



INVESTOR PRESENTATION

FY2018 RESULTS

31 MAY 2018



AmBank Group

GCEO PRESENTATION

Dato' Sulaiman Mohd Tahir

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FY18 Financial Snapshot

	FY18 Financials (YoY)				
Profitability (RM' mil)	Income	3,979 FY17: 3,766	▲	6%	• Broad-based income growth
	Expenses	2,421 FY17: 2,160	▲	12%	• Net interest income on growth trajectory
	Allowances	16 FY17: (196)	▲	>100%	• Retail and Business Banking income up 7% and 19%. Wealth Management fees grew 63%
	PATMI	1,132 FY17: 1,325	▼	15%	• Costs higher on right sizing initiatives (MSS), compliance and investments for growth
	ROE	7.0% FY17: 8.5%	▼	>100bps	• Asset quality stable , credit cost normalised as recoveries tapered off
Assets & Liabilities (RM' bil)	Gross Loans	96.3 FY17: 91.0	▲	6%	• Gross loans expansion underpinned by Retail (Mortgages, Cards & Retail SME), MidCorp and Business Banking
	Deposits	95.8 FY17: 93.9	▲	2%	• Deposits increased with higher Retail mix . CASA balances rose 3%
Capital & Dividend	CET1 ¹	11.3% FY17: 11.6%	▼	30bps	• Capital level remains adequate
	Final Dividend	10.0 sen FY17: 12.6 sen	▼	2.6 sen	• Proposed final dividend at 10.0 sen
	Dividend per share	15.0 sen FY17: 17.6 sen	▼	2.6 sen	



FY18 in Review

Improving efficiency & productivity

Project APEX

- Simplified branch workflow and reduced turnaround time
- **1.4m** hours saved

Mutual Separation Scheme (MSS)

- One-off cost of **RM146m** with estimated cost savings of **RM80m** per annum

New AmOnline

- Mobile friendly features
- Significant increase in new users averaging 1,300 - 1,400 per day



Good momentum from Top 4 focus products

Wealth Management

- Total AUM up 61%
- **2nd** largest ASNBV¹ distributor in the market
- ASNB fee income circa **RM22m** and ASNB financing of **RM881m** (+>100% YoY)

Credit Card / Merchant

- Launched new merchant portal with **instant settlement** feature (1st in Malaysia)
- Merchant CASA balance **up RM289m** YoY

FY18 is about
rebasings to start us on a
stronger footing in FY19



Good momentum from our
Top 4 focus products and
segments. We have created a
leaner and more efficient
organisation

Enhancing funding resiliency

Diversifying funding mix

- Grew Retail & Business Banking deposits (+24% and +28%) to reduce depositors concentration

Active liquidity management

- Refinanced term debt
- COF down 2bps



Traction in growth segments

SME / MidCorp

- **26** new centres for Enterprise Banking
- SME branding initiatives
- Embarked on a new Loans Origination System (LOS)
- SME loans up **19%** YoY

Mass Affluent / Affluent

- Total Priority Banking customers increased >60%
- Product bundling – FD teaser rate bundled with Wealth products



Outlook for 2018

Recap 2017

GDP growth: 5.9%



Inflation: 3.8%



Export growth: 19.4%



Ringgit performance:
Appreciated 8.7%



Loans growth: 4.1%



Outlook 2018

GDP growth: 5.5%



Inflation: 2.5% - 2.8%



Export growth:
9.0%



Ringgit outlook: Stronger



Loans growth: Circa 5.0%



GCFO Presentation

Jamie Ling

7-21 Financial Overview

1

Q4FY18 Results (QoQ)

- A strong Q4 income of **RM1.1bil (+12%)**. Banking and Insurance income grew **4%** and **62%** respectively
- Good NII growth **(+4%)** benefitting from OPR hike with NIM advancing **9bps to 2.04%**
- Strong Noll growth **(+25%)** contributed by pick up in trading income
- Q4 CTI peaked at **68.0%** triggered by MSS cost. Underlying CTI at **54.4%**
- Net writeback of RM17mil due to the reversal of a large account in Q3
- PATMI up **16%**

2

Asset Quality

- Asset quality remains resilient as GIL improved to **1.70% (-7bps QoQ & -16bps YoY)**, LLC¹ improved to **100.5% (FY17: 79.7%)**
- Remain watchful on Commercial Real Estate and O&G sectors

3

Capital & Funding

- Adequate capitalisation
- MFRS 9 impact expected to be neutral on capital position
- Deposits grew **2% YoY** with LDR at **98.1% (FY17: 95.3%)**
- Improved funding resiliency and active management of funding cost
- LCR² of banking entities above 100% and NSFR² complied with regulatory requirements



FY18 Performance highlights – P&L

P&L (RM' mil)	Q3FY18	Q4FY18	QoQ Change	FY17	FY18	YoY Change
Total Income	959	1,071	▲ 12%	3,766	3,979	▲ 6%
Expenses	577	728	▲ 26%	2,160	2,421	▲ 12%
PBP	383	342	▼ 10%	1,605	1,558	▼ 3%
Net Allowances	81	(17)	▼ >100%	(196)	16	▲ >100%
PATMI	219	253	▲ 16%	1,325	1,132	▼ 15%

Financial Indicators	Q3FY18	Q4FY18	QoQ Change	FY17	FY18	YoY Change
CTI	60.1%	68.0%	▲ >100bps	57.4%	60.8%	▲ >100bps
NIM	1.95%	2.04%	▲ 9bps	1.98%	2.00%	▲ 2bps
ROE	5.3%	6.3%	▲ 100bps	8.5%	7.0%	▼ >100bps
EPS ¹	7.28 sen	8.43 sen	▲ 1.15 sen	44.06 sen	37.64 sen	▼ 6.42 sen



FY18 Performance highlights – balance sheet

Balance Sheet (RM' bil)	Q3FY18	Q4FY18	QoQ Change	FY17	FY18	YoY Change
Gross Loans	94.7	96.3	▲ 2%	91.0	96.3	▲ 6%
GIL	1.77%	1.70%	▼ 7bps	1.86%	1.70%	▼ 16bps
LLC ¹	101.6%	100.5%	▼ >100bps	79.7%	100.5%	▲ >100bps
Customer Deposits	99.9	95.8	▼ 4%	93.9	95.8	▲ 2%
CASA	20.0	20.4	▲ 2%	19.9	20.4	▲ 3%

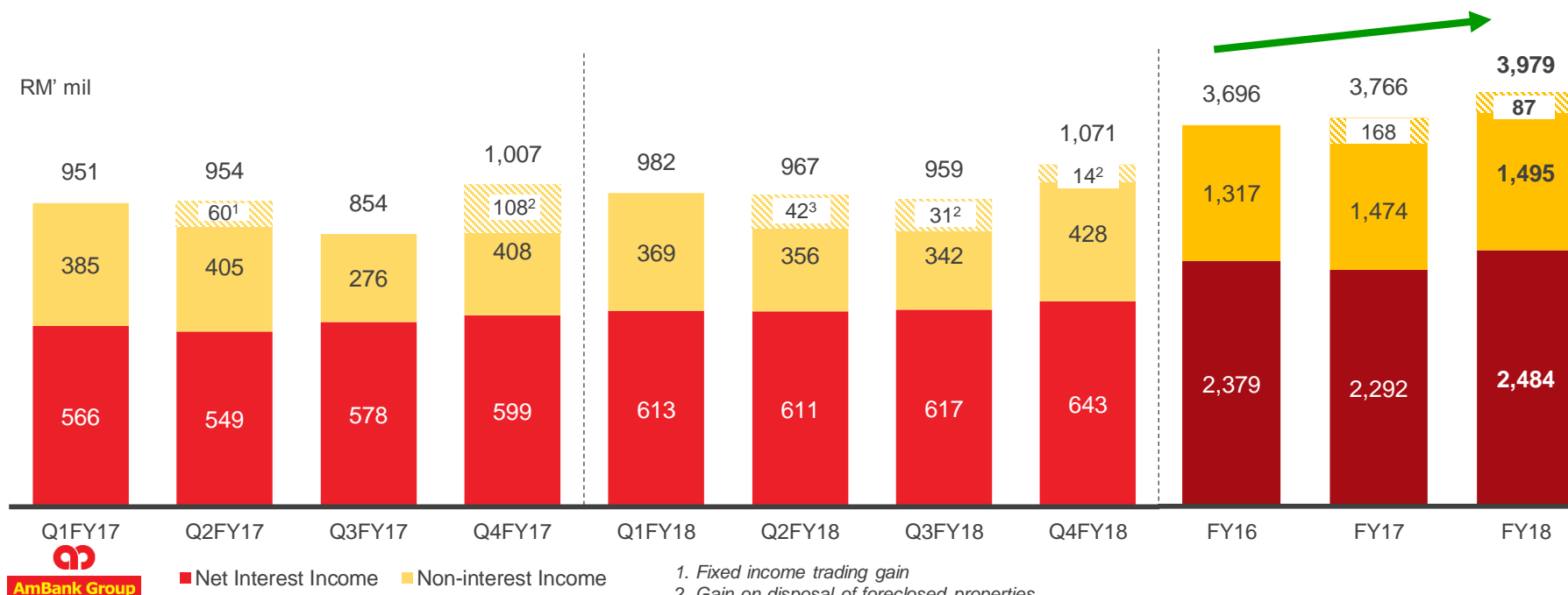
Capital Indicators	Q3FY18	Q4FY18	QoQ Change	FY17	FY18	YoY Change
CET1 ²	11.3%	11.3%	≈	11.6%	11.3%	▼ 30 bps
Tier 1 ²	12.2%	12.0%	▼ 20 bps	12.5%	12.0%	▼ 50 bps
Total Capital ²	16.1%	16.6%	▲ 50 bps	16.3%	16.6%	▲ 30 bps
FHC CET1	11.1%	11.1%	≈	10.6%	11.1%	▲ 50 bps



Ramping up revenue growth momentum

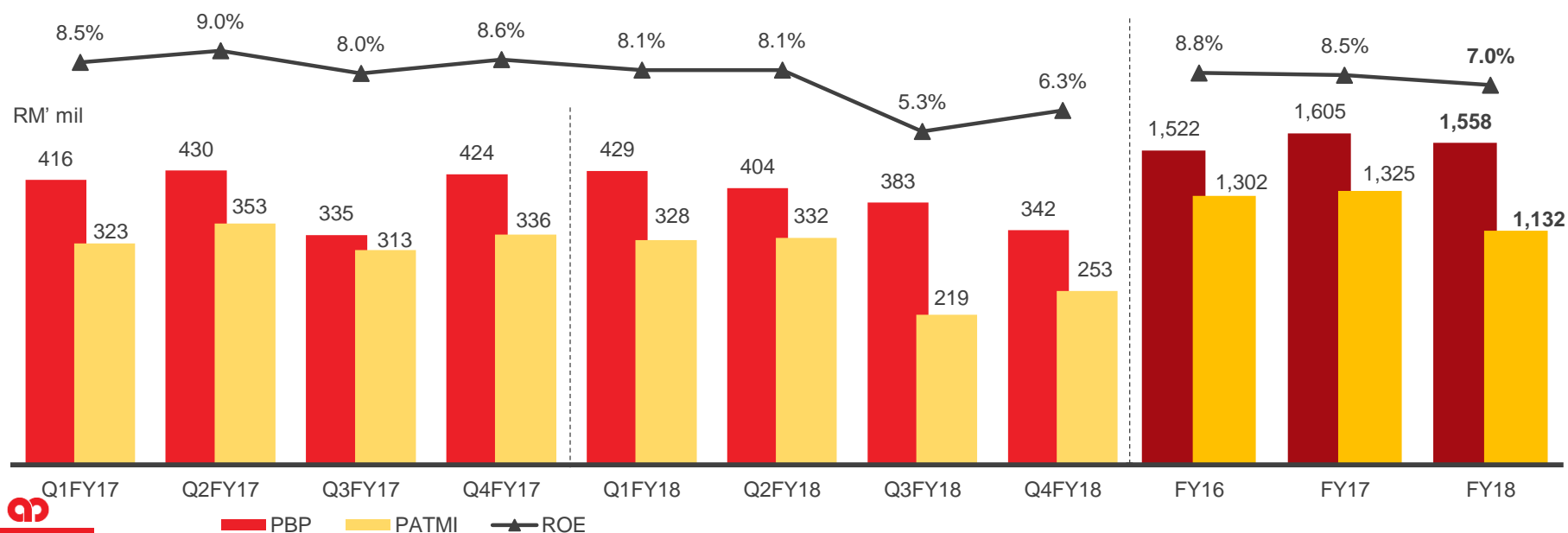
- Income growth largely broad based
- Consistent build up in quarterly NII
- Normalised income grew 8% YoY

Business Segments (RM' mil)	Q3FY18		Q4FY18		QoQ Change		FY17		FY18		YoY Change	
Retail Banking	354		360		▲ 2%		1,361		1,453		▲ 7%	
Wholesale Banking	366		384		▲ 5%		1,428		1,397		▼ 2%	
Business Banking	67		68		▲ 2%		218		259		▲ 19%	
Group Funding & Others	51		63		▲ 22%		202		252		▲ 25%	
Total Income – Banking	838		875		▲ 4%		3,209		3,361		▲ 5%	
General Insurance	116	121	194	196	▲ 67%	▲ 62%	530	557	629	618	▲ 19%	▲ 11%
Life Insurance	5		2		▼ 60%		27		(11)		▼ >100%	
Total Income	959		1,071		▲ 12%		3,766		3,979		▲ 6%	



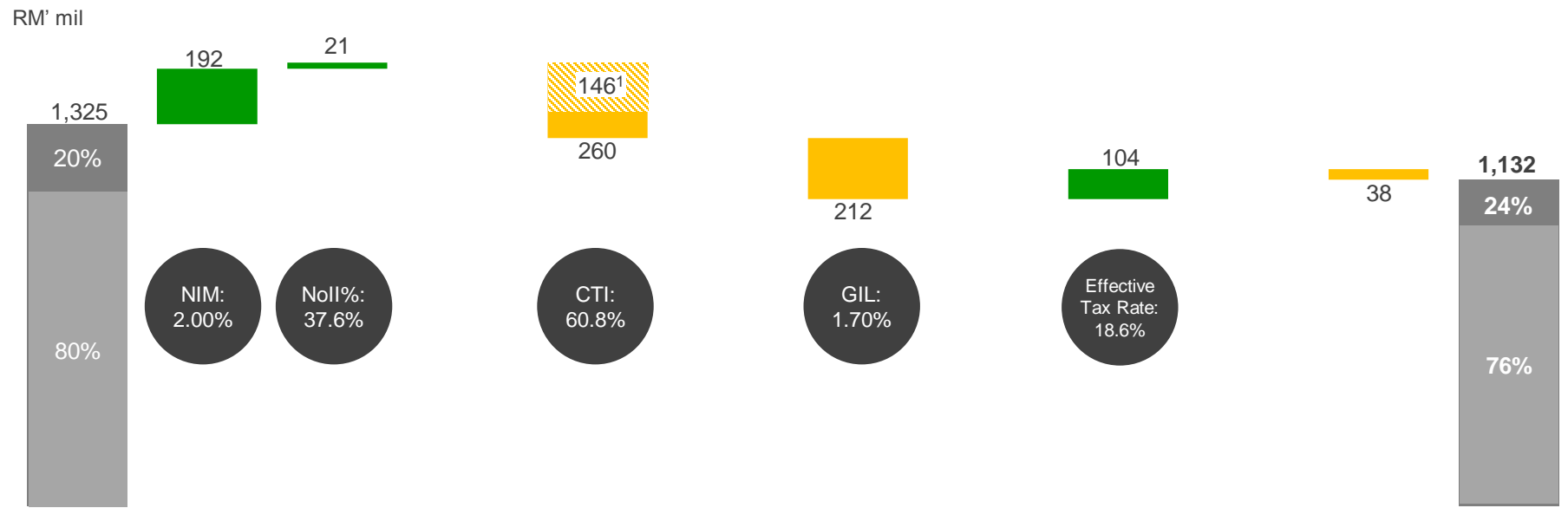
Restructuring and accelerated investments weighed on PBP

Business Segments (RM' mil)	Q3FY18		Q4FY18		QoQ Change		FY17		FY18		YoY Change	
Retail Banking	97		109		▲ 12%		436		450		▲ 3%	
Wholesale Banking	244		260		▲ 7%		921		890		▼ 3%	
Business Banking	44		45		▲ 3%		186		176		▼ 5%	
Group Funding & Others	(40)		(179)		▼ >100%		(156)		(229)		▼ 47%	
PBP – Banking	345		235		▼ 32%		1,387		1,287		▼ 7%	
General Insurance	33	38	105	107	▲ >100%	▲>100%	191	218	282	271	▲ 48%	▲ 24%
Life Insurance	5		2		▼ 65%		27		(11)		▼ >100%	
PBP	383		342		▼ 10%		1,605		1,558		▼ 3%	



Good NII growth while provisions normalised

YoY Growth ▲ 8% ▲ 1% ▲ 6% ▲ 12% ▼ 3% ▲ >100% ▼ 14% ▼ 26% ▼ 11% ▲ 45% ▼ 15%



RM' mil	Net Interest Income	Non-Interest Income	Total Income	Expenses	PBP	Provisions	PBT	Tax & Zakat	PAT	MI	PATMI
FY18	2,484	1,495	3,979	2,421	1,558	16	1,543	289	1,254	122	1,132
FY17	2,292	1,474	3,766	2,160	1,605	(196)	1,801	392	1,409	84	1,325

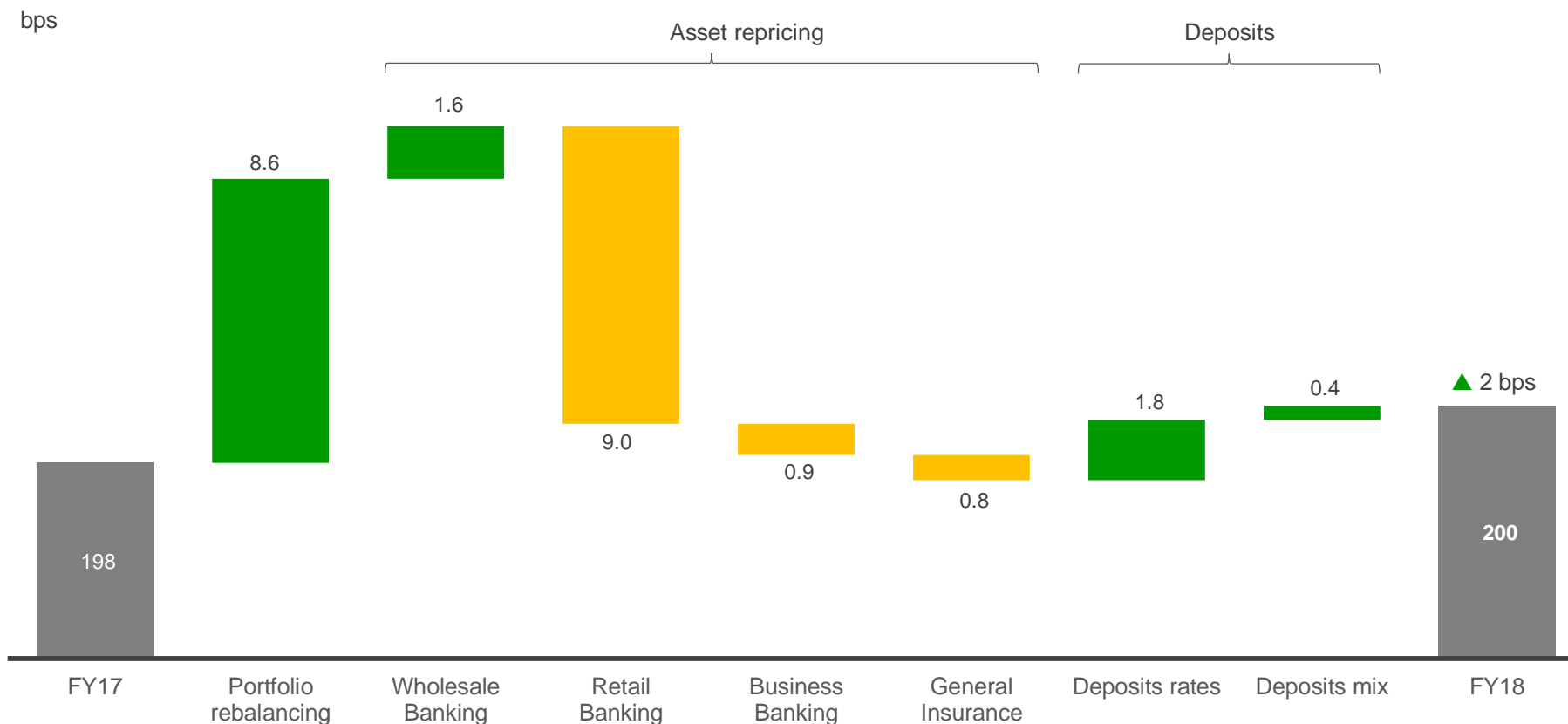
1. MSS cost

Optimising funding mix and asset portfolio

NIM

Actively managing our COF to offset retail asset yield compression

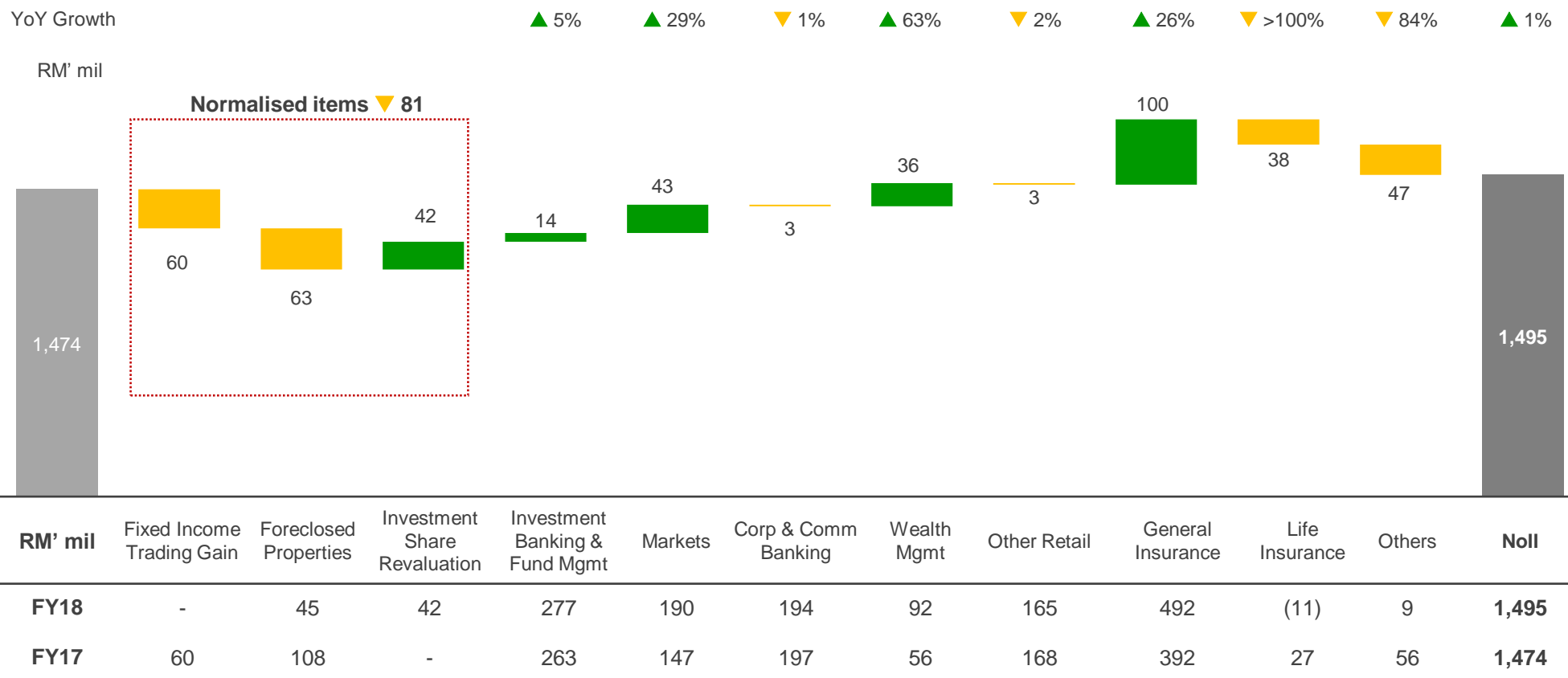
Net Interest Margin (NIM) Movement



Robust growth from Wealth, Markets and General Insurance

Noll

Growth in strategic focus products, negated by normalised items

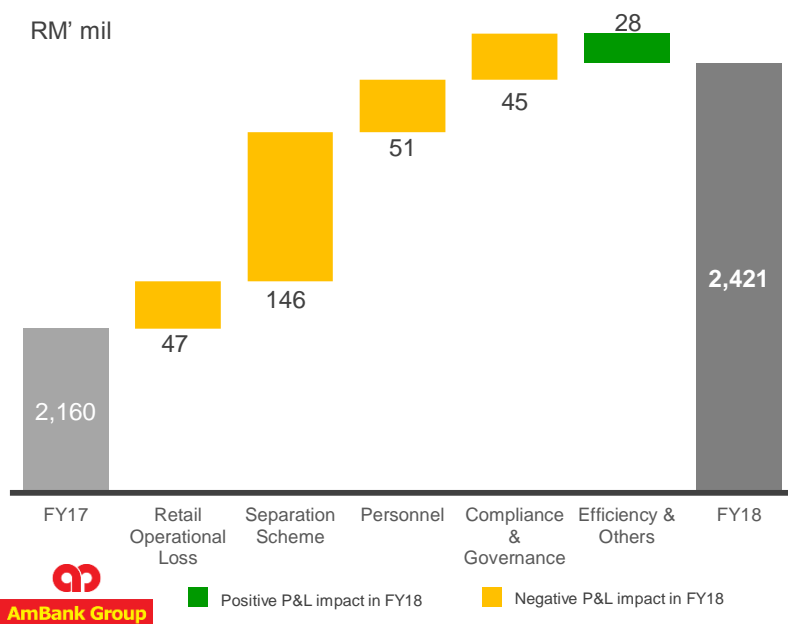


Creating a leaner bank whilst building capabilities

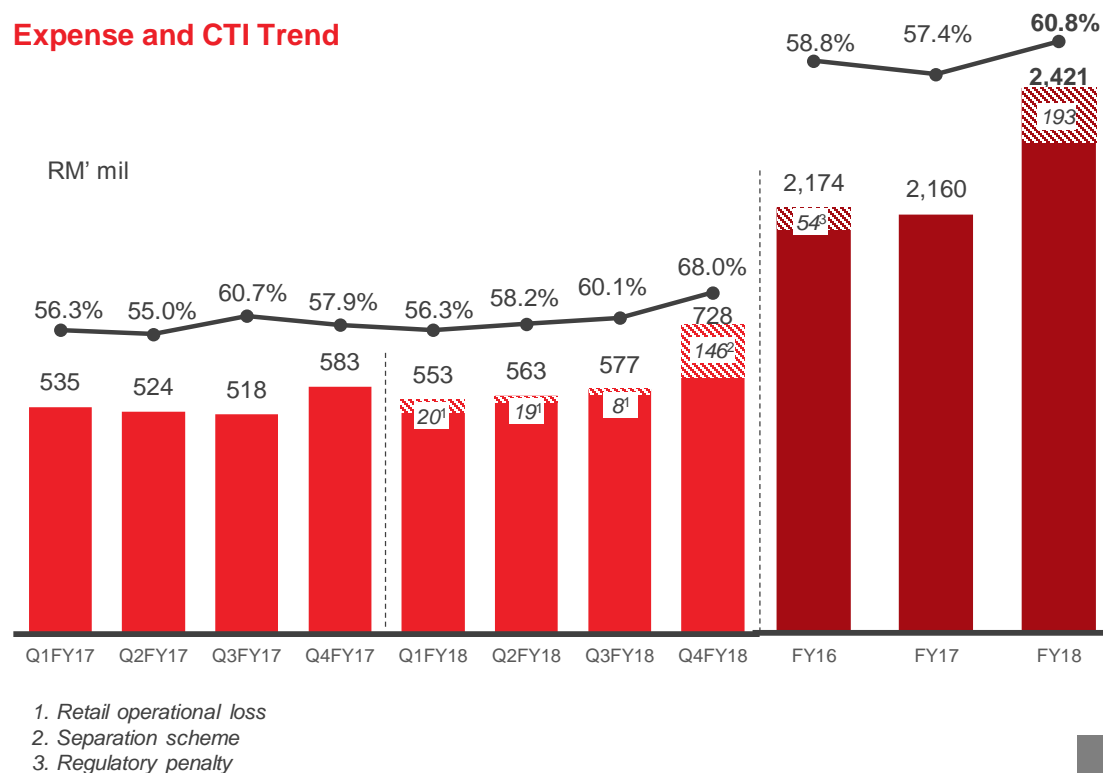
Expenses

Business Segment (RM' mil)	Q3FY18	Q4FY18	QoQ Change	FY17	FY18	YoY Change
Retail Banking	256	251	▼ 2%	925	1,003	▲ 8%
Wholesale Banking	122	123	▲ 1%	507	507	≈
Business Banking	24	23	▼ 2%	32	83	▲ >100%
Group Funding & Others	91	242	▲ >100%	358	481	▲ 34%
Expenses – Banking	493	639	▲ 30%	1,822	2,074	▲ 14%
Insurance (General, life, takaful)	84	89	▲ 6%	338	347	▲ 2%
Expenses	577	728	▲ 26%	2,160	2,421	▲ 12%

Expense Growth Driver

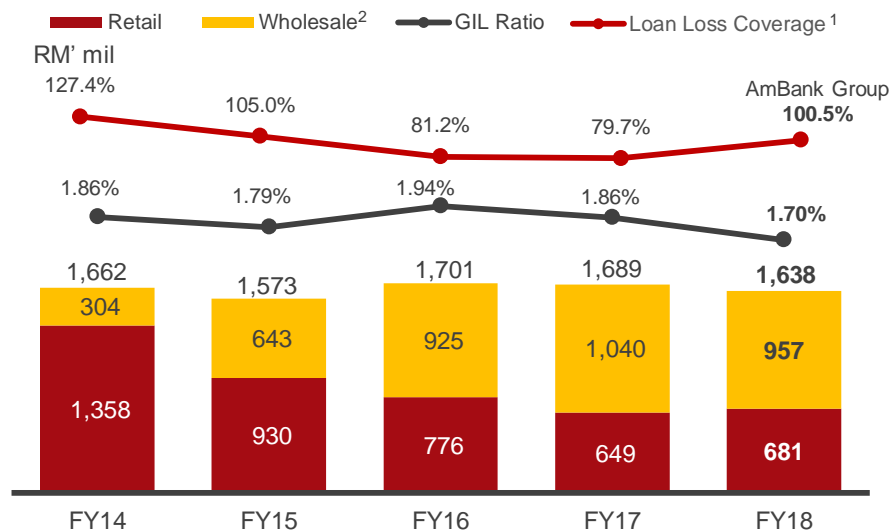


Expense and CTI Trend



Resilient asset quality

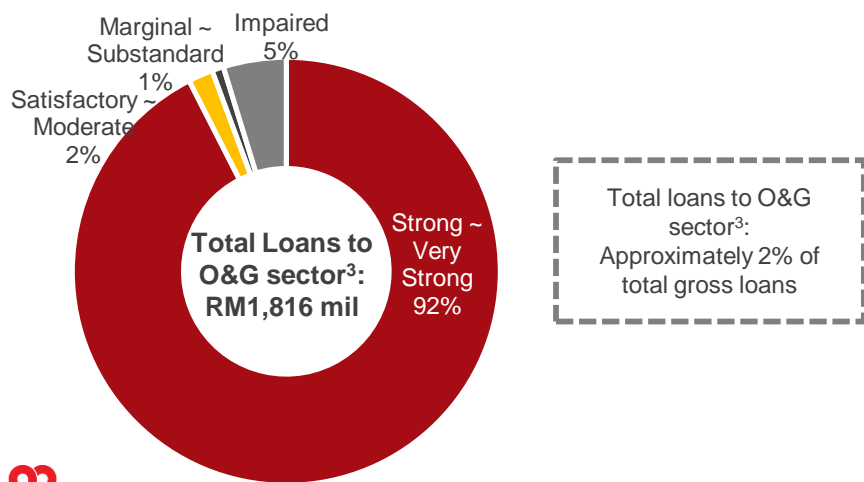
Gross Impaired Loans (RM' mil), GIL and LLC Ratios (%)



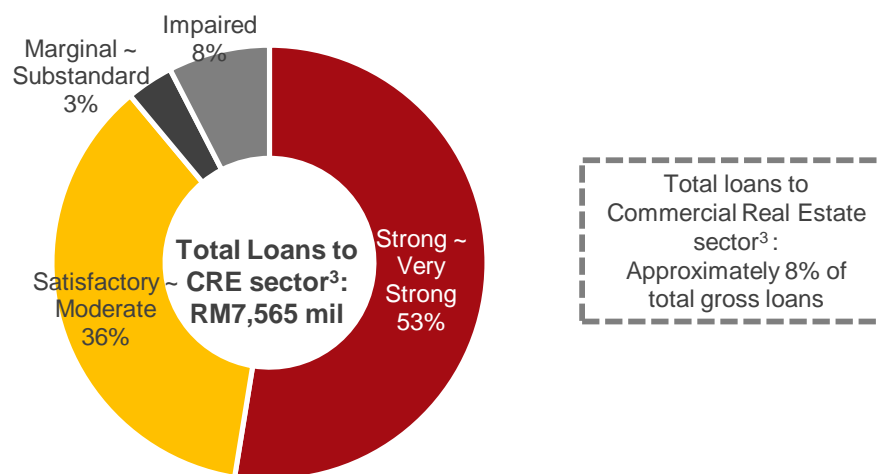
GIL Ratio (%) QoQ Breakdown

	FY17				FY18			
GIL Ratio	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Group	1.69%	1.64%	1.54%	1.86%	1.88%	1.88%	1.77%	1.70%
Retail Banking	1.52%	1.53%	1.44%	1.33%	1.42%	1.32%	1.27%	1.25%
Wholesale Banking ²	1.89%	1.75%	1.64%	2.46%	2.41%	2.55%	2.40%	2.29%

Exposure to Oil & Gas Sector by Internal Risk Grades



Exposure to Commercial Real Estate Sector by Internal Risk Grades

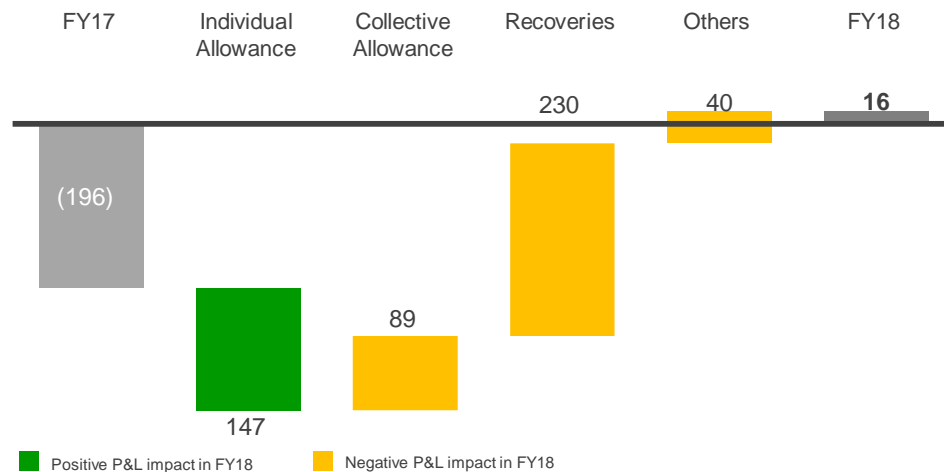


AmBank Group

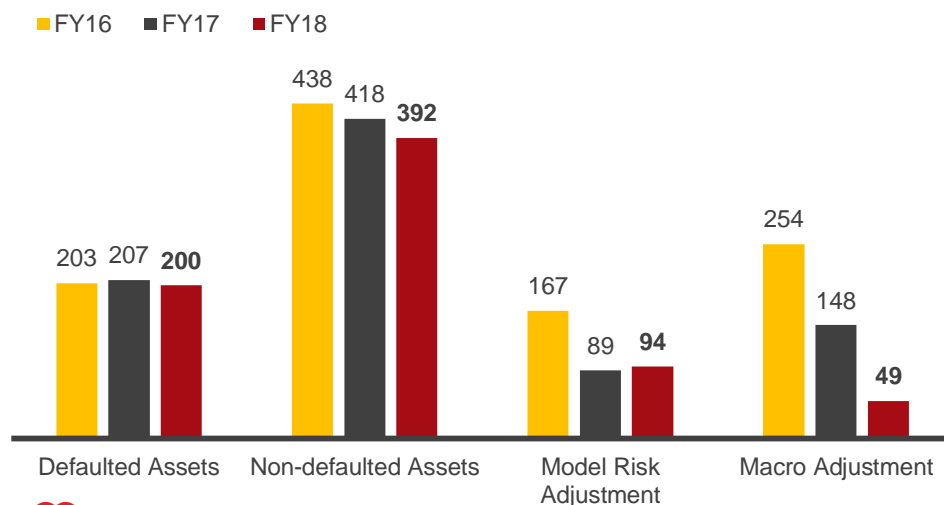
1. Includes regulatory reserves
2. Including Business Banking
3. Wholesale Banking

Tapering recoveries

Allowance (RM' mil)



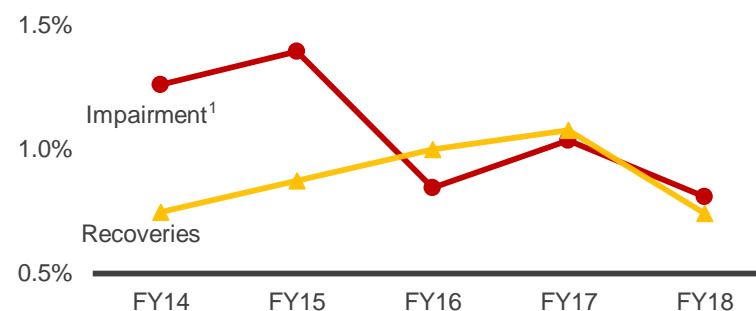
Collective Allowance Balance (RM' mil)



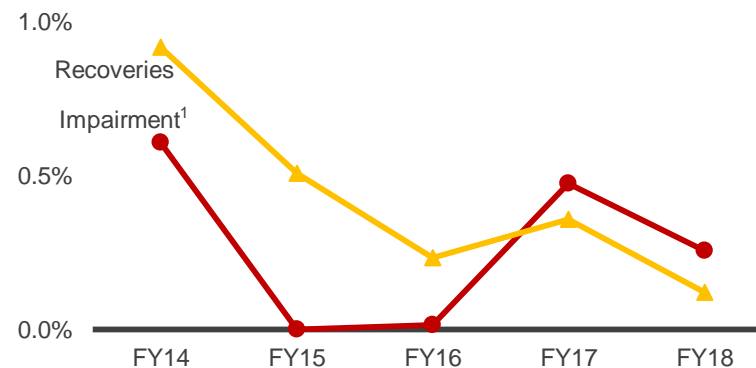
Credit Costs

AmBank Group	FY14	FY15	FY16	FY17	FY18
Credit cost	0.08%	-0.04%	-0.19%	-0.19%	0.00%
Credit cost (excluding recoveries)	0.94%	0.69%	0.47%	0.57%	0.47%

Retail Banking



Wholesale Banking (including Business Banking)



1. Excluding recoveries



Unpacking the normalised items

Underlying

Normalised P&L (RM' mil)

	FY16	FY17	YoY Change	FY18	YoY Change
Income - Reported	3,696	3,766	▲ 2%	3,979	▲ 6%
Gain on disposal of foreclosed properties	-	108	-	45	-
Investment share revaluation	-	-	-	42	-
Fixed income trading gain	-	60	-	-	-
Income - Underlying	3,696	3,598	▼ 3%	3,892	▲ 8%

Expenses - Reported	2,174	2,160	▼ 1%	2,421	▲ 12%
Regulatory penalty	54	-	-	-	-
Retail operational loss	-	-	-	47	-
Mutual Separation scheme	-	-	-	146	-
Expenses – Underlying	2,120	2,160	▲ 2%	2,228	▲ 3%

PBP – Reported	1,522	1,605	▲ 5%	1,558	▼ 3%
PBP - Underlying	1,576	1,438	▼ 9%	1,664	▲ 16%

PATMI - Reported	1,302	1,325	▲ 2%	1,132	▼ 15%
PATMI - Underlying	1,356	1,197	▼ 12%	1,202	≈

Normalised ratios (RM' mil)

CTI – Reported	58.8%	57.4%	▼ 140bps	60.8%	▲ 340bps
CTI – Underlying	57.4%	60.0%	▲ 260bps	57.2%	▼ 280bps

ROE – Reported	8.8%	8.5%	▼ 0.3%	7.0%	▼ 1.5%
ROE - Underlying	9.1%	7.7%	▼ 1.4%	7.3%	▼ 0.4%



Continue to drive growth in targeted segments

Loans

Gross Loans Movement (RM' bil)

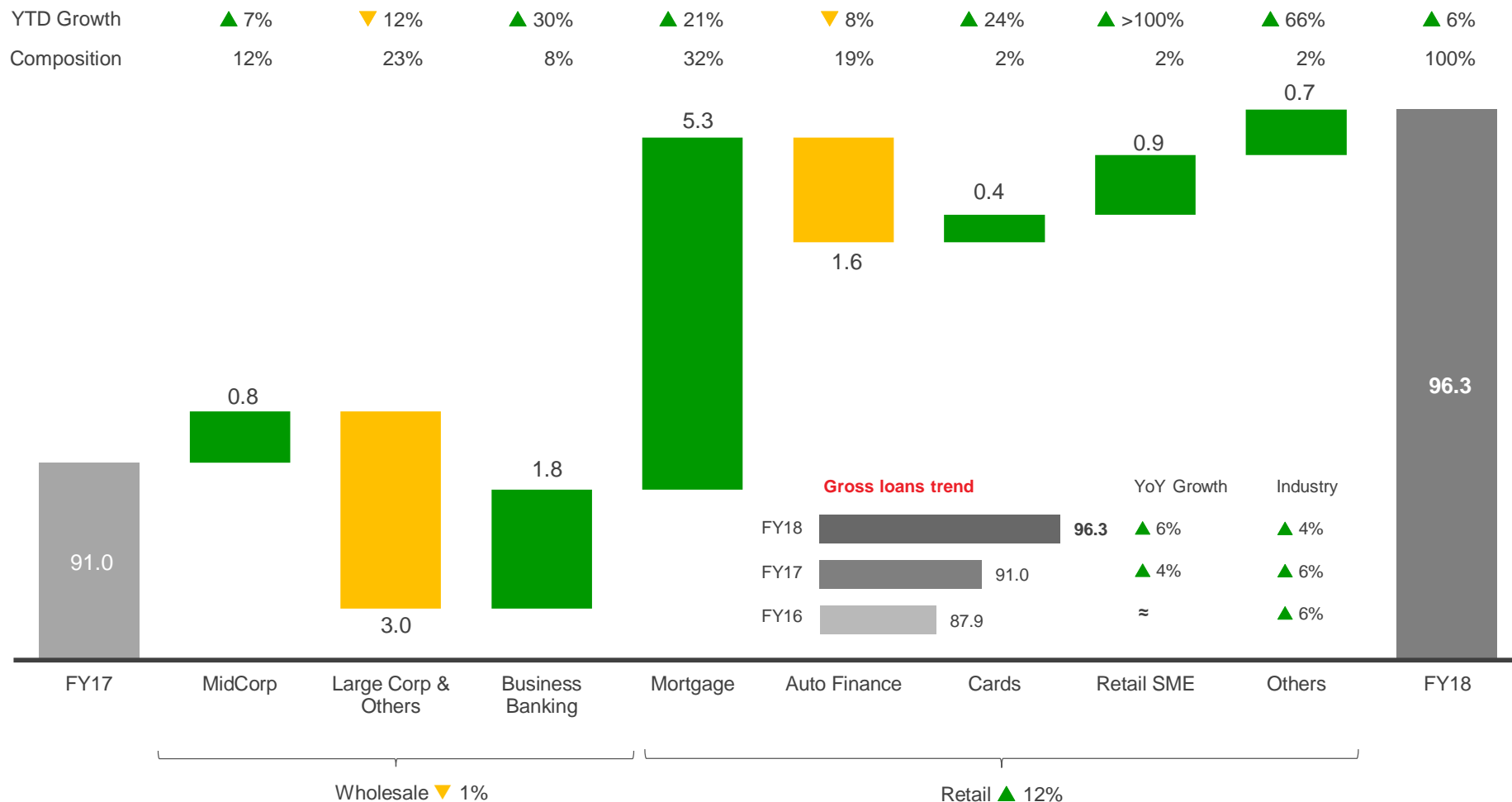
Breakdown by rate sensitivity:
Fixed rate – 28%
Variable rate – 72%

Breakdown by concept:
Islamic – 29%
Conventional – 71%

Breakdown by customers type:
Retail – 57%
Non-retail – 43%

ROA:
0.83%

LD
Ratio¹:
89.9%



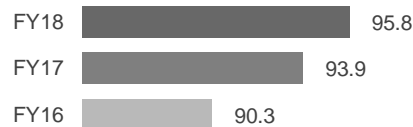
Strengthening funding resiliency

Deposits

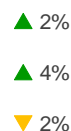
- Improving retail mix
- CASA balance continues to grow

Deposits (RM' bil)

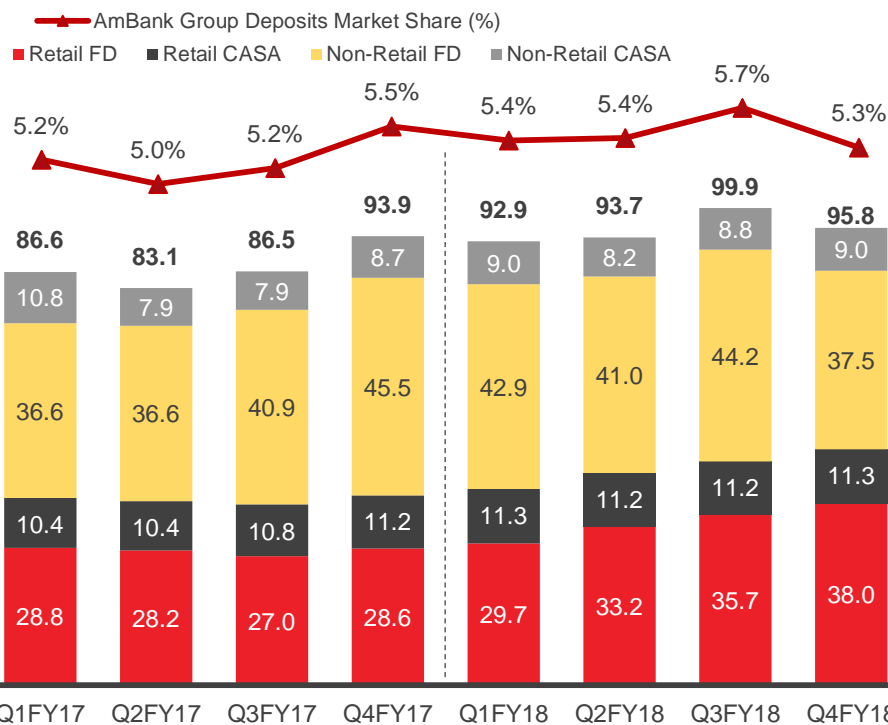
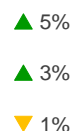
Customer deposits trend



YoY Growth



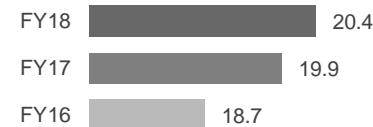
Industry³



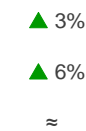
Quarter	Q1FY17	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18
Retail Mix	45.4%	46.5%	43.7%	42.3%	44.1%	46.9%	46.9%	51.5%

CASA Composition and CASA Balance (RM' bil)

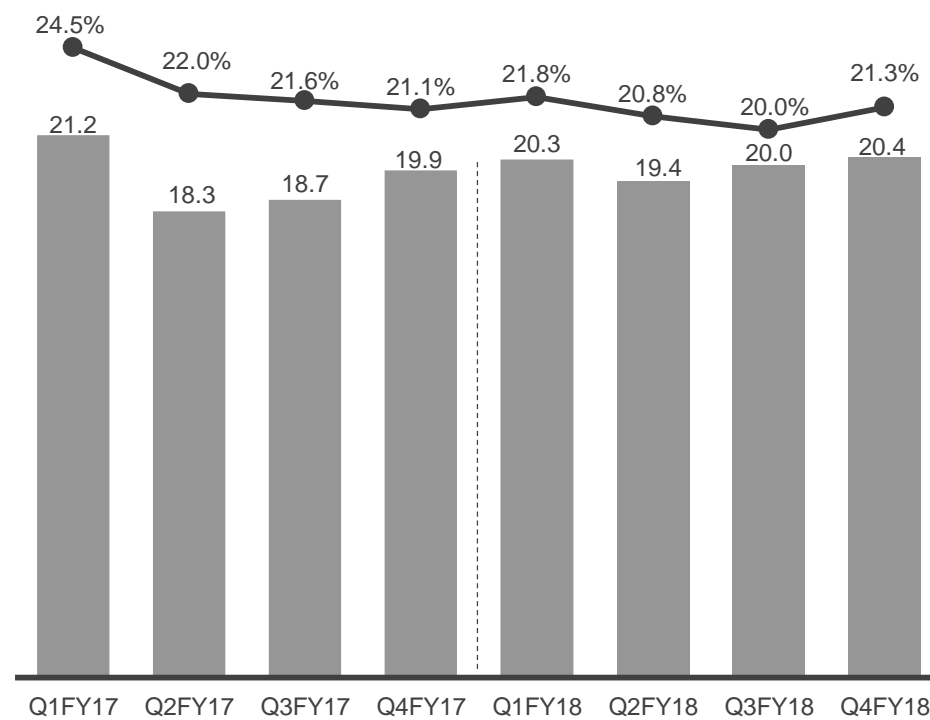
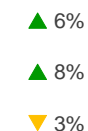
CASA trend



YoY Growth



Industry³



AmBank Group

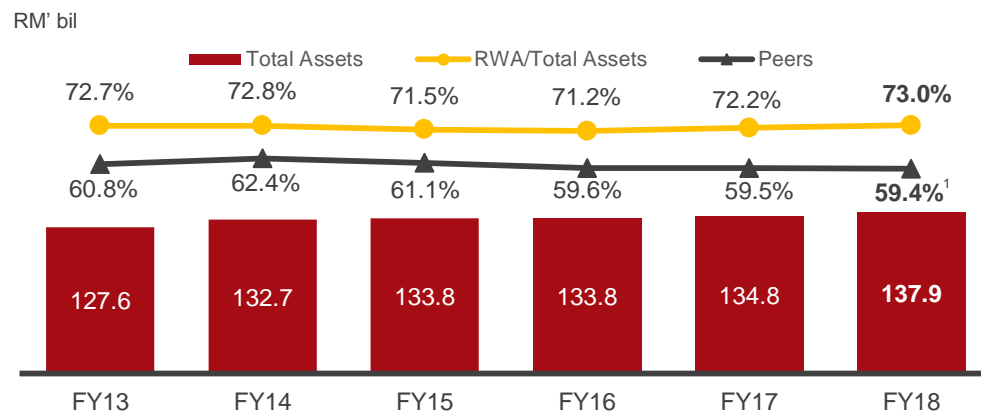
1. Non-Retail consists of Wholesale Banking, Business Banking and Operating Segment
2. FY17 deposits were restated due to reclassification of structured deposits

3. Based on BNM data as at 31 Mar 2018

Capital levels adequate

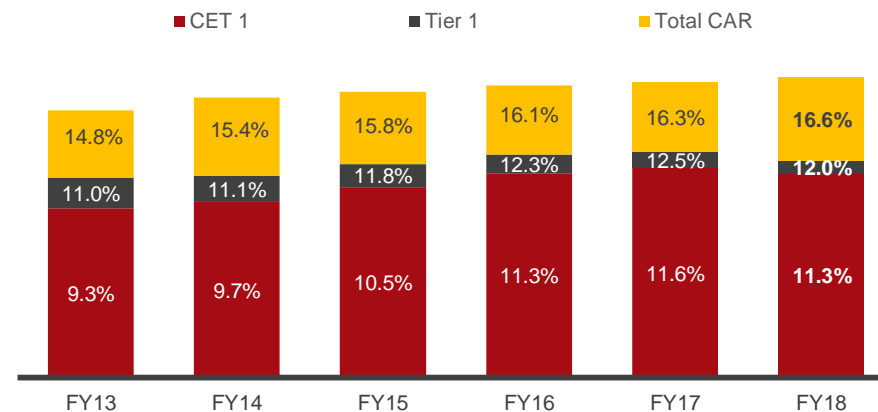
Capital

RWA/Total Assets

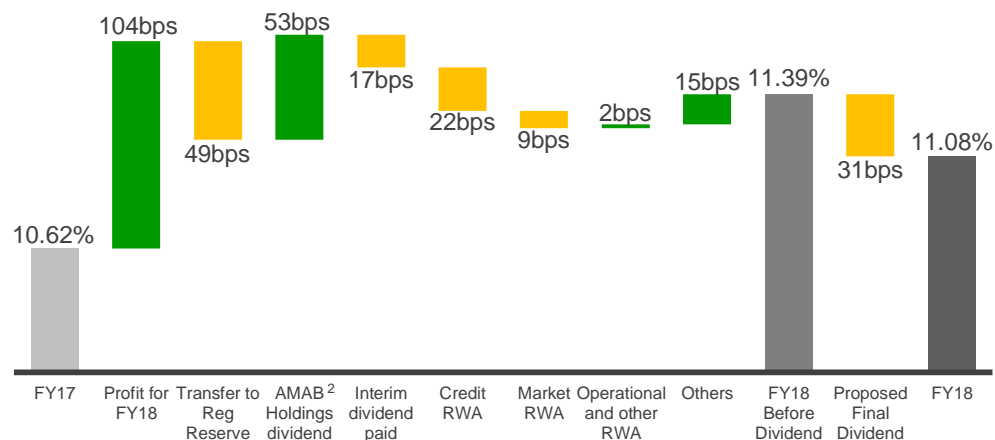


1. Based on an average of our seven peer domestic banks as at 31 Dec 2017

Capital Adequacy Ratios (after dividends)

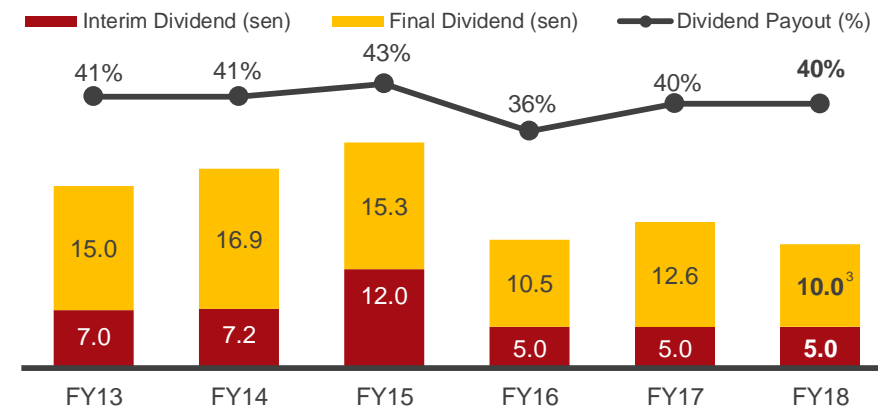


Financial Holding Company Indicative Ratio



2. AmBank Group's Insurance Holding

Dividend Payout



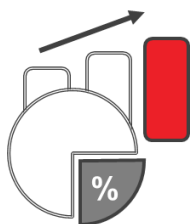
3. Proposed final dividend



AmBank Group

	FY18 Guidance	FY18 Actual	FY19 Guidance
ROE	Circa 7%	Reported: 7.0% Underlying: 7.3%	$\geq 8.5\%$
CTI	$\leq 58\%$	Reported: 60.8% Underlying: 57.2%	$\leq 55\%$
Dividend	Circa 40%	40%	Circa 40%
FHC CET 1	$10.5\% \pm 1\%$	11.1%	$10.5\% \pm 1\%$

Targeted outcome



Revenue growth

"Continue to build income momentum"



BET300

"To achieve CTI of 55% by FY19 & cost savings of RM300m over 3 years"



Capital accretive growth

"To strengthen our capital position and deliver sustainable dividend payout"

FY19 priorities

- Grow income in Top 4 products & segments
- Achieving better assets yields
- Grow CASA

- Cost discipline
- Pacing investments

- Capital release options
- RWA efficiencies

Key Metrics

- Revenue growth
- NIM

- CTI
- Positive JAWs

- CET1 ratio
- RWA growth
- ROE improvement

Thank You

Top 4 Strategy

To be Top 4 in each of our 4 growth segments

- Mass Affluent
- Affluent
- SME
- MidCorp

To be Top 4 in each of our 4 focus products

- Cards & Merchants
- Transaction Banking
- Markets
- Wealth Management

To sustain Top 4 in each of our current engines

- Corporate Loans
- Debt Capital Markets
- Funds Management

To be Top 4

- Best employer in Malaysia



Strategic business initiatives towards FY2020

Wholesale Banking



Focus

Diversifying source of revenue focusing capital light businesses:

- Building Cash NII
- Grow Noll
- Enhance ROCE
- Recalibration of balance sheet

Growth initiatives

- Develop advanced collections & payments solution
- Grow flow business through FX, trade & cash management
- Focus on capturing operating account to grow CASA
- Pitch for full range of Investment Banking services
- Integrated platforms and digital channels

Retail Banking



Focus

Growth in mass affluent, affluent and retail SME segments, while strengthening our market positions in Cards & Wealth Management

Growth initiatives

- Product bundling for Payroll, SME and Priority customer segments
- Conversion of merchant base to grow CASA
- Continue to expand digital platforms & capabilities
- Strategic partnerships

Business Banking



Focus

Aspire to be the preferred SME Bank in Malaysia

Growth initiatives

- Products bundled offering CASA, FX & Trade
- Focus on growing FX & Banca
- Leverage on strategic partnerships
- Fintech collaboration to enhance digital banking solutions



Strategic business initiatives towards FY2020

Insurance



Focus

General

- To be the No.1 Motor Insurer

Life Assurance & Takaful

- Preferred Life insurer in Malaysia

Growth initiatives

General

- New and enhanced value based products
- Utilising pricing capabilities
- Re-energise existing distribution arrangements

Life Assurance & Takaful

- Implement agency mobile solution
- Strengthen distribution advantage
- Expand Bancassurance specialists channel

Islamic Banking



Focus

Preferred Islamic Bank based on Value-Based Intermediation (VBI) through practices, conduct and offerings

Growth initiatives

- Grow fee income from affluent, mass affluent, MidCorp and SME segments
- Focus on key products; ASB financing, affordable home financing, bancatakaful & SME financing

People & Culture



Focus

Top 4 Employer of Choice in Banking Industry

Growth initiatives

- Inculcating performance driven culture
- Enlarging and advancing talent pools
- Employee engagement activities

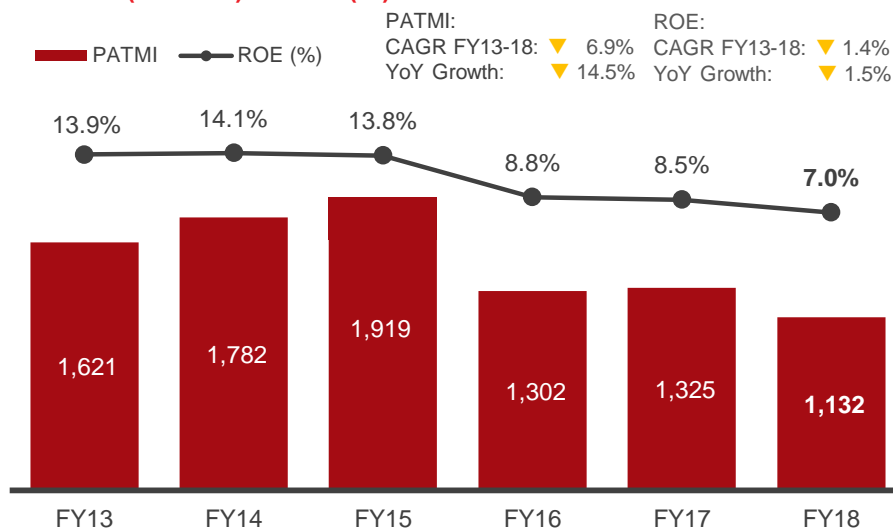


Group Performance

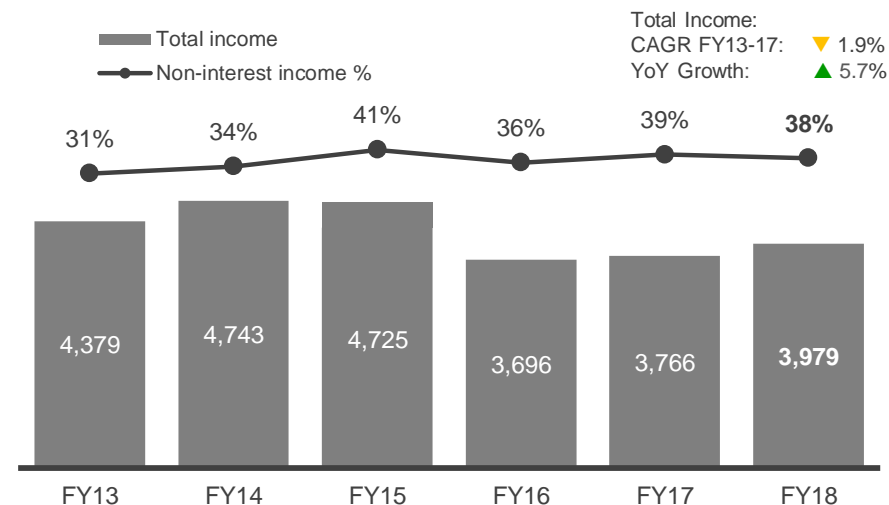
Yearly performance

**FY18
Results**

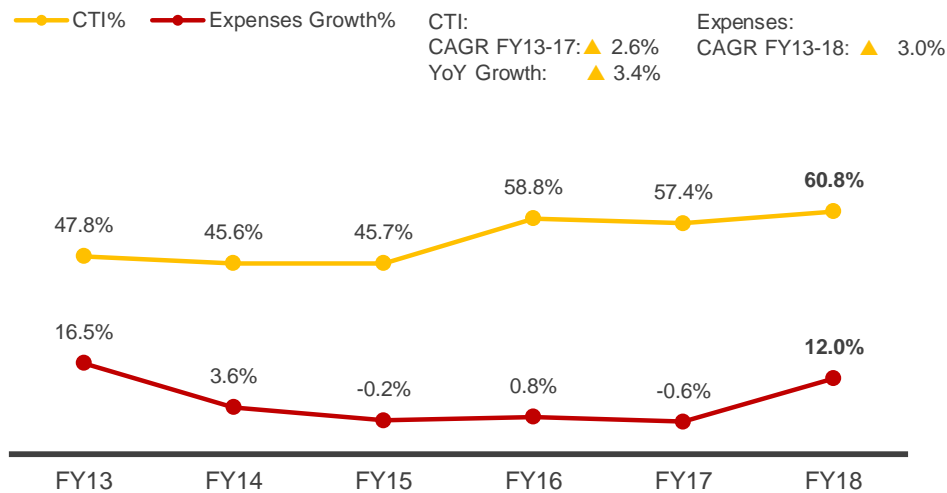
PATMI (RM' mil) & ROE (%)



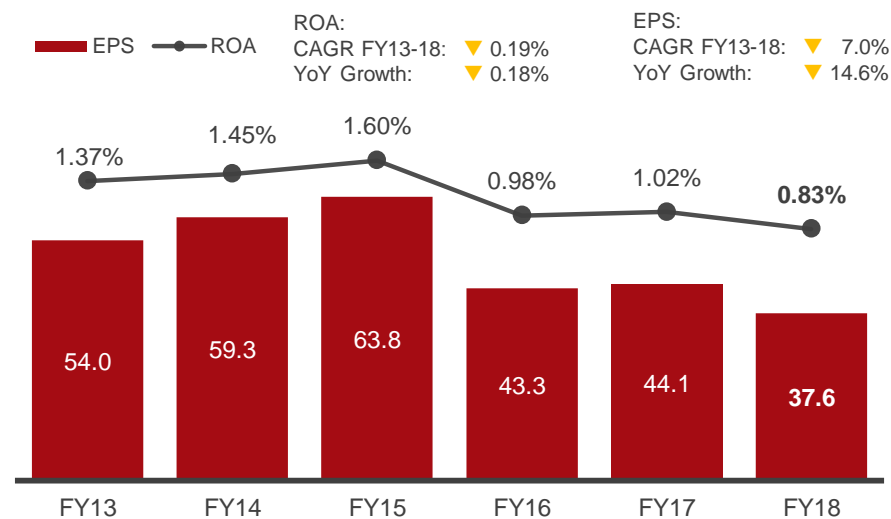
Total Income (RM' mil) and Non-interest Income (%)



Cost to Income Ratio and Expenses Growth (%)



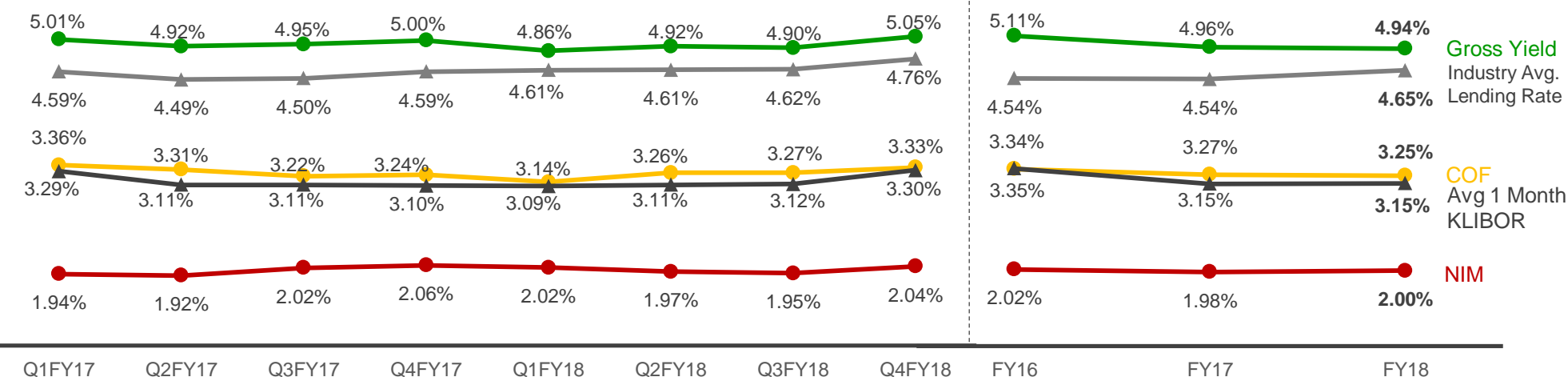
ROA (%) and EPS (Basic)



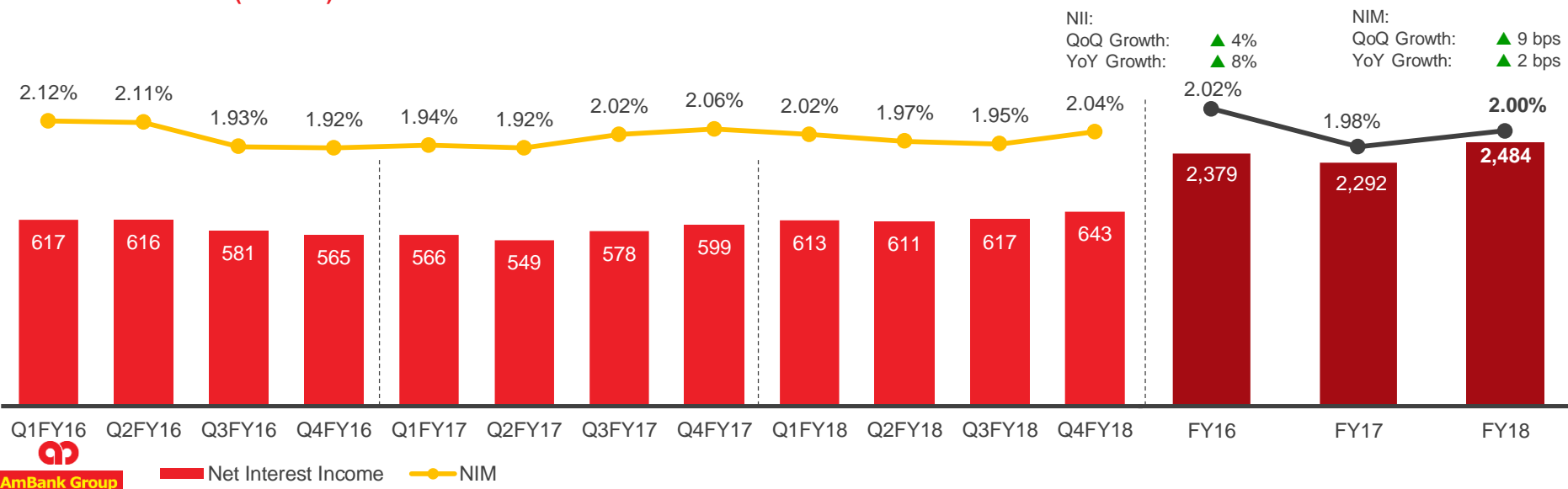
Net interest margin trends

NIM

NIM Trend vs. Industry



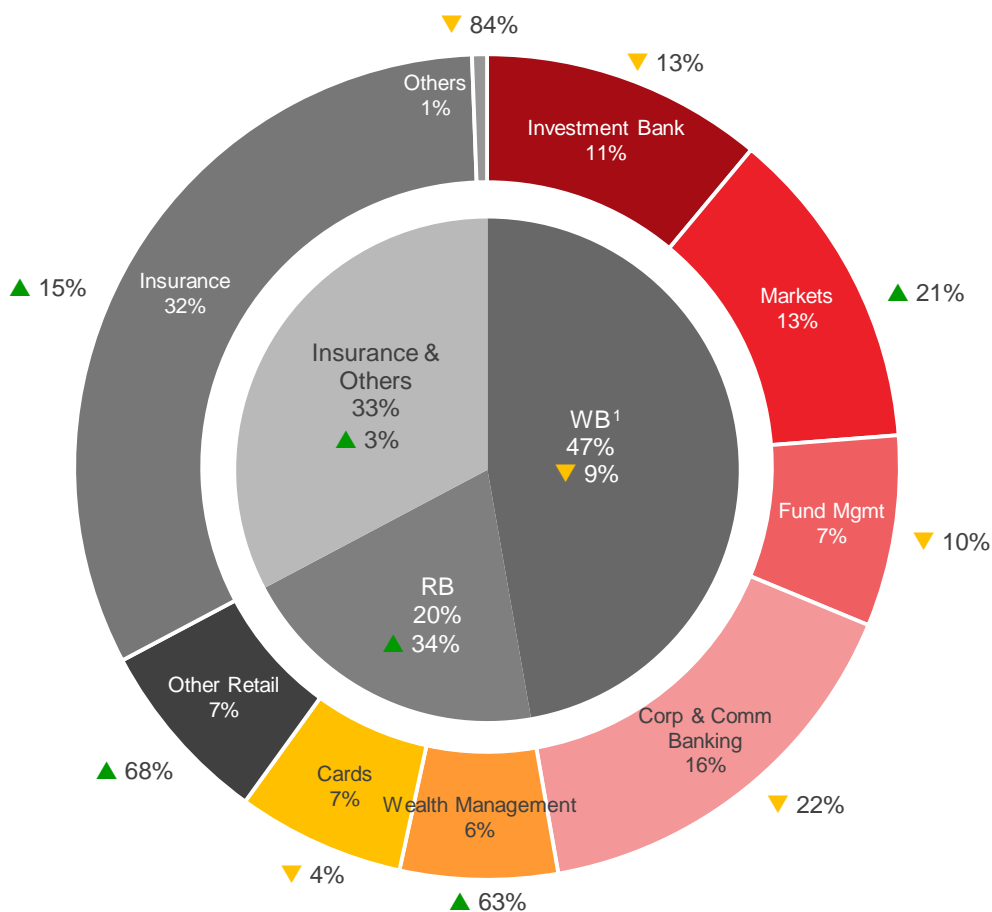
Net Interest Income (RM' mil) & NIM Movement



Non-interest income and PATMI mix

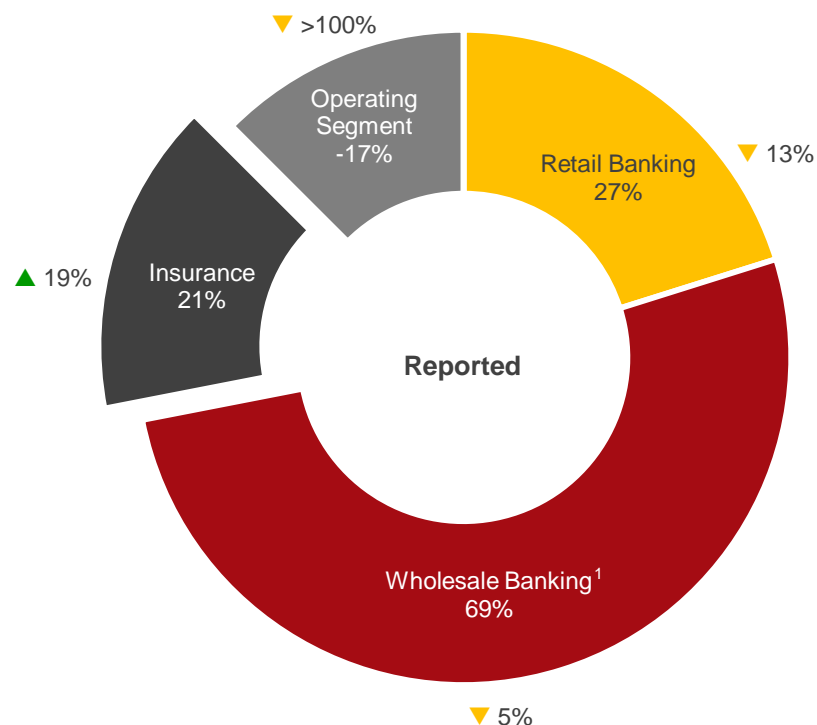
**Non-Interest
& PATMI**

Non-interest Income by Lines of Business (YoY)



1. Including Business Banking

PATMI by Lines of Business (YoY)



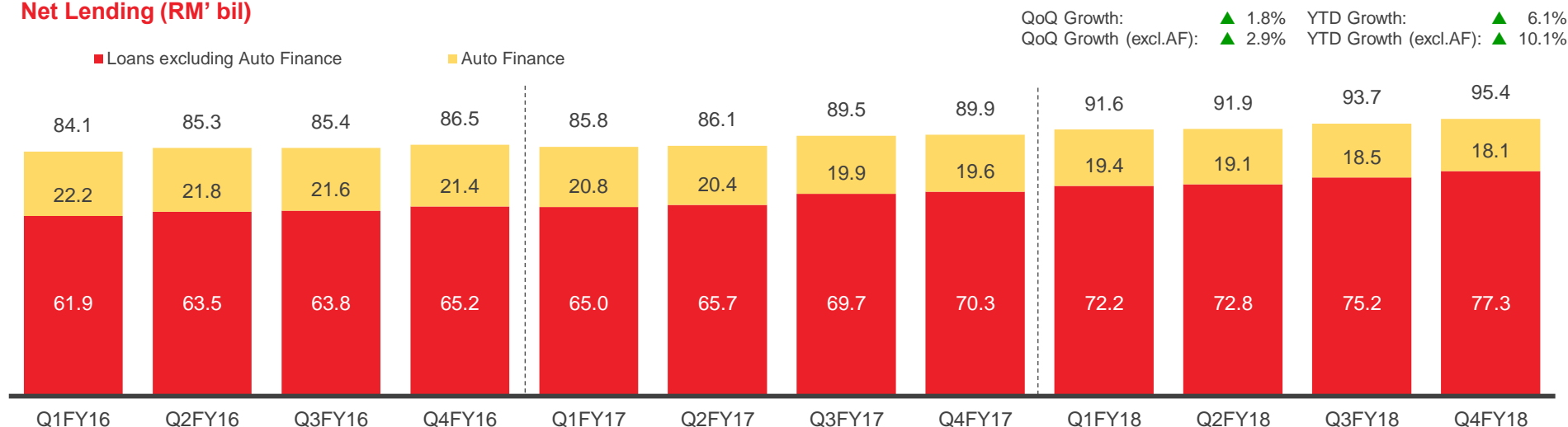
Reported



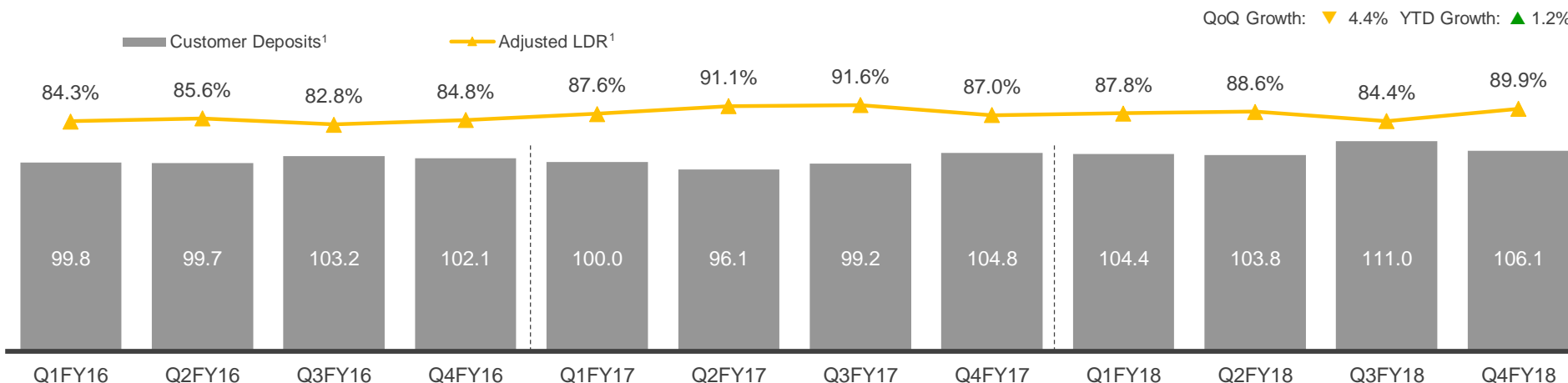
AmBank Group

Quarterly loans and deposit trends

Net Lending (RM' bil)



Customer Deposits (RM' bil) and LDR (%)

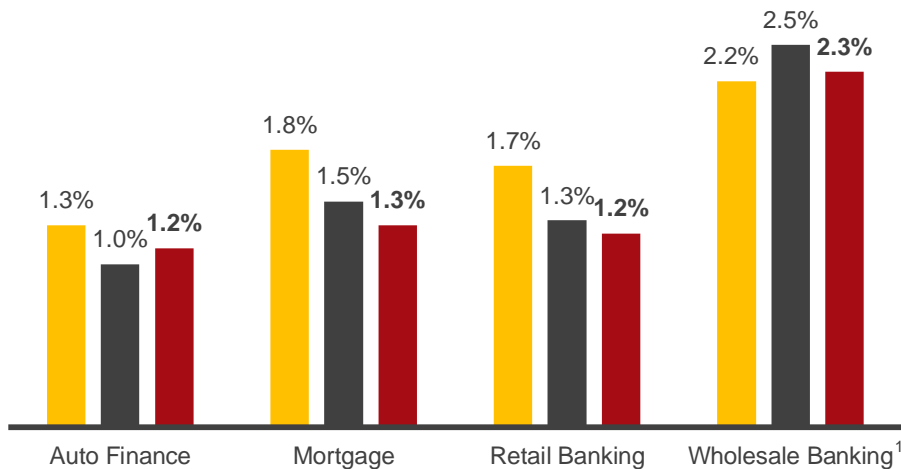


Asset Quality

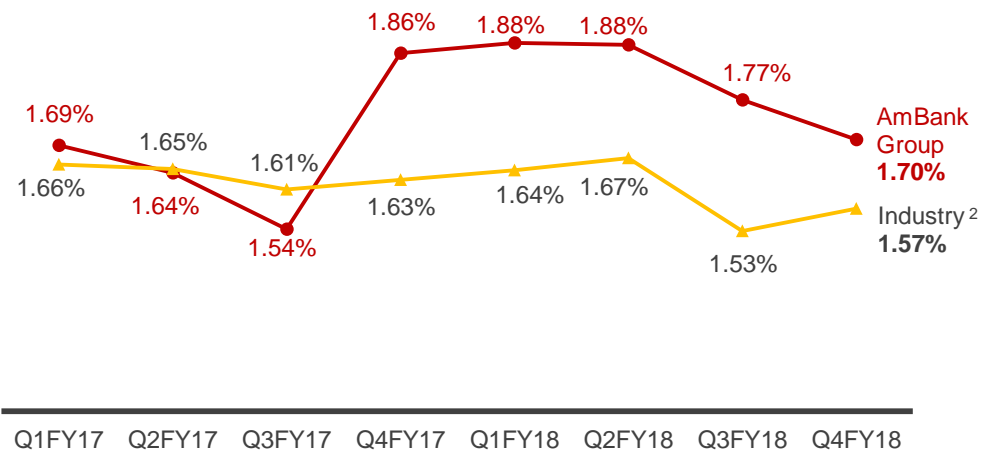
Asset
Quality

Impaired Loans – Key Segments

■ FY16 ■ FY17 ■ FY18



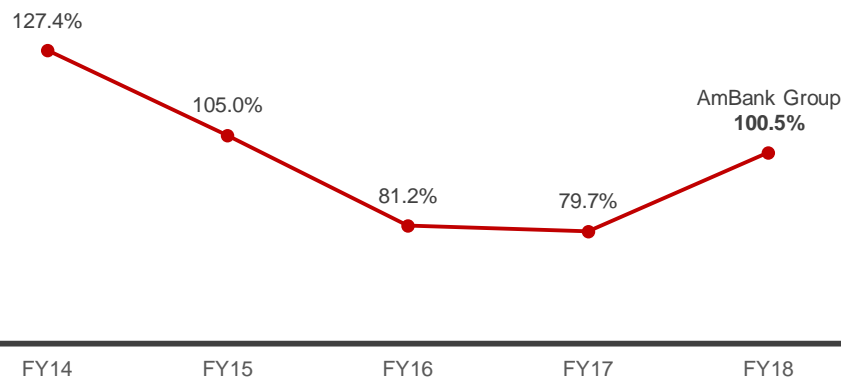
Gross Impaired Loans Ratio



Impaired Loans by Sectors and YTD Movement

Sector	Mar'18 RM' mil	YTD Growth	Composition
Real Estate	599	▼ 15%	37%
Residential Properties	332	▲ 5%	20%
Transport Vehicles	207	▲ 3%	13%
Mining and quarrying	87	▼ 44%	5%
Manufacturing	83	▼ 13%	5%
Construction	46	▲ >100%	3%
Others	284	▲ 44%	17%
Total	1,638	▼ 3%	100%

Loan Loss Coverage³



1. Includes Business Banking
2. Based on BNM data as at 31 Mar 2018
3. Includes regulatory reserve



AmBank Group

Credit cost normalising

Asset
Quality

Net Provisions / (Writebacks)

RM' mil

Total provisions by category	Q1FY17	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	QoQ Change	FY16	FY17	FY18	YoY Change
Performing Loans	(11)	14	(36)	(179)	(41)	(47)	(2)	(28)	▼ >100%	(276)	(212)	(118)	▲ 44%
Non Performing Loans	122	86	124	382	142	138	179	110	▼ 39%	651	714	569	▼ 20%
Recoveries	(161)	(138)	(171)	(212)	(120)	(127)	(97)	(107)	▲ 10%	(565)	(682)	(451)	▼ 34%
Other Provisions ¹	(14)	(4)	10	(8)	(1)	8	1	8	▲ >100%	(20)	(16)	16	▲ >100%
Total net provisions/(writeback)	(64)	(42)	(73)	(17)	(20)	(28)	81	(17)	▼ >100%	(210)	(196)	16	▲ >100%

Total provisions by Divisions	Q1FY17	Q2FY17	Q3FY17	Q4FY17	Q1FY18	Q2FY18	Q3FY18	Q4FY18	QoQ Change	FY16	FY17	FY18	YoY Change
Wholesale Banking	(81)	(31)	(7)	145	0	(8)	50	(22)	▼ >100%	(122)	26	20	▼ 23%
Business Banking	(2)	4	(6)	13	10	8	15	0	▼ 74%	0	9	33	▲ >100%
Retail Banking	11	(26)	18	(25)	13	6	23	9	▼ 60%	(73)	(22)	51	▲ >100%
Opt Segments	8	11	(77)	(150)	(43)	(33)	(10)	(2)	▲ 81%	(18)	(208)	(88)	▲ 58%
AmGen	(0)	0	(1)	0	0	(1)	3	(2)	▼ >100%	3	(1)	0	▲ >100%
Total net provisions / (writeback)	(64)	(42)	(73)	(17)	(20)	(28)	81	(17)	▼ >100%	(210)	(196)	16	▲ >100%



AmBank Group

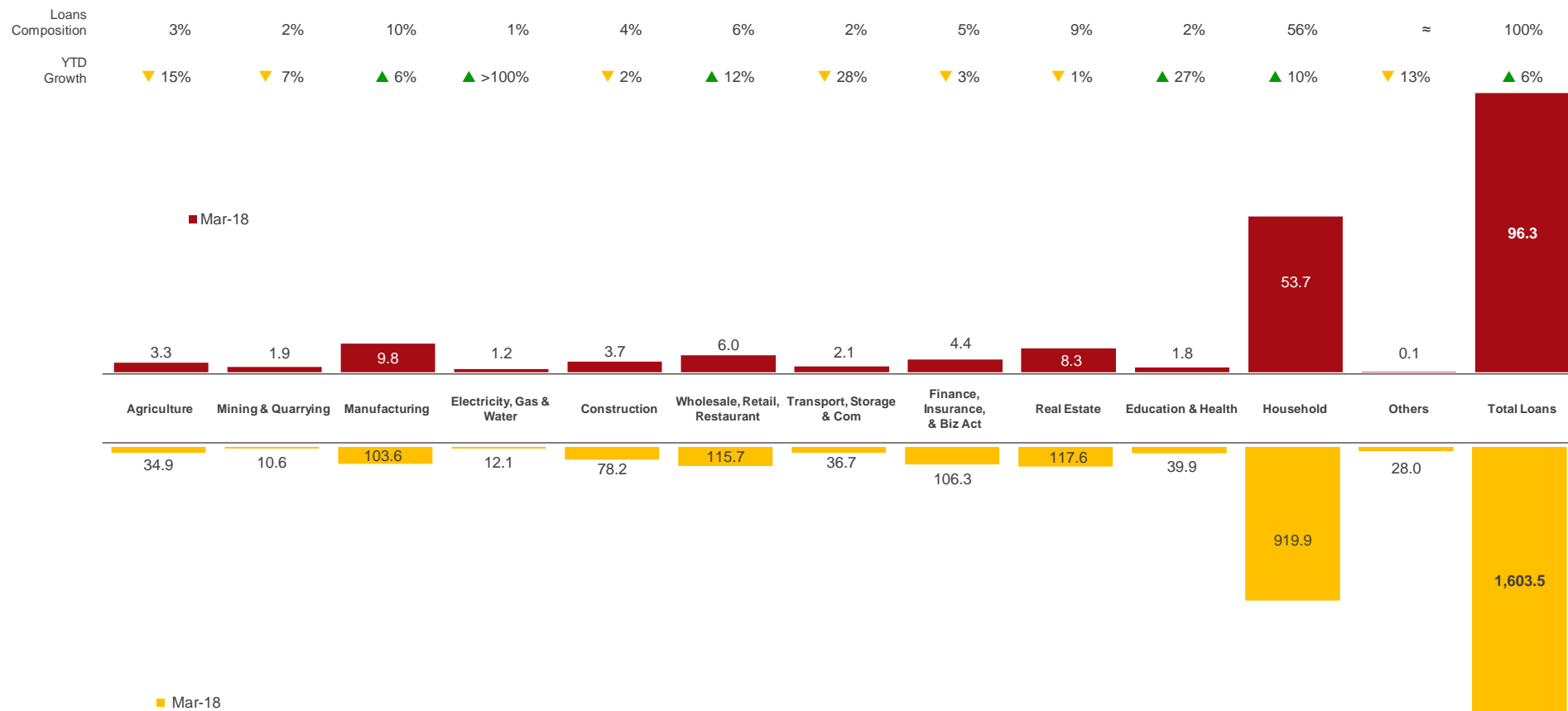
1. Includes provision for contingencies, securities, foreclosed property, trade and sundry debtors

Loans by sector vs. industry

Loans

Loans by Sector

AmBank Group (RM' bil)



Industry (RM' bil)



Source : BNM, financial statements

AmBank Group

Diversified and consistent funding structure, conservative liquidity management

Funding

- Sufficient holding of liquid assets with LCRs in excess of 100%
- Active liquidity management and refinancing of term funding has improved cost of funds
- Deferment in the implementation of net stable funding ratio has alleviated the pressure on NIM

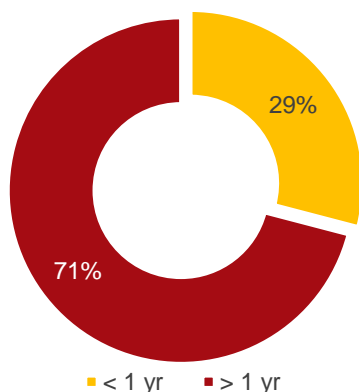
Funding Composition vs. Peers

	FY13	FY15	FY16	FY17	FY18	Peers ¹
Equity & debt capital	14%	15%	16%	16%	16%	16%
Customer deposits	75%	74%	73%	74%	74%	74%
Term funding & loans with recourse >1 year	7%	8%	9%	6%	6%	5%
Term funding & loans with recourse <1 year	1%	1%	1%	3%	1%	
Deposits from banks & FIs	3%	2%	1%	1%	3%	5%

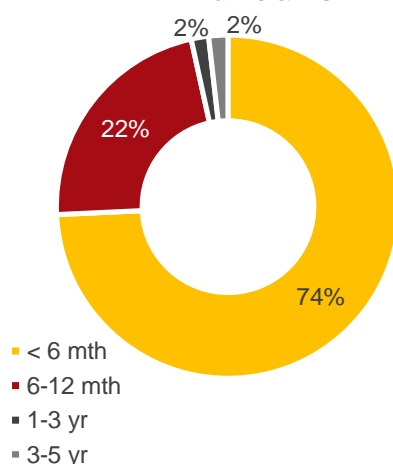
1. Based on an average of our seven peer domestic banks as at 31 Dec 2017

Funding Maturity Profiles

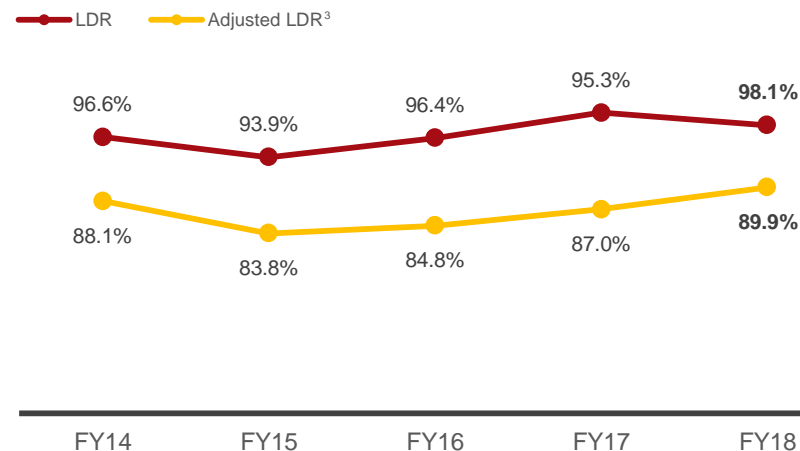
Term Funding and Debt Capital



Deposits from Customers, Banks & FIs



Loan-to-deposit Ratio²

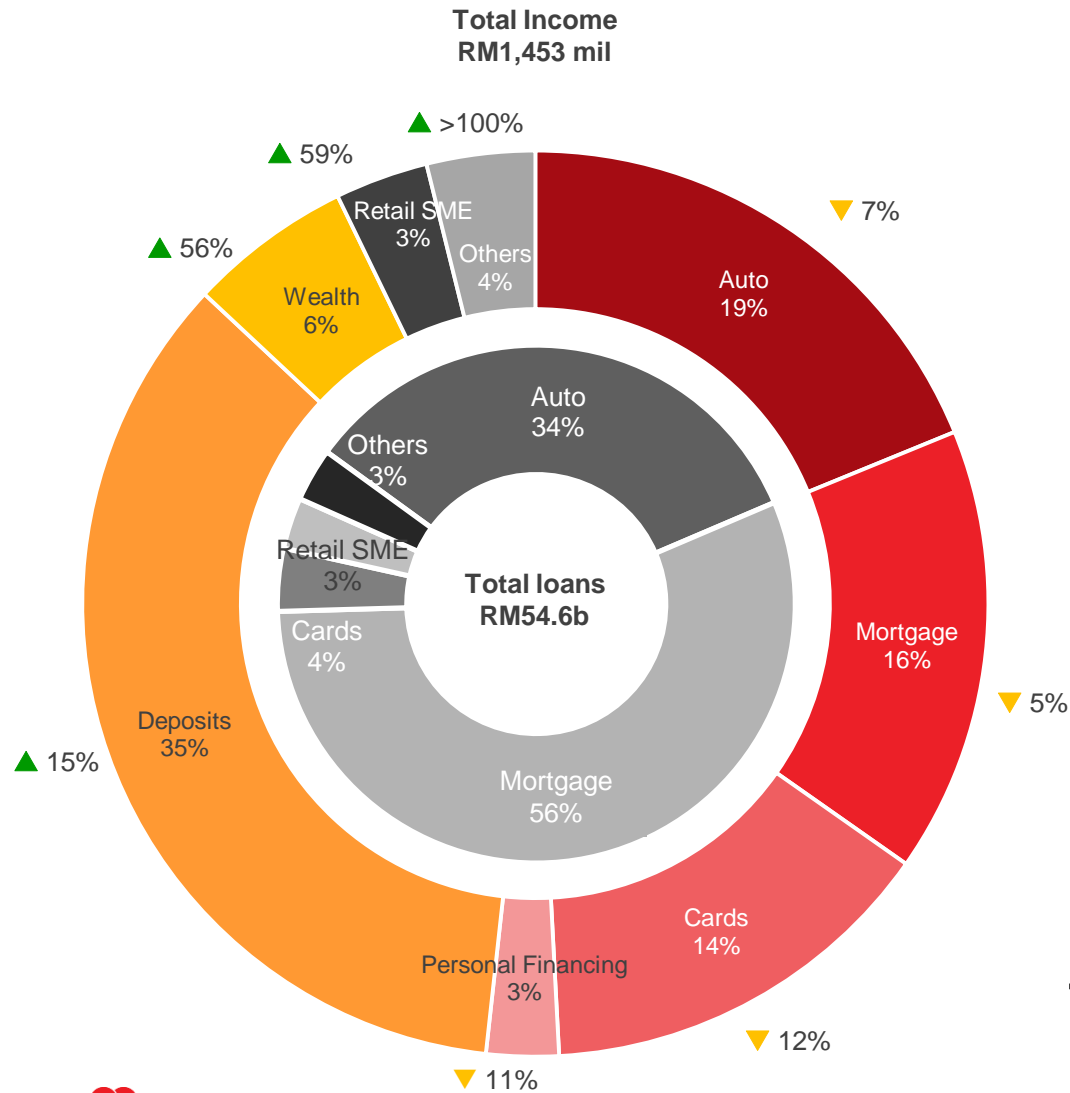


2. Prior periods were restated due to reclassification of structured deposits

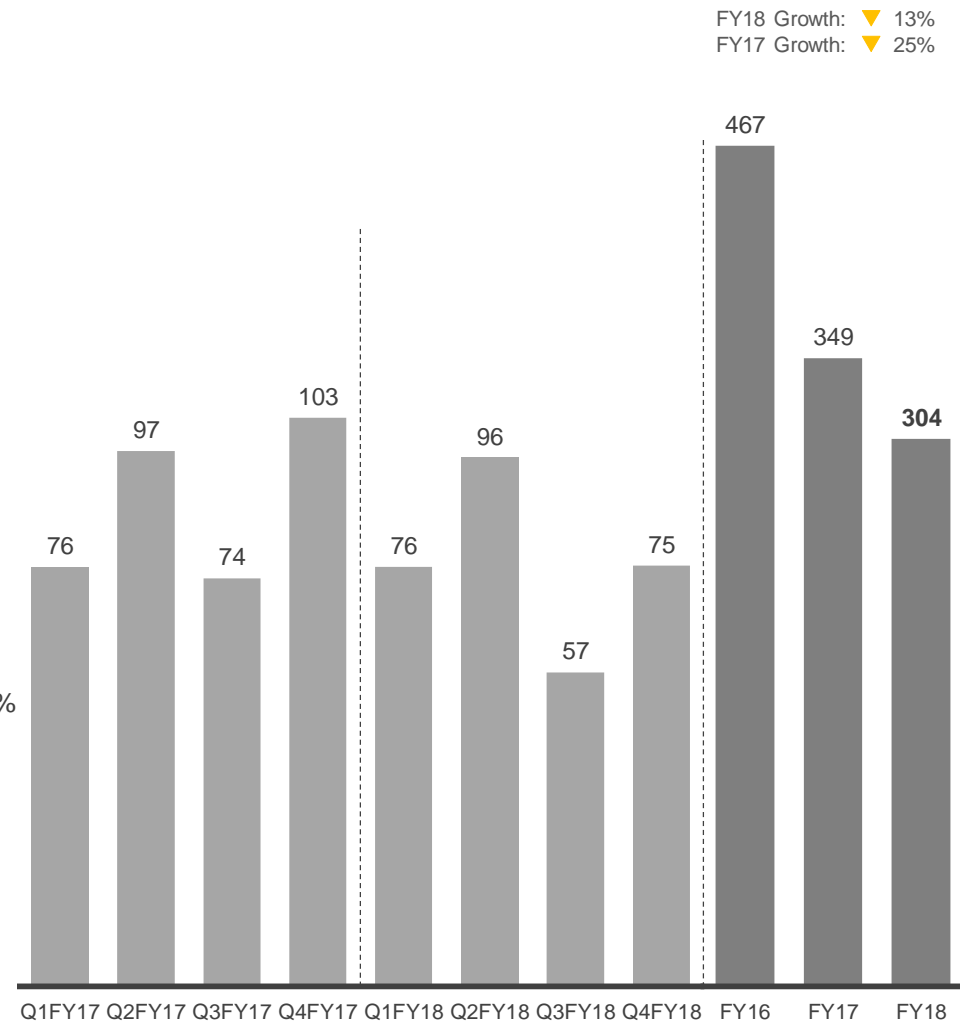
3. Includes stable funding sources

Divisional Performance

Total Income (YoY Movement) and Loans by Line of Business

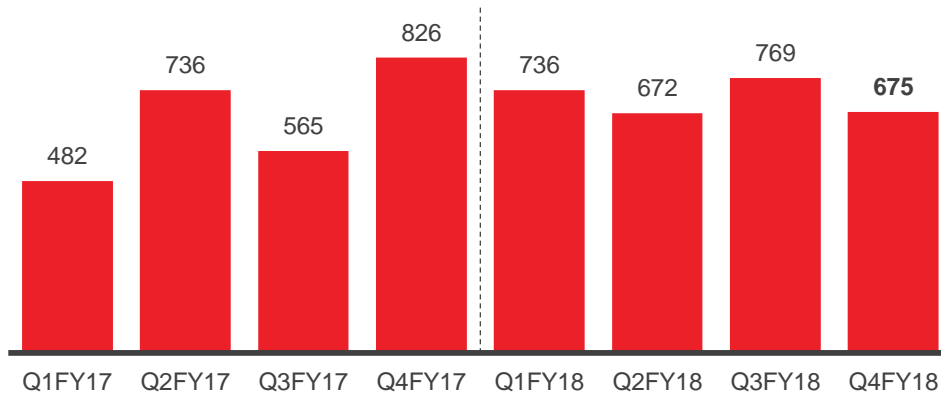


PAT Trend (RM' mil)



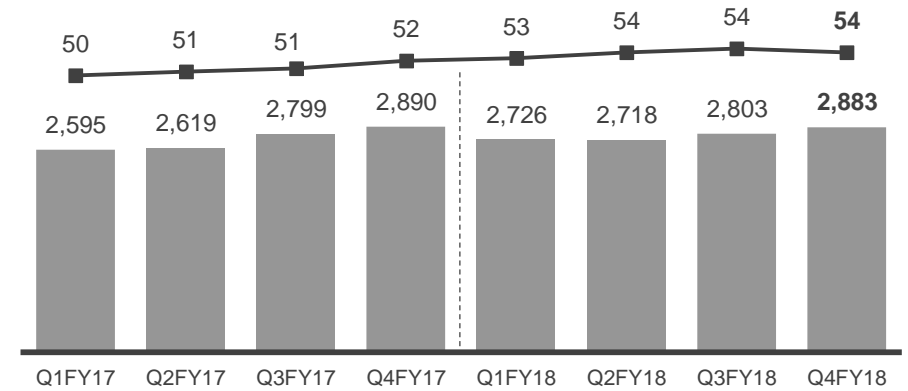
Wealth Sales (RM' mil)

QoQ Growth: ▼ 12%
YoY Growth: ▼ 18%



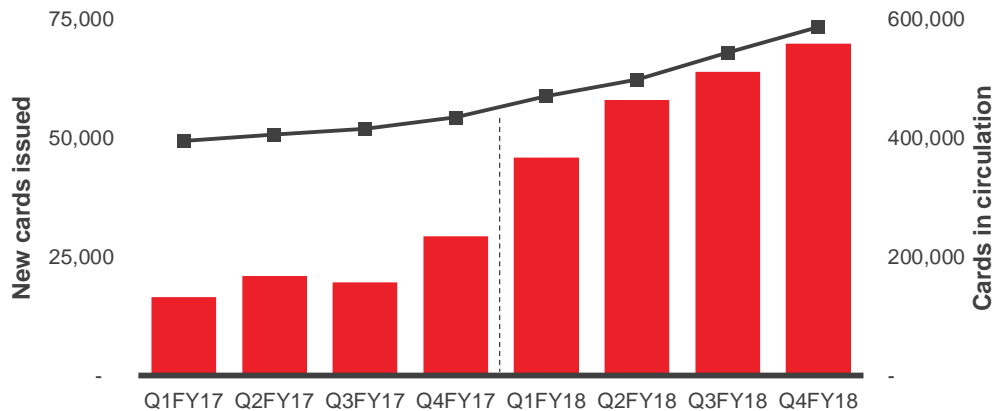
Merchant Volume

Merchant volume (RM'mil) QoQ Growth: ▲ 3% YoY Growth: ≈
Merchants in force ('000) QoQ Growth: ≈ YoY Growth: ▲ 4%



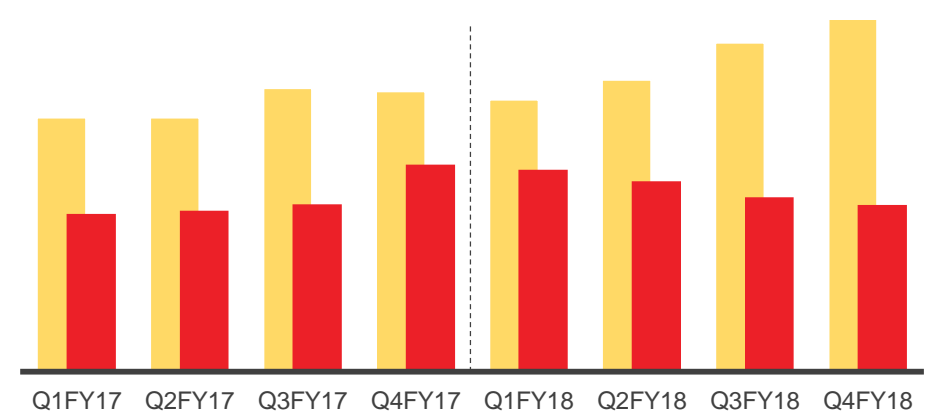
Credit Cards

New cards issued Cards in circulation

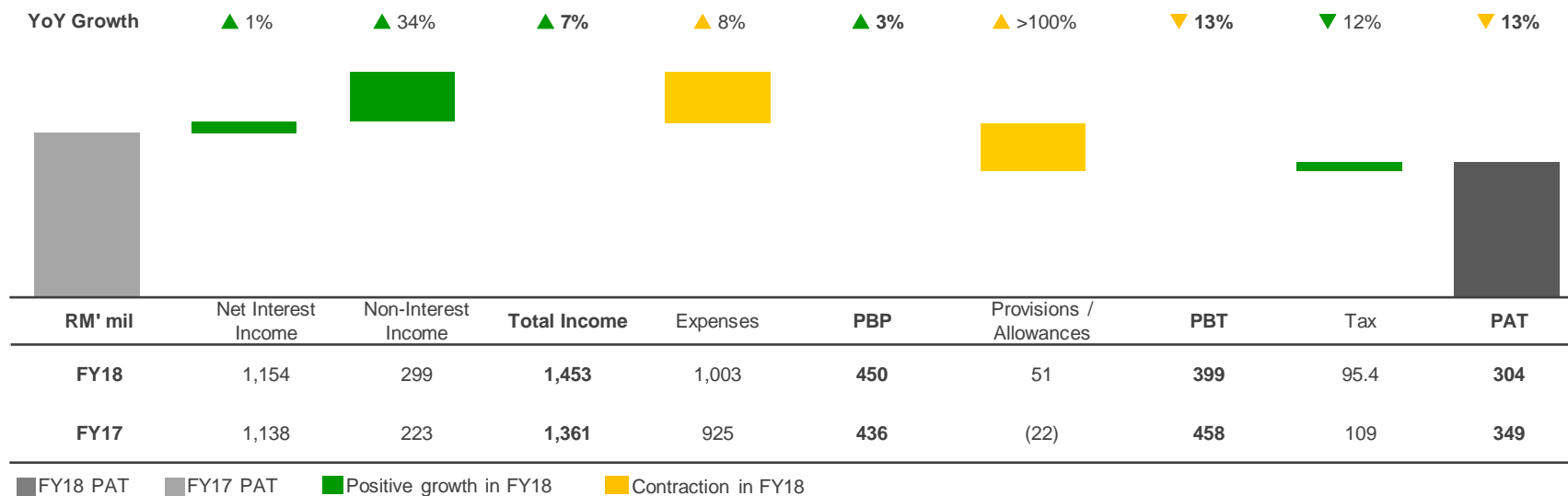


Mortgage and Auto Finance Quarterly Disbursement (RM' bil)

Mortgage Auto Finance Mortgage YoY Growth : ▲ 16%
Auto Finance YoY Growth : ▲ 6%



Income Statement (RM' mil)



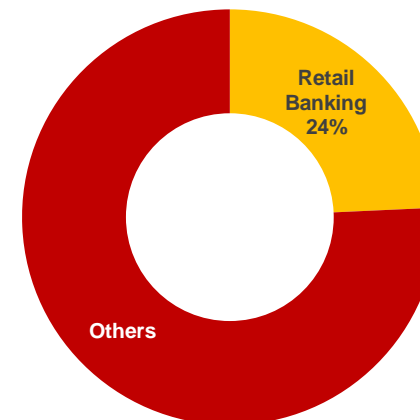
Balance Sheet (RM' mil/%)

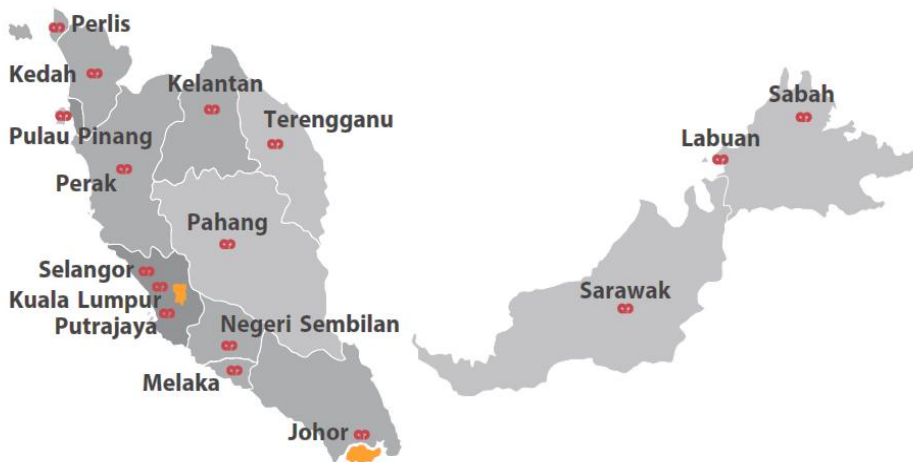
		FY17	FY18	FY18 VS FY17
Gross Loans / Financing		48,783	54,559	+12%
Gross Impaired Loans	1.25%	649	681	+5%
Customer Deposits		39,759	49,322	+24%
CASA Deposits		11,076	11,345	+2%

Key Ratios

ROA		0.73%	0.58%	-0.15%
CTI		68.0%	69.0%	+1.0%
Allowance Coverage		76.6%	68.3%	-8.3%

FY18 PAT
(composition of Group)





Population Density



	Branches	ATM	Regional Offices
Perlis	1	3	
Kedah	6	24	1
Pulau Pinang	14	51	1
Perak	18	45	1
Selangor	37	217	2
Kuala Lumpur	23	106	3
Putrajaya	1	3	
Negeri Sembilan	7	38	
Melaka	6	34	1
Johor	21	82	1
Pahang	9	29	1
Terengganu	4	16	
Kelantan	2	16	
Sabah	9	40	1
Labuan	1	3	
Sarawak	15	57	1
	174	764	13

Other Customer Touch Points

SME branches	AmBank Islamic branches	Weekend banking branches	ATMs @ 7-Eleven	Electronic banking centres	Internet & mobile banking	AmGeneral	AmMetlife	AmInvestment Bank	AmCard Services MBC ¹
174	3	29	265	183	AmOnline	29 branches 4 counters	15 branches 39 agencies	6 retail broking 6 corporate	26



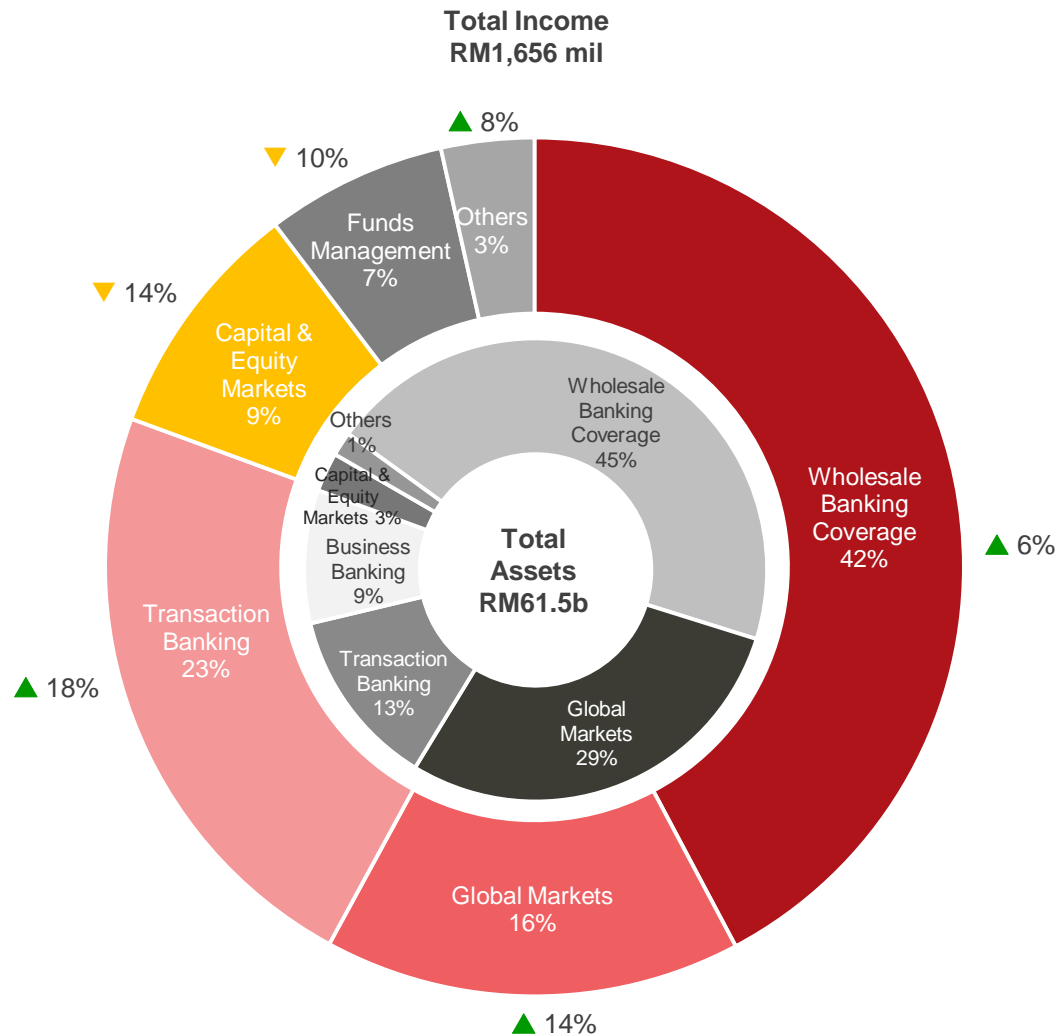
AmBank Group

1. MBC – Merchant Business Centres

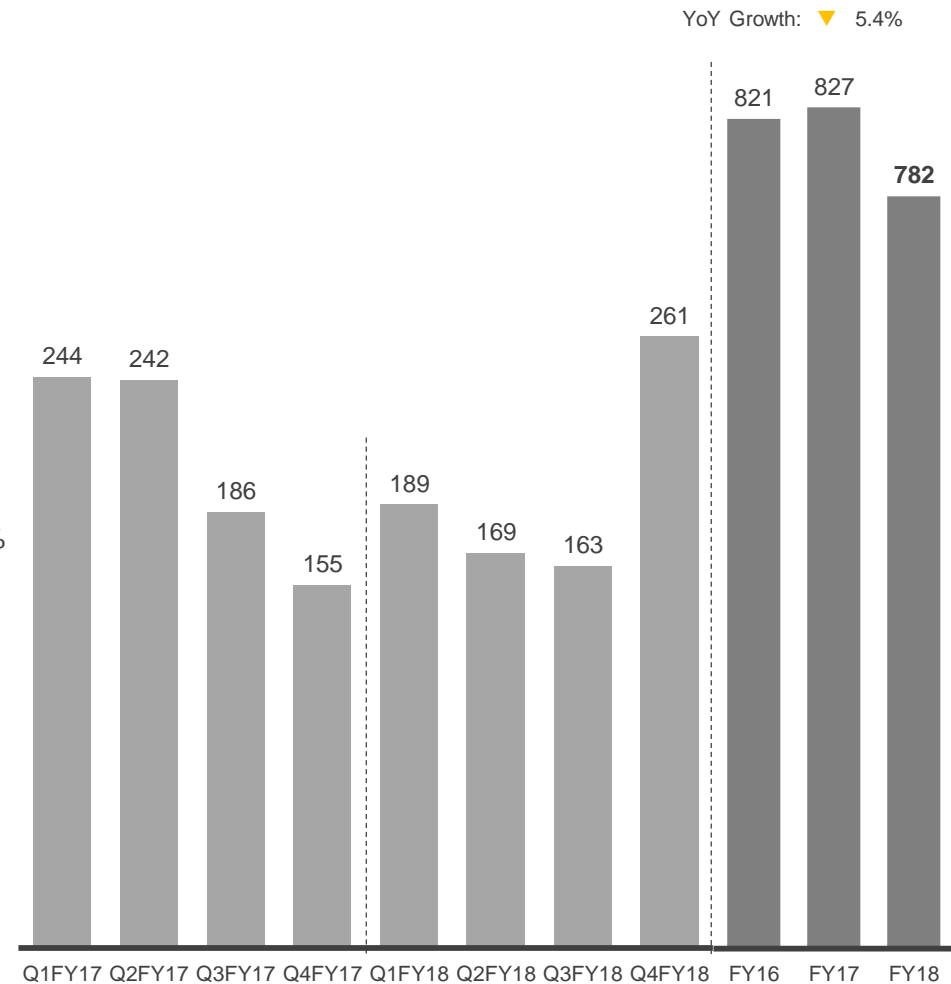
Wholesale Banking (including Business Banking)

Wholesale

Total Income (YoY Movement) and Total Assets by Line of Business



QoQ PAT (RM' mil)



AmBank Group

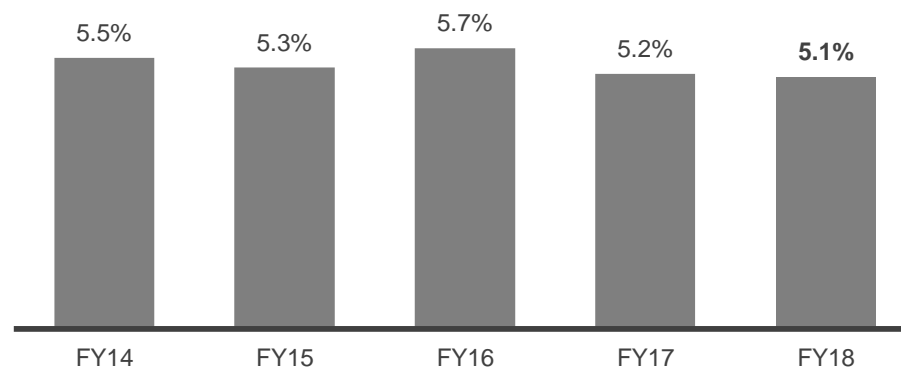
League Table

	Market Share ¹ As At 31 March 2018 (%)	Rank ²
DCM (Overall MYR Bonds)	13.3%	4 ▼
Islamic Sukuk	10.5%	4 ▼
Unit Trust	7.1%	5 ►
Stockbroking	5.1%	6 ►

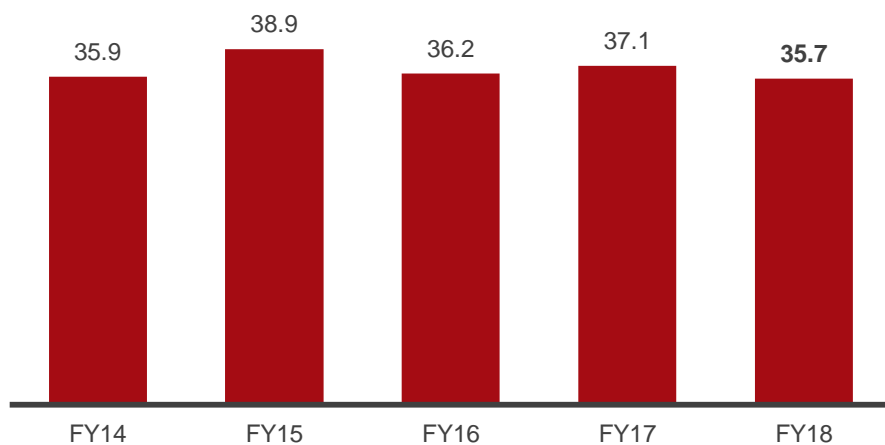
1. Calendar Year data

2. Comparing rank movement with 31 December 2017

Market Share of Value Traded on Bursa (KLSE)

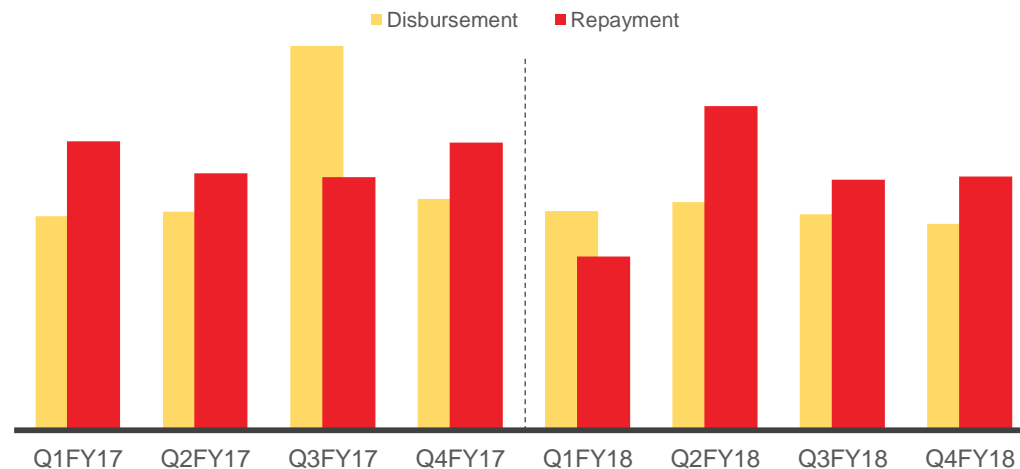


Unit Trust – AUM (RM' bil)



AmBank Group

Corporate Banking Loan Disbursement and Repayment (RM'bil)

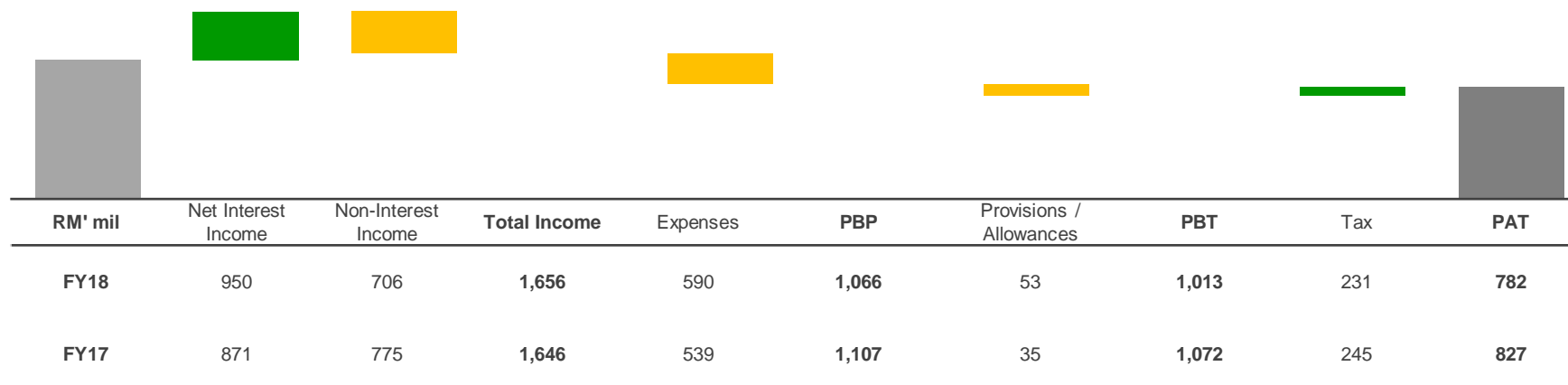


Wholesale Banking (including Business Banking)

Wholesale

Income Statement (RM' mil)

YoY Growth ▲ 9% ▼ 9% ▲ 1% ▲ 9% ▼ 4% ▲ 54% ▼ 6% ▼ 6% ▼ 5%



■ FY18 PAT ■ FY17 PAT ■ Positive growth in FY18 ■ Contraction in FY18

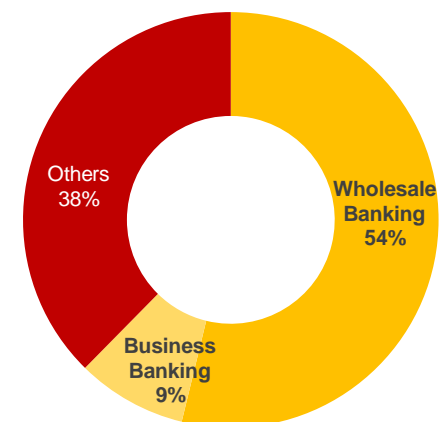
Balance Sheet (RM' mil/%)

		FY17	FY18	FY18 VS FY17
Gross Loans / Financing		42,259	41,847	-1%
Gross Impaired Loans	2.29%	1,040	958	-8%
Customer Deposits		54,563	46,029	-16%
CASA Deposits		8,897	9,280	+4%

Key Ratios

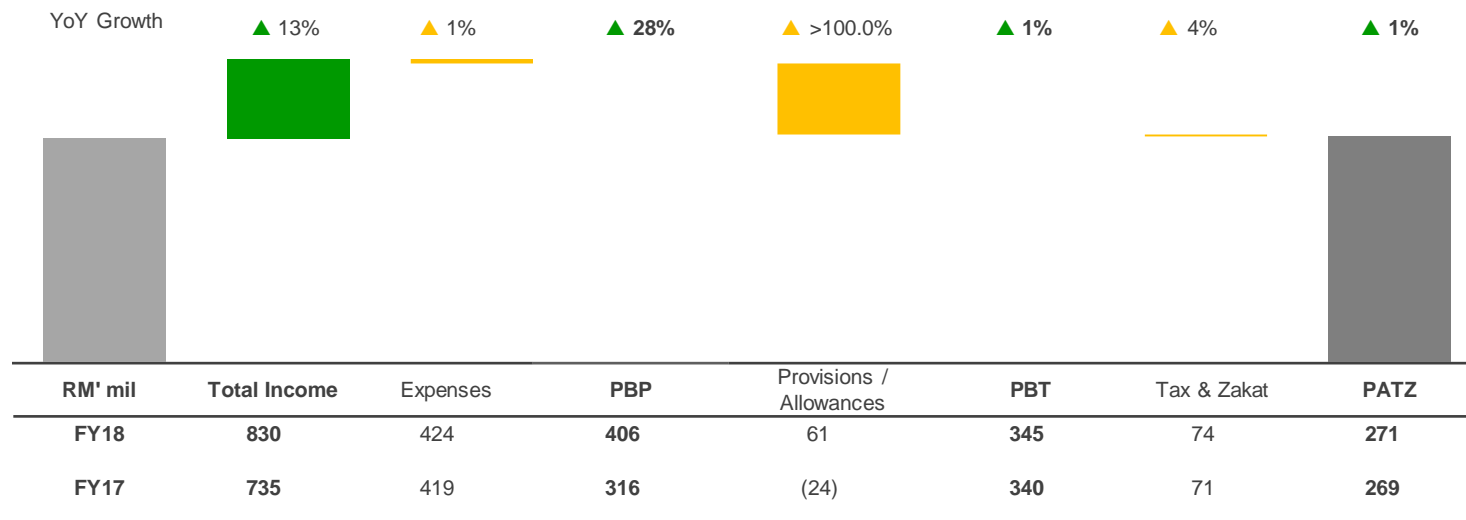
ROA		1.54%	1.34%	-0.2%
CTI		32.7%	35.6%	+2.9%
Allowance Coverage		37.4%	35.0%	-2.4%
Ave Assets Management		46,500	46,309	-0.4%

FY18 PAT
(composition of Group)

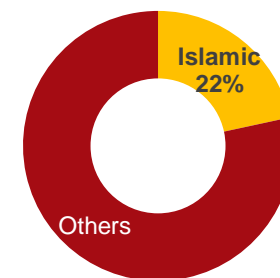


AmBank Group

Income Statement (RM' mil)



FY18 PATZ
(composition of Group)

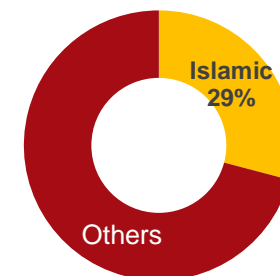


PATZ: profit after tax and zakat

Balance Sheet (RM' mil/%)

		FY17	FY18	FY18 vs FY17
Gross Financing		27,508	28,034	+2%
Gross Impaired Financing	2.08%	489	583	+19%
Customer Deposits		26,837	26,494	-1%
CASA Deposits		6,365	6,885	+8%

FY18 Gross Financing
(composition of Group)



Key Ratios

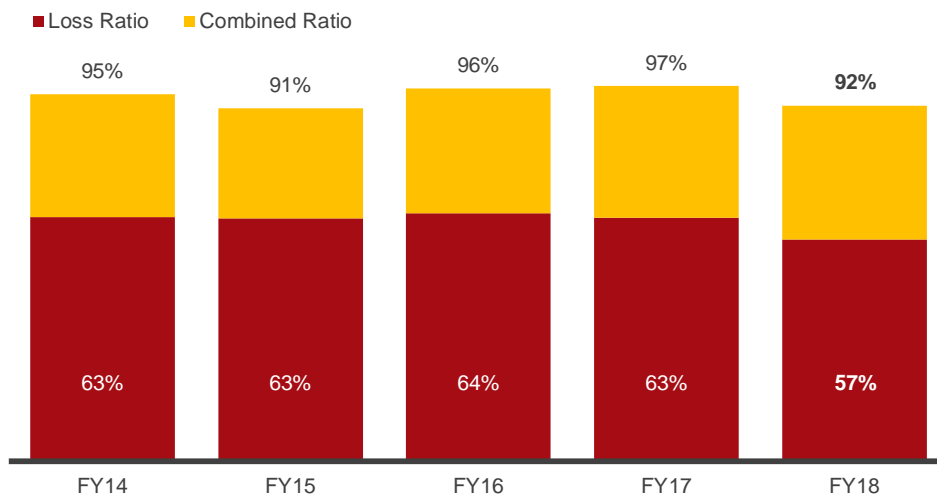
ROA		0.72%	0.64%	-0.08%
CTI		57.0%	51.1%	-5.9%
Allowance Coverage ¹		66.9%	100.6%	+33.7%

■ FY18 PATZ ■ FY17 PATZ ■ Positive growth in FY18 ■ Contraction in FY18

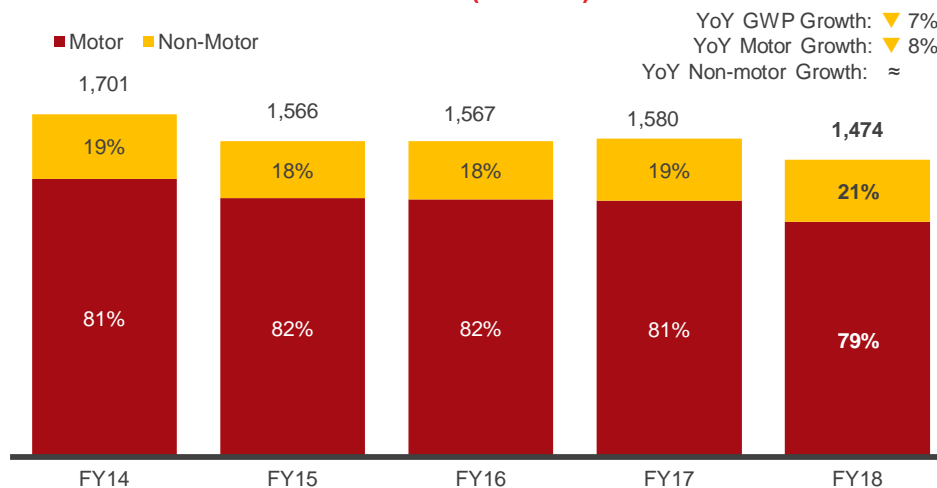
1. Including regulatory reserve



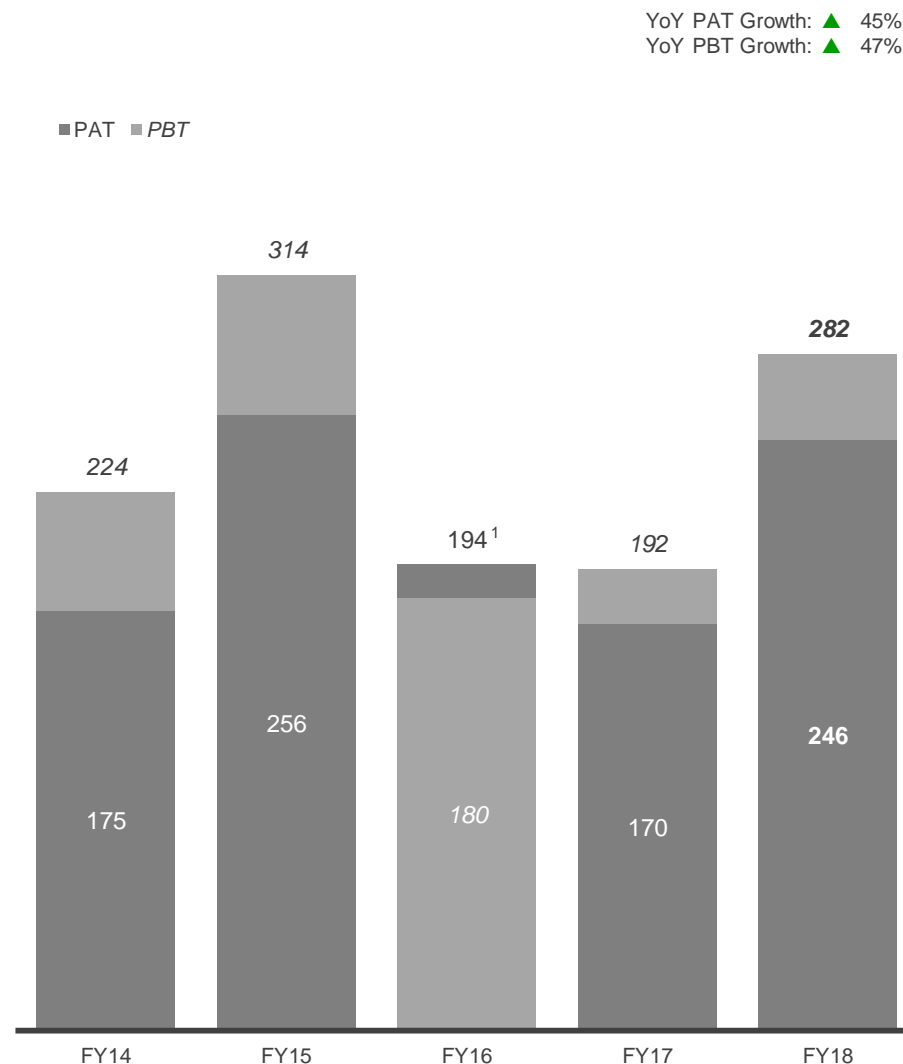
Loss Ratio and Combined Ratio



Gross Premium Mix and Growth (RM' mil)



YoY PAT (RM' mil)



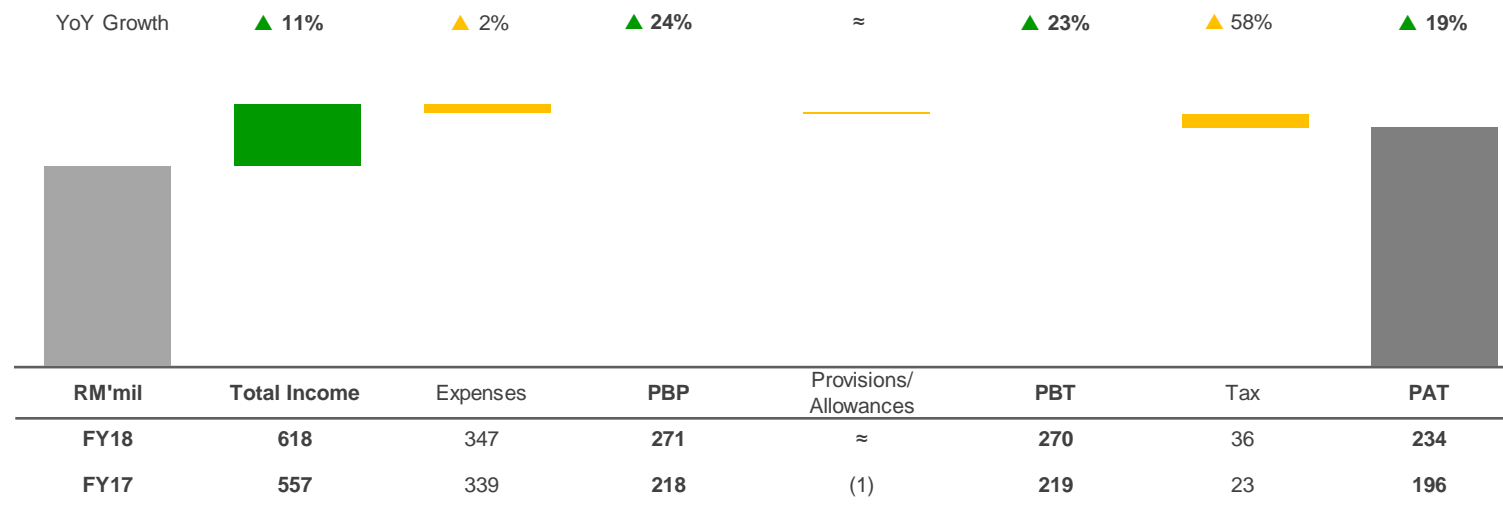
1. Includes write-back of prior year tax provisions



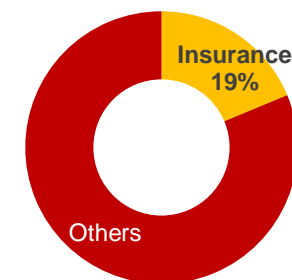
Insurance and Group Funding & Others

Insurance & Others

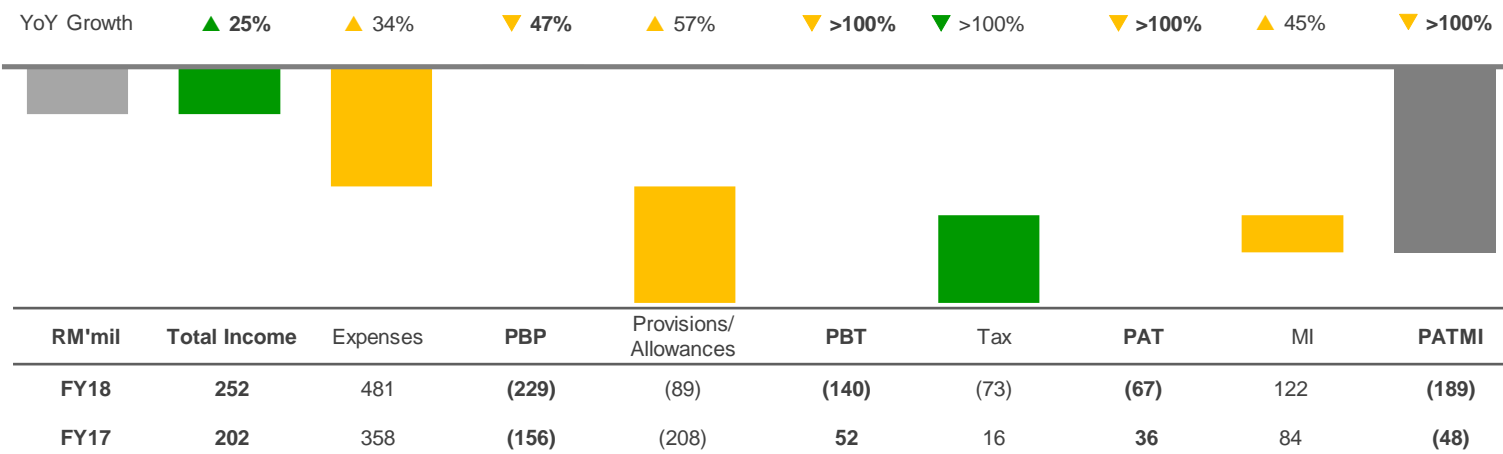
Income Statement – Insurance (General, Life & Takaful) (RM'mil)



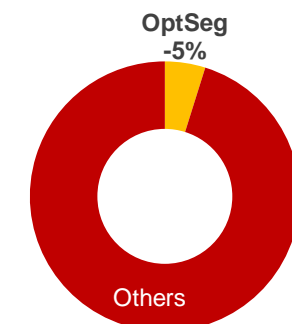
FY18 PAT
(composition of Group)



Income Statement – Group Funding & Others (RM'mil)



FY18 PAT
(composition of Group)



■ FY18 PAT/ PATMI

■ FY17 PAT/ PATMI

■ Positive growth in FY18

■ Contraction in FY18



AmBank Group

Shareholding structure



23.8%¹

AmCorp 13.0%

EPF 9.4%

Others 53.8%

As at 30 Mar 2018



AMMB Holdings Berhad

Retail Banking

Wholesale Banking

Islamic Banking

General Insurance

Life Assurance & Takaful

100% AmBank (M) Berhad

100% MBF Cards (M'sia) Sdn Bhd

33.33% Bonuskad Loyalty Sdn Bhd

100% AmBank Islamic Berhad

100% AmInvestment Bank Berhad

100% AmInvestment Group Berhad

100% AMAB Holdings Sdn Bhd

51% AmGeneral Holdings Berhad² 49%



100% AmGeneral Insurance Berhad³

~50% AmMetLife Insurance Berhad⁴ ~50% **MetLife**

~50% AmMetLife Takaful Berhad⁴ ~50% **MetLife**

Foreign shareholding excluding ANZ

FY12	FY13	FY14	FY15	FY16	FY17	FY18
26%	29%	31%	29%	26%	26%	23%

1.ANZ: ANZ Funds Pty Ltd,a wholly owned subsidiary of Australia and New Zealand Banking Group Limited

2.Formerly known as AmG Insurance Berhad

3.Formerly know as Kurnia Insurans (Malaysia) Berhad

4.MetLife owns 50% plus one share in AmMetLife Insurance Berhad, with the remaining shares held by AmBank Group, and AmBank Group owns 50% plus one share in AmMetLife Takaful Berhad, with the remaining shares owned by MetLife



AmBank Group

Credit ratings, target price and recommendations

Credit Ratings

	Ratings	FY2007	FY2018	
AmBank (M)	RAM	LT: A2, ST: P1 Outlook: Stable	LT: AA2, ST: P1 Outlook: Stable	+3
	S&P	LT: BBB-, ST: A-3 Outlook: Stable	LT: BBB+, ST: A-2 Outlook: Stable	+2
	Moody's	LT: Baa2, ST: P-3 Outlook: Stable BFSR: D-	LT: Baa1, ST: P-2 Outlook: Stable *BCA: baa3 *Adj BCA: baa3	+1
AmInvestment	RAM	LT: AA3, ST: P1 Outlook: Stable	LT: AA2, ST: P1 Outlook: Stable	+3
AmBank Islamic	RAM	LT: A2, ST: P1 Outlook: Stable	LT: AA2, ST: P1 Outlook: Stable	
AMMB	RAM	NA	LT: AA3, ST: P1 Outlook: Stable	+3

* Maintained since 16 Jun 15

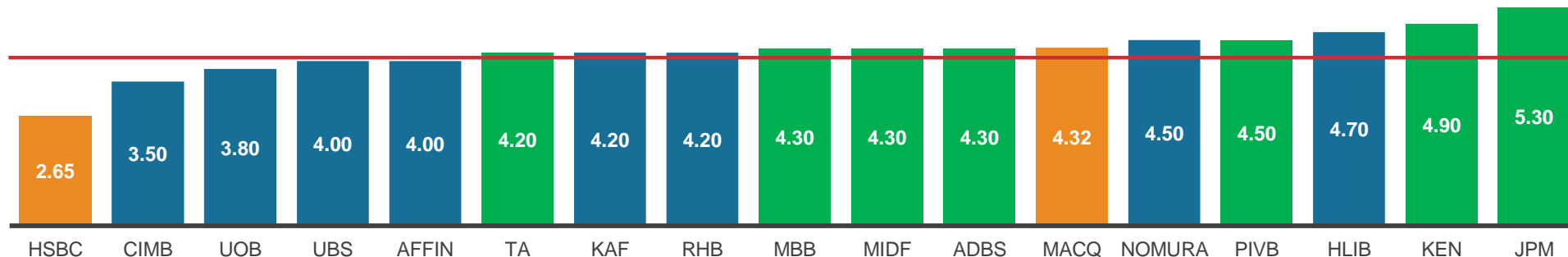
+1 Notches of ratings upgrades since 2007

Target Price and Recommendations

P/EPS : 8.86
P/BV : 0.67

Market Price: RM 3.58

Average TP : RM 4.19
Buy : 7 (41%)
Hold : 8 (47%)
Sell : 2 (12%)
Ave. TP/ Ave. CP : 1.11x



AmBank Group

Source : Bloomberg as at 17 May 2018

Buy/Outperform/Overweight/Add
P/EPS & P/BV as at 17 May 2018

Hold/Neutral/Market perform

Sell/Underperform/Fully valued/Reduce/Underweight

TP: average target price

Glossary/Disclaimer of warranty and limitation of liability

Reported Performance

Reported performance refers to the financial performance as reported in the audited financial statements and disclosed to the market

Growth Definition

QoQ growth refers to Q4FY18 vs Q3FY18

YoY / YTD growth refers to FY18 vs FY17

One Offs

One offs comprise those impacts on financial performance that arise from changes to :

- accounting and provisioning policies (eg 5 and 7 year rules)
- differences between economic and accounting hedges
- prior period catch ups (eg backdated salary costs)
- strategic investments and divestments (eg ANZ partnership), and
- tax and regulatory regimes (eg deferred tax asset write off due to reduction in corporate tax rates)

Underlying Performance

Underlying performance refers to the financial performance adjusted for one off impacts as above

Business Divisions

Business divisions

- comprise AmBank Group's core operating businesses that generate profits from direct customer transactions and interactions
- have relatively more stable income streams, incur the bulk of the costs and typically have a lower risk profile
- in most instances have market shares and growth metrics that can be measured and benchmarked externally

Operating Segments

Operating segments

- have more volatile and lumpy income streams, with the former a direct function of risk appetite
- include
 - income and expenses associated with shareholder funds, loan rehabilitation and legacy businesses, plus
 - costs associated with corporate, shared services and governance functions currently not charged back to the business units

Disclaimer on rounding differences

Numbers may not add up due to rounding

Disclaimer of Warranty and Limitation of Liability

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