

# **BCHB GROUP**

# **FIRST QUARTER 2008 RESULTS**

## **Investor Presentation**

**9<sup>th</sup> May 2008**

# ***Agenda***

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***BCHB Group 1Q08 Financials***

***Malaysian Consumer Bank***

***Capital Markets Operations***

***Indonesian Banking***

***Capital Management & Other Developments***

**BCHB GROUP : FIRST QUARTER 2008 RESULTS**  
**BCHB GROUP 1Q08 FINANCIALS**

## 1Q08 key highlights

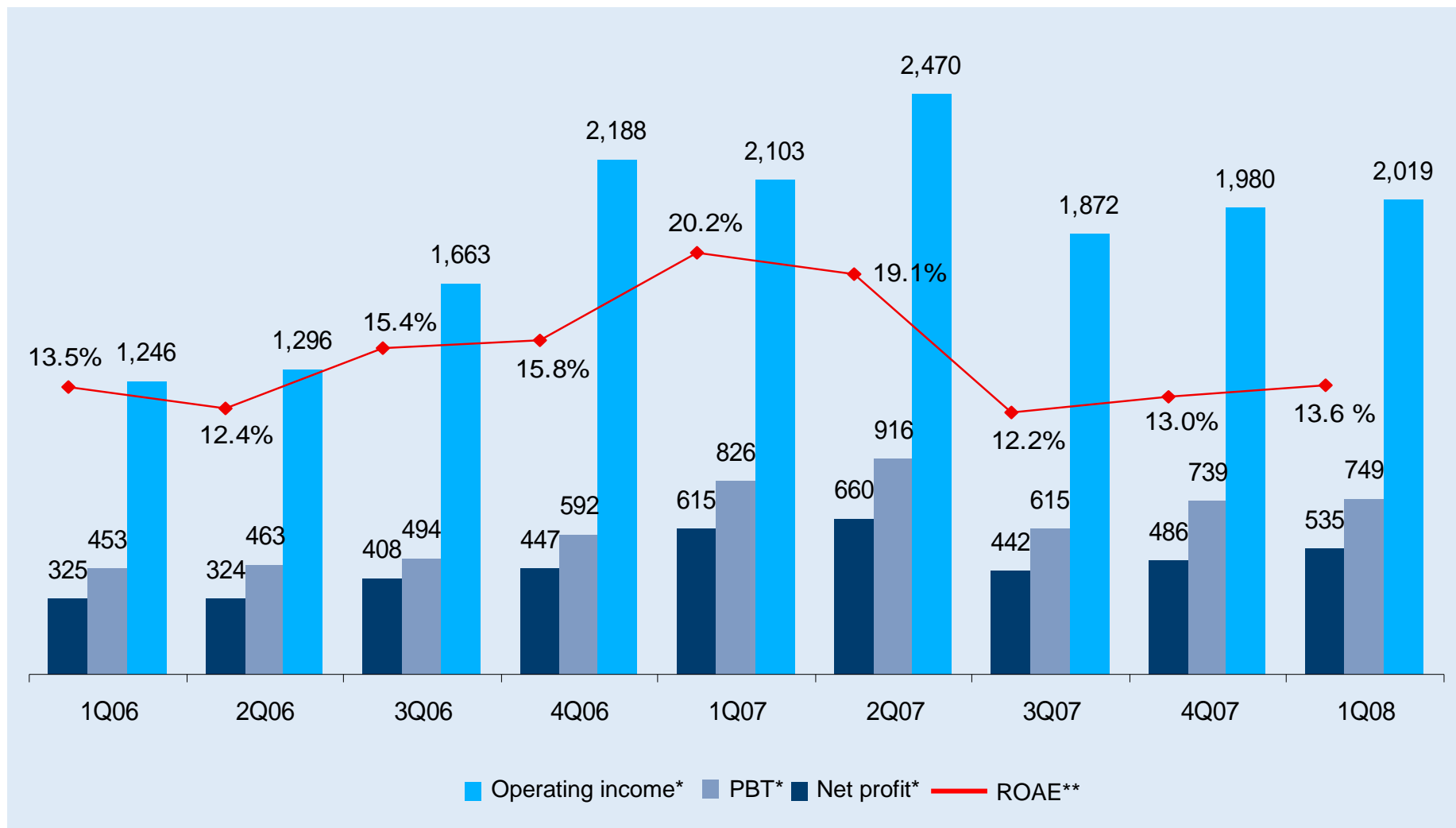
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- ✓ Net profit at RM535 million, up 10% q-o-q but down 13% y-o-y
- ✓ Consumer bank contribution up sharply driven by lower credit charge
- ✓ IB and Treasury contribution fell due to tough markets
- ✓ Asset quality indicators continue to improve
- ✓ Retain 18% ROE target for full year with continued improvement in consumer banking and healthy capital market pipeline

## BCHB Group : 1Q08 financials

(RM mil)	1Q07	1Q08	Y-o-Y	4Q07	Q-o-Q
Net interest income	1,030	1,114	8%	1,136	(2%)
Non interest income	1,073	905	(16%)	844	7%
<b>Operating income</b>	<b>2,103</b>	<b>2,019</b>	<b>(4%)</b>	<b>1,980</b>	<b>2%</b>
Loan provisions	(285)	(189)	(34%)	(116)	63%
Other provisions	(6)	(8)	33%	(17)	(53%)
Overhead expenses	(987)	(1,064)	8%	(1,111)	(4%)
<b>PBT*</b>	<b>826</b>	<b>749</b>	<b>(9%)</b>	<b>739</b>	<b>1%</b>
<b>Net profit</b>	<b>615</b>	<b>535</b>	<b>(13%)</b>	<b>486</b>	<b>10%</b>
<b>Earnings per share (sen)</b>	<b>19.1</b>	<b>15.9</b>	<b>(17%)</b>	<b>14.4</b>	<b>11%</b>
<b>Cost to income</b>	<b>46.9%</b>	<b>52.7%</b>	<b>12%</b>	<b>56.1%</b>	<b>(6%)</b>
<b>ROAE (weighted average)</b>	<b>20.2%</b>	<b>13.6%</b>	<b>(33%)</b>	<b>13.0%</b>	<b>5%</b>

## 1Q08 net ROE of 13.6, better than 3Q07 and 4Q07



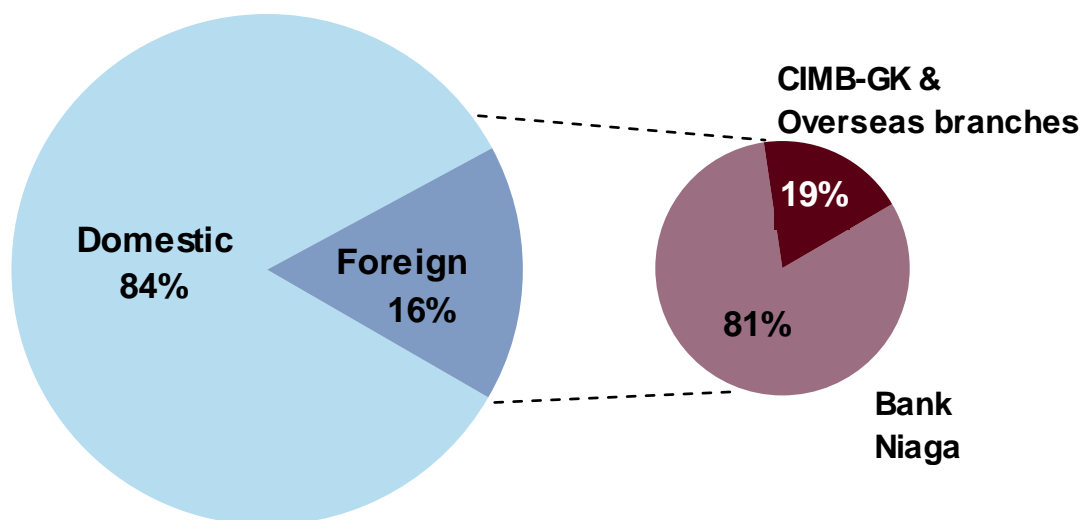
\* Amounts denoted in RM million

\*\* Annualised quarter (respectively)

## Contribution by entity and geography

(RM mil)	CIMB Universal Bank	Bank Niaga	BCHB (Holding company) & Others	BCHB Group
Revenue	1,749	285	(15)	2,019
Profit/ (loss) before tax	665	98	(14)	749
Net profit/ (loss)	500	46	(11)	535

BCHB Group 1Q08 contribution by PBT



CIMB Universal Bank	1Q08 PBT (RM mil)	% of PBT
Bank	532	80%
Islamic	27	4%
Investment Bank	21	3%
CIMB-GK	13	2%
Asset Management & Insurance	14	2%
Others	58	9%

## BCHB: Revenue by segment

(RM mil)	1Q07	4Q07	1Q08	Q-o-Q
Consumer Banking	783	816	820	0.5%
Corporate & Investment Banking	460	519	477	(8%)
Treasury & Investments	493	294	402	37%
GAM & Insurance	109	45	53	18%
Niaga	289	289	285	(1%)
Other income	(31)	17	(18)	(206%)
<b>Total income</b>	<b>2,103</b>	<b>1,980</b>	<b>2,019</b>	<b>2%</b>
Loan provisions	(285)	(116)	(189)	63%
Other provisions (incl. impairment)	(6)	(17)	(8)	(53%)
Overhead expenses	(987)	(1,111)	(1,064)	(4%)
<b>PBT *</b>	<b>826</b>	<b>739</b>	<b>749</b>	<b>1%</b>
<b>Net profit</b>	<b>615</b>	<b>504</b>	<b>535</b>	<b>10%</b>

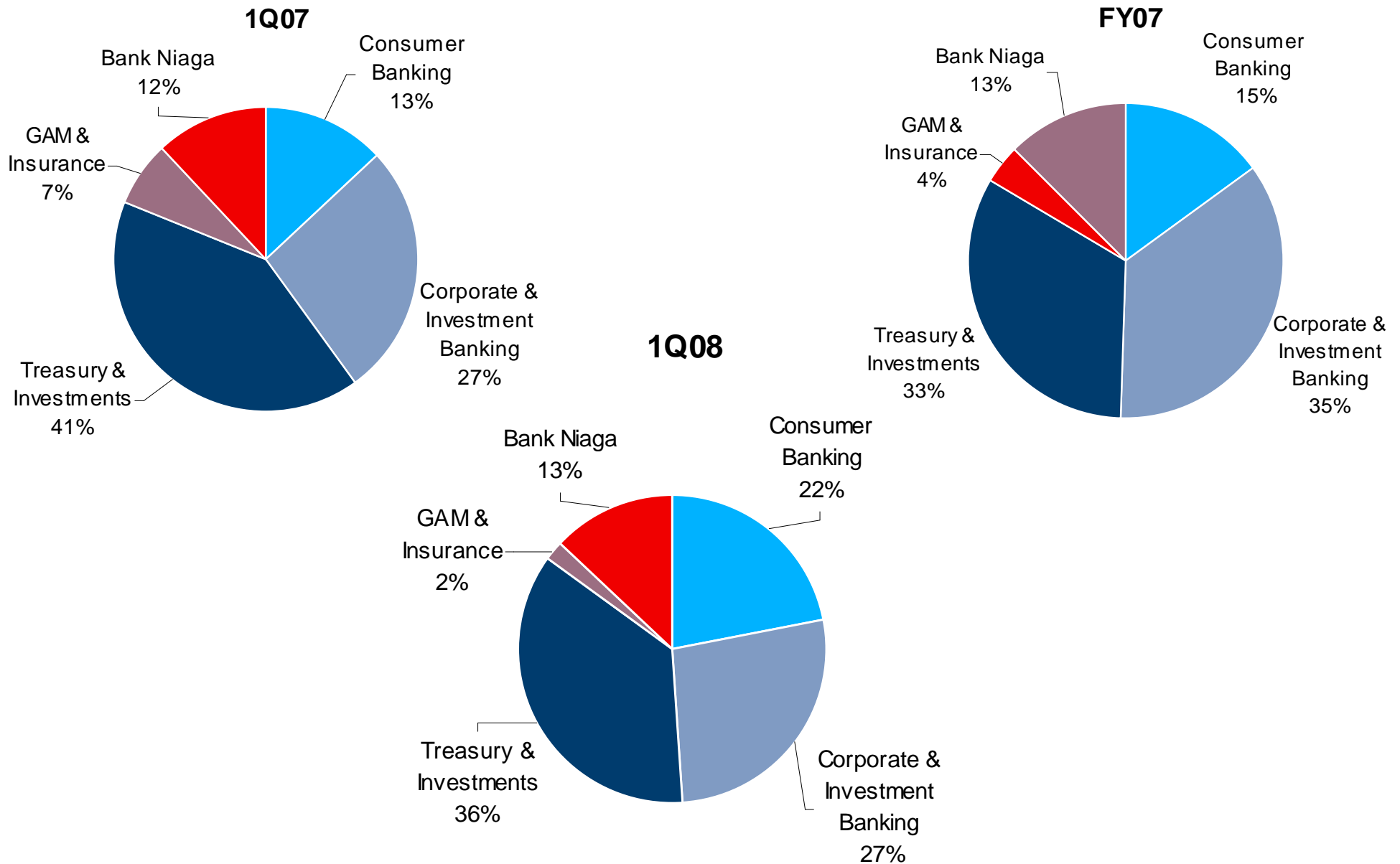
\* Includes share of profit of jointly controlled/ associated companies



## ***BCHB Group : Estimated PBT by segments***

<b>PBT (Post estimated support cost allocation)</b>	<b>1Q07</b>		<b>4Q07</b>		<b>1Q08</b>		<b>Q-o-Q</b>	<b>Y-o-Y</b>
	<b>RM mil</b>	<b>% of PBT</b>	<b>RM mil</b>	<b>% of PBT</b>	<b>RM mil</b>	<b>% of PBT</b>	<b>%</b>	<b>%</b>
Consumer Banking	111	13	100	14	168	22	68%	51%
Investment Banking & Treasury	557	68	583	79	470	63	(19%)	(16%)
GAM & Insurance	55	7	(40)	(6)	13	2	133%	(76%)
Niaga	103	12	96	13	98	13	2%	(5%)
<b>Total PBT</b>	<b>826</b>	<b>100</b>	<b>739</b>	<b>100</b>	<b>749</b>	<b>100</b>	<b>1%</b>	<b>(9%)</b>
<b>Net profit</b>	<b>615</b>	<b>-</b>	<b>486</b>	<b>-</b>	<b>535</b>	<b>-</b>	<b>10%</b>	<b>(13%)</b>
<b>Consumer Banking Loan Loss Charge</b>	<b>0.44%</b>	<b>-</b>	<b>0.29%</b>	<b>-</b>	<b>0.22%</b>	<b>-</b>	<b>(24.1%)</b>	<b>(50.0%)</b>

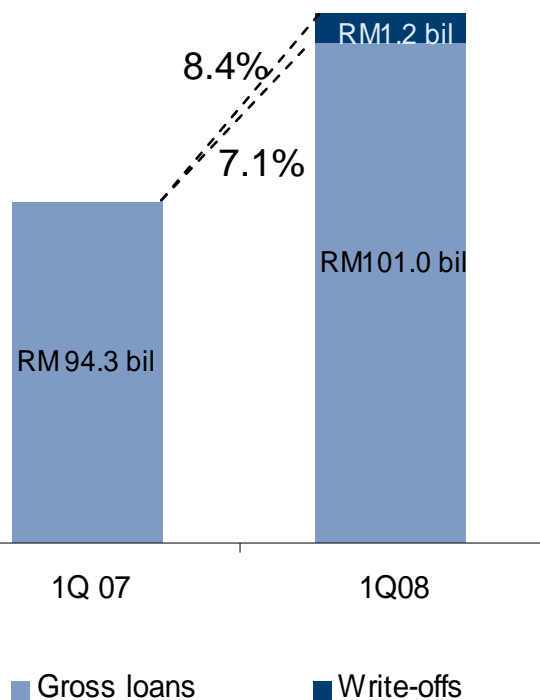
# Estimated PBT by segments



## Balance sheet changes

(RM mil)	31 <sup>st</sup> Mar 07	31 <sup>st</sup> Dec 07	31 <sup>st</sup> Mar 08	Y-o-Y	Q-o-Q
Cash & short term funds	20,561	30,525	27,856	35%	(9%)
Securities purchased under resale agreements	3,608	4,371	4,476	24%	2%
Deposits & placements with financial institutions	4,810	6,486	10,988	128%	69%
Securities held for trading	13,597	14,652	15,563	14%	6%
Securities available for sale	9,954	10,260	9,586	(4%)	(7%)
Securities held to maturity	2,150	3,529	3,851	79%	9%
Loans, advances & financing	89,228	95,904	95,846	7%	0.1%
Other assets	15,973	17,105	17,988	13%	5%
<b>Total assets</b>	<b>159,881</b>	<b>182,832</b>	<b>186,154</b>	<b>16%</b>	<b>2%</b>
Deposits from customers	104,794	126,867	131,602	26%	4%
Deposits & placements of banks and other FI	6,949	12,884	10,848	56%	(16%)
Obligations on securities sold under REPOs	7,028	606	-	(100%)	(100%)
Other borrowings	6,159	4,752	4,575	(26%)	(4%)
Other liabilities	21,277	20,868	22,159	4%	6%
<b>Total liabilities</b>	<b>146,207</b>	<b>165,977</b>	<b>169,184</b>	<b>16%</b>	<b>2%</b>
Shareholders' funds	12,698	15,710	15,806	24%	1%
<b>Total liabilities &amp; equity</b>	<b>159,881</b>	<b>182,832</b>	<b>186,154</b>	<b>16%</b>	<b>2%</b>
<b>NTA per share</b>	<b>2.35</b>	<b>3.18</b>	<b>3.21</b>	<b>37%</b>	<b>1%</b>
<b>Book value per share</b>	<b>3.93</b>	<b>4.66</b>	<b>4.71</b>	<b>20%</b>	<b>1%</b>

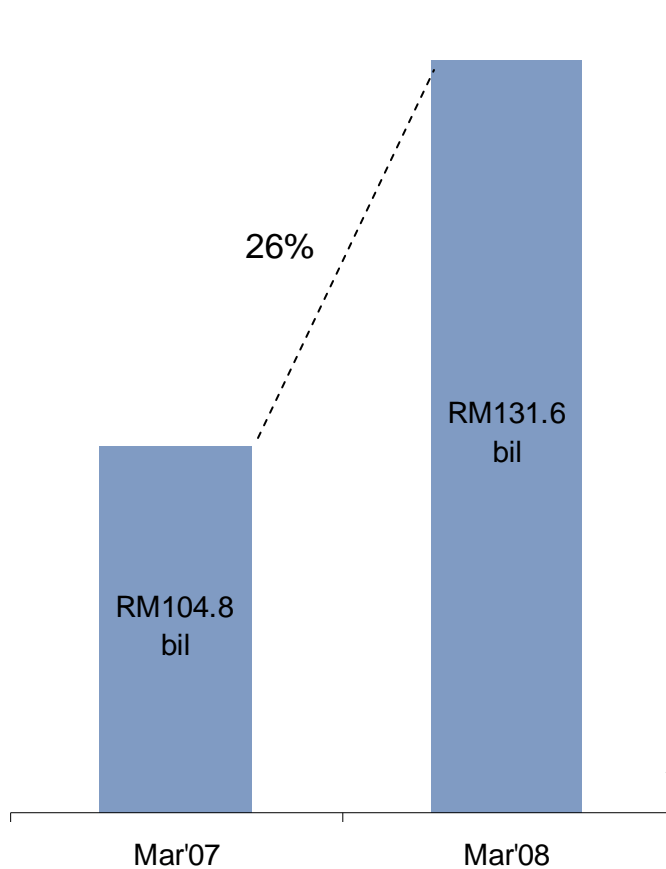
## BCHB Group: Loans grew 7.1% over the year



Products/ Divisions	Gross loans as at 31 Mar 07 (RM bil)	Gross loans as at 31 Dec 07 (RM bil)	Gross loans as at 31 Mar 08 (RM bil)	Y-o-Y loans growth	Y-o-Y growth (excl. write offs)
<b>Consumer Banking</b>	<b>53.2</b>	<b>55.3</b>	<b>56.5</b>	<b>6.2%</b>	<b>8.1%</b>
Mortgages	16.5	19.1	20.3	23.2%	23.2%
- Of which performing	14.4	17.0	18.6	29.6%	29.6%
HP	13.3	11.8	11.6	(13.2%)	(8.8%)
Credit cards	1.8	2.2	2.3	32.1%	37.1%
CIMB Xpress	0.3	0.5	0.5	77.2%	105.7%
Business	14.6	14.0	13.9	(4.8%)	(3.3%)
<b>Corporate &amp; Investment</b>	<b>28.6</b>	<b>30.7</b>	<b>29.5</b>	<b>2.9%</b>	<b>3.0%</b>
<b>Niaga (IDR bil)*</b>	<b>32,961</b>	<b>42,630</b>	<b>43,498</b>	<b>32.0%</b>	<b>32.5%</b>

\* In RM terms, 20% y-o-y growth

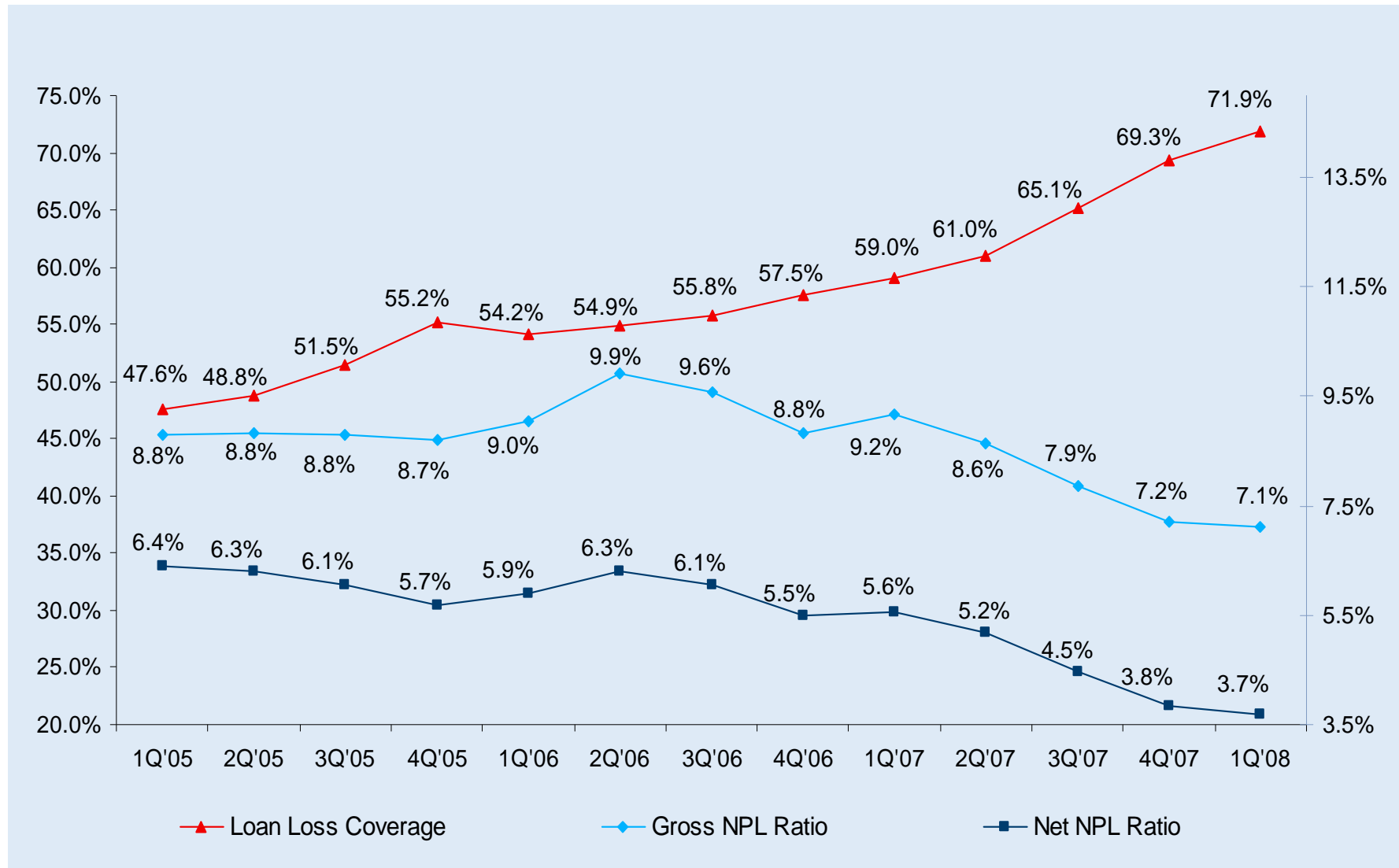
## Deposits grew 26% over the year



Divisions / Products	31 <sup>st</sup> Mar 07 (RM bil)	31 <sup>st</sup> Dec 07 (RM bil)	31 <sup>st</sup> Mar 08 (RM bil)	Y-o-Y growth
<b>Retail</b>	<b>26.9</b>	<b>30.6</b>	<b>32.4</b>	<b>20%</b>
- Current	3.3	3.7	4.0	22%
- Savings	7.4	8.1	8.5	15%
- Fixed & structured deposits	16.3	18.8	19.9	22%
<b>Business</b>	<b>15.2</b>	<b>17.3</b>	<b>17.0</b>	<b>11%</b>
<b>Corporate &amp; Treasury</b>	<b>48.7</b>	<b>63.1</b>	<b>66.3</b>	<b>36%</b>
<b>Bank Niaga (IDR bil) *</b>	<b>36,822</b>	<b>44,969</b>	<b>45,965</b>	<b>25%</b>

\* In RM terms, 14% y-o-y growth

# BCHB Group: Further improvements on loan quality trends



## BCHB: Operating expenses

(RM mil)	1Q07	4Q07	1Q08	Q-o-Q	Y-o-Y
Personnel	531	548	527	(4%)	(1%)
Establishment	206	177	203	15%	(1%)
Marketing	35	107	57	(47%)	63%
Admin & general	215	279	277	(1%)	29%
<b>Total costs</b>	<b>987</b>	<b>1,111</b>	<b>1,064</b>	<b>(4%)</b>	<b>8%</b>

## Key ratios

(%)	FY07	4Q07	1Q08
ROAE	20.0	13.0	13.6
Net interest margin* (excl. IIS)	2.43	2.34	2.30
Fee income/ total income	16.2	17.1	15.0
Non-interest income/ total income	50.8	42.6	44.8
Cost/ income	46.9	56.1	52.7
Loan loss coverage	69.3	69.3	71.9
Gross NPL ratio	7.2	7.2	7.1
Net NPL ratio	3.8	3.8	3.7
Average shareholders' funds	13,934	14,998	15,805
Double leverage (Company)	116.0%	116.0%	117.6%

Niaga NIM at 5.21% (4Q07:5.65%);  
NIM for CIMB Bank's performing  
loan of 3.93% (4Q07: 3.81%)

\* Annualised



**BCHB GROUP : FIRST QUARTER 2008 RESULTS**  
**MALAYSIAN CONSUMER BANK**

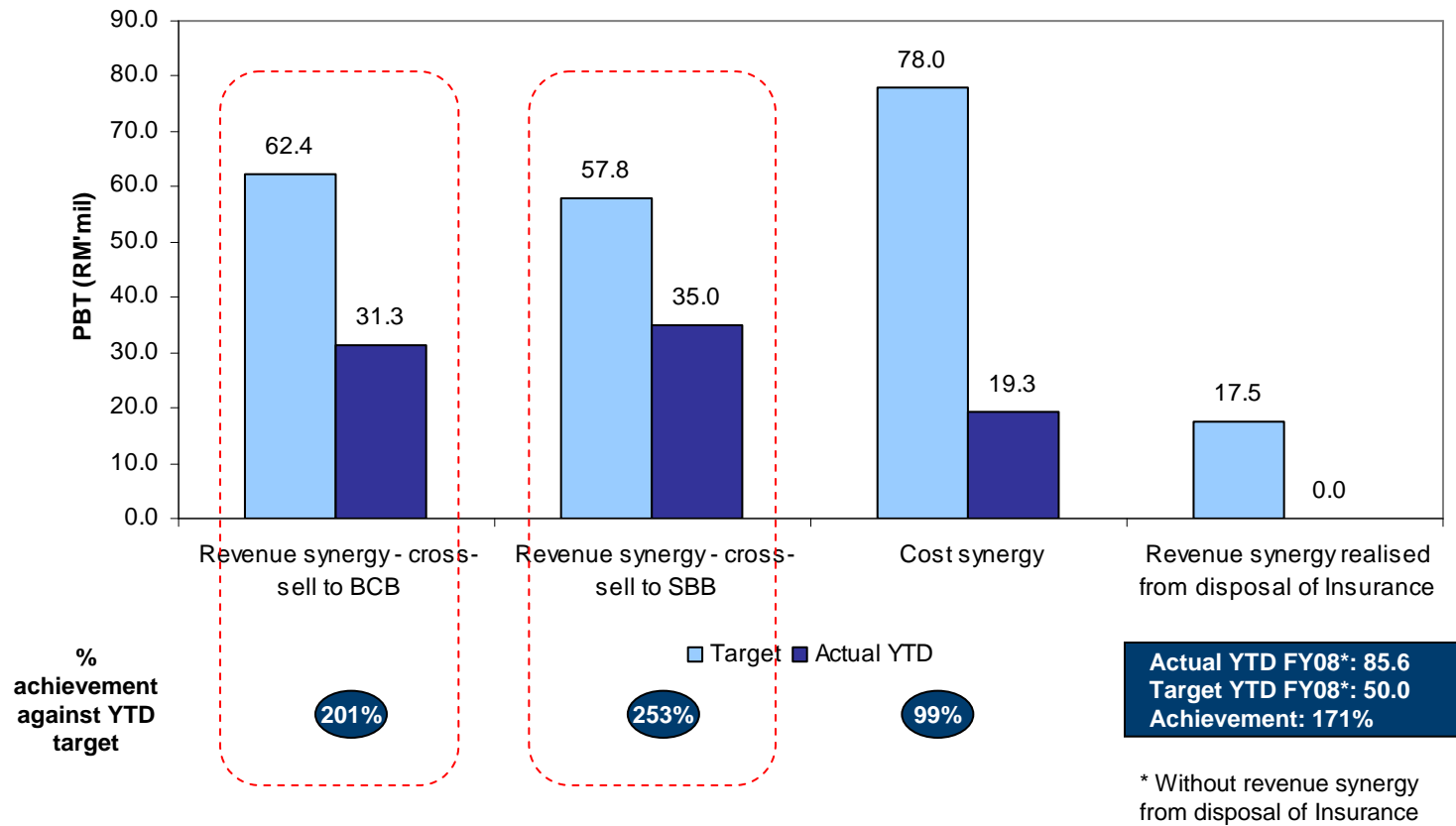
## Consumer Banking

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(RM mil)	1Q07	4Q07	1Q08	Q-o-Q	Y-o-Y
Net interest income	585	637	634	(0.5%)	8.3%
Non interest income	198	179	187	4.4%	(5.6%)
<b>Total income</b>	<b>783</b>	<b>816</b>	<b>820</b>	<b>0.5%</b>	<b>4.8%</b>

# CIMB-SBB : 1Q08 synergy targets achieved with 171%

YTD Actual vs FY08 Target Synergy PBT Achievement (RM'mil)



## Consumer market shares better with clear upside

Market shares	31 <sup>st</sup> Mar 2007	31 <sup>st</sup> Dec 2007	31 <sup>st</sup> Mar 2008	Ranking
Mortgages	9.5%	10.4%	10.8%	3
HP	13.3%	11.6%	11.1%	4
Credit cards - by loan base	8.8%	9.7%	10.3%	4
- card base	7.3%	8.8%	9.4%	
Retail deposits *	8.3%	8.5%	8.8%	4
SME loan	12.6%	12.7%	12.5%	3

*\*Excludes structured deposit as per BNM's definition*

**BCHB GROUP : FIRST QUARTER 2008 RESULTS**  
**CAPITAL MARKETS OPERATIONS**

## Corporate & Investment Banking

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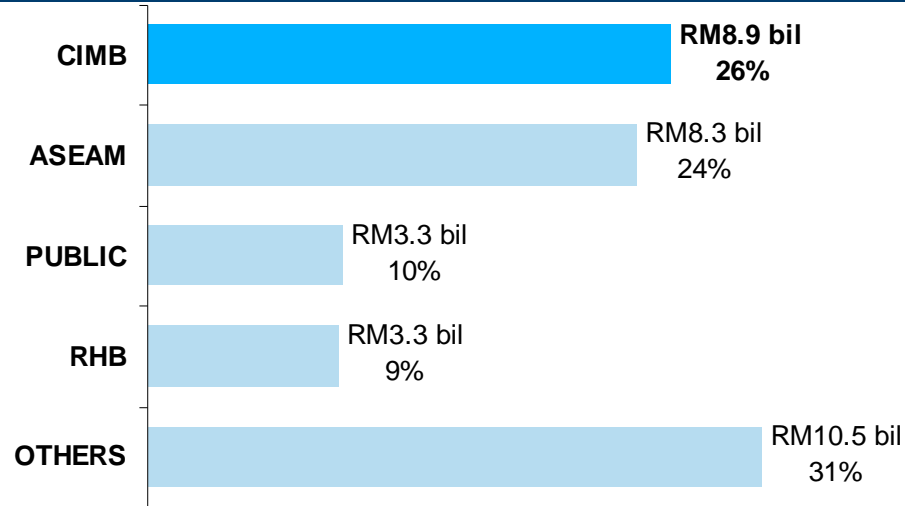
(RM mil)	1Q07	4Q07	1Q08	Q-o-Q	Y-o-Y
Net interest income	140	197	185	(6%)	32%
Fee & commission income	104	139	100	(28%)	(4%)
Net trading income	126	79	110	39%	(13%)
Brokerage income	90	104	82	(21%)	(9%)
<b>Total income</b>	<b>460</b>	<b>519</b>	<b>477</b>	<b>(8%)</b>	<b>4%</b>

## Treasury & Investments

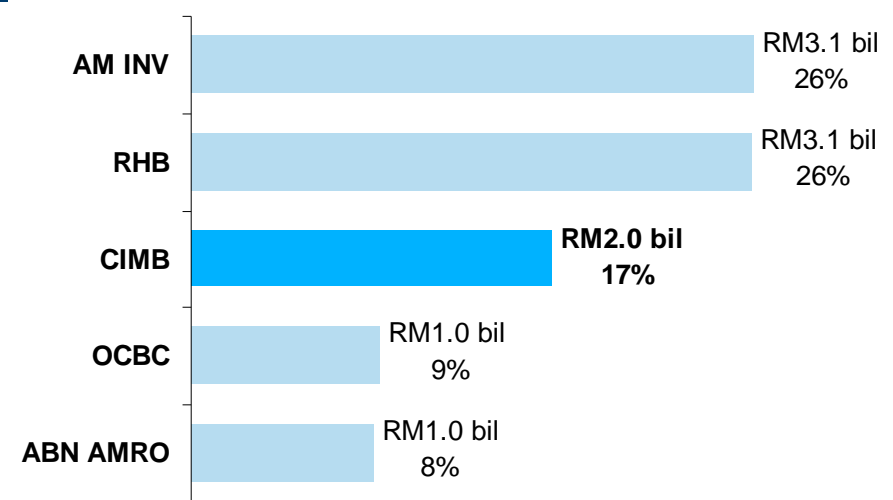
(RM mil)	1Q07	4Q07	1Q08	Q-o-Q	Y-o-Y
Net interest income	133	140	132	(6%)	(1%)
Fee income	2	15	5	(67%)	150%
Net trading income	271	86	127	48%	(53%)
Other income	87	53	138	160%	59%
<b>Total income</b>	<b>493</b>	<b>294</b>	<b>402</b>	<b>37%</b>	<b>(18%)</b>

# Excellent market shares in 1Q08

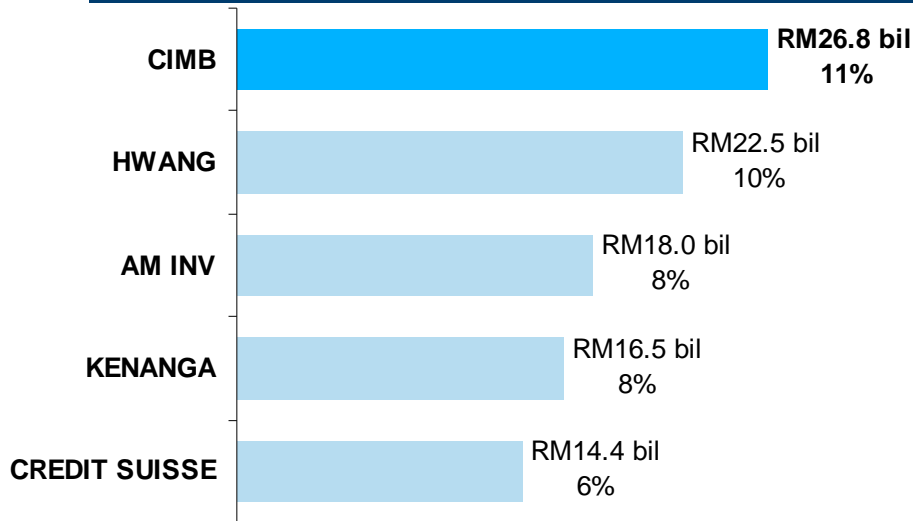
## M&A ADVISORY (BY VALUE)



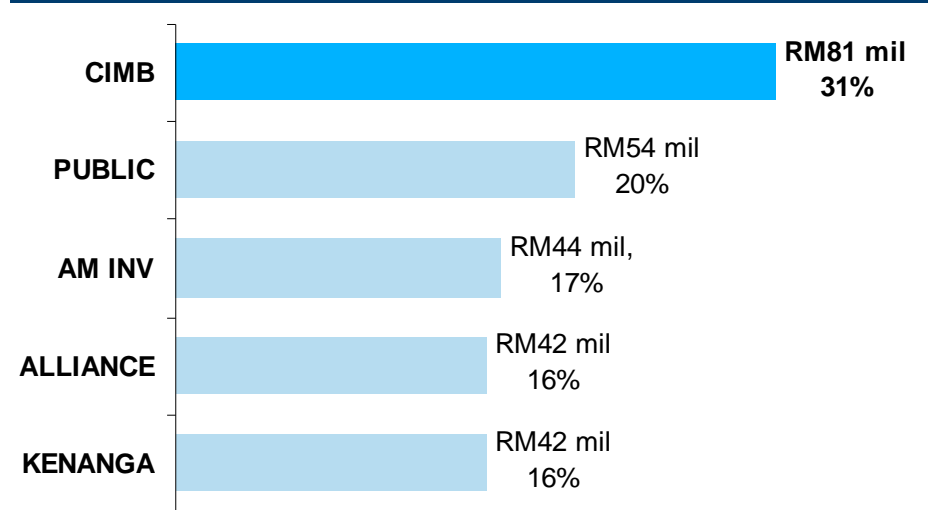
## PRIMARY RM BOND MARKET (BY VALUE)



## BROKING (BY VALUE)



## IPO ADVISORY (BY VALUE)





# Gaining traction in the regional capital markets

## Thailand

- Brokerage market share of 0.38%

## Singapore

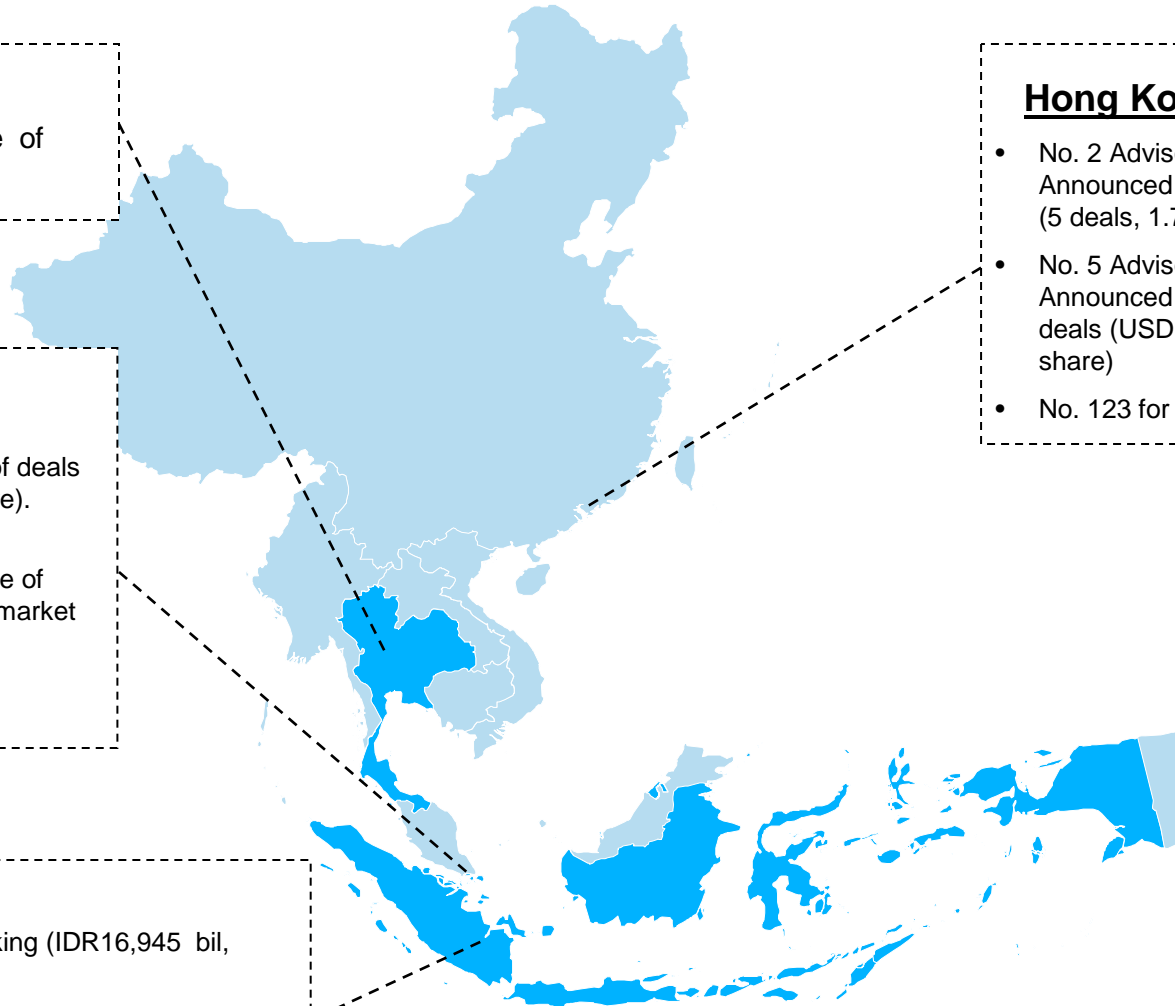
- No. 1 Advisor Ranking for Announced Deals (by no. of deals (3 deals, 1.8% market share).
- No. 4 Advisor Ranking for Announced Deals (by. value of deals (USD83.3 mil, 5.9% market share)
- No. 6 for Stockbroking

## Indonesia

- No. 4 for Stock broking (IDR16,945 bil, 3.78%)
- No. 5 for Rupiah bonds (IDR800 bil, 9.3% market share)
- No. 2 for IPO (IDR382 bil, 21.0% market share)

## Hong Kong

- No. 2 Advisor Ranking for Announced Deals (by no. of deals (5 deals, 1.7% market share)
- No. 5 Advisor Ranking for Announced Deals (by. value of deals (USD106.5 mil, 2.6% market share)
- No. 123 for Stockbroking



\* Data as at 31<sup>st</sup> March 2008 unless stated otherwise

# A global leader in Islamic investment banking

1Q08 Domestic Islamic League Table		
Rank	Company	Market Share
1	<b>CIMB</b>	<b>59.3%</b>
2	AmlInvestment	10.2%
3	Citibank	10.2%
4	Affin Investment	8.4%
5	OSK	7.4%

Source: Rating Agency Malaysia Berhad and Malaysian Rating Corporation Berhad as at 31 March 2008

1Q08 Global Islamic League Table		
Rank	Company	Market Share
1	JP Morgan	22.88%
2	Calyon	10.68%
3	<b>CIMB</b>	<b>10.01%</b>
4	Citibank	9.31%
5	Affin Investment	8.41%

Source: ISI Emerging Markets – Islamic Finance Information Service as at 31 March 2008

## CIMB Islamic Notable Islamic Debt Transactions in 1Q08

- Khazanah's 3rd Islamic Exchangeable Sukuk – USD550 million

## Group Asset Management and Insurance

(RM mil)	1Q07	4Q07	1Q08	Q-o-Q	Y-o-Y
Fee income	31	39	42	8%	35%
Other income	19	28	5	(82%)	74%
Insurance	59	(22)	6	127%	(88%)
<b>Total income</b>	<b>109</b>	<b>45</b>	<b>53</b>	<b>18%</b>	<b>(51%)</b>

GAM's Total AUM`		
(RM bil)	31 <sup>st</sup> Dec 07	31 <sup>st</sup> Mar 08
CPAM	19.2	17.8
Wholesale	2.1	2.0
<b>Total AUM</b>	<b>21.3</b>	<b>19.8</b>

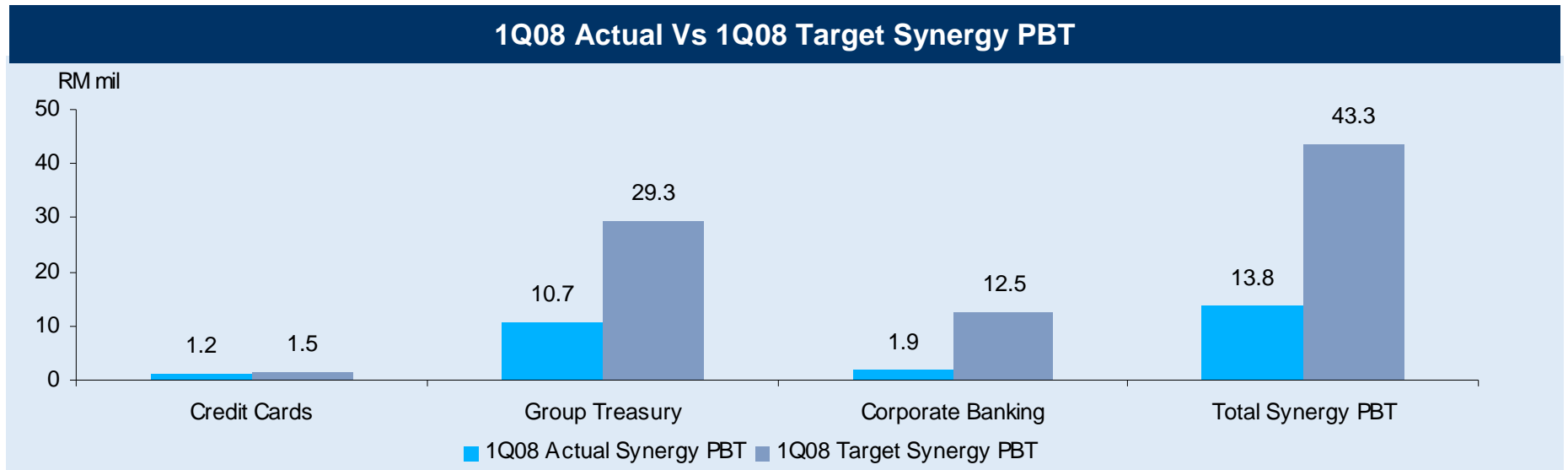
**BCHB GROUP : FIRST QUARTER 2008 RESULTS**  
**INDONESIAN BANKING**

# Bank Niaga

(IDR billion)	1Q07	1Q08	Y-o-Y	4Q07	Q-o-Q
Net Interest Income	628	657	5%	678	(3%)
Non Interest Income	121	104	(14%)	101	3%
<b>Operating Income</b>	<b>749</b>	<b>761</b>	<b>2%</b>	<b>779</b>	<b>(2%)</b>
Overhead Expenses	(377)	(448)	19%	(477)	(6%)
<b>Pre Provision Operating Profit</b>	<b>372</b>	<b>313</b>	<b>(16%)</b>	<b>302</b>	<b>4%</b>
Provisions Expense	(136)	(106)	(22%)	(71)	49%
<b>Operating Profit</b>	<b>236</b>	<b>207</b>	<b>(12%)</b>	<b>230</b>	<b>(10%)</b>
Non Operating Income	42	75	79%	21	257%
<b>Profit Before Tax</b>	<b>278</b>	<b>282</b>	<b>1%</b>	<b>251</b>	<b>12%</b>
<b>Net Profit</b>	<b>202</b>	<b>207</b>	<b>2%</b>	<b>180</b>	<b>15%</b>
<b>Net Profit (RM million)</b>	<b>74</b>	<b>72</b>	<b>(3%)</b>	<b>63</b>	<b>14%</b>
<b>ROE*</b>	<b>18.2%</b>	<b>17.0%</b>	<b>(7%)</b>	<b>15.9%</b>	<b>7%</b>

\* ROE calculated against Tier 1 capital

# 1Q08 CIMB-Niaga synergy: 32% of YTD synergy target achieved



## Corporate Banking

- 5 mandates secured in the areas of syndication, bonds issuance & pre-IPO financing
- 4 deals in the pipeline

## Credit Cards

- As at 1Q2008, card position stands at 377,480, achieved 99.7% of target
- Achieved 77% of 1Q2008 synergy PBT target
- EMV card migration to commence in 3Q2008

## Treasury

- Launched Dynamic Duo Star Market-Linked Deposit (MLD) in February 2008 with total sales of IDR293.7b (RM101.3m)
- Integrated regional IT platform (Murex) for Bank Niaga gone live
- Together with Retail Banking, launched fixed-rate mortgages

**BCHB GROUP : FIRST QUARTER 2008 RESULTS**

**CAPITAL MANAGEMENT & OTHER DEVELOPMENTS**

## ***BCHB : Gearing and double leverage at target levels***

<b>BCHB Holding Company (RM mil)</b>	<b>1Q07</b>	<b>4Q07</b>	<b>1Q08</b>	<b>Pro-forma*</b>
Investment in subsidiaries	11,218	11,429	11,429	11,429
External debt & borrowings	5,042	3,305	3,305	3,305
Share capital	3,233	3,374	3,371	3,371
Reserves	4,483	6,477	6,344	6,374
<b>Gearing ratio</b>	<b>65.3%</b>	<b>33.6%</b>	<b>34.0%</b>	<b>33.9%</b>
<b>Double leverage ratio</b>	<b>145.4%</b>	<b>116.0%</b>	<b>117.6%</b>	<b>117.3%</b>
<b>RWCR - Bank</b>	<b>12.0%</b>	<b>12.5%</b>	<b>14.4%</b>	<b>13.9%</b>
<b>- IB</b>	<b>25.0%</b>	<b>30.1%</b>	<b>30.5%</b>	<b>24.2%</b>

\* After payment of final dividend

\*\* Share buy backs... 22.476 mil BCHB shares bought back since 1<sup>st</sup> January 2008 at average price of RM9.91

(as at 7<sup>th</sup> May 2008)



## G-SAM update

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<b>G-SAM recovery portfolio *</b>	<b>31<sup>st</sup> Dec 2007</b>	<b>31<sup>st</sup> Mar 2008</b>
Totally legally claimable	RM12.9 bil	RM12.7 bil
Net book value	RM2.7 bil	RM2.5 bil
Estimated FSV	RM5.1 bil	RM4.7 bil
Gross NPL	RM5.2 bil	RM5.0 bil
Gross / Net NPL ratios	83.2% / 70.6%	83.9% / 71.2%

<b>Good Bank portfolio</b>	<b>31<sup>st</sup> Dec 2007</b>	<b>31<sup>st</sup> Mar 2008</b>
Gross NPL	RM1.6 bil	RM1.7 bil
Gross / Net NPL ratios	2.0% / 1.2%	2.1% / 1.1%

\* Excludes Direct Banking & Cards, CIMB Express and Auto Finance

**THANK YOU**