



MALAYSIA BUILDING SOCIETY BERHAD (9417-K)

(A subsidiary of the EPF)

MALAYSIA BUILDING SOCIETY BERHAD (“MBSB”)

PRESS RELEASE

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MBSB ACHIEVES RECORD PRE-TAX PROFIT OF RM43.0 MILLION FOR THE 1ST QUARTER 2010

The Malaysia Building Society Berhad (“MBSB”) announced a record pre-tax profit of RM43.0 million for the 1st quarter 2010. This represents an increase of 341% over the corresponding period in 2009 of RM9.7 million. Over the same period, MBSB Group also recorded an increased profit after taxation of RM43.0 million as compared to the corresponding period in 2009 of RM6 million. For the 1st quarter 2010, MBSB Group achieved earnings per share of 6.17 sen and an annualized return on equity of 35%.

“The improvement in our profitability for the current quarter reflects our direction in Taking MBSB to the Next Level” said Dato’ Ahmad Zaini Othman, the Chief Executive Officer of MBSB. He commented that MBSB’s Group results are now FRS 139 compliant. The uniformity in accounting standards and practices will enable the Group to benchmark itself to other financial institutions.

Improvement in loan growth

For the first three months of 2010, net loan, advances and financing grew by 7.6%. The largest contributor to the strong growth was from the personal financing sector. For the quarter under review, the Group remained focused on providing personal financing to the civil servants.

Dato' Zaini commented that "One of our objectives in offering personal financing to civil servants is to ensure that they will be able to have access to credit which will benefit them in the most productive ways."

Dato' Zaini further commented that "Deposits from customers grew by 11.9% in the first quarter of 2010 to reach RM8.5 billion as at 31 March 2010 from RM7.6 billion as at 31 December 2009. "

The increased deposits provided the necessary funding to support the increased loan activities for the MBSB Group.

Prospects

"With the continued improvement in the economy and barring any unforeseen circumstances, we expect the Group to perform better than before and expect more things to come" said Dato' Zaini. He further mentioned that managing assets quality, recoveries of loans, efficiency improvement and enhancing risk management capabilities remain the utmost priority for the MBSB Group.

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

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