

BANK ISLAM REGISTERS RM115.0 MILLION NET PROFIT FOR 1Q2026

HIGHLIGHTS

- Total assets stood at RM106.8 billion as at end-March 2026, up 8.7% year-on-year (Y-o-Y), driven by growth in financing and higher investment securities.
- Gross financing grew 5.9% Y-o-Y to RM76.1 billion, supported by growth in Group Retail Banking and Group Institutional Banking.
- Customer deposits and investment accounts increased 9.2% Y-o-Y to RM88.1 billion, with current, savings and transactional investment accounts (CASATIA) comprising 34.4% of the total.
- Total net income was marginally lower at RM666.1 million for the quarter, due to lower non-fund-based income, partially offset by higher net fund-based income.
- Net profit stood at RM115.0 million, translating to Earnings per Share (EPS) of 5.08 sen and annualised net Return on Equity (ROE) of 6.0%.
- Gross impaired financing ratio stood at 1.02%, remaining well below the industry average.
- Common Equity Tier 1 (CET1) Ratio and Total Capital Ratio remained robust at 13.6% and 18.4%, respectively.

KUALA LUMPUR, Monday, [25 May 2026]: Bank Islam Malaysia Berhad (Bank Islam or the Group) posted a net profit of RM115.0 million for the three months ended 31 March 2026 (1Q2026), down 8.9% from the corresponding period last year. The decline was mainly attributable to higher overheads, increased finance costs and lower net income, partially offset by lower net allowance for impairment on financing.

This translates into EPS of 5.08 sen and an annualised ROE of 6.0% for the Group.

Bank Islam recorded net income of RM666.1 million in 1Q2026, slightly lower than in 1Q2025. The decline was mainly due to an 18.1% reduction in non-fund-based income to RM109.4 million, reflecting lower investment and foreign exchange income, lower fee and commission income, and the higher comparative base in 1Q2025, which included a one-off gain on property disposal. This was partially offset by a 3.1% Y-o-Y increase in net fund-based income, or RM16.8 million, driven by higher income from investment securities.

Total overheads for 1Q2026 rose 7.7% to RM414.9 million, reflecting the Group's strategic investments in talent and technology to enhance customer service capabilities and support long-term business resilience.

The Group's net allowance for impairment on financing and advances declined by RM25.5 million, or 32.0%, to RM54.2 million compared with 1Q2025, mainly due to higher recoveries during the quarter. As a result, financing credit cost improved to 0.29%. As at end-March 2026, the gross impaired financing ratio stood at 1.02%, remaining well below the industry average of 1.40%.

Total assets grew 8.7% Y-o-Y to RM106.8 billion as at 31 March 2026, driven by growth in financing and investment securities. Net assets per share stood at RM3.53.

The Group's gross financing increased 5.9% Y-o-Y to RM76.1 billion, supported by growth in both Group Retail Banking and Group Institutional Banking, which expanded 5.5% and 7.1%, respectively.

Financing growth was supported by higher customer deposits and investment accounts, which rose 9.2% Y-o-Y to RM88.1 billion. CASATIA stood at RM30.3 billion, representing 34.4% of total deposits and investment accounts. As at end-March 2026, CET1 and Total Capital Ratio remained robust at 13.6% and 18.4%, respectively.

Commenting on the Group's outlook, YM Raja Datin Paduka Teh Maimunah Raja Abdul Aziz, Bank Islam Group Chief Executive Officer, said the Group remains firmly focused on strengthening its position through clear strategic priorities. These include accelerating digital adoption as Bank Islam advances towards a more mature Shariah-based digital ecosystem to deliver simpler, more accessible and more relevant solutions for customers.

"We are also advancing a broader agenda to strengthen long-term resilience and competitiveness by expanding and diversifying revenue streams, reinforcing our institutional banking franchise, and improving efficiency through disciplined cost recalibration and a scalable Group-wide technology architecture.

"We are encouraged by the strong openness and readiness across the organisation to build a stronger, more forward-looking Group, firmly grounded in Shariah values. While change is a journey and will take time, we are confident the foundations are in place and the path ahead is clear. With this shared resolve, we are optimistic about what we can achieve together," she said.

Raja Teh Maimunah added, "We thank our shareholders, customers and stakeholders for their continued support and constructive feedback as we continue building a Bank Islam that is relevant, resilient and well positioned for its next phase of growth."

About Bank Islam Malaysia Berhad

Bank Islam is the first Islamic bank publicly listed on the main market of Bursa Malaysia. Established in July 1983, the Bank has over 100 branches and more than 900 self-service terminals nationwide. As a pure-play Islamic bank, Bank Islam provides retail and corporate financial solutions strictly adhering to Shariah principles. The Bank is committed to sustainable prosperity and ESG values and is an official participant of the UN Global Compact Malaysia and Brunei. Key subsidiaries include BIMB Investment Management Berhad and BIMB Securities Sdn Bhd providing full-fledged Shariah fund management and stockbroking services.

For more information, visit www.bankislam.com or contact the Media Relations team at media@bankislam.com.my.