



media release

FOR IMMEDIATE RELEASE

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AFFIN Bank Group Records 49.1% Jump in 1Q18 PBT

Kuala Lumpur:- Affin Bank Group (or the Group), reported a higher profit before tax after zakat (PBT) of RM186.8 million for the quarter ended 31 March 2018 as compared to RM125.3 million in the same quarter of the previous year. The Group's profit after tax (PAT) grew by 61.8% from RM90.2 million to RM146.0 for the quarter under review.

The improved performance was driven by the increase in fee and commission income, net gain on financial instruments, Islamic banking income and net interest income.

“In view of evolving customer expectations, the Group has to constantly reinvent and become more agile. The reorganization of the Group was completed last year on 16 October 2017 whereby Affin Bank became the holding company of Affin Islamic, Affin Hwang Investment Bank, Affin Moneybrokers, AXA Affin Life Insurance while AXA Affin General Insurance became an associate company to the Bank. The Bank's AFFINITY Transformation Program which encompasses all aspects of banking operations will unleash new opportunities that will drive us into the next phase of growth” said Kamarul Ariffin Mohd Jamil, Group Chief Executive Officer, Affin Bank Berhad.

Affin Bank Berhad

For the three months ended 31 March 2018, Affin Bank Berhad (AFFINBANK) reported a higher PBT of RM108.0 million as compared to RM92.5 million for the preceding year's corresponding quarter. This improved performance was mainly due to a write-back of credit impairment losses of RM30.5 million as compared to a charge of RM1.3 million in the previous year, partially offset by higher overhead expenses.

To further improve the Bank's operational risk management practices, AFFINBANK signed an agreement with the Asian Banking School (ABS) in March this year, for a customised programme on Operational Risk Review and Scenario Analysis awareness and implementation.

In terms of recognitions, the Bank was recently awarded the JomPAY Top Biller acquirer award for the second consecutive year, Asian Banker Award for The Achievement in Liquidity Risk Management Award and Genesys Customer Experience Pioneer Award.

Affin Islamic Bank Berhad

Affin Islamic Bank (AFFIN ISLAMIC) registered a PBT of RM32.3 million for the current financial quarter as compared to RM32.8 million for the preceding year's corresponding quarter. During the quarter, AFFIN ISLAMIC recorded an increase in operating income of RM24.5 million.

AFFIN ISLAMIC will continue to promote sustainable growth and operating efficiencies, and enhance its Islamic financing portfolio to 40% from the Group portfolio by 2020, in line with Bank Negara Malaysia's 10-year Financial Sector Blueprint.

Affin Hwang Investment Bank Group

Affin Hwang Investment Bank Group (AFFIN Hwang IB) reported a PBT of RM42.0 million for the three months ended 31 March 2018, mainly driven by fee based income. Its net income grew by 5.3% to RM132.6 million as compared to RM125.9 million in the previous year.

The 70%-owned subsidiary AFFIN Hwang Asset Management Berhad (Affin Hwang AM) registered a PBT of RM20.7 million for the three months ended 31 March 2018, a significant improvement of 37.1% as compared to RM15.1 million achieved in the previous year. The improved performance was mainly attributable to higher net management fee income, in line with the higher AUA (Assets Under Administration) of RM47.6 billion as at 31 March 2018.

AFFIN Hwang IB has received many awards and accolades that solidified its leading position including the Champion for Best Overall Equities Participating Organisation at the recent Bursa Excellence Awards by Bursa Malaysia, Innovation in Bond Structure at the Green Bond Awards 2018 by Environmental Finance, as well as being ranked 1st for Asset Management in Malaysia in the Private Banking and Wealth Management Survey 2018 by Euromoney.

AXA AFFIN Life Insurance Berhad

AXA AFFIN Life Insurance Berhad (AALI) reported a lower pre-tax loss of RM3.0 million for the three months ended 31 March 2018 as compared to a pre-tax loss of RM5.3 million in the first quarter of 2017 due to lower increase in reserves for future policyholders' liabilities. Renewal premium grew by 10% while Protection & Health new business grew 9% which is in line with the Company's preferred growth strategy. However, the total gross premium for the quarter was lower by 7% due to lower premium contribution by single premium products.

AXA AFFIN General Insurance Berhad

AXA AFFIN General insurance Berhad (AAGI) reported a pre-tax profit of RM38.0 million for the three months ended 31 March 2018, contributed by higher earned premium and investment income, net of higher claims incurred. AAGI reported a gross premium of RM442.2 million, a growth of 8.3% as compared to the responding quarter last year, which was mainly contributed by Motor and Personal Accident.

AFFIN Moneybrokers Sdn Bhd

AFFIN Moneybrokers Sdn Bhd (AMB) recorded a pretax profit of RM0.3 million, as compared to RM0.5 million achieved in the previous year. Its brokerage income was RM2.6 million during the quarter under review as compared to RM3.0 million in the first quarter of 2017.

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For media enquiries, kindly contact:-

Raja Emylia Raja Lope Ahmad
Head, Corporate Communications
Affin Bank Berhad

Darlene Liew
Senior Executive, Corporate Communications
Affin Bank Berhad

Direct Line : +6 03 2055 9428
Fax no. : +6 03 2020 1044
Email : head.corpcomm@affinbank.com.my

Direct line : +6 03 2055 9034
Fax No : +6 03 2020 1044
Email : darleneliew@affinbank.com.my

About Affin Bank Berhad (25046-T)

The AFFINBANK Group is a financial services conglomerate. The AFFINBANK Group's activities focus on commercial, Islamic and investment banking services, money broking, asset management and underwriting of life and general insurance business.

AFFINBANK Group provides a suite of financial products and services that is catered to both retail and corporate customers. The target business segments are categorized under key business units such as Consumer Banking, SME & Commercial Business Banking, Corporate & Public Sector Business Banking and Treasury.

Our tagline of "Banking Without Barriers" signifies the removal of boundaries within the processes of the Bank as well as its attitude in servicing its customers. The latter means reaching out to the

customers, improving relationships with them, making each one of them feel privileged and enhancing a new approach to banking and changing the face of conventional banking.

AFFINBANK Group also provides Islamic banking products and services via its Islamic banking subsidiary Affin Islamic Bank Berhad (AFFIN ISLAMIC). AFFIN ISLAMIC commenced operations on 1st April 2006 as a full-fledged Islamic bank, and offers a complete range of Islamic Banking products and services for individuals and corporates which are in compliance with Shariah principles and laws.

As at 31 December 2017, AFFINBANK has a network of 107 branches in Malaysia. For more information, log on to www.affinbank.com.my or visit any of the AFFINBANK or AFFIN ISLAMIC branches nationwide.