Introduction to Bank Islam Malaysia Berhad
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Ya ayah al-dzain amnau atqulah waddarwamabqi min al-riya
Inkntum mwnin

Wahai orang-orang yang beriman, bertaqwalah kamu kepada Allah S.W.T dan tinggalkanlah saki baki riba sekiranya kamu benar-benar beriman

Qain lmm faltulw fadauntw bharb mn al-llh wrsuluh. Wain nbtum fllkmm

Rewos amwaklm lntamlnw lntamlnwm

Sekiranya kamu tidak meninggalkannya, isyiharkanlah perang dengan Allah dan RasulNya. Dan jika kamu bertaubat (daripada pengambilan riba), maka bagimu pokok hartamu; kamu tidak menganiaya dan tidak (pula) dianiaya.

Surah Al-Baqarah (1:278-279)
Malaysia’s 1st Islamic bank
Incorporated on 1 March 1983

>135 branches
nationwide with more than 1,200 self-service terminals

Universal licence
able to offer commercial and investment banking activities all under one roof

Voted
Islamic Bank of the Year by
The Banker in 2013

>4,000 staff
Top 50 Malaysia’s Most Preferred Employers

Primarily a retail bank
with more than 70% financing driven by Consumer banking
CORPORATE VISION

TO BE A GLOBAL LEADER IN ISLAMIC BANKING

“Global Leader” is defined as being the ultimate guidance and source of reference for innovative Shariah-based products and services
MISSION STATEMENT

- To continually develop and innovate universally accepted financial solutions in line with Shariah principles
- To provide a reasonable and sustainable return to shareholders
- To provide a conducive working environment and to become an Employer of Choice for top talents in the market
- To deliver comprehensive financial solutions of global standards using state-of-the-art technology
- To be a responsible and prudent corporate citizen

In carrying out this corporate mission, Bank Islam shall be guided by its corporate brand values by being: A Leader, Dynamic, Professional, Caring and Trustworthy
## CORPORATE VALUES

| Leader | • Our Islamic products are the benchmark. Reputed as the pioneer in Islamic banking. Built the Islamic banking industry in Malaysia |
| Dynamic | • Progressive and innovative - constantly moving ahead, technologically advanced, with new products & services |
| Professional | • Fast, efficient and responsive service. Knowledgeable and equipped staff to handle global business challenges |
| Caring | • A supportive partner who is approachable, ever ready to provide solutions to your financial problems |
| Trustworthy | • 100% Shariah-based products, services and principles |
CORPORATE STRUCTURE @ MARCH 2014

5.11%  54.4%  9.98%  5.05%

100%  14.4%
SHARIAH GOVERNANCE FRAMEWORK

SHARIAH AS OVERARCHING PRINCIPLE IN BANK ISLAM

SHARIAH SUPERVISORY COUNCIL (SSC)
- Oversight accountability on Shariah related matters.

BOARD OF DIRECTORS
(Overall oversight on Shariah governance structure & Shariah compliance)

AUDIT & EXAMINATION COMMITTEE (AEC)

BOARD RISK COMMITTEE

MANAGEMENT
- Ensure execution of business & operations are in accordance with Shariah principles.
- Provide necessary resources, infrastructure, enablers to the SSC.

Shariah Review Function: Review business operation on regular basis to ensure Shariah compliance.

Shariah Risk Management Control Function: Identify, measure, monitor, report & control Shariah non-compliance risk

Shariah Research Function: (under Product Development) Conduct in-depth Shariah research prior to submission to Shariah Committee.

Shariah Audit Function: Provide independent assessment & objective assurance designed to value add & improve Bank Islam adherence to Shariah
ORGANIZATION STRUCTURE

Managing Director's Office
SENIOR MANAGEMENT

• Dato’ Sri Zukri Samat
  Managing Director

• Hizamuddin Jamalluddin
  General Manager /Head
  Strategic Management &
  Managing Director’s Office

• Maria Mat Said
  General Manager/Head
  Legal & Secretarial
  cum Company Secretary

• Jeroen P.M.M. Thijs
  Chief Risk Officer

• Nik Azmir Nik Anis
  Assistant General Manager/Head
  Compliance

• Mohamed Iran Moriff Mohd Shariff
  Chief Internal Audit

• Mohd Nazri Chik
  General Manager/Head
  Shariah
SENIOR MANAGEMENT - BUSINESS

• Norashikin Mohd Kassim  
  Director 
  Treasury

• Khairul Kamarudin  
  Director 
  Business Development

• Abdul Rashid Abdul Hamid  
  General Manager/Head 
  Commercial Banking

• Mujibburrahman Abd Rashid  
  General Manager/Head 
  Consumer Banking

• Zaharin Mohd Ali  
  Assistant General Manager /Acting Head 
  Corporate Banking
SENIOR MANAGEMENT – OPERATION & SERVICES

- Dato’ Norasni Ayob
  Chief Operating Officer
  Operation

- Dato’ Wan Ismail Wan Yusoh
  General Manager/Head
  Strategic Relations & Product Management

- Wahid Ali Mohd Khalil
  Chief Operating Officer
  Business Support

- Malkit Singh Maan
  Chief Financial Officer

- Ryan Liew Choon Ching
  Chief Technology Officer

- Azmir Abdul Malik
  Assistant General Manager/Head
  Corporate Communication

- Razman Ismail
  General Manager/Head
  Human Resource

- Mizan Masram
  Assistant General Manager/Head
  Recovery & Rehabilitation
BUSINESS OPERATIONS
BUSINESS ACTIVITIES

Fulfilling your needs is what we do best.

If you are looking for a bank that’s forward looking, innovative and all set to serve you, then Bank Islam, Malaysia’s pioneer Islamic bank is the answer. Recognised globally as a true-blue Islamic financial services provider as well as a key player in developing Malaysia into an international centre for Islamic finance, Bank Islam provides a wide spectrum of wholesome Shariah-based financial products and services to help you reach your goals.

At Bank Islam, we strive to lead with an impressively diversified offering of innovative financial solutions, customised to fit your needs, with the support from our highly esteemed Shariah Supervisory Council members and all stakeholders.

Now, if you are looking for the right business partner, Bank Islam is the perfect choice to help you find success. Find out more at www.bankislam.com.my
SERVICE DELIVERY CHANNELS

BRANCH NETWORKS

CONSUMER BANKING CENTERS

AR RAHNU OUTLETS

CURRENCY EXCHANGE

ELECTRONIC BANKING CENTERS

INTERNET BANKING

CORPORATE DESKTOP BANKING

SMS BANKING
## BRANCH NETWORKS

<table>
<thead>
<tr>
<th>Region</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
<td>44</td>
</tr>
<tr>
<td>Northern</td>
<td>26</td>
</tr>
<tr>
<td>Eastern</td>
<td>27</td>
</tr>
<tr>
<td>Southern</td>
<td>25</td>
</tr>
<tr>
<td>East Malaysia</td>
<td>12</td>
</tr>
<tr>
<td><strong>Total @ 31 Dec 2013</strong></td>
<td><strong>134</strong></td>
</tr>
</tbody>
</table>

Perlis - 1
Kedah - 11
Pulau Pinang - 5
Kelantan - 13
Perak - 9
Pahang - 9
Selangor - 26
Kuala Lumpur - 18
Negeri Sembilan - 6
Melaka - 4
Johor - 15
Terengganu - 5
Sarawak - 6
Labuan - 1
Sabah - 5

Region Total
---
Central 44
Northern 26
Eastern 27
Southern 25
East Malaysia 12
Total @ 31 Dec 2013 134
SELF SERVICE TERMINALS

ATM – Automated Teller Machine
CDM – Cash Deposit Machine
CQM – Cheque Deposit Machine
SP – Statement Printer
COIN – Coin Deposit Machine

<table>
<thead>
<tr>
<th>Location type</th>
<th>ATM</th>
<th>CDM</th>
<th>CQM</th>
<th>SP</th>
<th>Coin</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Branches</td>
<td>291</td>
<td>211</td>
<td>116</td>
<td>43</td>
<td>3</td>
<td>664</td>
</tr>
<tr>
<td>IPTA/IPTS</td>
<td>119</td>
<td>19</td>
<td>4</td>
<td>4</td>
<td>0</td>
<td>146</td>
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<tr>
<td>Shopping Centres</td>
<td>92</td>
<td>9</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>104</td>
</tr>
<tr>
<td>Corporate Offices</td>
<td>67</td>
<td>23</td>
<td>7</td>
<td>1</td>
<td>0</td>
<td>98</td>
</tr>
<tr>
<td>TH Branches</td>
<td>40</td>
<td>29</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>69</td>
</tr>
<tr>
<td>Petrol Stations</td>
<td>34</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>36</td>
</tr>
<tr>
<td>Hospitals</td>
<td>21</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>22</td>
</tr>
<tr>
<td>Mosques</td>
<td>15</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>25</td>
</tr>
<tr>
<td>Others</td>
<td>43</td>
<td>21</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>69</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>722</td>
<td>324</td>
<td>133</td>
<td>51</td>
<td>3</td>
<td>1,233</td>
</tr>
</tbody>
</table>
CONSUMER BANKING

Introducing the Bank Islam Platinum Visa Credit Card-I, your passage to a world of privileges that complements your lifestyle. With Bank Islam Platinum, you'll gain more than just the simple pleasures in life: you are also provided with a sense of security at terms of adversity. That's not all. As a Bank Islam Credit Card member, you are free from the hassle of compounding interest. This means you'll enjoy exclusive benefits with peace of mind.

FREE
- Travel insurance coverage up to RM1,100,000
- Annual fee waiver

FREE
- Travel coverage on outstanding balance
- Platinum purchase protection coverage up to RM1,000

FREE
- RM1,000 cash back on card expenses
- 40% discount on all travel expenses

ENJOY TropPoints
- Earn TropPoints and redeem great rewards from our TropPoints Loyalty Programme

To apply for Bank Islam Credit Card-I, please visit your nearest Bank Islam Branch or download the Bank Islam MyApp and fill in the application. For more information, visit www.bnik.com.my or call 03-26 900 900.

Managing Director’s Office
Page 23
6 Ar Rahnu Outlets

...another outlet in Kuala Trengganu by end of Dec 2013

<table>
<thead>
<tr>
<th>No.</th>
<th>Location</th>
<th>State</th>
<th>Day 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Kota Bahru</td>
<td>KLN</td>
<td>10 Jun 2010</td>
</tr>
<tr>
<td>2</td>
<td>Pasir Puteh</td>
<td>KLN</td>
<td>15 Jul 2010</td>
</tr>
<tr>
<td>3</td>
<td>Pasir Mas</td>
<td>KLN</td>
<td>29 Jul 2011</td>
</tr>
<tr>
<td>4</td>
<td>Tanah Merah</td>
<td>KLN</td>
<td>28 Jun 2012</td>
</tr>
<tr>
<td>5</td>
<td>Kubang Kerian</td>
<td>KLN</td>
<td>11 Jul 2013</td>
</tr>
<tr>
<td>6</td>
<td>Kuantan</td>
<td>PHG</td>
<td>24 Aug 2013</td>
</tr>
</tbody>
</table>
## CORPORATE INVESTMENT BANKING

<table>
<thead>
<tr>
<th>Transaction</th>
<th>Amount (in RM)</th>
<th>Description</th>
<th>Manager/Role</th>
<th>Lead Manager/Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sukuk Murabahah</td>
<td>1.66 billion</td>
<td>BIMB Holdings Berhad</td>
<td>BIMB Holdings Berhad</td>
<td>Lead Arranger</td>
</tr>
<tr>
<td>Islamic Securities</td>
<td>5.311 billion</td>
<td>Turus Pesawat Sdn Bhd</td>
<td>Turus Pesawat Sdn Bhd</td>
<td>Joint Lead Manager</td>
</tr>
<tr>
<td>Government Guaranteed</td>
<td>8.0 billion</td>
<td>DanalInfra Nasional Berhad</td>
<td>DanalInfra Nasional Berhad</td>
<td>Joint Lead Manager</td>
</tr>
<tr>
<td>Islamic CPs/MTNs</td>
<td></td>
<td>Manjung Island Energy Berhad</td>
<td>Manjung Island Energy Berhad</td>
<td>Joint Principal Advisers, Joint Lead Arrangers, Joint Lead Managers &amp; Joint Shariah Advisers</td>
</tr>
<tr>
<td>Sukuk Murabahah</td>
<td>10.0 billion</td>
<td>Aman Sukuk Berhad</td>
<td>Aman Sukuk Berhad</td>
<td>Joint Lead Manager &amp; Shariah Adviser</td>
</tr>
<tr>
<td>Bank Guaranteed Sukuk Ijarah</td>
<td>500.0 million</td>
<td>Aras Sejagat Sdn Bhd</td>
<td>Aras Sejagat Sdn Bhd</td>
<td>Joint Lead Arranger &amp; Joint Lead Manager</td>
</tr>
<tr>
<td>Sukuk Murabahah</td>
<td>4.0 billion</td>
<td>Plus SPV Berhad</td>
<td>Plus SPV Berhad</td>
<td>Joint Book Runner</td>
</tr>
<tr>
<td>Islamic Medium Term Notes</td>
<td>1.5 billion</td>
<td>Malaysia Debt Ventures Berhad</td>
<td>Malaysia Debt Ventures Berhad</td>
<td>Joint Lead Manager</td>
</tr>
</tbody>
</table>
| Notes Programme            |                |                                                  |                                       | RM5.0 billion** Islamic Securities Programme |**
**CORPORATE INVESTMENT BANKING...CONT**

- **RM4.0 billion**  Ijarah Medium Term Notes Programme
  - Syarikat Prasarana Negara Berhad
    - Co-Manager

- **RM200.0 million**  Bai’ Murabahah Medium Term Notes Programme
  - TH Plantations Berhad
    - Joint Lead Arranger & Shariah Adviser

- **USD150.0 million**  Sukuk Al Ijarah
  - First Global Sukuk Inc
    - Sole Lead Arranger

- **RM1.0 billion**  Istisna’
  - Projek Usahasama Transit Aliran Ringan
    - Joint Arranger & Shariah Adviser

- **RM1.5 billion**  Al-Ijarah Muntahiyah Bit-Tamlik
  - Kumpulan Guthrie Berhad
    - Structuring & Shariah Adviser

- **USD600.0 million**  Sukuk Al Ijarah
  - Malaysia Global Sukuk Inc
    - Co-Arranger

- **RM2.2 billion**  BaiIDS
  - KL International Airport Berhad
    - Sole Lead Arranger

- **RM1.28 billion**  BaiIDS
  - SAJ Holdings Sdn Bhd
    - Joint Lead Arranger/Lead Manager & Shariah Adviser

- **RM752.2 million**  Mudharabah Sukuk
  - Manfaat Tetap Sdn Bhd
    - Shariah Adviser

- **RM200.0 million**  BBA CPs
  - Syarikat Bekalan Air Selangor Sdn Bhd
    - Joint Lead Arranger & Shariah Adviser

- **RM3.0 billion**  BBA MTNs
Focus Lumber Berhad
Listing of Focus Lumber Berhad on the Main Market of Bursa Malaysia Securities Berhad
Main Adviser

APFT Berhad
Listing of APFT Berhad on the Main Market of Bursa Malaysia Securities Berhad
Main Adviser

PESTECH International Berhad
Listing of PESTECH International Berhad on the Main Market of Bursa Malaysia Securities Berhad
Main Adviser

Acquisitions by BIMB Holdings Berhad of the remaining 49% equity interest in Bank Islam Malaysia Berhad for a total purchase consideration of USD884.6 million
Main Adviser

Renounceable rights Issue of 426,715,958 new ordinary shares of RM1.00 each in BIMB Holdings Berhad together with 426,715,958 free detachable warrants to raise gross proceeds of RM1.814 billion
Main Adviser *

Conditional Mandatory Take-over Offer by Akarmas Sdn Bhd to acquire all the remaining ordinary shares of RM1.00 each in PK Resources Berhad for a cash consideration of RM0.60 per share
Main Adviser

Lembaga Tabung Haji
Exemption from the obligation to undertake Mandatory Take-over Offer arising from the acquisition of Syarikat Sabaco Sdn Bhd from TH Ladang (Sabah & Sarawak) Sdn Bhd
Main Adviser

TH Plantations Berhad
• Acquisitions of Syarikat Sabaco Sdn Bhd and Ladang Bukit Belian Sdn Bhd from TH Ladang (Sabah & Sarawak) Sdn Bhd for a total purchase consideration of RM199 million
• Bonus Issue
• Employees' Share Option Scheme
Main Adviser
### CORPORATE FINANCE...CONT

<table>
<thead>
<tr>
<th>Company</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Coastal Contracts Bhd</strong></td>
<td>Private placement of 48.4 million ordinary shares of RM0.20 each in Coastal Contracts Bhd at an issue price of RM4.30 per placement share</td>
</tr>
<tr>
<td><strong>Y.S.P.SAH</strong></td>
<td>Renounceable Two-Call Rights Issue of 27.7 million ordinary shares of RM1.00 each in YSPSAH at an issue price of RM1.00 per rights share</td>
</tr>
<tr>
<td><strong>Astral Asia Berhad</strong></td>
<td>Joint venture between related parties to jointly develop a piece of leasehold land into mixed property development</td>
</tr>
<tr>
<td><strong>Boon Koon Group Berhad</strong></td>
<td>Exemption from the obligation to undertake mandatory take-over offer arising from a rights issue</td>
</tr>
<tr>
<td><strong>GHL Systems Berhad</strong></td>
<td>Exemption from the obligation to undertake mandatory take-over offer arising from a rights issue</td>
</tr>
<tr>
<td><strong>DUFU Technology Corp Berhad</strong></td>
<td>Renounceable Two-Call Rights Issue of up to 60.0 million new ordinary shares of RM0.50 each in DUFU at an issue price of RM0.50 per rights share</td>
</tr>
<tr>
<td><strong>Kumpulan Jetson Berhad</strong></td>
<td>Acquisition of the entire equity interest in Asian Corporation Limited</td>
</tr>
<tr>
<td><strong>PESTECH International Berhad</strong></td>
<td>Establishment of a dividend reinvestment plan and private placement of up to 10% of the issued and paid-up share capital of PESTECH</td>
</tr>
</tbody>
</table>
BUREAU DE CHANGE

Penang International Airport*

Bukit Bintang
BDC

KLIA - LCCT
KL Sentral

Kota Kinabalu International Airport

Contact Pier,
Kuala Lumpur International Airport

<table>
<thead>
<tr>
<th>No.</th>
<th>Location</th>
<th>State</th>
<th>Day 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>LCCT, Sepang</td>
<td>SGR</td>
<td>15 Dec 2008</td>
</tr>
<tr>
<td>2</td>
<td>Contact Pier International, KLIA</td>
<td>SGR</td>
<td>01 Oct 2010</td>
</tr>
<tr>
<td>3</td>
<td>Bukit Bintang</td>
<td>KL</td>
<td>03 Dec 2010</td>
</tr>
<tr>
<td>4</td>
<td>Kota Kinabalu International Airport</td>
<td>SBH</td>
<td>26 Jul 2012</td>
</tr>
<tr>
<td>5</td>
<td>Penang International Airport</td>
<td>PNG</td>
<td>1 Feb 2013</td>
</tr>
<tr>
<td>6</td>
<td>KL Sentral</td>
<td>KL</td>
<td>13 Sep 2013</td>
</tr>
<tr>
<td>7</td>
<td>Setiawalk, Puchong</td>
<td>SGR</td>
<td>21 Nov 2013</td>
</tr>
<tr>
<td>8</td>
<td>Swiss Inn, Kuala Lumpur</td>
<td>KL</td>
<td>22 April 2014</td>
</tr>
</tbody>
</table>
BUSINESS INNOVATION

2009

2010

2011

2012

2013

Bank Islam celebrates its 20th anniversary by being the first Islamic bank to hold an online public offering. Bank Islam was appointed as Principal Adviser, Managing Underwriter, Underwriter and Placement Agent for APF Bhd's initial public offering (IPO).

Waheed-i is the first syariah-based product that meets both local and international standards, says Norsiah bin Mokhtar.

2012

It's Time To Think Beyond Ringgit.

2013

MAKE SPACE! YOU COULD WIN RM1,000,000.00

al-a'far junior

Shahid and Siti Shahrin after the launch of the Debit - MyDebit campaign at the Plaza Low Yat Shopping Centre in Kuala Lumpur yesterday.
Best Islamic Bank by Country

**THE AMERICAS**
- US — Lariba

**EUROPE**
- Turkey — Turkkiye Finans Katlim Bankasi
- UK — Bank of London & The Middle East

**ASIA**
- Brunei — Bank Islam Brunei Darussalam
- Indonesia — Bank Muamalat Indonesia
- Malaysia — Bank Islam Malaysia
- Thailand — Islamic Bank of Thailand

**MIDDLE EAST**
- Bahrain — Al Baraka Islamic Bank
- Egypt — National Bank for Development
- Iran — Bank Mell Iran
- Jordan — Jordan Islamic Bank
- Kuwait — Kuwait Finance House
- Lebanon — Al Baraka Lebanon
- Oman — BankMuscat
- Palestine Territories — Palestine Islamic Bank
- Qatar — Qatar Islamic Bank
- Saudi Arabia — Al Rajhi Bank
- Syria — Syrian International Islamic Bank
- UAE — Abu Dhabi Islamic Bank
- Yemen — Islamic Bank of Yemen

**INDIAN SUBCONTINENT**
- Bangladesh — Islamic Bank Bangladesh
- Pakistan — Al Baraka Islamic Bank
- Sri Lanka — Amana Bank

**AFRICA**
- Kenya — Gulf African Bank
- Sudan — Al Baraka Bank Sudan
- South Africa — Absa Islamic Bank

**AUSTRALASIA**
- Australia — Muslim Community Co-Operative Australia
MALAYSIAN ISLAMIC FINANCE LANDSCAPE

Assets
- 25% of total banking system
- Total Islamic banking asset: RM556.5 billion

Financing
- Market share – 27.5%
- Total financing: RM370.7 billion

Liabilities /Deposits
- Market share – 26.6%
- Total deposits: RM436.3 billion

... Islamic financing is expected to account for 40 per cent of total financing in 2020
FINANCIAL HIGHLIGHTS
ROBUST ORGANIC GROWTH

+14.4% Total Assets Growth

+21.7% Financing Growth

65% Financing-to-deposits ratio

+13.8% PBZT Growth

1.2% Gross Impaired Ratio

-0.9% Net Impaired Ratio
### KEY FINANCIAL INDICATORS

<table>
<thead>
<tr>
<th></th>
<th>Actual 12 mths Dec 10^(^\wedge)</th>
<th>Audited FY Dec 11^(^\wedge)</th>
<th>Audited FY Dec 12</th>
<th>Audited FY Dec 13</th>
<th>Islamic Banking System</th>
<th>Banking System</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PROFITABILITY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Return on equity (%) – based on PBT</td>
<td>14.4%</td>
<td>18.5%</td>
<td>20.4%</td>
<td><strong>21.2%</strong></td>
<td>17.3%</td>
<td>* 15.9%</td>
</tr>
<tr>
<td>Return on assets (%) – based on PBT</td>
<td>1.2%</td>
<td>1.6%</td>
<td>1.7%</td>
<td><strong>1.7%</strong></td>
<td>1.2%</td>
<td>* 1.5%</td>
</tr>
<tr>
<td>Cost Income Ratio (%)</td>
<td>55.4%</td>
<td>53.8%</td>
<td>51.4%</td>
<td><strong>54.1%</strong></td>
<td>47.4%</td>
<td>* 45.6%</td>
</tr>
<tr>
<td>Non-Fund Based Income Ratio (%)</td>
<td>10.0%</td>
<td>13.8%</td>
<td>13.5%</td>
<td><strong>12.6%</strong></td>
<td>8.1%</td>
<td>* 19.2%</td>
</tr>
<tr>
<td><strong>ASSET QUALITY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross impaired financing ratio (%)</td>
<td>4.5%</td>
<td>2.6%</td>
<td>1.6%</td>
<td><strong>1.2%</strong></td>
<td>1.3%</td>
<td># 1.9%</td>
</tr>
<tr>
<td>Net impaired financing ratio - less IA &amp; CA (%)</td>
<td>1.1%</td>
<td>-0.2%</td>
<td>-0.7%</td>
<td><strong>-0.9%</strong></td>
<td>-0.3%</td>
<td># 0.0%</td>
</tr>
<tr>
<td>Financing loss coverage ratio (%)</td>
<td>77.2%</td>
<td>106.2%</td>
<td>142.6%</td>
<td><strong>175.8%</strong></td>
<td>121.2%</td>
<td># 100.2%</td>
</tr>
<tr>
<td><strong>EFFICIENCY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financing to Deposits (%)</td>
<td>45.7%</td>
<td>51.5%</td>
<td>61.2%</td>
<td><strong>65.0%</strong></td>
<td>81.4%</td>
<td># 80.2%</td>
</tr>
<tr>
<td><strong>CAPITALISATION</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RWCR (%)</td>
<td>16.7%^(^b)</td>
<td>16.6%^(^b)</td>
<td>13.9%^(^b)</td>
<td><strong>14.0%^(^a)</strong></td>
<td>14.6%^(^a)</td>
<td># 14.4%^(^a)</td>
</tr>
</tbody>
</table>

* Bank Negara Malaysia Annual Report 2013
# Bank Negara Malaysia Monthly Statistical Bulletin @ Dec 2013
^ Restated arising from adoption of MFRS
a Based on Basel III computation effective 1 January 2013
b Based on Basel II computation

...commendable asset quality trend post 2006

...financing to deposits ratio inching closer to optimum level
## INCOME STATEMENT

<table>
<thead>
<tr>
<th>RM million</th>
<th>FYE Dec 13</th>
<th>FYE Dec 12</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>Total income</td>
<td>2,244.3</td>
<td>1,987.4</td>
<td>256.9</td>
</tr>
<tr>
<td>Profit to depositors</td>
<td>(780.3)</td>
<td>(593.4)</td>
<td>(186.9)</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td><strong>1,464.0</strong></td>
<td><strong>1,394.0</strong></td>
<td><strong>70.0</strong></td>
</tr>
<tr>
<td>Total overheads</td>
<td>(792.3)</td>
<td>(716.8)</td>
<td>(75.5)</td>
</tr>
<tr>
<td><strong>Profit before allowance for impairment</strong></td>
<td><strong>671.7</strong></td>
<td><strong>677.2</strong></td>
<td><strong>(5.5)</strong></td>
</tr>
<tr>
<td>Allowance for impairment on financing and advances</td>
<td>15.0</td>
<td>(66.1)</td>
<td>81.1</td>
</tr>
<tr>
<td>Allowance for impairment on investments</td>
<td>(9.2)</td>
<td>0.6</td>
<td>(9.8)</td>
</tr>
<tr>
<td>Reversal on allowance for impairment on other assets</td>
<td>5.5</td>
<td>3.4</td>
<td>2.1</td>
</tr>
<tr>
<td>Provision for contingent liability</td>
<td>-</td>
<td>(14.8)</td>
<td>14.8</td>
</tr>
<tr>
<td><strong>Profit before zakat and tax</strong></td>
<td><strong>683.0</strong></td>
<td><strong>600.3</strong></td>
<td><strong>82.7</strong></td>
</tr>
<tr>
<td>Zakat</td>
<td>(12.6)</td>
<td>(9.2)</td>
<td>(3.4)</td>
</tr>
<tr>
<td>Tax</td>
<td>(178.8)</td>
<td>(160.3)</td>
<td>(18.5)</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td><strong>491.6</strong></td>
<td><strong>430.8</strong></td>
<td><strong>60.8</strong></td>
</tr>
</tbody>
</table>
## NETWORK & WORKFORCE

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost income ratio (%)</strong></td>
<td>53.8%</td>
<td>51.4%</td>
<td>54.1%</td>
</tr>
<tr>
<td><strong>Number of employees</strong></td>
<td>3,882</td>
<td>4,082</td>
<td>4,253</td>
</tr>
<tr>
<td>➔ additional during the year</td>
<td>173</td>
<td>200</td>
<td>171</td>
</tr>
<tr>
<td><strong>Number of branches</strong></td>
<td>122</td>
<td>127</td>
<td>133</td>
</tr>
<tr>
<td>➔ additional during the year</td>
<td>10</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td><strong>Number of Bureau De Change</strong></td>
<td>5</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>➔ additional during the year</td>
<td>-</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td><strong>Number of Ar Rahnu</strong></td>
<td>3</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>➔ additional during the year</td>
<td>1</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Number of Self Service Terminal</strong></td>
<td>1,120</td>
<td>1,190</td>
<td>1,233</td>
</tr>
<tr>
<td>➔ additional during the year</td>
<td>173</td>
<td>70</td>
<td>43</td>
</tr>
</tbody>
</table>
Since January 2011...

**New branches**

<table>
<thead>
<tr>
<th>Year</th>
<th>Branches</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>10</td>
</tr>
<tr>
<td>2012</td>
<td>5</td>
</tr>
<tr>
<td>2013</td>
<td>6</td>
</tr>
</tbody>
</table>

New branches as at 31 Dec 2013 = 133

**New Bureau de Change (BDC)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Branches</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1</td>
</tr>
<tr>
<td>2013</td>
<td>3</td>
</tr>
</tbody>
</table>

Total BDCs as at 31 Dec 2013 = 7

**New Ar-Rahnu**

<table>
<thead>
<tr>
<th>Year</th>
<th>Branches</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>1</td>
</tr>
<tr>
<td>2012</td>
<td>1</td>
</tr>
<tr>
<td>2013</td>
<td>2</td>
</tr>
</tbody>
</table>

Total Ar-Rahnu as at 31 Dec 2013 = 6

New set-ups target opening/completion by Dec 2014

**New branches**

- Padang Garong, Kelantan (Launched)
- Wakaf Baru, Kelantan
- Chan Sow Lin, Kuala Lumpur
- Bandar Sri Damansara, Selangor
- Bandar Enstek, Selangor
- Setia Walk Puchong, Selangor
- Gong Badak, Trengganu
- Austin Heights, Johor

**Branch Relocation**

- 3 TH Langkawi, Kuala Pilah & TH Labuan

**Ar Rahnu**

- 3 Kuala Terengganu, Sungai Petani & Alor Setar

**Bureau de Change**

- 8 Swiss Inn Jalan Sultan, Kuala Lumpur
- Jalan Tunku Abdul Rahman, KL, etc
### KEY BALANCE SHEET ITEMS

<table>
<thead>
<tr>
<th>RM million</th>
<th>Actual Dec 13</th>
<th>Actual Dec 12</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Amount</td>
</tr>
<tr>
<td>Total assets</td>
<td>42,836.5</td>
<td>37,450.8</td>
<td>5,385.7</td>
</tr>
<tr>
<td>Net financing, advances and others</td>
<td>23,740.9</td>
<td>19,508.7</td>
<td>4,232.2</td>
</tr>
<tr>
<td>Gross impaired financing</td>
<td>285.3</td>
<td>308.7</td>
<td>(23.4)</td>
</tr>
<tr>
<td>Net impaired financing</td>
<td>(216.3)</td>
<td>(131.6)</td>
<td>(84.7)</td>
</tr>
<tr>
<td>Deposits from customers</td>
<td>37,272.4</td>
<td>32,583.2</td>
<td>4,689.2</td>
</tr>
<tr>
<td>Equity</td>
<td>3,329.4</td>
<td>3,099.6</td>
<td>229.8</td>
</tr>
</tbody>
</table>
TOTAL ASSETS & MARKET SHARE TRENDS

RM million

Dec 10: 30,398 (2.0%)
Dec 11: 32,227 (1.8%)
Dec 12: 37,451 (2.0%)
Dec 13: 42,837 (2.1%)

Bank Islam
Islamic Banking System
Banking System
GROSS FINANCING & MARKET SHARE TRENDS

RM million

<table>
<thead>
<tr>
<th></th>
<th>Dec 10</th>
<th>Dec 11</th>
<th>Dec 12</th>
<th>Dec 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Islam</td>
<td>12,283</td>
<td>14,564</td>
<td>19,949</td>
<td>24,243</td>
</tr>
<tr>
<td>Islamic Banking System</td>
<td>7.6%</td>
<td>7.3%</td>
<td>8.4%</td>
<td>8.5%</td>
</tr>
<tr>
<td>Banking System</td>
<td>1.4%</td>
<td>1.5%</td>
<td>1.8%</td>
<td>2.0%</td>
</tr>
</tbody>
</table>

Managing Director’s Office
Page 42
GROSS FINANCING BY BUSINESS UNITS

RM million

% growth
Dec 13 vs
Dec 12

↑ 24.1%
↑ 30.6%
↑ 0.8%

<table>
<thead>
<tr>
<th>Business units mix (%)</th>
<th>Dec 10</th>
<th>Dec 11</th>
<th>Dec 12</th>
<th>Dec 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td>75.9%</td>
<td>75.5%</td>
<td>73.7%</td>
<td>75.2%</td>
</tr>
<tr>
<td>Commercial</td>
<td>12.2%</td>
<td>12.5%</td>
<td>12.3%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Corporate</td>
<td>9.9%</td>
<td>10.3%</td>
<td>13.1%</td>
<td>10.9%</td>
</tr>
<tr>
<td>BILOB</td>
<td>2.0%</td>
<td>1.7%</td>
<td>0.9%</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

Dec 10: 9,324
Dec 11: 11,000
Dec 12: 14,697
Dec 13: 18,238

Consumer: 1,501
Commercial: 1,813
Corporate: 2,454
BILOB: 246

↑ 30.6%
↑ 0.8%
CONSUMER FINANCING PORTFOLIO

Dec 10
- 4.8% House & Fixed Assets financing
- 31.8% Personal financing
- 45.2% Vehicle financing
- 18.2% Credit card
- 5.2% Ar Rahnu

Dec 11
- 4.1% House & Fixed Assets financing
- 34.2% Personal financing
- 43.4% Vehicle financing
- 18.3% Credit card
- 1.9% Ar Rahnu

Dec 12
- 2.9% House & Fixed Assets financing
- 41.6% Personal financing
- 38.1% Vehicle financing
- 16.9% Credit card
- 2.7% Ar Rahnu

Dec 13
- 2.4% House & Fixed Assets financing
- 43.3% Personal financing
- 39.0% Vehicle financing
- 14.7% Credit card
- 2.6% Ar Rahnu

% growth Dec 13 vs Dec 12
- Ar Rahnu: ↑18.7%
- Credit Card: ↑2.7%
- Vehicle financing: ↑8.3%
- Personal financing: ↑29.3%
- House & Fixed Assets Financing: ↑27.2%

RM million

Dec 10
- 447
- 1,694
- 2,968
- 4,215

Dec 11
- 454
- 2,010
- 3,767
- 4,770

Dec 12
- 81
- 433
- 6,113
- 5,593

Dec 13
- 96
- 445
- 7,901
- 7,114
KEY CUSTOMERS – PACKAGE EMPLOYERS
CUSTOMER DEPOSITS

Growth: ↑ 14.4%

<table>
<thead>
<tr>
<th>Deposit</th>
<th>RM Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 10</td>
<td>26,888</td>
</tr>
<tr>
<td>Dec 11</td>
<td>28,305</td>
</tr>
<tr>
<td>Dec 12</td>
<td>32,583</td>
</tr>
<tr>
<td>Dec 13</td>
<td>37,272</td>
</tr>
</tbody>
</table>

Financing to Deposits %:
- Dec 10: 45.7%
- Dec 11: 51.5%
- Dec 12: 61.2%
- Dec 13: 65.0%
CUSTOMER DEPOSITS & MARKET SHARE TREND

<table>
<thead>
<tr>
<th>Year</th>
<th>Bank Islam (RM million)</th>
<th>Islamic Banking System</th>
<th>Banking System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dec 10</td>
<td>26,888</td>
<td>2.4%</td>
<td></td>
</tr>
<tr>
<td>Dec 11</td>
<td>28,305</td>
<td>2.2%</td>
<td></td>
</tr>
<tr>
<td>Dec 12</td>
<td>32,583</td>
<td>2.3%</td>
<td></td>
</tr>
<tr>
<td>Dec 13</td>
<td>37,272</td>
<td>2.4%</td>
<td></td>
</tr>
</tbody>
</table>

12.4% 10.6% 10.6% 10.7%
CREDIT QUALITY TREND

Gross Financing
RM million

<table>
<thead>
<tr>
<th>Gross impaired financing ratio</th>
<th>4.5%</th>
<th>2.6%</th>
<th>1.6%</th>
<th>1.2%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Past due financing ratio</td>
<td>3.2%</td>
<td>2.2%</td>
<td>1.9%</td>
<td>1.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Dec 10</th>
<th>Dec 11</th>
<th>Dec 12</th>
<th>Dec 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impaired</td>
<td>552</td>
<td>380</td>
<td>309</td>
<td>285</td>
</tr>
<tr>
<td>Past due but not impaired</td>
<td>396</td>
<td>320</td>
<td>393</td>
<td>430</td>
</tr>
<tr>
<td>Neither past due nor impaired</td>
<td>11,335</td>
<td>13,864</td>
<td>19,247</td>
<td>23,528</td>
</tr>
</tbody>
</table>

28,000
21,000
14,000
7,000
0
ASSET QUALITY

Total Bank Impaired Financing

of which Gross Impaired Financing by Business Units:

Consumer

RM Million

Business

Net Impaired Financing
Gross Impaired Financing Ratio
Net Impaired Financing Ratio
CAPITAL ADEQUACY

![Graph showing capital adequacy over years]

<table>
<thead>
<tr>
<th>RM million</th>
<th>Dec 10</th>
<th>Dec 11</th>
<th>Dec 12</th>
<th>Dec 13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Risk-Weighted Assets</td>
<td>14,767</td>
<td>16,863</td>
<td>22,466</td>
<td>25,449</td>
</tr>
</tbody>
</table>

- Capital Base
- Common Equity Tier 1 (CET1) Capital
- CET 1 Ratio
- RWCR
## DIVIDEND PAID IN 2013

<table>
<thead>
<tr>
<th>Dividend type</th>
<th>Sen per share</th>
<th>Total amount RM’000</th>
<th>Date of payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Final 2012 ordinary</td>
<td>Franked dividend</td>
<td>3.00</td>
<td>50,974</td>
</tr>
<tr>
<td>First interim 2013 ordinary</td>
<td>Franked dividend</td>
<td>3.50</td>
<td>59,469</td>
</tr>
<tr>
<td>Second interim 2013 ordinary</td>
<td>Franked dividend</td>
<td>4.99</td>
<td>84,803</td>
</tr>
<tr>
<td>Second interim 2013 ordinary</td>
<td>Single tier</td>
<td>0.01</td>
<td>153</td>
</tr>
<tr>
<td>Sub-total for 2013</td>
<td></td>
<td></td>
<td>144,425</td>
</tr>
<tr>
<td>Dividend paid in 2013</td>
<td></td>
<td></td>
<td>195,399</td>
</tr>
</tbody>
</table>
* Amount for 2010 is for a period of 18 months due to change of our financial year from 30 June to 31 December.
CORPORATE STRATEGIC PLAN
...Strategic management process - The full set of commitments, decisions, and actions required for a firm to create value and earn above-average returns
STRATEGY DOCUMENTATION

Corporate Master Plan

Annual Business Plan & Budget

- Corporate Plan
- Risk Appetite Statement
- Budget & Financial Projections
- Corporate KPIs

Divisional Business Plan & Roadmap

- Tactical Plan
- Divisional KPIs Framework
- Product Plan
- Divisional Policy, Manuals & SOP
CORPORATE MASTER PLAN – 3 YEAR BUCKET EACH

TURNAROUND PLAN
OCT 2006 – JUNE 2009

SUSTAINABLE GROWTH PLAN
JULY 2009 – DEC 2012

H2E PLAN
JAN 2013 – DEC 2015

...in our pursuit to be a “Global Leader in Islamic Banking”
TURNAROUND PLAN (OCT 2006 - JUNE 2009)

Recapitalization & Balance Sheet Restructuring
Transformation Programme
IT Infrastructure Revamp
Cost Rationalization
Human Capital Development

Managing Director's Office
SUSTAINABLE GROWTH PLAN… ENDED DEC 2012

- Business Innovation
- Robust Risk Management
- Strengthening Enabling Infrastructure
- Building Capability & Capacity
- Franchise Development
- In-organic Growth & Corporate Expansion

Managing Director’s Office
HIJRAH TO EXCELLENCE PLAN – H2E (2013 TO 2015)

Robust Organic Growth
Service Excellence
Shariah-led Innovation
Resource Optimisation
Employer of Choice
Regionalisation
KEY COMPONENTS OF H2E

Robust Organic Growth
- Asset Growth of 15% p.a.
- Financing Growth between 20% to 25% p.a.
- Financing-to-Deposit Ratio of 75% by 2015
- Non-fund Base Income of 15% by 2015
- Gross Profit Growth of 15% p.a.

Service Excellence
- Customer Centric – Client Driven Model
- Service Transformation – Service Culture
- Operational Excellence
- Product Attractiveness & Competitiveness
- Technology as Key Enabler

Shariah-led Innovation
- Shariah Centre of Excellence
- Aspire Pioneering
- World Class Shariah Product/Contracts
- Innovation-based Incentives – “Idea Bank”
- Cost Effective Product Structure

Resource Optimisation
- Harnessing Share of Wallet – “Cross Selling & Up Selling”
- Process Improvement & Optimization
- Shared Services
- Cost Efficiency & High Productivity
- Re-energise Brand Equity

Employer of Choice
- Inspired Employees – Mindset of Excellence
- Process Improvement & Optimization
- People Engagement & Shared Values
- High Performance & Knowledge-based Workplace
- Work-life Balance – ”Community Connection”

Regionalisation
- “Close to Home” – ASEAN region
- Fit Our Franchise
- Right Local Partner
- Business Synergistics
- Strong Domestic Presence & Delivery Networks
Optimising Returns

Accelerating CASA Growth

Delivering Superior Banking Experience

Optimising Resources
Q & A SESSION
THANK YOU