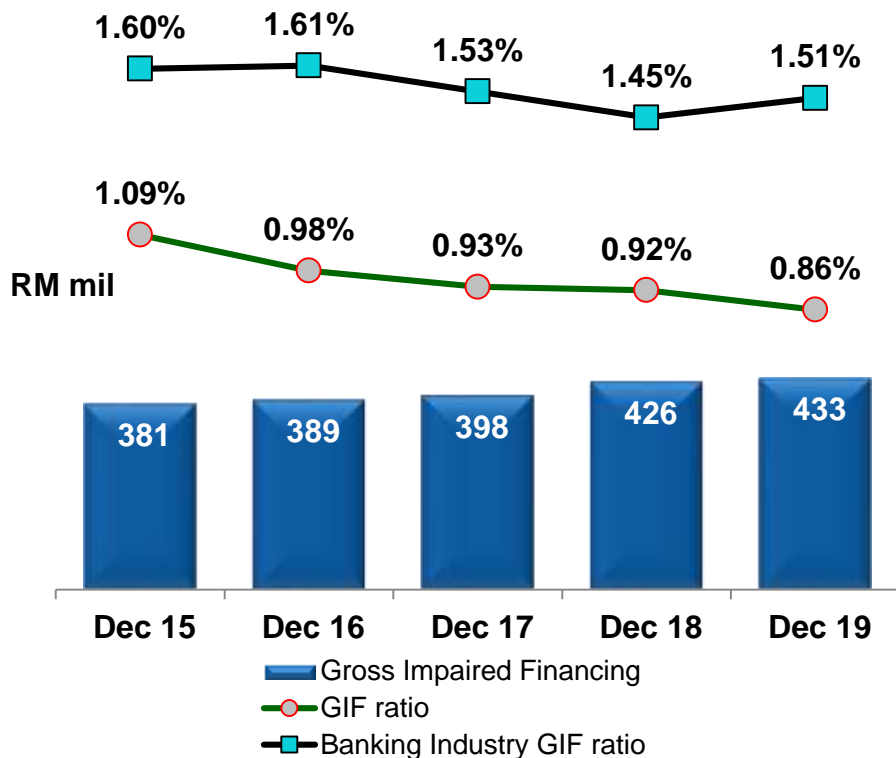
↑ 23.7%

↑ 7.0%

**CASA & Transactional IA against
Total Deposits & Investment Accounts**



ASSET QUALITY

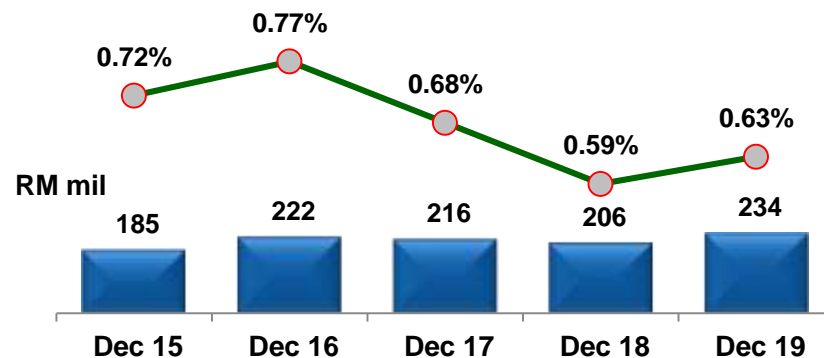


Financing Loss Coverage	Dec 15	Dec 16	Dec 17	Dec 18	Dec 19
Bank Islam	174.6%	175.4%	160.0%*	187.8%*	179.3%*
Banking Industry	96.3%	90.2%	82.9%	97.9%	89.6%

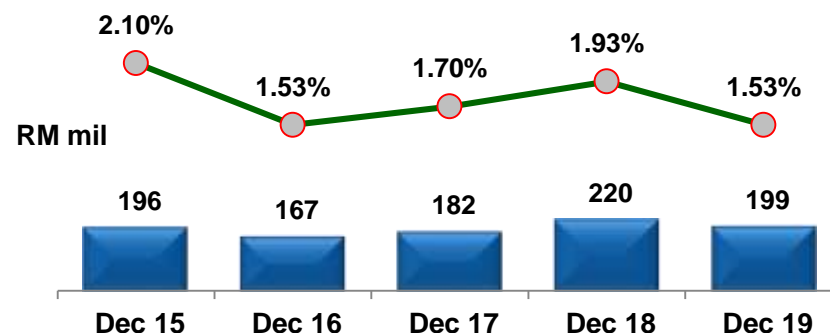
* inclusive of regulatory reserve

Gross impaired financing of which:

Consumer



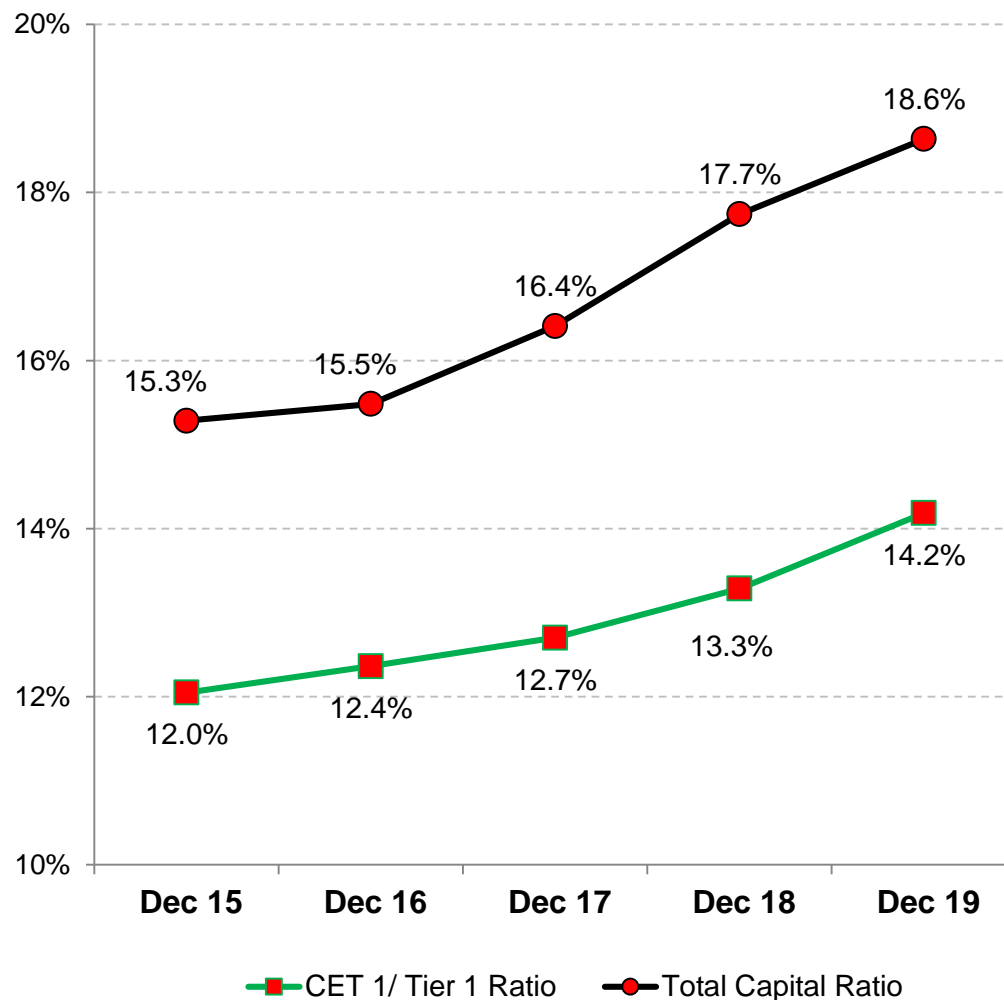
Corporate and Commercial



CAPITAL ADEQUACY

Minimum capital adequacy requirements
(including the capital conservation buffer (CCB)):

	2016	2017	2018	2019
CET 1 Capital Ratio	5.125%	5.750%	6.375%	7.000%
Tier 1 Capital Ratio	6.625%	7.250%	7.875%	8.500%
Total Capital Ratio	8.625%	9.250%	9.875%	10.500%
of which CCB	0.625%	1.250%	1.875%	2.500%



FINANCIAL HIGHLIGHTS DECEMBER 2019

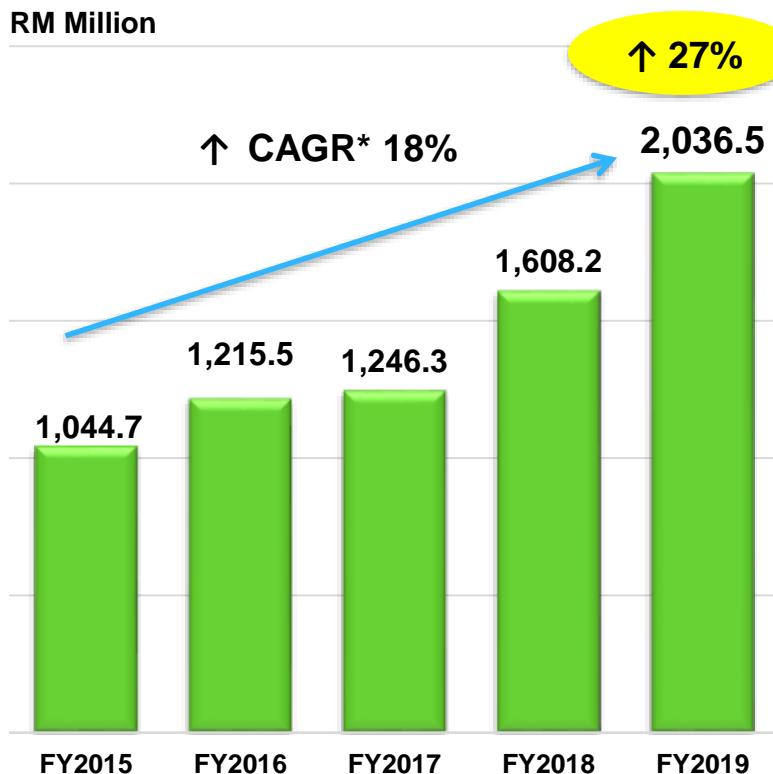


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GROUP GROSS CONTRIBUTION

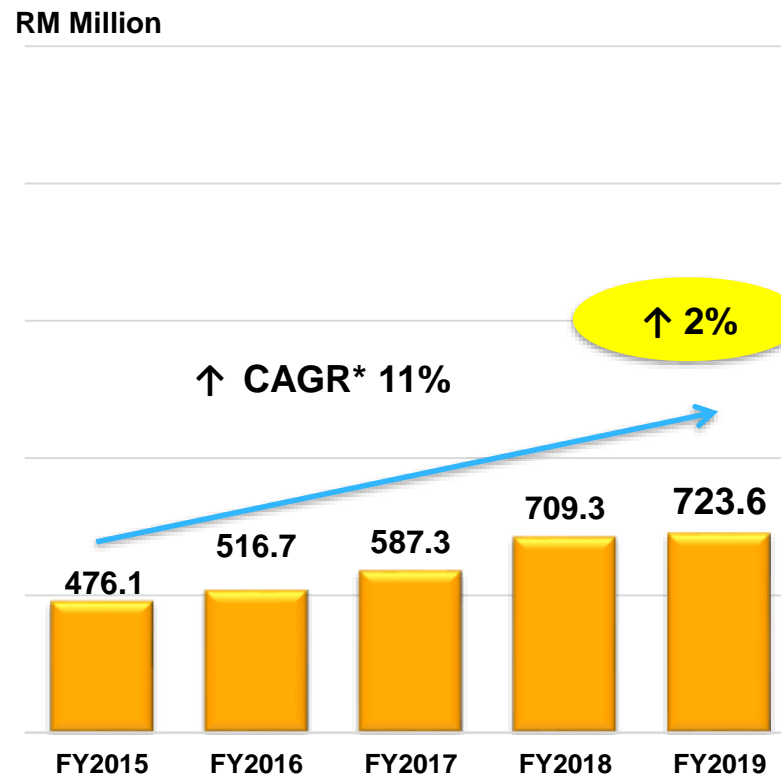
Total Family Takaful Gross Contribution

RM Million



Total General Takaful Gross Contribution

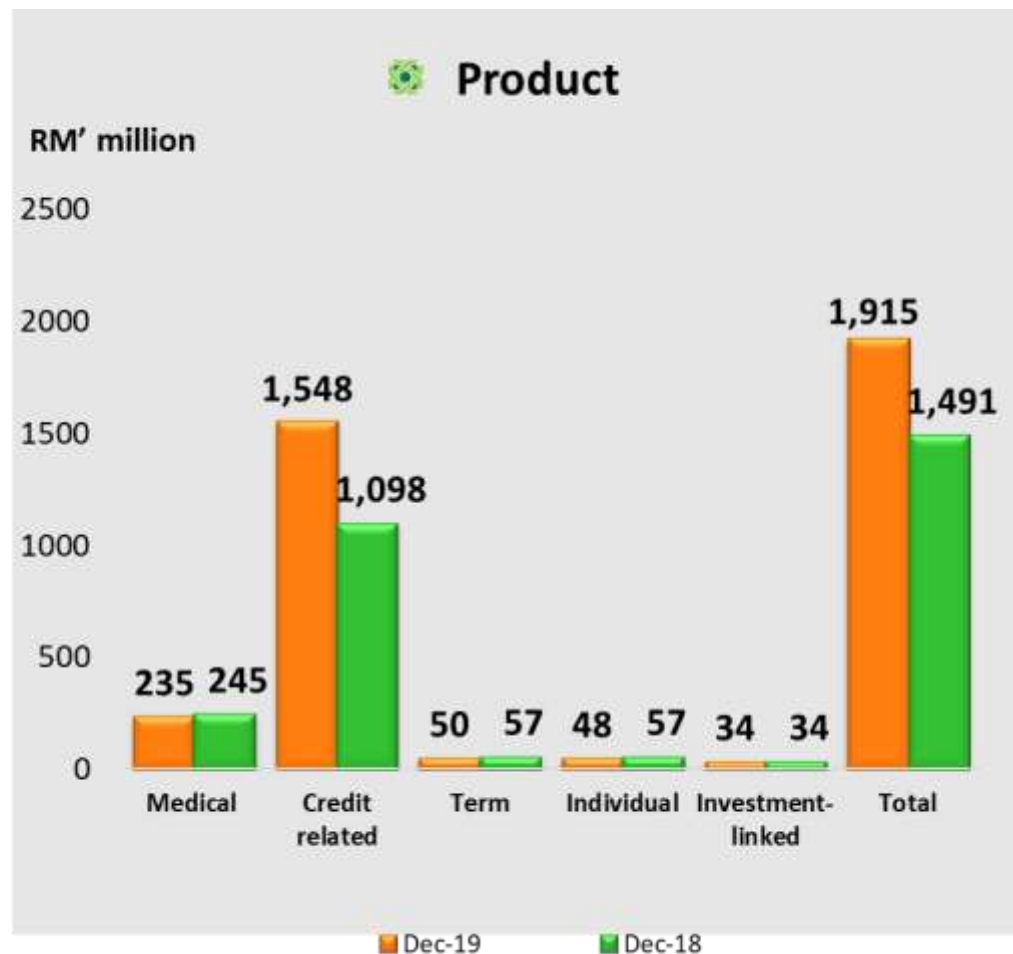
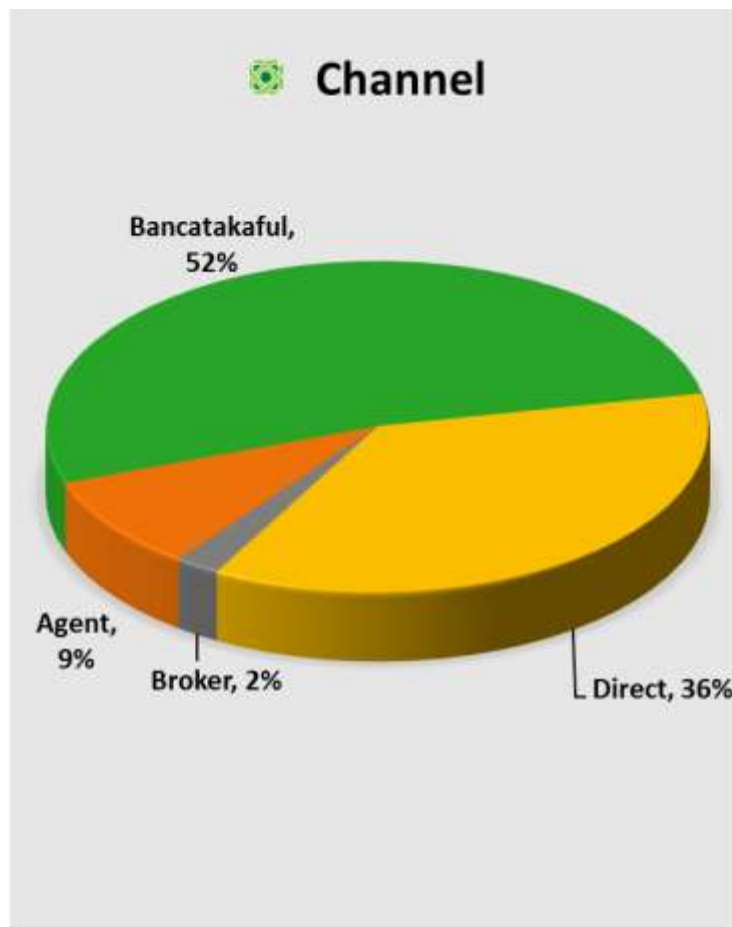
RM Million



Sterling Business Growth

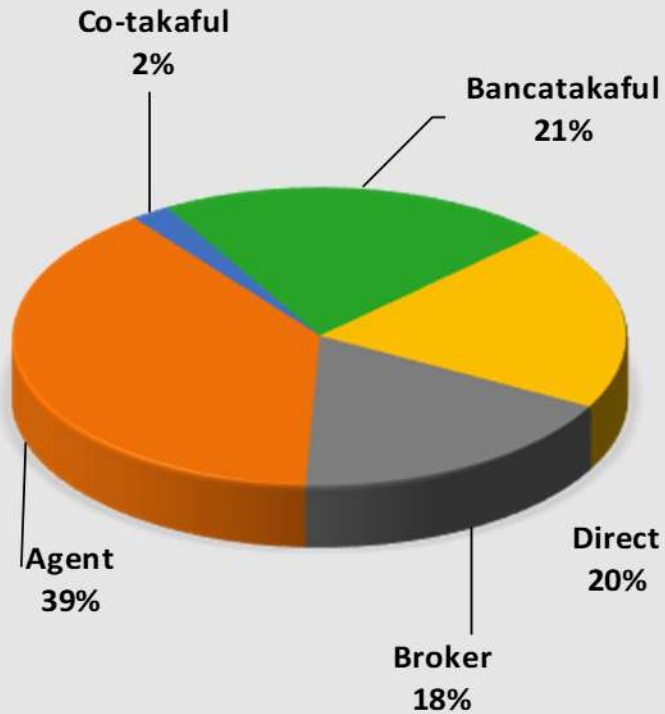
*CAGR up to 2019 = Compounded annual growth rate (2015-2019)

COMPANY FAMILY TAKAFUL GROSS CONTRIBUTION



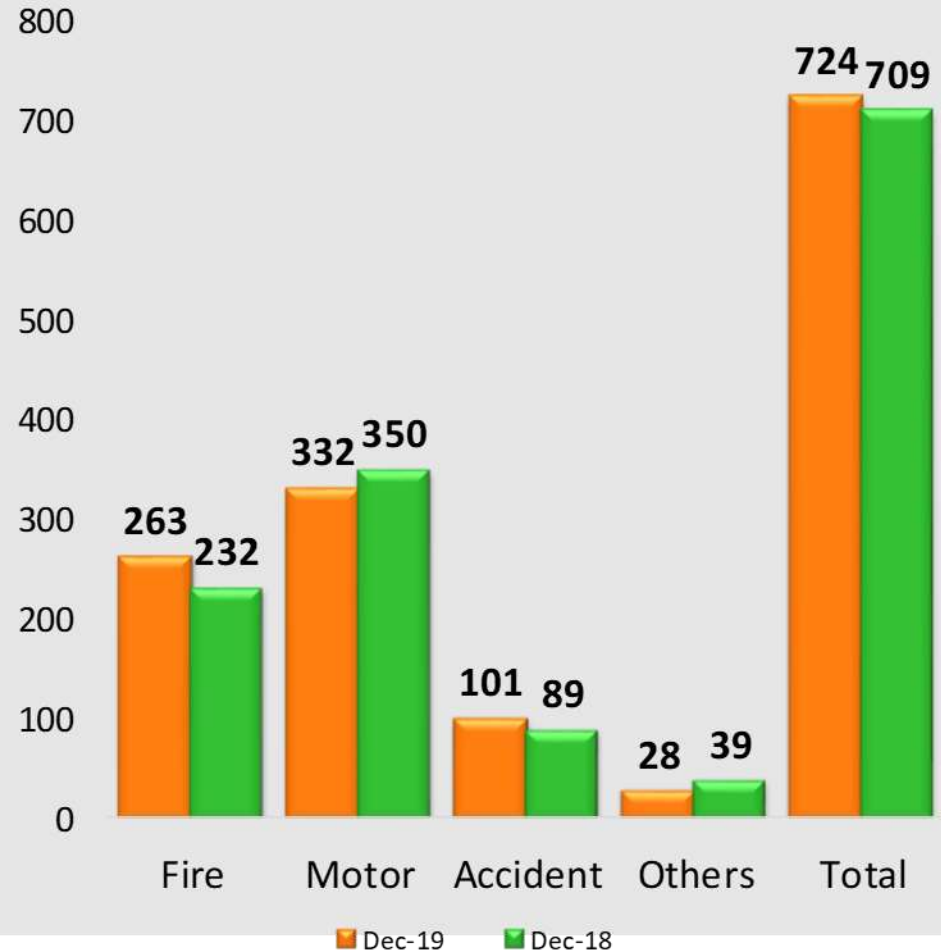
COMPANY GENERAL TAKAFUL GROSS CONTRIBUTION

 Channel



RM' million

 Class of Business



Thank You والسلام

