



PRESS RELEASE

BRUNEI DARUSSALAM'S BANKING SECTOR SHOWS STRONGER PERFORMANCE IN 2015

1. The 2015 reporting season for banks' financial results reached its conclusion on 31st March 2016 with the publication of banks' audited financial statements in the local media.
2. The published audited financial statements confirmed Autoriti Monetari Brunei Darussalam's (AMBD) views published earlier this year that Brunei Darussalam's banking sector has shown stronger profitability and improving assets quality in 2015.
3. Overall, the key financial soundness indicators in the banking sector were maintained at healthy levels. As at end December 2015, the aggregate regulatory capital adequacy ratio for the banking sector stood at 21.5%, well above the minimum regulatory requirement of 10%. The loans/financing of the banks have increased by 7.2% from BND 5.7 billion as at end December 2014 to BND 6.1 billion as at end December 2015. The key profitability indicators of Return on Assets (ROA) and Return on Equity (ROE) as at end December 2015 stood at 1.3% and 9.0% respectively. The gross non-performing loans/financing ratio has shown improvement by declining to 4.9% as at end December 2015 from 5.0% as at end December 2014. The above information shows that the prudential policies of the AMBD, coupled with strong income figures for the banks have ensured the continuing soundness and stability of our financial sector.
4. In 2016, the AMBD intends to build on these sound foundations and continue with its targeted implementation of the Basel II Capital Adequacy Framework by 2017.
5. The Managing Director of AMBD, Awang Yusof bin Hj Abd Rahman stated today:-

"These strong profit and performance figures for the Brunei's banking sector show that profits are rising, not falling and that AMBD regulations are having a positive effect on banks' non-performing loans/financing ratios and allowing consumers to manage their financial affairs more effectively to the benefit of the economy as a whole".

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Reference: AMBD/COMMS/2016/3