

**MALAYSIA BUILDING SOCIETY BERHAD (“MBSB”)  
3RD QUARTER ENDED 30 SEPTEMBER 2010**

**PRESS RELEASE STATEMENT**

**MBSB ACHIEVED RECORD PRE-TAX PROFIT FOR THE FIRST NINE  
MONTHS OF 2010**

For the first nine (9) months of 2010, MBSB Group achieved a record pre-tax profit of RM135 million, an increase of 53% as compared to the pre-tax profit of RM88 million for the corresponding period in 2009. This contributed to improved net earnings per share of 19.0 sen and annualised return on equity of 34%.

On quarterly basis, however, the Group recorded a pre-tax profit of RM42.3 million for the third quarter as compared to the 2nd quarter pre-tax profit of RM49.5 million. The lower pre-tax is mainly due to loan loss allowance made for impaired loans.

“The sustainability of our profit for the current quarter is due to the right strategies adopted in Taking MBSB to the Next Level” said Dato’ Ahmad Zaini Othman, the Chief Executive Officer. He added, “Commitment and hard work from our staff and continued support from our business associates are our greater strength in sustaining the profitability”.

As at 30 September 2010, net loan, advances and financing stood at RM10.5 billion, an increase of 30% as compared to RM8.1 billion as at 31 December 2009.

Dato’ Zaini further commented, “Expansion of the personal financing sector is the main reason for the impressive growth and we will continue to provide funding to the civil servants at reasonable costs.”

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On the deposits from customers, Dato’ Zaini said, “The deposits which stood at RM10.3 billion as at 30 September 2010 grew by 36% from 31 December 2009 of RM7.6 billion. Beside the deposits, we have in 2010 securitised about RM1.0 billion of mortgage loan assets to drive our loan expansion”. He credited the deposit growth to the confidence level of the depositors with MBSB.

“We expect the operating environment for the financial sector to be in tandem with the growth of the Malaysian economy. Barring any unforeseen circumstances, we expect the Group to continue to record satisfactory performance for the next quarter” said Dato’ Zaini. He further said, “Our Group’s improved performance for the nine (9) months of 2010 is in line with current business strategies on retail products undertaken. We will continue to pursue such strategies efficiently whilst improving the assets’ quality and recovery of loans through continuing reinforcement of risk management capabilities”

If you have any further queries or require more information, please contact:-

Azlina Mohd Rashad

Head, Corporate Planning & Communication

Malaysia Building Society Berhad

Tel: 03-2096 3003

Fax: 03 2095 4268

Email address: [azlinarashad@mbsb.com.my](mailto:azlinarashad@mbsb.com.my)