

PressRelease

10 December 2010

Award-winning Funds Management Division, AmInvestment Bank Group launches AmConstant Multi Maturity

In response to strong demand for AmConstant series of funds, award-winning AmInvestment Bank Group's Funds Management Division (FMD) has launched AmConstant Multi Maturity. This is the tenth Fund under AmConstant series following the success of preceding matured AmConstant funds that have provided annualized returns higher than fixed deposit rate in Malaysia during their tenure¹. "During periods of a challenging global economy and volatile markets, investors turn to fixed income instruments to provide consistent returns while emphasising on capital preservation. This is because bonds have proven to be lowly correlated to the equity markets². This closed ended bond fund adopts a 'buy and hold' strategy to preserve capital while holding high quality bonds to minimize credit risk. , " said FMD's CEO Datin Maznah Mahbob.

AmMutual's AmConstant Multi Maturity is targeted to investors seeking potentially higher regular returns than FD rate in the form of annual income distribution³ throughout the Fund's five-year tenure. The Fund is able to invest in foreign bonds and other foreign fixed income instruments to enhance its yields. However, all currency risks have been mitigated by hedging.

"One of the key features of the Fund is that it provides capital repayment that will be apportioned based on a fixed ratio starting from the 3rd year until the end of the tenure. The ratio of the capital repayment is fixed at the Fund's commencement date and subject to none of the bonds defaulting. Furthermore, investors can look forward to a possibility of the Fund terminating earlier than its 5-year maturity if it gives a total return of at least 13% in the second year, 19.5% in the third year or 26.0% in the fourth year." said Datin Maznah Mahbob.

"Investors can leverage on FMD's expertise in managing the Fund which was awarded "Malaysia's Asset Management Company of the Year"⁴. FMD is the largest fixed income fund manager in Malaysia⁵ and has won prestigious awards in the fixed income category with EPF's Best Overall Fixed Income Portfolio Manager and the Edge-Lipper's Best Bond Fund Group⁶. FMD's fixed income fund managers have been consistently singled out as Malaysia's Most Astute Investors in Asian Currency Bonds⁷," added Datin Maznah Mahbob.

The Fund has an offer period of 45 days, until 1 January 2011 at the price of RM1.00 per unit. Its initial and additional investment is RM5,000 and is exclusively available at AmBank, AmBank Wealth Management (Agency Sales), Citibank and Maybank.

About AmMutual

To date, there are 60 unit trust funds marketed under the brand name of AmMutual (for conventional fund) and AmIslamic (for shariah-compliant fund). These funds include Malaysia's series of firsts* in the unit trust industry, such as the first cash management trust, the first bond and equity exchange-traded fund, the first global Islamic equity fund, the first agribusiness fund as well as the first precious metals fund.

Both AmMutual and AmIslamic funds are managed by award-winning FMD of AmInvestment Bank Group which is one of the leading fund management houses in terms of assets under management (AUM). FMD has been named Malaysia's Asset

Management Company of the Year⁴. AmIslamic Funds Management which is part of the Funds Management Division of AmInvestment Bank Group, won this year's Islamic Asset Management House of the Year for Asia Pacific region⁸.

The award recognizes the best asset management company in Malaysia that has built a comprehensive platform for investing in different asset classes and servicing the investing needs of institutional, corporate and retail clients.

The total AUM of AmMutual and AmIslamic funds, together with two exchange-traded funds and discretionary mandates is approximately RM22.2 billion as at 31 October 2010.

* Source: Lipper-Hindsight as at 31 October 2010

¹ Source: Annual Report of AmConstant (dated 29 January 2007), AmConstant-Series 2 (dated 20 August 2007) and AmConstant 12/7 (dated 24 December 2007)

² Based on performance comparison between RAM Quant Shop MGS Bond Short 1-3 Year and FTSE Bursa Malaysia KLCI. Source:Lipper Hindsight, 31 August 2005 to 31 August 2010. Note: Past performance is not indicative of future performance.

³ Based on 1-year MBB's FD rate at point of Fund's Commencement

⁴ Source: The Asset Triple A Investment Awards 2010, 13 October 2010

⁵ In terms of funds under management. Lipper Hindsight, Malaysian Association of Asset Managers (MAAM), 30 September 2010

⁶ EPF's Portfolio Managers Annual Dinner 2010, 21 April 2010, The Edge-Lipper Malaysia Fund Awards 2010, 23 February 2010

⁷ The Asset Benchmark Research, 16 November 2010

⁸ Source: The Asset Triple A Asian Awards 2010, 6 July 2010

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