

Group Financial Highlights

	YEAR ENDED 31 MARCH				HALF-YEAR ENDED 30 SEPTEMBER		
	RM Million		Growth Rate + / (-) (%)		RM Million		Growth Rate + / (-) (%)
	2004	2003	2004	2003	2003	2002	2003
Operating revenue	2,432.3	2,385.2	2.0	45.8	1,200.8	1,172.0	2.5
Operating profit before loan and financing loss and allowances and general provision for contingencies	826.0	791.8	4.3	62.5	419.6	349.2	20.1
Loan and financing loss and allowances	369.0	496.6	(25.7)	>100.0	209.5	223.0	(6.1)
General provision/(Writeback of provision) for contingencies	37.0	(16.0)	>100.0	(>100.0)	-	(9.2)	100.0
Profit before tax and after share in results of associated company	420.0	311.2	35.0	3.7	210.1	135.4	55.1
Profit after tax and minority interests #	450.7	334.2	34.9	43.5	332.3	163.9	>100.0
Total assets #	33,720.4	32,689.5	3.2	5.2	33,536.9	31,667.2	5.9
Loans, advances and financing (net)	25,990.4	25,101.9	3.5	9.6	25,714.8	24,034.4	7.0
Deposits and borrowings	30,305.8	29,722.7	2.0	5.1	30,141.6	28,900.9	4.3
Shareholders' funds #	2,547.2	2,133.3	19.4	16.1	2,428.2	2,002.4	21.3
Pre-tax return on average shareholders' funds (%) ^^	17.9	15.7	14.5	(9.4)	18.4 **	14.1 **	30.4
Basic earnings per share (sen) +							
- Gross	79.5	58.4	36.0	(7.8)	79.5 **	52.2 **	52.4
- Net #	85.3	62.8	35.8	27.5	125.8 **	63.2 **	99.1
Gross dividend per share (sen)	10.0	10.0	-	-	-	-	-
Net dividend cover (no. of times)	11.8	8.8	34.1	28.4	-	-	-
Net tangible assets per share (RM)#	4.63	3.84	20.6	5.0	4.41	3.59	22.7
Number of employees	5,220	4,817	8.4	(13.7)	5,010	4,605	8.8
Assets per employee (RM Million)	6.5	6.8	(4.8)	21.8	6.7	6.9	(2.7)
Pre-tax profit per employee (RM'000)	80.5	64.6	24.5	20.1	83.9 **	58.8 **	42.6

Please refer to page 27 for explanation of legend.

Five-Year Group Financial Review

	YEAR ENDED 31 MARCH				
	2004	2003	2002	2001 ^	2000 ^
1. REVENUE (RM MILLION)					
a Operating revenue	2,432.3	2,385.2	1,636.1	1,448.2	1,479.6
b Operating profit before loan and financing loss and allowances and general provision for contingencies	826.0	791.8	487.4	540.2	519.6
c Loan and financing loss and allowances	369.0	496.6	187.8	174.6	217.3
d General provision/(Writeback of provision) for contingencies	37.0	(16.0)	(0.6)	25.0	-
e Profit before tax and after share in results of associated company	420.0	311.2	300.2	340.6	302.3
f Profit after tax and minority interests #	450.7	334.2	232.8	242.0	214.2
2. BALANCE SHEET (RM MILLION)					
Assets					
a Total assets *#	33,720.4	32,689.5	31,083.1	17,178.9	15,006.9
b Loans, advances and financing (net) *	25,990.4	25,101.9	22,909.0	13,548.6	11,783.6
Liabilities and Shareholders' Funds					
a Deposits and borrowings *	30,305.8	29,722.7	28,289.6	15,074.6	13,209.5
b Paid-up share capital	528.8	528.4	472.8	472.7	472.1
c Shareholders' funds #	2,547.2	2,133.3	1,838.1@	1,623.0@	1,413.7@
3. PER SHARE (SEN)					
a Gross earnings - basic +	79.5	58.4	63.3	72.1	65.4
b Net earnings - basic + #	85.3	62.8	49.3	51.2	46.4
c Net tangible assets #	463.4	384.3	366.0	343.3	299.5
d Gross dividend	10.0	10.0	10.0	10.0	10.0
4. FINANCIAL RATIO (%)					
a Pre-tax return on average shareholders' funds^^	17.9	15.7	17.3	22.4	23.2
b Pre-tax return on average total assets *	1.3	1.0	1.2	2.1	2.0
c Loans, advances and financing to deposits and borrowings *	85.8	84.5	81.0	89.9	89.2
5. SHARE PRICE (RM)					
a High	7.10	5.60	5.00	5.30	6.00
b Low	3.92	3.78	1.76	2.21	1.20

** Annualised

^^ Adjusted for minority interests

@ Including ICULS

* Comparative figures for 2000 to 2001 had been restated to comply with BNM's revised guideline on loans sold to Cagamas

+ Based on weighted average number of shares in issue during the year

^ This represents figures for the Company as financial year ended 31 March 2002 was the first financial year of consolidation for the Group

After adjusting for the adoption of MASB 25, Income Tax, on the measurement and recognition of deferred tax assets and/or liabilities and MASB 19, Events After Balance Sheet Date, on the recognition of dividends, which have been applied retrospectively.



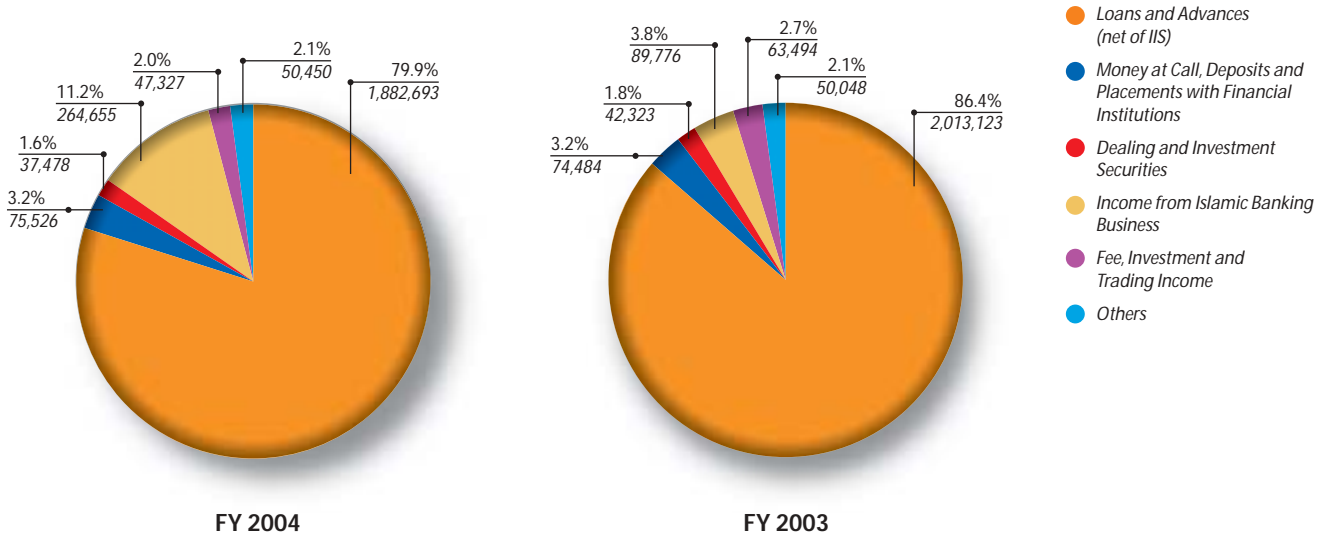
Group Financial Review

Overview

Having successfully completed the merger integration exercise with MBf Finance Berhad more than a year ago, the AMFB Holdings Berhad Group (the Group) has begun to realise the synergies of the merger namely its extensive nationwide branch presence. The Group's profit before tax increased by 35% to RM420.0 million for Financial Year (FY) 2004 primarily as a result of the expansion of the Group's hire-purchase business undertaken by the Group's wholly-owned subsidiary AmFinance Berhad (AmFinance). AmFinance's enlarged branch presence and committed panel of motor vehicle dealers helped AmFinance maintain its leadership position in the motor vehicle financing segment.

As a result of tax credits, the Group registered a profit after tax of RM450.7 million which is 34.9% higher than the previous financial year's profit after tax of RM334.2 million. Consequently, the Group's fully diluted earnings per share improved from 62.8 sen per share for FY 2003 to 85.2 sen per share for FY 2004 as the Group continues to add shareholder value.

Group Sources of Income (RM'000)

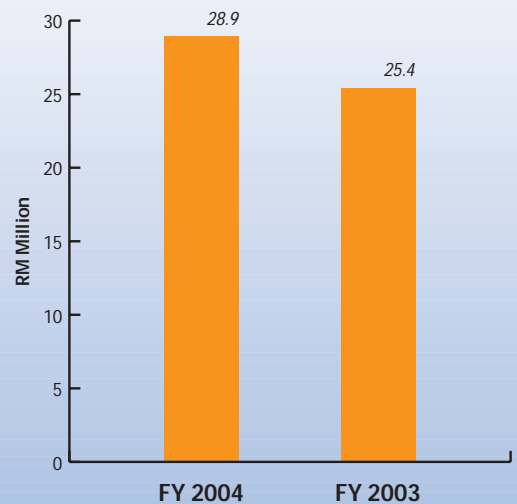


Operating Profit

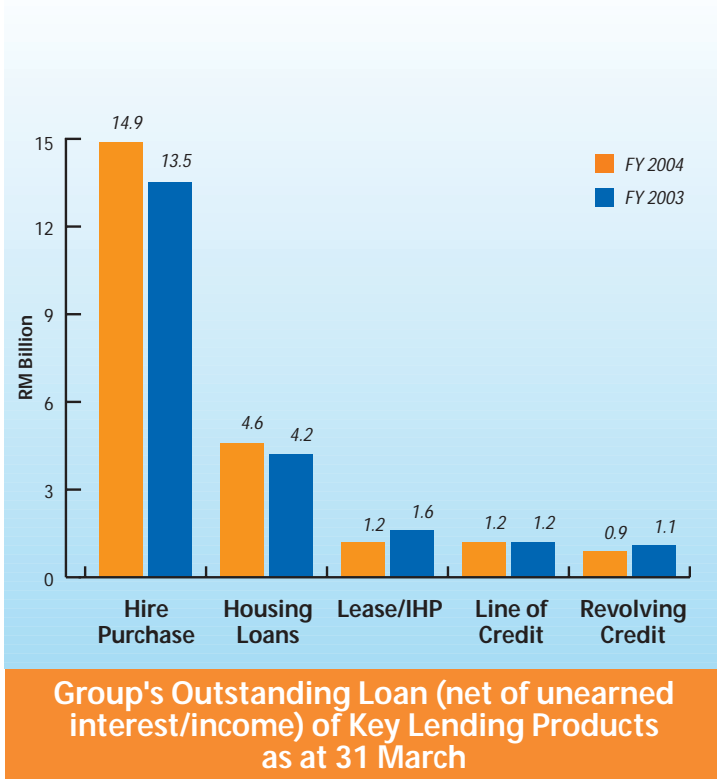
Despite challenging operating conditions, the Group has shown that it can deliver results. For the financial year ended 31 March 2004 (FY 2004) the Group registered a higher profit before tax (PBT) of RM420.0 million which is about 35% higher than previous year's PBT. The higher PBT was primarily due to lower interest expenses and higher contributions from the Group's Islamic banking business. The Group's income from Islamic banking business almost tripled from RM89.8 million for FY 2003 to RM264.7 million for FY 2004 as a result of higher income from financing activities primarily the Islamic hire-purchase financing.

In addition to the Group's improved financial results, the Group remains committed to improving its asset quality. The Group had managed to lower its loans and financing loss and allowances by RM127.5 million or 25.7% to RM369.0 million for FY 2004 as compared to RM496.6 million in the previous financial year and therefore contributed to the improved financial performance of the Group.

The Group managed to generate 36.6% higher commissions totalling RM16.0 million for FY 2004 which contributed to the Group's higher non-interest income of RM40.1 million as compared to RM39.2 million for FY 2003. The higher commissions were primarily due to cross servicing initiatives with the AmBank Group's commercial bank and insurance businesses.



Group's Fee Based Income

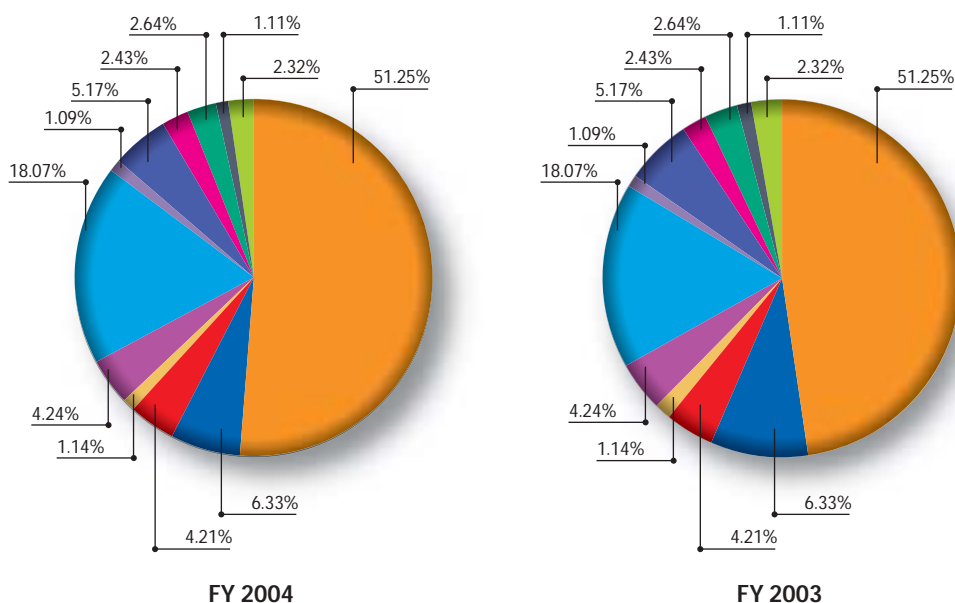


Loans Growth and Industry Exposure

The Group's hire-purchase assets continued to grow because of the dominance of the AmBank Group in the motor vehicle financing market. The Group's gross hire-purchase loans enlarged by RM1.4 billion or 8.5% to RM18.1 billion as at 31 March 2004. The Group also managed to extend its reach in the housing loans market as evidenced by the RM481.6 million or 11.1% expansion of its housing loans portfolio. However, the growth in these segments were partially offset by contractions in the Group's other loans segments. Accordingly, the Group's gross loans only increased by RM350.6 million or 1.3% to RM28.1 billion as at 31 March 2004.

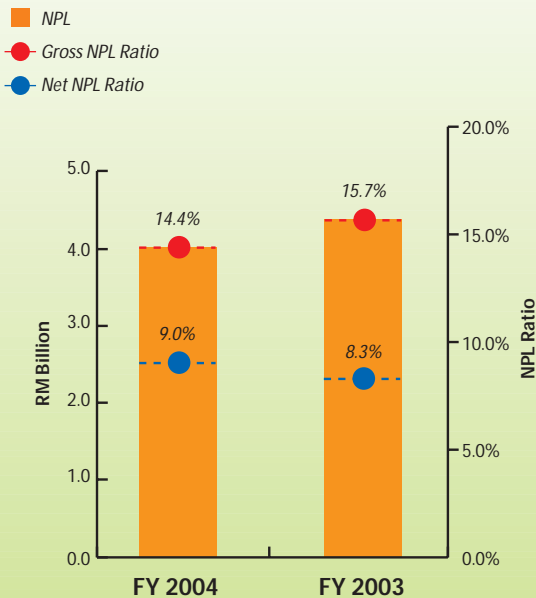
The Group's proactive steps to improve the quality of its loan assets are bearing fruit. The Group's specific provisions for bad and doubtful loans were lower by RM311.8 million or 29.8% to RM0.7 billion as at 31 March 2004. The Group's interest/income in suspense were also lower by RM242.6 million or 20.4% from RM1.2 billion as at a year ago.

Group's Outstanding Loan Balances by Industry



- Purchase of Transport Vehicles
- Residential Property
- Manufacturing
- Construction
- Agriculture/Mining
- Finance, Insurance and Business Services
- Credit Cards
- Non-residential Property
- Purchase of Securities
- Real Estate
- General Commerce
- Others





Analysis of Group's NPL

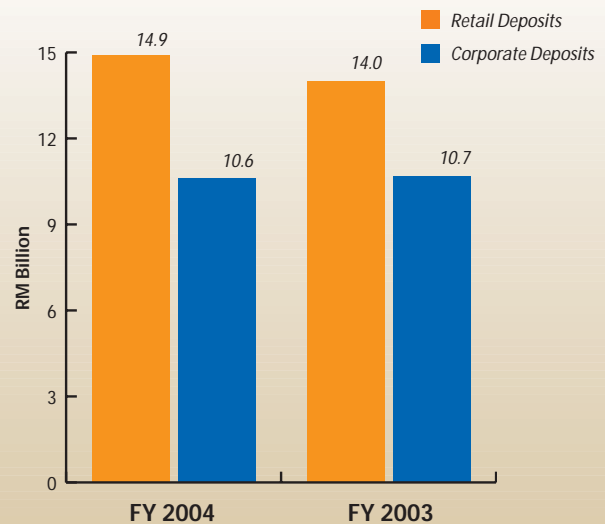
Non-Performing Loans and Provisions

Although the Group's gross non-performing loans (NPLs) were lower by RM297.6 million or 6.8% to RM4.1 billion as at 31 March 2004, its net NPL increased by RM256.8 million or 12.2% to RM2.4 billion. Accordingly, the Group's NPL ratio was slightly higher at about 9.0% as at 31 March 2004 as compared to 8.3% one year ago.

Deposits and Funding Structure

The Group's total deposits were slightly higher by 3.1% or RM756.9 million for a total of RM25.5 billion as at 31 March 2004 mainly due to higher deposits from customers which was higher by 4.1% to RM20.4 billion. The bulk of the increase was due to higher Islamic deposits arising from the expansion of the Group's retail Islamic banking business. The majority, or 87.2%, of these deposits are fixed or investment deposits.

Retail deposits comprised 73.1% of deposits from customers as at 31 March 2004. The Group continues to actively source for retail deposits for its funding purposes as this category of deposits are in aggregate generally more stable and therefore the preferred sources of funding.



Group's Composition of Retail to Corporate Deposits

Shareholders' Funds

The Group's shareholders' funds increased to RM2.5 billion as at 31 March 2004 from RM2.1 billion as at one year ago primarily due to internally generated retained earnings of RM450.7 million for FY 2004.

As a result of a change in the industry-wide accounting treatment mandated by BNM with effect from August 2003, the Group's deferred tax assets or liabilities has been excluded in the computation of capital adequacy ratio. Consequently, the Group, which has a deferred tax asset totalling RM701.2 million as at 31 March 2004, registered a lower core capital ratio of 6.6% as compared to 8.0% as at 31 March 2003. Similarly, the Group's risk-weighted capital ratio was also lower at 11.1% as at 31 March 2004 as compared to 12.2% previously. However, the sole entity within the Group that statutorily has to maintain capital adequacy ratios is AmFinance. As at 31 March 2004, AmFinance's risk weighted capital adequacy ratio improved to 11.2% (31 March 2003: 10.8%) and exceeds BNM's minimum requirements.

Group's Distribution of Shareholders' Funds

