

**Bank Rakyat Declares 15 Per Cent Dividend, Records RM2.13 Billion Pre-Tax Profit**  
**Bernama**  
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KUALA LUMPUR, March 13 (Bernama) -- Bank Rakyat, the largest Islamic cooperative movement in Malaysia, has declared a total cash dividend of 15 per cent, amounting to RM446 million, for the financial year ended Dec 31, 2013.

The bank recoded a profit before tax and zakat (tithe) of RM2.13 billion, unchanged from the previous year.

In announcing the bank's financial results, Domestic Trade, Cooperatives and Consumerism Minister Datuk Seri Hasan Malek said the bank recorded a commendable financial performance despite a more challenging environment and changes in regulatory requirements to contain household debts.

The bank contributed two per cent or RM42.51 million of its profits before tax and zakat to the Co-operative Education Trust Fund and one per cent or RM21.25 million, to the Co-operative Development Provident Fund.

"We hope the total contribution for 2013, amounting to RM63.76 million, will help the cooperative sector in the country," he said.

Hasan said the bank's net profit increased 8.7 per cent to RM1.91 billion compared with RM1.75 billion recorded in 2012.

Bank Rakyat's gross income remained high at RM6.07 billion, driven by income from financing of RM4.68 billion, and other operating income rose to RM522.26 million from RM433.01 million previously.

Total deposits grew 4.2 per cent or RM2.63 billion to RM65.30 billion compared with RM62.67 billion registered in 2012.

Total assets grew 4.9 per cent, year-on-year, to RM82.88 billion compared with RM79.02 billion in 2012.

"We expect our assets, loans and deposits to grow between five and seven per cent in the current financial year ending Dec 31, 2014," said Managing Director/President Datuk Mustafha Abd Razak.

He said the bank allocated RM300 million for capital expenditure this year, of which over RM100 million would be utilised to upgrade its banking system, RM50 million to open five branches and

the balance to purchase office equipment.

Bank Rakyat also planned to issue another RM1 billion sukuk musharakah before the second quarter of the year, he said.

The issuance of RM1 billion sukuk is part of the proposed Islamic medium-term notes programme of up to RM9 billion in nominal value issued via an appointed funding conduit, Imtiaz Sukuk II Bhd.

On the lower dividend of 15 per cent declared for 2013 (16 per cent in 2012) and bonus share dividend of two per cent in 2012, Mustafha said: "We consider 15 per cent as still high in view of the current economic condition.

"We are also in the process of strengthening our financial position and liquidity in preparation in order to comply with Basel III," he said.

Basel III is a global, voluntary regulatory standard on bank capital adequacy, stress testing and market liquidity risk.

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