

## PressRelease

14 April 2011

### AmBank Issues Five New Call Warrants

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 Kencana Petroleum Berhad ("KENCANA"), MMC Corporation Berhad ("MMCCORP"), SapuraCrest Petroleum Berhad ("SAPCRES"), Sarawak Oil Palms Berhad ("SOP") and Golden Agri-Resources Limited ("GAR"). The CWs will be listed on 18 April 2011 with tenures of approximately nine months and issue size of up to 100 million each.

"With the Sarawak elections taking place this weekend and the Invest Malaysia 2011 conference just concluded, 2011 is bound to be a busy year as the government embarks on the execution of Economic Transformation Programme (ETP) initiatives. Hence, we are issuing CWs on KENCANA and SAPCRES, two major beneficiaries of the government's efforts to turn Malaysia into a regional oil and gas hub, and MMCCORP for its role as a project delivery partner for the Klang Valley MRT system. We are also issuing the first ever CWs on SOP and GAR," said Ms Ng Ee Fang, Director/Head, Equity Derivatives, AmInvestment Bank Berhad.

Oil and gas company KENCANA has been riding the recent up-cycle in domestic oil and gas contract rollouts by national oil company Petronas. KENCANA's involvement in three marginal field projects, Berantai, Sepat and Cendor, has bumped up its current order book to RM2.2 billion from RM1.9 billion earlier. AmBank's CW on KENCANA is priced at 15 sen with a gearing of 4.80 times.

SAPCRES is another oil and gas company expected to benefit significantly from the contract rollouts by Petronas. Similar to KENCANA, SAPCRES secured a 25% equity stake in the Berantai marginal field project and it boasts a huge RM9 billion order book and a dominant position in the installation of pipelines and facilities (IPF) sector with a 60-70% market share. AmBank's CW on SAPCRES is priced at 15 sen with a gearing of 5.17 times.

GAR is among the world's largest oil palm plantation companies with total planted area in excess of 400,000 hectares located in Indonesia. For FY11, management is also guiding for new plantings of 20,000-30,000 hectares. As for its operations in China, GAR is planning to more than double its soybean crushing capacity there from 1.0 million to 2.3 million metric tons. AmBank's CW on GAR is priced at 15 sen with a gearing of 5.76 times.

Plantations company SOP is the pioneer of commercial planting of oil palm in Sarawak. Going forward, management is planning to plant 5,000-6,000 hectares annually and is continuously looking for new land to expand its plantations. It is estimated that Sarawak has over 1.5 million hectares of land suitable for palm oil cultivation. The state government has also approved more than 720,000 hectares of Native Customary Rights (NCR) land for plantation projects. AmBank's CW on SOP is priced at 15 sen with a gearing of 3.96 times.

Conglomerate MMCCORP is a project delivery partner of the Klang Valley MRT project via its JV with Gamuda Berhad. Together with JV partner Gamuda Berhad, MMCCORP enjoys the first right of refusal to secure the tunneling contract, worth an estimated RM7.0 billion for the Sg. Buloh-Kajang line to be awarded later this year. The potential listing of natural gas distributor Gas Malaysia would also provide a boost to MMCCORP, which holds a 41.8% effective interest in the company. AmBank's CW on MMCCORP is priced at 15 sen with a gearing of 4.65 times.

This offer is aimed at sophisticated traders who are bullish on KENCANA, SAPCRES, GAR, SOP and MMCCORP. The new CWs have gearings ranging between 3.96 and 5.76 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](http://www.ambankgroup.com)

**For more information on call warrants, please visit our website [www.amwarrants.com](http://www.amwarrants.com)**

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