



26 May 2025

AmBank Group delivers a record profit of RM2.0 billion PATMI and RM1.0 billion in dividends for FY25
The Group's capital position remains strong and liquidity position ample

AMMB Holdings Berhad (AMMB, AmBank Group or the Group) is pleased to announce its results for the financial year ended 31 March 2025 (FY25).

Summary of FY25 Results (Reported)¹

- Net Interest Income (NII) grew 8.0% YoY to RM3,569.6 million, with a 15-basis point (bps) expansion in Net Interest Margin (NIM) to 1.94%
- Non-Interest Income (NII) grew 1.3% YoY to RM1,359.4 million, with continuing operations income up 5.3% YoY. A broad-based growth in fee income was achieved across Business Banking, Retail Wealth Management, Funds, Stockbroking, Private Banking and Equity Capital Markets, and from Insurance. This was partially offset by lower trading gains from Group Treasury and Markets (GTM).
- Reported net income grew 6.1% YoY to RM4,928.9 million with Continuing Operations¹ net income growing 7.3% YoY
- Expenses increased 7.1% YoY to RM2,197.8 million, with Cost-to-Income (CTI) ratio of 44.6%
- Reported Profit Before Provisions (PBP) grew 5.2% YoY to RM2,731.1 million. Continuing Operations¹ PBP grew 7.4% YoY
- Net impairment charges were lower at RM143.9 million (FY24: RM769.7 million), mainly attributable to improved ECL flow rates and writeback of forward-looking provision
- Profit Before Taxation (PBT) increased 14.2% YoY to RM2,587.3 million. With the absence of one-off charges of RM520.2 million in FY24, FY25 reported a PBT growth of 48.2%. Continuing Operations¹ PBT grew 52.7% YoY
- Reported Profit After Taxation and Minority Interests (PATMI) improved 7.1% YoY to RM2,001.2 million. Continuing Operations¹ PATMI grew 8.6% YoY
- Return on Equity (ROE) at 10.0% while Return on Assets (ROA) improved to 1.02%
- Basic Earnings Per Share (EPS) rose 7.2% YoY to 60.56 sen per share while net assets per share (NA) added 36 sen to RM6.24

¹ Reported numbers comprise Continuing Operations and Discontinued Operation (AmGen disposal gain of RM51.1 million recognised in FY24). Continuing Operations comprise Banking operations and Insurance. Insurance mainly consists of Life Insurance and Family Takaful (as Joint Ventures) and General Insurance (as an associate).

² All growth percentages are computed on a year-on-year (YoY) FY25 vs FY24 basis unless otherwise stated. Quarter-on-quarter (QoQ) refers to Q4FY25 vs Q3FY25.

³ FY24 Standardised Approach (SA): Common Equity Tier 1 (CET1) at 13.04%, Total Capital Ratio (TCR) at 16.30%; FY24 Foundation Internal Ratings-Based (FIRB) approach parallel run: CET1 at 15.15%, TCR at 17.92%

- Gross loans, advances and financing increased 3.5% YoY to RM138.9 billion, driven by Business Banking and Wholesale Banking growth of 12.4% and 6.8% YoY respectively
- Gross impaired loans (GIL) ratio was lower at 1.54%, with loan loss coverage (LLC) ratio (including regulatory reserves) of 103.6%
- Customer deposits was marginally lower at RM141.5 billion. Time deposits grew 1.0% YoY to RM90.5 billion. Current account and savings account (CASA) balances fell 3.3% YoY to RM51.0 billion, giving a CASA mix of 36.0%
- Liquidity coverage ratio (LCR) for all entities were above 140%
- Post dividend, the Group's³ CET1 stood at 14.82%, with a TCR of 17.49%
- Final dividend of 19.9 sen per share was declared, bringing total dividend for FY25 to 30.2 sen per share, a 34% YoY increase and translating to a dividend payout ratio of 50%

AmBank Group Chief Executive Officer, Mr Jamie Ling commented, "We are pleased to report a strong close to the first year of our WT29 strategy. With our capital position solid, we increased our total cash dividend to RM1.0 billion. This reflects our confidence as we continue to build our businesses from a position of strength."

Financial Highlights

The Group reported a net income of RM4,928.9 million (FY24: RM4,646.6 million). NII grew 8.0% YoY to RM3,569.6 million (FY24: RM3,304.2 million), mainly driven by a 15-bps NIM expansion to 1.94% (FY24: 1.79%) as well as loans and financing growth of 3.5% YoY.

Noll was 1.3% higher YoY to RM1,359.4 million (FY24: RM1,342.4 million) due to higher fee income from Business Banking, Retail Wealth Management, Funds, Stockbroking, Private Banking and Equity Capital Markets as well as strong performance from Insurance business, partially offset by lower trading gains from GTM.

Net income from Continuing Operations¹ was 7.3% higher YoY driven by NII and Noll growth of 8.0% and 5.3% respectively.

Overall expenses increased 7.1% YoY to RM2,197.8 million mainly due to higher personnel costs and computerisation costs. CTI at 44.6% (FY24: 44.2%).

PBP grew 5.2% YoY to RM2,731.1 million (FY24: RM2,594.9 million) while Continuing Operations¹ PBP grew 7.4% YoY.

Net impairment charges reduced to RM143.9 million (FY24: RM769.7 million), on the back of improved ECL S3 flow rates and writeback of forward-looking provision. In the corresponding period in FY24, forward looking charges as well as a one-off credit impairment overlay and intangible assets impairment charges were recorded.

To recap, in FY24, the Group recorded a one-off charge of RM520.2 million (RM402.5 million, net of corporate tax) comprising additional credit impairment overlay of RM328.2 million, impairment of intangible assets of RM111.9 million and RM80.0 million for restructuring expenses.

PBT grew 14.2% YoY to RM2,587.3 million (FY24: RM2,265.4 million). With the absence of one-off charges of RM520.2 million incurred in FY24, FY25 reported PBT grew 48.2% while PBT from Continuing Operations¹ grew 52.7% YoY.

The Group's reported PATMI grew 7.1% YoY to RM2,001.2 million (FY24: RM1,868.1 million), with ROE of 10.0% (FY24: 10.0%) and ROA of 1.02% (FY24: 0.97%). Continuing Operations¹ PATMI grew 8.6% YoY.

GIL ratio was lower at 1.54% (FY24: 1.67%) with LLC including Regulatory Reserves at 103.6% (FY24: 109.5%).

Total gross loans, advances and financing grew 3.5% YoY to RM138.9 billion (FY24: RM134.1 billion) mainly driven by Business Banking (+RM5.4 billion or +12.4% YoY) and Wholesale Banking (+RM1.3 billion or +6.8% YoY), partially offset by lower loans growth in Retail Banking (-RM1.4 billion or -2.1% YoY).

Total customer deposits fell 0.6% YoY to RM141.5 billion. Time deposits grew 1.0% YoY to RM90.5 billion (FY24: RM89.6 billion) while CASA decreased 3.3% YoY to RM51.0 billion (FY24: RM52.8 billion), giving a lower CASA mix of 36.0% (FY24: 37.1%). The Group's LDR increased to 98.1% (FY24: 94.2%).

The Group's³ CET1, post dividend, remained strong at 14.82% (FY24 SA: 13.04%), with TCR at 17.49% (FY24 SA: 16.30%).

The Group proposed a final dividend of 19.9 sen per share in Q4FY25. Together with the interim dividend of 10.3 sen per share declared in Q2FY25, total dividends for FY25 amounted to 30.2 sen per share, an increase of 34% YoY with a dividend payout ratio of 50%.

Divisional performance (FY25 vs FY24)

Retail Banking – PAT of RM174.9 million (FY24: PAT of RM4.1 million)

Profit After Taxation (PAT) improved to RM174.9 million mainly due to lower net impairment, partially offset by lower income and higher operating expenses.

Income fell 2.6% YoY to RM1,420.1 million (FY24: RM1,458.3 million) due to a 4.2% YoY decline in NII from margin compression in mortgage and auto financing, but partially offset by an 8.0% YoY growth in Noll driven by wealth management. Operating expenses increased by 2.9% YoY to RM967.4 million (FY24: RM940.1 million). FY25 net impairment charge of RM223.1 million (FY24: RM514.3 million) was significantly lower mainly due to the one-off credit impairment overlay recorded in FY24, lower ECL charges and writeback of overlay provisions.

Gross loans, advances and financing declined 2.1% YoY to RM67.4 billion due to auto financing and personal financing partially offset by growth in mortgage and cards. Total deposits increased 5.7% YoY to RM58.2 billion.

Business Banking – PAT of RM833.2 million (FY24: PAT of RM595.4 million)

PAT grew by RM237.8 million or 39.9% YoY to RM833.2 million mainly attributable to higher income and lower net impairment.

Income grew 9.7% YoY to RM1,777.9 million (FY24: RM1,620.2 million) driven by a 10.3% increase in NII from strong loans growth, as well as a 7.9% growth in Noll from higher fee income and FX income. Operating expenses fell 0.2% YoY to RM576.2 million (FY24: RM577.2 million) while net impairment charge of RM108.5 million (FY24: RM260.6 million) was 58.4% lower YoY mainly due to writeback of forward-looking provision and overlay as well as lower ECL charges.

Gross loans, advances and financing increased 12.4% YoY to RM48.7 billion, while total deposits declined 3.0% YoY to RM41.0 billion.

Wholesale Banking – PAT of RM840.9 million (FY24: PAT of RM754.8 million)

PAT grew by RM86.1 million or 11.4% YoY to RM840.9 million mainly driven by higher income and higher writeback of net provisions, partially offset by higher operating expenses.

Income grew 10.4% YoY to RM1,295.5 million (FY24: RM1,173.1 million) mainly driven by NII growth of 21.9% due to liability management efforts, partially offset by a 15.5% decline in Noll from lower trading gains. Operating expenses increased 3.6% YoY to RM365.1 million (FY24: RM352.6 million). Net impairment writeback was 7.6% higher at RM161.0 million (FY24: RM149.5 million) mainly due to writeback of forward-looking provision in FY25 as compared to a forward-looking charge in FY24.

Gross loans, advances and financing increased 6.8% YoY to RM21.0 billion, meanwhile total deposits declined by 7.1% YoY to RM48.7 billion.

- **Corporate and Transaction Banking – PAT of RM342.3 million (FY24: PAT of RM394.8 million)**

PAT fell RM52.4 million or 13.3% YoY to RM342.3 million mainly attributable to lower income, higher operating expenses and lower writeback of net impairment.

Income decreased 8.4% YoY to RM498.6 million (FY24: RM544.4 million), mainly due to a YoY decline of 8.3% and 9.1% in NII and Noll respectively. Operating expenses increased 6.6% YoY to RM213.8 million (FY24: RM200.6 million). Net impairment writeback was lower at RM164.9 million (FY24: RM173.6 million) mainly due to lower writeback of overlay.

Gross loans, advances and financing increased 6.8% YoY to RM21.0 billion, while total deposits increased 5.1% YoY to RM15.2 billion.

- **Group Treasury and Markets – PAT of RM498.6 million (FY24: PAT of RM360.1 million)**

PAT grew by RM138.5 million or 38.5% YoY to RM498.6 million mainly due to higher income and lower impairment on financial investments.

Income increased 26.8% YoY to RM796.9 million, primarily due to a 60.8% YoY growth in NII due to liability management efforts, partially offset by a 17.6% decline in Noll from lower trading gains.

Investment Banking and Funds Management – PAT of RM118.5 million (FY24: PAT of RM86.1 million)

PAT grew by RM32.3 million or 37.5% YoY to RM118.5 million mainly attributable to higher income and higher writeback of net impairment, partially offset by higher operating expenses.

Income grew 4.8% YoY to RM389.2 million (FY24: RM371.3 million) supported by strong fee income from broking, funds, private banking as well as equity capital markets. Operating expenses rose 9.8% YoY to RM249.3 million (FY24: RM227.1 million). Writeback of net impairment was at RM9.4 million (FY24: net impairment charge of RM33.8 million, inclusive of RM0.1 million in one-off intangible assets impairment). Funds Management delivered a PAT of RM67.2 million (FY24: RM62.6 million) while AUM grew 6.1% YoY to RM62.8 billion (FY24: RM59.2 billion).

Islamic Banking – PATZ of RM559.3 million (FY24: PATZ of RM430.6 million)

Profit After Taxation and Zakat (PATZ) increased RM128.7 million or 29.9% YoY to RM559.3 million. Total income expanded 8.6% YoY to RM1,285.9 million (FY24: RM1,184.6 million) mainly attributable to a 9.6% YoY growth in Net Financing Income. Operating expenses increased 9.4% YoY to RM517.9 million (FY24: RM473.4 million). Excluding one-off credit impairment overlays of RM82.2 million in FY24, net impairment charge reduced 44.2% YoY to RM39.4 million (FY24: RM70.7 million).

Insurance (Continuing Operations¹) – PAT of RM101.3 million (FY24: PAT of RM39.2 million)

PAT from Insurance increased RM62.1 million to RM101.3 million primarily driven by higher premiums collected, partially offset by higher claims and lower investment income. The results of the Group's life insurance, family takaful and general insurance businesses were equity accounted to reflect the Group's effective equity interests in the respective joint ventures and associate.

General Insurance (Discontinued Operation¹)

A RM51.1 million gain was recorded in FY24 upon completion of the divestment of AmGen. After adjusting for minority interest, PATMI attributable to shareholders was RM26.1 million.

Others – Loss After Taxation of RM67.4 million (FY24: PAT of RM362.7 million)

This segment comprises support functions for the Group's main business units and non-core operations. In the same period last year, the Group recorded a tax credit of RM538.2 million, offset by a one-off impairment of intangible assets charge of RM111.8 million and restructuring expenses of RM80.0 million. As a result, this segment recorded a PAT of RM362.7 million in FY24.

Outlook for FY26

Mr Jamie Ling concluded, *“The geopolitical tensions have heightened following the US reciprocal tariffs and this has caused significant volatilities in the financial markets globally. While trade negotiations are ongoing between the USA and other nations, it remains uncertain how quickly these negotiations can be concluded. Coupled with new conflicts emerging in South Asia, these combined uncertainties will inevitably impact business and consumer confidence, translating into potentially slower economic growth. Against this economic backdrop, the Group will continue to proactively manage our risk profiles and capitalise on the opportunities we see.*

Our strong FY25 financial performance also coincides with our 50th Anniversary celebration this year. We will strive for continuous improvement in our services to enhance customer engagements and reinforcing our brand by embodying the spirit of “Your Bank. Malaysia’s Bank. AmBank.”

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