

NEWS RELEASE

AFFIN FUND MANAGEMENT TO RAISE RM200 MILLION IN TACTICAL FUND

Move to rekindle excitement in a lack lustre market

KUALA LUMPUR --- Despite the current volatility on the global front, Affin Fund Management Berhad has today boldly launched its Affin Tactical Fund designed to deliver medium to long-term capital appreciation and protection against adverse markets by enabling investors to participate in the growth prospect of the Malaysian market.

The fund is an approved size of 800 million units and is being offered at the Initial Offer Period (IOP) price of RM0.25 per unit for the next 21 days effective 10 August 2010.

In a statement issued today, Affin Fund Management Berhad (AFMB) Chief Executive Officer Mohamad Ayob Abu Hassan said, "The fund shall invest in a broadly diversified portfolio of equities, fixed income and money market instruments over a large sector of the Malaysian market. The difference is the agility in our investments. The fund may range from 10% to 85% of the fund's NAV for equity investments, from 10% to 85% for the fixed income portion and at all times maintain a minimum of 5% of the fund's NAV in liquid assets."

"Through the use of tactical strategies and frequent portfolio reallocation between equities and fixed income securities, the asset allocation can vary between defensive or aggressive assets at any given time, depending on the market environment and/or based on the investment managers' view in order to take advantage of short-term market inefficiencies in both asset classes and to navigate changing markets with the objective of achieving sustainable, long term positive return."

AFMB, a licensed Fund Manager under the Capital Markets and Services Act 2007, is a wholly owned subsidiary of Affin Investment Bank Berhad with more than 10 years experience in investment management.

AFMB chairman, Admiral Tan Sri Dato' Seri Abu Bakar Bin Abdul Jamal (R) said, "As at 31 July 2010, AFMB's assets under management had grown to RM588 million. It manages six (6) unit trust funds with an asset size of RM465 million. Today's launch of the Affin Tactical Fund adds to our portfolio."

"The portfolio will be managed on an active basis to enhance returns and provide investors with the opportunity to obtain capital appreciation over the long haul through a disciplined investment and risk management approach."

The Affin Tactical Fund is expected to attract investors who wish to capture returns from directional trends of both asset classes; those who wish to take advantage of short-term market events; and, investors who seek potentially medium to long term capital appreciation.

Affin Fund Management Berhad (AFMB)

Affin Holdings Berhad, a public listed company, is the flagship financial services subsidiary of Lembaga Tabung Angkatan Tentera (LTAT). The Affin group offers a wide spectrum of professional financial services ranging from commercial and investment banking, general and life insurance, stock and money broking, insurance broking, fund and unit trust management.

AFMB, a licensed Fund Manager under the Capital Markets and Services Act 2007, is a wholly owned subsidiary of Affin Investment Bank Berhad. AFMB was incorporated on 18 April 1975 and began operations on 1 April 1997. On 1 July 2007, AFMB consolidated its asset management business with the unit trust business of Affin Trust Management Berhad. With the rationalization, AFMB now manages both corporate and retail funds i.e. unit trust funds, pension funds, insurance companies and high net-worth clients in the form of discretionary and direct mandates.

AFMB's assets under management had grown to RM588 million as at 31 July 2010. Currently, AFMB manages six (6) unit trust funds with asset size of RM468 million as at 31 July 2010. AFMB has more than 10 years experience in investment management.

The following is a summary of the past performance of AFMB based on audited accounts for the past three financial years ended 31 December:

	2007 (RM)	2008 (RM)	2009 (RM)
Issued and paid-up capital	12,000,000	12,000,000	12,000,000
Shareholders' funds	13,291,191	14,429,957	15,763,429
Turnover	9,443,338	11,663,222	11,762,623
Pretax profit	3,606,688	4,410,942	3,803,700
Profit after tax	2,698,501	3,358,766	3,583,472

As at 31 July 2010, AFMB has staff strength of 45, of which 34 are executives and 11 are non-executives.