



AmBank Group

Press Release

3 December 2012

AmBANK GROUP NEW OWNER OF MBF CARDS

AMMB Holdings Berhad ("AMMB" or "AmBank Group") announced today that it has become the new owner of MBF Cards (M'sia) Sdn. Bhd. ("MBF Cards").

The change in ownership follows approval by Bank Negara Malaysia ("BNM") of AMMB's proposal to acquire MBF Cards for RM623.4 million, subject to adjustments from the review of the net asset value of MBF Cards.

The transaction involved the acquisition of MBF Cards' card issuing and merchant acquiring businesses under Visa, MasterCard, Japan Credit Bureau and China Union Pay licences, bill payments, in addition to MBF Cards' ownership of 33.33% in Bonuskad Loyalty Sdn Bhd ("BonusLink").

With the integration of the businesses, AMMB will emerge as a strong player in the cards landscape with an enlarged cardmember base and merchant network. The integration will also generate significant synergies for the Group.

Meanwhile, it is "business as usual" as both organisations will continue to run separately through to the middle of 2013, using the current network.

Tan Sri Azman Hashim, Chairman of AmBank Group, said, "The acquisition enhances the profile of our merchant acquiring and card issuance businesses with a greatly enlarged merchant network and an increase in receivables.

"It also fits well with our Retail Banking strategic priorities and aspirations, including stronger customer centricity, accelerating growth in deposits and non-

interest incomes, building our wealth management and growing quality assets in targeted segments.

“The combined customer pool also presents itself as an attractive marketing opportunity for a wide range of retail products and services from across the AmBank Group. The expanded merchant acquiring business will provide opportunities for accelerating growth in our recurring non-interest income.

“These benefits will be realised by accessing our combined and larger customer base, new products and services, significant cost efficiencies and via leveraging the enlarged distribution channels,” said Tan Sri Azman.

Mr Ashok Ramamurthy, Group Managing Director, AMMB Holdings Berhad said, “With more than 45,000 merchants-in-force, this will clearly make AmBank the top three merchant acquirer in Malaysia. Additionally, the multiple franchises and licences will provide a more complete suite of payment and card acceptance for our merchant network.”

Mr Ramamurthy added that the acquisition would increase card receivables to RM2.3 billion and give the Group full control over the line of credit (“LOC”) business model, an existing arrangement in which AmBank provides financing (LOC) to MBF Cards’ cardmembers, which will expire in mid-2017.

“We will have strengthened our rank at No. 6 with the combined cards in circulation. Through the Bonuskad acquisition (33.33% equity), we will also have access to a seven-million strong customer database of the Bonuslink loyalty card which presents good cross-selling opportunities,” said Mr Ramamurthy.

About AmBank Group

AMMB Holdings Berhad (“AmBank Group”) provides a wide range of financial products and services through its major subsidiaries including AmBank (M) Bhd, AmInvestment Bank Bhd, AmInvestment Group Bhd, AmLife Insurance Bhd, AmFamily Takaful Bhd, AmG Insurance Bhd and AmIslamic Bank Bhd.

Incorporated in 1975, today its business divisions cover activities across retail banking, business banking, transaction banking, corporate and institutional banking, investment banking including

funds management and stockbroking, markets, general insurance, life assurance and Family Takaful. These business divisions offer both conventional and Islamic services.

Adding value to this one-stop financial hub is the Group's strategic partnership with the Australia and New Zealand Banking Group Ltd ("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 www.ambankgroup.com.

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