



## **AFFIN'S PROFITS UP BY 76.2%**

**KUALA LUMPUR, May 15, 2008** – AFFIN Holdings Berhad (AFFIN) is starting the year on very bullish note with a profit before tax of RM124.4 million, a 76.2% increase for the first quarter ended March 31, 2008 compared with the preceding quarter of RM70.6 million.

Earnings per share for the quarter under review was 6.19 sen as compared to 4.96 sen for the preceding year's corresponding quarter while net assets per share was RM2.90 as at 31 March 2008 [31 March 2007: RM 2.82].

YBhg. Tan Sri Dato' Lodin Wok Kamaruddin, Managing Director, AFFIN Holdings Berhad, said, "The primary contributing factor that led to the enormous increase of pre-tax profit was the significant reduction in loan loss provision.

"For this quarter, we have also seen strong, organic growth particularly for our Islamic banking operations and we are confident the remaining three quarters will continue to show positive results to bolster our earnings capacity."

AFFIN Bank Berhad led the way with a significant 51.9% jump in pre-tax profit to RM108.2 million from RM71.2 million for the preceding year's corresponding quarter. Primary factors which led to this included increases in net interest income, other operating income as well as Islamic banking income.

YBhg. Tan Sri Dato' Lodin added, "AFFIN Bank's continuous and constant performance is commendable as it remains a significant contributing entity for the success of the entire Group. Currently, we are exploring the possibilities of partnerships with other banking groups to further grow the AFFIN Islamic Banking potential."

For the quarter under review, AFFIN Investment Bank Berhad reported a profit before tax of RM15.4 million as compared to the preceding year's corresponding quarter of RM 23.2 million. Reduction in other operating income of RM4.9 million together with higher overhead expenses and loan loss provision of RM3.0 million and RM0.5 million respectively, were cushioned by a higher net interest income of RM1.4 million. The stockbroking business registered a profit before tax of RM2.7 million as compared to the preceding year's corresponding quarter of RM 11.0 million.

AFFIN Moneybrokers Sdn Bhd recorded a higher profit before tax of RM0.6 million as compared to RM 0.5 million for the same quarter last year, mainly due to an active capital market.

"This financial year holds much potential particularly from our insurance business perspective and while we keep an eye on this, we will take strong and specific steps to improve our earning potentials for our other business units. Suffice to note, we expect a good year with positive organic growth." YBhg. Tan Sri Dato' Lodin concluded.

**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 March 31, 2008 the Group's paid-up capital stood at RM1.49 billion, while the Group's shareholders' funds was at RM4.34 billion.**

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