



Press Release

26 November 2012

AmBank Issues Five New Structured Warrants

AmBank (M) Berhad ("AmBank") is issuing five new European style cash-settled structured call warrants ("CW") over the ordinary shares of Gamuda Berhad ("GAMUDA"), Supermax Corporation Berhad ("SUPERMX"), Public Bank Berhad ("PBBANK"), Hong Leong Bank Berhad ("HLBANK") and Astro Malaysia Holdings Berhad ("ASTRO"). The structured warrants will be listed for trading on 27 November 2012, via the market making method, with issue size of up to 100 million each and tenures of approximately 12 months. The Bursa stock short names for the five CWs are GAMUDA-C4, SUPERMX-CM, PBBANK-CV, HLBANK-CH and ASTRO-CK.

"Malaysia's benchmark FBMKLCI Index continues to trade near recent highs on the back of better than expected Q3 GDP growth at 5.2%. Public and private investment activities were key drivers especially the various ETP projects initiated by the Malaysian government to date. Therefore, for AmBank's latest tranche of warrants, AmBank will be offering call warrants over GAMUDA and SUPERMAX which are expected to benefit directly from the roll-out of ETP projects moving forward. AmBank will also be offering call warrants over PBBANK, HLBANK and ASTRO, each an established brand name in the domestic market," said Ms Ng Ee Fang, Director/Head, Equity Derivatives, AmInvestment Bank Berhad.

GAMUDA is eyeing RM10 billion of new jobs in 2013 on top of its already sizeable order book of RM4.8 billion. Out of the total new orders for 2013, the second and third proposed MRT lines would be key drivers where GAMUDA is expected to be a front-runner for the two jobs given its proven track record. For FY13 (ending 31 July), GAMUDA is also targeting property sales of RM1.7 billion comprising

RM1.3 billion from Malaysia and RM350 million from Vietnam. In terms of new launches in the coming months, GAMUDA is planning to launch two new city-centre developments, the Madge Mansions in Ampang Hilir and The Robertson Suites in Pudu. Both developments would have estimated combined Gross Development Value of RM1.3 billion. AmBank's CW on GAMUDA is priced at 15 sen each with gearing of 4.89 times.

Glove-maker SUPERMX is planning to increase the percentage of nitrile gloves in its product mix to over 50% by 2013. To achieve that, SUPERMX is fast-tracking the construction of new factories to produce the gloves with estimated capacity of over 5 billion pieces, effectively doubling its nitrile glove capacity to 10.5 billion pieces. SUPERMX is allocating RM187 million in capital expenditure until 1HFY14 (ending June 30) for new plants and equipment while looking to automate its manufacturing processes to save on labour costs. AmBank's CW on SUPERMX is priced at 15 sen each with gearing of 4.64 times.

For PBBANK, its 3QFY12 (ended 30 September) net earnings grew 3.2% Q-o-Q and 5.5% Y-o-Y to RM983.3 million. Total group loans growth was higher at 3.0% Q-o-Q with its Hong Kong operations making up 5.5% of total group loans. Annualized loans growth was significantly higher at 11.3%. Retail lending remains the key segment for PBBANK as it continues to focus on financing for residential properties, passenger vehicles and lending to small/mid-sized enterprises. AmBank's CW on PBBANK is priced at 15 sen each with gearing of 10.34 times.

HLBANK reported robust earnings for its 1QFY13 (ended 30 September) with net profit rising 21% Q-o-Q and 19.5% Y-o-Y to RM477.3 million. Annualised net earnings were also 1.9% above consensus net earnings of RM1.87 billion. For the quarter, HLBANK registered annualized loans growth of 5.4% while gross impaired loans decreased 3.3% Q-o-Q. Overall gross impaired loans ratio stood at 1.6%. As for 20%-owned associate Bank of Chengdu, its pre-tax profit contribution remained steady for 1QFY13 at RM61 million or 9.2% of group profit before tax. AmBank's CW on HLBANK is priced at 15 sen each with gearing of 4.83 times.

ASTRO recently announced it had secured the broadcast rights for the Barclays Premier League ("BPL") in Malaysia for the next three seasons from 2013/14 to 2015/16. It is estimated that the rights cost ASTRO close to RM1 billion for the three seasons compared to the RM800 million paid previously. Retaining the broadcast rights for the BPL provides a boost for ASTRO as the BPL is extremely popular and widely followed by Malaysian viewers. Over half of ASTRO's subscribers are estimated to be on its sports package, mainly driven by demand for BPL matches. AmBank's CW on ASTRO is priced at 15 sen each with gearing of 2.96 times.

This offer is aimed at sophisticated traders who want to trade on the direction and volatility of GAMUDA, SUPERMX, PBBANK, HLBANK and ASTRO. The new CWs have gearings ranging between 2.96 and 10.34 and are targeted at investors who want to enjoy leveraged exposure to the underlying stocks.

About AmBank Group

Established in August 1975, AmBank Group is one of the largest banking groups in Malaysia by market capitalisation and comprises AMMB Holdings Berhad and its subsidiaries AmInvestment Bank Berhad, AmInvestment Group Berhad, AmBank (M) Berhad, AmIslamic Bank Berhad, AmG Insurance Berhad, AmLife Insurance Berhad and AmFamily Takaful 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 insurance, general insurance and takaful.

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