

AFFIN REGISTERS EXCELLENT SECOND QUARTER GROWTH

KUALA LUMPUR, August 25, 2006 – Affin Holdings Group (Affin) maintained its financial performance into 2006 with strengthened earnings for its second quarter.

For its quarter ended June 30, 2006 the Group reported an unaudited Group pre-tax profit of RM75.2 million on the back of a turnover of RM468.0 million. This represents a significant increase of 7.6% when compared to a pre-tax profit of RM69.9 million gained on the back of a turnover of RM403.6 million during the first quarter of 2006.

Earnings per share was 4.24 sen for the second quarter as compared to 4.21 sen recorded in the previous quarter, an improvement of 0.7%. Net tangible asset per share was RM1.83.

YBhg. Tan Sri Dato' Lodin Wok Kamaruddin, Managing Director, Affin Holdings Berhad said, "Our current earnings are reflective of our resilience to remain focused on our key business areas, with an underlying emphasis on organic growth. Being a one stop financial services provider and given the heightened competition in the banking and finance sector, we are all the more cognisant of the need to look for opportunities that will be derived from our current businesses."

"Our second quarter earnings clearly place us on a firmer footing to reach for higher bottom line growth for this financial year. We look forward to better prospects in the two remaining quarters of this year from our various business streams."

The Group's main revenue contributor, Affin Bank Berhad posted a pre-tax profit of RM78.9 million from a turnover of RM398.2 million for the quarter ended 30

June 2006, as compared to a pre-tax profit of RM64.0 million in the first quarter this year. This increase was primarily attributable to stricter credit control measures and a firmer grip on managing non-performing loans.

YBhg Tan Sri Dato' Lodin added, "Our recent entry into the Islamic Banking segment bodes well for the Group as it presents our banking arm as a cohesive entity that is capable of addressing various consumer segments and their needs through structured products and packages. Clearly niche marketing is the way to go and we are building on this strategy."

For the quarter ended June 30, 2006, Affin Investment Bank Berhad (formerly known as Affin Merchant Bank Berhad) registered a pre-tax profit of RM2.7 million on the back of a turnover of RM48.7 million. Meanwhile, Affin Moneybrokers Sdn Bhd posted a pre-tax profit of RM0.3 million from a revenue contribution of RM2.2 million for this financial quarter.

Affin Fund Management Sdn Bhd posted a pre-tax profit of RM3.3 million for the quarter ended 30 June 2006 when compared to a breakeven position in the first quarter this year.

Affin Capital Holdings Sdn Bhd recorded a pre-tax profit of RM2.2 million for the quarter ended June 30, 2006 and this was achieved from a revenue contribution of RM11.7 million. This is a significant improvement when compared to the company's pre-tax profit of RM0.1 million from a turnover of RM 8.9 million in the first quarter of 2006.

Affin Holdings Group is a major home-grown financial services conglomerate. The Group's primary activities focus on the provision of commercial and merchant banking services, money broking, fund management, underwriting of general and life insurance business and stockbroking operations. The prominent shareholder of Affin Holdings is Lembaga Tabung Angkatan Tentera, the nation's premier pension fund manager for the armed forces. As at June 30, 2006 the Group's paid-up capital stands at RM1.23 billion, while the Group's shareholders' funds as of June 30, 2006 stood at RM3.26 billion.

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