

Table A.8

Islamic Banking System: Income and Expenditure

	For the calendar year				
	2014	2015	2016	2017	2018 ^p
	RM million (or otherwise stated)				
Income ¹	20,416.1	23,520.3	25,762.8	28,192.1	32,610.4
<i>of which: derived from assets funded by investment accounts</i>	-	1,041.9	2,951.0	4,227.5	5,663.5
Less: Expense ¹	10,888.9	13,738.6	15,238.0	16,432.8	19,219.4
<i>of which: profit distributed to investment account holders</i>	-	601.7	2,219.6	2,532.5	2,742.2
Net income	9,527.2	9,781.7	10,524.8	11,759.3	13,391.0
Add: Fee-based income ²	1,056.9	1,121.3	1,309.9	1,571.2	1,439.5
Less: Staff cost	1,741.9	1,754.7	1,789.6	2,001.7	2,172.0
Overheads	3,225.5	3,495.6	3,685.4	3,989.2	4,022.7
Gross operating profit	5,616.8	5,652.8	6,359.7	7,339.5	8,635.7
Less: Impairment ³ and other provisions	758.2	1,067.8	1,175.1	756.9	1,052.9
Gross operating profit after provision	4,858.6	4,585.0	5,184.6	6,582.6	7,582.8
Add: Other income	253.1	449.4	392.0	96.3	84.7
Pre-tax profit	5,111.7	5,034.4	5,576.6	6,678.9	7,667.5
Pre-tax profit / Average assets (%)	1.1	1.0	1.0	1.1	1.1
Pre-tax profit / Average shareholders' funds (%)	15.7	14.0	13.9	15.1	15.7
Pre-tax profit / Average employee (RM'000) ⁴	173.1	161.8	187.6	211.9	223.3
Cost incurred per ringgit of revenue earned (sen)	22.9	20.9	19.9	20.1	18.1
Cost incurred per ringgit of net income (sen)	52.1	53.7	52.0	50.9	46.3
Overheads to staff cost (%)	185.2	199.2	205.9	199.3	185.2
Staff cost per employee (RM'000) ⁴	59.0	56.4	60.2	63.5	63.2

¹ Beginning 1 July 2015, income and expenses include those arising from assets funded by investment accounts and profit distributed to investment account holders

² Including income derived from assets funded by investment accounts which are recognised off-balance sheet

³ Refers to individual and collective impairment provisions in accordance with the Policy Document on the Classification and Impairment Provisions for Loans / Financing

⁴ Number of employees is estimated based on the percentage of the institutions' Islamic assets

^p Preliminary

Note: Figures may not necessarily add up due to rounding

Source: Bank Negara Malaysia