

## *NEWS RELEASE*

### AFFIN'S 3<sup>RD</sup> QUARTER PROFIT JUMPS 86.2%

**KUALA LUMPUR, 20 November 2009** – The resilience of Malaysian banks in the face of history's worst global financial meltdown has once again been proven with the recently announced results of AFFIN Holdings Berhad (AFFIN).

In its third quarter ended 30 September 2009, AFFIN reported a higher profit before tax of RM140.0 million. This marked an impressive 86.2% jump compared with a profit before tax of RM75.2 million registered in the corresponding quarter last year. The Group's nine-month cumulative profit before tax was also higher at RM383.2 million compared with a pre tax profit of RM 288.6 million for the first nine months of the previous financial year.

The Group's improved performance was attributed to the increase in both net interest income and other operating income and a reduction in loan loss provisions.

Earnings per share for the cumulative quarter under review was 19.25 sen as compared with 13.97 sen for the preceding year's corresponding cumulative quarter while net assets per share was RM3.16 as at 30 September 2009.

In line with its improved performance, an interim dividend of 5 sen per share less 25% tax and a special dividend of 3.5 sen per share less 25% tax have been proposed for the financial year ending 31 December 2009.

YBhg. Gen (R) Tan Sri Dato' Seri Mohd Zahidi bin Haji Zainuddin, Chairman of AFFIN Holdings Berhad, said, "The AFFIN Group is on track to register another year of positive growth. Our performance has been buoyed by a fundamentally robust financial sector as well as AFFIN's ever-improving operations and processes."

“AFFIN Bank Berhad continues to be the main contributor to the Group’s earnings. Its performance has been further augmented by the significant improvement recorded by the investment bank and life insurance business segment.”

For the first nine months of its financial year, AFFIN Bank Berhad recorded a higher cumulative profit before tax of RM324.0 million compared with RM317.6 million in the same period of previous financial year. This was due to an increase in net interest income and Islamic banking income of RM45.7 million and RM12.1 million respectively coupled with a lower impairment loss on securities by RM12.5 million.

On the back of an improving financial landscape, AFFIN Investment Bank Berhad reported a significant improvement for the period under review. For its nine-month period ended 30 September 2009, it registered a profit before tax of RM53.1 million, compared with a loss of RM22.6 million before tax recorded in the previous year’s corresponding period. At the same time, AFFIN Fund Management Berhad registered a profit before tax of RM3.9 million for the period under review.

AXA-AFFIN General Insurance Berhad registered a profit before tax of RM21.0 million for the nine-month period ended 30 September 2009. Meanwhile, AXA-AFFIN Life Insurance Berhad reported a substantial jump in profit before tax of RM3.7 million from its loss of RM16.5 million before tax for the same period of its previous financial year.

“As signs of an economic recovery is imminent, we are well positioned to further enhance our performance moving forward. It is more important than ever to improve our services and offer innovative products to cater to the needs of our customers,” YBhg. Gen (R) Tan Sri Dato’ Seri Mohd Zahidi bin Haji Zainuddin 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 30 September 2009 the Group’s unaudited paid-up capital stood at RM1.5 billion, while the Group’s shareholders’ funds was at RM4.7 billion.**

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