

PressRelease

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AmBank Issues Five New Call Warrants (Listing 13 April)

AmBank (M) Berhad ("AmBank") is issuing five new European style cash-settled call warrants ("CW") to meet investor demand for trading opportunities and alternative investments for current market conditions over the ordinary shares of Gamuda Berhad ("GAMUDA"), Mah Sing Group Berhad ("MAHSING"), YTL Land & Development Berhad ("YTLLAND"), Malaysian Airline System Berhad ("MAS") and Mudajaya Group Berhad ("MUDAJYA"). The CWs will be listed on 13 April 2011 with tenures of approximately eleven months and issue size of up to 100 million each.

"For this issuance, we take note of the much anticipated Invest Malaysia 2011 conference on 12 and 13 April. This annual conference's keynote address by the Prime Minister is expected to provide insights on government initiatives for the coming months. Malaysia's biggest corporate heads will also be presenting their companies' latest corporate developments and outlook. With its high profile participants and presenting corporates, we expect the conference to provide a positive impact on the domestic equity markets. Two of the companies that we are issuing CWs over, MAHSING and MAS, are participating at Invest Malaysia as well as YTLLAND's parent company YTL Corporation Berhad. AmBank's warrant programme aims to provide market participants trading opportunities and leveraged exposure via our latest tranche of CWs on GAMUDA, MAHSING, YTLLAND, MAS and MUDAJYA," said Ms Ng Ee Fang, Director/Head, Equity Derivatives, AmInvestment Bank Berhad.

Civil engineering, construction and property development company GAMUDA remains a favourite among fund managers due to its role as a project delivery partner for the Klang Valley MRT project. The Klang Valley MRT project is currently estimated to be worth around RM50 billion. GAMUDA's joint venture with MMC Corp Bhd, MMC-Gamuda Joint Venture Sdn Bhd, enjoys the first right of refusal to secure the tunneling contract, worth an estimated RM7.0 billion, for the Sg. Buloh-Kajang line due to be awarded later in the year. Besides that, GAMUDA's property division recorded impressive year-on-year gains in sales and earnings of 20% and 32% respectively for 1HFY11 (ended Jan 31), driven by good take-up rates at Bandar Botanic, Horizon Hills and Jade Hills. As for GAMUDA's property projects in Vietnam, Celadon City in Ho Chi Minh garnered encouraging response from buyers with 159 bookings registered at its pre-launch while Gamuda City (formerly Yenso Park) in Hanoi is set for launch in July. AmBank's CW on GAMUDA is priced at 15 sen with a gearing of 5.15 times.

2010 was a very busy year for property developer MAHSING as it registered a record RM1.5 billion in sales. The impressive sales figures were driven by good take-up rates at Garden Residence, Perdana Residence 2, i-Parc 1 & 3@Bukit Jelutong and MSuites@Jalan Ampang. As a result of its excellent performance in 2010, MAHSING is targeting RM2.0 billion in sales for 2011 and property launches worth an estimated RM2.5 billion. Currently, the GDV of its projects exceeds RM10 billion indicating strong growth for the company in coming years. One of its most anticipated projects is the RM3 billion Icon City, a large integrated development located strategically at the crossroad of the Lebuhraya Damansara Puchong (LDP) and Federal Highway. MAHSING's plastics division also registered significant gains in revenue and operating profit for 2010. AmBank's CW on MAHSING is priced at 15 sen with a gearing of 5.58 times.

Property developer YTLLAND grabbed headlines recently with its recent launch of The Capers, a condominium project in Sentul East, which was almost fully sold out during the launch. YTLLAND is the master developer of Sentul which is poised to become a major public transport interchange which would significantly re-rate land prices there. As it stands, Sentul is an interchange for the LRT and KTM and is expected to have a stop on the proposed Circle Line of the Klang Valley MRT system with direct trains to KLCC. Besides Sentul, YTLLAND's landbank in Bukit Bintang and KL Sentral are also expected to benefit from potential MRT interchanges. Moving forward, YTLLAND will be turning into a regional, if not global, developer as parent company YTL Corporation Berhad injects assets, such as Sentosa Cove and Westwood Apartments in Singapore, and landbank into YTLLAND. AmBank's CW on YTLLAND is priced at 15 sen with a gearing of 3.22 times.

Airline company MAS reported higher passenger traffic and load factors for the final quarter of last year. Passenger traffic was reported to be up 11% while load factor came in at 77% for 4QFY10 (ended Dec 31), according to AmResearch's report dated 28 February 2011. For the

whole of 2010 the load factor was at a record high of 76%. Besides passenger traffic, MAS cargo demand continued to be strong with expectations for FY11 cargo volume to grow by 5.0%. MAS has been able to pass on increasing fuel costs to its cargo customers and has also reportedly hedged 25% of its 2011 fuel requirement at US\$88 per barrel of West Texas Intermediate (WTI) crude. AmBank's CW on MAS is priced at 15 sen with a gearing of 6.13 times.

Engineering and construction company MUDAJYA is reported to be working with Alstom on the civil portion of the 1000MW Janamanjung plant EPCC contract bid. An Alstom-led consortium had just recently secured the contract to develop the 1000MW coal-fired power plant in Manjung, Perak. The entire EPCC contract for Janamanjung plant is estimated to be RM5.0 billion and the civil portion is estimated to be RM1.0 billion. In India, MUDAJYA has submitted three proposals for highway projects under the National Highway Authority of India. The projects are estimated to be worth about RM800 million to RM1 billion each. AmBank's CW on MUDAJYA is priced at 15 sen with a gearing of 4.03 times.

This offer is aimed at sophisticated traders who are bullish on GAMUDA, MAHSING, YTLLAND, MAS and MUDAJYA. The new CWs have gearings ranging between 3.22 and 6.13 and are targeted at investors who want leveraged exposure to the underlying.

About AmBank Group

Established in August 1975, AmBank Group is the fourth largest banking group in Malaysia by market capitalisation and comprises AMMB Holdings Berhad and its subsidiaries 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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