



NEWS RELEASE

AFFIN BULLISH ON PROSPECTS AHEAD

KUALA LUMPUR, April 18, 2011 – AFFIN Holdings Berhad (AFFIN) ended its 2010 financial year on a high note with the Group's strong financial performance. The Group registered an impressive RM637.5 million record profit before tax (PBT), representing a 28.2% jump over the previous financial year.

At AFFIN's 35th Annual General Meeting today, YBhg. Gen (R) Tan Sri Dato' Seri Mohd Zahidi bin Hj. Zainuddin, Chairman of AFFIN said, "Despite the challenging operating environment, the Group performed exceedingly well during the financial year 2010 and we expect to see further growth to our bottom line. As the Malaysian economy is performing well and in the light of the Government's efforts to strengthen the economy, we expect the banking sector to do equally well."

Leading the excellent results for the financial year 2010 was AFFIN Bank Berhad with a PBT of RM521.9 million. Its subsidiary, AFFIN Islamic Bank also performed well with a PBT of RM 129.2 million. Looking ahead, AFFIN Bank will aggressively grow its consumer base, retail segment and fee-based income through enhancement of its customer service and introduction of new products and campaigns. Identification of appropriate locations for new branches is under way too as this will further strengthen the Bank's position in the market and increase its presence locally.

AFFIN Investment Bank Berhad recorded a PBT of RM87.1 million, which was a 34.9% increase from last year. AXA AFFIN General Insurance Berhad (AAGIB) delivered a solid performance with a PBT of RM44.3 million. One of the contributing factor to AAGIB's positive results was the acquisition of BH Insurance (M) Bhd which contributed a PBT of RM 28.0 million. The acquisition has been completed and the merger will further enhance the service level to the customers and profitability of the company.

He added, "As one of Malaysia's leading full-service financial services Group, we will expand our operations and roll out exciting campaigns for our clientele."

For the financial year 2010, AFFIN Group-wide actively engaged its customers through various platforms and initiatives. Campaigns by AFFIN Bank that were targeted to grow specific market segments includes the 'AFFIN Gold' deposits promotion and the launch of the highly successful OMG (Oh My Goshh!/ Oh Menarik Gila) campaign to build customers' deposit base.

Among the notable achievements for the Group during the year under review was AFFIN Bank's success in being recognized as Top 30 in Malaysia's Most Valuable Brand for the third consecutive year, AFFIN Investment Bank ranked third by Number of Issue and ranked sixth by Value of Issue by MARC 2010 League table, as well as ranked Top 5 Most Independent Research Brokerage in Asiamoney's 2010 Brokers Poll. In Sept 2010, AFFIN Investment Bank launched the electronic cross border trading platform for trading and investment of shares in major markets globally.

"The Group will continue its success and improve its operational efficiencies while we look forward to introduce new products and campaigns that are tailored to the varied needs of our growing number of customers. With the strong financial performance in 2010, AFFIN is poised for greater growth to expand locally and regionally. Additionally, with expansion plans and strategic initiatives that we currently have in place, AFFIN will be a competitive one-stop financial provider. The prospect for the Group is very encouraging as it is also looking beyond the Malaysian shores towards Indonesia, with its proposed acquisition of PT Bank Ina Perdana which is expected to be completed in the second half of 2011. We will continue to focus our efforts on growing our business portfolio and building a company that will enhance value to our stakeholders." he concluded.

AFFIN Holdings Group is a major home-grown financial services conglomerate. The Group's activities focus on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. The prominent shareholder of AFFIN Holdings is Lembaga Tabung Angkatan Tentera, the nation's premier superannuation fund manager for the armed forces. As at 31 December 2010, the Group's unaudited paid-up capital stood at RM 1.5 billion, while the Group's shareholders' fund was at RM 5.2 billion.

Forward looking statements

This release may contain certain forward-looking statements with respect to the financial conditions, results of operations and business of the Group and certain plans and objectives of AFFIN Holdings Berhad with respect to these items. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

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