



Press Release

4 July 2012

AmBank Issues Four New Call Warrants

AmBank (M) Berhad ("AmBank") is issuing four new European style cash-settled structured warrants to meet investors' demand for trading and investment opportunities in the current market scenario. The four new call warrants ("CW") will be over the ordinary shares of Felda Global Ventures Holdings Berhad ("FGV") and Multi-Purpose Holdings Berhad ("MPHB"). The structured warrants on FGV and MPHB will have tenures of approximately 12 months. The structured warrants were issued on 2 July 2012 and will be listed for trading on 5 July 2012 with issue size of up to 100 million each. All four structured warrants will be listed via the market making method.

"FGV made a successful debut on Bursa Malaysia last Thursday as its shares registered significant gains on the first day of trading, closing up 16.5% from its retail IPO price of RM4.55 after having been up as much as 20% earlier in the day. Being the 2nd largest IPO in the world for 2012, after Facebook, also provided a much needed boost to the equity markets considering the current global economic uncertainties. FGV's IPO was well taken up by institutional investors, both domestic and foreign, as evidenced by the number of cornerstone investors. As a result, allocations for retail investors were somewhat limited. Therefore, in the upcoming tranche of AmBank structured warrants, we are issuing three call warrants on FGV, with varying strike prices, to offer retail investors alternative investment opportunities to participate in FGV's stock performance. Besides FGV, AmBank is also issuing a call warrant on MPHB due to its impending restructuring exercise that would turn it into a pure gaming play and unlock value from its non-gaming assets," said Ms Ng Ee Fang, Director/Head, Equity Derivatives, AmInvestment Bank Berhad.

Plantation company FGV is among the top three largest oil palm plantation operators in the world. It currently operates over 340,000 hectares of oil palm plantation estates in Malaysia, producing 5.2 million metric tons of fresh fruit bunches in 2011, as well as operates 70 mills located throughout the country. 49%-owned associate company, Felda Holdings Berhad, is the largest producer of crude palm oil (CPO) in the world, producing 3.3 million metric tons of CPO in 2011. Moving forward, FGV is planning to use RM2.2 billion, almost half of its IPO proceeds, to further expand its landbank in Southeast Asia and Africa. For 1Q2012 ended March 31, 2012, FGV's group revenue grew 1.9 percent to RM1.72 billion and registered pre-tax profit of RM280.8 million. This reversed the loss of RM89 million in 4Q2011 but was significantly lower Y-o-y due to rising costs and declining revenues from downstream operations. AmBank's three CWs on FGV are priced at 15 sen each with varying gearings of 6.07, 7.58 and 10.11 times.

Gaming company MPHB's recent proposal to demerge and separately list its non-gaming assets has been warmly received by market investors as evidenced by its recent stock price performance. Essentially the exercise will see MPHB turn into a pure gaming play with a higher, more attractive dividend payout policy as well as removing the holding company discount currently attached to it. The exercise is also expected to further unlock the value of its other assets such as its stock-broking and insurance units. AmBank's CW on MPHB is priced at 15 sen each with gearing of 5.70 times.

This offer is aimed at sophisticated traders who want to trade on the direction and volatility of FGV and MPHB. The new CWs have gearings ranging between 5.70 and 10.11 and are targeted at investors who want to enjoy leveraged exposure to the underlying stocks.

About AmBank Group

Established in August 1975, AmBank Group is one of the largest banking groups in Malaysia by market capitalisation and comprises AMMB Holdings Berhad and its subsidiaries AmInvestment Bank Berhad, AmInvestment Group Berhad, AmBank (M) Berhad, AmIslamic Bank Berhad, AmG Insurance Berhad and AmLife Insurance Berhad.

The Group provides a wide range of conventional and Islamic banking and financial solutions, including investment banking, commercial banking, corporate banking, retail banking as well as underwriting of life and general insurance.

Adding greater value to this one-stop financial hub is the Group's strategic partnership with the Australia and New Zealand Banking Group (ANZ), one of Australia's leading financial institutions, providing the synergy of a wide network, regional presence and international banking expertise.

For more information, please visit ambankgroup.com

For more information on call warrants, please visit our website www.amwarrants.com

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