Maybank

Humanising Financial Services

Investor Handout

Invest Malaysia 2019

Shangri-La Hotel, Kuala Lumpur

19-20 March 2019

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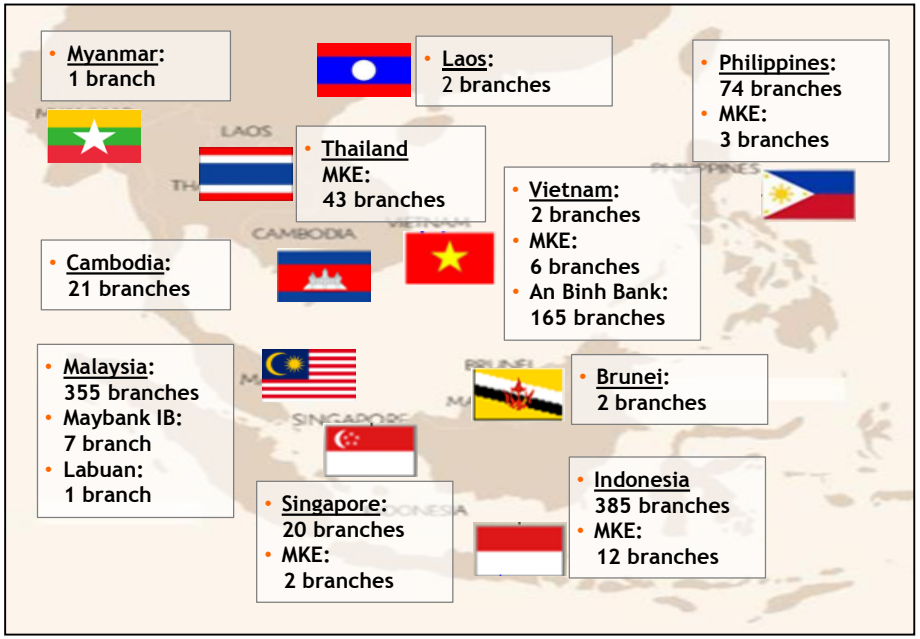
Leading Regional Financial Services Group



Leadership Position

- No. 1 bank in Malaysia: Conventional and Islamic
- Top 4 bank in ASEAN by Total Assets, Loans and Deposits
- First Malaysian bank to break into the Top 500 Global Brands list by Brand Finance
- 'Bank of the Year in Malaysia' in 2018 by The Banker
- 'Brand of the Year' for 5 consecutive years by World Branding Awards
- 'Best Digital Bank (Malaysia)' in 2018 by Global Finance
- 1st company to breach RM100 billion market capitalisation on Bursa Malaysia

Wide Branch Network

- Present in 18 countries
- 2,601 retail branches globally
- 1,101 retail and brokerage branches in 10 ASEAN countries
- In five International Financial Centres

Strong Shareholders and Credit Ratings

- 48%* owned by PNB and its funds and 12%* by EPF
- Foreign shareholding 19.4%**
- Strong credit rating, on par with Malaysia sovereign
  - S&P : A-
  - Moody's: A3
  - Fitch : A-

Note:
*As at 31st December 2018
** As at 8th March 2019

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Maybank's Presence in All Ten ASEAN Countries

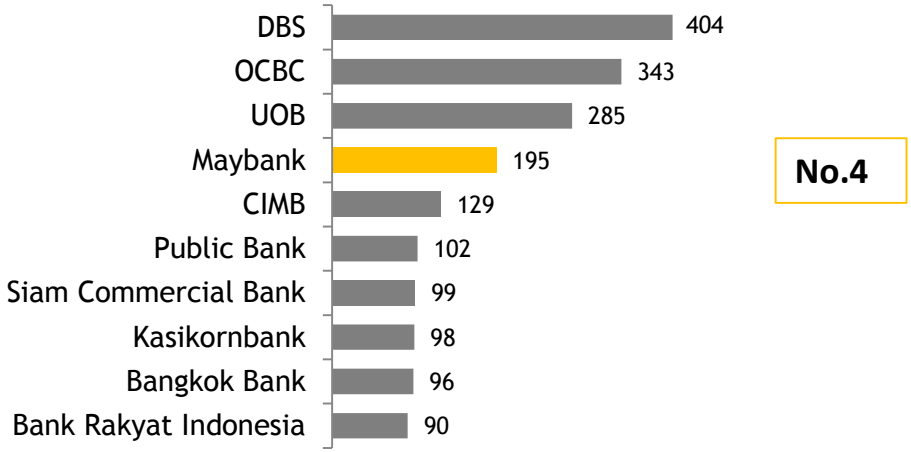
	BANK	MARKET CAP @ 28 Feb 19 (USD Bil)	TOTAL ASSETS @ 31 Dec 18 (USD Bil)	MALAYSIA	SINGAPORE	INDONESIA	THAILAND	PHILIPPINES	BRUNEI	VIETNAM	CAMBODIA	LAOS	MYANMAR
1	BCA	48.0	57.2		Affiliate/Representative Office	Universal Banking							
2	DBS	47.0	404.1	Affiliate/Representative Office	Universal Banking	Universal Banking	Investment Banking	Affiliate/Representative Office		Retail & Commercial Banking			Affiliate/Representative Office
3	OCBC	34.8	343.0	Universal Banking	Universal Banking	Universal Banking	Retail & Commercial Banking	Affiliate/Representative Office	Retail & Commercial Banking	Retail & Commercial Banking			Retail & Commercial Banking
4	UOB	30.8	284.7	Universal Banking	Universal Banking	Universal Banking	Universal Banking	Retail & Commercial Banking	Retail & Commercial Banking	Retail & Commercial Banking			Retail & Commercial Banking *
5	Maybank	25.9	195.0	Universal Banking	Universal Banking	Universal Banking	Investment Banking	Universal Banking	Retail & Commercial Banking	Universal Banking	Retail & Commercial Banking	Retail & Commercial Banking	Retail & Commercial Banking *
6	Public Bank	23.9	101.5	Universal Banking						Retail & Commercial Banking	Retail & Commercial Banking	Retail & Commercial Banking	
7	Bank Mandiri	23.5	83.3	Affiliate/Representative Office	Retail & Commercial Banking	Universal Banking							
8	SCB	14.6	98.6		Retail & Commercial Banking		Universal Banking			Retail & Commercial Banking	Retail & Commercial Banking	Retail & Commercial Banking	Affiliate/Representative Office
9	CIMB	13.8	129.2	Universal Banking	Universal Banking	Universal Banking	Universal Banking		Investment Banking	Investment Banking	Retail & Commercial Banking	Retail & Commercial Banking	Affiliate/Representative Office
10	Bangkok Bank	12.6	96.4	Retail & Commercial Banking	Retail & Commercial Banking	Retail & Commercial Banking	Universal Banking	Retail & Commercial Banking		Universal Banking	Retail & Commercial Banking	Retail & Commercial Banking	Retail & Commercial Banking *
11	BDO	10.8	57.7		Affiliate/Representative Office			Universal Banking					

Universal Banking · Retail & Commercial Banking · Investment Banking · Affiliate/Representative Office · * Wholesale Banking license only

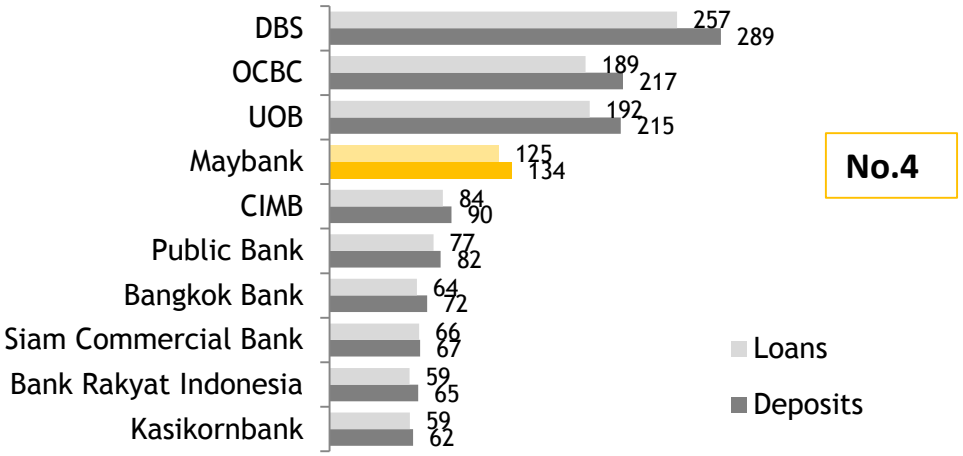
Source: Bloomberg (for market cap & total assets data)

Top 4 Financial Services Provider in ASEAN by Total Assets, Loans & Deposits

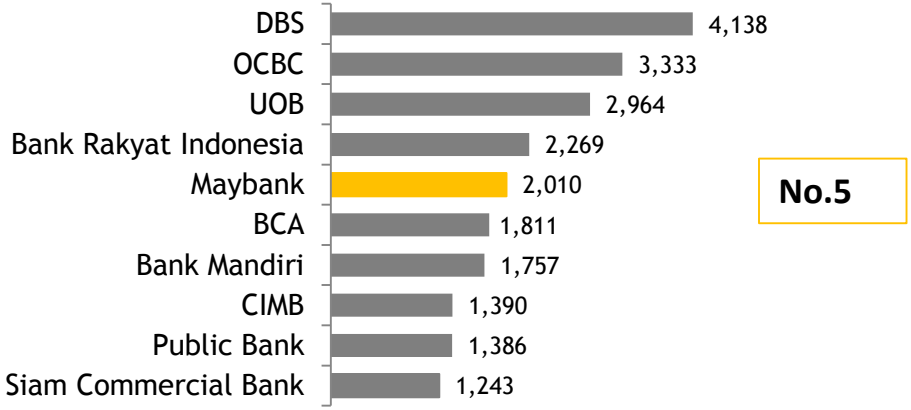
Total Assets (USD bil): 31 Dec 2018



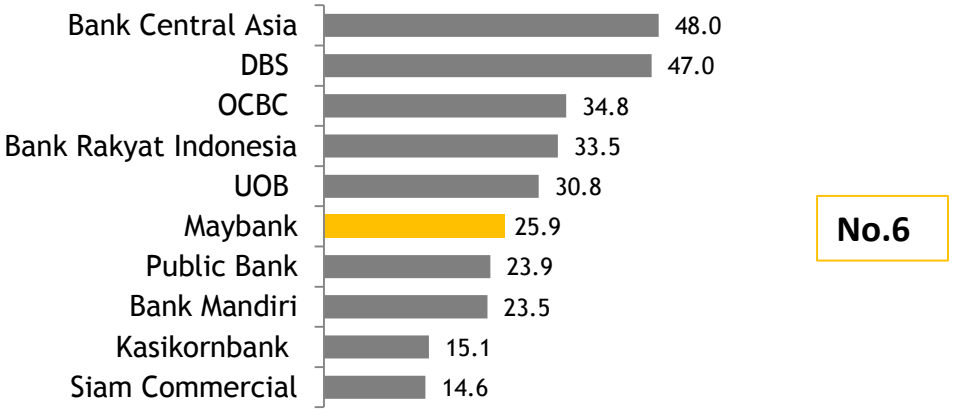
Loans and Deposits (USD bil): 31 Dec 2018



PATAMI (USD mil): 12 months ended 31 Dec 2018



Market Capitalisation (USD bil): 28 Feb 2019



Source: Bloomberg
Note: - Except for Market Capitalisation, Maybank's figures are computed based on internal exchange rate assumptions.
- The deposit balances for Maybank and CIMB are inclusive of Investment Accounts.

Maybank Group's Key Business Pillars

Business Pillars	Group Community Financial Services	Group Global Banking	Group Insurance and Takaful
	Islamic Finance leverage model utilised to distribute Islamic products across the group, while **international business operations** are embedded within each business pillar.		
% of FY18 PBT	**47.5%**	**45.7%**	**6.8%**
Description	• Group CFS serves the Consumer, Retail SME and Business Banking (commercial and SMEs) segments of the Group. • Together with the Private Wealth desks, Group CFS operates in 9 countries. • 3 Centres of Excellence (CoEs) established to drive key regional businesses across our ASEAN markets – Group Wealth Management, Regional Retail SME and Regional Cards.	• Group Global Banking covers Investment Banking (through Maybank Kim Eng), Global Markets, Corporate Banking, Transaction Banking and Asset Management. • Our geographical presence includes all 10 ASEAN countries, China as well as key financial centres of New York, London & Hong Kong. • Maybank Kim Eng (MKE) has been in ASEAN for over 40 years and is ASEAN's largest brokerage franchise which operates in 10 countries.	• Group Insurance and Takaful complements Maybank's growth internationally while leveraging on Etiqa's expertise in takaful and bancassurance. • Features a strong agency force comprising 8,100 agents, 46 branches and 17 offices, and over 490 bancassurance network (via Maybank branches and third-party banks, cooperatives and brokers) through our presence in Malaysia, Singapore, the Philippines and Indonesia. • No. 1 digital insurance player in Malaysia.

Maybank2020: Key Strategic Objectives' Achievements in FY2018

1 The Top ASEAN Community Bank

- Group Wealth Management grew 11% YoY to RM24.6 billion in investment AUM as our customer base expanded 18% to over 780,000
- The local incorporation of Maybank Singapore Limited was completed with the transfer of its Singapore Community Financial Services business on 5 November 2018

2 The Leading ASEAN Wholesale Bank Linking Asia

- 1st in Malaysia's Equity & Rights Offerings and Malaysian Ringgit Islamic Sukuk rankings
- Completed the acquisition of Amanah Mutual Berhad and Singapore Unit Trusts Limited to expand our investment management solutions

3 The Leading ASEAN Insurer

- In Malaysia, continued to be the No.1 General Insurer/General Takaful provider and Bancassurance player as well as top online insurer with over 60% market share
- In Singapore, recognised as the 'Most Innovative Finance Firm' and top digital insurer

4 The Global Leader In Islamic Finance

- Largest Islamic Bank by asset size in Malaysia for 10 consecutive years
- Recognised as the World's Best Islamic Financial Institution 2018 by Global Finance Magazine

5 The Digital Bank of Choice

- Received numerous recognitions due to our innovative digital offerings, including World's Best Digital Bank (Malaysia) 2018 by Global Finance
- First bank in Malaysia to introduce a cashless payment solution, QRPay, with over 200,000 merchants on-boarded

Becoming The Digital Bank of Choice (1/2)

Digital Achievements in 2018 -2019

Launched QRPay

A cashless payment solution using QR codes, the first by a bank in Malaysia

Reimagined Maybank2u

A complete change of user interface based on feedback from customers, offering a personalised and simplified online banking experience

Grab Partnership

Formed a strategic partnership with Grab to drive the acceptance and usage of cashless payment

Implemented E-CLEVA

A real-time video assisted claims care system for motor and fire insurance, allowing claims to be processed via video calls within 15 minutes

Launched MAE

A lifestyle-themed e-wallet, available to anyone above 12 year of age without the need to have a pre-existing Maybank account

Key Focus Areas for 2018

Improving customer experience

- The new Maybank2u website was developed to provide customers with a single view of their financial holdings with the bank.
- Standardising the user experience and interface of the Maybank Mobile App across the region.

Build the right data architecture and infrastructure

- Initiated creation of a universal data lake for the Group to effectively house and mine all data in a secure manner.
- Established an offshore development centre to access digital talents with the necessary mathematical and computing skills for data analytics.

Outlook & Priorities for 2019

- Improving in-house data management and utilisation abilities
- The governance of data mining activities to ensure that cyber defence capabilities remain robust
- Prioritise investments in infrastructure and monitoring tools on the back of heightened concerns over cyber crimes in the financial services industry and given added focus on these areas by regulators
- Continue to explore cashless payment modes that are safe, secure and convenient for customers.

Becoming The Digital Bank of Choice (2/2)

FutureReady Digital Upskilling Programme

We introduced the first phase of our FutureReady Digital Upskilling Programme in January 2018 to increase employees' digital literacy and support the Group's aspiration to be The Digital Bank of Choice

The Programme's comprehensive curricular is anchored on six key skill areas:

- Digital Awareness
- Human Centred Design
- Future Communication
- Agile
- Data Driven Decision-Making
- Risk & Governance in the Digital World

Objectives & Approaches of Upskilling

FutureReady Knowledge & Skills	FutureReady Mindset
Upskilling on six digital skill areas via: • E-Learning • Classroom programmes • Action Learning Projects	**Digital Immersion Programme** **FutureReady Labs:** • Leadership Role Modelling • Enabling Culture • Practice & Habit

We are the first bank in Malaysia to embark on a massive Digital Upskilling Programme

Strategy, Artificial Intelligence and Machine Learning

Maybank's Group leadership bench (Board of Directors and EXCO members included) invested over 500 man-days in intensive classroom learning sessions. Learned new skills such as coding and algorithms programming, and how these skills can be developed in-house.

Group Data Science Centre of Excellence Programme

To enable employees to develop their data analytics skills and data science expert areas so they may add value to their respective departments and make data-driven decision by building:

a. Systemic and conceptual thinking

b. Innovative and practical problem-solving skills

c. Strong business acumen and the ability to use analytical tools and techniques that can create value for the business

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Maybank Group FY2018 Overview

New record net profit of RM8.11 billion on the back of strong net operating income of RM23.63 billion

1

Record Net Profit of RM8.11 billion

- New **net operating income** high of RM 23.63 billion supported by **net fund based income** growth of 3.1% YoY, as Group loans expanded 4.8%
- **Overhead expenses** lower by 1.0% YoY, resulting in **PPOP** growth of 4.2% YoY
- **CIR** of 47.4% within Group guidance of ~48%, with positive JAWS position of 2.7% YoY
- Reduction in **net impairment losses** of 20.5% YoY
- **Group ROE** of 11.4%, exceeds Group guidance of ~11%

2

Asset Quality Indicators

- Lower QoQ **Group GIL ratio** of 2.41% due to slower new impaired loan formation and an increase in write-offs
- Slower YoY impaired loan formation resulted in a lower annual **net credit charge off rate** of 32 bps
- **Loan loss coverage ratio including regulatory reserve** of **93.6%** as at end Dec 2018

3

Healthy Liquidity and Capital Positions

- **Robust liquidity risk indicators** with Group LCR at 132.4%, Group LDR at 92.7%, Group LTF at 86.2% and Group LTFE at 76.1%
- **Total capital and fully loaded CET1 capital ratios** at 18.51%* and 14.51%* respectively as at 31 Dec 2018
- **Attractive dividend yield** of 6.0%, with total dividend per share of 57 sen

Note: *After proposed dividend and assumption of 85% reinvestment rate.

P&L Summary: FY2018

Record high PPOP at RM12.42 billion, up 4.2% YoY

More details on	RM million	FY2018	FY2017	YoY	4Q FY2018	3Q FY2018	QoQ	4Q FY2017	YoY
s.31	Net fund based income *	17,135.9	16,627.7	3.1%	4,474.6	4,268.2	4.8%	4,161.3	7.5%
s.15/ 16/31	Net fee based income *	6,493.8	6,610.5	(1.8)%	1,826.3	1,425.6	28.1%	1,885.6	(3.1)%
s.29/ 30	Net operating income	23,629.6	23,238.1	1.7%	6,300.9	5,693.8	10.7%	6,046.9	4.2%
s.17/ 32	Overhead expenses	(11,213.7)	(11,326.8)	(1.0)%	(3,068.4)	(2,698.8)	13.7%	(2,913.3)	5.3%
s.30	Pre-provisioning operating profit (PPOP)[1]	12,416.0	11,911.3	4.2%	3,232.5	2,995.0	7.9%	3,133.6	3.2%
	Net impairment losses	(1,612.9)	(2,027.8)	(20.5)%	(162.3)	(387.2)	(58.1)%	(239.7)	(32.3)%
	Operating profit	10,803.1	9,883.5	9.3%	3,070.1	2,607.8	17.7%	2,893.9	6.1%
s.29	Profit before taxation and zakat (PBT)	10,901.3	10,098.1	8.0%	3,095.6	2,639.5	17.3%	2,926.1	5.8%
	Net Profit [2]	8,113.3	7,520.5	7.9%	2,326.4	1,956.9	18.9%	2,132.1	9.1%
	EPS - Basic (sen)	74.2	72.0	3.0%	21.1	17.9	17.5%	19.9	5.6%

Note:

* From consolidated Group numbers, Insurance and Takaful accounts for 6.6% of net fund based income and 7.0% of net fee-based income

[1] Pre-provisioning operating profit (PPOP) is equivalent to operating profit before impairment losses

[2] Net Profit is equivalent to profit attributable to equity holders of the Bank

Net Fund Based Income: FY2018 (1/3)

Loans growth across home markets and segments supported by selective deposit growth

Gross Loans (YoY)

Community Financial Services | Global Banking

	Group	Malaysia	Singapore	Indonesia
	▲ +4.8% (Reported) ▲ +5.0% (Normalised)	▲ +4.8%	▲ +4.5%	▲ +7.0%
Dec 17	493.8	285.5 (81.9 / 203.7)	40.6 (18.5 / 22.1)	129.2 (32.5 / 96.4)
Dec 18	517.3	299.2 (83.3 / 216.0)	42.4 (19.7 / 22.6)	138.3 (34.7 / 103.3)
Change		+1.7%; +6.0%	+6.7%; +2.6%	+6.8%; +7.2%
Unit	RM billion	RM billion	SGD billion	IDR trillion

Group Deposits (YoY)

CASA | FD | Others

	Group	Malaysia	Singapore	Indonesia
	▲ +5.6% (Reported) ▲ +5.9% (Normalised)	▲ +8.2%	0.0%	▼ (3.7)%
Dec 17	526.6 (51.9 / 278.3 / 196.4)	317.8 (51.9 / 138.1 / 127.8)	46.2 (31.6 / 14.6)	121.5 (73.1 / 48.4)
Dec 18	556.3 (84.8 / 271.5 / 199.9)	343.8 (84.8 / 125.8 / 133.1)	46.2 (31.5 / 14.7)	117.0 (72.7 / 44.3)
Change	+63.6%; (2.5)%; +1.8%	+63.6%; (8.8)%; +4.2%	(0.2)%; +0.3%	(0.6)%; (8.4)%
Unit	RM billion	RM billion	SGD billion	IDR trillion
CASA Ratio	37.3% / 35.9%	40.2% / 38.7%	31.6% / 31.7%	39.8% / 37.9%

Note:
- Industry loans growth for Malaysia is 5.6%, Singapore is 5.3% and Indonesia is 11.8%
- CASA ratio for Group and Malaysia includes investment accounts
- Refer to pages 34-36 for detailed information on loans and deposits growth by country and products.

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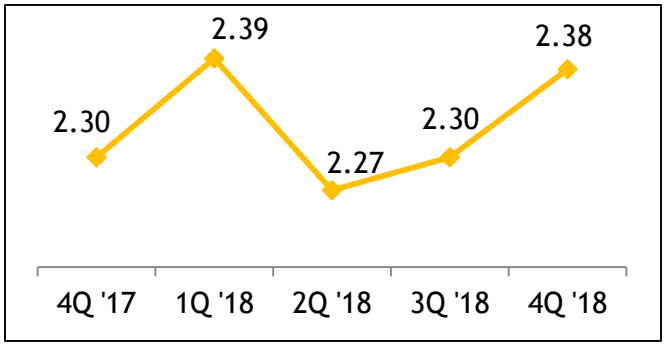
Net Fund Based Income: FY2018 (2/3)

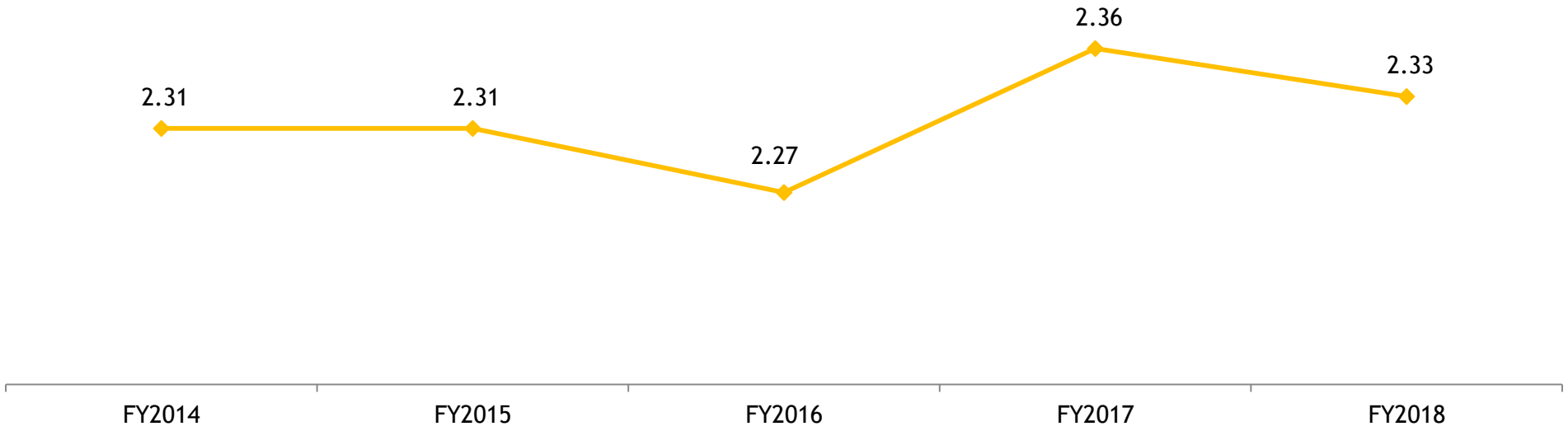
Marginal NIM compression of 3 bps due to Group's liquidity drive in 1H FY2018

Net Interest Margin (%)

QoQ Trend



5 Year Trend



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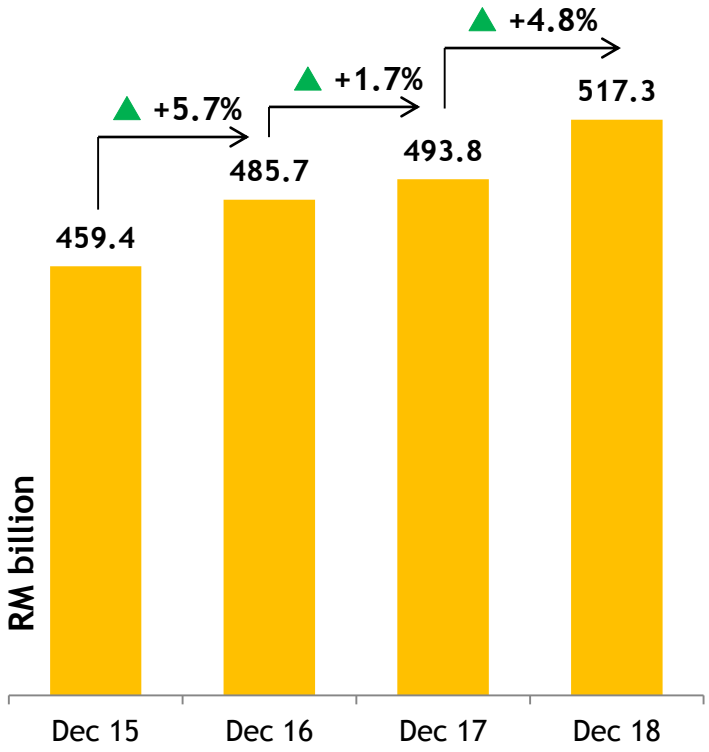
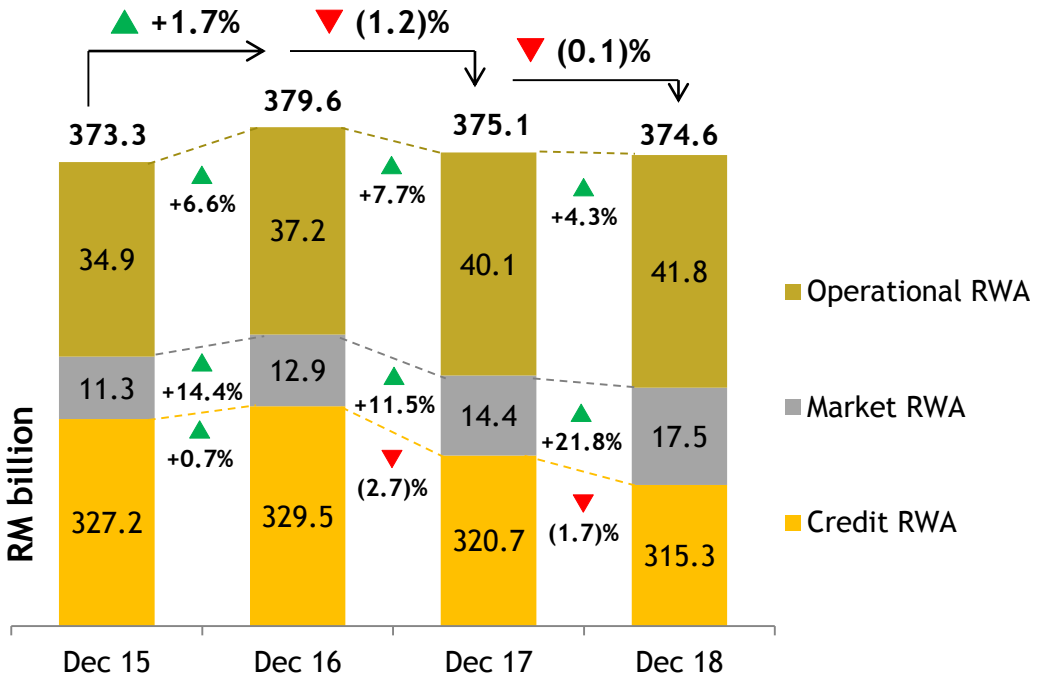
Net Fund Based Income: FY2018 (3/3)

Continued credit RWA optimisation on the back of selective loan growth

Group Gross Loans



Total Group RWA



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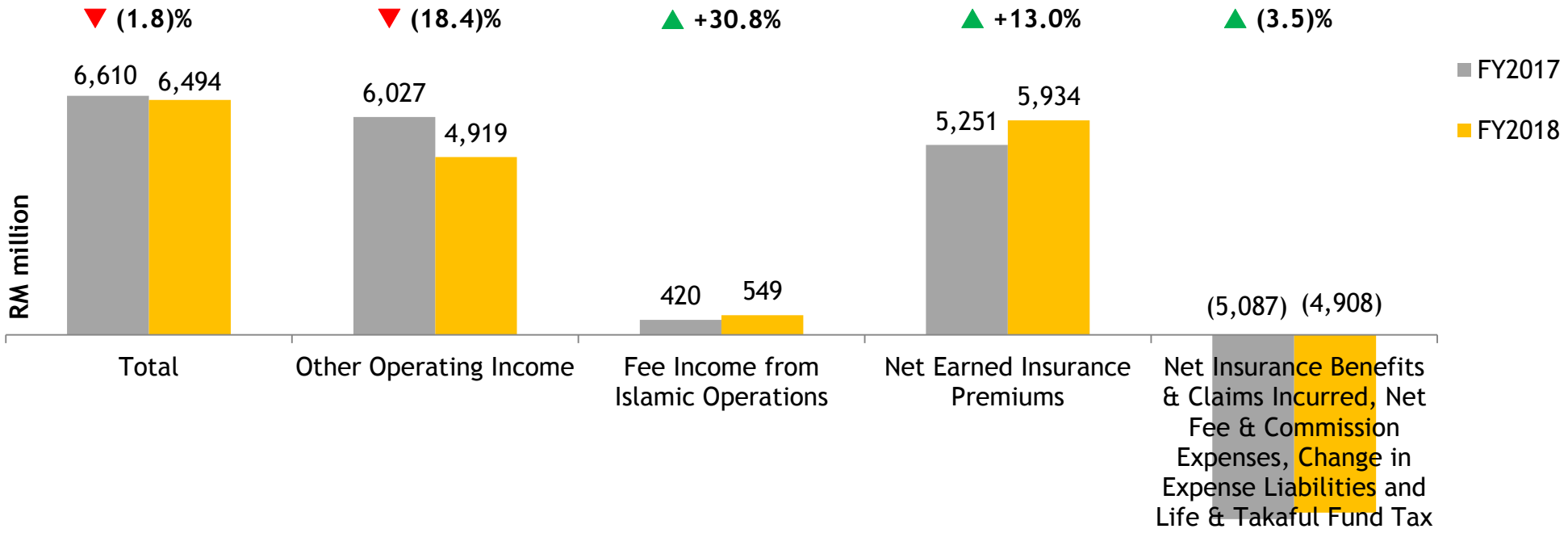
Net Fee Based Income: YoY

Lower net fee based income as a result of weaker equity market

RM million	FY2017	FY2018	YoY
Commission, service charges and fees	3,564	3,358	▼ (5.8)%
Investment & Trading Income	1,057	(318)	▼ (>100)%
Unrealised gain/(losses) on financial assets and investments	143	(228)	▼ (>100)%
Derivatives and financial liabilities	294	930	▲ >100%
- Unrealised gain/(losses) on derivatives	(125)	(149)	▼ 18.6%
- Realised gain/(losses) on derivatives	399	369	▼ (7.4)%
- Unrealised gain/(losses) on financial liabilities	21	710	▲ >100%
Foreign Exchange Profit	559	842	▲ 50.7%
Other Income	411	334	▼ (18.6)%



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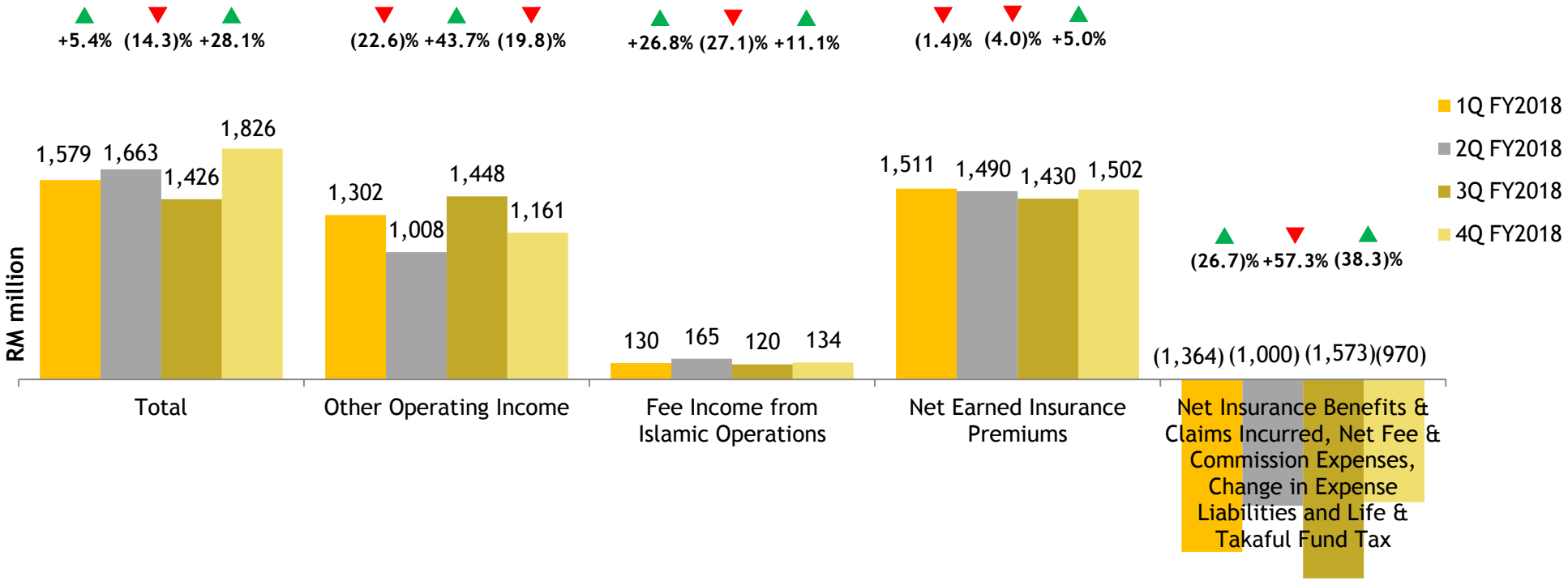
Net Fee Based Income: QoQ

Higher QoQ net fee based income due to lower contractual liabilities for insurance business

RM million	1Q FY2018	2Q FY2018	3Q FY2018	4Q FY2018	QoQ
Commission, service charges and fees	836	857	883	782	▼ (11.4)%
Investment & Trading Income	109	(24)	(68)	(335)	▼ >100%
Unrealised gain/(losses) on financial assets and investments	(135)	(385)	310	(18)	▼ (>100)%
Derivatives and financial liabilities	216	229	87	398	▲ >100%
Foreign Exchange Profit	131	268	199	245	▲ 23.0%
Other Income	144	64	37	89	▲ >100%



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Overheads: FY2018

Group CIR of 47.4% within Group's guidance of ~48%, on disciplined cost management

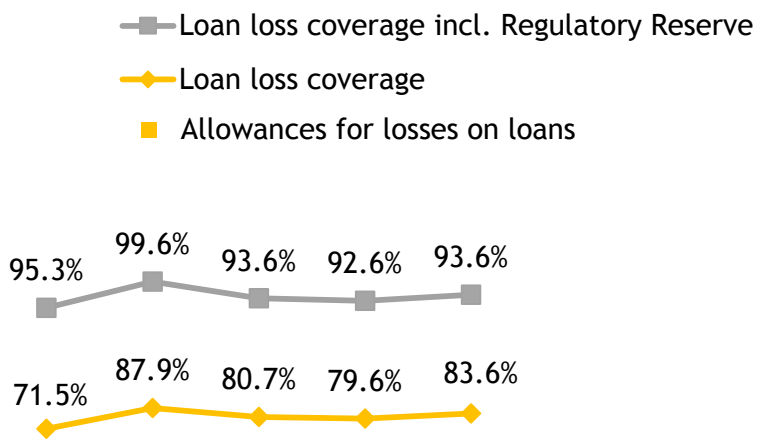
RM million	FY2018	FY2017	YoY	4Q FY2018	3Q FY2018	QoQ	4Q FY2017	YoY
Personnel Costs	6,449.5	6,128.0	5.2%	1,751.0	1,557.2	12.4%	1,556.5	12.5%
Establishment Costs	1,813.1	1,980.9	(8.5)%	491.8	447.9	9.8%	559.4	(12.1)%
Marketing Expenses	542.8	515.1	5.4%	143.2	134.3	6.6%	153.3	(6.6)%
Administration & General Expenses	2,408.2	2,702.8	(10.9)%	682.4	559.4	22.0%	644.0	6.0%
Total	**11,213.7**	**11,326.8**	(1.0)%	**3,068.4**	**2,698.8**	**13.7%**	**2,913.3**	**5.3%**
Group Cost to Income [1] (%)	47.4%	48.6%	(1.2)%	48.7%	47.3%	1.4%	48.1%	0.6%
Group JAWS Position			**2.7%**			**(3.0)%**		**(1.1)%**

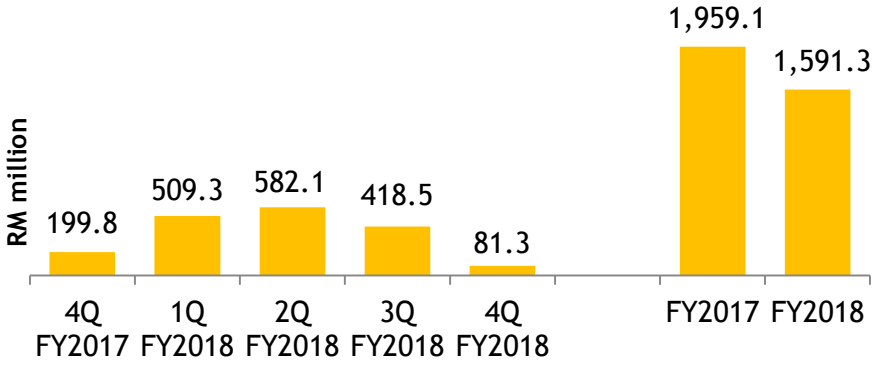
Note:
[1] Total cost excludes amortisation of intangible assets for Maybank Indonesia and Maybank Kim Eng

Asset Quality

Moderating Group GIL ratio of 2.41% QoQ due to better asset quality trends across home markets

Allowances for losses on loans

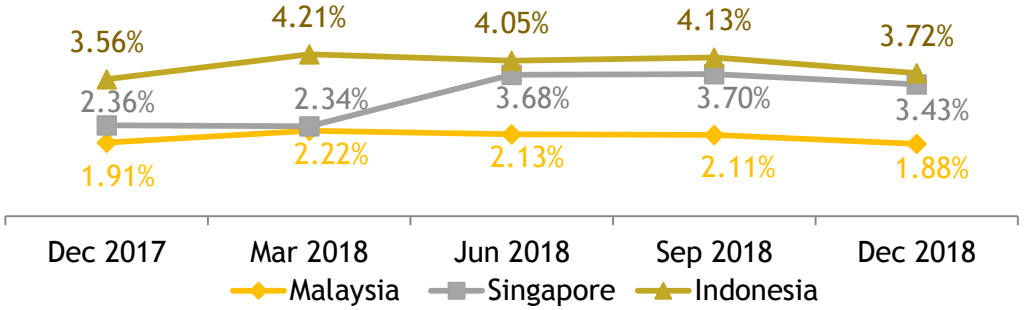




Group Gross Impaired Loans (GIL) Ratio Composition

GIL Ratio Components	Dec 2018	Sep 2018	Jun 2018	Mar 2018	Dec 2017
Non Performing Loans (NPL)	1.74%	1.90%	1.81%	1.87%	1.80%
Restructured & Rescheduled (R&R)	0.12%	0.16%	0.22%	0.26%	0.27%
Performing Loans Impaired Due to Judgmental/ Obligatory Triggers (IPL)	0.55%	0.59%	0.61%	0.24%	0.27%
GIL Ratio	**2.41%**	**2.65%**	**2.64%**	**2.37%**	**2.34%**

GIL Ratio by Home Markets



Note:

[1] Loan loss coverage for 1Q FY2018 onwards include ECL for loans at FVOCI as per Note A11(xii) of the Group's Financial Statements

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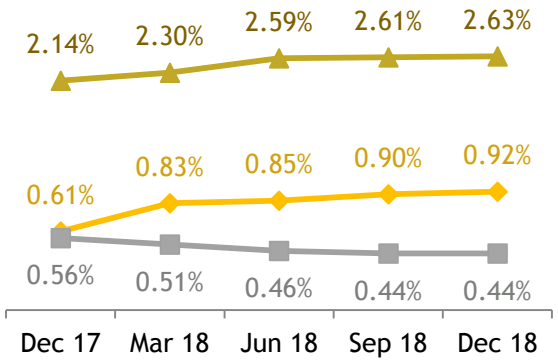
Asset Quality by Line of Business

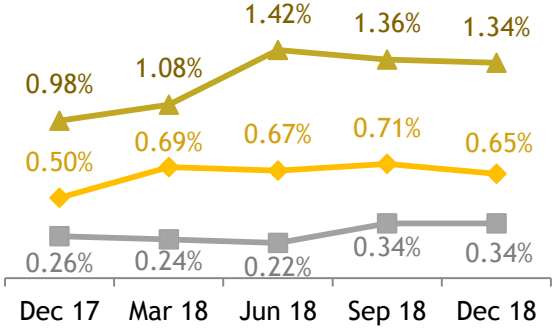
Improved quarterly trends across business segments, while consumer lines relatively stable

Consumer

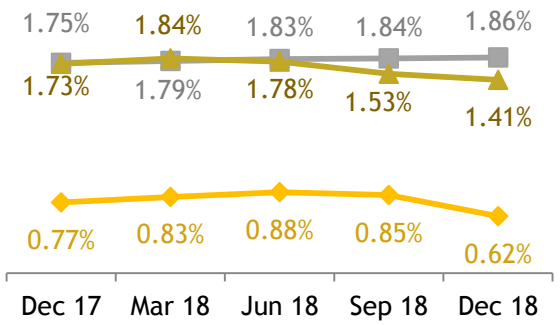
Mortgage



Auto Finance

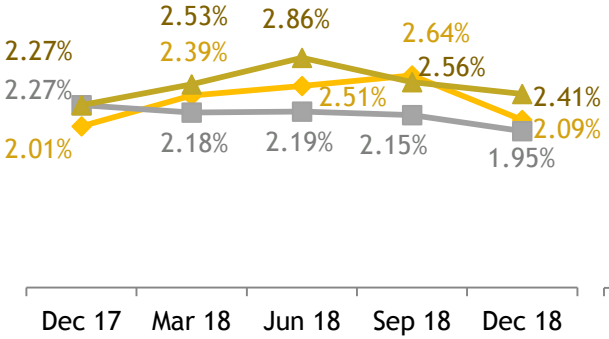


Credit Cards

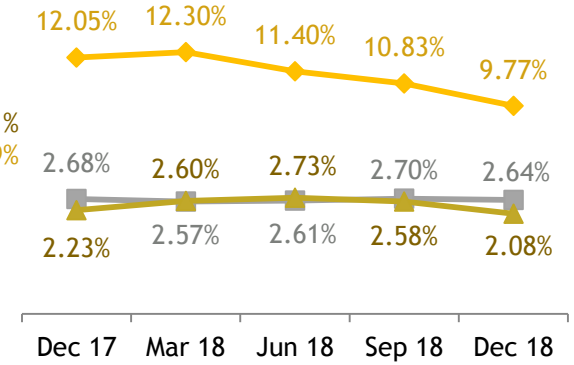


Business

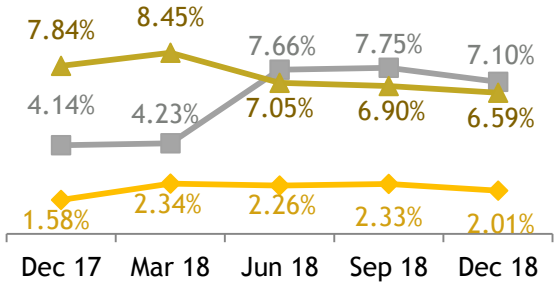
Retail SME



Business Banking



Corporate Banking



Malaysia Singapore Indonesia

Note:

- In Malaysia, industry GIL ratio for mortgage (purchase of residential property) is 1.1%, 0.9% for auto finance, and 0.9% for credit cards.
- In Singapore, industry GIL figure is only available for mortgage, which was 0.4% as at December 2018.
- In Indonesia, Business Banking includes Commercial, SME and Micro loans. Maybank Indonesia's GIL ratios are mapped in accordance to its local regulatory reporting requirements and does not include R&R.

Maybank

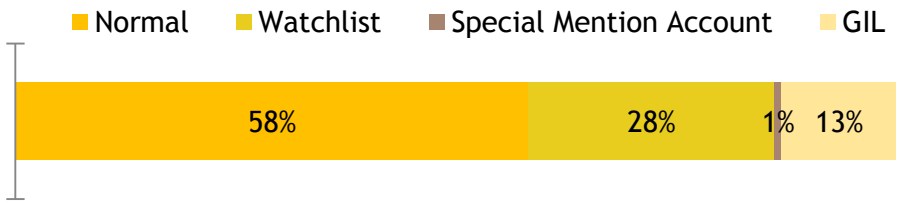
Exposure to Oil & Gas and Real Estate Sectors: 31 December 2018

Group Exposure to Direct & Indirect Oil & Gas Borrowers

Maybank Group	Malaysia	Singapore	Indonesia	Others
3.57%	2.04%	1.21%	0.11%	0.21%

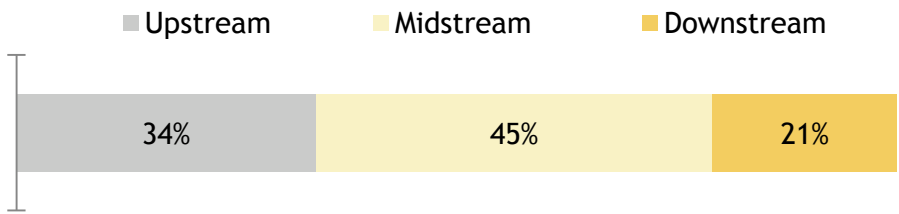
Note:
- Funded-only exposure is **2.85%** for Group

Borrowers' Status:



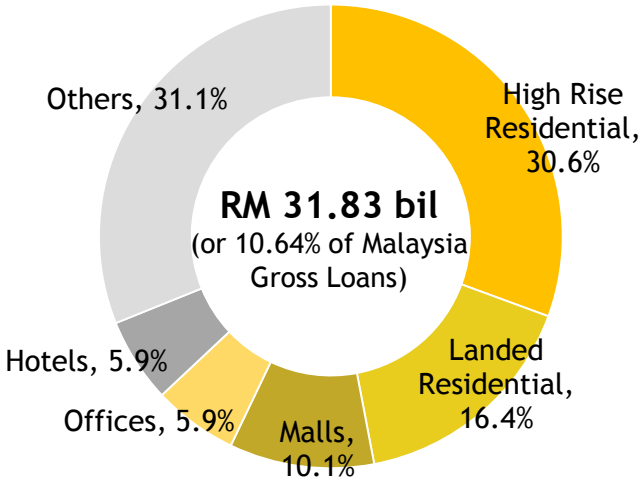
Of GIL breakdown:
- 87% is from midstream

Segmental Exposure:



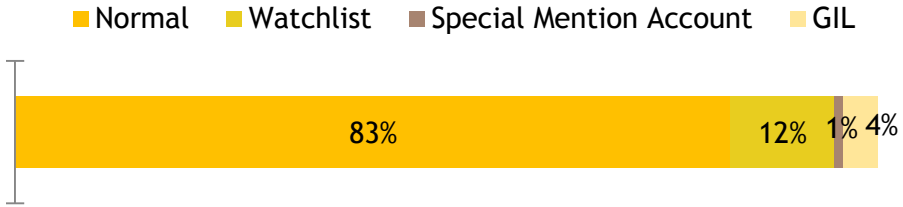
Note:
- Midstream refers to the transportation (i.e. pipeline, barge, oil tanker or truck), storage and wholesale marketing services of crude or refined petroleum products.

Real Estate Exposure to Non-Retail Malaysian Borrowers



Note:
- Funded-only exposure is **9.89%**

Borrowers' Status:



Of Watchlist breakdown:
- 37% is from high rise residential
- 27% is from combined exposure to malls, hotels and offices

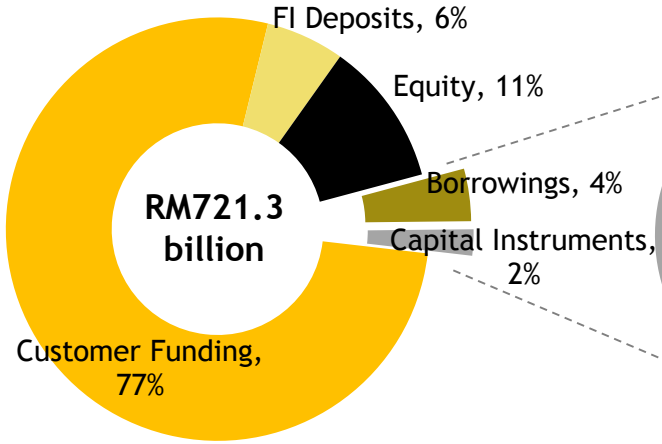
Of GIL breakdown:
- 58% is from combined exposure to malls and hotels
- 7% is from high rise residential

Maybank

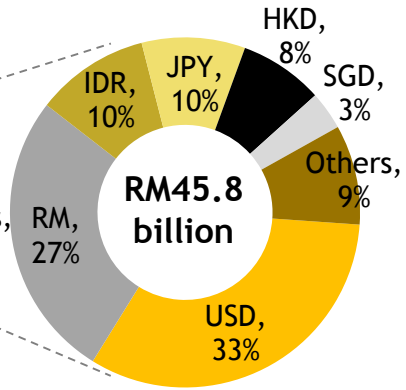
Liquidity Management: 31 December 2018

Maintained strong Group liquidity risk indicators

Funding Breakdown

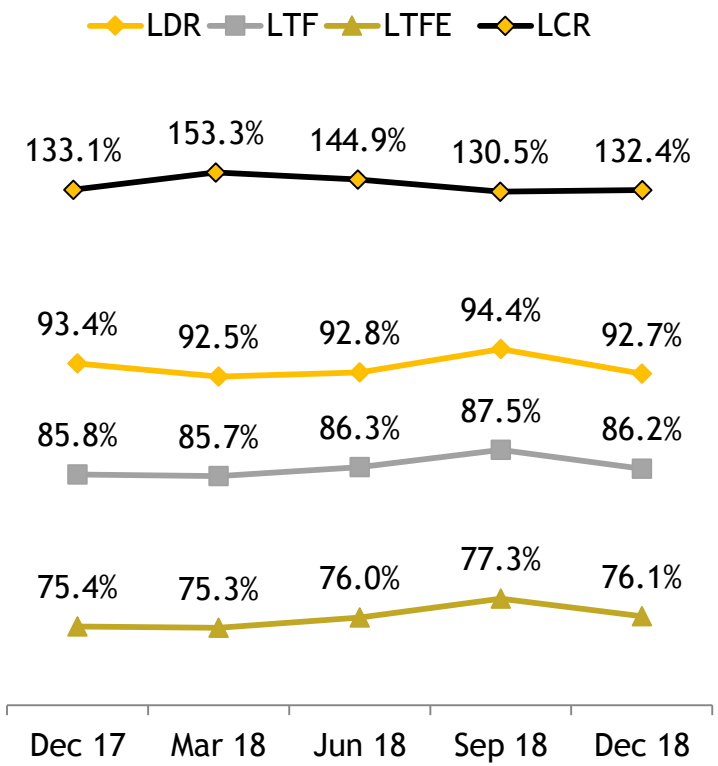


Borrowings and Capital Instruments by Currency



By maturity:	
≤ 1 Year	27%
> 1 Year	73%

Liquidity Risk Indicators



Note: 1) BNM's minimum LCR requirement for 2018 is 90%
2) LTF is gross loans divided by (deposits + borrowings + subdebt) while LTFE's denominator is (deposits + borrowings + subdebt + equity + capital securities)
3) LDR, LTF & LTFE excludes loans to banks and FIs

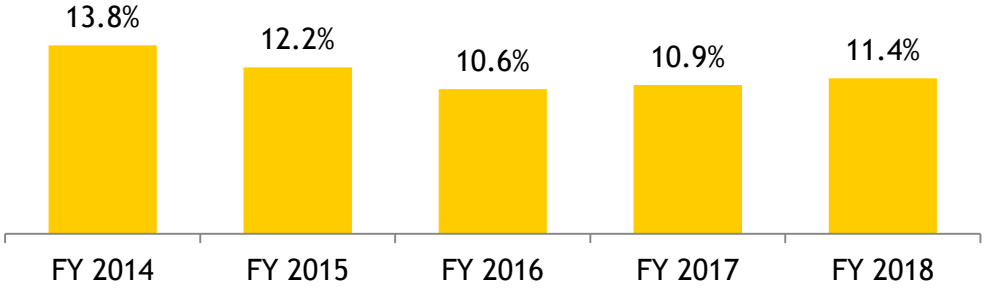
Note:
- Customer Funding comprises Deposits from Customers & Investment Accounts of Customers.

Maybank

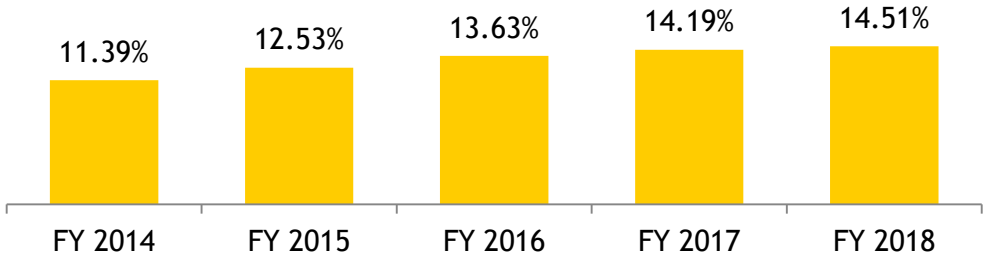
ROE and Capital Positions: 31 December 2018

Total capital ratio of 18.51% and CET1 capital ratio of 14.51% (assuming 85% dividend reinvestment rate)

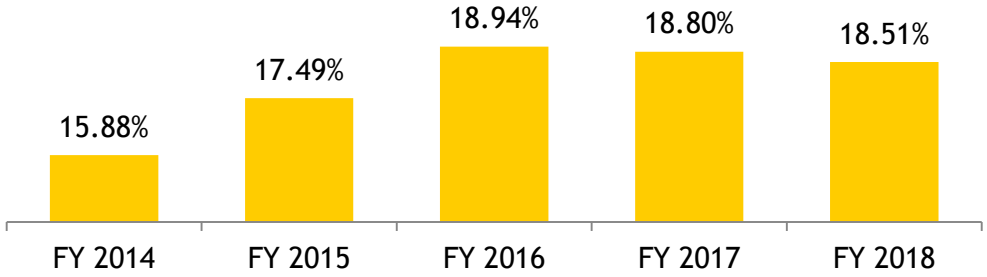
Return on Equity



Common Equity Tier 1 (CET1) Ratio



Total Capital Ratio



Note: CET1 Ratios are based on 85% assumption rate for DRP

Regulatory Requirements

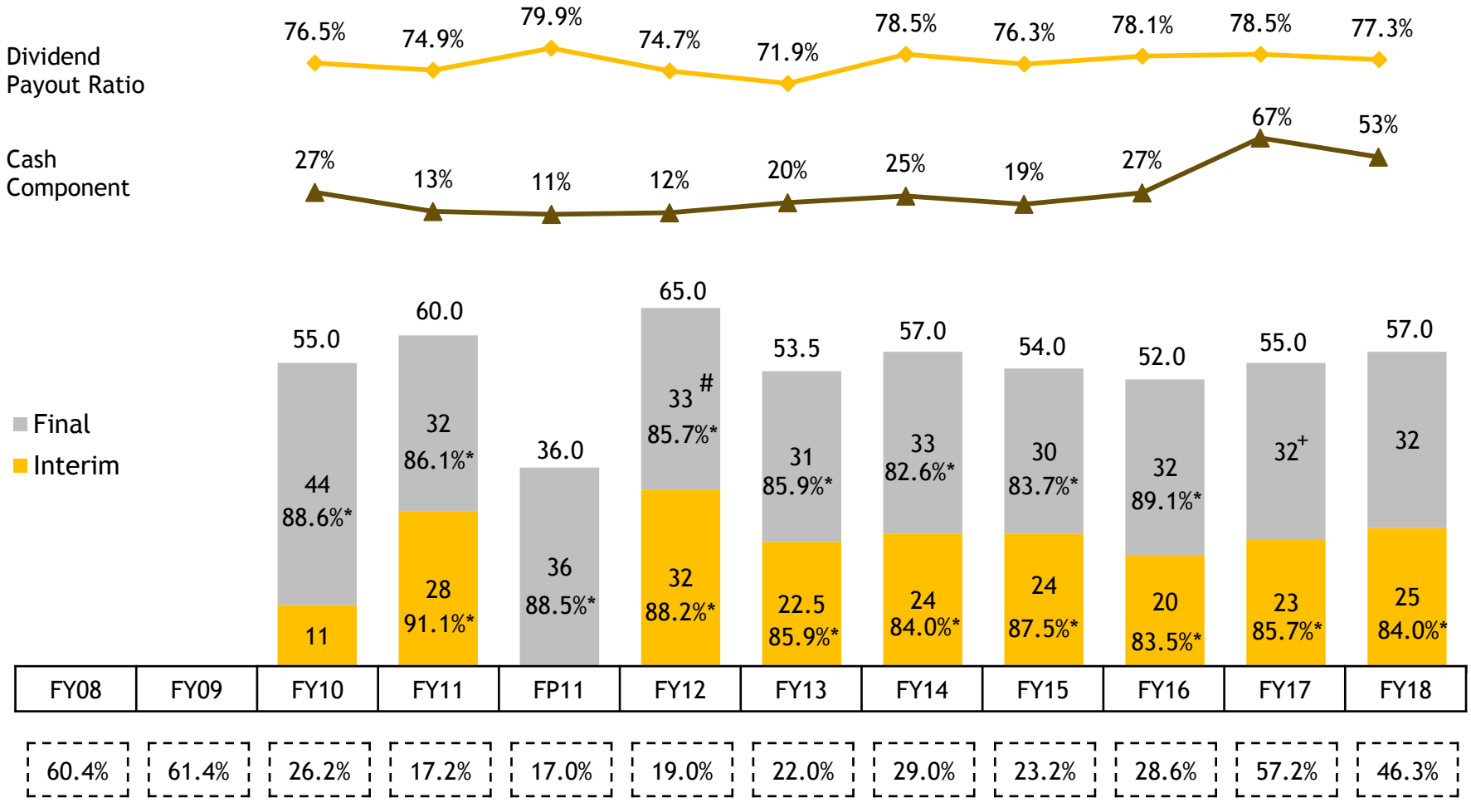
	2018	Jan 2019 Onwards
Minimum Common Equity Tier 1 Capital	4.5%	4.5%
Minimum Tier 1 Capital	6.0%	6.0%
Minimum Total Capital	8.0%	8.0%
Capital Conservation Buffer (Phase in)	1.875%	2.500%
Other Capital Buffers		
D-SIB Buffer	To be determined	
Countercyclical Capital buffer	0% - 2.5%	

Maybank

Dividend: FY2018

Single-tier final dividend of 32 sen consisting of 15 sen cash portion and 17 sen electable portion

Dividend (sen), Payout Ratio (%) and Cash Component (%)



Note:

* Actual Reinvestment Rate for Dividend Reinvestment Plan. The reinvestment rate for Final Dividend FY2018 is pending the execution of the 18th DRP.

• Effective payout for final dividend FY2018 is assuming a reinvestment rate of 85%

\+ The Final Dividend for FY2017 was paid fully in cash.

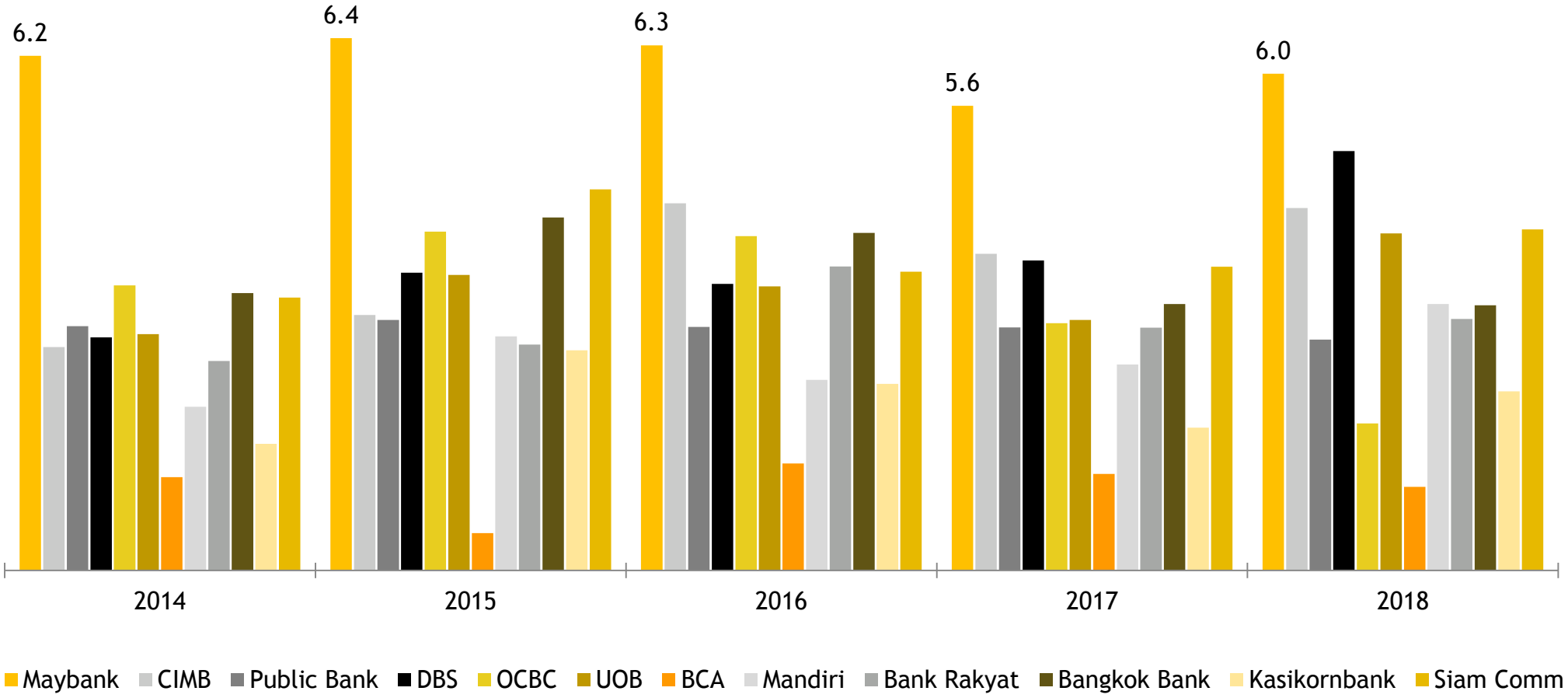
\# The Net Dividend is 28.5 sen of which 15 sen is single-tier dividend. Maybank adopted the single-tier dividend regime with effect from FY2012

Maybank

Superior Dividend Yield

Maybank continues to provide one of the best dividend yields among regional banks

Annual Dividend Yield (%) 2014-2018



Source: Bloomberg

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Market Outlook

FY2019 Industry outlook for our home markets

	Key Indicators	Industry Outlook
Malaysia	• GDP: 4.9% (2019F) vs 4.7% (2018) • System loan: 5.1% (2019F) vs 5.6% (2018) • OPR: 3.25% (2019F) vs 3.25% (2018) • USD/MYR average: 4.10 (2019F) vs 4.04 (2018) • Inflation: 1.5% (2019F) vs 1.0% (2018)	• Stable economic growth driven by growth in mining and agriculture sectors, private investments and positive net external demand • Potential deposit competition could place pressure on net interest margins (NIMs)
Singapore	• GDP: 1.8% (2019F) vs 3.2% (2018) • System loan: 3.7% (2019F) vs 5.3% (2018) • 3M SIBOR: 2.20% (2019F) vs 1.89% (2018) • USD/SGD average: 1.35 (2019F) vs 1.36 (2018) • Inflation: 1.2% (2019F) vs 0.4% (2018)	• Economic growth could be affected by reduced pace of expansion in China and EU, and effects from the US-China trade war • Potentially slower loans growth arising from cautious business sentiment • Rising rates could provide NIM upside
Indonesia	• GDP: 5.1% (2019F) vs 5.2% (2018) • System loan: 10.5% (2019F) vs 11.8% (2018) • Reference Rate: 6.50% (2019F) vs 6.00% (2018) • USD/IDR average: 14,301 (2019F) vs 14,267 (2018) • Inflation average: 3.4% (2019F) vs 3.2% (2018)	• Economic growth to be supported by consumption boosted by a minimum wage increase and stable inflation rate • Potentially lower domestic and foreign direct investments due to parliamentary and presidential election in 1H 2019

Maybank Performance Outlook

Group guidance for FY2019

1 Income Growth

- Expand revenue streams through cross business collaborations
- Measured balance sheet expansion in line with economic growth of home markets and Group's conservative risk posture
- Group ROE guidance of ~11.0%

2 Better Productivity

- Driving positive JAWs across business segments
- Managed Group cost growth with CIR ~47%
- Continued emphasis on employee up-skilling for digital economy

3 Asset Quality Management

- Disciplined asset quality management and maintain ongoing recovery efforts

4 Liquidity and Capital Management

- Maintain stable liquidity risk indicators ahead of NSFR adoption in 2020
- Maintain robust capital positions, while rewarding shareholders with strong effective cash dividend payout

5 Digitalisation

- Conservative investment spend focused on improving customer experience with rollout of product/services
- Enhancing data driven analytics

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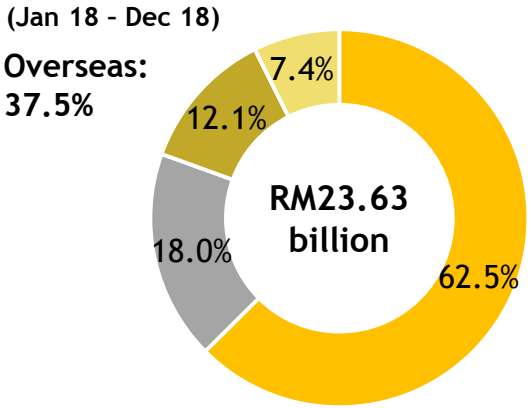
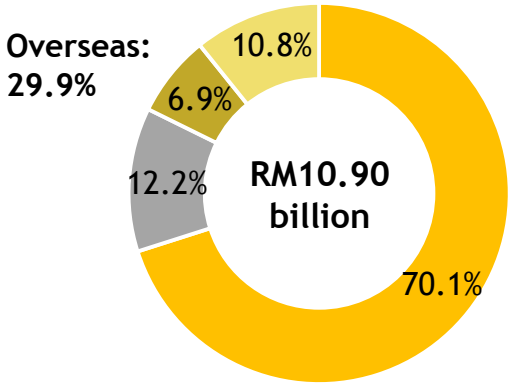
International & Malaysia Portfolio Mix FY2018

Net Operating Income

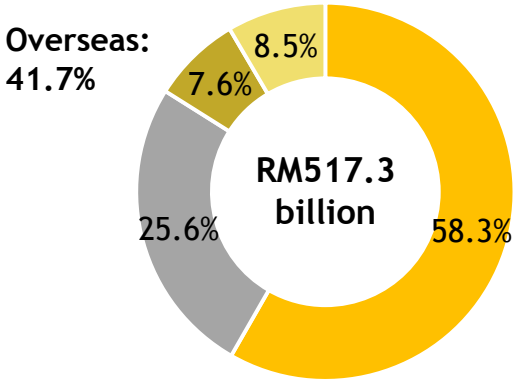
FY2018
(Jan 18 - Dec 18)



Profit Before Tax

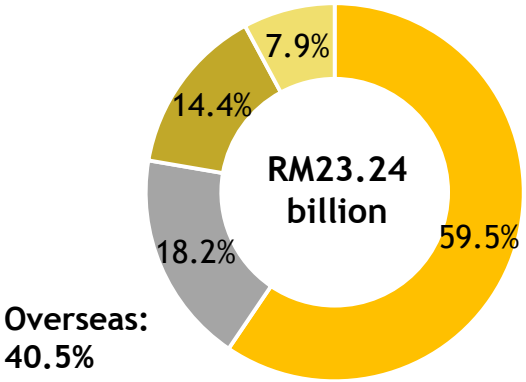


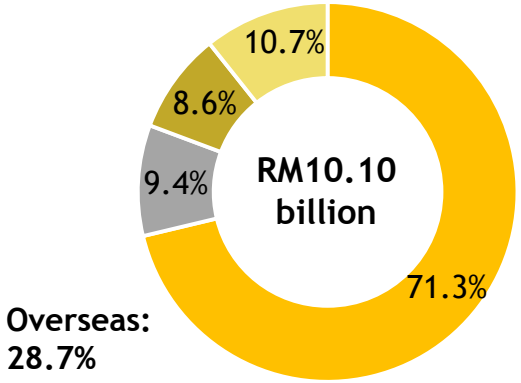
Gross loans*

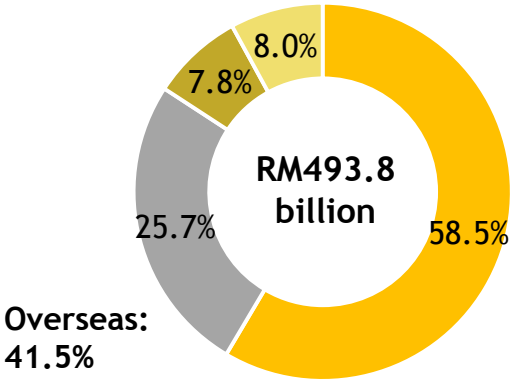


Malaysia Singapore Indonesia Others

FY2017
(Jan 17 - Dec 17)



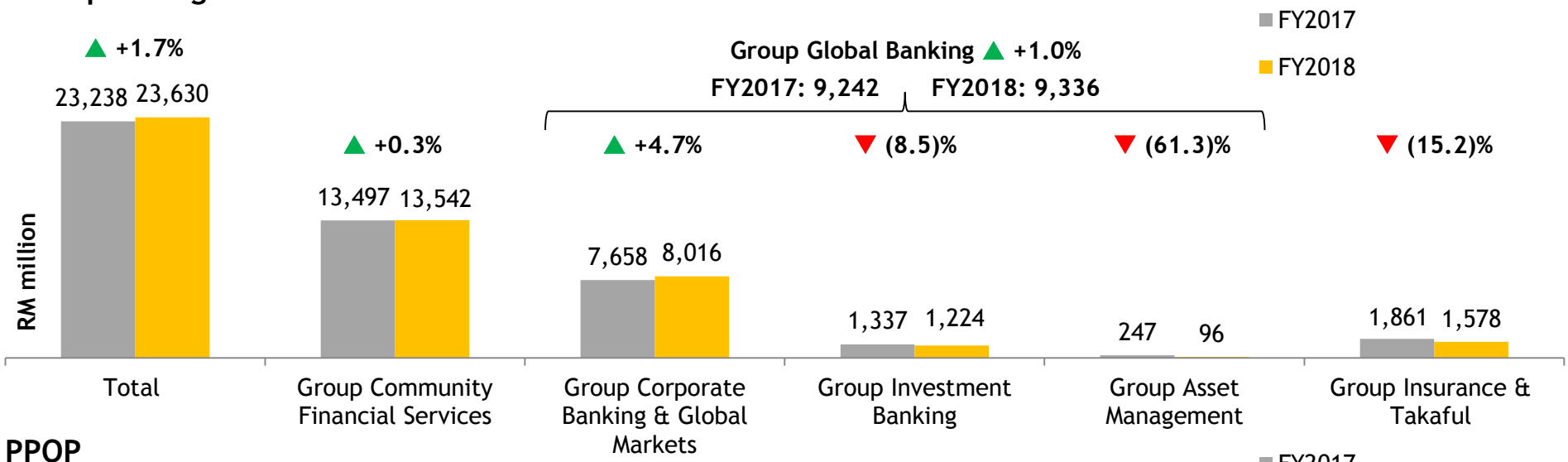




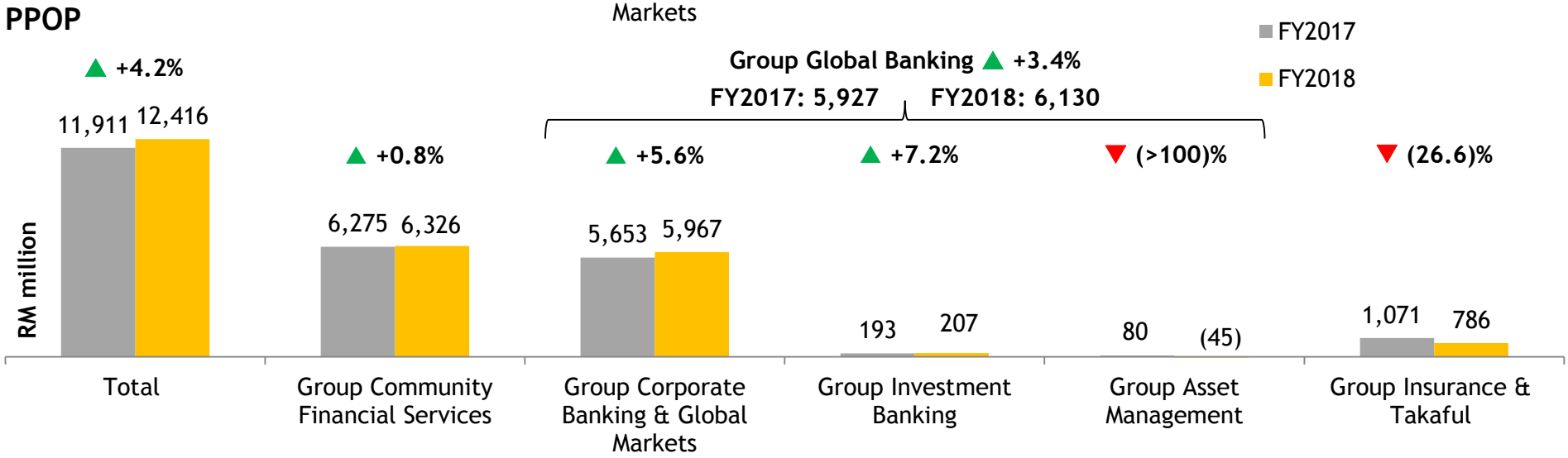
Note:
* Including Islamic loans sold to Cagamas and excludes unwinding of interest

Segmental Performance of Businesses: FY2018 (1/2)

Net Operating Income



PPOP

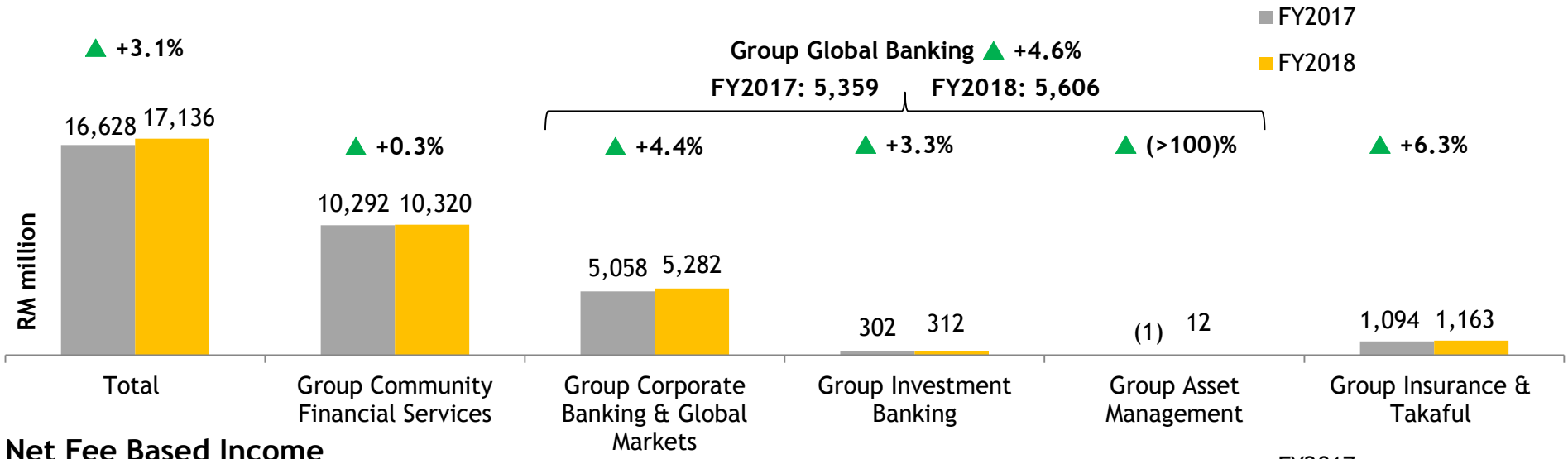


Note:
Net income & PPOP for group includes expenditures of "Head Office & Others" of RM1.36 billion for FY2017 and RM826.2 million for FY2018.

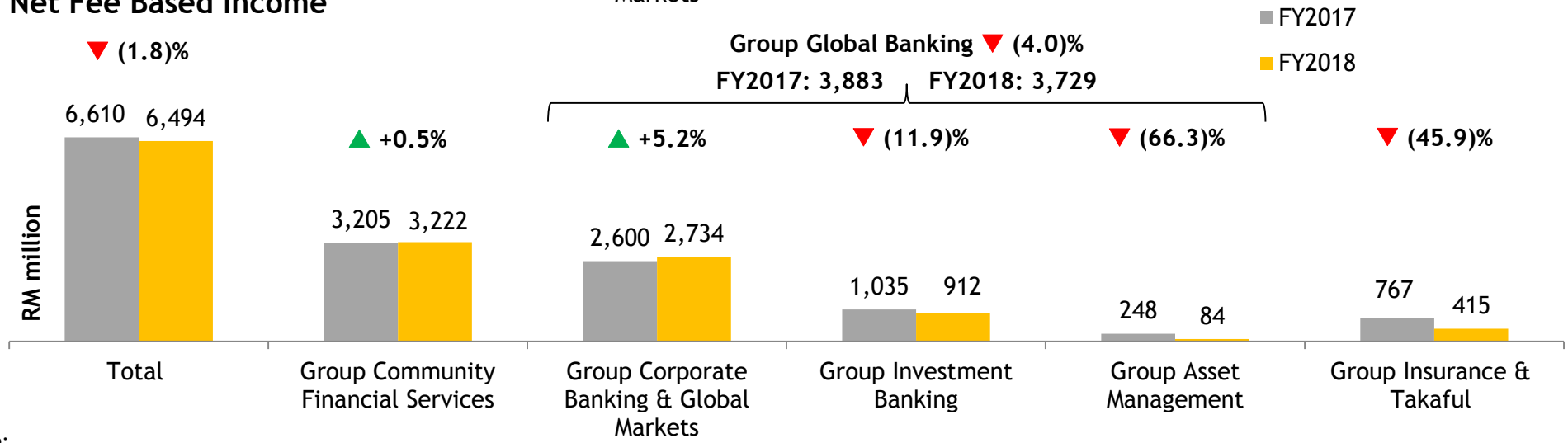
Maybank

Segmental Performance of Businesses: FY2018 (2/2)

Net Fund Based Income



Net Fee Based Income



Note:
Net fund based income includes "Head Office & Others" expenditures of RM116.9 million for FY2017 and income of RM46.2 million for FY2018.
Net fee based income includes expenditures of "Head Office & Others" of RM1.24 billion for FY2017 and RM872.4 million for FY2018.

Maybank

P&L Summary: QoQ

RM million	1Q FY2018	2Q FY2018	3Q FY2018	4Q FY2018	QoQ	4Q FY2017	YoY
Net fund based income	**4,237.9**	**4,155.2**	**4,268.2**	**4,474.6**	**4.8%**	**4,161.3**	**7.5%**
Net fee based income	**1,578.6**	**1,663.2**	**1,425.6**	**1,826.3**	**28.1%**	**1,885.6**	**(3.1)%**
Net operating income	**5,816.5**	**5,818.4**	**5,693.8**	**6,300.9**	**10.7%**	**6,046.9**	**4.2%**
Overhead expenses	(2,767.5)	(2,678.8)	(2,698.8)	(3,068.4)	13.7%	(2,913.3)	5.3%
Personnel Costs	1,590.6	1,550.7	1,557.2	1,751.0	12.4%	1,556.5	12.5%
Establishment Costs	457.2	416.1	447.9	491.8	9.8%	559.4	(12.1)%
Marketing Expenses	142.8	122.5	134.3	143.2	6.6%	153.3	(6.6)%
Administration & General Expenses	576.8	589.6	559.4	682.4	22.0%	644.0	6.0%
Pre-provisioning operating profit (PPOP)[1]	**3,048.9**	**3,139.6**	**2,995.0**	**3,232.5**	**7.9%**	**3,133.6**	**3.2%**
Net impairment losses	(500.8)	(562.5)	(387.2)	(162.3)	(58.1)%	(239.7)	(32.3)%
Operating profit	**2,548.1**	**2,577.1**	**2,607.8**	**3,070.1**	**17.7%**	**2,893.9**	**6.1%**
Profit before taxation and zakat (PBT)	**2,556.7**	**2,609.6**	**2,639.5**	**3,095.6**	**17.3%**	**2,926.1**	**5.8%**
Net Profit [2]	**1,871.0**	**1,959.0**	**1,956.9**	**2,326.4**	**18.9%**	**2,132.1**	**9.1%**
EPS - Basic (sen)	**17.3**	**17.9**	**17.9**	**21.1**	**17.5%**	**19.9**	**5.6%**

Note:
[1] Pre-provisioning operating profit (PPOP) is equivalent to operating profit before impairment losses
[2] Net Profit is equivalent to profit attributable to equity holders of the Bank

Income Statement for Insurance and Takaful Business

RM million	FY2018	FY2017	YoY	1Q FY2018	2Q FY2018	3Q FY2018	4Q FY2018	QoQ
Net interest income	1,163.0	1,086.9	7.0%	278.2	280.8	294.8	309.2	4.9%
Net earned premiums	5,933.6	5,250.9	13.0%	1,511.4	1,490.0	1,430.0	1,502.2	5.0%
Other operating income	(367.0)	806.6	(>100)%	(62.1)	(387.5)	333.1	(250.5)	(>100)%
Total operating income	**6,729.6**	**7,144.4**	**(5.8)%**	**1,727.5**	**1,383.4**	**2,057.9**	**1,560.8**	**(24.2)%**
Net insurance benefits & claims incurred, net fee & commission expenses, change in expense liabilities and life & takaful fund tax	(5,165.7)	(5,274.9)	(2.1)%	(1,428.3)	(1,058.2)	(1,648.5)	(1,030.8)	(37.5)%
Net operating income	**1,563.9**	**1,869.5**	**(16.3)%**	**299.2**	**325.2**	**409.4**	**530.0**	**29.5%**
Overhead expenses	(775.7)	(807.9)	(4.0)%	(195.3)	(200.4)	(210.3)	(169.7)	(19.3)%
PPOP	**788.3**	**1,061.6**	**(25.7)%**	**104.0**	**124.8**	**199.2**	**360.3**	**80.9%**
Net impairment losses	9.8	(62.4)	(>100)%	4.6	3.4	0.6	1.1	71.9%
Operating profit	**798.1**	**999.2**	**(20.1)%**	**108.6**	**128.2**	**199.8**	**361.4**	**80.9%**

Reconciliation of net insurance benefits & claims incurred, net fee & commission expenses, change in expense liabilities and life & takaful fund tax

RM million	FY2018	FY2017	YoY	1Q FY2018	2Q FY2018	3Q FY2018	4Q FY2018	QoQ
Net insurance benefits & claims incurred, net fee & commission expenses, change in expense liabilities and life & takaful fund tax	(5,165.7)	(5,274.9)	(2.1)%	(1,428.3)	(1,058.2)	(1,648.5)	(1,030.8)	(37.5)%
Less: intercompany elimination	258.1	187.5	37.6%	63.8	58.4	75.4	60.5	(19.9)%
Total net insurance benefits & claims incurred, net fee & commission expenses, change in expense liabilities and life & takaful fund tax	**(4,907.5)**	**(5,087.3)**	**(3.5)%**	**(1,364.4)**	**(999.7)**	**(1,573.0)**	**(970.3)**	**(38.3)%**

Group Gross Loans Growth: 31 December 2018

	% of Portfolio	31 Mar 2018	30 Jun 2018	30 Sep 2018	31 Dec 2018	QoQ	31 Dec 2017	YoY
Group Gross Loans		**493.4**	**502.4**	**507.7**	**517.3**	▲ **1.9%**	**493.8**	▲ **4.8%**
Malaysia (RM billion)	**58%**	**288.9**	**290.5**	**292.5**	**299.2**	▲ **2.3%**	**285.5**	▲ **4.8%**
Community Financial Services (reported)	72%	205.7	209.0	212.4	216.0	▲ 1.7%	203.7	▲ 6.0%
Community Financial Services (rebased)[1]	72%	205.7	209.0	212.4	216.0	▲ 1.7%	203.2	▲ 6.3%
Global Banking (reported)	28%	83.2	81.6	80.1	83.3	▲ 4.0%	81.9	▲ 1.7%
Global Banking (rebased)[1]	28%	83.2	81.6	80.1	83.3	▲ 4.0%	82.4	▲ 1.2%
International (RM billion)	**41%**	**197.2**	**204.3**	**208.0**	**211.8**	▲ **1.8%**	**200.9**	▲ **5.4%**
Singapore (SGD billion)	**61%**	**41.2**	**41.9**	**41.9**	**42.4**	▲ **1.2%**	**40.6**	▲ **4.5%**
Community Financial Services	53%	22.8	22.6	22.5	22.6	▲ 0.4%	22.1	▲ 2.6%
Global Banking	47%	18.5	19.3	19.3	19.7	▲ 2.0%	18.5	▲ 6.7%
Indonesia (IDR trillion)	**18%**	**126.2**	**131.2**	**136.1**	**138.3**	▲ **1.6%**	**129.2**	▲ **7.0%**
Community Financial Services	75%	96.0	98.3	101.4	103.3	▲ 1.9%	96.4	▲ 7.2%
Global Banking	25%	30.0	32.6	34.4	34.7	▲ 1.0%	32.5	▲ 6.8%
Other markets (RM billion)	**21%**	**40.3**	**43.1**	**43.5**	**43.8**	▲ **0.6%**	**39.5**	▲ **10.9%**
Investment banking (RM billion)	**1%**	**7.3**	**7.6**	**7.2**	**6.3**	▼ **(12.9)%**	**7.4**	▼ **(15.0)%**

Note:
[1] Rebased loan growth figures are based on adjusted 31 December 2017 position in line with migration of client accounts, effective 1 January 2018

Malaysia Loans Growth: 31 December 2018

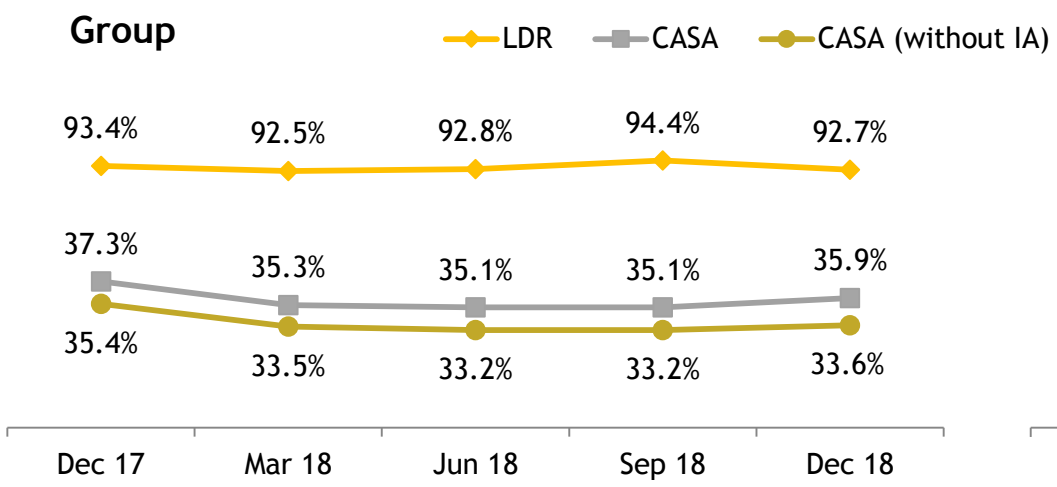
RM billion	% of Portfolio	31 Mar 2018	30 Jun 2018	30 Sep 2018	31 Dec 2018	QoQ	31 Dec 2017	YoY
Community Financial Services (reported)	**72%**	**205.7**	**209.0**	**212.4**	**216.0**	▲ **1.7%**	**203.7**	▲ **6.0%**
Community Financial Services (rebased)[1]	**72%**	**205.7**	**209.0**	**212.4**	**216.0**	▲ **1.7%**	**203.2**	▲ **6.3%**
Consumer	**58%**	**165.8**	**168.2**	**171.3**	**174.4**	▲ **1.8%**	**163.3**	▲ **6.8%**
Total Mortgage	29%	82.4	83.9	85.5	87.5	▲ 2.3%	80.8[2]	▲ 8.2%
Auto Finance	16%	46.2	46.8	47.6	47.9	▲ 0.5%	45.7	▲ 4.7%
Credit Cards	3%	7.1	7.2	7.3	7.6	▲ 3.2%	7.2	▲ 4.5%
Unit Trust	10%	27.6	27.7	28.3	29.0	▲ 2.4%	27.0	▲ 7.3%
Other Retail Loans	1%	2.6	2.6	2.6	2.5	▼ (1.0)%	2.5[2]	▲ 0.6%
Business Banking + SME (reported)	**14%**	**39.9**	**40.9**	**41.1**	**41.5**	▲ **1.1%**	**40.3**	▲ **3.0%**
Business Banking + SME (rebased)[1]	**14%**	**39.9**	**40.9**	**41.1**	**41.5**	▲ **1.1%**	**39.9**	▲ **4.1%**
SME (reported)	6%	15.4	15.9	16.5	17.1	▲ 3.9%	14.9	▲ 14.9%
SME (rebased)[1]	6%	15.4	15.9	16.5	17.1	▲ 3.9%	14.8	▲ 15.9%
Business Banking (reported)	8%	24.5	25.0	24.6	24.4	▼ (0.8)%	25.4	▼ (3.9)%
Business Banking (rebased)[1]	8%	24.5	25.0	24.6	24.4	▼ (0.8)%	25.1	▼ (2.8)%
Global Banking (Corporate) (reported)	**28%**	**83.2**	**81.6**	**80.1**	**83.3**	▲ **4.0%**	**81.9**	▲ **1.7%**
Global Banking (Corporate) (rebased)[1]	**28%**	**83.2**	**81.6**	**80.1**	**83.3**	▲ **4.0%**	**82.4**	▲ **1.2%**
Total Malaysia		**288.9**	**290.5**	**292.5**	**299.2**	▲ **2.3%**	**285.5**	▲ **4.8%**

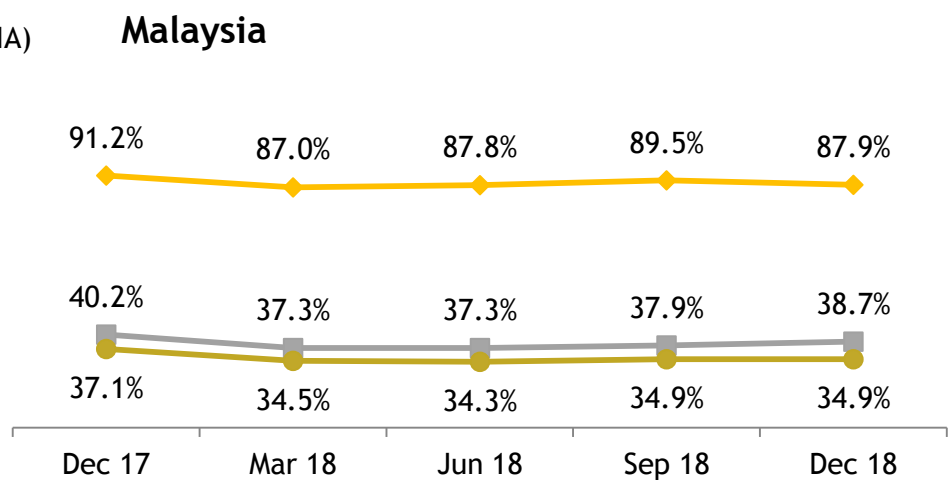
Note: [1] Rebased loan growth figures are based on adjusted 31 December 2017 position in line with migration of client accounts, effective 1 January 2018
[2] Restated figures for 31 December 2017 due to changes in capturing of product type

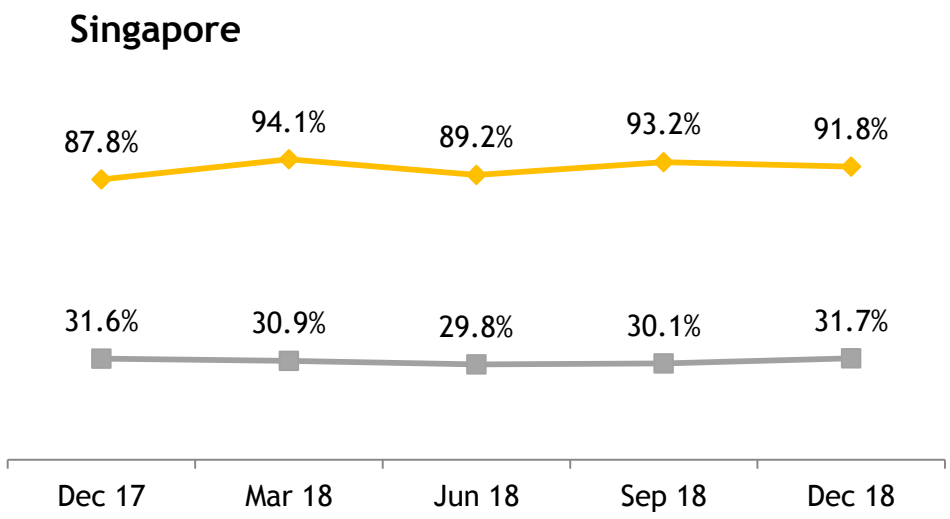
Group Deposits Growth: 31 December 2018

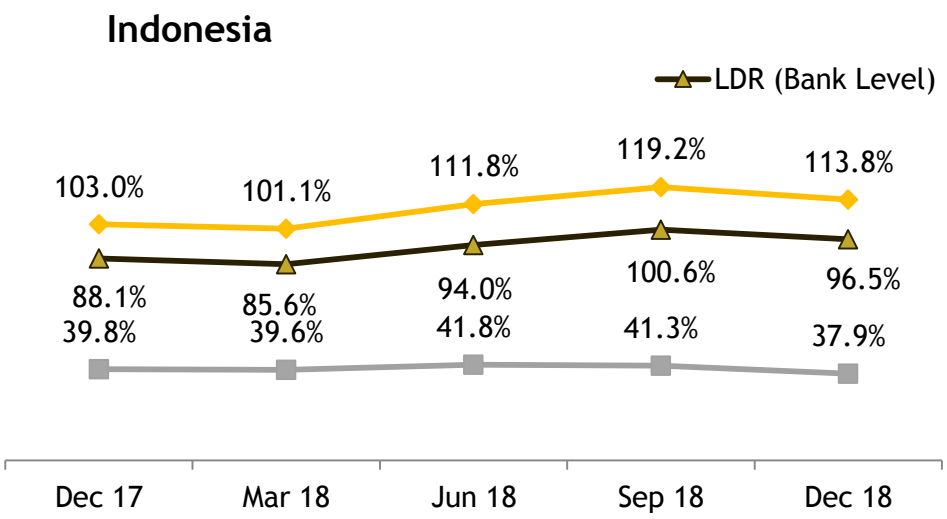
	% of Portfolio	31 Mar 2018	30 Jun 2018	30 Sep 2018	31 Dec 2018	QoQ	31 Dec 2017	YoY
Group Gross Deposits		**532.1**	**539.8**	**536.6**	**556.3**	▲ **3.7%**	**526.6**	▲ **5.6%**
Malaysia (RM billion)	**62%**	**336.4**	**335.8**	**331.3**	**343.8**	▲ **3.8%**	**317.8**	▲ **8.2%**
Savings Deposits	12%	42.5	42.8	42.1	42.8	▲ 1.6%	40.7	▲ 5.2%
Current Accounts	26%	82.9	82.5	83.3	90.3	▲ 8.4%	87.1	▲ 3.7%
Fixed Deposits	37%	141.6	145.1	134.9	125.8	▼ (6.7)%	138.1	▼ (8.8%)
Others	25%	69.4	65.4	71.0	84.8	▲ 19.5%	51.9	▲ 63.6%
International	**38%**	**197.5**	**205.8**	**207.1**	**214.1**	▲ **3.4%**	**210.3**	▲ **1.8%**
Singapore (SGD billion)	**65%**	**43.8**	**47.0**	**44.9**	**46.2**	▲ **2.7%**	**46.2**	**0.0**
Savings Deposits	15%	6.1	6.2	6.4	7.0	▲ 10.4%	7.0	▲ 0.7%
Current Accounts	16%	7.4	7.8	7.1	7.6	▲ 6.7%	7.6	▼ (0.1)%
Fixed Deposits	68%	30.3	33.0	31.4	31.5	▲ 0.3%	31.6	▼ (0.2)%
Indonesia (IDR trillion)	**16%**	**121.0**	**113.9**	**110.8**	**117.0**	▲ **5.6%**	**121.5**	▼ **(3.7)%**
Savings Deposits	17%	24.0	23.7	22.5	19.9	▼ (11.7)%	24.8	▼ (19.8)%
Current Accounts	21%	23.9	23.9	23.3	24.4	▲ 5.1%	23.6	▲ 3.6%
Fixed Deposits	62%	73.2	66.3	65.0	72.7	▲ 11.8%	73.1	▼ (0.6)%

LDR and CASA Ratio



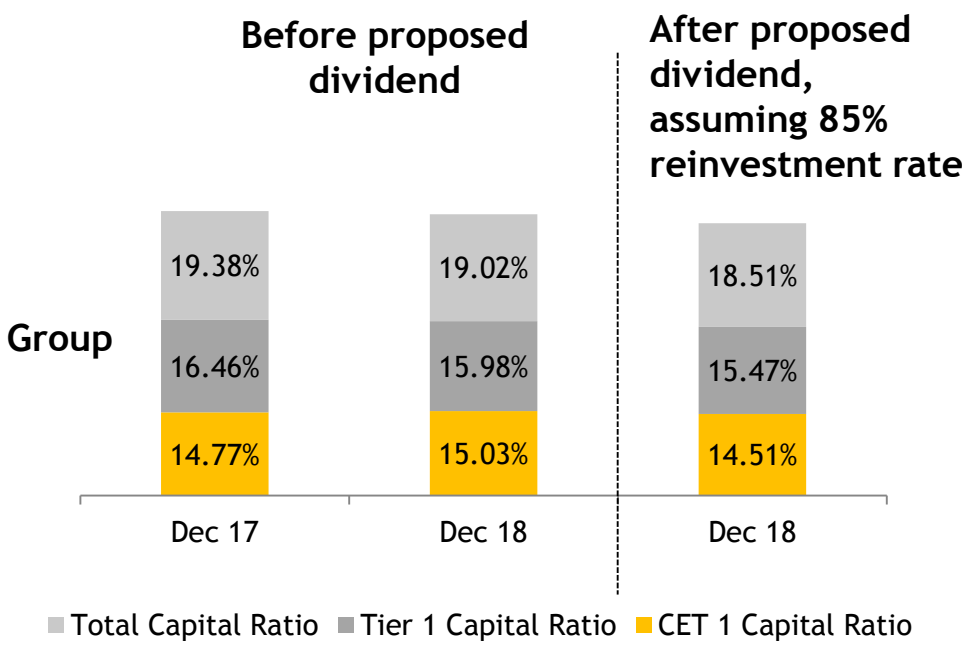


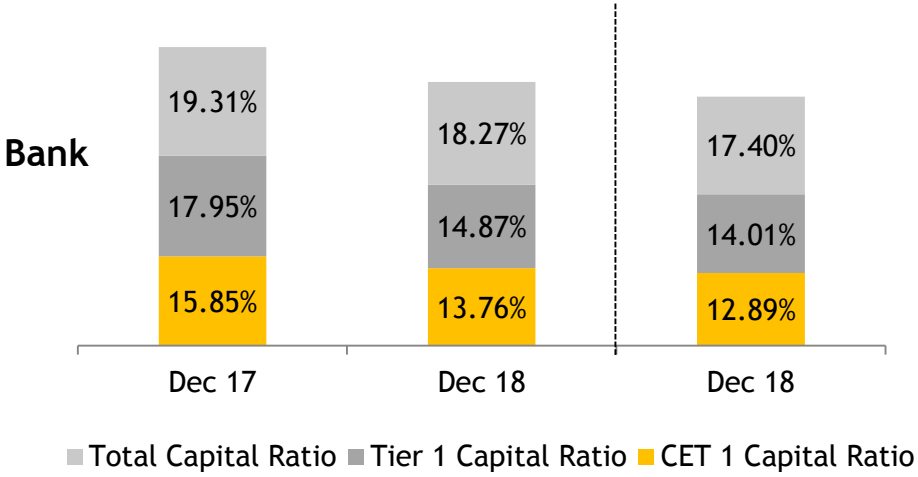




Note:
- Group and Indonesia LDR excludes loans to banks and FIs
- Group and Malaysia LDRs include investment accounts totaling RM23.57 billion for 31 Dec 2018, RM18.77 billion for 30 Sep 2018, RM19.18 billion for 30 June 2018, RM21.84 billion for 31 Mar 2018 and RM24.56 billion for 31 Dec 2017.

Strong Capital Position: 31 December 2018



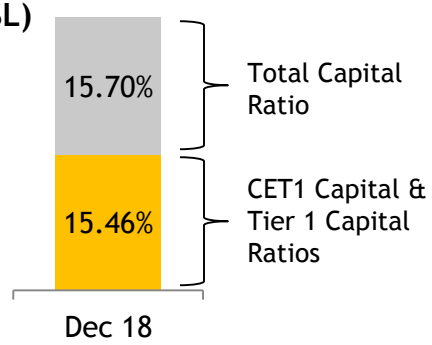


Regulatory Requirements

	2018	Jan 2019 Onwards
Minimum Common Equity Tier 1 Capital	4.5%	4.5%
Minimum Tier 1 Capital	6.0%	6.0%
Minimum Total Capital	8.0%	8.0%
Capital Conservation Buffer (Phase in)	1.875%	2.500%
Other Capital Buffers		
D-SIB Buffer	To be determined	
Countercyclical Capital buffer	0% - 2.5%	

Maybank Singapore Limited (MSL)

- The Incorporation of MSL was completed on 5 November 2018
- The transfer of our Singapore Community Financial Services business to MSL would impact Maybank Bank-level CET 1 capital ratio by ~50 bps.



Maybank

Financial Statements Impact Arising from MFRS 16 Adoption

MFRS 16 Adoption (effective 1 January 2019)

- MFRS 16 replaces existing accounting standard MFRS 117
- MFRS 16 eliminates the distinction between operating and finance leases for all lessees
- Under MFRS 16, a lessor's accounting is substantially unchanged; the main impact is on a lessee
- On its balance sheet, a lessee will now present a liability representing its obligation to make rental payment to the asset owner while recognising a corresponding asset representing its right to control the use of another's asset to generate income

Balance Sheet Change

- Recognition of:
  - **Right-of-use (ROU) assets**
  - **Lease liabilities** at the present value of future lease payments
  - However, short-term and low value leases are exempted from the treatment above

Impact to Lessee: Balance sheet will show **an increase in both assets and liabilities.**

Income Statement Change

- Lease rental expenses replaced by:
  - **interest from amortisation** of the lease liability
  - **depreciation** of the ROU asset

Impact to Lessee: A lease now has **a front-loaded expense profile** that gradually tapers off towards the end of the lease term compared with the previous accounting treatment of a straight-line expense profile over the lease term.

Initial Finding: **Impact to Maybank Group's capital ratios is expected to be minimal <10 bps** for Day 1 adjustment on 1 January 2019. The final impact is still being assessed and is subject to further refinement.

Key Operating Ratios

%	FY2018	FY2017	YoY	1Q FY2018	2Q FY2018	3Q FY2018	4Q FY2018	QoQ	4Q FY2017	YoY
Return on Equity	11.4	10.9	0.5%	10.5	11.1	11.0	13.0	2.0%	12.4	0.6%
Net Interest Margin	2.33	2.36	(3) bps	2.39	2.27	2.30	2.38	8 bps	2.30	8 bps
Fee to Income Ratio	27.5	28.4	(0.9)%	27.1	28.6	25.0	29.0	4.0%	31.2	(2.2)%
Loans-to-Deposit Ratio [1]	92.7	93.8	(1.1)%	92.5	92.8	94.4	92.7	(1.7)%	93.4	(0.7)%
Cost to Income Ratio [2]	47.4	48.6	(1.2)%	47.5	46.0	47.3	48.7	1.4%	48.1	0.6%
Asset Quality										
Gross Impaired Loans Ratio	2.41	2.34	7 bps	2.37	2.64	2.65	2.41	(24) bps	2.34	7 bps
Loans Loss Coverage	83.6	71.5	12.1%	87.9	80.7	79.6	83.6	4.0%	71.5	12.1%
Net Charge off rate (bps)	(32)	(40)	8 bps	(41)	(47)	(34)	(7)	27 bps	(16)	9 bps
Capital Adequacy [3]										
CET1 Capital Ratio	14.51	14.19	32 bps	13.37	13.16	13.59	14.51	92 bps	14.19	32 bps
Total Capital Ratio	18.51	18.80	(29) bps	18.12	17.78	17.62	18.51	89 bps	18.80	(29) Bps

Note:
[1] LDR excludes loans to banks and FIs.
[2] Total cost excludes amortisation of intangibles for Maybank Indonesia and Maybank Kim Eng.
[3] The capital ratios are adjusted based on the assumption of 85% reinvestment rate under the DRP for the period. CET1 ratio for 1Q FY2018 onwards is computed based on fully loaded basis with effect from 1 Jan 2018. Capital ratios for 1Q FY2018 are after final cash dividend.

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Community Financial Services: Overview of Market Share for Malaysia

Market share	Dec-17	Mar-18	Jun-18	Sep-18	Dec-18	Sep-18 vs Dec-18	Market position
Loans							
Total consumer (Household)	17.6%	17.6%	17.6%	17.7%	17.7%	—	2
Auto (Purchase of transport vehicles)	26.5%	26.7%	27.1%	27.3%	27.7%	▲	2
Total mortgage *	13.3%	13.3%	13.3%	13.4%	13.5%	▲	2
Credit cards **	18.8%	19.0%	19.0%	19.1%	19.2%	▲	1
Unit trust	51.1%	50.9%	50.4%	50.1%	49.6%	▼	1
Deposits							
Total deposits ***	18.4%	18.8%	18.6%	18.3%	18.4%	▲	1
Total core retail deposits ^	17.7%	17.8%	17.9%	17.8%	17.2%	▼	2
Retail CASA ^	24.5%	24.9%	25.0%	24.9%	25.0%	▲	1
Retail savings ^	*28.2%*	*28.5%*	*28.6%*	*28.2%*	*28.5%*	▲	*1*
Demand deposits ^	*18.3%*	*18.9%*	*19.0%*	*19.1%*	*18.9%*	▼	*1*
Retail fixed deposits ^	14.4%	14.2%	14.4%	14.4%	13.5%	▼	2
Channels							
Internet banking - Subscriber base	42.6%	41.8%	41.0%	40.2%	39.7%	▼	1
Mobile banking - Subscriber base	31.7%	31.3%	31.4%	30.9%	30.7%	▼	1
Internet banking - Transaction Volume [1] ^^	54.7%	53.8%	53.8%	53.3%	52.8%	▼	1
Mobile banking - Transaction Volume [1]	61.5%	70.4%	65.9%	65.4%	66.7%	▲	1
Branch network ^^^	18.6%	18.6%	18.6%	19.0%	19.2%	▲	1

Note:

[1] Rebased market share due to adjustment made to Industry data by BNM from Jan'17.

* Refers to housing, shophouse and other mortgage loans

** Credit cards market share refer to receivables for commercial

*** Total bank deposits inclusive of investment asset ("IA")

^ Without IA. With IA, the market share as at Dec'18 for Total Core Retail Deposits, Retail CASA, Retail Savings, Demand Deposits and Retail Fixed Deposits are 18.0%, 26.1%, 28.5%, 21.8% and 14.9% respectively (against MBB retail IA).

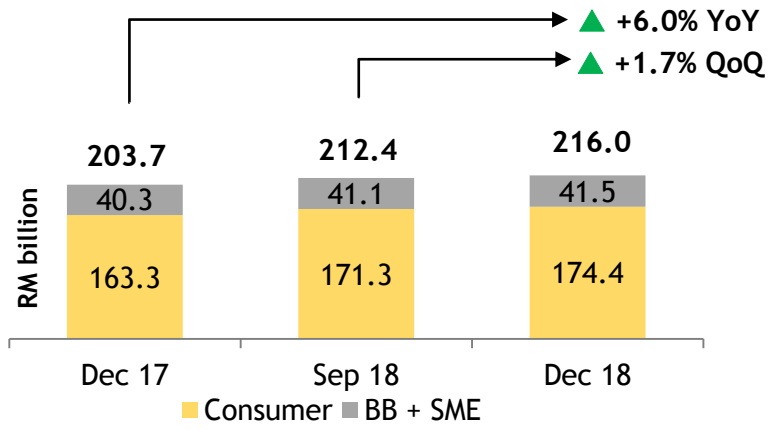
^^ Excluding non-financial transactions as per BNM guidelines

^^^ Industry numbers as at Dec'18.

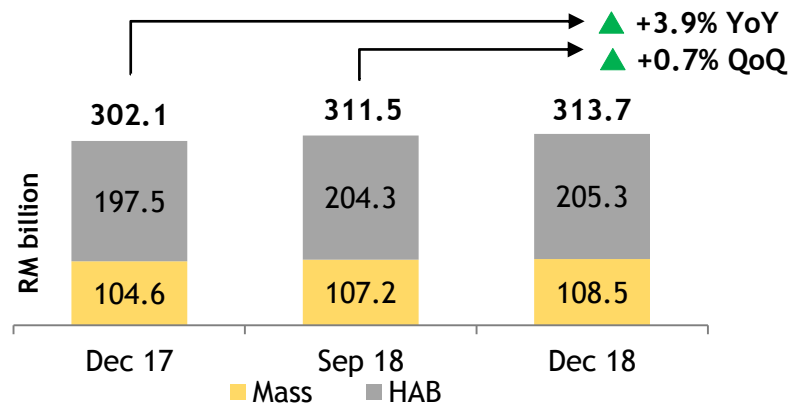
Maybank

Community Financial Services: Overview of Malaysia Portfolio

Total CFS loans on an upward trend of 6.0% YoY and 1.7% QoQ

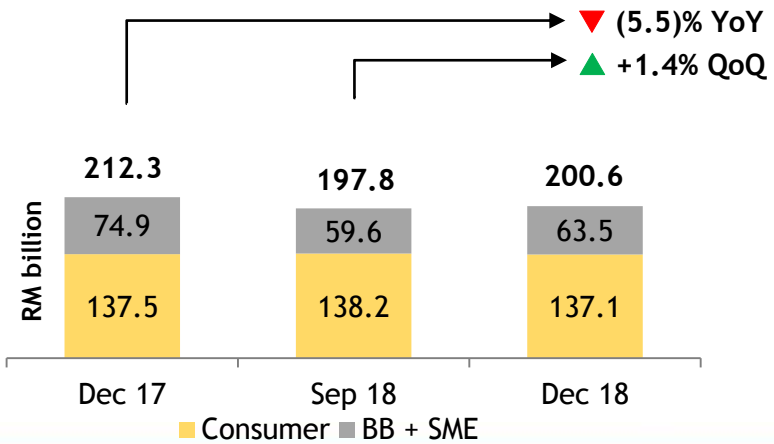


Individual customer TFA grew 3.9% YoY to RM313.7 billion driven by HNW & Affluent Banking customer TFA

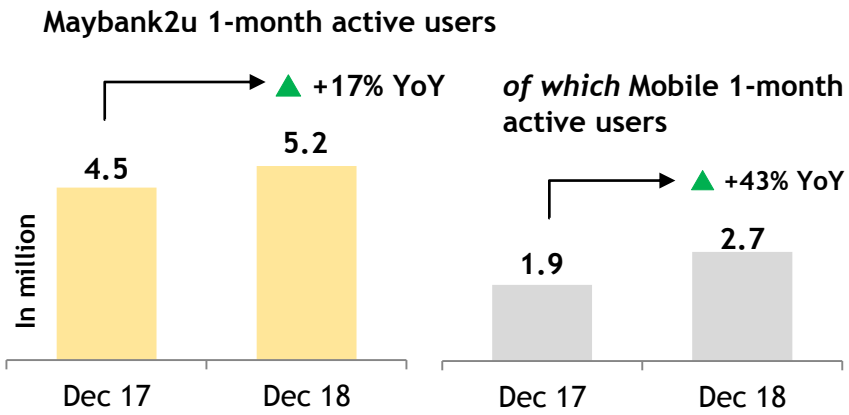


Note:
- Customer classification: HAB (IA>RM50k, TFA>RM250k). HAB comprises of HNW, Affluent and Emerging Affluent segments.
- TFA: Total Financial Assets (Deposits, Investments, Financing & Protection).

Total CFS deposits decreased by 5.5% YoY, due to reduction in high cost deposits, mitigated by CASA growth of 4.5%



Maybank2u 1-month active users grew 17% YoY driven by growth in mobile users



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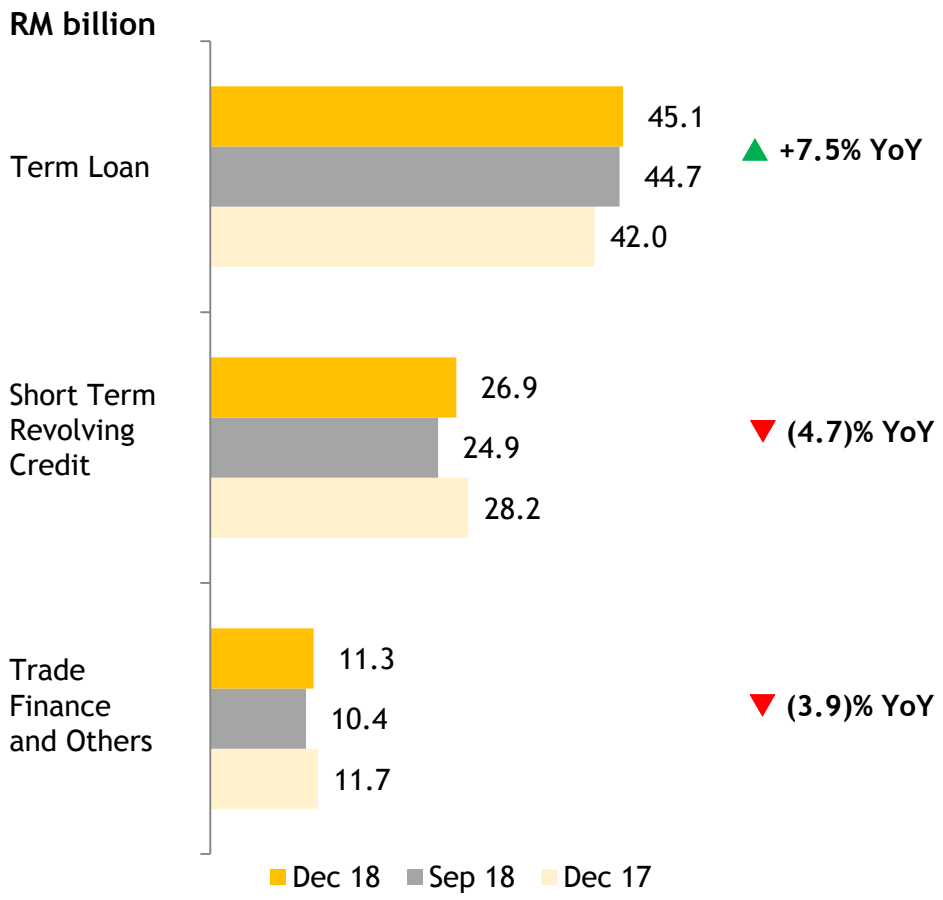
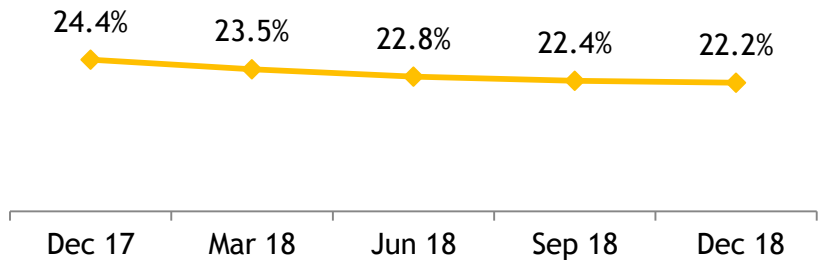
Global Banking: Overview of Malaysia Corporate Banking Portfolio

Total GB loans increased 1.7% YoY to RM83.3 billion



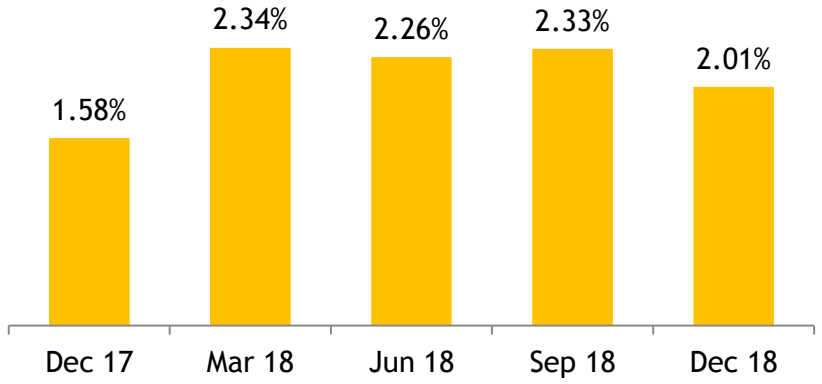
Note: 'Term Loan' includes foreign currency denominated accounts, while 'Trade Finance and Others' is combined with 'Overdraft'.

Trade Finance market share



Note: Market share of total trade products (On Balance Sheet items, Contingent Liabilities and Others)

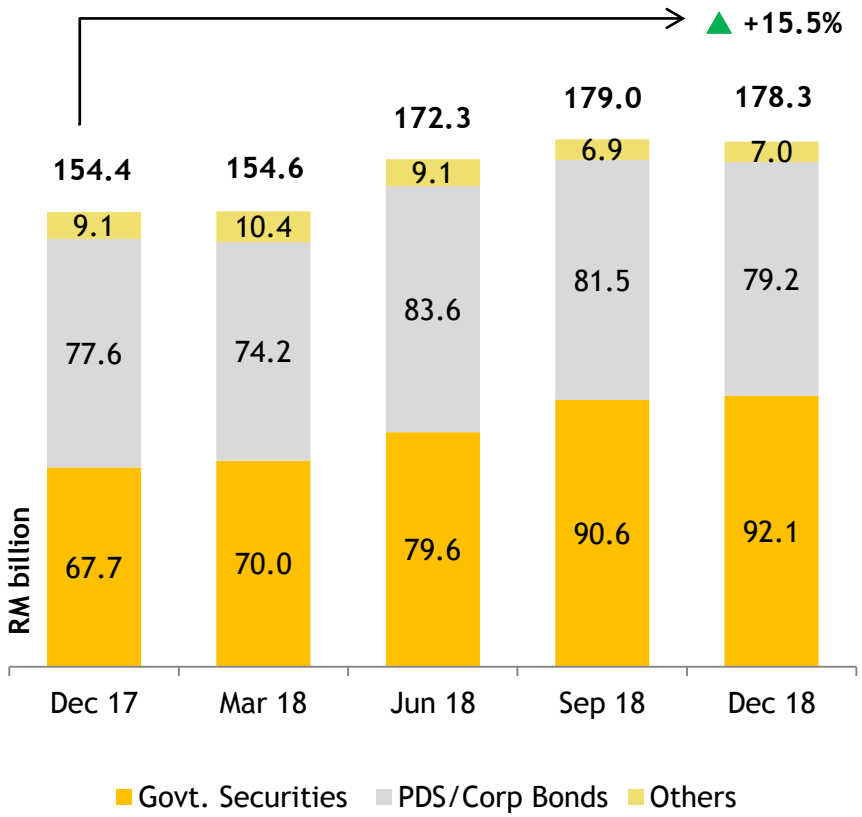
Corporate Banking GIL ratio



Maybank

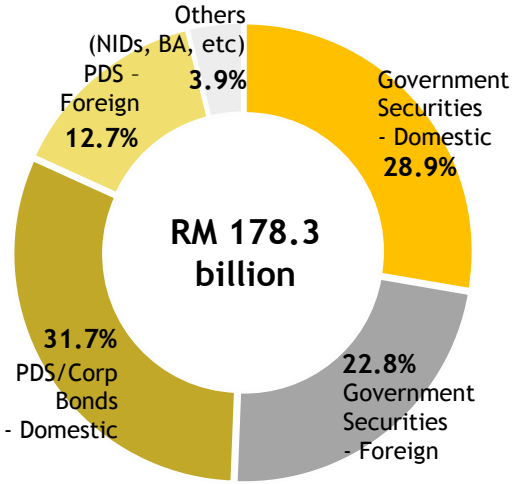
Global Banking: Overview of Group Securities and Global Markets Portfolio

Group Securities Portfolio[1] grew 15.5% YoY

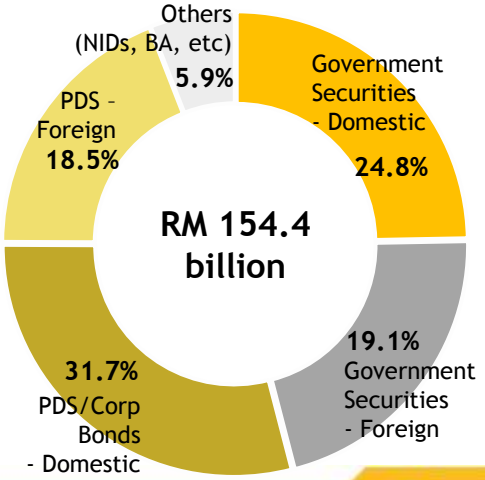


Group Securities Portfolio[1]: 35.5% Foreign Securities as at FY2018

FY2018



FY2017



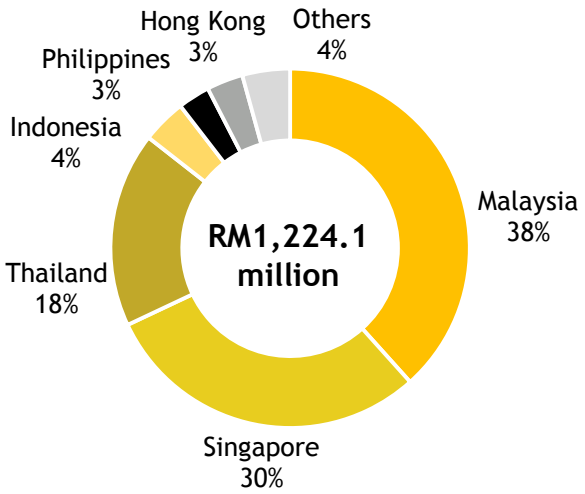
Note: [1] Group Securities Portfolio is inclusive of Financial assets designated upon initial recognition (part of FVTPL)

Maybank

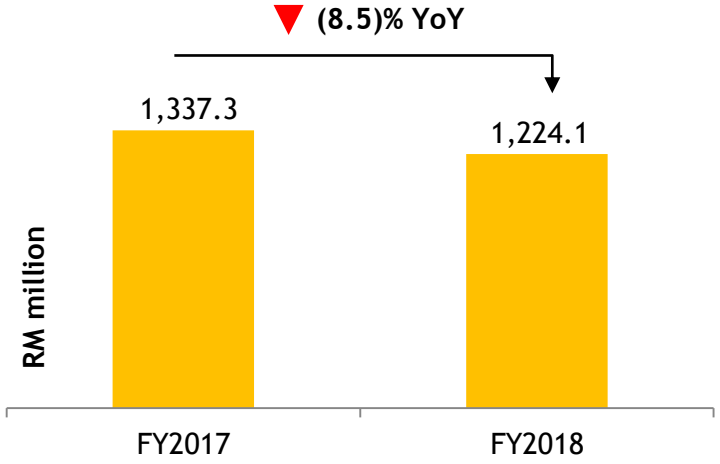
Global Banking: Overview of Group Investment Banking Portfolio

Maybank Kim Eng

FY2018 Total Income Breakdown by Country



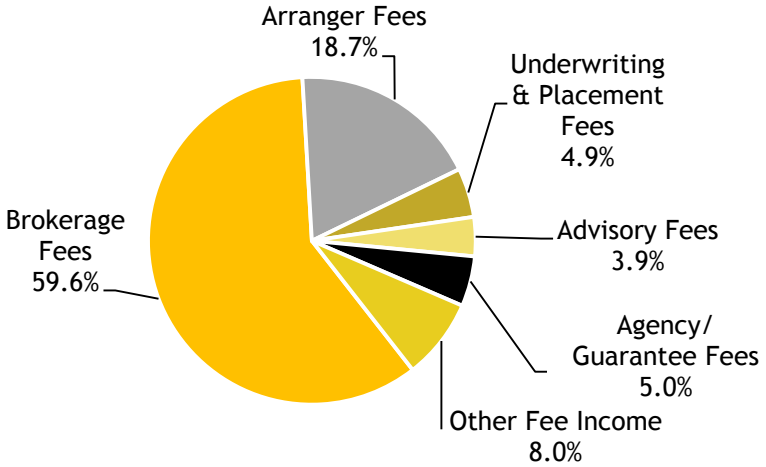
Total Income for Maybank Kim Eng[1]



FY2018 Brokerage Market Share by Country

Country	Rank	Market Share	Trading Value (USD'mil)
Thailand	2	6.1%	47,135
Malaysia	3	9.0%	28,092
Philippines	6	5.1%	3,356
Indonesia	13	2.4%	6,802
Hong Kong	Tier 2	0.3%	18,586
Singapore	14	3.6%	15,801
Vietnam	>10	2.2%	3,129

FY2018 Fee-based Income for Malaysia



Note:
[1] Maybank Kim Eng represents the combined business of Maybank IB and business segments under Maybank Kim Eng Holdings.

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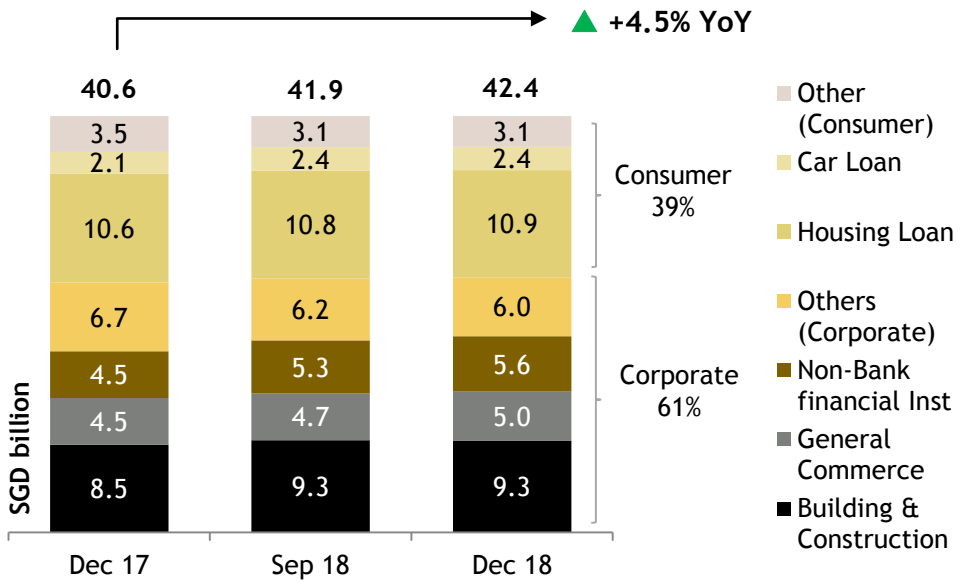
Maybank Singapore: P&L Summary

SGD million	FY2018	FY2017	YoY
Net fund based income	752.08	686.02	9.6%
Net fee based income	358.16	326.49	9.7%
Net income	**1,110.25**	**1,012.51**	**9.7%**
Overhead expenses	(434.97)	(387.86)	12.1%
Operating profit	**675.28**	**624.65**	**8.1%**
Profit before taxation	**421.37**	**315.50**	**33.6%**

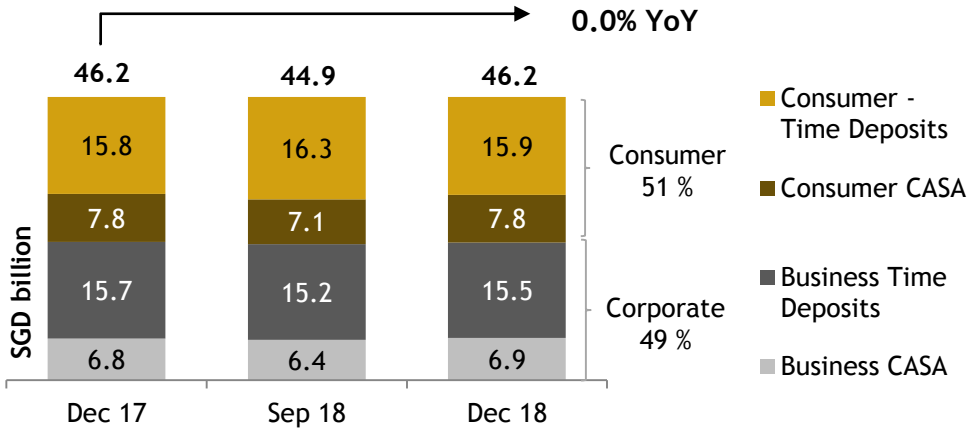
- Net fund-based income rose 9.6%, driven by loan expansion and improvement in net interest margin.
- Fee-based income grew 9.7% YoY, led by an increase in treasury income. Contribution also came from wealth management, on the back of higher bancassurance fee.
- Overheads increased 12.1% arising from higher investment in staff and information technology. The local incorporation of the Community Financial Services (CFS) business in Singapore also contributed to the higher spend in the year.
- Operating profit was 8.1% higher YoY.
- FY2018 profit before tax grew 33.6% YoY to SGD 421.4 million due to lower impairment allowances.

Maybank Singapore: Overview of Loans and Deposits Portfolio

Diversified Loan Portfolio

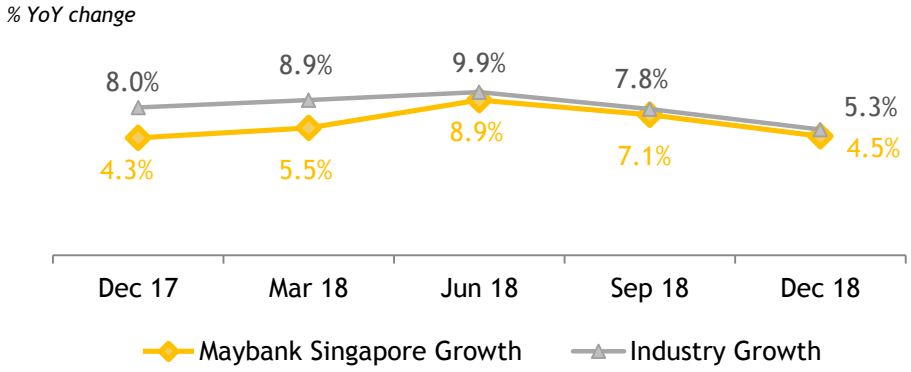


Consumer deposits' composition at 51% of total deposits

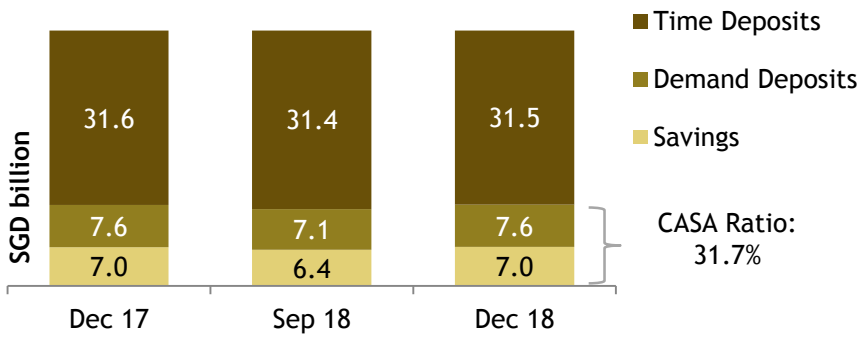


- Deposits remained relatively stable compared to last year

Maybank Singapore loans rose 4.5% YoY



CASA ratio improved to 31.7% in Dec 2018 from 30.1% in Sep 2018



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Maybank Indonesia: P&L Summary

IDR billion	FY2018	FY2017	YoY	4Q FY2018	3Q FY2018	QoQ
Net Fund Based income	8,100	7,702	5.2%	2,060	2,108	(2.3)%
Net Fee Based income	2,267	2,729	(17.0)%	756	489	54.7%
Net income	**10,367**	**10,431**	**(0.6)%**	**2,816**	**2,597**	**8.4%**
Overhead expenses	(6,023)	(5,793)	4.0%	(1,541)	(1,494)	3.2%
Personnel	(2,461)	(2,387)	3.1%	(554)	(620)	(10.6)%
General and Administrative	(3,562)	(3,406)	4.6%	(987)	(874)	12.9%
Operating profit	**4,344**	**4,638**	**(6.4)%**	**1,275**	**1,103**	**15.5%**
Provisions Expenses	(1,311)	(2,134)	(38.6)%	(311)	(333)	(6.6)%
Non Operating (Expense)/Income	3	15	(82.9)%	5	0	>100%
Profit Before Tax and Non-Controlling Interest	**3,036**	**2,520**	**20.5%**	**969**	**771**	**25.7%**
Tax and Non-Controlling Interest	(841)	(716)	17.5%	(271)	(206)	31.8%
Profit After Tax and Non-Controlling Interest	**2,195**	**1,804**	**21.6%**	**697**	**565**	**23.5%**
EPS - Basic (IDR)	30.44	26.63	14.3%	9.26	7.44	24.5%

Maybank Indonesia: Financial Ratios and Loans Portfolio Breakdown

Key Operating Ratios

Key Operating Ratios	Dec18	Sep 18	Dec 17	YoY
Profitability & Efficiency				
Return On Assets	1.74%	1.59%	1.48%	0.26%
Return On Equities (Tier 1)	10.21%	9.53%	9.91%	0.30%
Net Interest Margin	5.24%	5.24%	5.17%	0.07%
Cost to Income Ratio	58.10%	59.35%	55.53%	2.56%
Asset Quality				
NPL – Gross	2.59%	2.73%	2.81%	(0.22)%
Liquidity & Capital Adequacy				
LCR	118.58%	116.01%	140.74%	(22.17)%
CET1	16.85%	16.44%	14.64%	2.21%
CAR	19.04%	18.78%	17.53%	1.51%

Loans Portfolio Breakdown

IDR Trillion	31 Dec 2018	30 Sep 2018	QoQ	31 Dec 2017	YoY
CFS	**102.3**	**100.1**	**2.2%**	**95.3**	**7.4%**
CFS Retail	**44.0**	**44.3**	**(0.5)%**	**42.7**	**3.1%**
Auto Loan	24.9	25.2	(1.3)%	23.4	6.3%
Mortgage	15.7	15.6	0.2%	16.0	(2.2)%
CC + Personal Loan	3.1	3.0	2.5%	2.8	7.6%
Other loans	0.4	0.4	(2.3)%	0.4	0.8%
CFS Non-Retail	**58.3**	**55.8**	**4.4%**	**52.6**	**10.9%**
Business Banking	34.0	32.7	3.8%	30.9	9.8%
RSME	24.3	23.1	5.2%	21.6	12.4%
Global Banking	**31.0**	**31.1**	**(0.3)%**	**30.2**	**2.9%**
Total	**133.3**	**131.2**	**1.6%**	**125.4**	**6.3%**

Note: Maybank Indonesia's loans breakdown is mapped in accordance to its local regulatory reporting requirements.

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Islamic Banking: Performance Overview

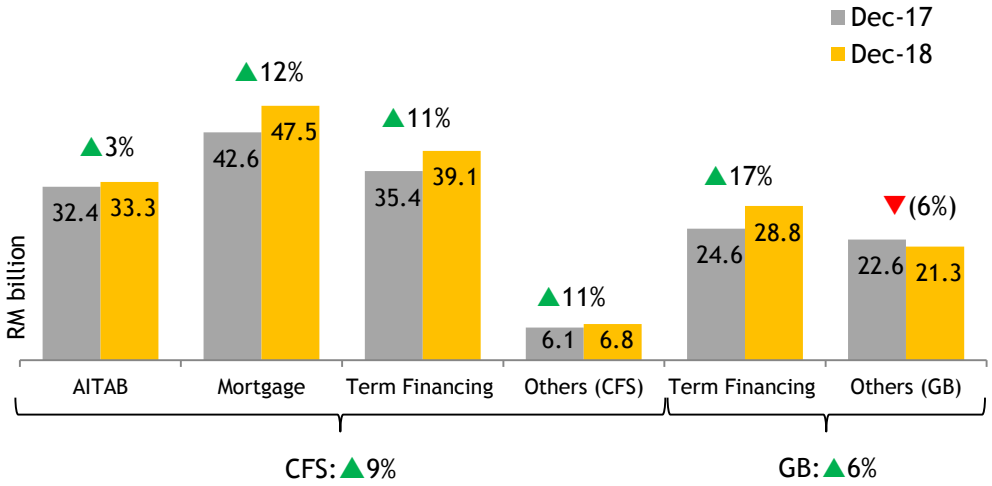
Maybank Islamic

Group Islamic Banking Financial Performance

RM million	FY2018	FY2017	YoY
Total Income	5,118.1	4,600.4	11.3%
Profit Before Tax	3,033.7	2,751.8	10.2%
Financing & Advances	186,709.4	174,907.7	6.7%
Deposits & Investment Account:	180,595.2	162,986.9	10.8%
Deposits from Customers	157,030.1	138,431.5	13.4%
Investment Account	23,565.1	24,555.4	(4.0)%

Group Islamic Banking's performance includes key markets in Malaysia, Indonesia and Singapore

Maybank Islamic: Total Gross Financing grew to RM176.8 billion



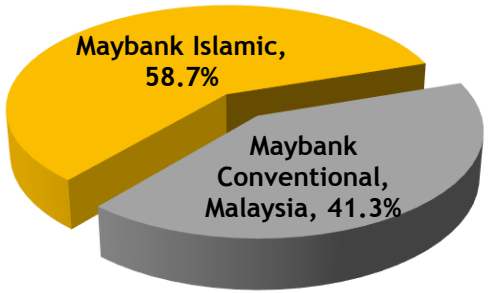
Note: Figures are as per latest segmentation breakdown

Maybank Islamic: Key Financial Ratios

Key Financial Ratios	FY2018	FY2017
Total Capital Ratio (TCR)	22.55%	20.78%
Net Profit Margin (YTD)	1.91%	1.90%
Cost to Income Ratio (CIR)	32.29%	35.12%
Direct FDR[1]	93.9%	95.1%

Note:
[1] Direct Financing to Deposits Ratio (FDR) comprising gross financing against deposit and Unrestricted Investment Account (exc. RPSIA assets and liabilities)

Maybank Islamic Contribution to Maybank Malaysia Loans and Financing as at December 2018



Year	Contribution
Dec 2017	56.9%
Mar 2018	57.7%
Jun 2018	58.5%
Sep 2018	58.3%
Dec 2018	58.7%

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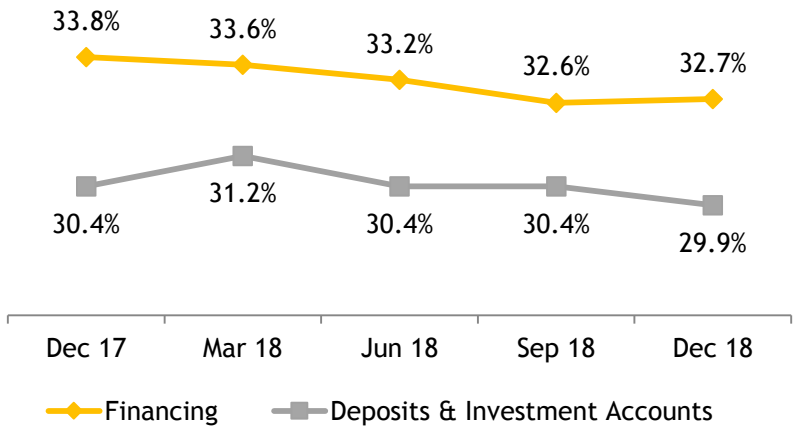
Islamic Banking: Market Share

Maybank Islamic

Maybank Islamic Market Share



Source for industry numbers: Latest BNM Monthly Statistical Bulletin

Market Share by Product (Malaysia)

Key Products	Dec 18	Dec 17
Automobile Financing	45.5%	45.0%
Home	27.1%	27.7%
Term financing	31.7%	31.6%

Source for industry numbers: Latest BNM Monthly Statistical Bulletin

Maybank Islamic ranks No.1 by Asset Market Share in Malaysia

Malaysia	Asset Market Share September 18	Rank
Maybank Islamic	30%	1
CIMB Islamic	14%	2
Public Islamic	9%	3

Source: Latest BNM monthly statistical bulletin & respective Bank's Financial Statements

Sukuk League Table Ranking December 2018

Global Sukuk League Table Ranking		Market Share (%)	Amount (USD million)	Issues
#3	Maybank	8.8%	3,935.2	145

MYR Sukuk League Table Ranking		Market Share (%)	Amount (USD million)	Issues
#1	Maybank	24.6%	4,385.6	148

Source: Bloomberg

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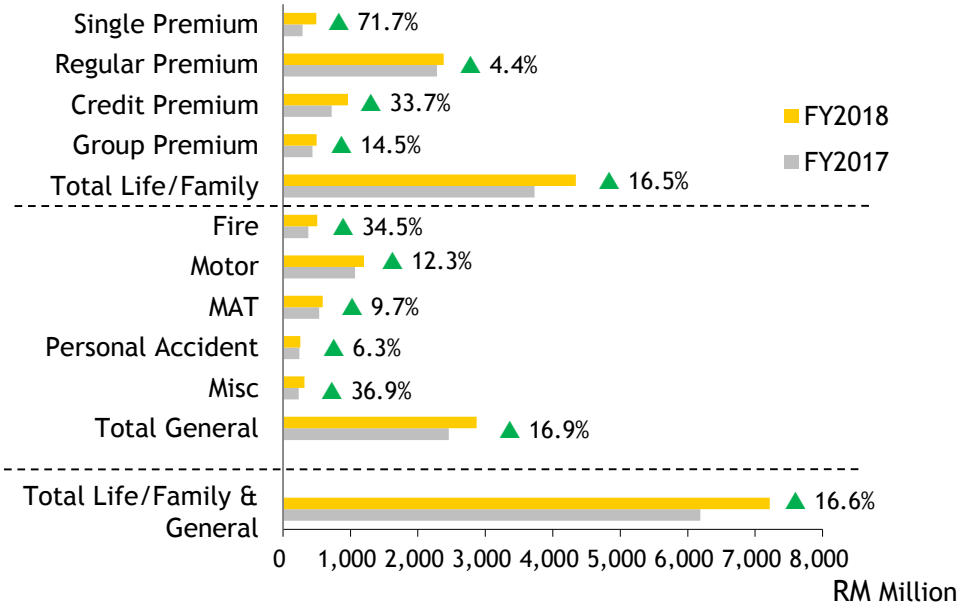
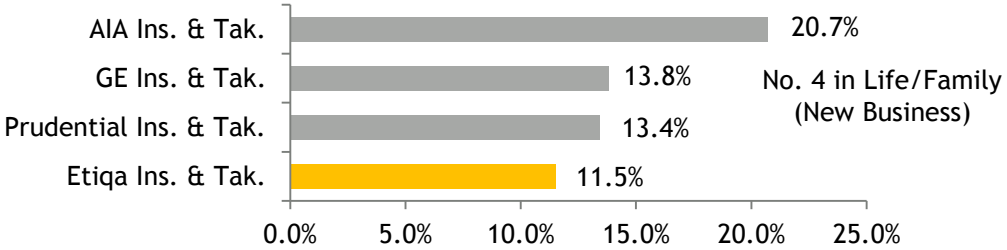
Insurance and Takaful: Performance Overview

eTiQa

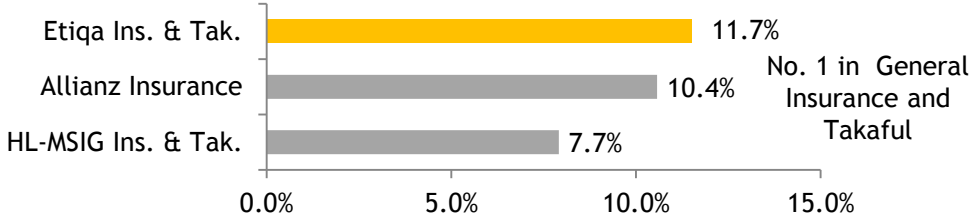
Gross Premium



Life / Family (New Business) Market Share

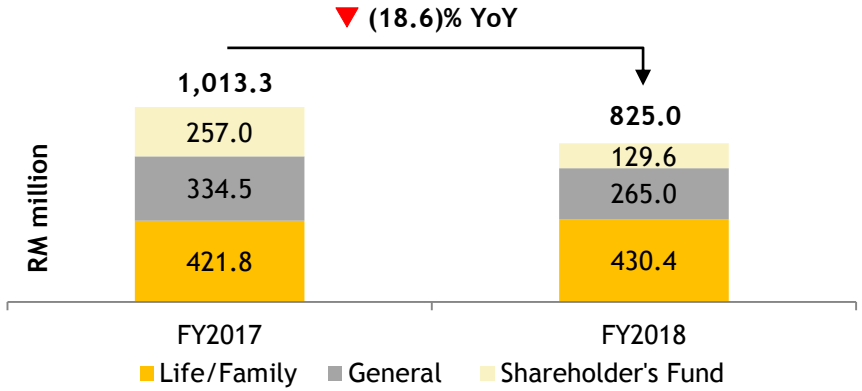


General Insurance and Takaful Market Share

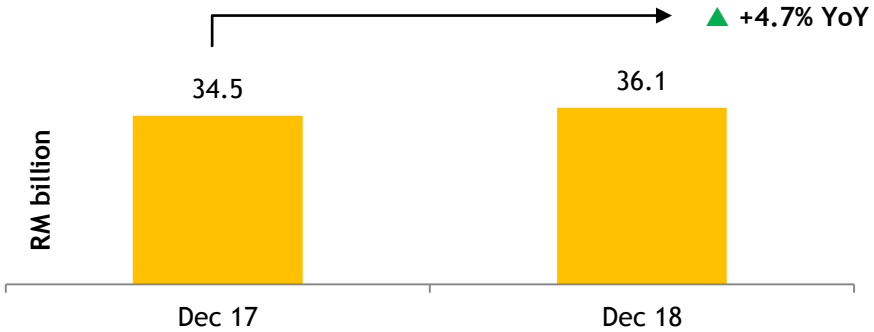


Note: Market Share is for period Oct'17 – Sep'18 (Source: LIAM / ISM Statistics)

Profit Before Tax



Total Assets



Note: Gross Premium, Profit Before Tax and Total Assets are presented at EIH Group level

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