

RHB Paving Its Way Forward*Kuala Lumpur, 19 May 2010*

RHB Capital Berhad (RHB Capital) has grown steadily over the past year and continues reaping the benefits of its Transformation Programme. Initiated in 2007, the Transformation Programme is designed to make the RHB Banking Group one of the leading financial services providers in ASEAN. The overall progress has delivered enhanced shareholder values as the RHB Banking Group continues to pave its way forward.



Dato' Tajuddin Atan, Group Managing Director of the RHB Banking Group, at the 15th Annual General Meeting of RHB Capital.

During RHB Capital's 15th Annual General Meeting today, Dato' Mohamed Khadar Merican, Chairman of RHB Capital Berhad, said, "The Group remains focused on building its core businesses and continues to look for opportunities to expand its market share. Ultimately, we want to put ourselves in a position where we can effectively meet the needs of our customers so that we can further thrive together in this highly competitive sector. We believe we have to go above and beyond organic growth, and are on the look out for partners with the correct strategic fit."

"The Malaysian banking sector has managed to weather the recent global economic downturn, given the various stimulus packages introduced by the Government. This, coupled by Bank Negara Malaysia's proactive monetary policy, has provided the banking system with ample liquidity. Loans and advances grew by 8.1% in 2009, whilst asset quality has inched up marginally," he added.

RHB Capital's pre-tax profit of RM1.54 billion for the financial year ended 31 December 2009 is an increase of 8% as compared to the RM1.42 billion registered last year.

The improved performance was attributed to higher net interest income by RM196.9 million and higher income from Islamic banking business by RM45.2 million, partially offset by higher allowances for losses on loans and financing by RM79.2 million.

The higher net interest income was driven by an increase in gross loans and advances by 10.3% or RM6.5 billion to RM69.6 billion

Net profit for the Group increased by 15% from RM1.05 billion to RM1.20 billion and earnings per share rose to 55.8 sen, compared to 48.7 sen recorded in 2008.



News Room

The Group continues to aim towards becoming a leading financial institution in ASEAN. The surge of change within the Group and its efforts to further streamline its core businesses has already been reflected in the new corporate image it introduced in May 2008 to project RHB as a single unified banking group.

“Based on our universal banking platform, we have set for ourselves clear strategies with the ultimate goal of serving our customers better through the benefits of scale. To achieve that, we will build long term competitive advantage, refine and develop new earnings sources, grow our international businesses and build a strong domestic Islamic Bank, all the time capitalizing on our growing distribution networks and improved staff expertise and capabilities,” said Dato’ Mohamed Khadar.

“The improved performance in 2009 shows the results of the revitalized organization. We are also pleased to be able to share the improvements with our shareholders, with the declaration of a final dividend of 17.45% less tax, making a total dividend paid and declared for 2009 of 22.45%, less tax, which meets our stated dividend policy,” he concluded.

Issued on behalf of RHB Banking Group by Group Corporate Communications Division, RHB Capital Berhad. For more information, please call Mohamad Zaihan Mohamed Ariffin at 012-3322191 or Eza Dzul Karnain at 012-3420060.

About the RHB Banking Group

The RHB Banking Group is the fourth largest fully integrated financial services group in Malaysia. The Group’s core businesses are streamlined into four Strategic Business Groups (SBGs): Retail Banking, Corporate & Investment Banking, Islamic Banking and International Banking. These businesses are offered through its main subsidiaries – RHB Bank Berhad, RHB Investment Bank Berhad, RHB Insurance Berhad and RHB Islamic Bank Berhad, while its asset management and unit trust businesses are held under RHB Investment Management Berhad. RHB’s International Banking Division include the commercial banking operations in Singapore, Thailand and Brunei. The Group also has a non-ringgit based offshore funding operations in Labuan as well as a representative office in Vietnam. It is the RHB Banking Group’s aspiration to deliver superior customer experience and shareholder value; and be recognised as one of the top financial services groups in ASEAN.

It’s time we simplify banking.