

**HLIB NINE MONTHS PROFITS AT RM57 MILLION, UP 22% YoY****Profitability intact**

Hong Leong Islamic Bank (HLIB) posted a higher pre-tax profit of RM 57 million for the nine months to 31 March 2007, or 22% better compared to RM 47 million for the corresponding period last year. This resulted from higher financing income, coupled with a lower allowance for losses on financing. Profitability remains intact, as HLIB re-positions its franchise towards Islamic wealth management and investment banking. As part of this transformation, HLIB would capitalise on synergies and opportunities with its sister company, Hong Leong Tokio Marine Takafu Bhd.

The rationalisation exercise carried out on the shared service support from the parent bank, together with the rebalancing exercise on the financing book, resulted in lower operating expenses for the Bank. Its operations continue to be supported by the established infrastructure and business platform of the parent bank, Hong Leong Bank Bhd.

HLIB's capital adequacy ratio remains strong at 15.61%.

HLIB has further obtained a license to operate a International Currency Business Unit (ICBU) from Bank Negara Malaysia on 23<sup>rd</sup> February 2007. The necessary planning to tap on ICBU opportunities is under-way.

For further details, visit [www.hlib.com.my](http://www.hlib.com.my) or [www.bursamalaysia.com](http://www.bursamalaysia.com)

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