



Maybank



FINANCIAL RESULTS

4th Quarter FY2010 ended 30 June 2010

Analyst Briefing

20 August 2010

Executive Summary

Financial Performance

Business Review

Country Review

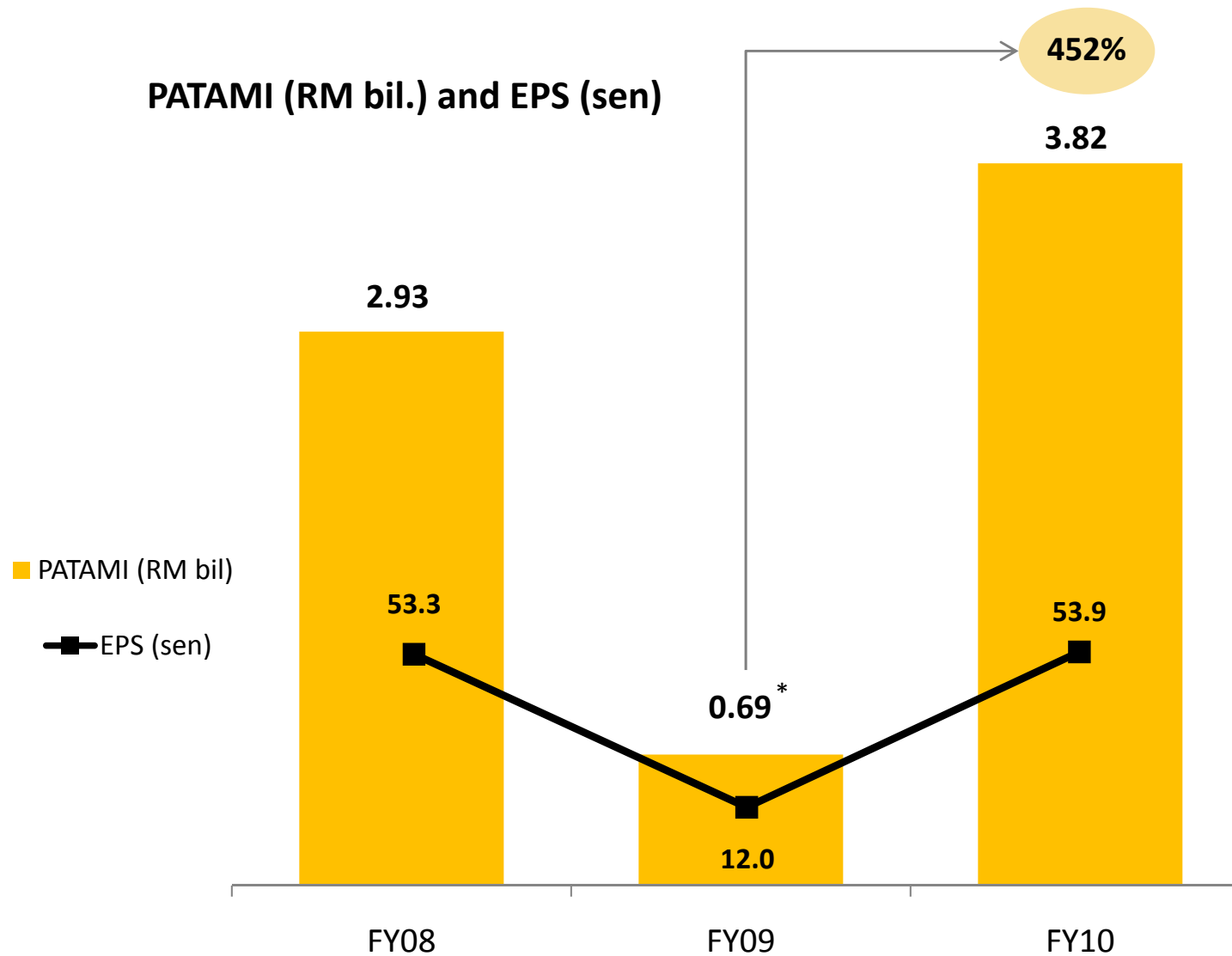
Strategy and Prospects



- Record PATAMI for FY10 of RM3,818 million due to improved contribution across all key business segments.
- Quarterly PATAMI remained above RM900 million level.
- Group loans grew 10.3% YoY with domestic loans growth of 11%.
- Asset Quality continued to improve with Net NPL ratio declining to 1.22% from 1.36% the preceding quarter and 1.64% a year ago.
- Crossed regional milestone with total assets of RM336 billion (more than USD100 billion).
- Capitalisation remains strong with CAR* at 14.9% for the Bank and 14.6% for the Group.
- Normalised ROE of 13.6% exceeds our Headline KPI.

* Assuming full reinvestment of electable portion under the Dividend Reinvestment Plan

Record profit for FY2010



* FY09 includes RM1.97 billion impairment of investments in BII and MCB

FY2010: Exceeding our targets



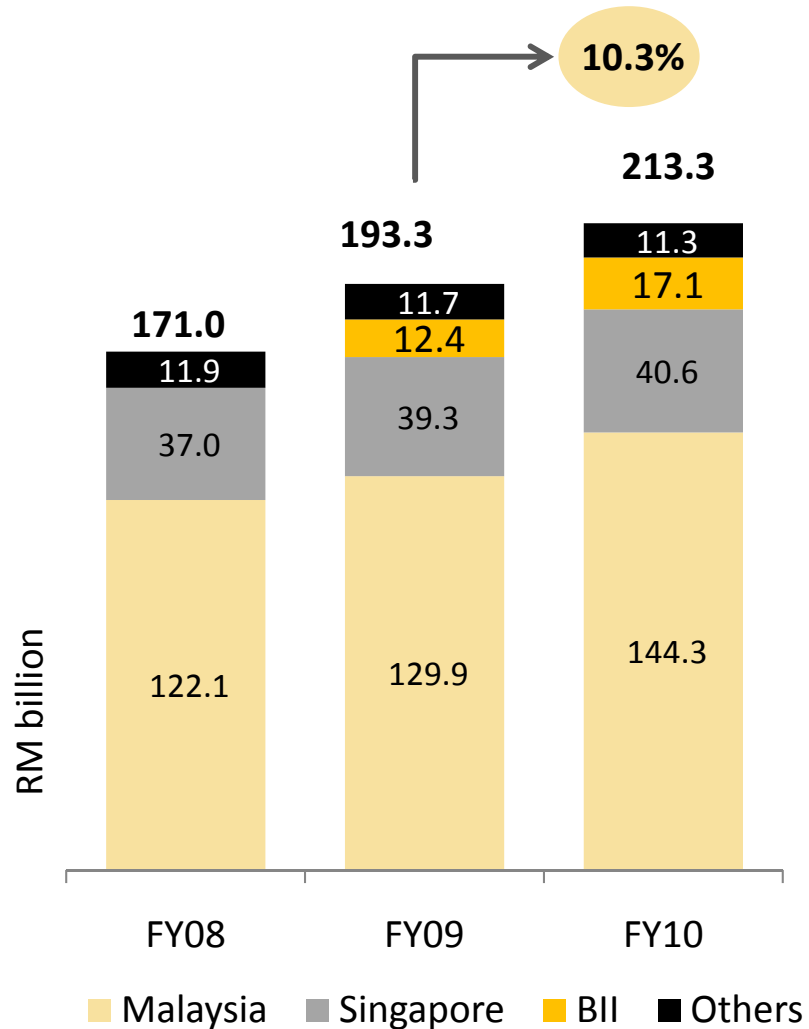
Headline KPIs	Targets	Achievements
Return on Equity	11% (revised to 13%)	13.6%
Revenue (net income) growth	8% (revised to 15% normalised)	22.4% (15.7% normalised)

Other targets	Targets	Achievements
Gross Loans growth	High single digit	10.3%
Net Interest Margin	Stable	+10 bp to 2.82%
Asset quality	Charge off rate: 70-75 bps	53 bps
Dividend	Dividend payout : 40-60%	76.5%

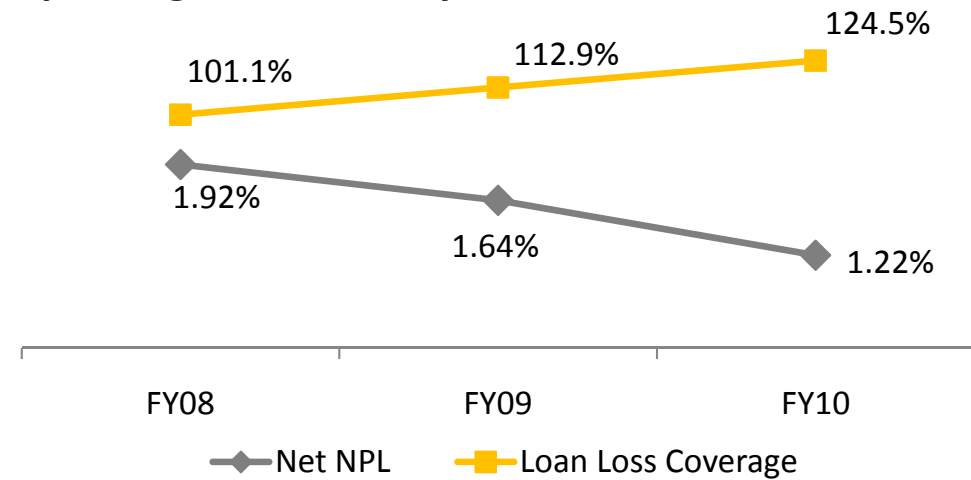
Exceeding our targets



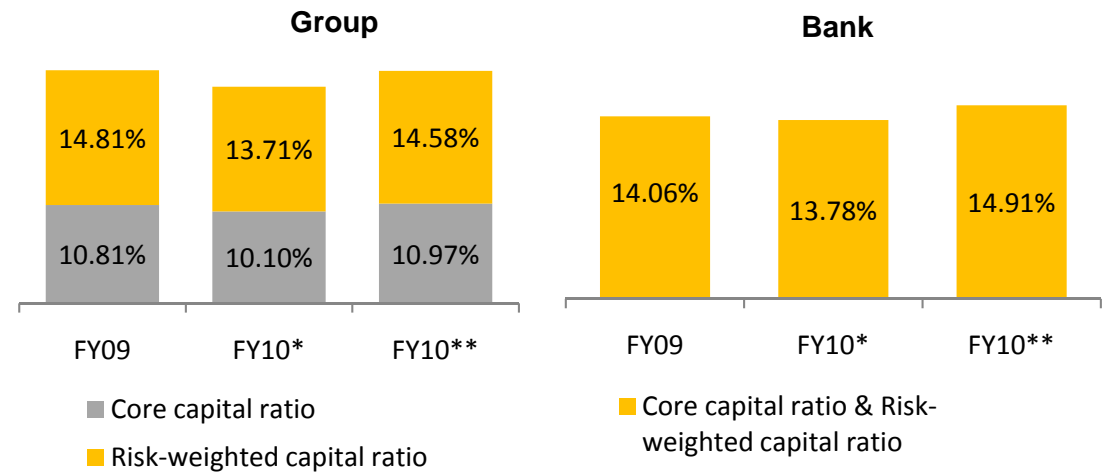
Gross loans growth supported by strong business in Malaysia and commendable growth of BII



Improving Asset Quality



Robust Capital Adequacy



* Entire electable portion paid in cash under Dividend Reinvestment Plan (DRP)

** Entire electable portion reinvested under DRP

Executive Summary

Financial Performance

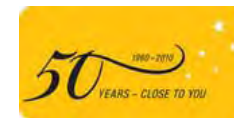
Business Review

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Strategy and Prospects



PATAMI rose to RM3.8 billion



RM million	FY10 30 Jun 10	FY09 30 Jun 09	YoY change	4Q10 30 Jun 10	3Q10 31 Mar 10	QoQ change
Net interest income	6,770.9	5,919.5	14.4%	1,792.2	1,668.0	7.4%
Income from Islamic Banking	1,434.7	1,224.3	17.2%	355.8	341.5	4.2%
Non-interest income	4,666.0	3,375.2	38.2%	1,127.2	1,178.8	-4.4%
Total net income	12,871.7	10,519.0	22.4%	3,275.1	3,188.3	2.7%
Overhead expenses	(6,412.1)	(5,559.2)	15.3%	(1,616.4)	(1,586.1)	1.9%
Loan Loss Provision & Impairment on securities	(1,211.0)	(1,896.3)	-36.1%	(334.6)	(173.0)	93.4%
Operating Profit	5,248.6	3,063.5	71.3.3%	1,324.1	1,429.1	-7.4%
Write off and impairment losses on goodwill and investment	-	(1,972.6)	-	-	-	-
Share of profits in associates	121.8	99.5	22.4%	35.0	26.0	34.6%
Profit Before Tax	5,370.4	1,674.3	220.8%	1,359.1	1,455.1	-6.6%
PATAMI	3,818.2	691.9	451.9%	912.5	1,030.4	-11.4%
Normalised PBT	5,012.0	3,806.9	31.7%	1,416.7.7	1,219.8	16.1%

Normalised PBT for FY10 grew 31.7% YoY



RM million	FY10	FY09	YoY
Profit Before Tax (PBT)	5,370.4	1,674.3	220.8%
Unrealised (gain)/losses on derivatives	(306.2)	248.2	-
Forex MTM (gain) / losses	(145.6)	130.5	-
Amortisation of BII's Customer Deposits Intangibles	93.4	71.7	-
Impairment of BII and MCB	-	1,972.6	-
BII related acquisition items	-	(290.4)	-
Normalised PBT	5,012.0	3,806.9	31.7%

Encouraging loans growth well funded by growth in deposits

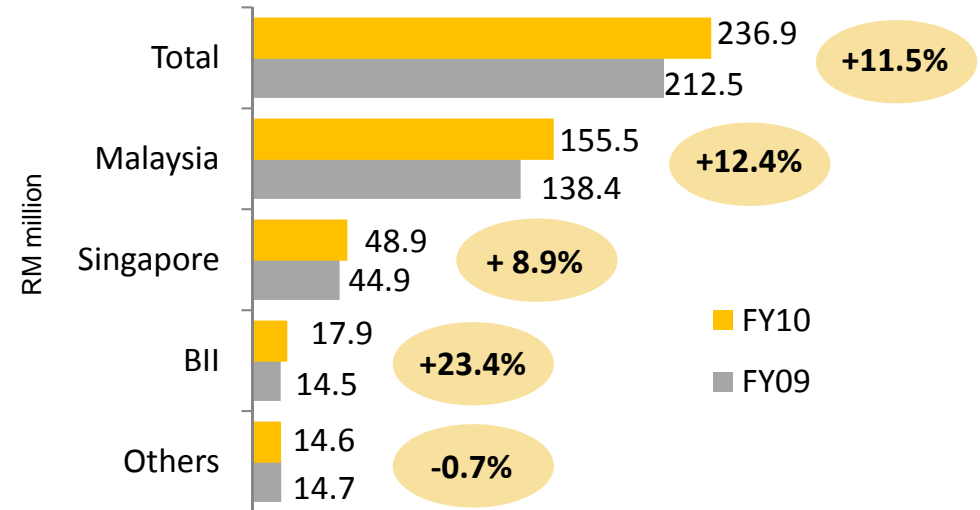


Loans driven by stronger consumer and BII loans growth

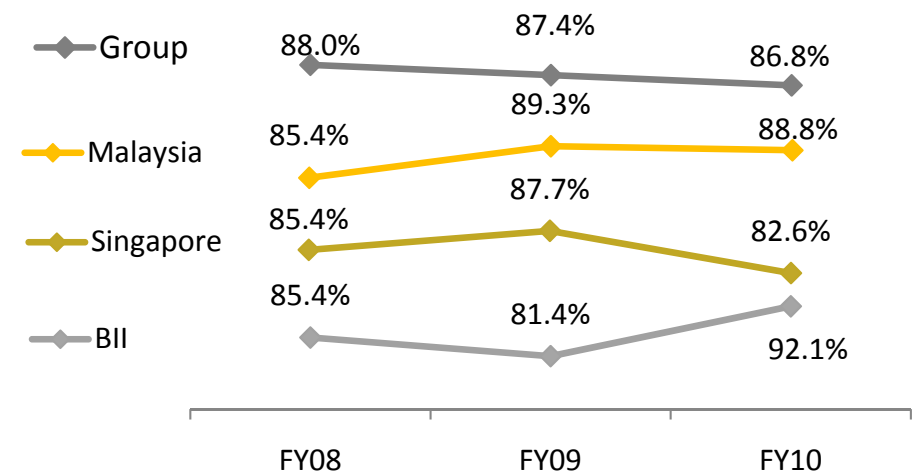
RM billion	Jun 10	Jun 09	YoY Growth
Domestic	144.3	129.9	11.0%
<i>Consumer, of which</i>	72.2	62.8	15.0%
Securities	14.7	11.4	28.6%
Vehicles	22.5	19.8	13.2%
Residential	26.3	24.6	6.6%
Credit Card	4.1	3.6	16.0%
Business and Corporate	72.1	67.1	7.4%
Overseas	69.0	63.4	8.8%
S'pore (SGD b)	17.5	16.2	8.6% (3.4%*)
BII (Rp trillion)	47.3	35.5	33.3% (37.7%*)
Others	11.3	11.7	-3.7
Gross Loans	213.3	193.4	10.3%

* Growth in Ringgit terms

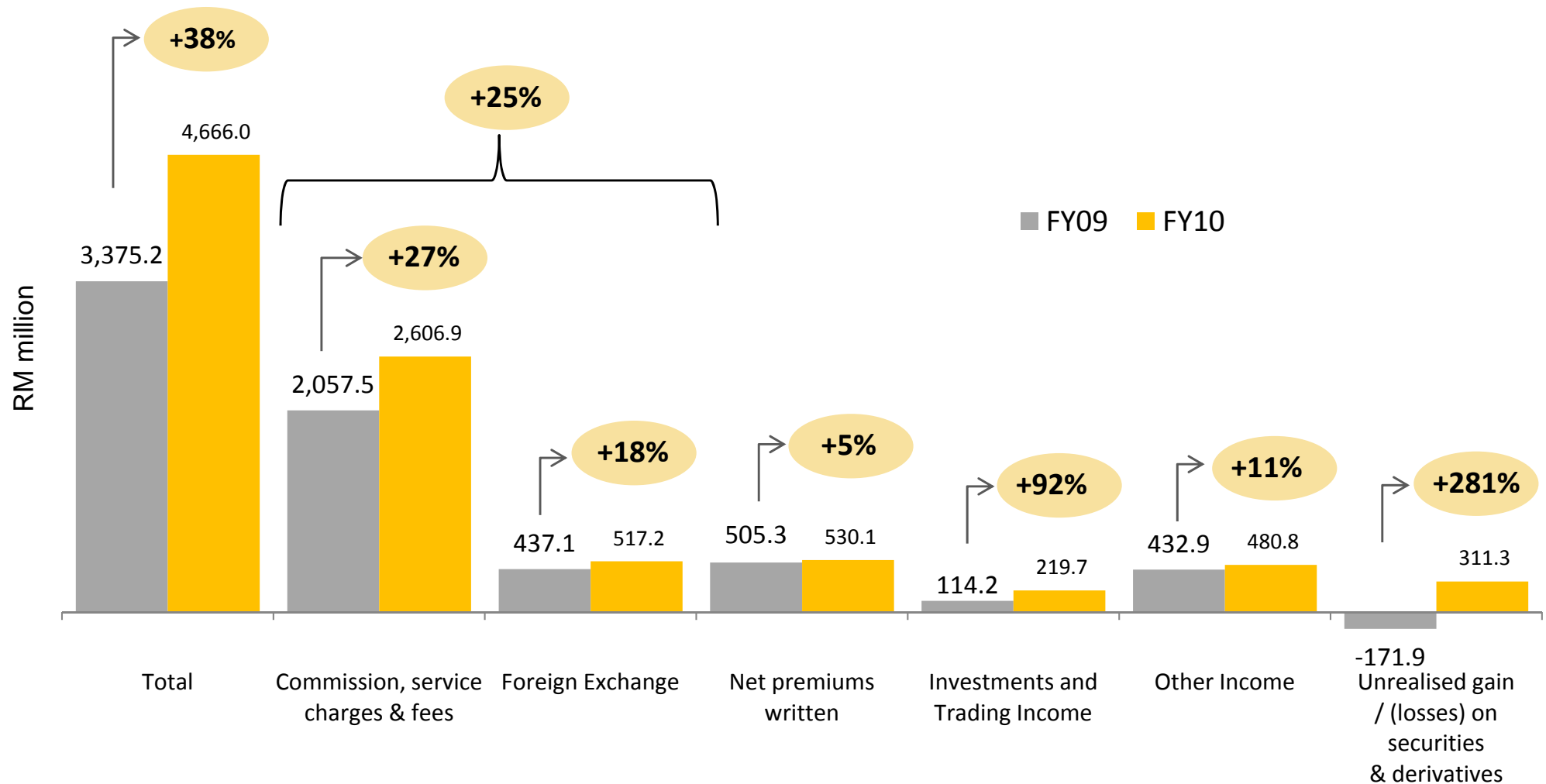
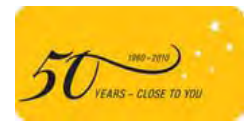
Deposits growth



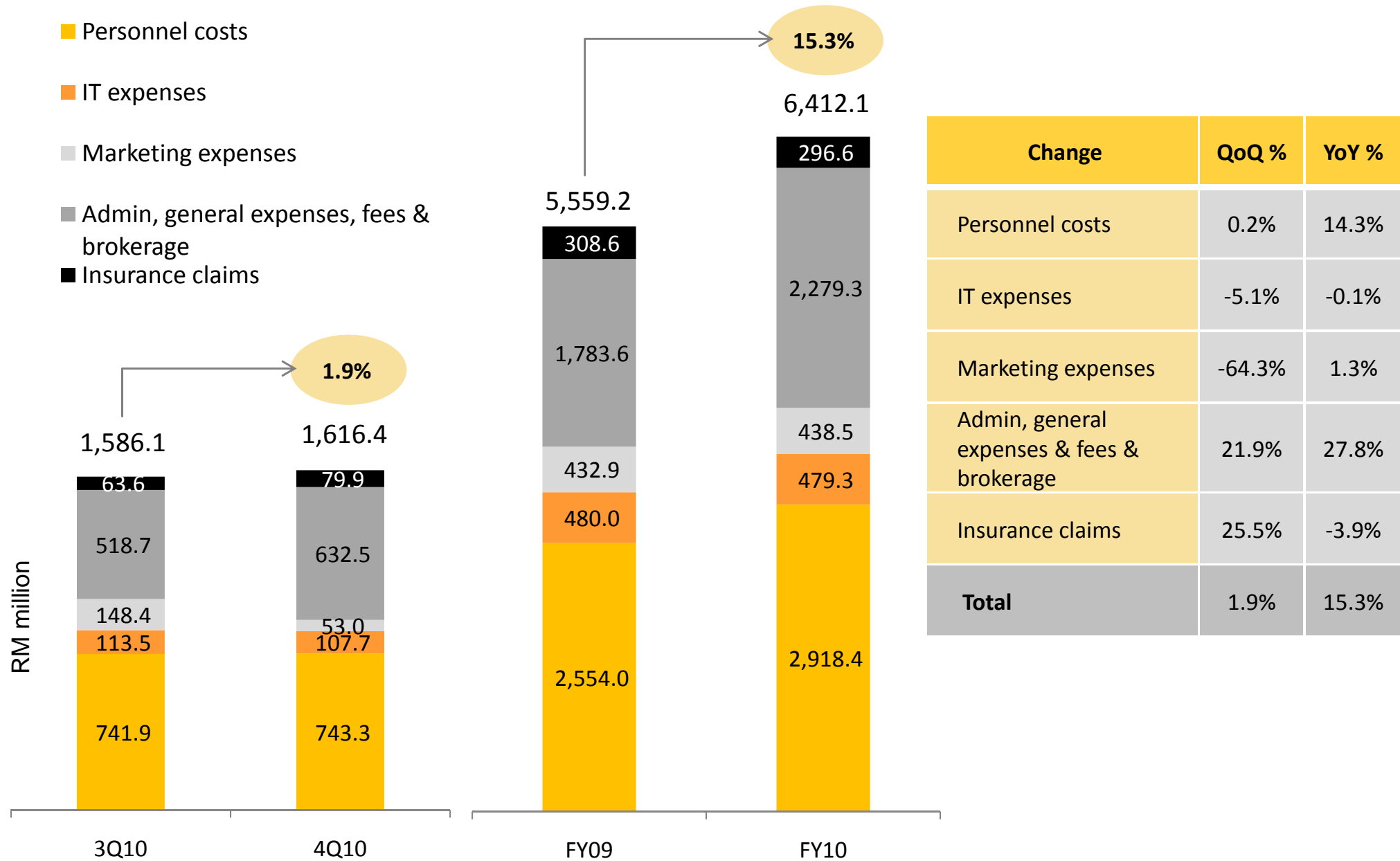
Loans-to-Deposit ratio



Non-Interest Income driven by commission, service charges, fees and forex



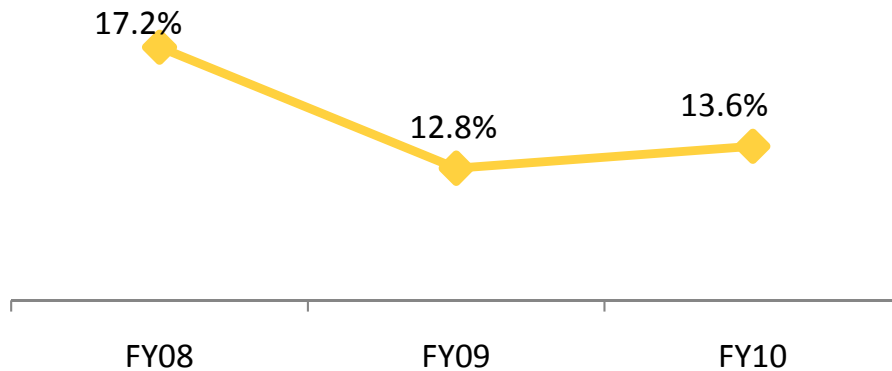
Expenses grew slower than revenue growth



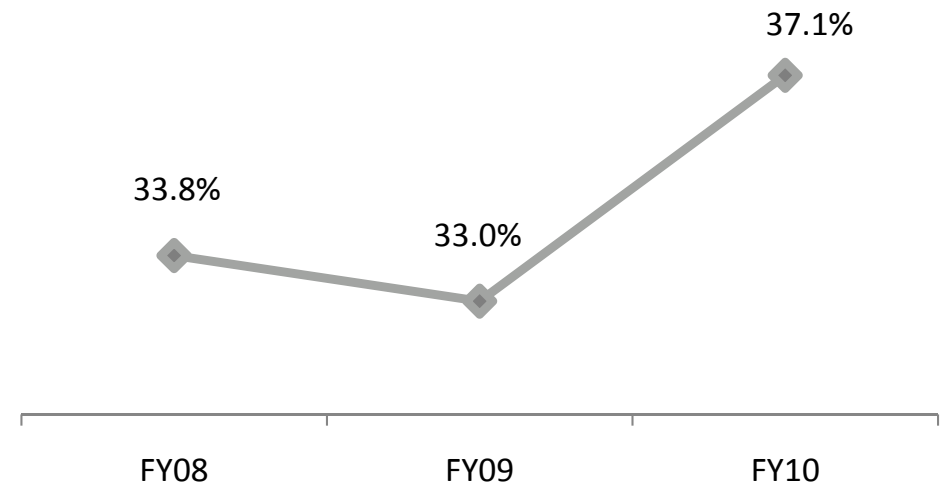
Other key ratios continued to improve



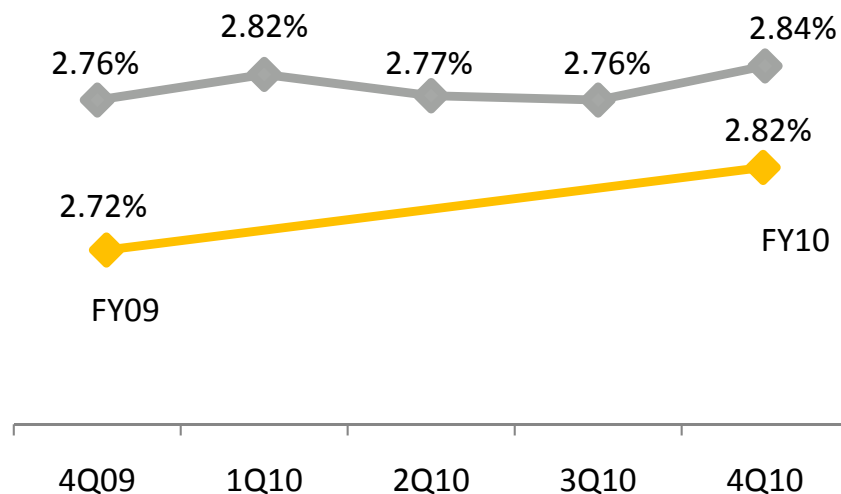
ROE on normalised basis driven by higher revenue



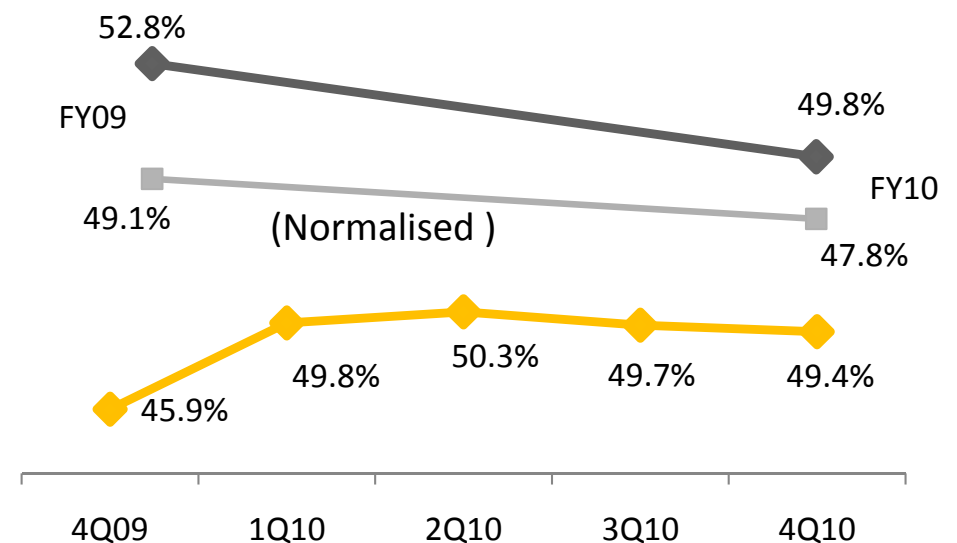
Fee to Income strong compared to last year



Net Interest Margin driven by OPR hikes



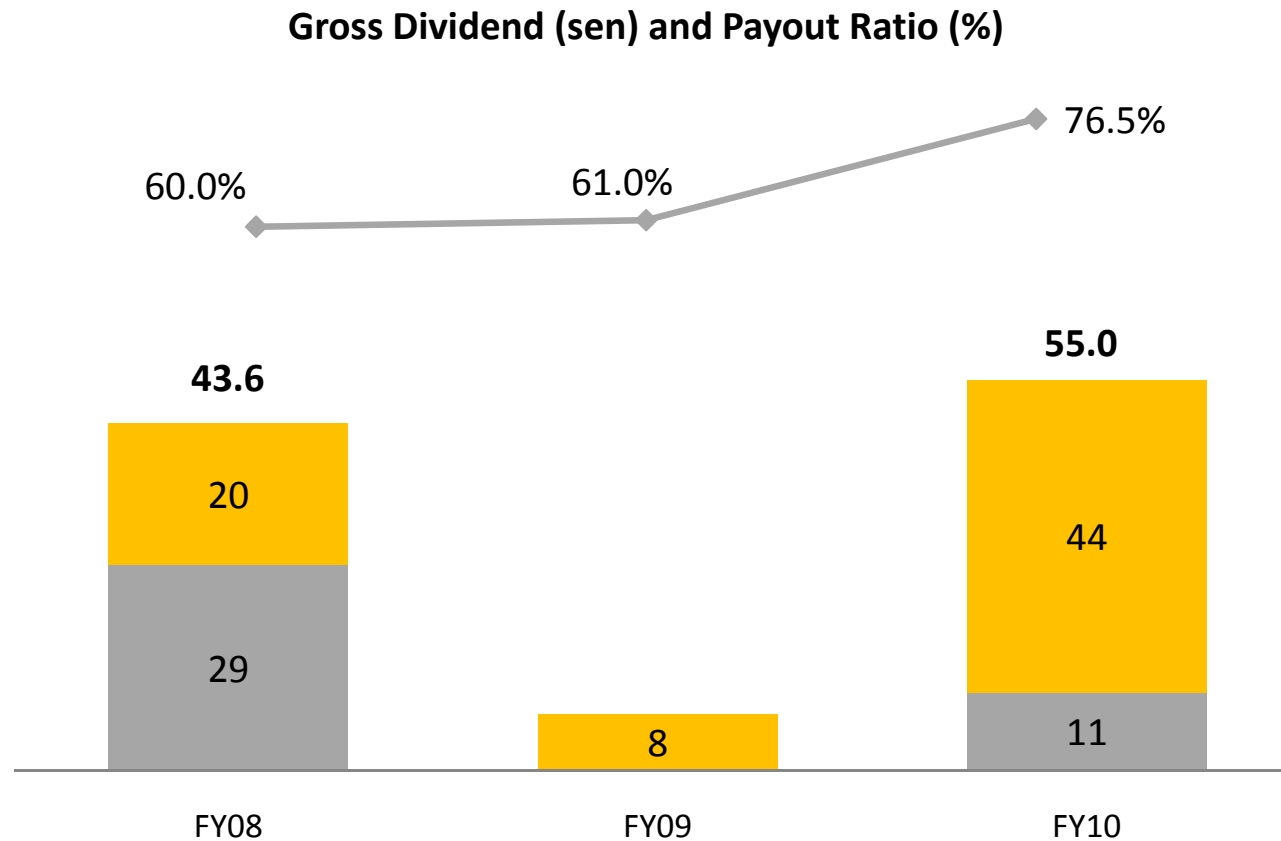
Cost to Income declined YoY



Higher dividend payout



- Final gross dividend payout of 44 sen (33 sen net) subject to Dividend Reinvestment Plan
- Net dividend of 33 sen = 3 sen cash portion + 30 sen electable portion



FY08 full year dividends are adjusted for rights issue

Executive Summary

Financial Performance

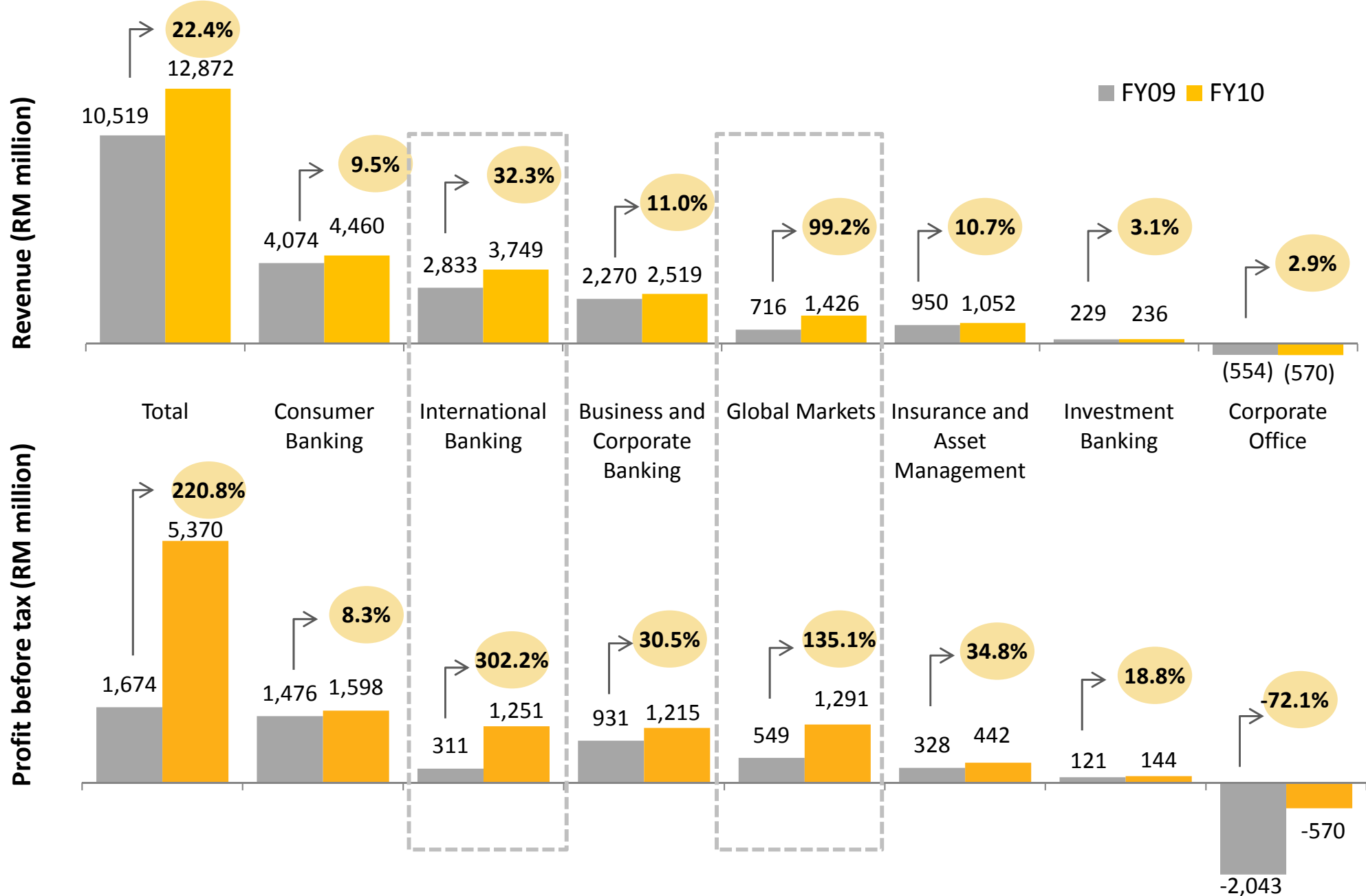
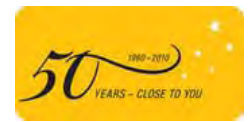
Business Review

Country Review

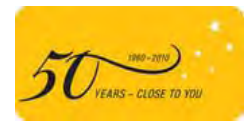
Strategy and Prospects



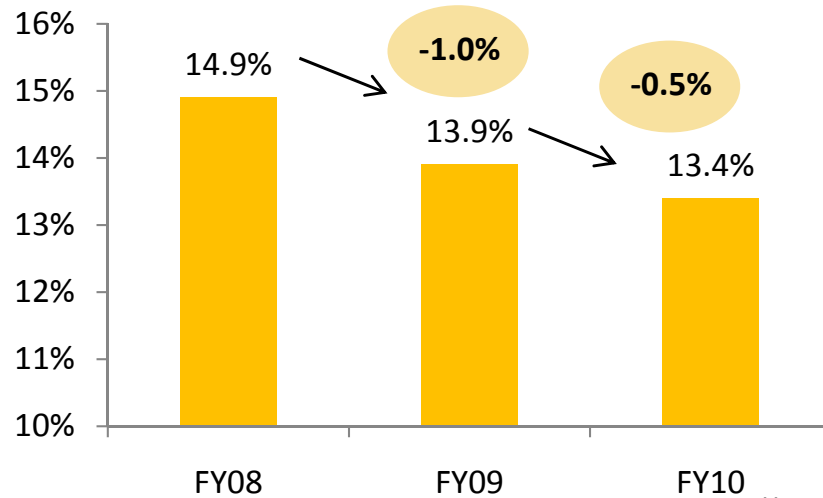
Improved performance across all business segments



Consumer Banking: Housing Loans and Auto Loans

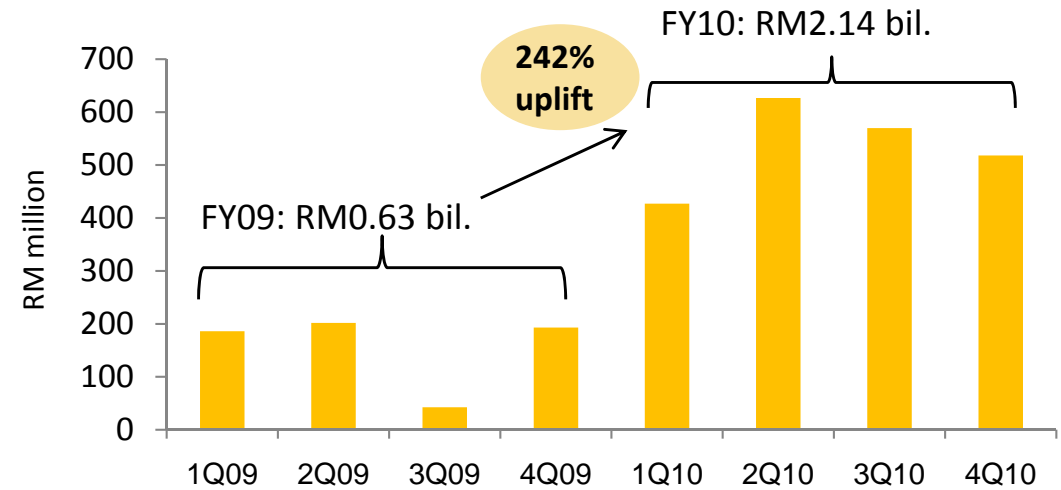


Housing Loans market share stabilising

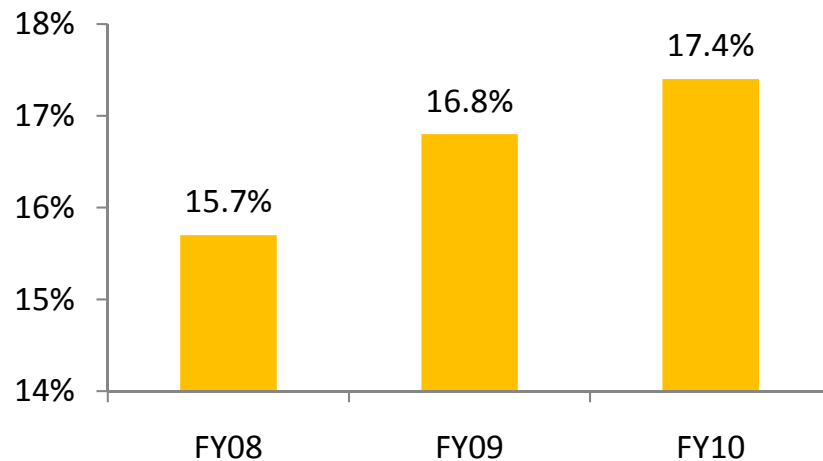


Housing includes other mortgage loans

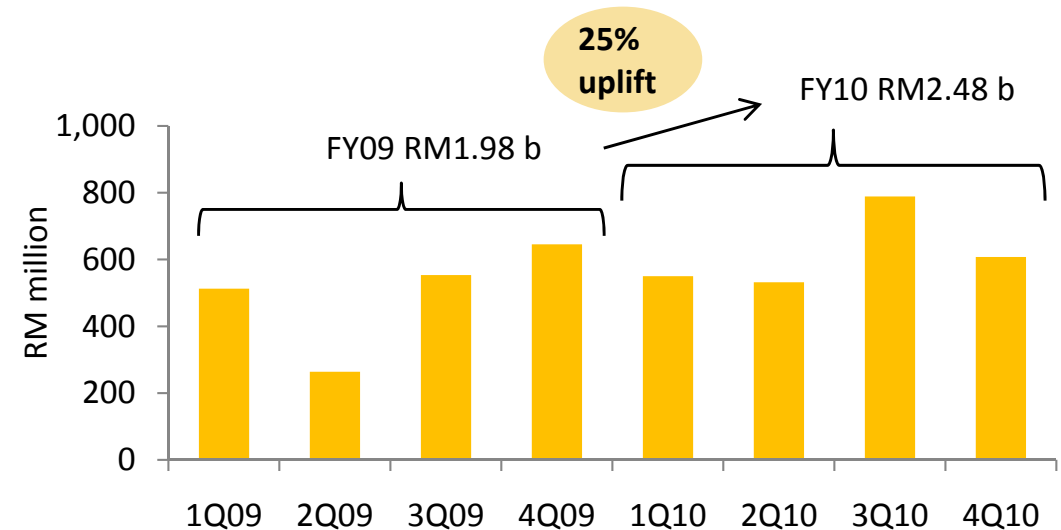
Uplift in new housing loans



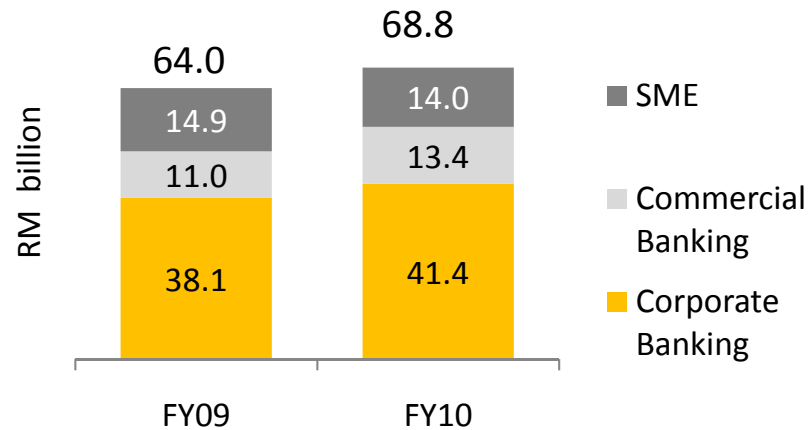
Improving auto loans market share



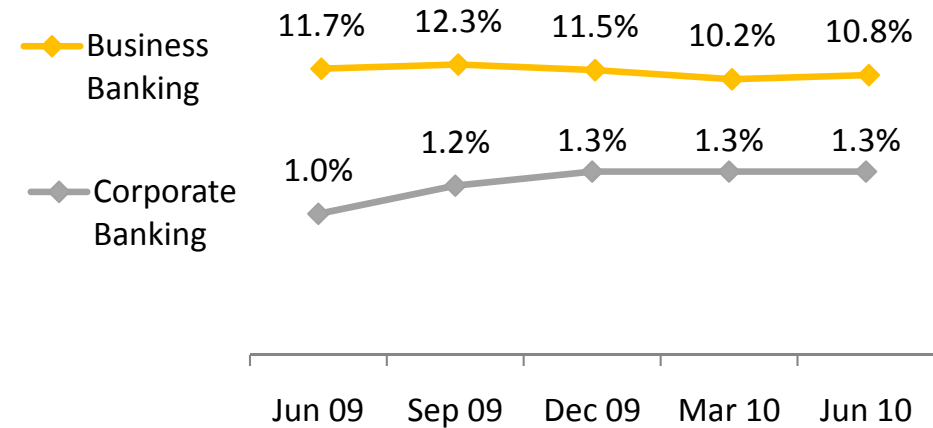
Uplift in new auto Loans



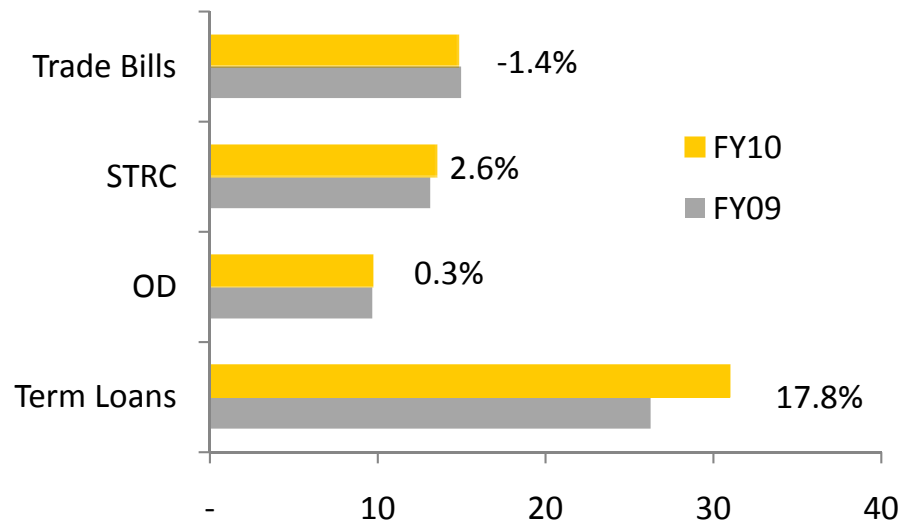
Loans growth led by Commercial and Corporate Banking



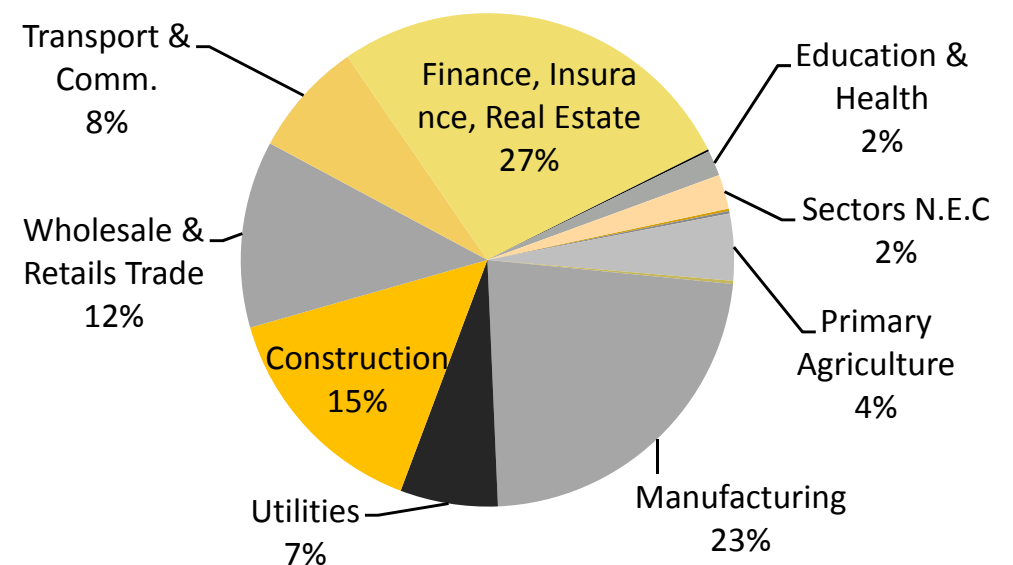
Improvement in Asset Quality (Gross NPL ratio)



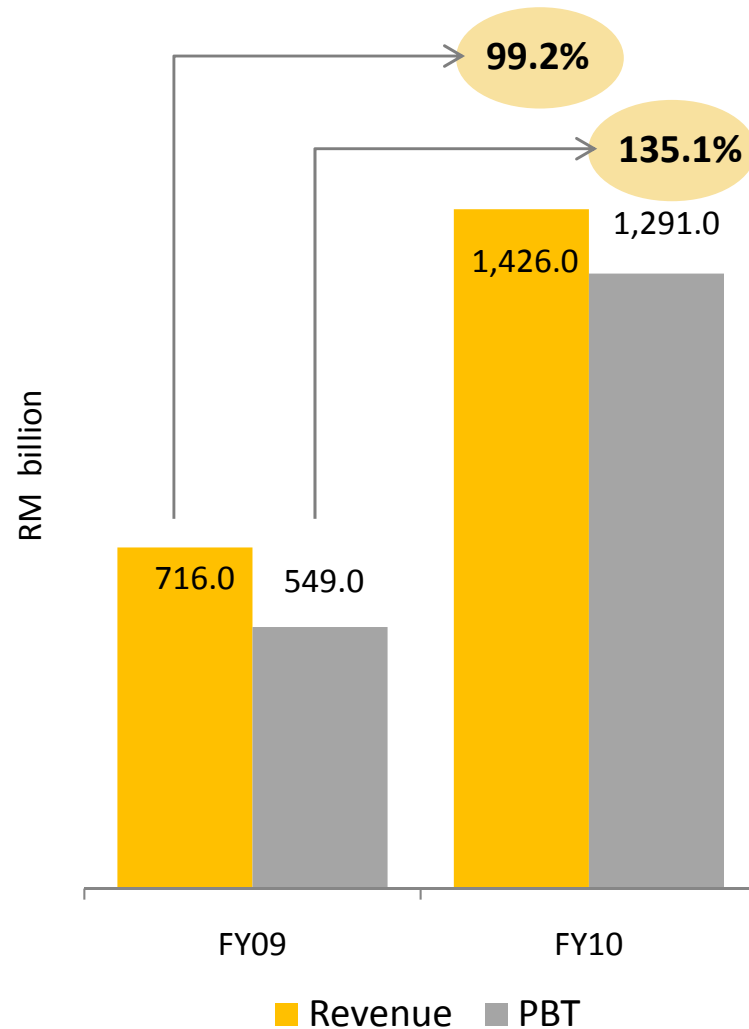
Growth spearheaded by term loans



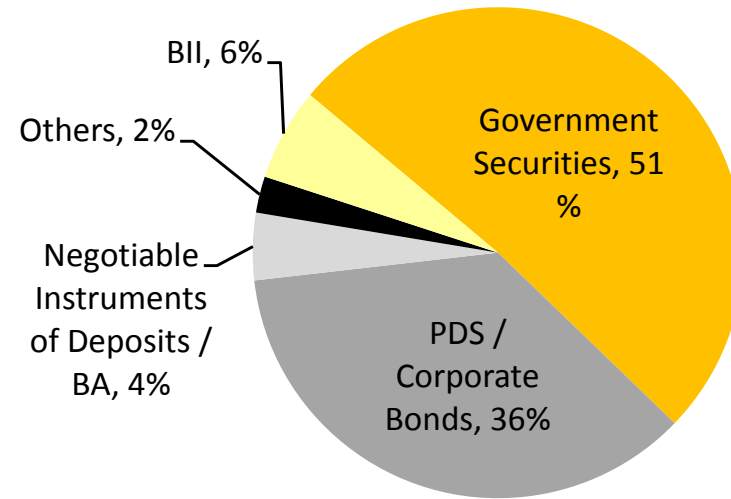
Diversified loans by economic sector



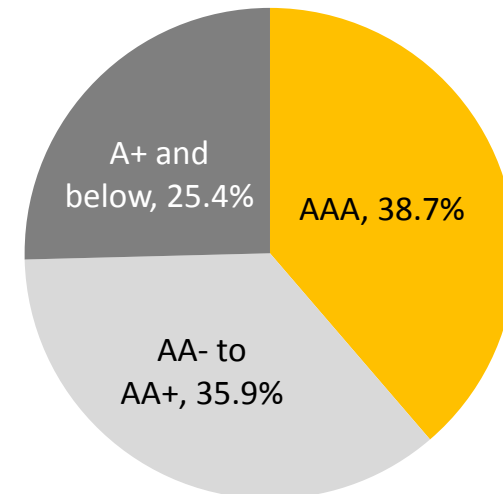
Strong growth in Revenue and PBT



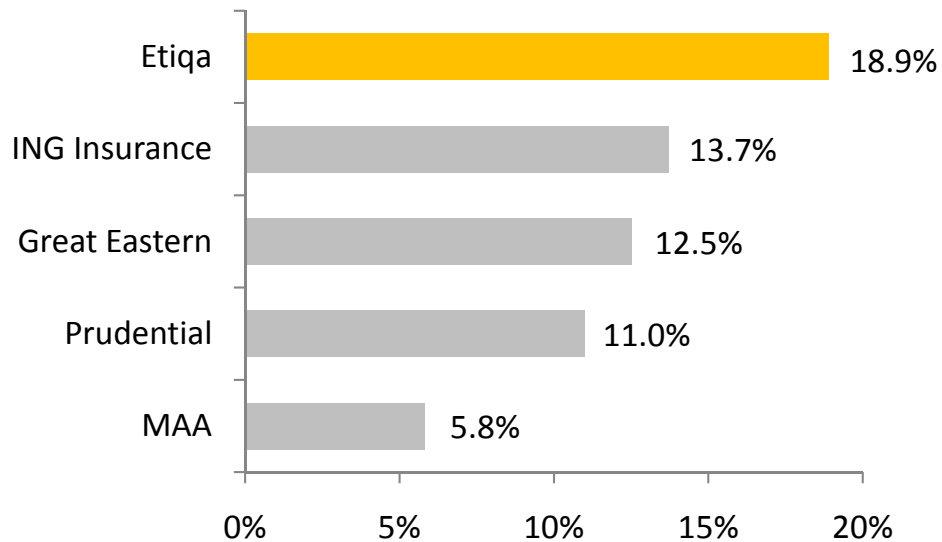
Securities Portfolio Total RM54.2 billion



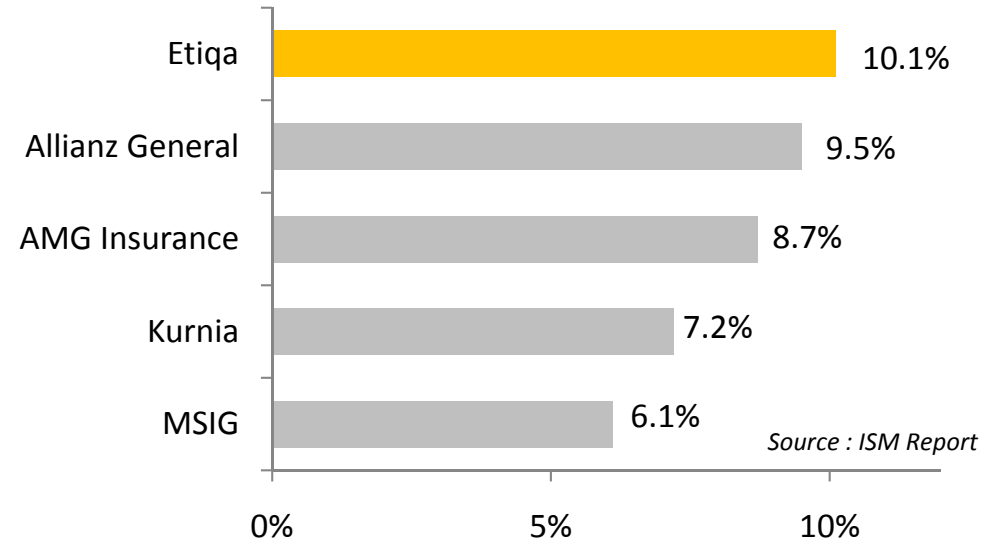
Credit Rating for Private Debt Securities in Malaysia



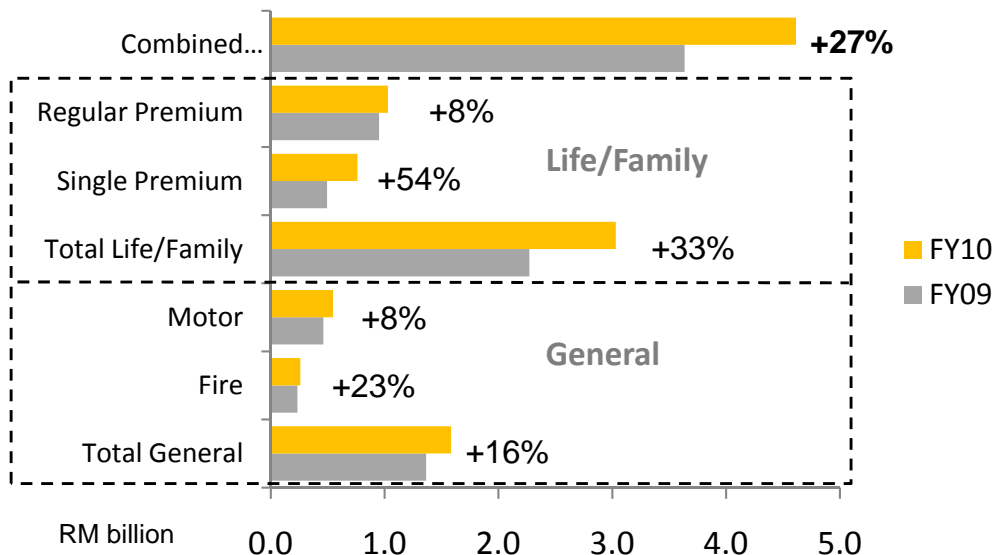
Market Share: No. 1 in Life/Family (new business)



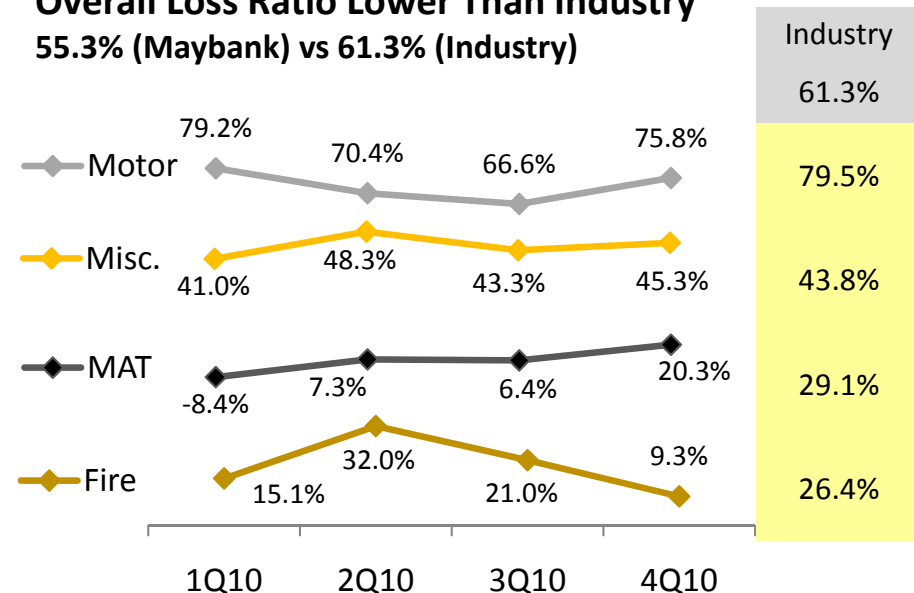
Market Share: No. 1 in General



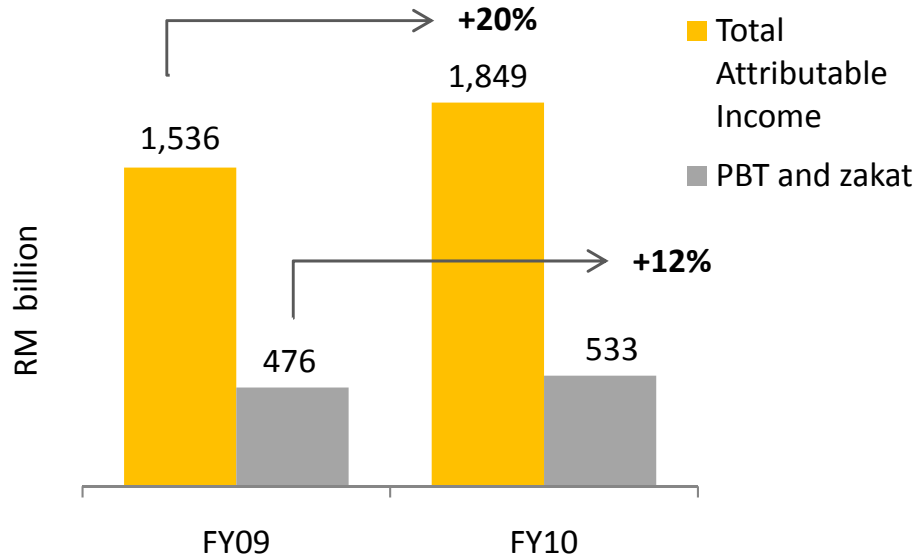
Combined Gross Premium grew 27% YoY



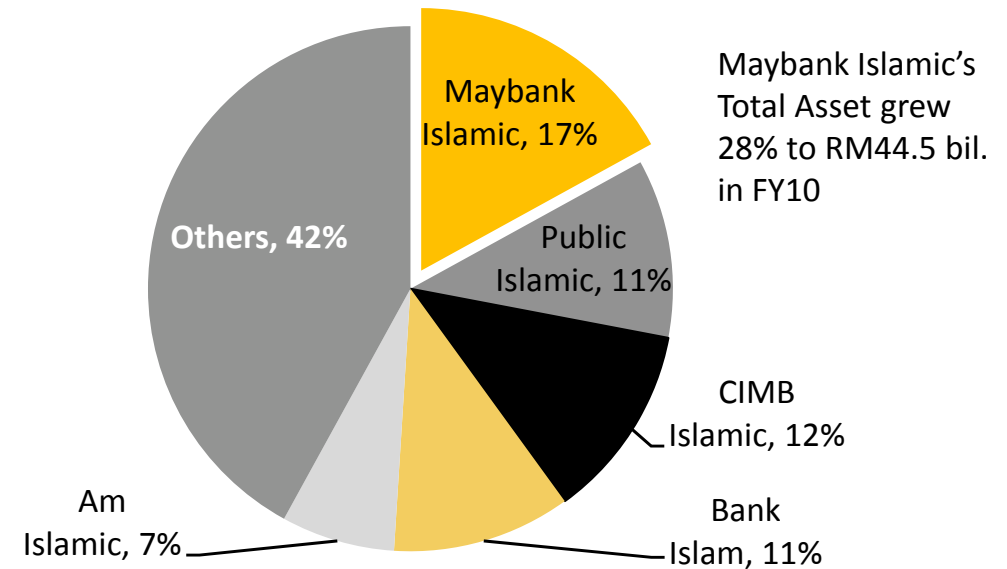
Overall Loss Ratio Lower Than Industry 55.3% (Maybank) vs 61.3% (Industry)



Income and PBT



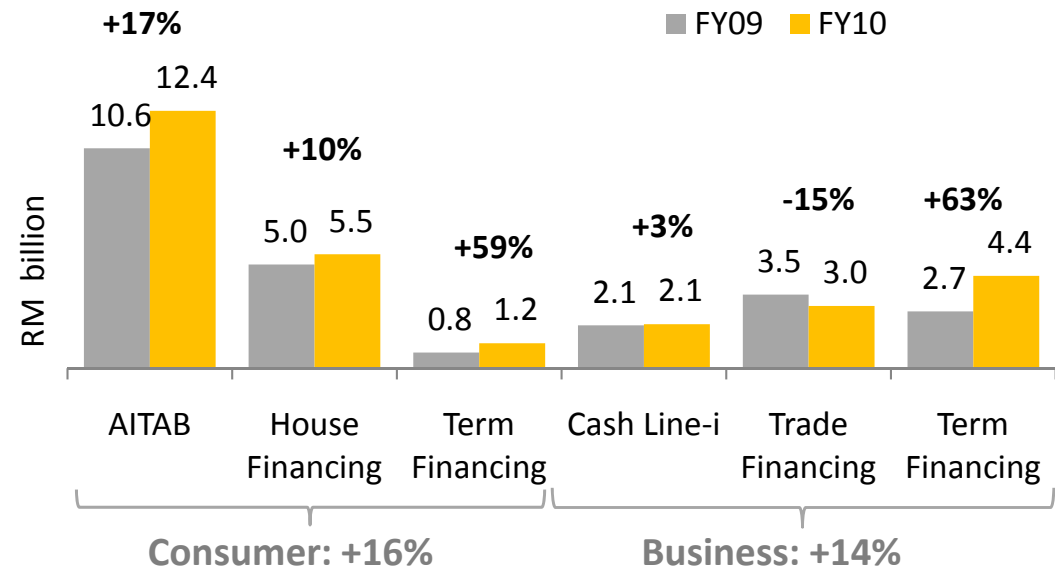
Leading market share (by Total Assets)



Improving key ratios for Maybank Islamic

	FY10	FY09
Financing to Deposits Ratio	97.0%	105.0%
Islamic Financing to Total Domestic Loans	24.2%	20.5%

Maybank Islamic financing (YoY growth)



Executive Summary

Financial Performance

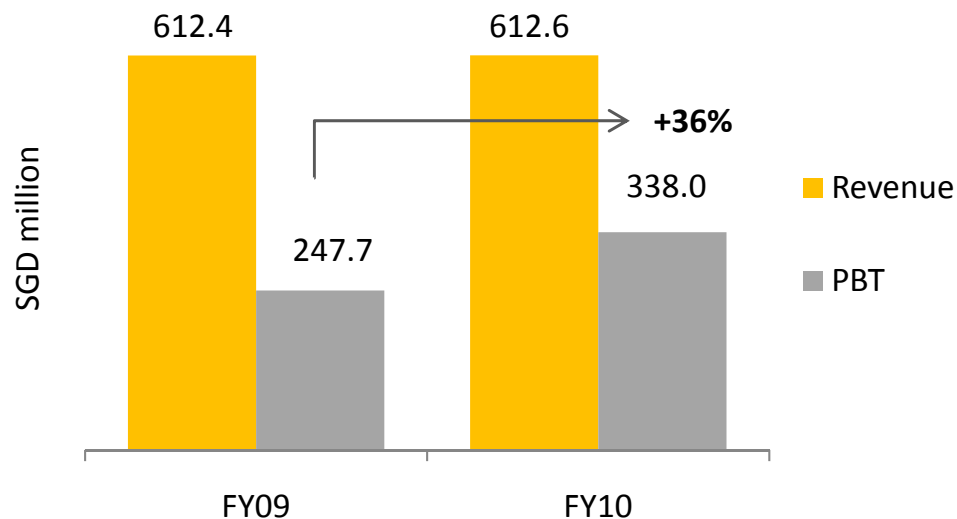
Business Review

Country Review

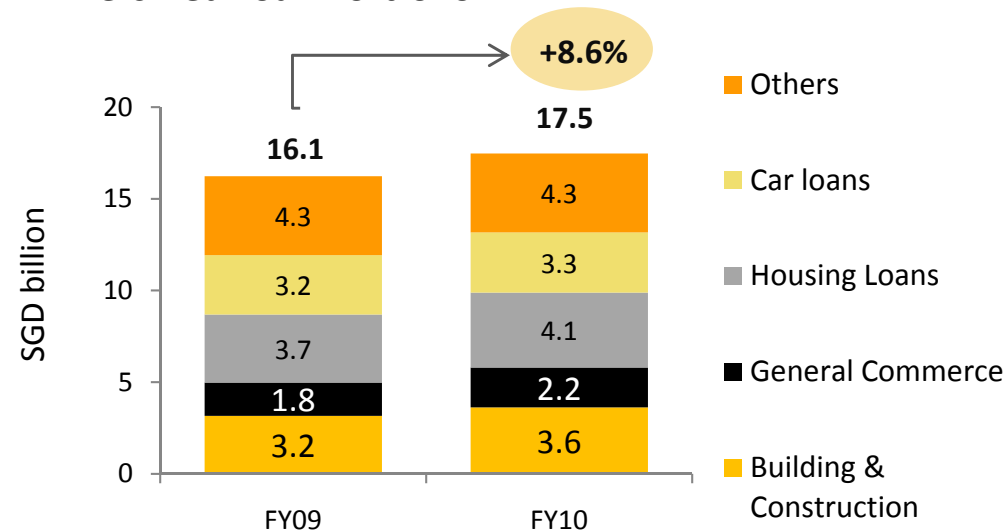
Strategy and Prospects



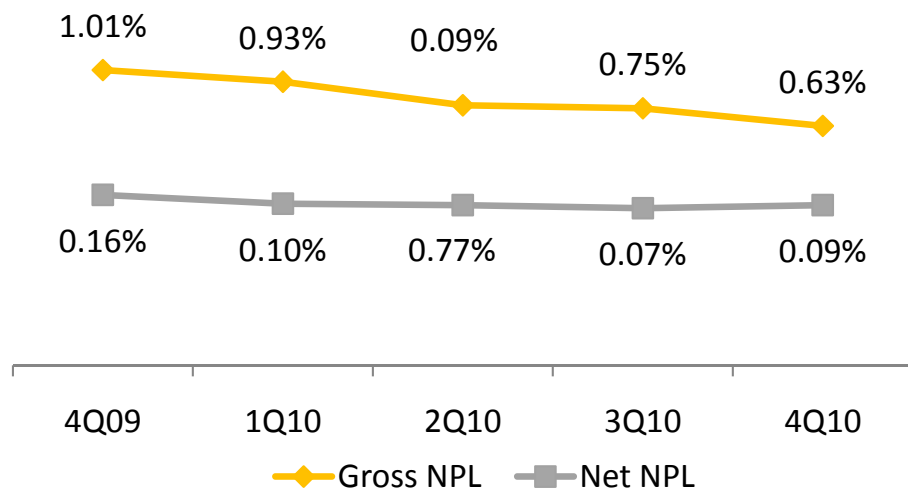
PBT rose 36% yoy



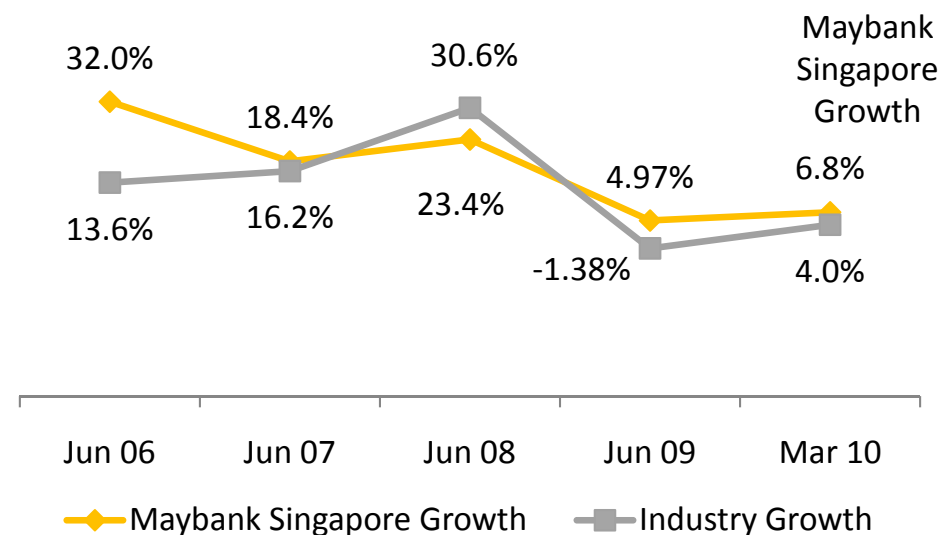
Diversified Loan Portfolio



Asset Quality improving



Loans Growth exceeds Industry



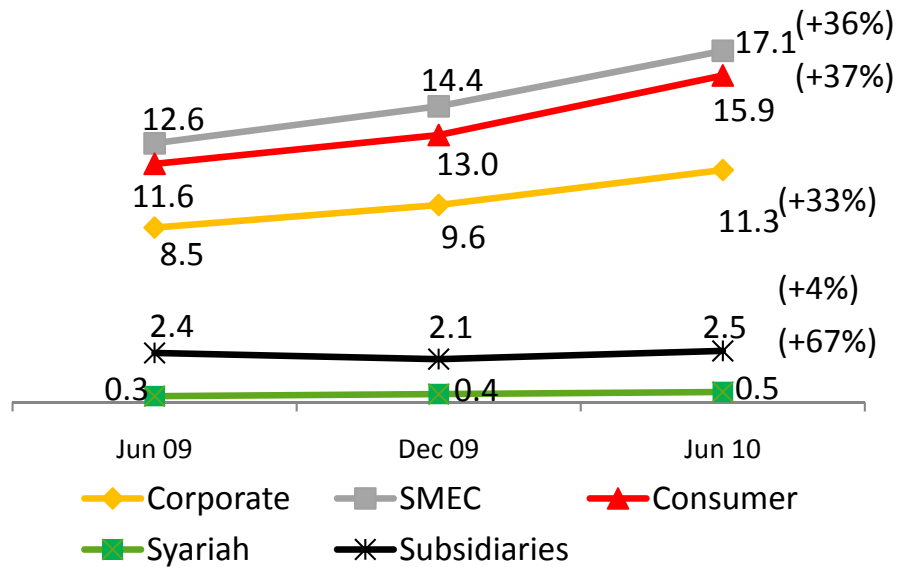
Income Statement

Rp Billion	Jul 09-Jun 10 Contribution	Jul 08-Jun 09 Contribution
Interest income	6,065	4,915
Interest expense	(2,753)	(2,727)
Net interest income	3,312	2,188
Non-interest income	1,762	1,187
Gross Operating income	5,074	3,375
Operating expenses (excluding prov.)	(3,419)	(2,147)
Operating income before provision	1,655	1,228
Provisions	(1,048)	(1,082)
Profit before taxation and zakat	607	146
Net profit	498	14

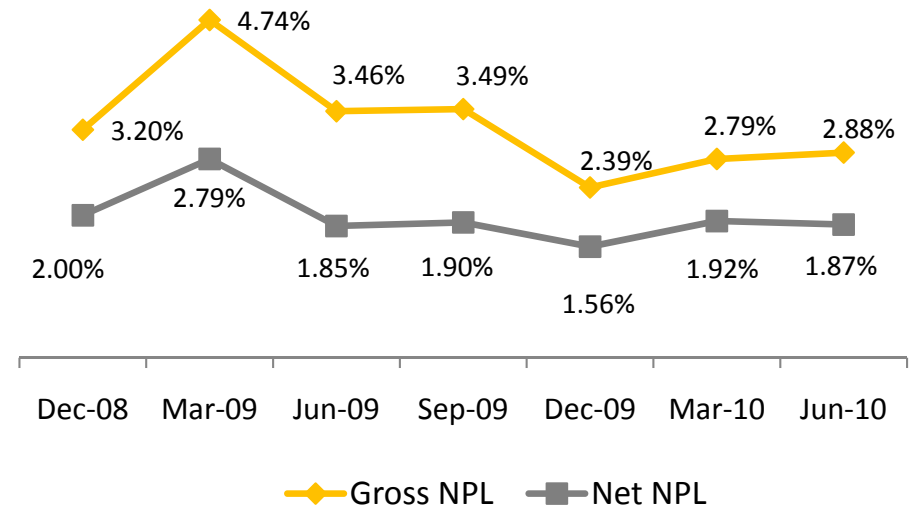
Note:

- Based on income statement consolidated into Group accounts.
- The accounts of BII were consolidated into Maybank Group beginning October 2008 after the acquisition of the 56% in BII was completed at the end of September 2008. In early December, Maybank completed the acquisition of 97.5% of BII.

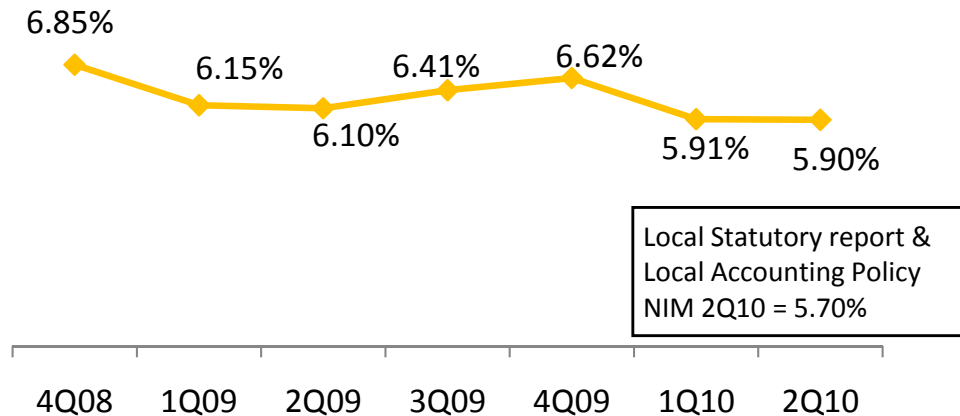
Gross Loans: Composition (Rp trillion) and growth



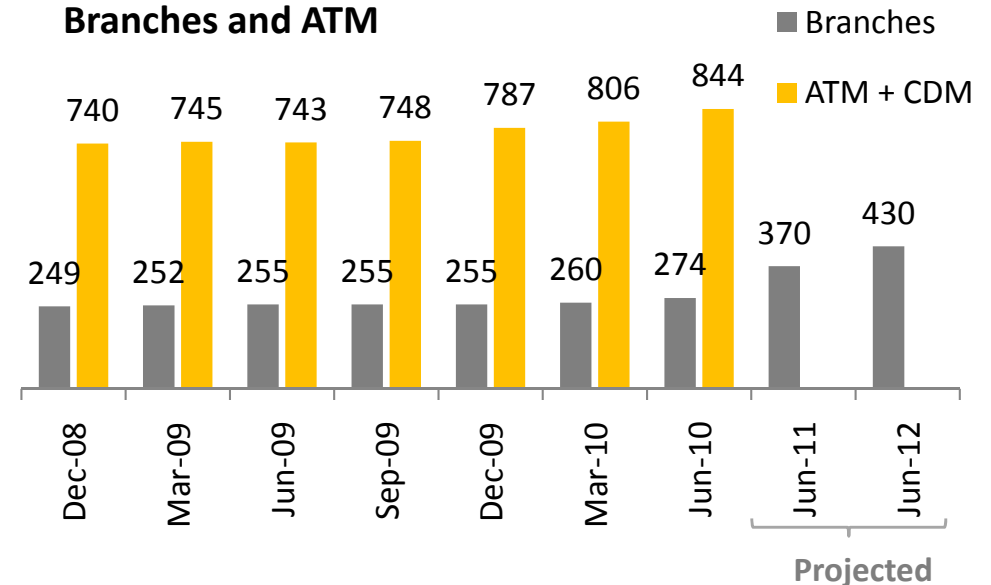
Asset Quality



Net Interest Margin



Branches and ATM



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Reframing our Vision, Mission and Strategic Objectives



By 2015

Our Vision

To be a Regional Financial Services Leader



Our Mission

Humanising Financial Services from the Heart of ASEAN



Strategic Objectives

1. Undisputed No. 1 Retail Financial Services provider in Malaysia by 2015
2. Leading ASEAN wholesale bank eventually expanding to Middle East, China & India
3. Domestic Insurance Champion and emerging regional player
4. Truly regional organisation, with ~40% of pre-tax profit derived from international operations by 2015
5. Largest Islamic bank in ASEAN

New Group Organisation Structure to support aspirations



Expanded Group Executive Committee with key divisions represented



Community Financial Services

1. Grow market share of individual and non-retail deposits domestically and leverage on shared distribution synergies
2. Re-align SME market segment focus

Global Wholesale Banking

3. Ramp up universal wholesale banking model growth in core ASEAN markets
4. Strengthen transaction banking franchise
5. Grow investment banking capabilities and deals

Insurance & Takaful

6. Gain leadership in domestic insurance business

International

7. Grow assets, strengthen deposits base and expand branch network in Indonesia

Islamic Banking

8. Grow Islamic banking assets and deposits

Corporate / Enterprise Transformation Services

9. Improve business process and upgrade IT systems
10. Implement FRS 139 and refine Basel II use.

- **Recovering regional economies to spur demand** with loans growth of 12% in Malaysia, 24% at BII and 5% in Singapore.
- **International contribution is expected to increase** mainly from 2 key home markets of Singapore and Indonesia and leveraging on Global Wholesale Banking platform.
- **Islamic Banking** is identified as key differentiator with target financing growth of 25%.
- **Margins expected to be stable.**
- **The reframed vision and mission supported by new organisation structure** is expected to drive growth.
- **Investment in people, technology and processes** to realise vision and strategic objectives, with efforts to reduce costs through synergies and centre of excellence.
- **Dividend Reinvestment Plan in place to ensure robust capital adequacy.**
- **Two Key Performance Indicators (KPIs)** for FY2011: Group's loans and debt securities growth of 12% and ROE of 14 %.

Key Performance Indicators (KPI) for FY2011



Headline KPIs	
Return on Equity	14%
Loans and Debt Securities Growth	12%
Other targets	
Loans Growth	
• Malaysia	12%
• Singapore	5%
• BII	24%
Net Interest Margin	Stable
Dividend Payout Ratio	40%-60%

Note: Loans growth for Singapore and BII are in local currency

APPENDIX

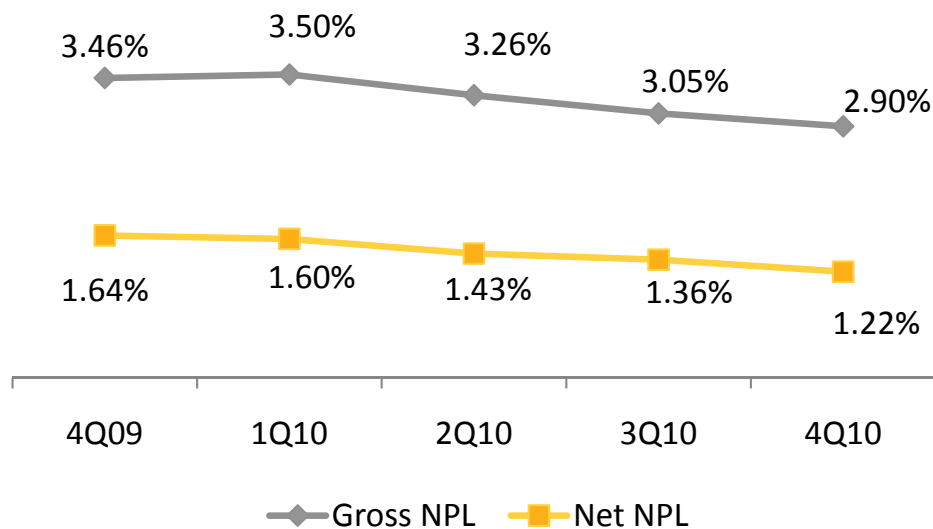
- 33. Asset Quality
- 34. Capital Adequacy
- 35. Consumer Banking:
Housing Loans and Auto Loans
- 36. Consumer Banking: Cards
- 37. Investment Banking
- 38. Investment Banking: Notable Deals
- 39. Regional Expansion
- 40. Bank Internasional Indonesia (BII)
- 41. BII: WOM Finance
- 42. MCB Bank
- 43. Illustration of DRP Computation



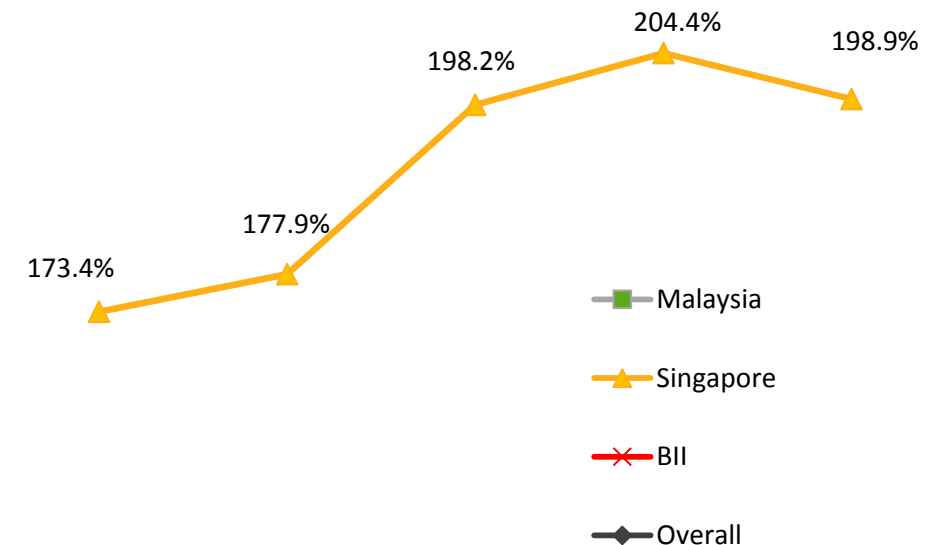
Asset Quality continued to improve. Net NPL declined to 1.2%



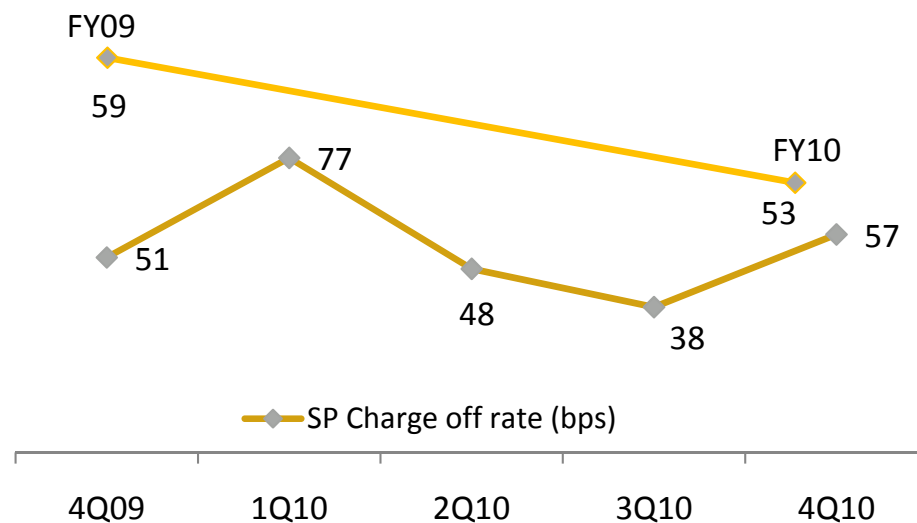
Non Performing Loans (NPL)



Loan Loss Coverage



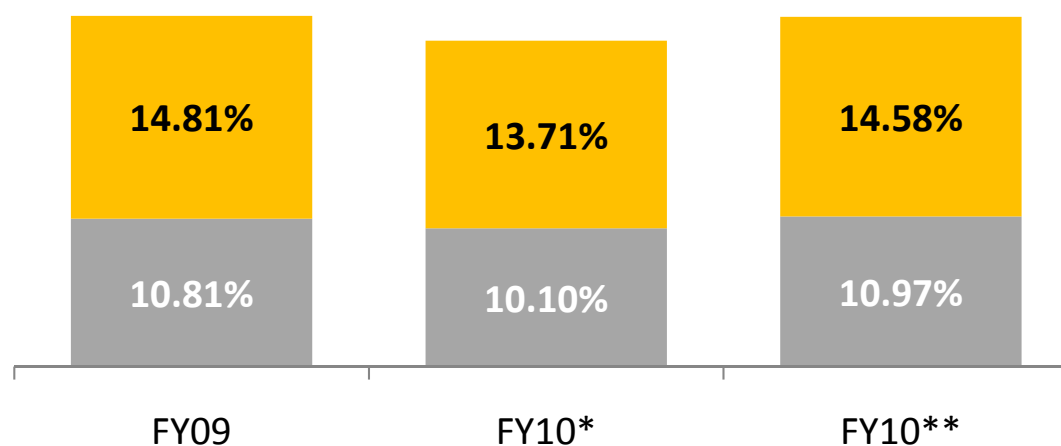
Specific Provision Charge Off Rate



Capital Adequacy remains robust

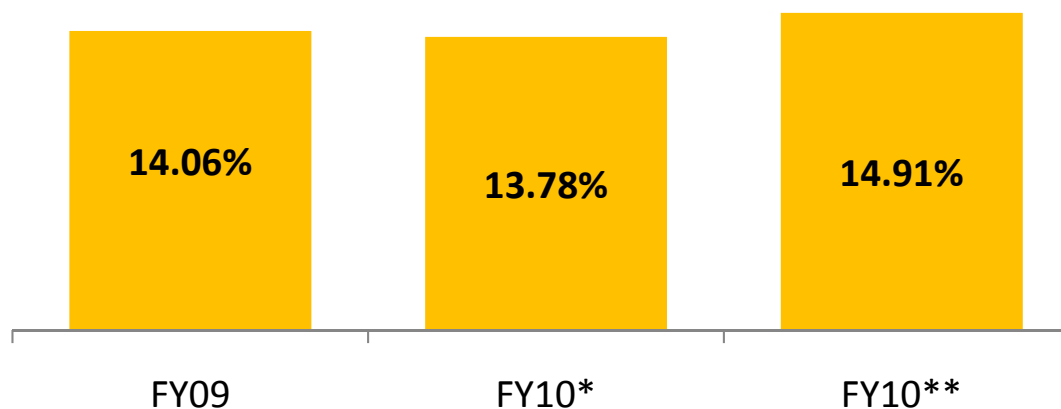


Group



■ Core capital ratio ■ Risk-weighted capital ratio

Bank



■ Core capital ratio & Risk-weighted capital ratio

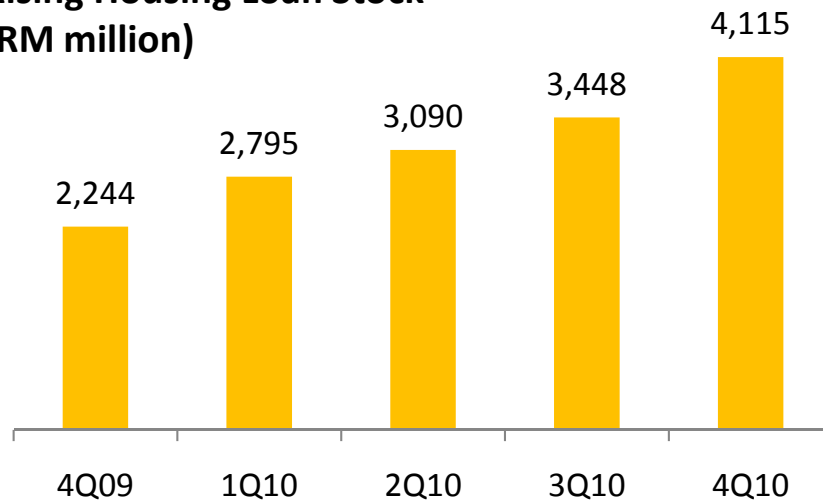
* Entire electable portion paid in cash under Dividend Reinvestment Plan (DRP)

** Full electable portion reinvested under DRP

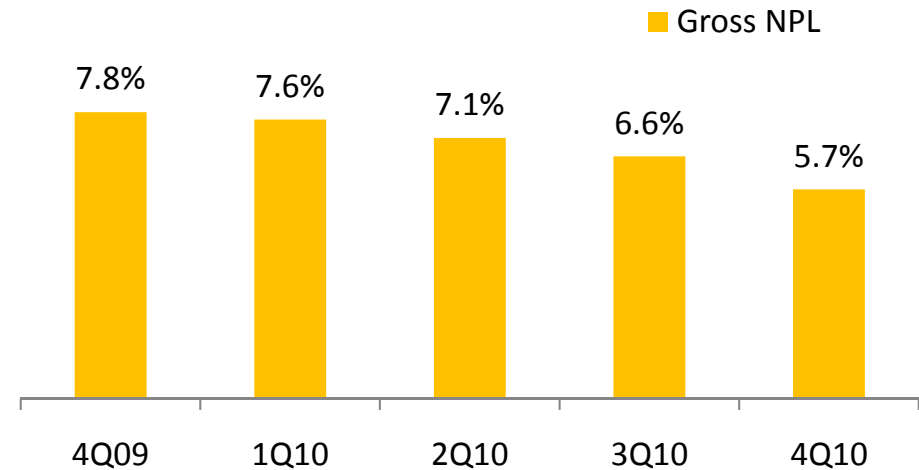
Consumer Banking: Housing Loans and Auto Loans



**Rising Housing Loan Stock
(RM million)**

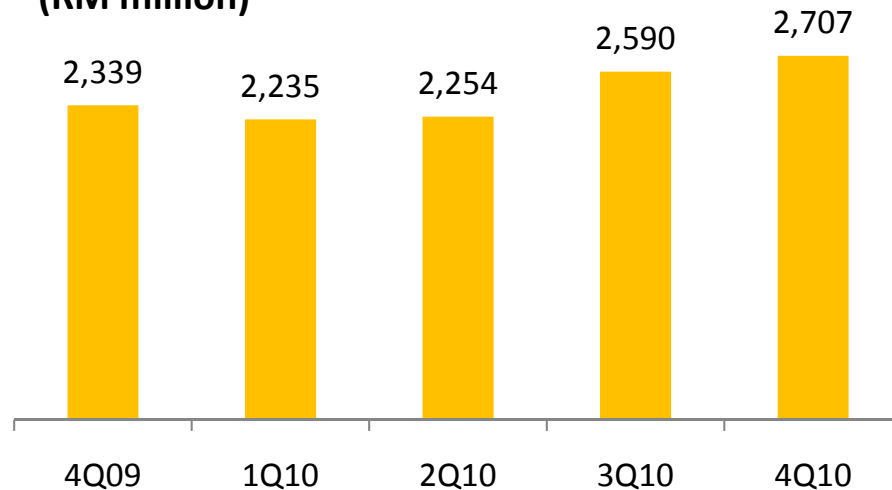


Housing Loans: Improving Asset Quality

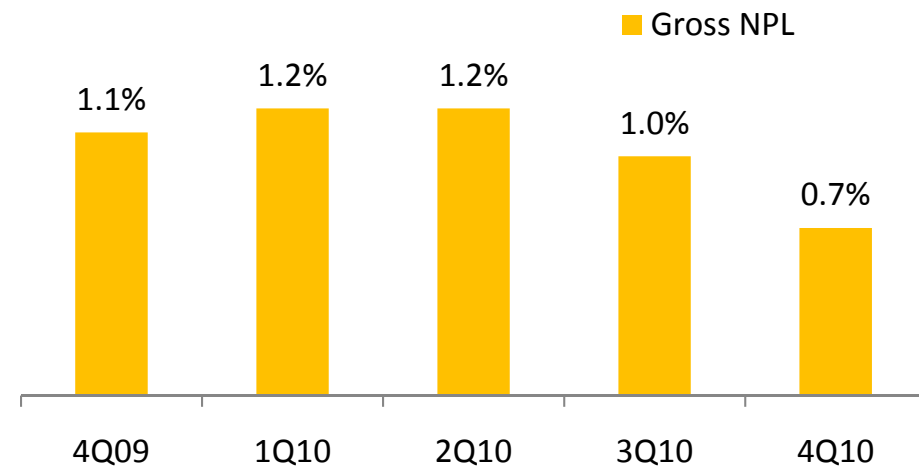


Housing includes other mortgage loans

**Auto Loans: Rising Approvals
(RM million)**



Auto Loans: Improving Asset Quality



Gaining Market Share

	Jun 10	Jun 09
Cardbase	16.6%	15.0%
Billings	21.8%	20.7%
Receivables	14.4%	14.0%
Merchant Sales	29.3%	26.5%

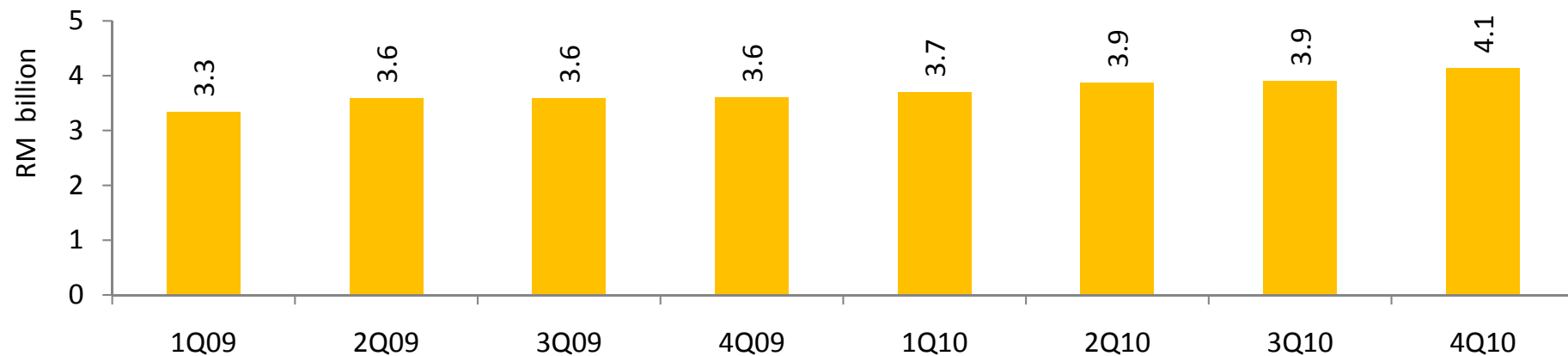
- Card base excludes Debit cards
- Merchant and Billings consist of transactions done through Credit, Charge and Debit cards

Card Growth above industry

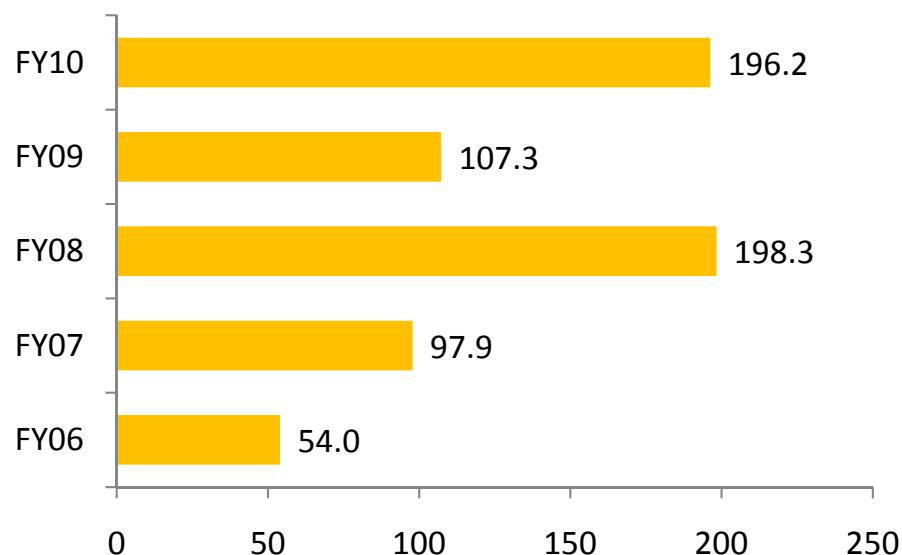
	YoY	Maybank	Industry*
Cardbase		-9.0%	-17.7%
Billings		20.2%	14.4%
Receivables		14.8%	11.3%
Merchant Sales		23.4%	11.5%

- Industry figures for cards includes commercial banks and non-FI players
- Between Oct 09 to Jun 10, Maybank's cardbase declined -10.9% vs. industry -19.2%

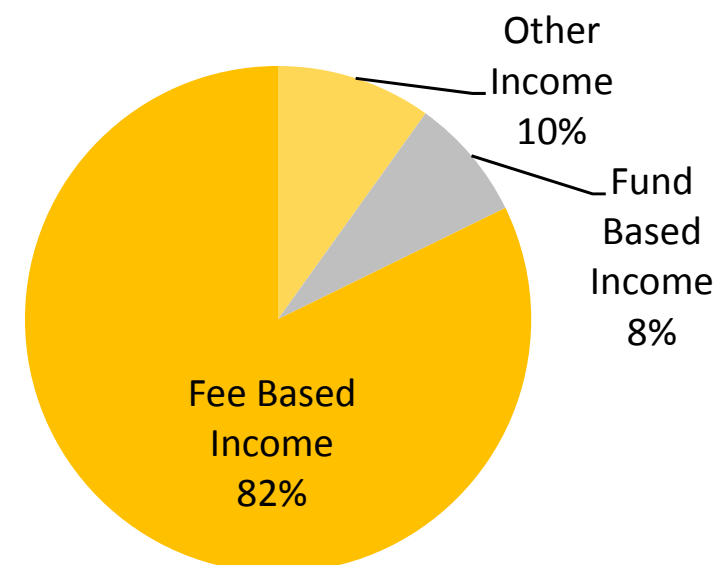
Cards Receivables



FY10: Strong recovery in fee based income to FY08 level



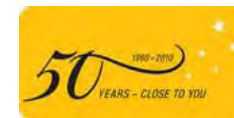
FY10 Income Segmentation









Industry Position & Market Shares : July 09 – June 10

Source: Bloomberg		Industry Rank	Total Value (bil)	Deals/Issues	Market Share
	M&A	5	RM 1.37	7	n.a
	Equity & Rights Offerings	2	RM 3.03	13	13.1%
	Debt Markets - Malaysia Domestic Bonds	4	RM 5.48	64	11.8%
	Debt Markets - Malaysian Ringgit Islamic Bonds	2	RM 4.74	29	19.2%
	Equity Brokerage	4	6.94% of Bursa Trading Value	n.a	6.9%

Investment Banking: Winning Notable Deals in FY2010



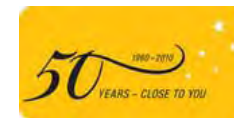
Debt Capital Markets

	Cagamas Berhad: Islamic and Conventional CP and MTN Issuance Programme (RM60 billion) Bookrunner
	Sime Darby: RM4.5 billion Islamic MTN Programme and CP/MTN Programme (Combined master limit of RM4.5 billion), Principal Adviser/ Lead Arranger/ Joint Lead Manager
	Syarikat Prasarana: Government Guaranteed Sukuk Ijarah Medium Term Notes (RM4.0 billion) Joint Lead Manager
	Government of Indonesia: Trust Certificates due 2014 (USD650 million) International Co-Manager
	UMW Holdings Bhd: RM300 million Islamic CP/MTN and RM500 million Islamic MTN Principal Adviser/ Lead Arranger/ Lead Manager
	Putrajaya Holdings Sdn Bhd: Sukuk Musyarakah Islamic Medium Term Notes (RM1.5 billion) Joint Principal Adviser/ Joint Lead Arranger/ Joint Lead Manager

Equity Capital Markets

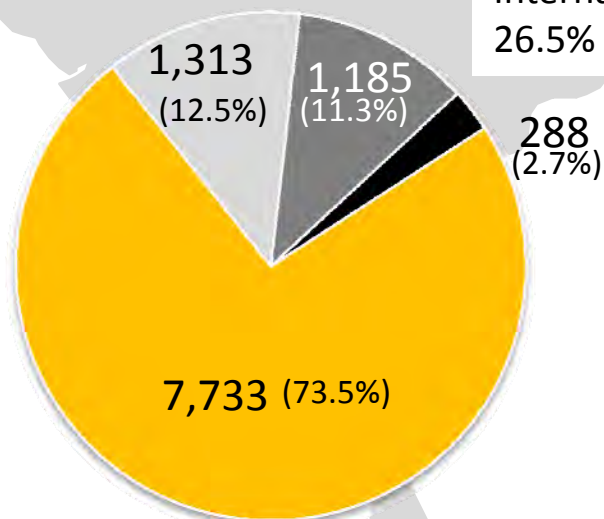
	Maxis Berhad: Initial Public Offering (RM11,198 million) Joint Lead Manager, Joint Managing Underwriter
	Malaysia Airline System Berhad: Rights Issue (RM2,673.7 million) Joint Adviser, Joint Underwriter
	Sunway REIT: Initial Public Offering (RM1,486.8 million) Joint Bookrunner, Joint Underwriter
	Tenaga Nasional Berhad: Secondary Placement (RM702.68 million) Placement Agent
	UEM Land Holding Berhad: Rights Issue (RM971.3 million) Joint Underwriter

Regional Expansion On Track

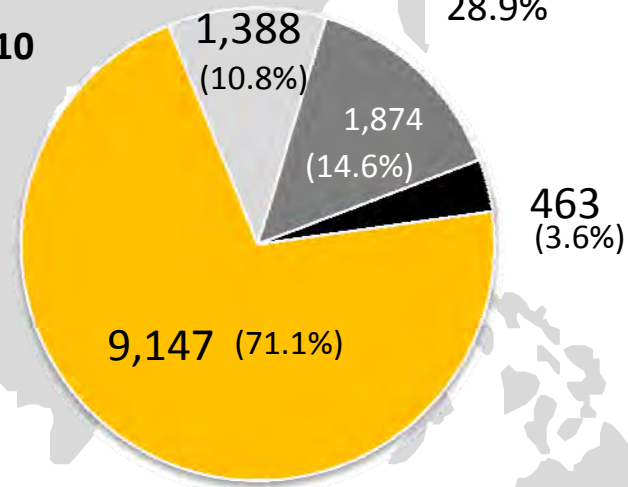


Gross Revenue (RM million)

FY09

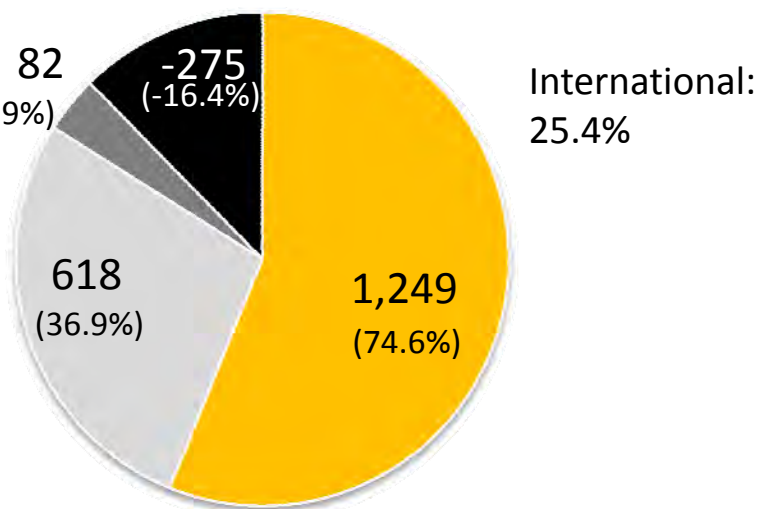


FY10

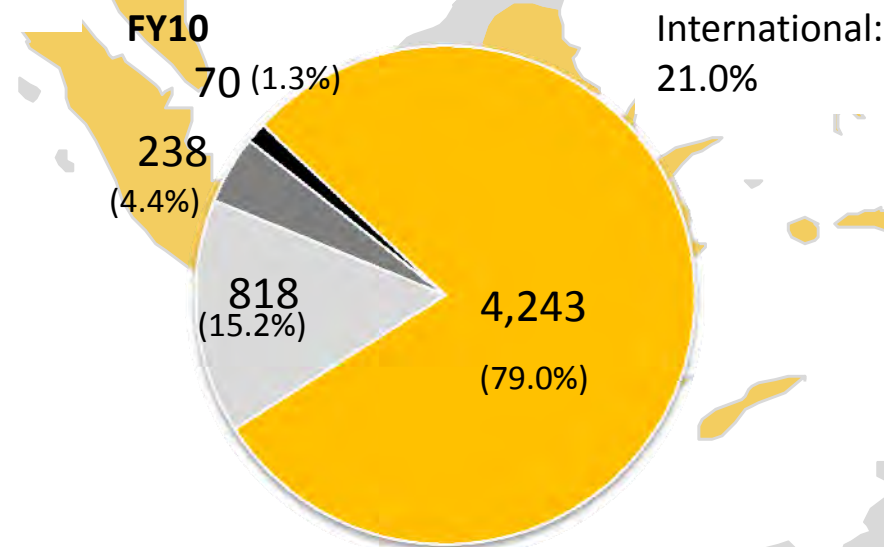


Profit Before Tax (RM million)

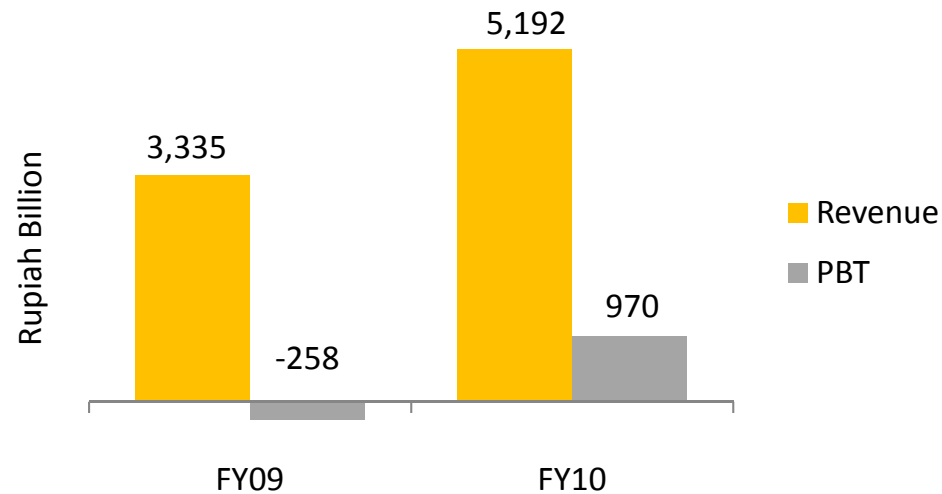
FY09



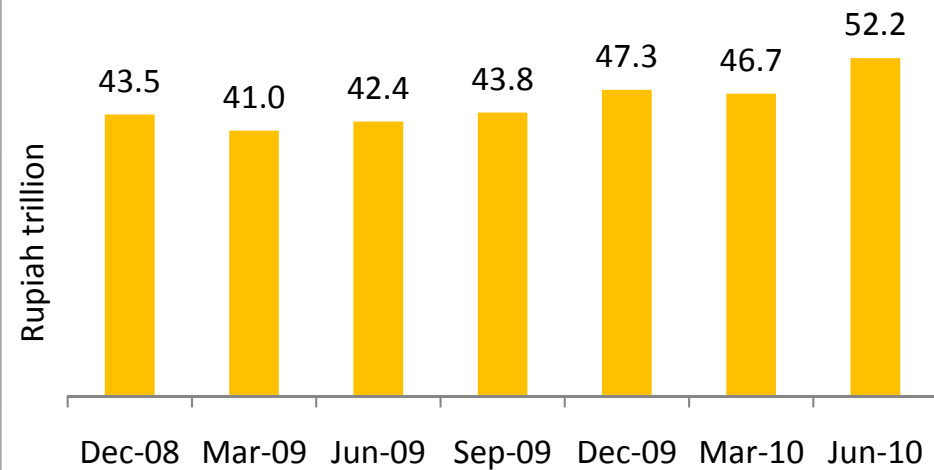
FY10



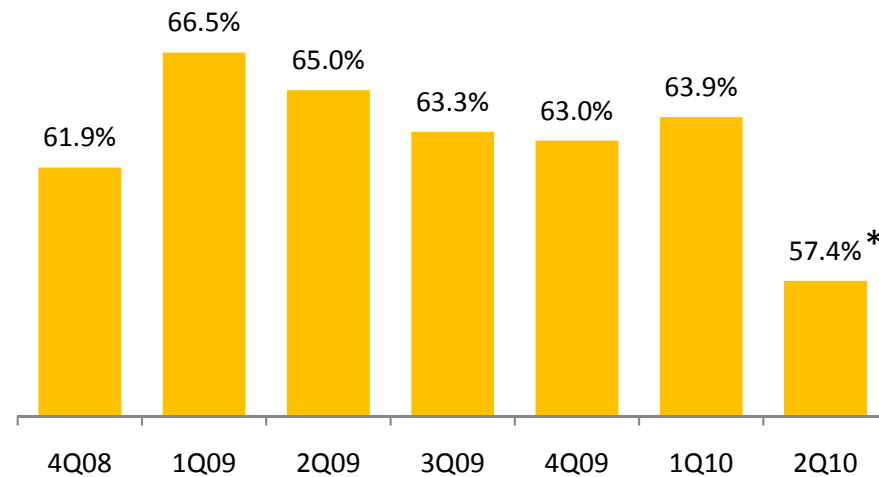
PBT turned positive



Customer Deposits



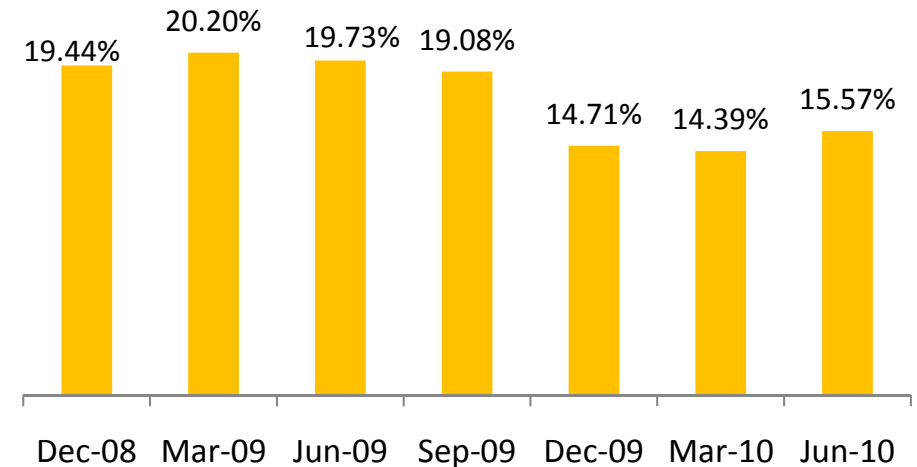
Cost to Income Ratio



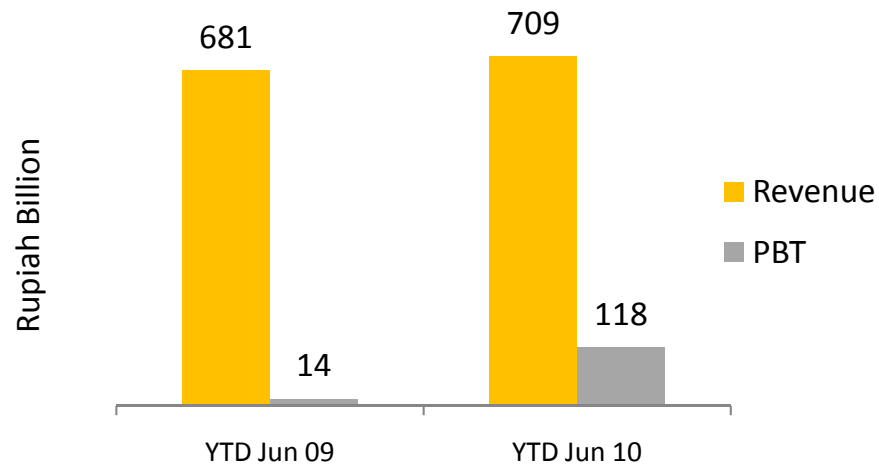
*Normalized

Local Statutory report & Local Accounting Policy
Cost to Income Ratio 2Q10 = 59.85%

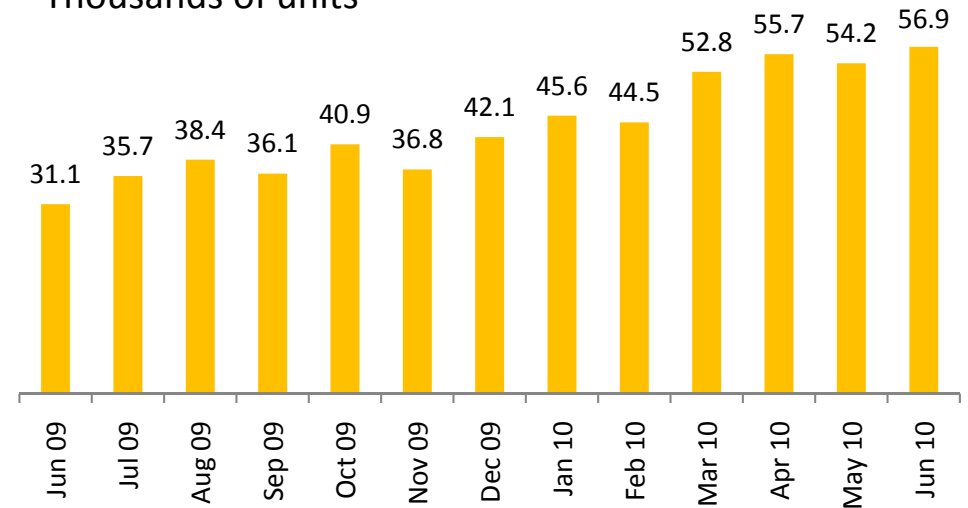
Capital Adequacy: bank only (credit & market risk)



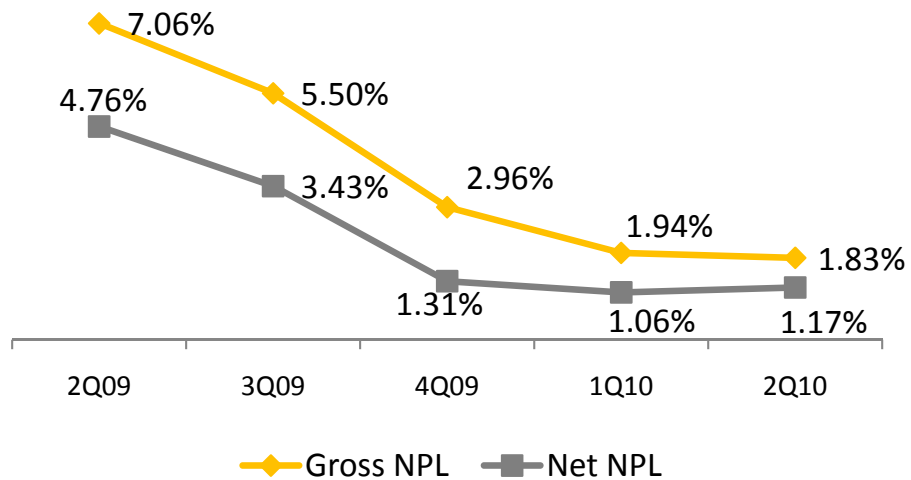
Revenue and PBT



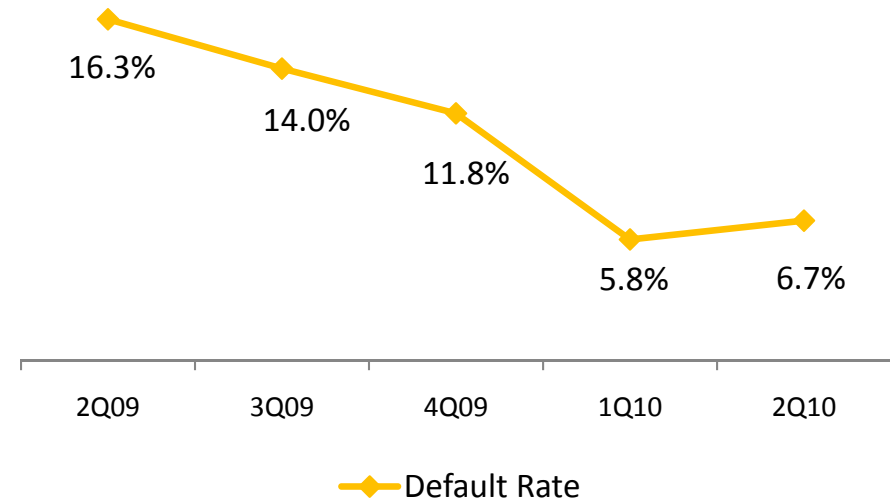
Monthly Sales Volume Thousands of units



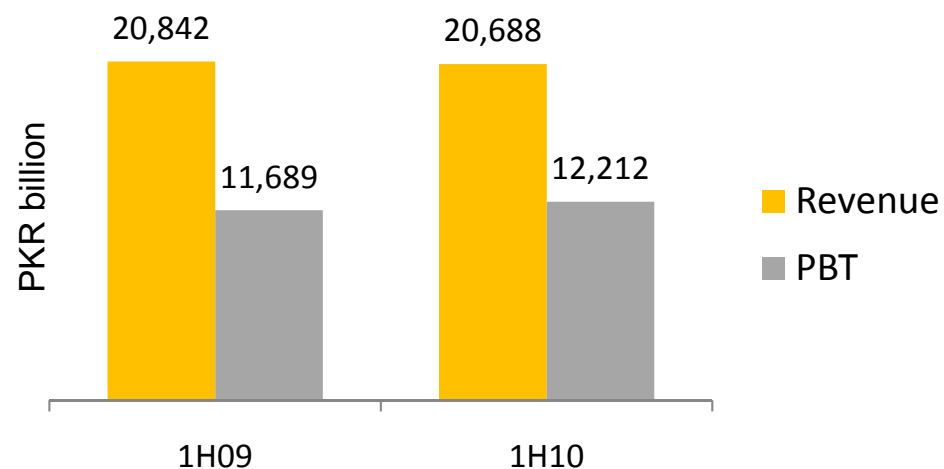
Asset Quality



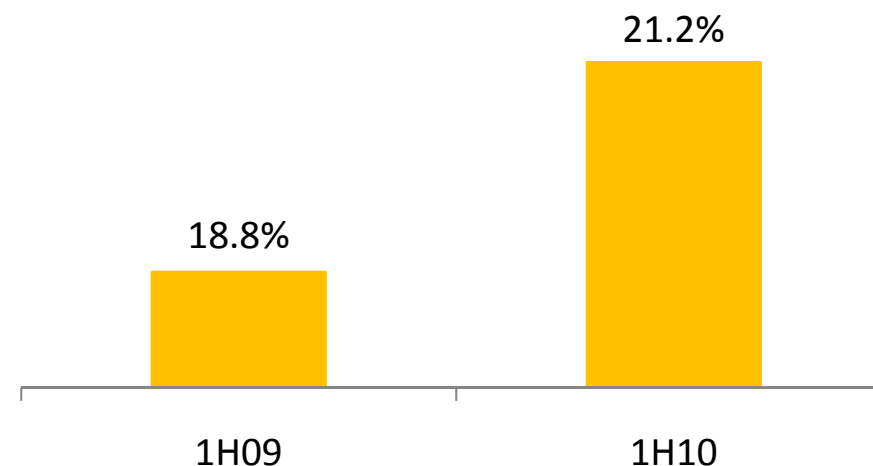
Default Rate



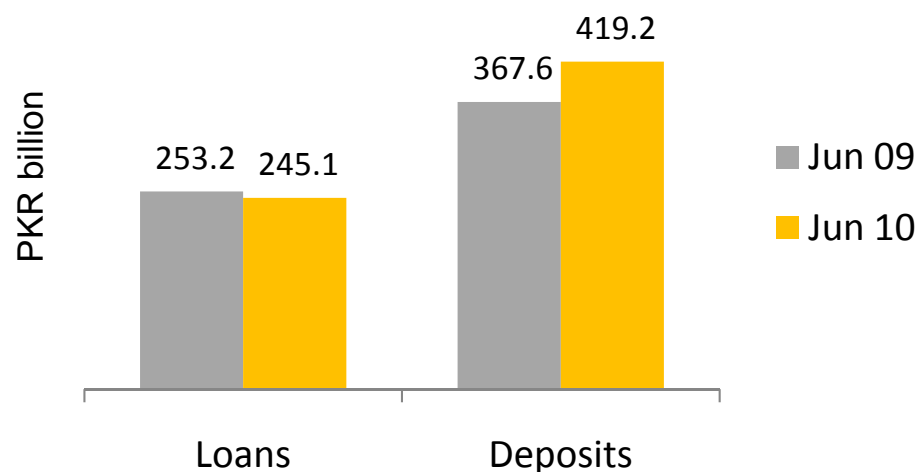
Revenue and PBT



Capital Adequacy Ratio (CAR)



Loans and Deposits



Key Ratios	1H10	1H09
ROA	3.1%	3.3%
ROE	25.3%	27.4%
Cost to Income Ratio	31.1%	25.2%
Loan-Deposit Ratio	61.9%	73.4%
NPL Ratio	9.2%	8.6%
Net Interest Margin	8.0%	8.1%
Capital Adequacy Ratio	21.2%	19.1%

Illustration of DRP Computation



From our shareholders' perspective, based on per 1,000 Maybank shares	RM
Net Dividend per 1,000 Maybank shares (33 sen)	330
- Cash Portion (3 sen)	30
- Electable Portion (30 sen)	300
Number of new Maybank shares acquired assuming shareholder elect to reinvest the entire Electable Portion in new Maybank Shares at RM7.00 per share (Assume average price is RM8.00 with 8.75% discount).	42 new Maybank shares
Total cost of 42 new shares : $42 \times \text{RM}7.00 = \text{RM}294$	294
Remaining balance to be paid in cash	6
Total cash dividend received ($\text{RM}30.00 + \text{RM}6.00$)	36

Thank You

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