



HONG LEONG FINANCE

AGM Key Financial Highlights 2018

The SME Specialist

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Profit & Loss

**Strong performance with Net Profit of \$118.3m, rose by \$32.6m or 38.1% YoY;
Improved basic Earnings Per Share of 26.6 cents (2017 : 19.3 cents)**

	2018 \$ million	2017 \$ million	% Change
Interest income	349.9	301.8	+16.0
Interest expense	(137.8)	(126.4)	+9.1
Net interest income	212.1	175.4	+20.9
Fee and other income	16.0	14.2	+12.6
Total income	228.1	189.6	+20.3
Operating expenses	(88.2)	(82.8)	+6.5
Profit before provisions	139.9	106.8	+31.0
Provisions	2.2	(3.8)	-159.6
Profit before tax	142.1	103.0	+38.1
Income tax expense	(23.8)	(17.3)	+37.9
Profit after tax	118.3	85.7	+38.1



Balance Sheet

Balance sheet growth with Net Assets per share rose to \$4.20 (2017 : \$3.91);
Sound capital adequacy ratio maintained at 15.7%

Liabilities	\$ million	Assets	\$ million
Shareholders' equity	1,874	Loan portfolio	10,278
Customer deposits	11,338	Liquid assets	3,062
Other liabilities	169	Other assets	41
Total liabilities	13,381	Total assets	13,381

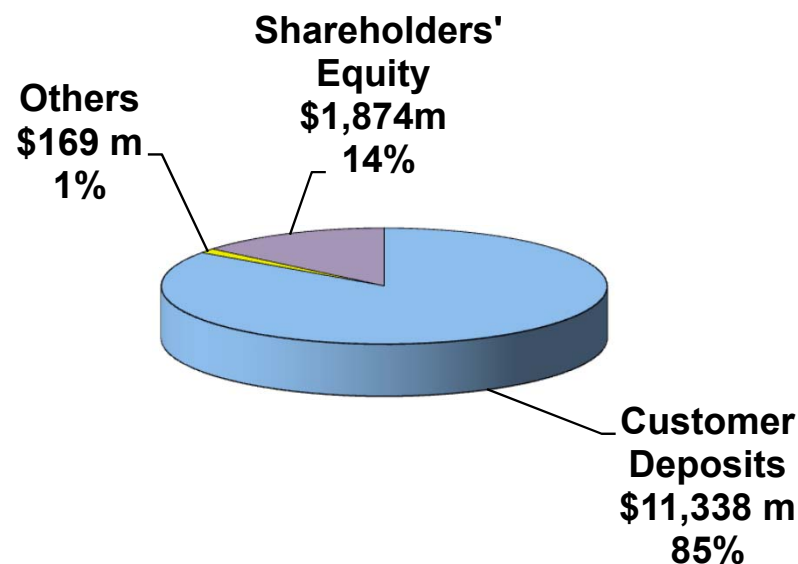


Sources of Funds

Customer deposits accounted for 85% of total funding

Shareholders' Equity comprises:

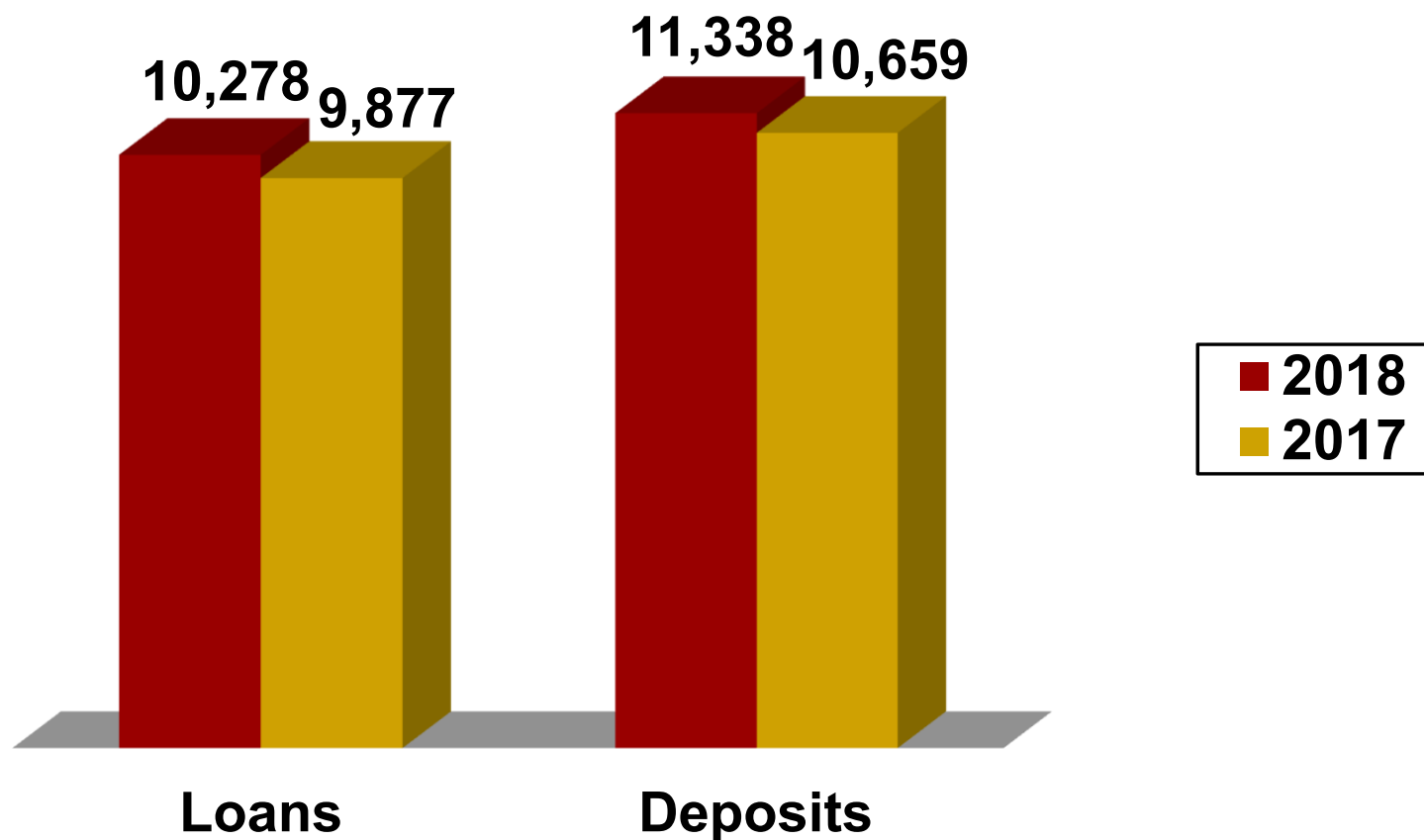
	\$ million
Accumulated profits	263
Statutory reserve	703
Other share capital	908
	<u>1,874</u>



Loans and Deposits

(S\$m)

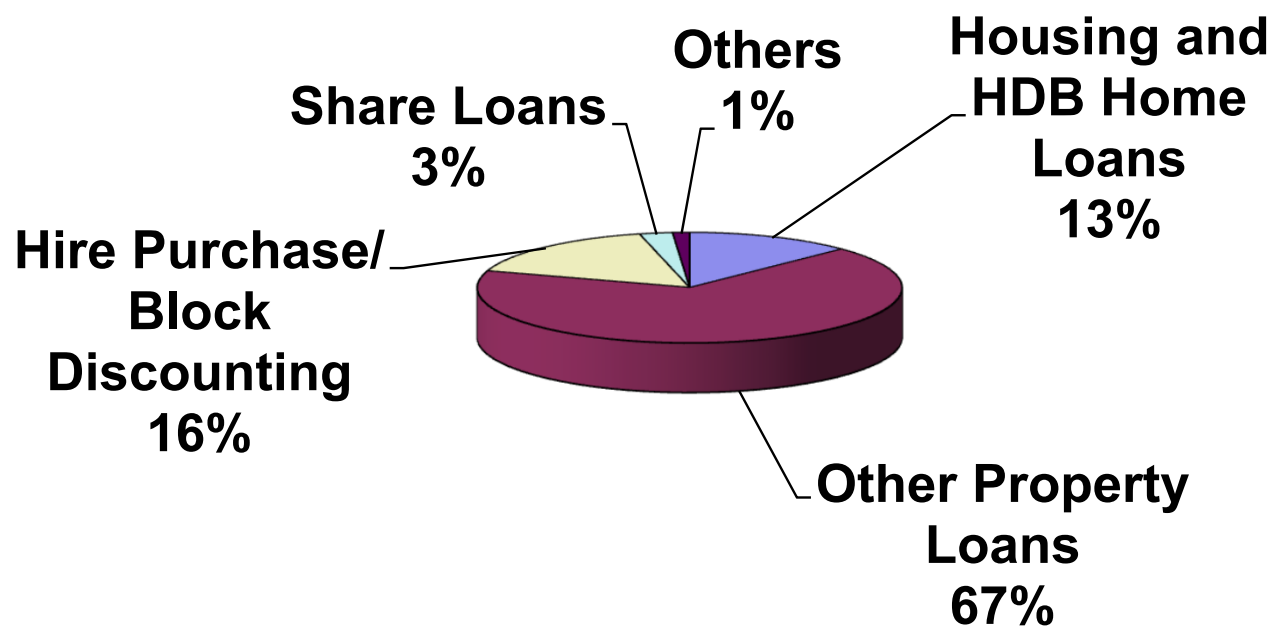
Sound funding and liquidity position ; loan-to-deposit ratio stable at 91% (2017 : 93%)



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Analysis of Loan Portfolio

Net interest income rose 20.9% YoY, driven by loan growth and higher NIM.



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Dividends

Proposed final dividend per share at 10 cents, bringing FY18 total dividend to 15 cents, up from 13 cents in FY17

	Per share	Tax rate %	\$ million	Date
Interim	5 ¢	Tax exempt one-tier	22.29	Paid 12.9.18
Final	10 ¢	Tax exempt one-tier	44.58	Proposed 22.5.19
Total	15 ¢		66.87	



2018 AWARDS

World and Regional Awards

- Top 1000 World Banks 2018



- Top 100 ASEAN Banks ranking 2018



- ASEAN Finance Company 2014 - 2018



Singapore Awards

- Top 50 in Singapore Governance and Transparency Index (SGTI) 2018
- Singapore 1000 Family of Rankings 2013 - 2018
- Fastest-Growing Company Award (Finance sector) 2018



- Most Transparent Company (Finance sector) – Runner-Up 2018



- Mortgage & Home Loan Award



Thank You!



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