

**MEDIA RELEASE**  
**For Immediate Release**

## **MBSB Delivers Robust Income Growth and Improved Profit Margins**

**Petaling Jaya, 27 August 2024** - Net Operating Income increased by 19.5% from RM365 million in 1Q 2024 to RM436 million in 2Q 2024, driven by:

- Increase in Net Funded Income by 20.1% from RM324 million in 1Q 2024 to RM389 million in 2Q 2024, supported by the expansion of our financing portfolio, coupled with improved margins.
- Non-Funded Income also grew strongly by 14.6% fuelled by MIDF's contributions and market-related businesses. This growth highlights our ongoing journey in diversifying revenue streams, as we continue to build and strengthen this aspect of our business.

Our net profit margin increased by 42 basis points to 2.6% this quarter, as we continue to focus on improving our financing assets and funding costs, as part of ongoing efforts to optimise our balance sheet.

Moreover, the cost-to-income ratio (CIR) improved, declining to 56.9% this quarter from 58.7% last quarter, as revenue growth significantly outpaced operating expenses. This was achieved even after accounting for one-off losses, highlighting better operational efficiency and strategic cost management.

Pre-provisioning operating profit (PPOP) for the quarter saw a significant increase as compared to the previous quarter, rising by 28.5% to RM194 million, propelled by robust financing growth, a targeted focus on better-yielding financing assets and effective cost controls.

Gross financing grew by 4% year-to-date, driven by Corporate Banking and Commercial Banking at 8.5% and 17.4% respectively. Our gross impaired financing (GIF) ratio also improved, narrowing by 10 basis points to 7.0% from 7.1% last quarter. This improvement reflects our continued commitment to recovery efforts and onboarding better quality customers across the portfolio.

Our capital and liquidity positions remain robust, effectively supporting our ongoing asset growth and positioning us well for future opportunities.

MBSB remains committed to customer-centric strategies and key growth areas, with a continued focus on enhancing asset quality and liquidity.

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## **About MBSB Berhad**

MBSB (formerly known as Malaysia Building Society Berhad) has been a vital contributor of the nation's financial services industry and economic development for more than 70 years. MBSB is also the financial holding company of MBSB Bank Berhad (MBSB Bank) and Malaysian Industrial Development Finance Berhad (MIDF). MBSB Bank is a progressive Islamic Bank that offers Shariah compliant banking facilities to retail, SME and corporate customers while MIDF is a financial services provider focusing on investment banking, development finance, and asset management.

### MBSB

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