

**Press
Release**

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AmMutual and AmIslamic Funds Management funds declare income distributions
AmIslamic Funds Management's funds, namely AmIttikal and AmBon Islam as well as AmMutual's AmBond have declared income distributions for their unitholders.

An equity fund investing in Malaysia based on shariah principles, AmIttikal has declared on 23 September 2009 a final income distribution of 1.5 sen per unit for financial year ending September 2009. The total income distribution of 2.5 sen from the interim and final income distribution represented a yield of 5.3% investment return for the fund's financial year based on the net asset value (NAV) per unit of RM0.4684 as at 30 September 2008. AmIttikal is designed as a medium to long term investment with an objective of producing "halal" income and to a lesser extent capital growth.

AmBon Islam, an award-winning* fund of the Edge-Lipper Malaysia Fund Awards for two consecutive years and Failaka Islamic Fund Awards, declared on 28 September 2009 a final income distribution of 1.5 sen per unit for financial year ending September 2009. The final income distribution together with the interim income distribution, totaling 3.0 sen, represents a yield of 2.9% investment return for the fund's financial year based on the NAV per unit of RM1.0395 as at 30 September 2008. AmBon Islam is a medium to long-term Islamic bond fund that aims to provide a stream of "halal" income.

AmBond, a medium to long-term bond fund that aims to provide a stream of income, has declared for its unitholders as at 25 September 2009, an interim income distribution of 2.0 sen per unit for the financial year ending March 2010. The interim income distribution represented a yield of 1.9% investment return based on the NAV per unit of RM1.0520 as at 31 March 2009.

"As at 31 August 2009, AmIttikal, AmBon Islam and AmBond have respectively delivered a three-year total return of 36.8%, 21.6% and 24.1%** outperforming their respective benchmarks with excess returns of 14.0%, 9.6% and 8.9%," said Datin Maznah Mahbob, Chief Executive Officer of Funds Management Division, AmInvestment Bank Group.

"At this moment, every indication seems to suggest that the global recession is ending (or about to end) and a recovery is underway. Even the export sector will probably see some rebound as is evident from the rising US Institute for Supply Management (ISM) manufacturing new order index. This would provide some help to the export driven economies in Asia which will take time to restructure their economies to be more consumer driven. All these imply that the market uptrend will continue although bouts of retracement will happen if earnings fall slightly below expectation. We maintain our medium term positive view but believe that the near term rally is capped until better macro clarity unfolds for second half of 2010 and year 2011. We will accumulate stocks on weakness and continue to trade on market volatility," added Datin Maznah.

"In light of the supply concern on Government Securities coupled with the expectation that the market is approaching the end of a rate-cut cycle, the fund will shift higher allocation into Private Debt Securities (PDS) to add value to the bond funds. Our bond funds will however be very selective in their PDS exposure to ensure that unitholders' capital is always protected," she added.

There are 45 unit trust funds marketed under the brand name of AmMutual (for conventional funds) and AmIslamic Funds Management (for shariah-compliant funds). The total assets under management of AmMutual and AmIslamic Funds Management funds, together with two exchange-traded funds and discretionary mandates, was RM17.5

billion as at 31 August 2009.

* The Edge-Lipper Malaysia Fund Awards 2009 - Best Bond Malaysian Ringgit Islamic Fund (3 Years) and Failaka Islamic Fund Awards 2008 - Best Malaysian Islamic Bond Fund (3 Years) ** Source: Lipper Hindsight 5 as at 31 August 2009

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