



## **AFFIN CONFIDENT OF THE PROSPECTS AHEAD**

**KUALA LUMPUR, April 16, 2012** – AFFIN Holdings Berhad (AFFIN) ended its 2011 financial year with record results. The Group registered its highest ever profit before tax (PBT) of RM709.1 million compared with its previous record of RM637.5 million registered in the preceding financial year, representing an increase of 11.2% or RM76.1 million.

YBhg Gen (R) Tan Sri Dato' Seri Mohd Zahidi bin Hj. Zainuddin, Chairman of AFFIN commented after AFFIN's 36<sup>th</sup> Annual General Meeting today, "We are indeed encouraged by the solid results recorded in the financial year 2011 despite the challenging economic environment. We registered consistent growth and continued improvements in our operations allowing us to surpass our previous financial year's performance."

Leading the way for the AFFIN Group was AFFIN Bank Berhad (ABB), which registered a record PBT of RM613.1 million compared with RM521.9 million recorded in the previous financial year, signifying a notable 17.5% increase. Its subsidiary, AFFIN Islamic Bank Berhad also registered a record PBT of RM74.9 million in the financial year, a significant improvement of 60.9% compared with RM46.5 million achieved last year.

During the year, ABB opened six (6) new branches in Klang, Gemas, Jitra, Kulim, Kuching and Skudai to complement the existing branch network and five (5) branches were relocated to potentially new growth areas. 42 ATMs were also installed at BHP stations during the year, as part of ABB's effort to leverage on the Group's network and improve its service to customers.

“ABB is firmly committed to providing high-quality, innovative products and services to cater to market needs. On this note, ABB will continue to focus on branch relocation and refurbishment for operational excellence, setting up new branches to capitalise on profitable growth, competing strongly by targeting markets for deposits, loans and fee-based income as well as enhancing human capital.” added YBhg Gen (R) Tan Sri Dato’ Seri Mohd Zahidi.

The Investment Banking arm, AFFIN Investment Bank Berhad (AIBB) registered a PBT of RM88.9 million, a 2.1% increase after provision for a one-off historical exceptional item of RM9.4 million.

During the year, AIBB expanded its stock broking network to five (5) branches with the opening of two (2) new branches at Taman Midah in Cheras and Sea Park in Petaling Jaya to strengthen AIBB’s retail position as a community stockbroker catering primarily for suburban customers.

AIBB’s fund management arm, AFFIN Fund Management Berhad, launched its fifth (5<sup>th</sup>) consecutive unit trust fund in the last five (5) years, the AFFIN Quantum Fund with an asset size of RM200 million which boosted its overall assets under management to RM855 million as at 31 December 2011.

AFFIN Moneybrokers Sdn Bhd recorded a strong 83.3% increase in PBT of RM3.3 million compared with RM1.8 million last year.

For the financial year ended 31 December 2011, AXA AFFIN Life Insurance Berhad registered a pre tax loss of RM5.3 million, while, AXA-AFFIN General Insurance Berhad (AAGIB) recorded a PBT of RM16.7 million for the year under review.

In year 2011, AFFIN Group engaged its customers via various platforms and initiatives. On this score and as a follow-up to its highly successful OMG (Oh My Goshh!/ Oh Menarik Gila) campaign, ABB launched its second savings deposit campaign called OMG-Its back! The campaign garnered deposits worth RM1.5 billion and approximately 71,000 new customers. ABB also launched an online banking facility called Corporate Internet Banking to enable customers to manage their accounts securely online. ABB also launched OMG Home Protector, a home content insurance with AAGIB which was also launched in 2011.

Among the notable achievements for the Group during the year under review was the reaffirmation of A1 & P1 rating of ABB by Rating Agency Malaysia and AIBB was awarded the Lead Managers League Table 2010 Achievement Award for No. 1 in Issue Count (Conventional) and No. 2 in Issue Value (Conventional) by Malaysian Rating Corporation Berhad (MARC) in December 2011. Additionally, in the Wall Street Journal's inaugural Asia's Best Analysts survey, AIBB's analyst was rated No.1 in the utilities sector in Asia while AIBB was jointly placed 21st in Asia's Best Brokers category.

“We trust that going forward, we will continue to leverage on the quality of our businesses, our impressive growth options and our positive long-term outlook. As we move forward to further strengthen our presence in the financial services sector, we will be conscious to focus on providing value added services within the Group, innovative and creative management as well as productivity improvement in order to deliver superior returns to our shareholders.” concluded YBhg Gen (R) Tan Sri Dato' Seri Mohd Zahidi.

At the Annual General Meeting of the Company held today, the shareholders duly approved all the resolutions tabled.

**AFFIN Holdings Group is a major homegrown 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 2011, the Group's unaudited paid-up capital stood at RM1.5 billion, while the Group's shareholders' fund was at RM5.6 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: <b>AFFIN Holdings Berhad</b>	By: <b>acorn communications sdn bhd</b>
For more information, please contact <b>Michelle Vincent</b> at <b>012 389 9289</b> or <b>Yasmin Kadir</b> at <b>017 237 9048</b>	
or 03 7958 8348 or e-mail: <a href="mailto:acorncommunications@acornco.com.my">acorncommunications@acornco.com.my</a>	