



NEWS RELEASE

AFFIN Continues Breaking Records and Confident of 2013's Prospects

KUALA LUMPUR, April 22, 2013 – With a profit before tax (PBT) of RM833.7 million for its financial year ended 31 December 2012, AFFIN Holdings Berhad (AFFIN) registered another record year, surpassing the previous year's PBT of RM709.1 million by 17.6%.

YBhg Gen (R) Tan Sri Dato' Seri Mohd Zahidi bin Hj. Zainuddin, Chairman of AFFIN commented after AFFIN's 37th Annual General Meeting today, "We are pleased to raise the bar once again despite the turbulent global economic scenario marked by financial market volatilities. We attribute this to our sound business fundamentals which we will continue to lean on in the foreseeable future."

Leading the excellent results for the financial year 2012 was once more, AFFIN Bank Berhad (ABB) Group, with a record PBT of RM703.2 million compared with RM613.1 million recorded in the previous financial year, indicating a noteworthy 14.7% increase. AFFIN Islamic Bank Berhad, its wholly owned subsidiary also registered a record PBT of RM106.4 million marking a substantial 42.1% improvement compared with RM74.9 million attained in 2011.

In an effort to further strengthen the Bank's position in the market and increase its presence locally, three new branches were opened in Bangi, Cyberjaya and Klang bringing ABB's network to 100 branches nationwide. Additionally, three branches were relocated to strategic new potential growth areas while a total of 15 additional off-site ATMs were installed for the convenience of its customers.

"Given the stiff competition in the lending market, progressively stricter capital and liquidity prerequisites as a result of Basel III as well as more exacting consumer lending regulations, we have taken proactive steps by focusing on strengthening our fee-based income." added YBhg Gen (R) Tan Sri Zahidi.

AFFIN Investment Bank Berhad (AIBB) Group recorded an impressive PBT of RM91.1 million during the financial year contributed mainly by growth in fee income (18.1%) and investment income (51.0%) The Group continued to improve its non-interest income ratio which stood at 71.8% as at 31 December 2012. AIBB also continued to expand its retail stockbroking business as it tapped on a potential client base of 80,000 residents with the opening of its sixth branch in Bandar Bukit Tinggi, Klang to further strengthen AIBB's retail position as a community stockbroker.

AIBB's investment management arm, AFFIN Fund Management Berhad (AFMB), charted a PBT growth of 38.7% to RM8.6 million. Assets under management for AFMB burgeoned to RM1.93 billion in 2012, a 125.7% increase with the launch of AFFIN 1Wholesale Fund and AFFIN 1-iWholesale Fund, bringing the total number of funds under management to ten.

AFFIN Moneybrokers Sdn Bhd recorded a lower PBT of RM2.7 million mainly as a result of lower net brokerage income and increased overhead expenses. AXA AFFIN Life Insurance Berhad on the other hand recorded a PBT of RM3.9 million, marking a significant improvement from the previous year's loss before tax of RM3.1 million while AXA AFFIN General Insurance Berhad (AAGIB) recorded an impressive 487.3% growth in PBT to RM120.4 million in the year under review.

In line with the AFFIN Group's continuous efforts to enhance its customer service delivery, ABB launched its third instalment to the O.M.G deposit campaigns from previous years, i.e O.M.G and O.M.G It's Back!. The latest campaign, O.M.G The Trilogy was aimed to increase savings, current and fixed deposits among new and existing conventional and Islamic account holders.

ABB also made its mark as one of only four banks in Malaysia to provide customers with an option of increasing their Amanah Saham Nasional Berhad fund subscription online and only the second bank to provide this service 24/7.

ABB also saw the improvement of its online banking platform with an enhanced Retail Internet Banking system. In addition, ABB's new Loan Origination System is expected to speed up the processing of loan applications.

The Group continues to earn accolades and recognitions as a result of its strong and sustained financial performance as well as its efforts to enhance its relationship with customers. ABB was ranked among the Top 30 Most Valuable Brands by the Association of Accredited Advertising Agents (4As) as well as the Best of Malaysia Service to Care Champion (Category: Conventional Bank with assets less than USD20 billion) by MarkPlus Insight in conjunction with the Philip Kotler and the Christopher Lovelock Centre for Services Marketing.

AIBB on the other hand won Islamic Finance News' Project Finance Deal of the Year award for Boustead Naval Shipyard Syndicated Trade Facilities of up to RM2.06 billion. AIBB is also the recipient of RAM Award of Distinction 2012, the Blue Print Award for Most Innovative Deal of the Year in respect of RM 3.29 billion Senior Sukuk Murabahah under Tawarruq by Tanjung Bin Energy Issuer Berhad. Meanwhile, AIBB's research was ranked highly by London-based The Financial Times and StarMine in the Top Stock Pickers and Industry Award Winners categories. The Bank also won The Edge Best Analyst Call Awards 2012 for technology stock.

AAGIB was conferred The Most Preferred Brand in General Insurance at The BrandLaureate SMEs Best Brand Awards 2011. The BrandLaureate is the most prestigious and sought after branding award for SMEs for branding excellence among companies in Malaysia and the Asia Pacific region.

“Our intention is to deliver superior returns to our shareholders while keeping in mind the need to be wary of the tumultuous global economic conditions. Nevertheless, we will tap on our strength as a holistic financial services provider in order to sustain our strong growth momentum and contribute positively to the long term growth of the Malaysian economy.” concluded YBhg Gen (R) Tan Sri Zahidi.

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 2012, the Group’s unaudited paid-up capital stood at RM1.5 billion, while the Group’s shareholders’ fund was at RM6.0 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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