

MALAYSIA'S PREMIER  
SHARIAH - COMPLIANT  
FINANCIAL SERVICES GROUP



# FINANCIAL HIGHLIGHTS

## MARCH 2019

BIMB HOLDINGS BERHAD  
ANALYST PRESENTATION

## BHB GROUP – 1QFY2019 HIGHLIGHTS



**Total revenue RM1.2 billion, +18.4%**  
**(YTD Mar 19 vs. YTD Mar 18)**



**PBZT RM319.6 million, +16.8%**  
**(YTD Mar 19 vs. YTD Mar 18)**



**ROE: 16.1% & ROA: 1.4% (based on PAZT)**

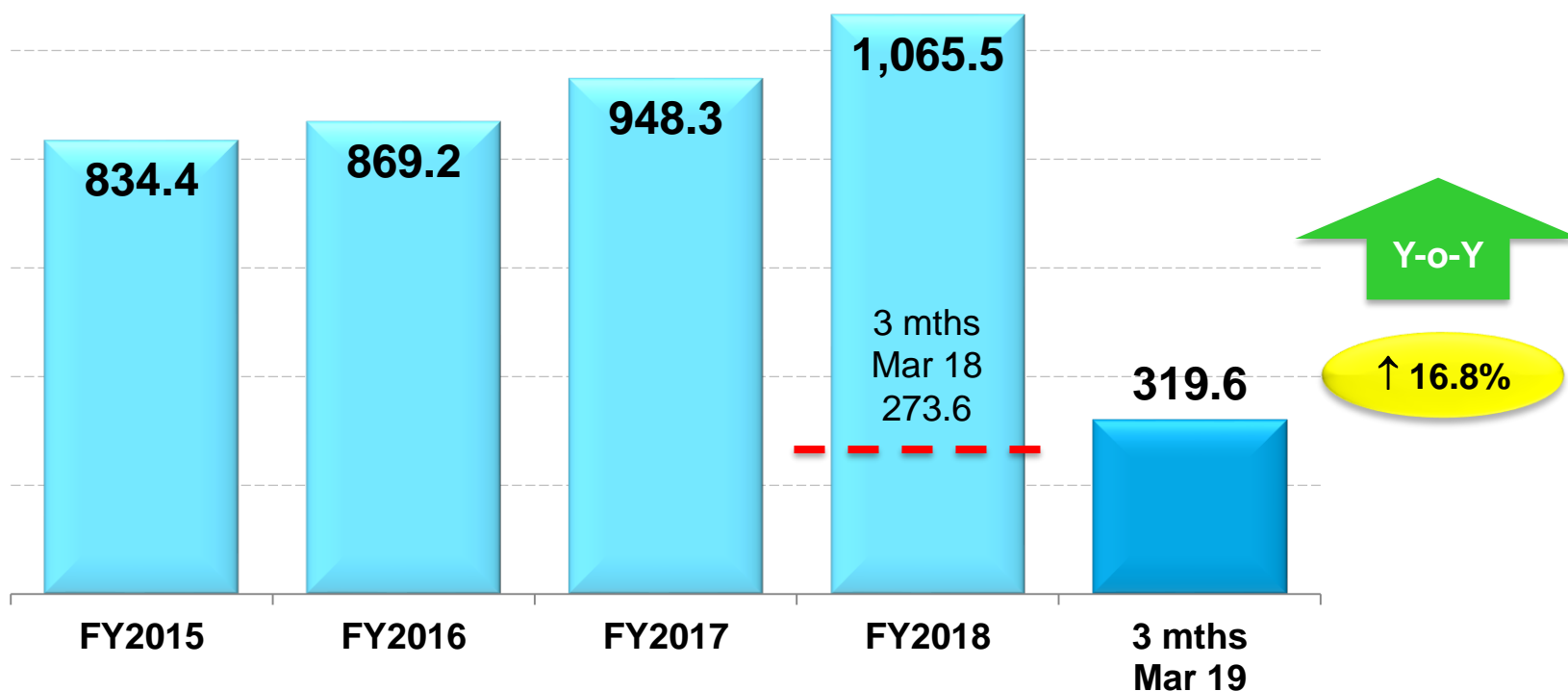


**Net Financing RM46.1 billion, + 8.7% Y-o-Y**

## PROFITABILITY – BHB GROUP

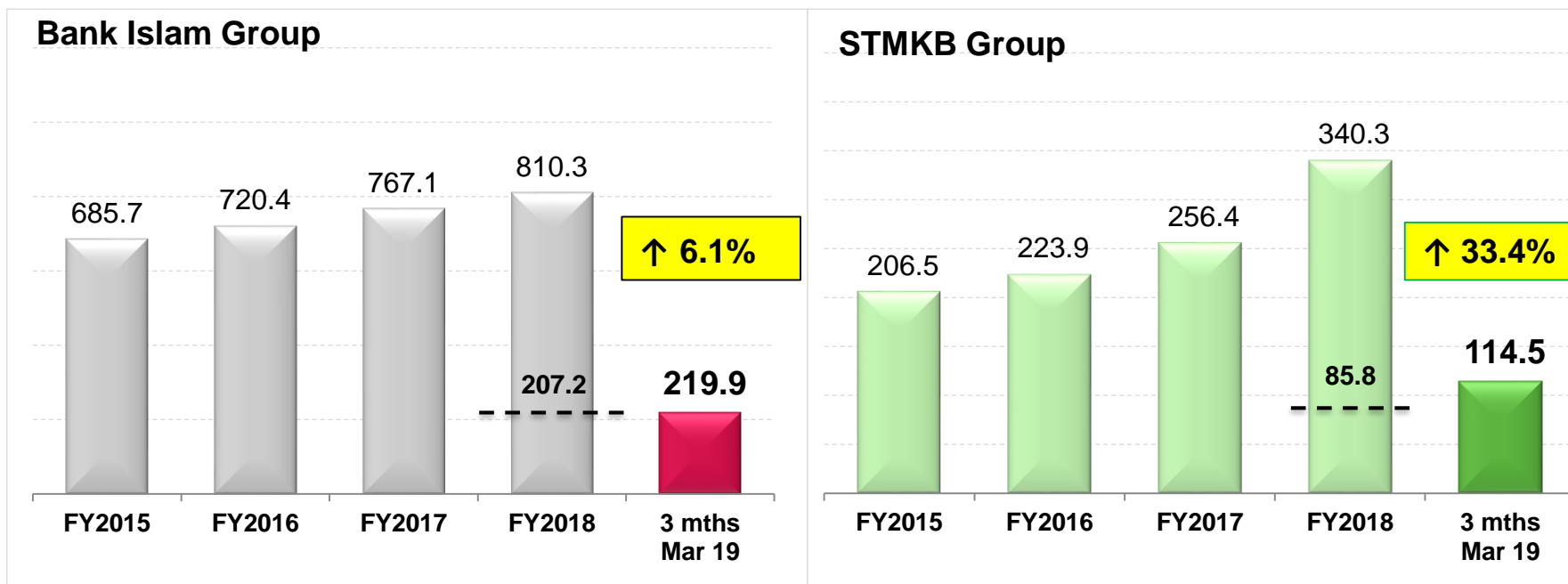
### Profit before zakat & taxation

RM million



## PROFITABILITY TREND – BHB GROUP

Profit before zakat and taxation (RM million)



## CONSOLIDATED PROFIT & LOSS

RM million	3 months Actual		Variance	
	Mar 19	Mar 18	Amount	%
Total revenue	1,183.2	999.4	183.8	18.4
Profit to depositors & investment account holders	(378.2)	(314.7)	(63.5)	-20.2
<b>Net income</b>	<b>805.0</b>	<b>684.7</b>	<b>120.3</b>	<b>17.6</b>
Total operating overheads	(429.0)	(357.4)	(71.6)	-20.0
<b>Operating results</b>	<b>376.0</b>	<b>327.3</b>	<b>48.7</b>	<b>14.9</b>
Allowance for impairment on financial assets	(22.4)	(21.1)	(1.3)	-6.2
Finance cost from issuance of sukuk	(29.5)	(32.6)	3.1	9.5
Finance cost – profit expense on lease	(4.5)	-	(4.5)	-
<b>Profit before zakat &amp; taxation (PBZT)</b>	<b>319.6</b>	<b>273.6</b>	<b>46.0</b>	<b>16.80</b>
Zakat	(4.1)	(3.9)	(0.2)	-4.9
Taxation	(73.9)	(69.1)	(4.8)	-6.9
<b>Profit after zakat &amp; taxation (PAT)</b>	<b>241.6</b>	<b>200.6</b>	<b>41.0</b>	<b>20.4</b>
<b>Profit attributable to Owners of the Company</b>	<b>202.5</b>	<b>172.1</b>	<b>30.4</b>	<b>17.7</b>

## KEY CONSOLIDATED FINANCIAL POSITION ITEMS

RM million	Mar 19	Dec 18	Mar 19 vs. Dec 18		Mar 18	Mar 19 vs. Mar 18	
			Amount	%		Amount	%
<b>Total Assets</b>	<b>72,312.9</b>	<b>72,388.5</b>	<b>(75.6)</b>	<b>-0.1</b>	<b>66,886.2</b>	<b>5,426.7</b>	<b>8.1</b>
Cash, short-term funds and placements	<b>4,291.0</b>	6,287.1	(1,996.1)	-31.7	6,413.8	(2,122.8)	-33.1
Financial assets measured at FVTPL	<b>2,034.7</b>	1,402.6	632.1	45.1	1,985.7	49.0	2.5
Financial assets measured at FVOCI	<b>16,171.9</b>	15,687.1	484.8	3.1	12,888.3	3,283.6	25.5
Net financing, advances and others	<b>46,050.9</b>	45,680.7	370.2	0.8	42,381.4	3,669.5	8.7
Takaful assets	<b>954.0</b>	676.2	277.8	41.1	739.1	214.9	29.1
Rights-of-use assets	<b>229.5</b>	-	229.5	-	-	229.5	-
Deposits from customers	<b>46,991.4</b>	49,433.5	(2,442.1)	-4.9	46,637.1	354.3	0.8
Investment accounts	<b>6,188.8</b>	5,037.7	1,151.1	22.8	4,533.5	1,655.3	36.5
Recourse obligation on financing sold to Cagamas	<b>1,501.2</b>	1,501.2	-	-	-	1,501.2	-
Lease liability	<b>320.2</b>	-	320.2	-	-	320.2	-
Takaful liabilities	<b>8,007.6</b>	7,438.9	568.7	7.6	7,065.4	942.2	13.3
Sukuk liabilities	<b>2,132.2</b>	2,102.7	29.5	1.4	2,268.5	(136.3)	-6.0
<b>Equity</b>	<b>5,916.9</b>	<b>5,494.7</b>	<b>422.2</b>	<b>7.7</b>	<b>5,149.5</b>	<b>767.4</b>	<b>14.9</b>

## GROUP KEY FINANCIAL INDICATORS

	Actual Mar 19	Actual Dec 18
Return on Equity (%) based on PAZT	16.1%	15.4%
Return on Assets (%) based on PAZT	1.4%	1.2%
Return on Equity (%) based on PATAMI	14.8%	14.3%
Return on Assets (%) based on PATAMI	1.1%	1.0%
Cost Income Ratio (%)	55.6%	57.5%
Earnings per Share (sen)	11.63	40.36
Net tangible assets per share (RM)	3.09	2.97

## CAPITAL ADEQUACY RATIO

➤ Total capital and capital adequacy ratios of the Group has been computed based on Bank Negara Malaysia's Capital Adequacy Framework for Islamic Banks (Capital Components) and Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) issued on 2 February 2018.

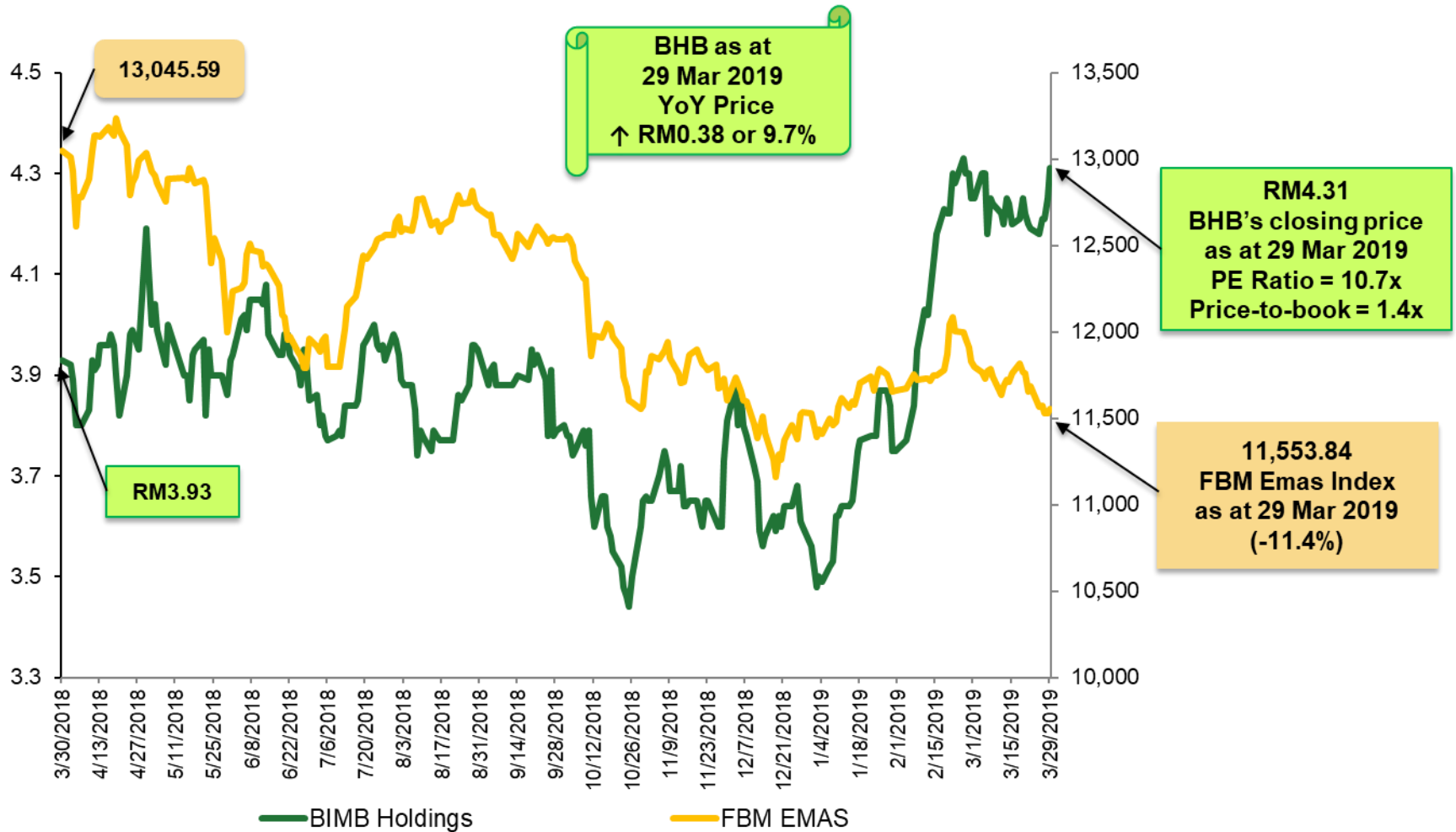
➤ The following are the minimum capital adequacy requirements (including the capital conservation buffer (CCB)) which FHCs are required to maintain:

	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	Mar 19	Dec 18
<b>RATIOS</b>		
Common Equity Tier 1 (CET1)/ Tier 1 Capital (%)	<b>11.426%</b>	10.943%
Total Capital Ratio (%)	<b>15.840%</b>	15.369%
<b>CAPITAL</b>		
Total CET1 and Tier 1 Capital	<b>4,504</b>	4,313
Sukuk Murabahah	<b>1,300</b>	1,300
Collective assessment allowance	<b>440</b>	445
Total Capital	<b>6,244</b>	6,058
<b>RISK WEIGHTED ASSETS (RWA)</b>		
Credit RWA	<b>39,616</b>	39,060
Credit RWA Investment Account (IA)	<b>(4,398)</b>	(3,495)
Market RWA	<b>731</b>	423
Operational RWA	<b>3,472</b>	3,426
Total RWA	<b>39,421</b>	39,414



## BHB SHARE PRICE vs. FBM EMAS INDEX TREND



BANK ISLAM

## KEY FINANCIAL INDICATORS

	Actual Mar 19	Actual Dec 18	Islamic Banking System	Banking System
<b>PROFITABILITY</b>				
Return on equity (%) – based on PBZT	16.3% ^	15.8%	15.7% *	12.6% *
Return on assets (%) – based on PBZT	1.4% ^	1.3%	1.1% *	1.4% *
Return on equity (%) – based on PAZT	11.9% ^	11.5%	NA	NA
Return on assets (%) – based on PAZT	1.0% ^	1.0%	NA	NA
Non-Fund Based Income Ratio (%)	10.3%	8.6%	4.5% *	16.6% *
Cost Income Ratio (%)	50.4%	52.2%	41.5% *	44.6% *
<b>ASSET QUALITY</b>				
Gross impaired financing ratio (%)	0.95%	0.92%	1.27% #	1.46% #
Net impaired financing ratio – less IA & CA (%)	-0.68%	-0.80%	0.02% #	0.06% #
Financing loss coverage ratio (%)	172.9%	187.8%	98.4% #	96.1% #
Financing credit cost ratio (%)	0.20% ^	0.18%	NA	NA
<b>EFFICIENCY</b>				
Financing to available fund ratio (%)	79.8%	77.7%	89.5% #	82.5% #
CASA & Transactional IA to Total Deposits & IA (%)	32.7%	32.1%	21.7% ##	26.0% ##
<b>CAPITALISATION</b>				
Total Capital Ratio (%)	17.7%	17.7%	17.9% #	18.0% #

^ Annualised

\* Bank Negara Malaysia Annual Report 2018

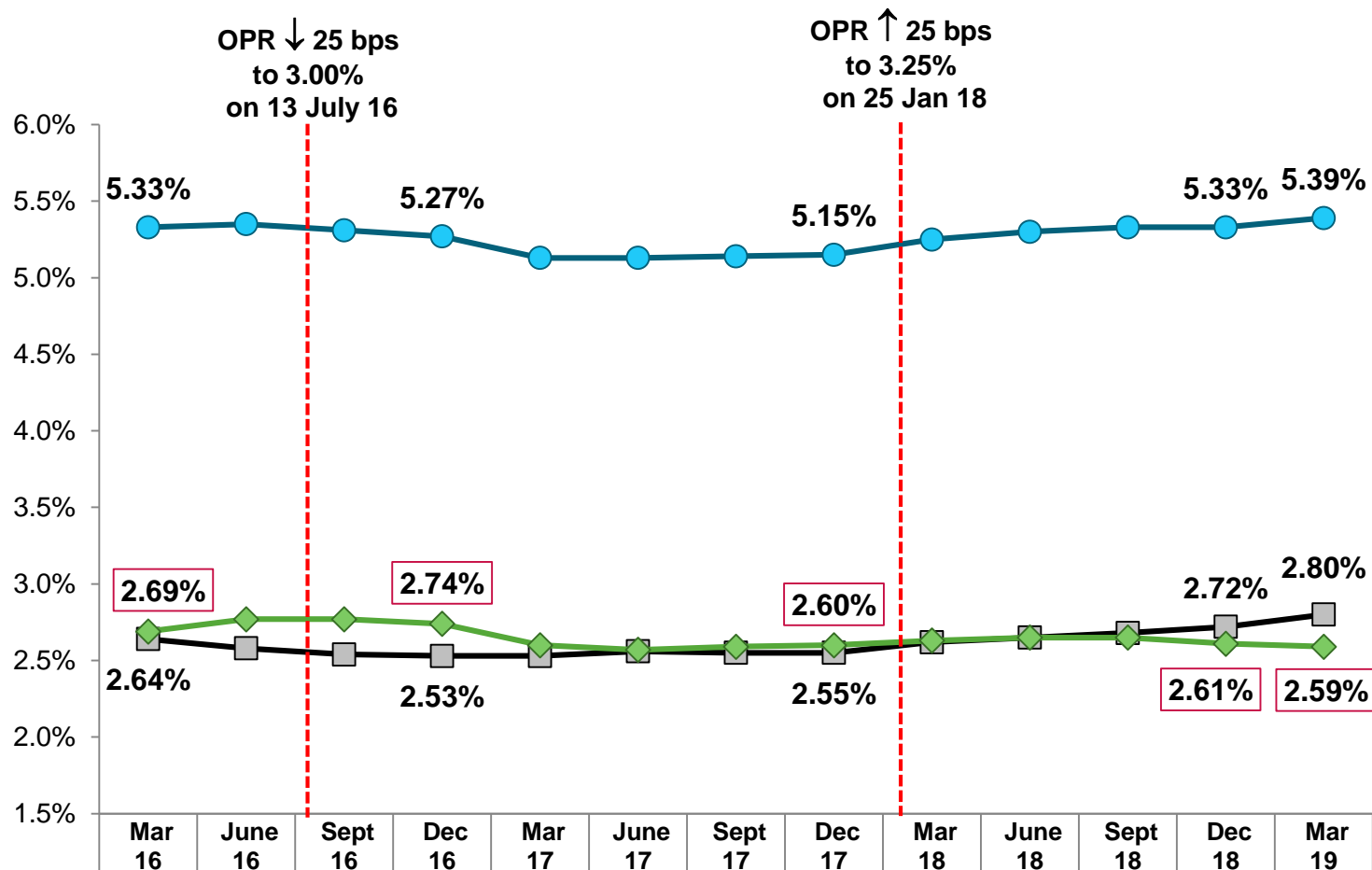
# Bank Negara Malaysia Monthly Statistical Bulletin @ March 2019

## Excludes Transactional IA

## BANK ISLAM – PROFIT & LOSS

RM million	3 months Actual		Variance	
	Mar 19	Mar 18	Amount	%
Total revenue	892.2	778.2	114.0	14.6
Profit to depositors & investment account holders	(383.1)	(319.7)	(63.4)	-19.8
Net income	509.1	458.5	50.6	11.0
Total operating overheads	(245.5)	(217.3)	(28.2)	-13.0
Operating results	263.6	241.2	22.4	9.3
Allowance for impairment on financing & advances	(23.2)	(21.2)	(2.0)	-9.4
Reversal of impairment on other financial assets	0.8	0.1	0.7	700.0
Finance cost from issuance of sukuk	(17.2)	(13.4)	(3.8)	-28.4
Finance cost – profit expense on lease	(4.5)	-	(4.5)	-
Profit before zakat & taxation (PBZT)	219.5	206.7	12.8	6.2
Profit after zakat & taxation (PAZT)	160.1	147.7	12.4	8.4

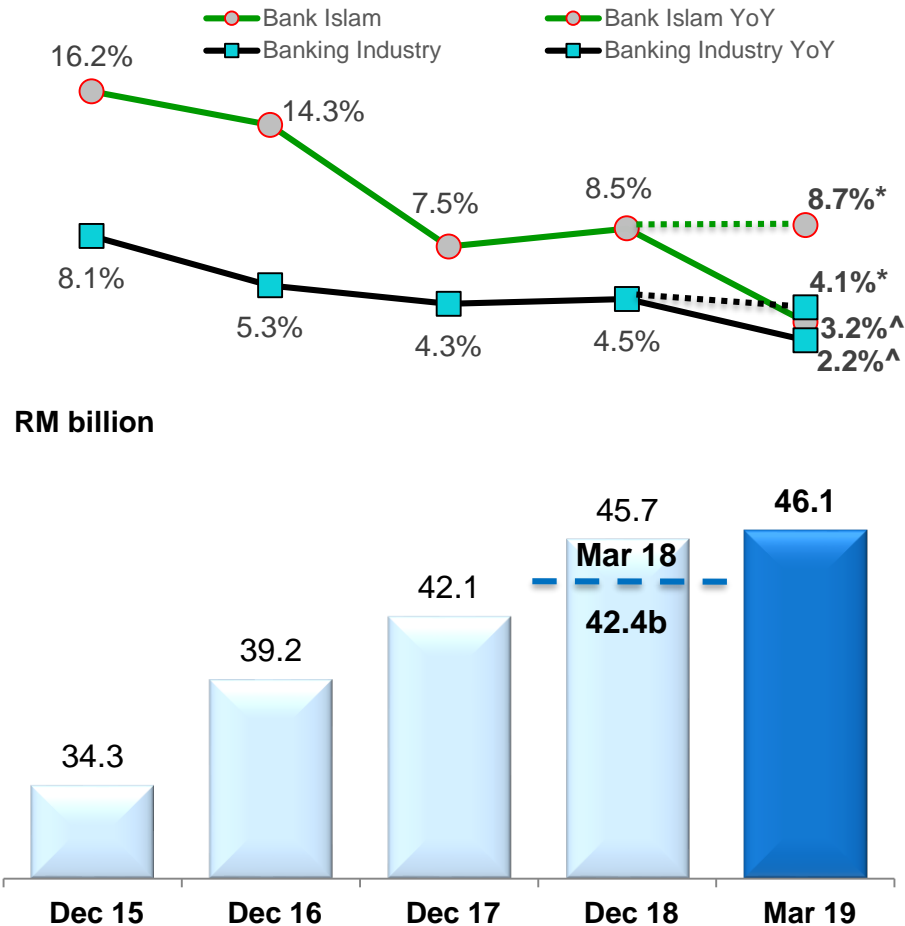
## NET INCOME MARGIN TREND



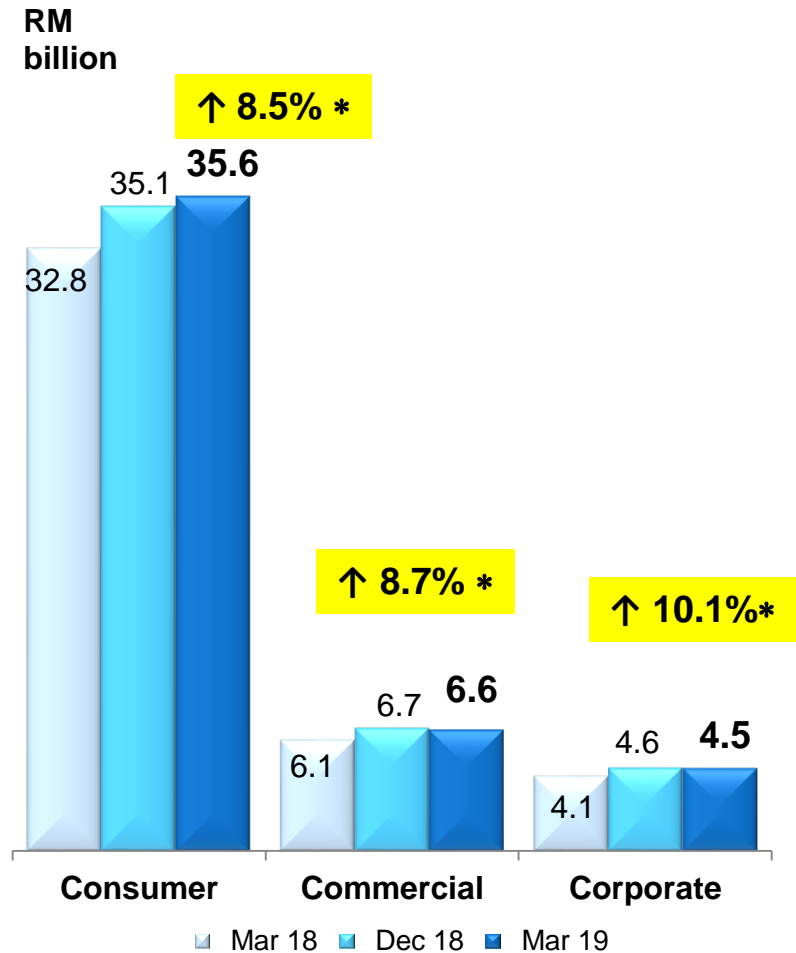
● Average assets rate	5.33%	5.35%	5.31%	5.27%	5.13%	5.13%	5.14%	5.15%	5.25%	5.30%	5.33%	5.33%	5.39%
■ Average liabilities rate	2.64%	2.58%	2.54%	2.53%	2.53%	2.56%	2.55%	2.55%	2.62%	2.65%	2.68%	2.72%	2.80%
◆ Net income margin	2.69%	2.77%	2.77%	2.74%	2.60%	2.57%	2.59%	2.60%	2.63%	2.65%	2.65%	2.61%	2.59%

## HEALTHY YEAR-on-YEAR FINANCING GROWTH

Healthy 8.7%YoY net financing growth and double banking industry growth



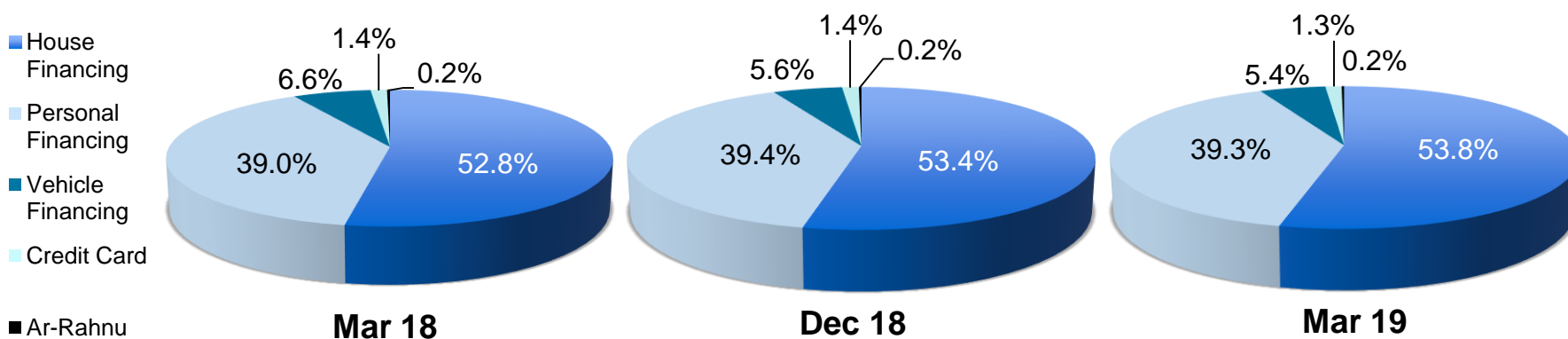
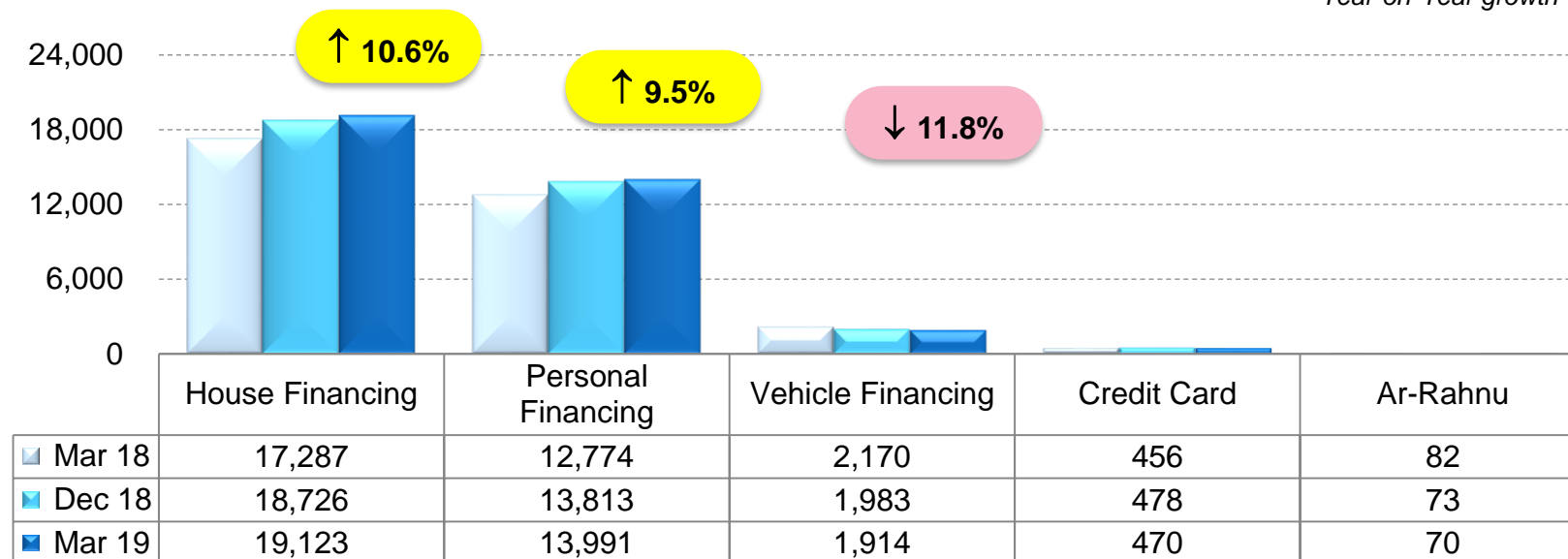
Gross financing grew 8.5%YoY



## CONSUMER FINANCING

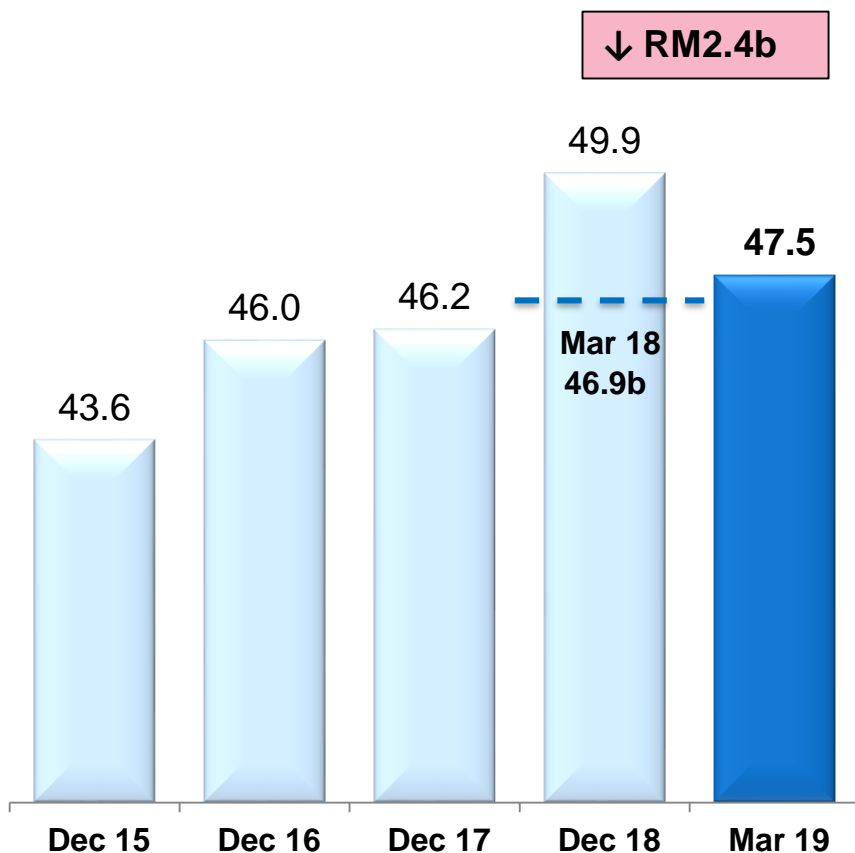
RM million

\* Year-on-Year growth



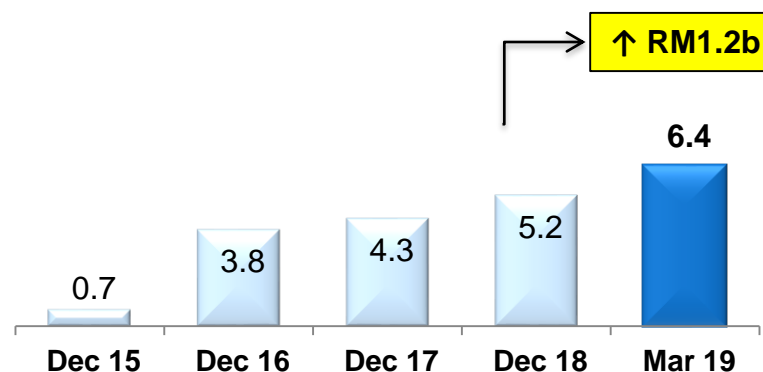
## FUNDING

### CUSTOMER DEPOSITS RM Billion

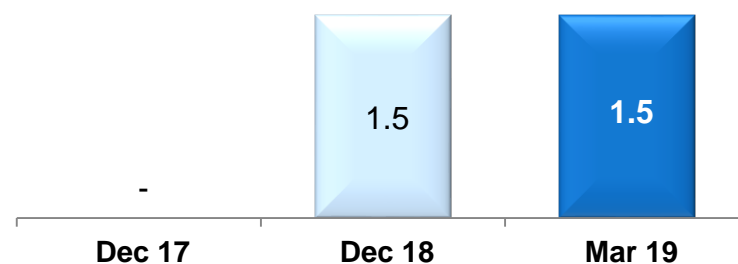


### INVESTMENT ACCOUNT RM Billion

#### Unrestricted Investment Account (URIA)



### RECOURSE OBLIGATION ON FINANCING SOLD TO CAGAMAS RM Billion





## CASA DEPOSITS & TRANSACTIONAL INVESTMENT ACCOUNT

RM million	Dec 15	Dec 16	Dec 17	Dec 18	Mar 19
<b>Total Deposits</b>	43,595	45,950	46,209	49,909	47,484
<i>of which: CASA Deposits</i>	15,288	14,136	15,482	15,081	14,753
<b>Investment Accounts (URIA)</b>	676	3,812	4,260	5,177	6,353
<i>of which: Transactional IA</i>	461	1,517	1,994	2,595	2,830
<b>Total Deposits &amp; Investment Accounts</b>	44,271	49,762	50,469	55,086	53,837
➔ <b>CASA Deposits &amp; Transactional IA</b>	15,749	15,653	17,476	17,676	17,583

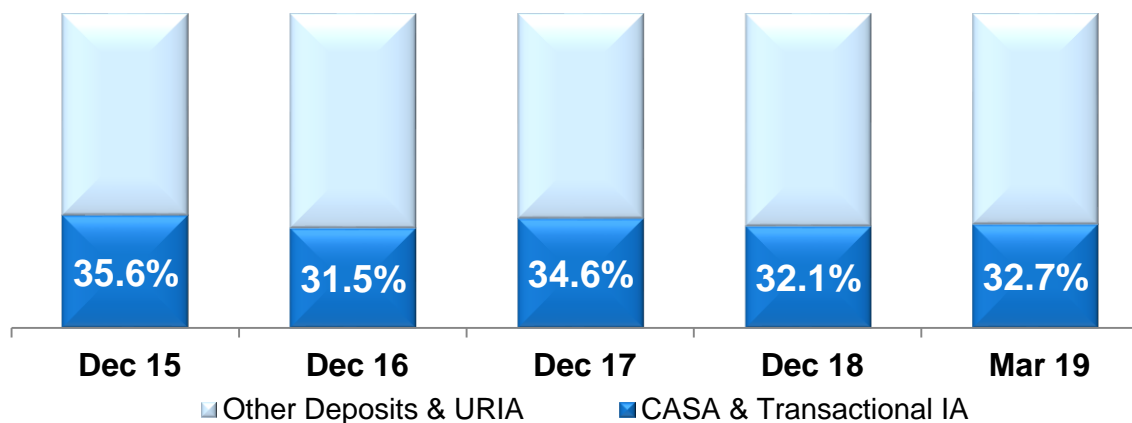


↓ 2.2%

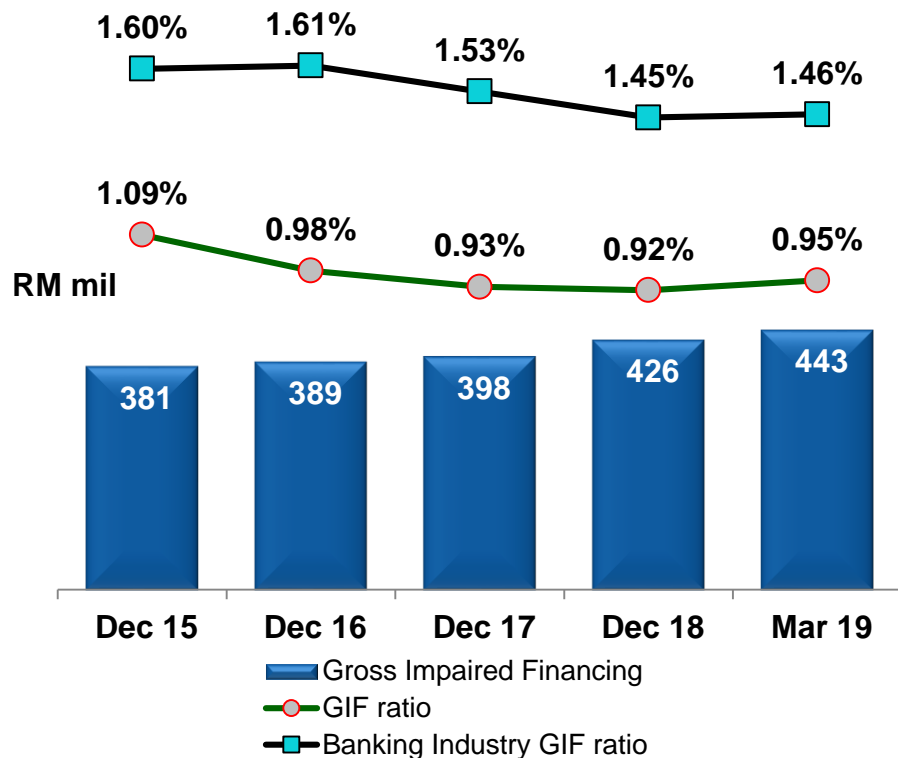
↑ 9.1%

↓ 0.5%

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



## ASSET QUALITY

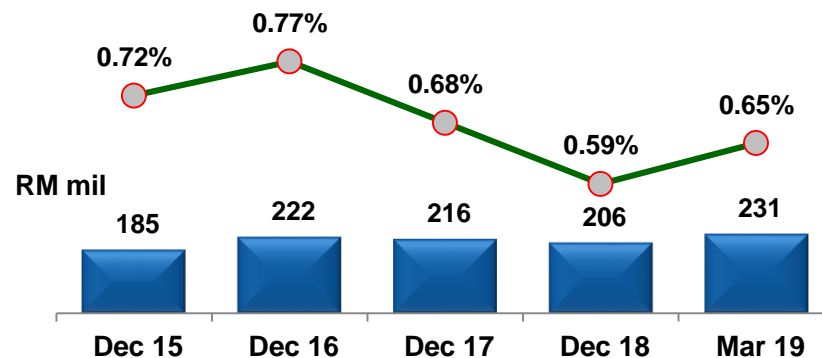


Financing Loss Coverage	Dec 15	Dec 16	Dec 17	Dec 18	Mar 19
Bank Islam	174.6%	175.4%	160.0%*	187.8%*	172.9%*
Banking Industry	96.3%	90.2%	82.9%	97.9%	96.1%

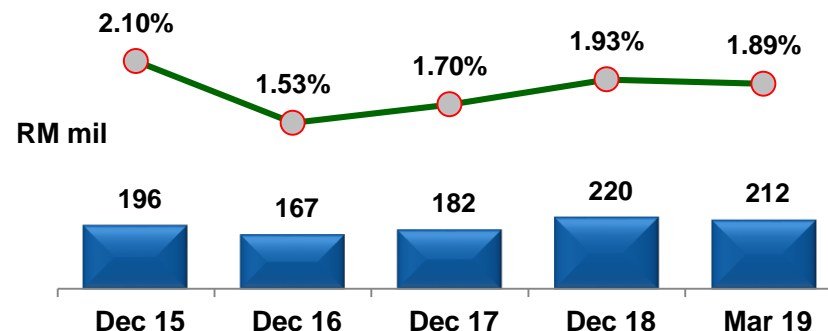
\* inclusive of regulatory reserve

### Gross impaired financing of which:

#### Consumer



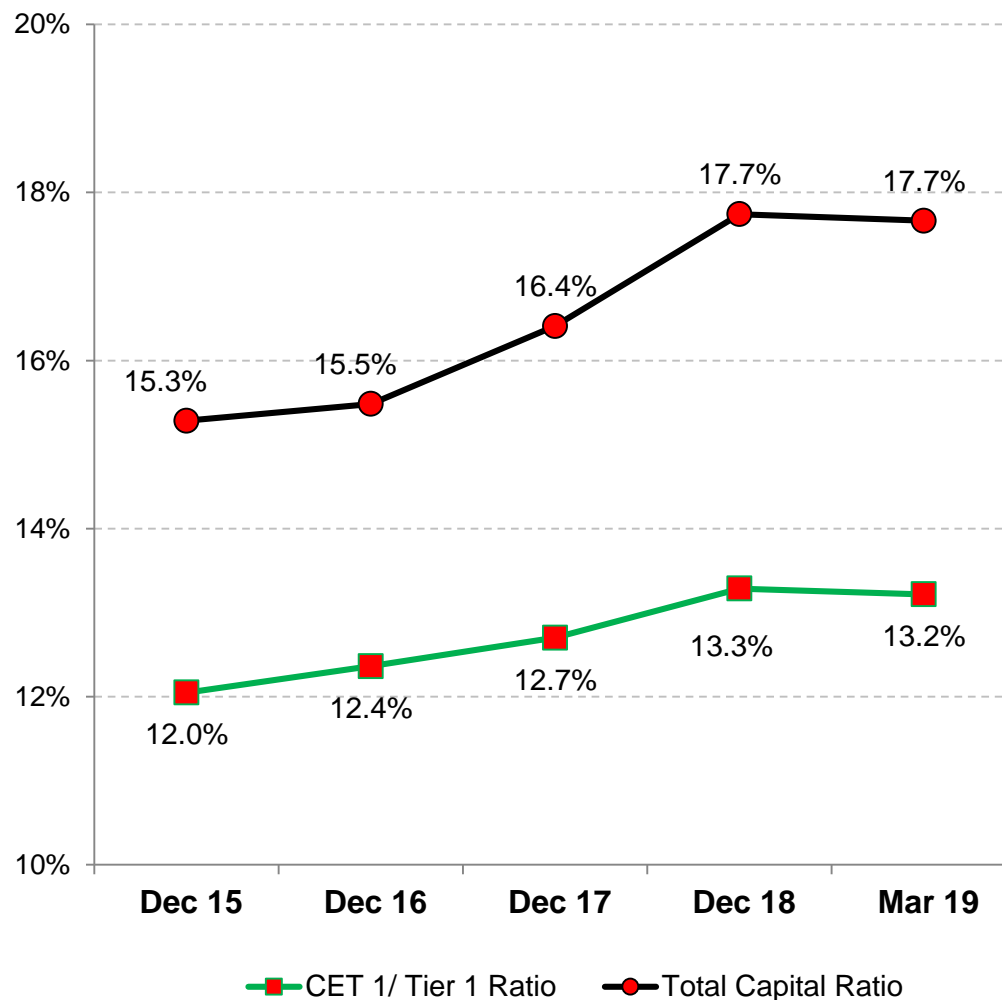
#### Corporate and Commercial



## 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%



We  
Should  
Talk...

**FINANCIAL HIGHLIGHTS  
3 MONTHS ENDED  
MARCH 2019**



 1-300 8 TAKAFUL (825 2385)

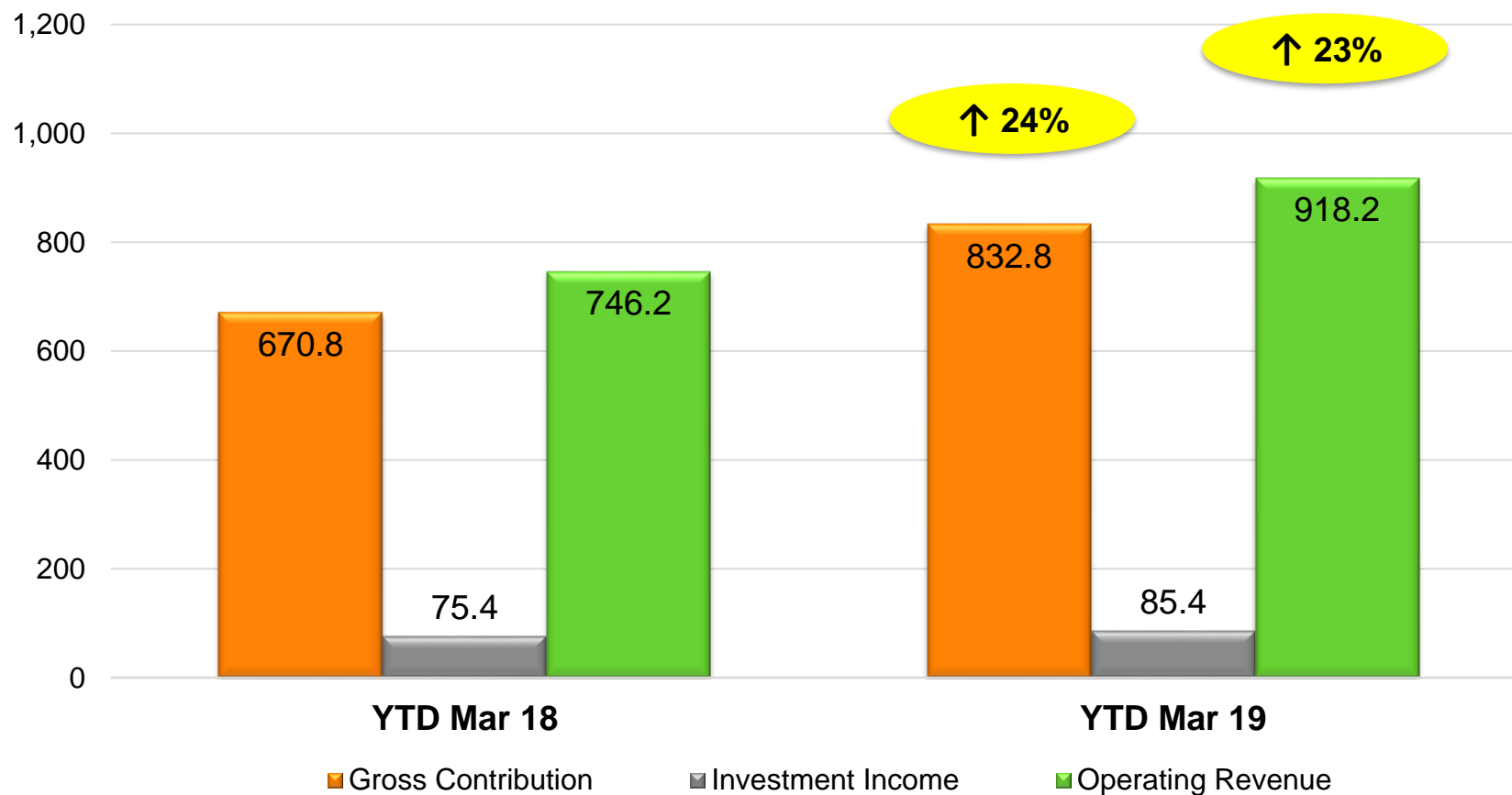
 [takaful-malaysia.com.my](http://takaful-malaysia.com.my)

 [csu@takaful-malaysia.com.my](mailto:csu@takaful-malaysia.com.my)

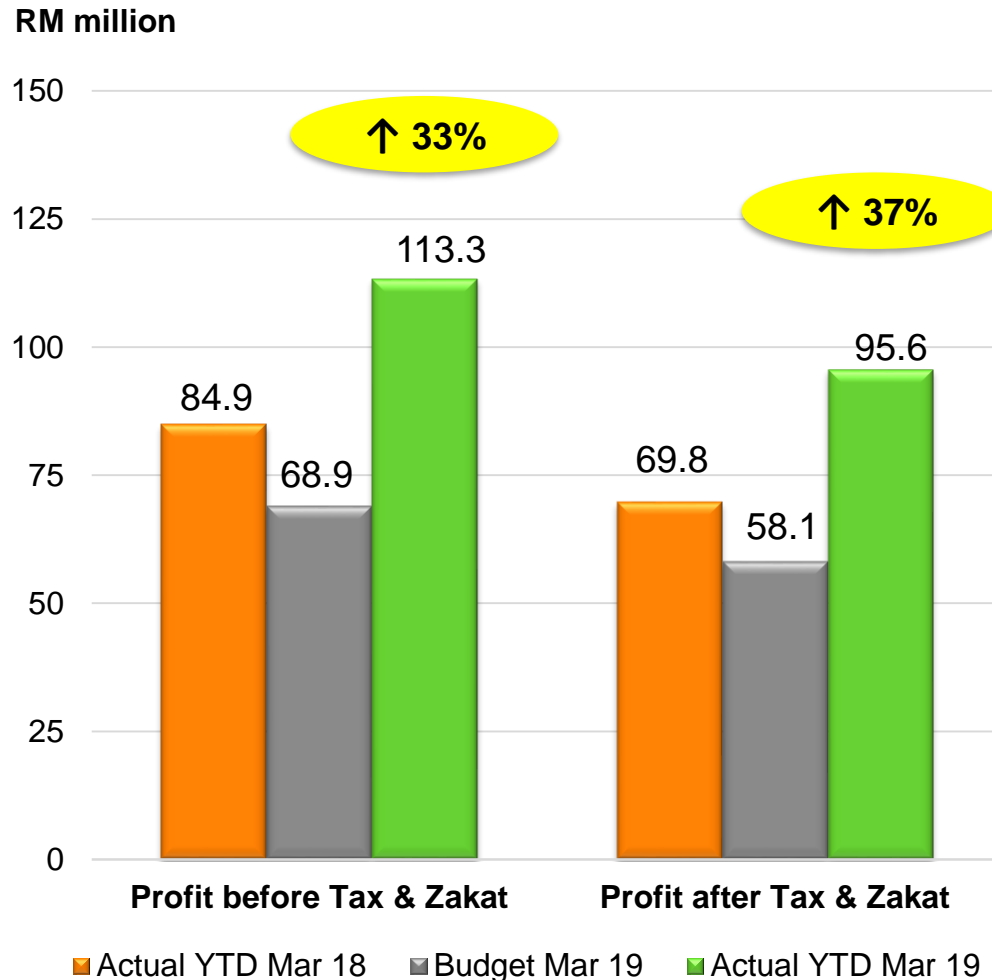


## GROUP OPERATING REVENUE

RM million

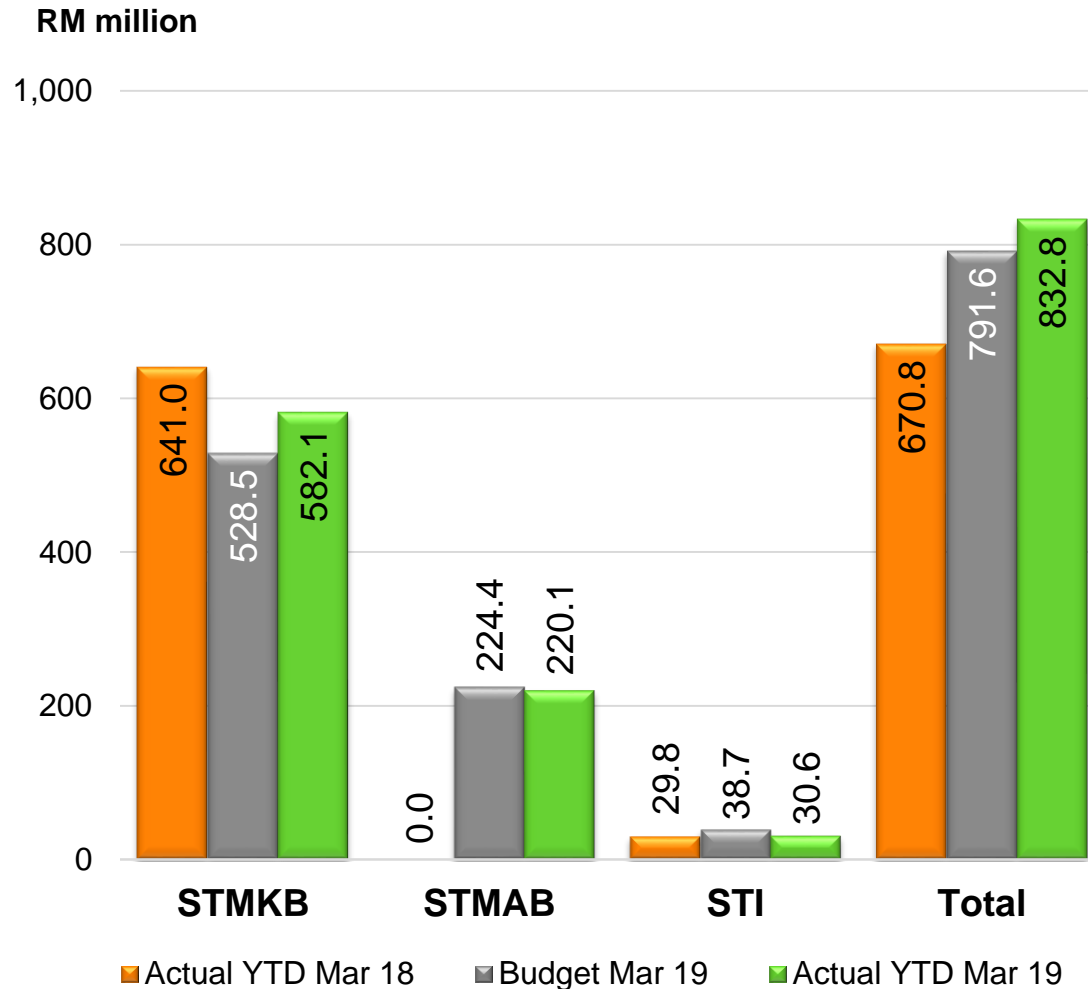


## PROFITABILITY



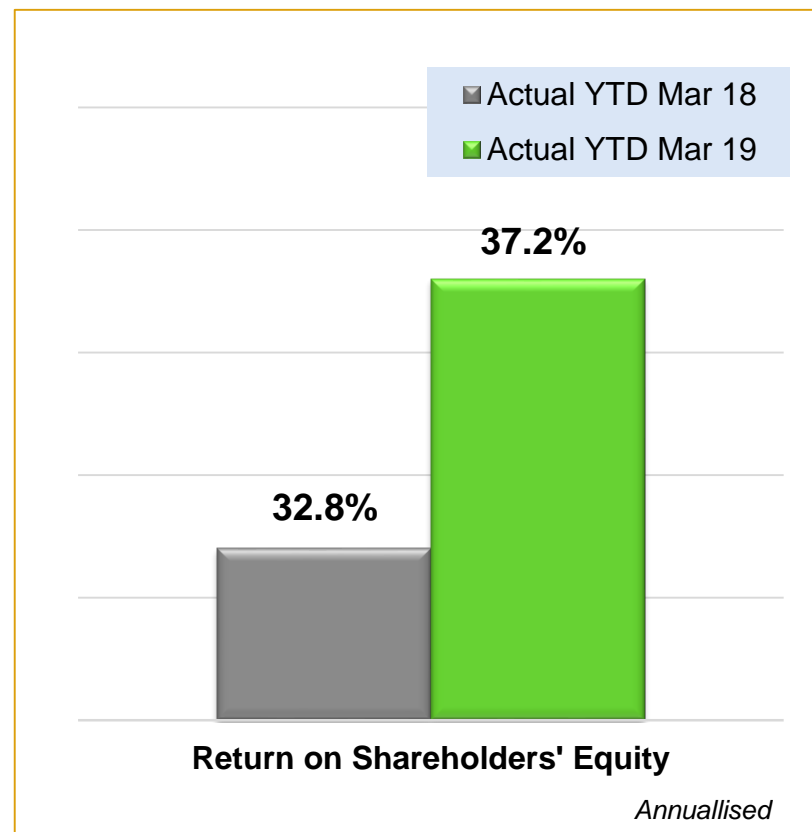
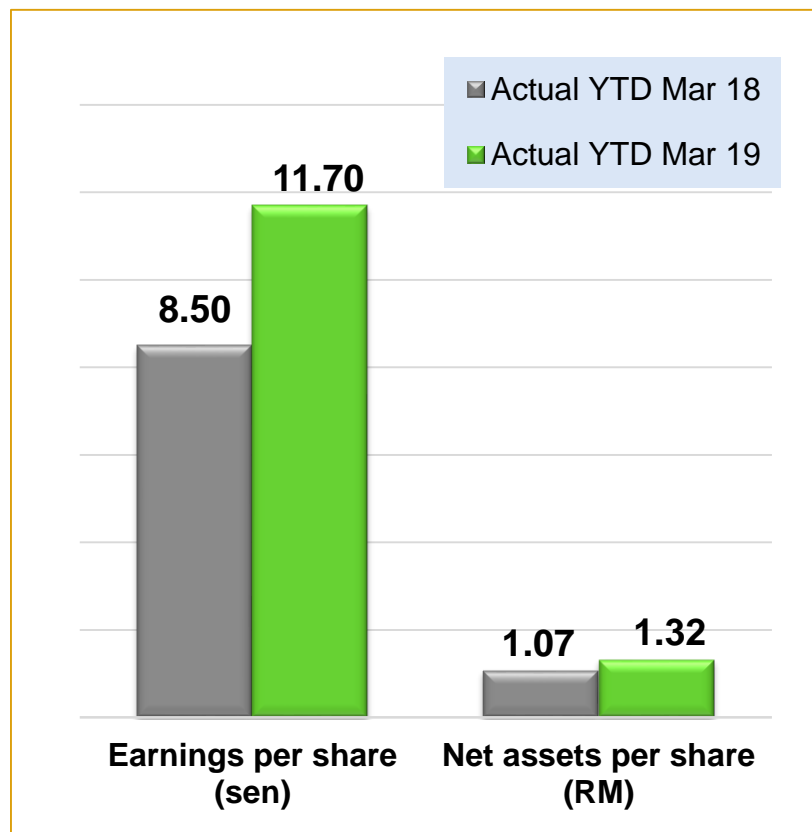
- Compared to YTD Mar 2018, profit before tax & zakat increased by RM28.4 million mainly due to higher wakalah fee income but offset by higher commission expense, management expenses, expense reserves and agency related expenses.

## GROSS CONTRIBUTION BY ENTITY



- YTD gross contribution increased by RM162.0 million compared to YTD Mar 2018, mainly attributable to Takaful Malaysia increased by RM161.2 million while STI increased by RM0.8 million.

## GROUP'S KPI



- YTD Mar 2019 Total Assets : RM9.4 billion versus YTD Dec 2018 RM8.9 billion. The growth of 5.8% mainly from Takaful Family Funds.



# Thank You والسلام

