

## **BEST EVER FINANCIAL PERFORMANCE WHILE BANK OF MALDIVES CONTINUES MVR300 MILLION INVESTMENT PROGRAM**

- **Profit Before Tax of MVR 1.6 billion, up 13% on 2017**
- **Underlying profit is up 30% on a like-for-like basis**
- **MVR 300 million investment program delivers over 110 community projects across the country**
- **Dividend payout of MVR 129 million / MVR 24 per share proposed**
- **Third consecutive year of Profit After Tax surpassing MVR 1 billion threshold**
- **2018 performance is particularly positive as it did not benefit from any one-off gains**

Bank of Maldives today released its annual report for 2018. The results reflect a very strong year for the Bank as it recorded its best ever financial performance resulting from solid business growth across most core business sectors and prudent loan book management.

Profit Before Tax was MVR 1.6 billion, an increase of 13% on 2017, a particularly positive result achieved notwithstanding the higher funding costs and unlike in the previous year, performance did not benefit from any one-off gains. Profit after Tax has now surpassed the MVR 1 billion threshold for the past three consecutive years.

The ratio of non-performing to total loans reduced further from 4.1% to 3.5% with a provision cover of 100%. Capital and liquidity ratios remain well in excess of regulatory requirements. Bank of Maldives' robust financial position has positioned the Board to propose a record dividend for 2018 of MVR 129 million, MVR 24 per ordinary share.

In 2018, the Bank continued its investment program to support individuals, businesses and communities, with a spend of MVR 300 million under its 'Aharenge Bank' initiative. More than 110 projects supporting charitable, educational, sports and environmental causes across the country were supported. The Bank also opened 4 new branches as well as 5 new Self Service Banking Centres in the atolls and piloted its cash deposit and loan repayment services through its agents. The nationwide network of BML agents increased in 2018 from 230 to 277.

Deputy CEO and In-Charge of the Bank, Aishath Noordeen commented "The increasingly robust financial strength provided a positive platform for significant community investment and positions the Bank to continue the investment moving forward. The Bank has reached a standard of performance that we are determined to sustain and build upon. I would like to thank our extremely dedicated staff for their hard work during the year. I would like to extend my thanks and appreciation to all our customers for your ongoing confidence in the Bank. We will continue to work tirelessly to

meet your expectations in terms of service standards, product offerings and indeed everything we do.”

Reflecting on the Bank’s strategy, Aishath commented “In 2014, the Bank embarked on an ambitious 5 year plan which entailed significant changes to the Bank’s structure, business lines, technology and community investment. The plan was fully delivered in 2018 and today, the Bank benchmarks powerfully against its peers in the region, adhering to the highest international standards.”

In terms of financial highlights, Aishath pointed out that unlike in 2017, the past year’s performance did not benefit from any one-off gains. “Performance benefited from solid growth across most core business sectors and income sources. Further improvements in loan book quality significantly strengthened the bottom line with our ratio of nonperforming to total loans falling to 3.5%. The Bank also adopted the new Accounting Standard IFRS 9 Financial Instruments during the year.”

On customer service, Aishath highlighted the increasing use of the Bank’s digital channels. “We continued to invest in our technology and innovations such as online applications for key services have delivered greater convenience for customers, while simultaneously providing improved efficiency for the Bank. Over the past year, online applications for services such as account opening, loans or cards were introduced as was the technologically advanced international money transfer platform that dramatically transforms the way individuals can send money overseas. We are committed to continuing to innovate and invest in further technology enhancements for the benefit of both personal and business customers.”

Commenting on BML Islamic, Aishath noted, “Our Islamic banking arm continued its positive growth path in 2018. Our deposit base and lending portfolio increased significantly and several new products were introduced during the year as we continue to offer Shari’ah compliant alternatives to all of our conventional products.”

For more information please contact:  
Mohamed Saeed  
Public Relations Department  
Phone: 3015315