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PRESS RELEASE
KENYATAAN AKHBAR
For Immediate Release
5 November 2012

MBSB EARNINGS RISES 26% FOR FIRST NINE MONTHS 2012

Kuala Lumpur, 5 November 2012 – MBSB Group today announced an increase in profit before tax to RM410 million for the first nine month period ended 30 September 2012, a rise of 26% or RM83 million compared with the RM327million achieved in the same period last year.

On a quarterly basis, the Group's pre-tax profit has surged to RM177 million which is an increase of 45% and 36% from the second quarter 2012 and third quarter 2011 respectively.

The strong results also improved the Group's net assets per share to RM1.10 and consistent net return on equity of 28% as at 30 September 2012 from RM1.02 and 29% as at 30 June 2012 respectively.

Dato' Ahmad Zaini Othman, the President and Chief Executive Officer commented, "Our third quarter performance is at record levels and it is mostly attributed from our Islamic banking operations across MBSB's retail segment especially with the offer of Personal Financing-i competitive packages to the Government servants. This consumer segment remains a stable market with low repayment risks which justifies the provision of affordable financing to them".

He further added, "The Group's NPL ratio stood at 4.33% as at 30 September 2012 from 8.82% as at 31 December 2011. This was partly contributed by our pursuit to resolve our corporate legacy accounts".

As at 30 September 2012, net loan, advances and financing stood at RM23.2 billion, an increase of 52.6% as compared to RM15.2 billion as at 31 December 2011.

On deposits from customers, Ahmad Zaini said, "The deposits which stood at RM20 billion as at 30 September 2012 grew by 48% from 31 December 2011 of RM13.5 billion. Our drive for retail deposits continued with the launch of two new campaigns this year and has shown progress. In addition to securitization of our loan assets, we are also looking at a structured capital management plan to strengthen the Group capital structure to support loan assets' growth whilst we believe a stronger structure would enable the Group to provide competitive returns to its shareholders".

In other developments, MBSB is on track to achieve its target of going live with its new core banking system known as MBSB Integrated Core Banking System (MICoB) by end of November 2012. The Company has also extended its branch network with the establishment of two new Representative Offices (REP) in Kota Samarahan and Sarikei and a new Sales and Service Centre (SSC) in Kelana Jaya.

Dato' Zaini added, "We have also made further progress in many other operational areas in order to support our business strategies. These include the appointment of a new Chief Operating Officer, further strengthening the risk management framework and credit assessment procedures".

-Ends-

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About Malaysia Building Society Berhad (MBSB)

The origin of Malaysia Building Society Berhad (MBSB) can be traced back to the Federal and Colonial Building Society Limited incorporated in 1950. Subsequently, on 15 March 1956, it changed its name to Malaya Borneo Building Society Limited (MBBS), with the Malaysian Government as its major shareholder. MBBS was then listed on the Stock Exchange of Malaysia and Singapore in August 1963. Malaysia Building Society Berhad (MBSB) was incorporated on 17 March 1970 in Malaysia to take over the Malaysian operations and was listed on the Kuala Lumpur Stock Exchange on 14 March 1972. MBSB is a Scheduled Institution as defined under the Banking and Financial Institution Act 1989 (BAFIA). The status of an Exempt Finance Company was granted to MBSB on 1 March 1972 by the Ministry of Finance and the status has remained in force since. Employees Provident Fund Board (EPF) and Permodalan Nasional Berhad (PNB) are two major shareholders of MBSB. As a financial provider, MBSB offers a spectrum of innovative financial products and services for both individuals and corporates throughout its branches nationwide.