

**AFFIN HOLDINGS BERHAD
ANNOUNCEMENT ON ACHIEVEMENT OF HEADLINE KEY PERFORMANCE
INDICATORS ("KPIs") FOR THE 6 MONTHS ENDED 30 JUNE 2007**

AFFIN Holdings Berhad ("the Company") or ("AHB") would like to announce its achievement of headline Key Performance Indicators ("KPIs") for the 6 months ended 30 June 2007. The KPIs achievement for the 6 months ended 30 June 2007 has been agreed by the Board and management of the Company as part of the broader KPI framework that the Company has in place, as prescribed under the GLC Transformation program, and is disclosed on a voluntary basis.

HEADLINES KPIs ACHIEVED FOR THE 6 MONTHS ENDED 30 JUNE 2007

	Headline KPIs	As announced for financial year 2007	Achieved for 6 months ended 30 June 2007
1	After Tax Return on Equity (ROE)	7.1%	7.6%
2	After Tax Return on Assets (ROA)	0.7%	0.7%
3	Net NPL Ratio	8.2%	10.8%
4	Earnings Per Share (EPS)	19.0 sen	10.6 sen

The headline KPIs represent the main corporate targets set by the Company for the period and should not be constituted as being forecasts. In this respect please note the following;

These headline KPIs are targets or aspirations set by the Company as a transparent performance management practice. These headlines shall not be construed as either forecasts, projections or estimates of the Company or representations of any future performance, occurrence or matter as the headlines are merely a set of targets/aspirations of future performance aligned to the Company's strategy.

The KPIs have been developed based on the Group's strategic plan and based on the assumption that there will be no significant changes in the prevailing economic and political conditions, present legislation and government regulations and on the assumption that the business of the Group will continue to grow as projected and the amount of non-performing loans, provision for loan loss and financing and recoveries will not vary significantly from the amount projected.

The Group is continuing its acquisition and rationalisation exercises to strengthen the Group to be in line with Bank Negara Malaysia (BNM)'s Financial Sector Master Plan guidelines and to enhance shareholders' value.

On 24 November 2006, the Company announced that AHB had obtained approval from BNM to commence negotiations with The Bank of East Asia, Limited ("BEA") relating to a possible acquisition of a minority stake in AHB.

On 25 April 2007, the Company announced that AHB had on 24 April 2007 entered into a preliminary agreement with BEA to fix the pricing mechanism with respect to the Proposed Acquisition.

Pursuant to the Agreement, BEA (or one or more of its affiliates) shall enter into definitive agreements with (i) AHB pursuant to which it will subscribe for new ordinary shares of RM1.00 each in AHB ("AHB shares") and (ii) certain shareholders of AHB pursuant to which it will purchase existing AHB shares from these shareholders. Upon completion of the Proposed Acquisition, BEA (or one or more of its affiliates) intend to hold up to 25% of the enlarged share capital of AHB.

The subscription price and the purchase price per AHB share payable by BEA (or one or more of its affiliates) pursuant to the Proposed Acquisition shall each be an amount equal to the higher of:

- (a) 1.3 times of the consolidated net asset value based on the latest audited consolidated financial statements of AHB for the financial year ended 31 December 2006 minus goodwill over the total issued and paid-up capital of AHB as at 31 December 2006; or
- (b) the par value per AHB Share.

On 31 July 2007, the Company announced that AHB proposed to undertake a proposed placement of new ordinary shares of RM1.00 each representing up to 15% of the issued and paid-up share capital in AHB. The Proposed Placement will entail the issuance of the Placement Shares to BEA and/or its affiliates.

On 7 March 2007, The Company announced the signing of joint venture agreement (JVA) on 6 March 2007 between AFFIN Fund Management Sdn Bhd, a wholly-owned subsidiary of AFFIN Investment Bank Berhad (which in turn, is a wholly-owned subsidiary of the Company) and Asia Equity Partners Sdn Bhd, for the purpose of collaborating and sharing each other's expertise and network to establish and set up a RM 150 million commercial property fund within the prime or central locations in Malaysia.