



# 39<sup>TH</sup> ANNUAL GENERAL MEETING

Presentation to Shareholders

20 April 2015



**Kamarul Ariffin bin Mohd Jamil**  
Group Chief Executive Officer

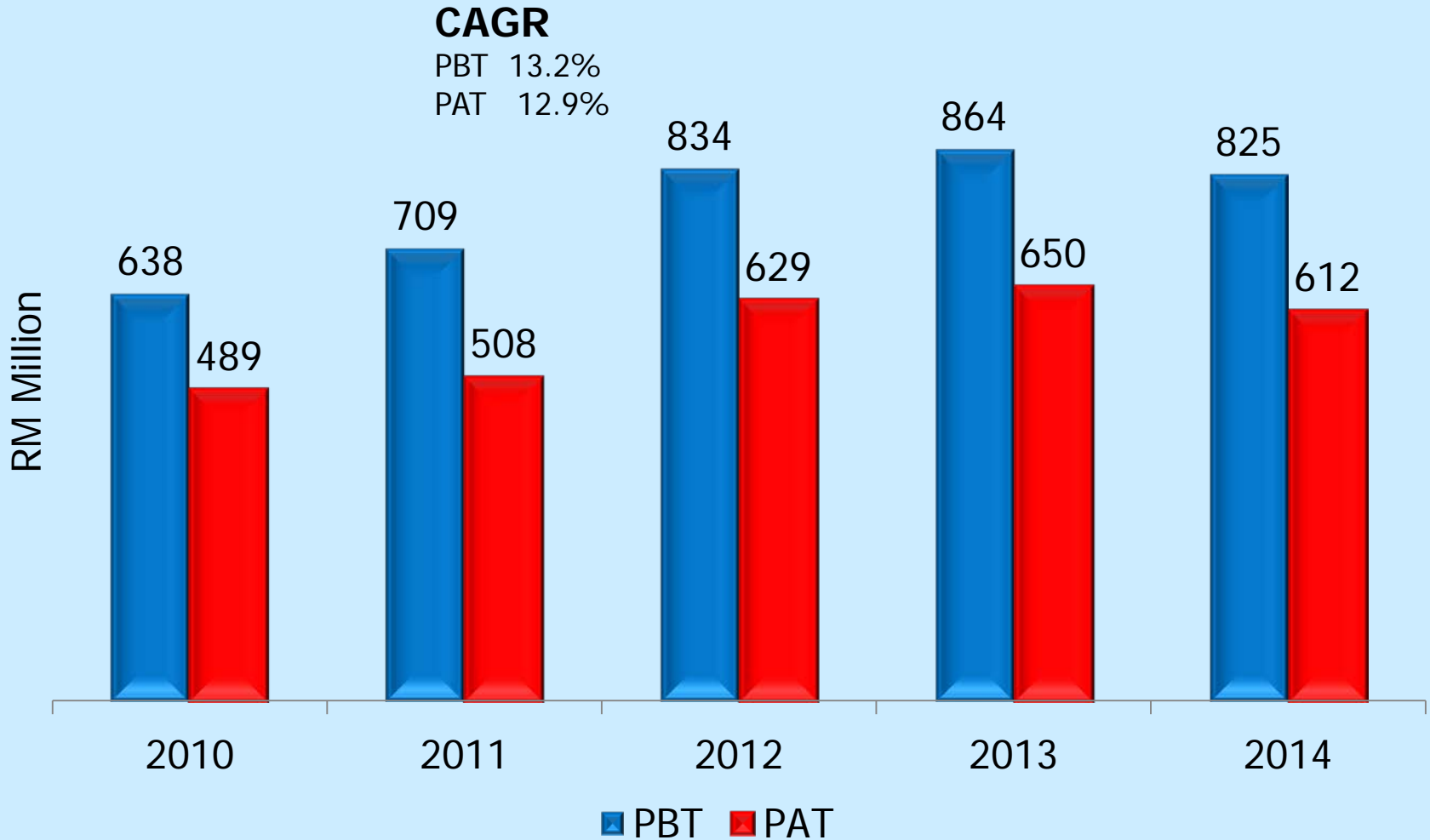
# Performance continues to be quite resilient

<b><u>Income Statement ( RM'mil )</u></b>	<b>2014</b>	<b>2013</b>	<b>Change (%)</b>
Profit Before Tax and Zakat	825.3	863.9	(4.47)
Net Profit	612.4	650.0	(5.78)
Earnings per share ( sen )	35.25	43.49	(18.9)

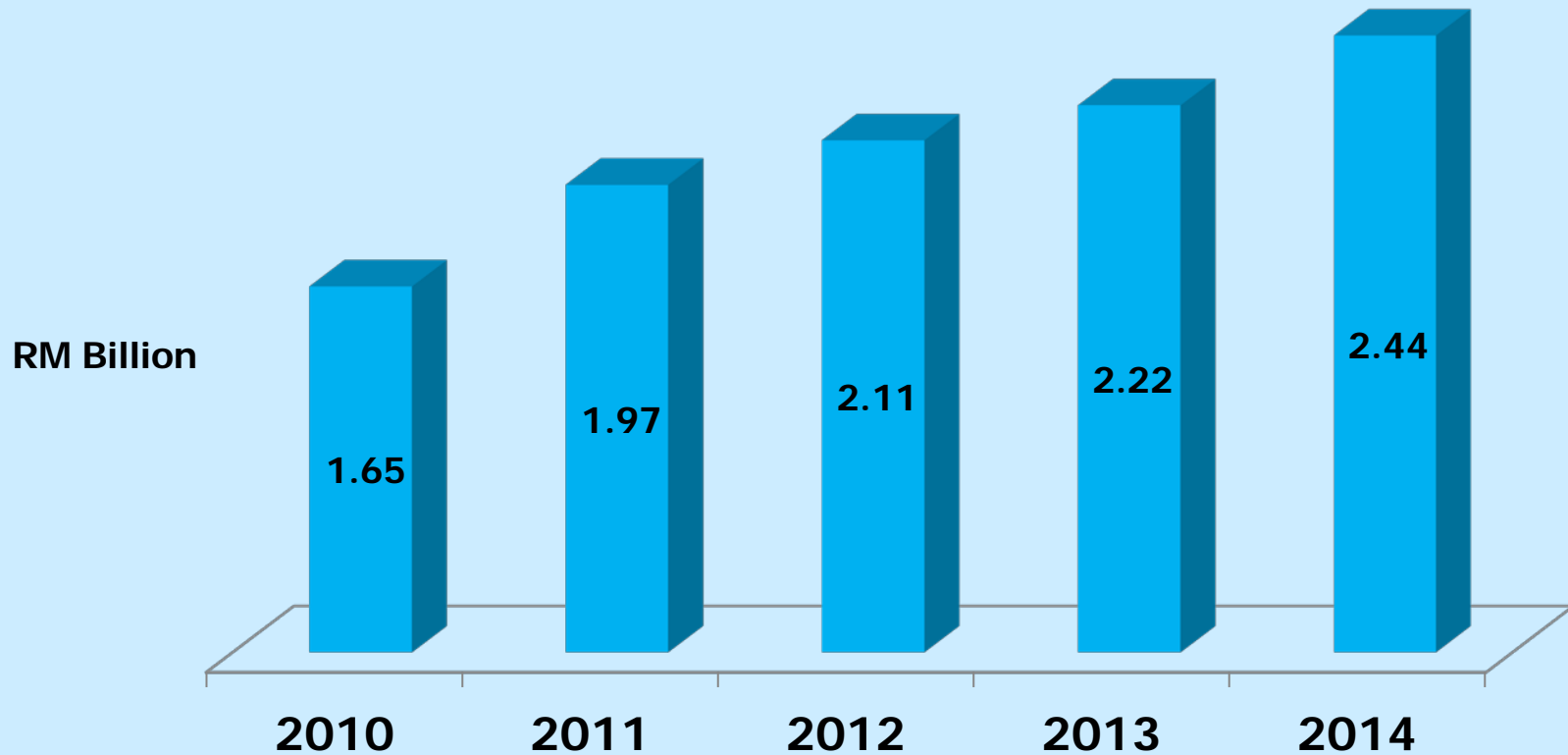
<b><u>Balance Sheet ( RM' bil )</u></b>	<b>2014</b>	<b>2013</b>	<b>Change (%)</b>
Total Assets	66.7	60.0	11.2
Gross Loans, advances & financing	41.1	37.5	9.6
Deposits from customers	50.6	47.4	6.8

<b><u>Key Financial Indicators</u></b>	<b>2014 (%)</b>	<b>2013 (%)</b>	<b>Change (%)</b>
ROA – after tax	0.96	1.12	(0.16)
ROE – After tax	8.45	10.47	(2.02)
Cost-to-income ratio	53.9	47.0	6.9
Gross impaired loans ratio	1.82	1.98	(0.16)
Impaired Loan Loss Reserve	75.6	74.4	1.20
Loan to deposits ratio	82.6	79.1	3.5

# PBT/PAT growth over the past 5 years



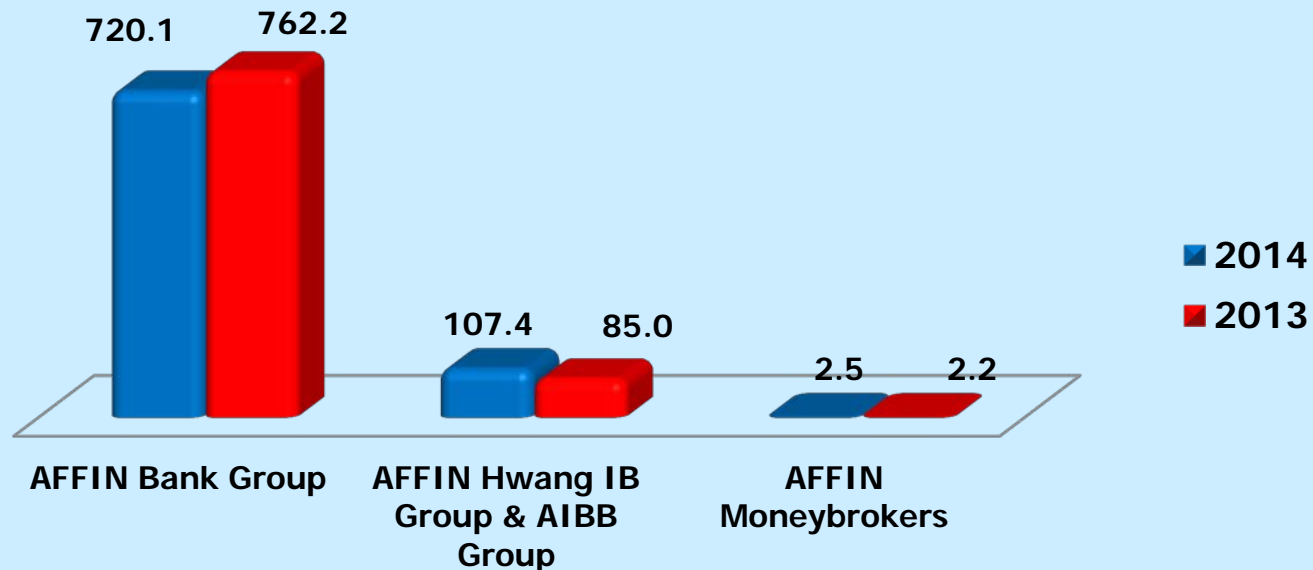
# FY2014 Key Highlights



**INTEREST INCOME** grew by **10.0% yoy**

# Segmental profits by subsidiaries

## PROFIT BEFORE TAX AND ZAKAT (RM million)



### COMMENTARY

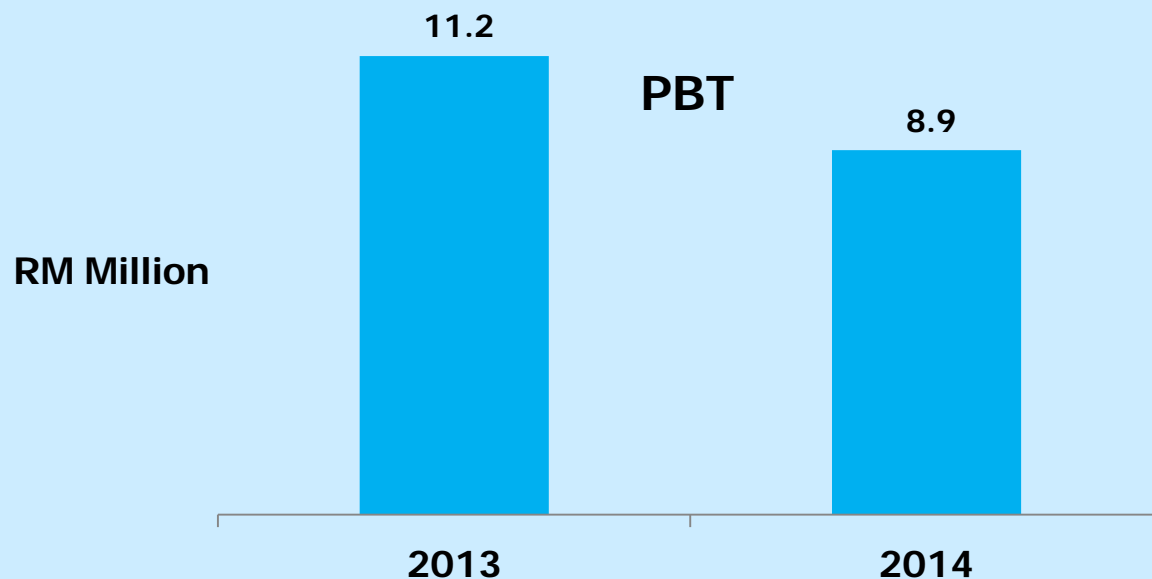
AFFIN Bank Group

Lower PBT due to margin compression given stiff competition on the loans and deposits

Affin Hwang Investment Bank Group

Higher PBT due to the acquired businesses of HwangDBS Investment Bank Berhad net of integration cost.

# RESULTS OF JOINT VENTURE AXA AFFIN LIFE INSURANCE BERHAD

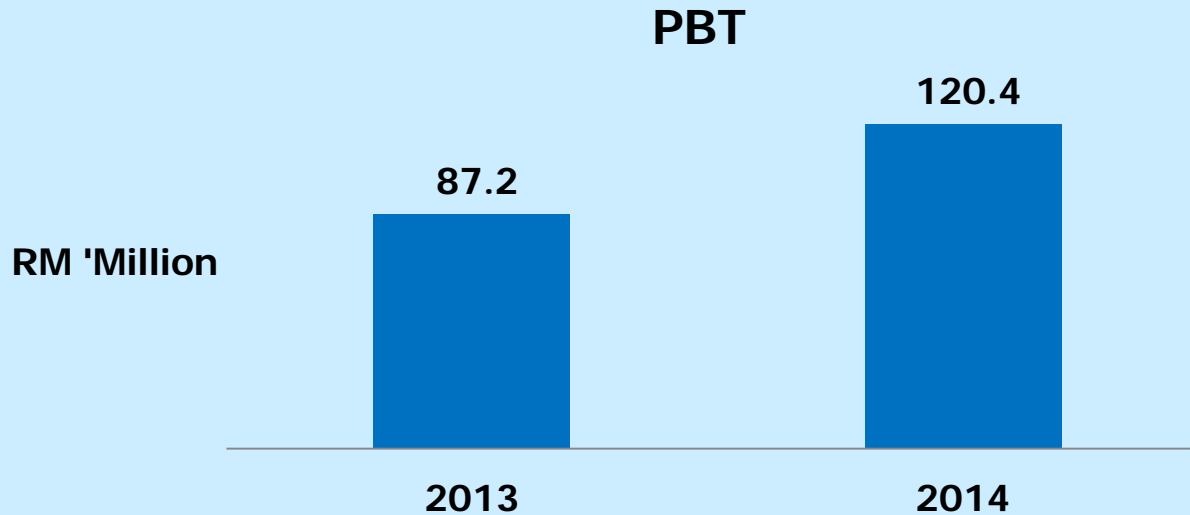


## COMMENTARY

### AXA AFFIN LIFE INSURANCE BERHAD

- Gross Premium 2014 vs. 2013 was higher by 5%
- Strong double digit growth of 26% in renewal premium
- New Business value grew by 6% due to higher proportion of margin protection and health products
- Agency APE grew by 9% on the back of higher manpower
- DM/TM grew 20% on a comparable basis

# RESULTS OF ASSOCIATE AXA AFFIN GENERAL INSURANCE BERHAD



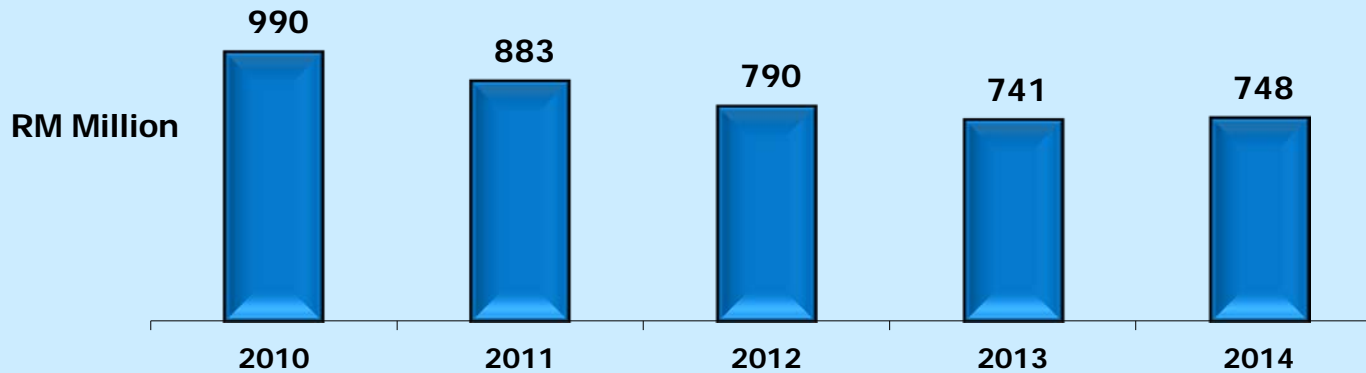
## COMMENTARY

AXA AFFIN GENERAL  
INSURANCE BERHAD

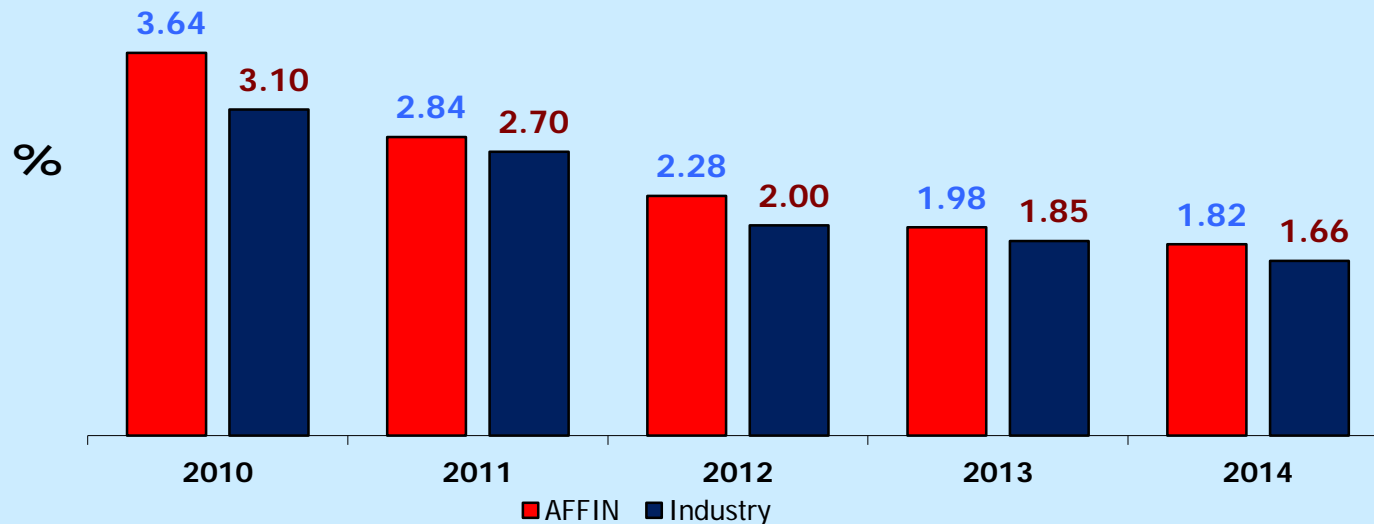
- GWP achieved of RM1.13 billion, above the RM1 billion mark, GWP growth of 18%. In line with objective.
- Improved market ranking from 7<sup>th</sup> to 5<sup>th</sup>
- Market share improved from 6% to 6.7%
- Growth driven by Health and Motor segments.

# Improving asset quality

## Gross Impaired Loans

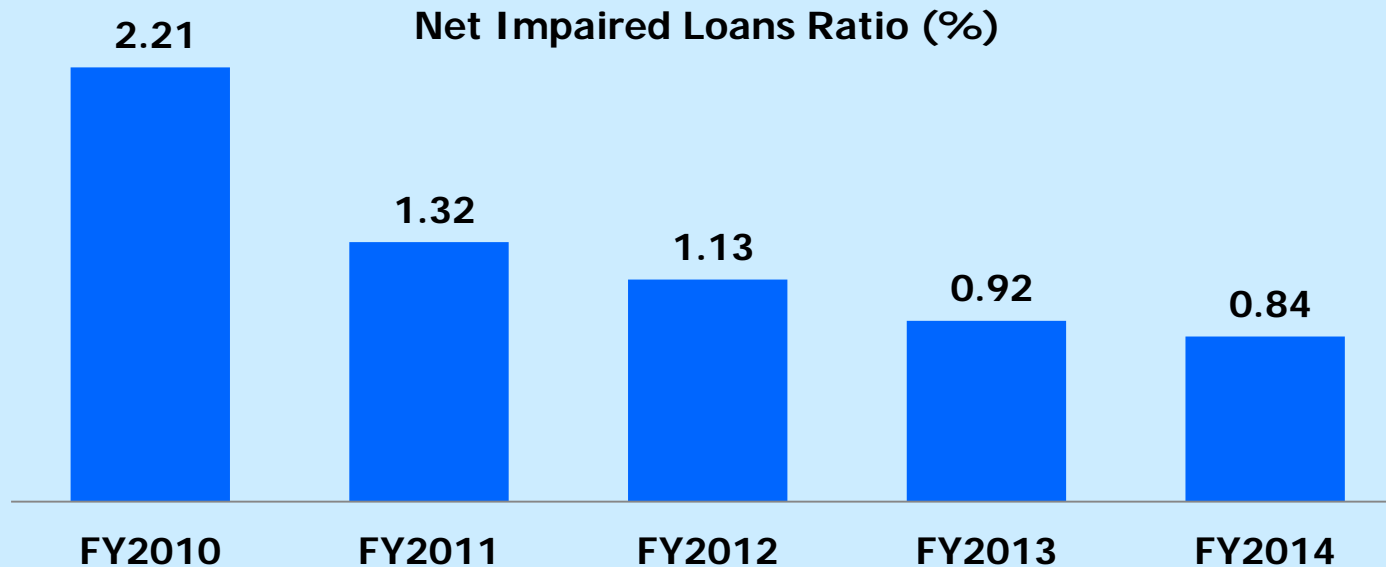


## Gross NPL/Gross Impaired Loan Ratio - AFFIN vs Industry





# Improving asset quality



The net impaired loans ratio has improved from 2.21% at the end of 2010 to 0.84% as at end 2014.

# ACHIEVEMENT OF HEADLINE KPIs FOR THE YEAR ENDED 31 DECEMBER 2014

	Headline KPIs for 2014	Announced for financial year 2014	Achieved for the year ended 31 December 2014	% of achievement of Headlines KPIs
1.	After Tax Return on Equity (ROE)	9.2%	8.4%	91.3
2.	After Tax Return on Assets (ROA)	1.1%	1.0%	90.9
3.	Gross Impaired Loan Ratio	1.84%	1.82%	101.1
4.	Earnings Per Share (EPS)	36.00 sen	35.25 sen	97.9

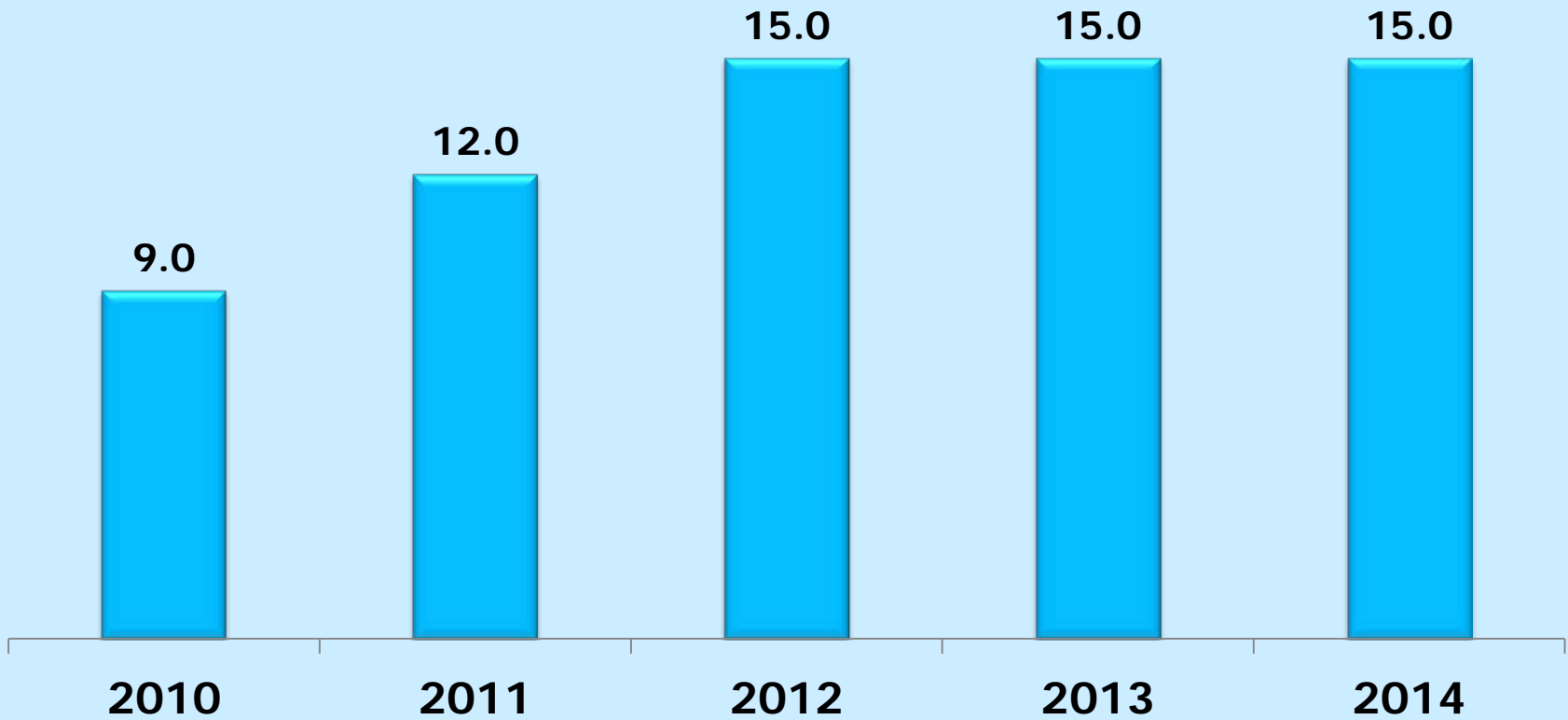
For FY2014, the Group has only achieved its Headline KPIs on Gross Impaired Loan Ratio but not the KPIs on ROE, ROA and EPS. Lower net profit for the year under review was mainly due to:-

- integration costs incurred in relation to the merger of the investment banking group;
- lower net interest income due to margin compression despite the 9.6% increase in loan base during the year; and
- Higher allowance for losses on loan, advances and financing.

# HEADLINE KPIs FOR THE YEAR ENDING 31 DECEMBER 2015

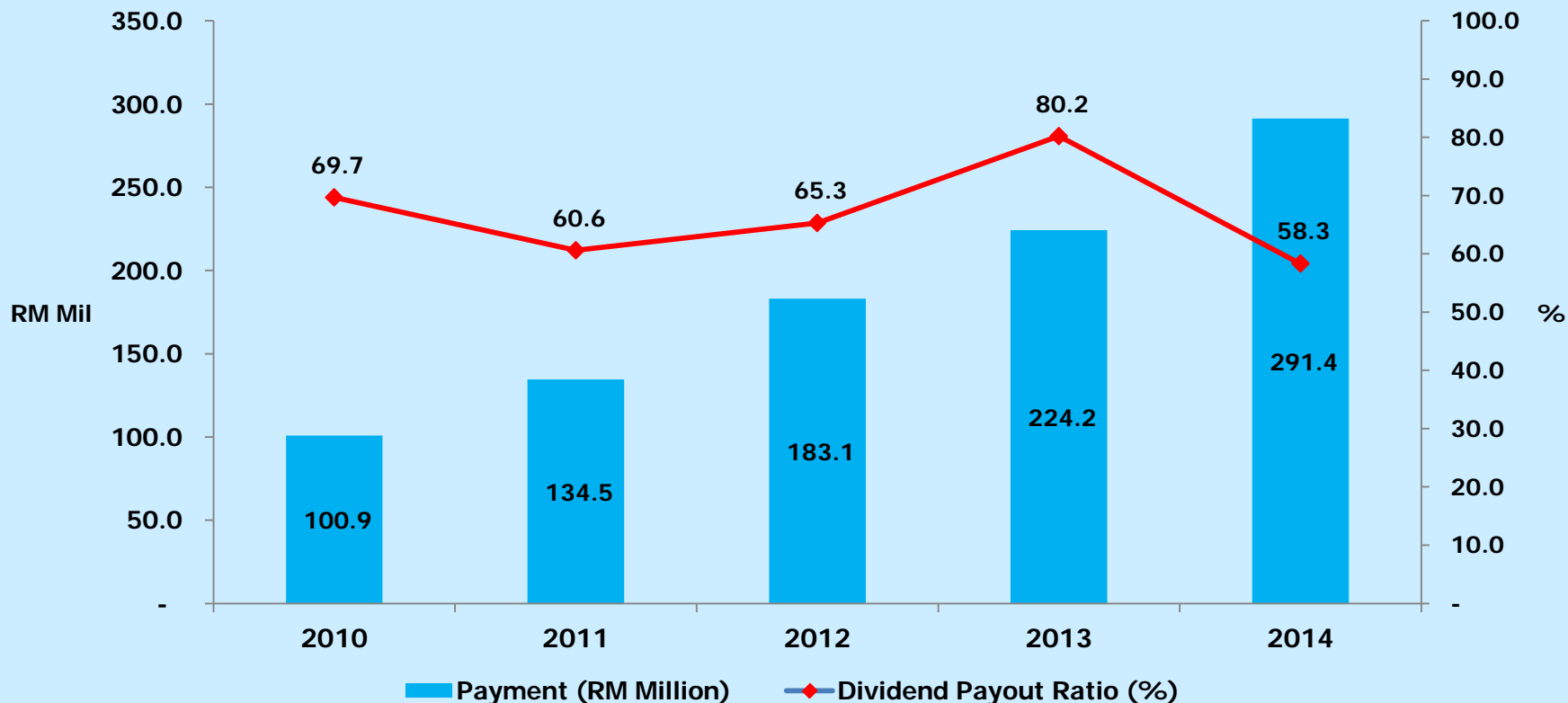
	Headline KPIs for 2015	
1.	After Tax Return on Equity (ROE)	8.0%
2.	After Tax Return on Assets (ROA)	0.9%
3.	Gross Impaired Loan Ratio	1.64%
4.	Earnings Per Share (EPS)	33.00 sen

# GROSS DIVIDEND PER SHARE



**SEN**

# DIVIDEND PAYMENT & PAYOUT RATIOS



With effect from FY2012, the Company has adopted a dividend policy to pay a minimum dividend based on 50% of the Company's profit after taxation for each financial year.

**THANK YOU**