

AFFIN TO STRENGTHEN ITS MARKET POSITION

KUALA LUMPUR, May 14, 2007 – AFFIN Holdings Berhad (AFFIN Group) is on course to meet its strategic objectives of propelling its business forward and positioning itself as a major player in the financial services industry locally and regionally.

For the first quarter ended March 31, 2007, the Group posted an unaudited pre-tax profit of RM88.8 million on the back of a turnover of RM 504.4 million. This marks a significant 28% or RM19.5 million increase in pre-tax profit from RM69.3 million recorded in the preceding year's corresponding quarter ended March 31, 2006.

Earnings per share for the quarter under review was 4.96 sen, while net tangible assets per share was RM 2.00.

YBhg. Tan Sri Dato' Lodin Wok Kamaruddin, Managing Director of AFFIN Holdings Berhad, said, "With the on going liberalisation of the financial services industry in Malaysia, we are certain this market will become all the more competitive. These challenges also bring with it great opportunities for us to improve on our core strength while vying to tap regional prospects."

"Consistent improved performance in terms of earnings is testament to the success of AFFIN Group's streamlining efforts to boost operational efficiencies. On a longer term perspective, it is integral that we are able to take advantage of strategic partnerships that can compliment our efforts to become one of the country's premier consumer and business focused financial institution."

During the quarter ended March 31, 2007, AFFIN Bank Berhad Group, the flagship of the AFFIN Group, recorded a pre-tax profit of RM71.2 million, an improvement of RM7.2 million compared to RM64.0 million for the preceding year's corresponding quarter.

This improvement was mainly attributed to the increase in Islamic Banking income amounting to RM19.1 million, lower loan loss provision and a drop in impairment losses on securities during the said quarter compared to the preceding year's corresponding quarter.

AFFIN Investment Bank Berhad Group also recorded higher pre-tax profit of RM23.2 million in the first quarter of this financial year, which was almost doubled the pre-tax profit of RM11.6 million recorded in first quarter of last year. Meanwhile, AFFIN Moneybrokers Sdn Bhd posted a pre-tax profit of RM529,000 in the first quarter.

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 general and life insurance business. The prominent shareholder of AFFIN Holding is Lembaga Tabung Angkatan Tentera, the nation's premier pension fund manager for the armed forces. As at March 31, 2007 the Group's paid-up capital stands at RM1.3 billion, while the Group's shareholders' funds as of March 31, 2007 stood at RM3.6 billion.

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