



FOURTH QUARTER REPORT

October to December 2018



BANK OF MALDIVES



Bank of Maldives (BML) is the leading financial institution in Maldives. We are a full-service bank engaging across the complete spectrum of personal, business and corporate financial services.

We are privileged to touch the lives of almost every citizen and business in Maldives through our extensive network of branches, agents, relationship managers and online banking facilities. This privilege brings with it great responsibility which we take extremely seriously.

We understand that we play a pivotal role as an engine of growth and a partner for success for thousands of individuals, families and businesses. Our aim is to actively participate in community development and to create long-term value for our shareholders.

Our business is built on a clear and compelling strategy focused on 3 strategic pillars of Customer Service, Support for Business and Financial Inclusion. Our strategic foundations are People Excellence and Robust Risk Management.

We are firmly focused on being a professionally managed, customer-oriented organization which follows international best practices.

ONE BANK IS INVESTING IN MALDIVES

265,000 CUSTOMERS

36 BRANCHES IN ALL 20 ATOLLS

98 ATMs IN ALL 20 ATOLLS

277 CASH AGENTS ON 165 ISLANDS

5,000 POS MERCHANTS

38 SELF SERVICE BANKING CENTRES

2,000 DHONI BANKING TRIPS

MVR 13 BILLION LOANS TO INDIVIDUALS & BUSINESSES

MVR 15 BILLION CUSTOMER DEPOSITS

MVR 1 BILLION GOVERNMENT LOAN SCHEMES

950 JOBS WITH 1/3 IN ATOLLS

99% OF STAFF ARE MALDIVIANS



THAT BANK IS BANK OF MALDIVES

Our Business Strengths

Solid Financial Platform

- Deposit base MVR 15 billion
- Assets MVR 24 billion
- Strong capital position well above regulatory requirement

Strong Customer Base

- 265,000 customers
- Leading market share in Retail, Corporate and SME segments
- Market leader in Self Service Banking with largest number of online and ATM users

Leadership in Innovation

- First to launch POS services in Maldives
- First to launch Internet and Mobile Banking
- First to launch cash and cheque deposit machines


Leadership in Service Delivery

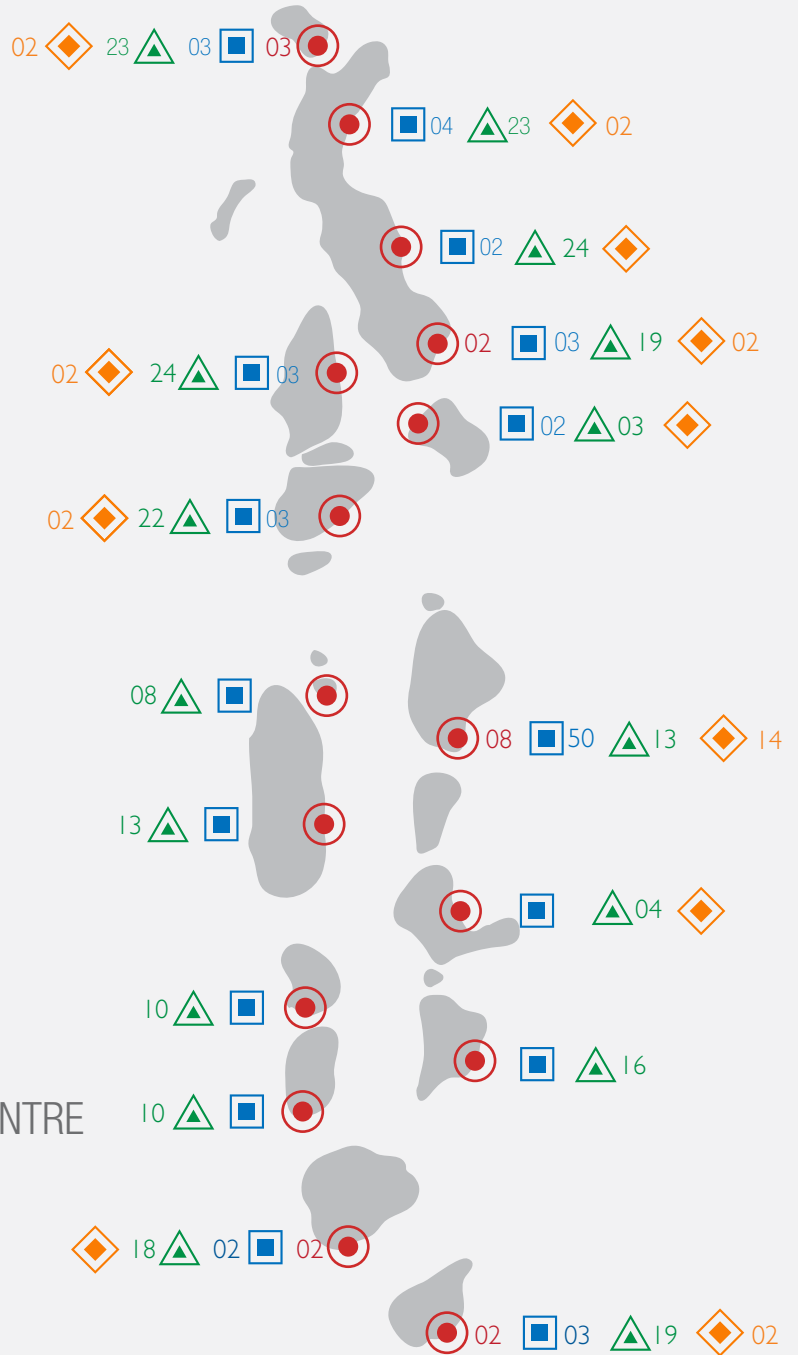
- Largest network of Branches, Agents, ATMs and POS terminals in Maldives
- Exclusive acquirer and issuer of American Express cards in Maldives
- Principal member in the Maldives for Visa and MasterCard

Experienced and Dedicated Team

- Largest employer in the banking sector
- 99% of our employees are locals with almost one third employed in the atolls
- Strong executive leadership team with experience across many countries and banking markets

OUR NETWORK

-  BRANCH
-  ATM
-  CASH AGENT
-  SELF SERVICE BANKING CENTRE



ONE BANK IS INVESTING IN MALDIVES

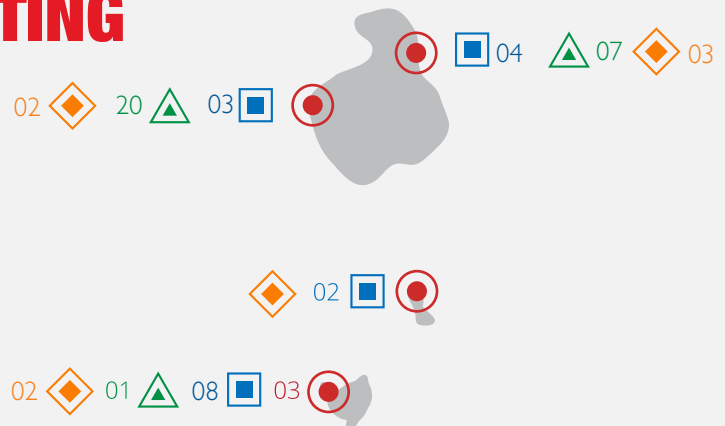


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1. SUMMARY

Financial results for the fourth quarter of 2018 were positive with Profit After Tax of MVR 277 million, up 3% on the third quarter. Business volumes were healthy across all key lines and the Bank's loan book quality continued its improving trend. Capital and liquidity ratios finished the year well in excess of regulatory requirements. Audited full year results for 2018 will be announced once these are available.

2. BUSINESS DEVELOPMENTS

- In October, we held our annual event to celebrate our longest serving employees. Thirty seven employees received awards and one individual was recognized for having served the Bank for 35 years.
- Also in October, we launched our BML Islamic General Financing facility for individuals and businesses to obtain financing for a wide range of Shari'ah compliant purposes. Under the facility, customers can seek financing starting from MVR 50,000. The Bank will finance up to 70 percent of the requirement and the maximum repayment period for the facility is 10 years with a grace period of 12 months.
- In November, we hosted Maldives' first ever International Banking Conference under the theme of "Banking in Asia: the Next Frontier". With over 100 participants from 25 countries, including CEOs and the heads of some of Asia's biggest financial institutions, the ABA conference brought together leading minds to discuss banking development in Asia in face of rapid technological advancement.
- In December, we opened new branches with Self Service Banking Centres in Raa Atoll Meedhoo and Kaafu Atoll Kaashidhoo. These new facilities will support local individuals and businesses to make deposits, payments and transfers on a 24/7 basis.
- The quarter saw the Bank implement an additional 21 CSR initiatives across the country, taking the total to 110 for the year. These focused on supporting educational, sports and environmental causes.

3. KEY FINANCIAL INFORMATION

Income Statement (Unaudited) - Quarter ended 31 December 2018

(All amounts in MVR'000 unless otherwise stated)

	Q4 2018	Q3 2018
Gross Income	632,459	607,817
Interest Income and Similar Income	400,265	395,209
Interest Expense and Similar Charges	(36,989)	(34,347)
Net Interest Income	363,276	360,862
Fee and Commission Income	207,771	188,420
Fee and Commission Expense	(83,467)	(61,793)
Net Fee and Commission Income	124,304	126,628
Other Operating Income	24,423	24,187
Total Operating Income	512,003	511,677
Operating Expenses	(157,286)	(112,303)
Operating Profit (Profit before Provisions)	354,717	399,374
Provision for Bad and Doubtful Debts	24,359	(34,117)
Profit Before Tax	379,076	365,257
Income Tax Expense	(102,395)	(95,919)
Net Profit for Quarter	276,681	269,338
Basic Earnings Per Share (annualised)	206	200

Statement of Financial Position (Unaudited) - As at 31 December 2018

(All amounts in MVR'000 unless otherwise stated)

	31 Dec 2018	30 Sep 2018
Cash, Short Term Funds & Balances with MMA	5,075,787	4,340,445
Loans and Advances	12,934,941	12,995,669
Financial Investments - Available for Sale	123,483	123,483
Financial Investments - Held to Maturity	4,797,296	4,576,819
Property, Plant and Equipment	409,976	415,210
Other Assets	333,111	261,142
Total Assets	23,674,594	22,712,768
Deposits	15,280,223	14,389,466
Borrowings	921,761	1,054,555
Other Liabilities	997,808	1,070,625
Total Liabilities	17,199,792	16,514,646
Share Capital	269,096	269,096
Share Premium	93,000	93,000
Reserves	6,112,707	5,836,026
Total Shareholders' Equity	6,474,803	6,198,122
Total Equity and Liabilities	23,674,594	22,712,768



Nandana Senevirathne
Chief Financial Officer



Aishath Noordeen
In-charge of the Bank



Ibrahim Mohamed
Chairperson, Audit & Risk
Management Committee

Statement of Cash Flows (Unaudited) - Quarter ended 31 December 2018
(All amounts in MVR'000 unless otherwise stated)

	Q4 2018	Q3 2018
Cash Flows from Operating Activities	364,446	103,956
Changes in Operating Assets and Liabilities	547,449	(123,459)
Cash Flows from Investing Activities	(230,604)	(168,572)
Cash Flows from Financing Activities	(132,795)	29,605
Net increase in Cash and Cash Equivalents	548,496	(158,470)
Cash and Cash Equivalents at beginning of Quarter	783,796	942,266
Cash and Cash Equivalents at end of Quarter	1,332,292	783,796

4. INVESTOR INFORMATION

Highest Traded Price	MVR 225
Lowest Traded Price	MVR 200
Weighted Average Traded Price	MVR 222.23
Market Capitalization	MVR 1,076,384,000
Price Earnings Ratio	0.97
Dividend Yield	11%

5. GOVERNANCE

5.1 Frequency of Board Meetings

The number of meetings held by the Board of Directors and its sub-committees during the fourth quarter of 2018 were as follows:

	No. of Meetings
Board of Directors	06 (Six)
Board Credit Committee	00 (Zero)
Audit & Risk Management Committee	10 (Ten)
Appointment, Nomination & Remuneration Committee	12 (Twelve)

5.2 Key Activities carried out by the Board & Board Committees

- Reviewed and approved the Bank's financial statements for Quarter 3 2018.
- Reviewed the Risk Management Report for Quarter 3 2018.
- Reviewed the Non-Performing Assets and Loan Portfolio Report for Quarter 3 2018.
- Reviewed the report on the activities of the Internal Audit function during Quarter 3 2018.
- Reviewed and approved the Bank's Strategic Plan 2018 - 2023.
- Reviewed and approved the Bank's Budget for 2019.
- Reviewed and approved changes to the Bank's Risk Appetite Statement.
- Reviewed and approved to commence recruitment of a new Chief Executive Officer.
- Reviewed and approved to renew engagement of Shari'ah Advisory Committee Members.

5.3 Changes in the Board of Directors

As per the Articles of Association of the Bank, the Board shall consist of 11 members, which includes 08 Nominee Directors and 03 Elected Directors. The quarter began with a total of 11 Directors in the Board composition. Subsequent to the expiration of the employment contract of Mr. Andrew Healy on 30th November 2018, the Board now consists of 10 Directors with one Nominee Director position vacant at present.

	Name of Director	Category	Designation	Respective Committee
01	Ms. Saeeda Umar Nominee Director	Non-Executive & Independent	Chairperson	BCC
02	Mr. Andrew Healy Nominee Director	Executive & Non-Independent	CEO & MD	BCC
03	Mr. Mohamed Shareef Nominee Director	Executive & Non-Independent	Director	BCC
04	Mr. Ibrahim Mohamed Elected Director	Non-Executive & Independent	Director Chairperson of ARM Committee	BCC, ANR & ARM
05	Mr. Mohamed Abdul Sattar Elected Director	Non-Executive & Independent	Director Chairperson of ANR Committee	BCC, ANR & ARM
06	Mr. Rabih Mohamed Nominee Director	Non-Executive & Non-Independent	Director	ARM
07	Mr. Abdul Haris Nominee Director	Non-Executive & Non-Independent	Director	ANR
08	Mr. Mohamed Luveiz Nominee Director	Non-Executive & Independent	Director	ANR & ARM
09	Ms. Ibthishama Ahmed Saeed Elected Director	Non-Executive & Independent	Director	BCC & ANR
10	Ms. Aishath Arsha Nominee Director	Non-Executive & Independent	Director	BCC & ARM
11	Ms. Hawwa Safna Nominee Director	Non-Executive & Non-Independent	Director	-

BCC = Board Credit Committee; ANR = Appointment, Nomination & Remuneration Committee; ARM = Audit & Risk Management Committee

6. CORPORATE GOVERNANCE COMPLIANCE

The Bank is committed to achieving high standards of corporate conduct and in this regard, recognizes the importance of having in place a set of well-defined corporate governance practices and processes to enhance corporate performance and accountability. During the quarter, the Bank worked as always to achieve compliance with the provisions of its Corporate Governance Code which articulates best corporate governance practices. The Bank has also complied with the provisions of its internal policies and procedures which govern its day to day operations.

7. REPORTING COMPLIANCE

This report has been prepared taking into account the Capital Market Development Authority's Circular on Minimum Quarterly Reporting Requirements for Listed Companies.

