



MEDIA RELEASE
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Maybank Islamic's Mudarabah Investment Account to provide potentially higher and stable returns

KUALA LUMPUR, APRIL 22, 2015: Customers of Maybank Islamic Berhad can look forward to potentially higher and stable returns on their deposit accounts if they opt to reclassify these accounts into Mudarabah Investment Account (IA) - the bank's latest offering.

The IA will see the Bank investing in a diversified portfolio of assets with capital preservation being a central objective for the management of the IA.

The reclassified accounts will also provide customers with greater transparency and disclosure on their returns of the IA portfolio through periodic reporting.

IA is a compliance requirement arising from Bank Negara Malaysia's Islamic Financial Services Act (IFSA) 2013, an Act of which is to promote financial stability, strengthen business conduct and foster consumers' interest and protection.

With the new IA reclassification, customers of the affected existing Mudarabah deposit products have been given until May 31 2015 to consent either to have their accounts reclassified as IA or other Shariah compliant deposit products.

More than 350,000 Mudarabah deposit accounts will have the opportunity to have the accounts reclassified into IA.

The IA will take effect on June 16, 2015.

In making the announcement on the upcoming IA, Maybank Islamic CEO Muzaffar Hisham said the Bank fully embraces the IFSA which has opened windows of opportunities for Islamic banks to chart into new territories, including innovation in product development to better serve the customers.

Speaking to the media today, he said Islamic banking in Malaysia has come to a turning point with the introduction of IFSA which will elevate Islamic banking to a new level.

"Updated regulations have afforded greater importance to Shariah governance and the various Shariah concepts. This allows Islamic financial institutions to move beyond the conventional wisdom, acting as credit intermediary, to become an investment intermediary," he said, adding that the IFSA allows the industry another breakthrough that positively differentiate Islamic banking's offering from conventional finance.

He said the bank has put in place an effective and robust risk management framework for all of its products including the new IA, which aims to provide capital preservation, financial security and steady returns through low risk (Daily Fund-i) and low to medium risk (Term Fund-i) investments.

“This will be a relatively low risk investment and we are committed to create value to our customers should they choose to opt for their accounts to be converted into an IA account,” he said.

Muzaffar added that the IA product will retain all the current banking features and services that it currently enjoys pre-reclassification, with the added benefit of greater flexibility on withdrawal for Term Fund-i.

Notices have been sent out to Maybank Islamic customers from April 10, 2015 and they have until May 31, 2015 to formally consent to invest in the IA prior to the reclassification on June 16, 2015.

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About Maybank Islamic Berhad

Maybank Islamic is ASEAN’s leading Islamic bank and is the largest Islamic commercial bank in Malaysia with a market share of 33% of Islamic financing and deposit of 25% as at December 2014. For the financial year 2014, Maybank Islamic’s total assets stood at RM146.4 billion, which registered a growth of 17% year-on-year.

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