

NEWS RELEASE

AFFIN'S 1ST QUARTER PROFIT JUMPED 47.4%

KUALA LUMPUR, May 31, 2010 – AFFIN Holdings Berhad (AFFIN) started the year with a strong note by reporting a profit before tax of RM177.3 million for the quarter ended 31 March 2010. This is a significant increase of RM57.1 million, representing a 47.4% jump compared with the preceding year corresponding quarter's profit before tax of RM120.3 million. This achievement was due to higher net interest income, Islamic banking income and other operating income coupled with higher share of results in jointly controlled entity and associate and a reduction in allowance for impairment on loans, advances and financing.

Earnings per share for the quarter under review was 9.06 sen as compared to 6.13 sen for the same quarter last year while net assets per share was RM3.30 as at 31 March 2010. [31 December 2009: RM 3.17].

YBhg. Gen (R) Tan Sri Dato' Seri Mohd Zahidi Bin Hj. Zainuddin, Chairman of AFFIN Holdings Berhad, said, "We are pleased with the steady growth the Group has recorded over the years, especially with our strong first quarter results for the current financial year. We hope to maintain this momentum for the coming quarters. The Group's stable financial performance is a good indication and indeed a good start to kick-off our strategic plans for the year."

AFFIN Bank Berhad recorded a higher profit before tax of RM139.0 million for the quarter under review as compared to RM100.5 million in the same quarter last year. This was attributed to a higher net interest income, Islamic banking income and other operating income as well as lower allowance for impairment on loans, advances and financing. Its subsidiary, AFFIN Islamic Bank recorded a profit before tax of RM14.6 million for the quarter as compared to RM14.1 million for the same quarter last year.

AFFIN Investment Bank achieved a higher profit before tax of RM27.9 million for the quarter ended 31 March 2010 compared with RM16.4 million in the preceding year's corresponding quarter. The remarkable performance was due to higher operating income and net interest income.

AFFIN Moneybrokers Sdn Bhd registered a higher profit before tax of RM0.4 million compared with RM0.3 million for the same quarter last year as a result of higher net brokerage income net of higher overheads.

The Group's strong performance was also reflected in its insurance businesses. AXA AFFIN General Insurance Berhad recorded a profit before tax of RM0.3 million and AXA AFFIN Life Insurance Berhad reported a profit before tax of RM4.0 million for the financial quarter.

"We are always on the lookout to explore possibilities to propel our business locally and regionally. With careful planning and execution of its strategies, the Group is confident of its prospects for the remaining quarters as we intend to work harder to improve shareholders' value", concluded YBhg. Gen (R) Tan Sri Dato' Seri Mohd Zahidi Bin Hj. Zainuddin.

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 March 2010 the Group's unaudited paid-up capital stood at RM1.5 billion, while the Group's shareholders' fund was at RM4.9 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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Issued on behalf of: AFFIN Holdings Berhad	By: acorn communications sdn bhd
For further information, please call: Natalia Ghani at 012 231 4782 or Reshvinder Kaur at 03 7958 8348	
Or email acorncommunications@acornco.com.my	