



For immediate release
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10th May 2006

**HONG LEONG ISLAMIC BANK REPORTED PRE-TAX PROFIT OF RM46.8 MILLION
FOR YEAR-TO-DATE ENDED 31ST MARCH 2006.**

Key Highlights

- **Strong capital ratio at 13.8%** for the Islamic Bank
- Total **asset grew 20%** to RM 7.0 billion from RM 5.8 billion on 1 July 2005, the 1st day when the Bank commenced business.
- The **financing book grew by 14%** to RM3.9 billion from RM3.5 billion on 1 July 2005 on continued strong auto financing growth
- Total **deposit grew by 12%** to RM 5.5 billion from RM 4.9 billion on 1 July 2005 , driven by Islamic Negotiable Instrument (INI) growth
- **Pre-tax profit of RM14.5 million** for the 3rd quarter end 31st march 2006 while the year-to-date was at **RM 46.8 million**.

Islamic business profits showed sustained growth

Hong Leong Islamic Bank Berhad posted a **net profit before tax and zakat of RM 14.5 million** for the 3rd quarter ended 31st March 2006 and **RM 46.8 million** for the year-to-date.

To maximize the synergies, the Islamic bank had leveraged on the established platform of the parent conventional bank to reach its target customers. It had been able to expand its **customer base** to about **370,000** customers, of which about 30% are joint HLB customers.

In line with the group's push to grow the Islamic book, **the Islamic Bank** was able to **contribute up-to 8% of the group's pre-tax profit** for the reported period.

Balance sheet – building for size

We continued to grow the gross financing base, which stood at RM 3.9 billion and the Deposit base from customers at RM 5.5 billion. This gave a healthy Financing / Deposit ratio of 72.1%, allowing room for future assets growth.

For further clarifications, please contact:

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