

8th November 2005

**HONG LEONG ISLAMIC BANK REPORTS PRE-TAX PROFIT OF RM17.1 MILLION
FOR PERIOD ENDED 30TH SEPTEMBER 2005.**

Hong Leong Islamic Bank Berhad today announced a **net profit before tax of RM 17.1 million** for the first financial period ended 30th September 2005. The reported period is from the date of incorporation on 28th March 2005 to the period ended 30th September 2005

The Bank is a 100% subsidiary of Hong Leong Bank Berhad. All assets and liabilities were transferred over to the Islamic Bank from Hong Leong Bank Berhad on 1st July 2005. Previously, it operated as an 'Islamic window' in Hong Leong Bank Berhad.

The Islamic Bank showed **good momentum by contributing 9%** to the Hong Leong Bank group's pre-tax profits for the reported quarter ended 30th September 2005.

It had shown good balance sheet growth, with the Financing base at RM 3.6 billion and the Deposits from customers at RM 4.2 billion. Loan to deposit ratio stood at 87%.

To expand our product range and innovate on the Islamic offerings, we have launched new products such as Hong Leong One Account- i (current account) and enhanced 'daily rest' Islamic Mortgage Flexi-i.

The Islamic Bank's **risk-weighted capital ratio stood at 14.33%** as of 30th September 2005, supported by an initial share capital base of RM 500 million. This is above the regulatory minimum of 8%.

For further clarifications, please contact:

Encik Daud Abdullah

Managing Director

Hong Leong Islamic Bank Berhad

Tel: 03 2164 0692

Email: DaudAbdullah@hlib.hongleong.com.my

or

Mr. James Lim

Group Financial Controller

Tel : 03 2169 2822

Email : LimTO@hlbb.hongleong.com.my

or

Ms Cheah Leng Sooi

Branding & Communications Manager

Tel : 03 2169 2620

Mobile : 012 485 3813

Email : lscheah@hlbb.hongleong.com.my