

Press Release

27 April 2011

AmBank Issues Four New Call Warrants

AmBank (M) Berhad ("AmBank") is issuing four 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 BIMB Holdings Berhad ("BIMB"), IGB Corporation Berhad ("IGB"), Petronas Chemicals Group Berhad ("PCHEM") and TSH Resources Berhad ("TSH"). The CWs will be listed on 28 April 2011 with tenures of approximately eight months and issue size of up to 100 million each.

"For AmBank's upcoming tranche of warrants, we are introducing the first ever structured CWs on BIMB and TSH to meet investors' demand for new trading and investment opportunities. Besides that, we are also issuing CWs on property development and investment company IGB as well as petrochemicals giant PCHEM as both the property and oil & gas sectors remain among the favourites of domestic investors," said Ms Ng Ee Fang, Director/Head, Equity Derivatives, AmInvestment Bank Berhad.

BIMB provides Islamic banking services through its subsidiary Bank Islam, the first Shariah-based financial institution in Malaysia. Bank Islam currently has a sizeable network of 112 branches and more than 800 self-service terminals around Malaysia. Recently Bank Islam emerged as the single largest shareholder in Sri Lanka's Amana Bank with a 20% stake. Amana Bank currently operates 14 branches in Sri Lanka with plans to expand to 60 to 65 outlets in five years. The overseas banking venture is Bank Islam's first and in line with its regional expansion plans. On the local front, BIMB could potentially be bidding for a stake in rival Bank Muamalat Malaysia as Khazanah Nasional, which owns a 30 percent stake, plans to divest its holdings. AmBank's CW on BIMB is priced at 15 sen with a gearing of 5.20 times.

Property company IGB recently announced that it will be starting soon on the construction of Mid Valley City Phase 3 with estimated gross built-up area exceeding one million sq ft, comprising office and retail space. IGB had also recently disposed of The Gardens retail mall to 75%-owned KrisAssets Holdings. The injection of The Gardens Mall into KrisAssets is part of IGB's long term plan to unlock value from its investment properties. As a result of the transaction IGB will receive RM491 million in cash proceeds out of which RM436 million will be used for future property development projects and property investment opportunities. The remaining RM55 million will be paid out as special dividends to shareholders. AmBank's CW on IGB is priced at 15 sen with a gearing of 7.10 times.

PCHEM, the largest integrated petrochemicals producer in Malaysia, is expected to benefit from higher petrochemical prices on the back of rising crude oil prices. The civil unrest in West Asia has not only driven up crude oil prices but could also delay the construction of new petrochemical plants in Saudi Arabia, Qatar and other UAE countries. PCHEM with its high fixed proportion of favourably priced feed stock stands to benefit from higher prices on the current supply concerns. Olefin and polymers accounted for 78% of PCHEM's 9MFY11 (ended Dec 31) revenue and 90% of net profit. AmBank's CW on PCHEM is priced at 15 sen with a gearing of 6.01 times.

Plantations company TSH is expected to register double digit growth in its fresh fruit bunch (FFB) production for 2011 and 2012 as its oil palm trees mature and reach prime production age. With the expected surge in palm oil production, TSH will transform into an upstream player where margins and profitability are higher compared to its current business model where it operates more as a palm oil miller. TSH has plantation landbank in excess of 70,000 hectares, the bulk of which is in Indonesia, and 35% to 40% of that is planted. AmBank's CW on TSH is priced at 15 sen with a gearing of 4.53 times.

This offer is aimed at sophisticated traders who are bullish on BIMB, IGB, PCHEM and TSH. The new CWs have gearings ranging between 4.53 and 7.10 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

For general enquiries, please contact 03-9235 3388 or email to ED-SS@ambankgroup.com

For media enquiries, please contact Ms Ng Ee Fang, Director/Head, Equity Derivatives, AmInvestment Bank Berhad at tel: 03-2036 1384 or via email at ng-ee-fang@ambankgroup.com