

MUDARABAH INVESTMENT ACCOUNT - DAILY FUND-i (INDIVIDUAL)

Fund Performance Report for the Quarter Ended 31 March 2016

Dear Valued Investment Account Holder (IAH),

We are pleased to present the following fund performance report for the quarter-ended 31 March 2016.

FUND INFORMATION

Type of Product

- This is an unrestricted investment account known as Mudarabah Investment Account under the Daily Fund-i (Individual), where the customers provide the Bank with the mandate to invest in the Bank's selected portfolio of Shariah compliant assets, which may provide customers with potentially higher returns

Applicable Products

- Golden Savvy Account-i
- Net Account-i
- Private Banking Account-i
- Premier Mudarabah Account-i

Type of Investors

- Individual

Fund Inception

- 16 July 2015

Fund Investment Objectives

- The Fund's objective is to preserve capital while providing stable returns through low risk investments

Fund Investment Strategy

- The Fund will be invested in a blended portfolio of the Bank's assets
- This is a low risk investment to achieve capital preservation and steady returns

Profit Distribution Frequency

- Monthly

Valuation

- The Bank will perform valuation of the underlying assets of the Fund in accordance with the Malaysian Financial Reporting Standards ("MFRS") which will be carried out on a monthly basis

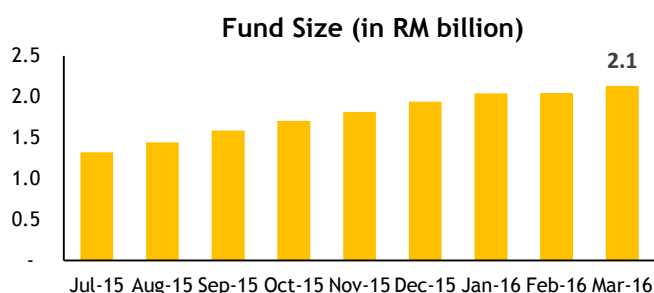
Other Information

- For fees, charges and other details on the product, please refer to www.maybank2u.com.my

FUND PERFORMANCE

Fund Size and Growth of Daily Fund-i (Individual)

As at March 2016, the Daily Fund-i (Individual) balance was recorded at RM 2.1 billion, 10% year-to-date growth from RM1.9 billion in December 2015.



FUND PERFORMANCE

Asset Allocation of Daily Fund-i (Individual)

The fund is invested in a portfolio of the Bank's retail and non-retail assets¹ and the asset allocation for the past two quarters is as per the table below. The asset allocation is within the stated investment objective and strategy.

Type of Assets	December 2015	March 2016
Retail Financing	5%	90%
Non-Retail Financing	80%	10%
Marketable Securities	15%	-
	100%	100%

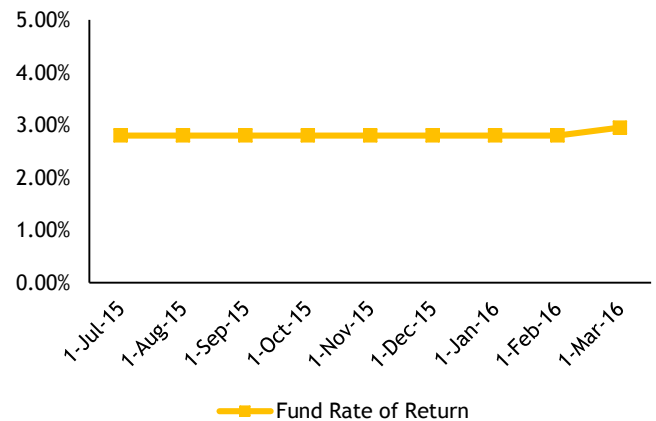
Notes:

¹Retail assets consist of Unit Trust, Automobile, Home, Personal and Credit Card Financing while non-retail assets consists of Small and Medium Enterprises (SME) Term and Business Banking (BB) Term Financing

Rate of Return of Daily Fund-i (Individual)

Based on the performance of the underlying assets, the rate of return to customers recorded an average of 2.82%p.a. per month since the Fund's inception and an average of 2.85%p.a. for 1Q 2016. The Bank foresees the asset performance to remain stable during the 2Q 2016. This is in line with the Bank's Net Impaired Financing ratio which recorded a healthy ratio of 0.74% as at 31 March 2016 (31 December 2015: 0.65%).

Daily Fund-i (Individual) Performance History



Period	16 January 2016 to 15 February 2016	16 February 2016 to 15 March 2016	16 March 2016 to 15 April 2016
Fund Rate of Return to IAH	2.80% p.a.	2.80% p.a.	2.95% p.a.
Profit Sharing Ratio (PSR) (IAH: Bank)	60:40	60:40	60:40

Notes:

1. The fund rate of return represents the net rate of return to the IAH and is computed based on the following formula:

$$\text{Rate of Return} = (\text{Total Income} - \text{Impairment Allowances}) * \text{PSR}$$

2. Past performance is not reflective of future performance

MARKET OUTLOOK

Malaysia's real GDP growth is expected to ease to 4.3% (2015: 5.0%) on slower domestic demand from moderating consumer spending and private investment. However, public investment is expected to be sustained on the continuation of existing and rollout of new major infrastructure and investment projects notwithstanding a revision of the Budget 2016 in response to the fall in crude oil price.

Meanwhile, there is the possibility of the Overnight Policy Rate ("OPR") being cut by 25bps from current 3.25% despite higher inflation at 3.0%-3.5% (2015: 2.1%) as Bank Negara Malaysia leans towards supporting growth. Loans and financing growth in Malaysia is likely to moderate further in 2016 to about 6%-7% from 7%-8% in 2015, as household loans and financing growth continues to ease. Maybank Malaysia loans and financing growth is expected to track industry growth and continue expansion of fee-income generating activities.

The Bank's strategic priorities for 2016 will be to strengthen its balance sheet by managing liquidity and safeguarding asset quality while continued focus will be placed on preserving margins. The Bank also seeks to maintain strong capital levels, well above regulatory requirements. Barring any unforeseen circumstances, the Bank expects its financial performance for 2016 to be satisfactory in a more challenging regional environment.

Source: Maybank Islamic Berhad Financial Statements for the quarter ended 31 March 2016