



Press Release

14 December 2012

AmMutual Unveils Latest Fixed Income Offering – AmIncome Flexi 2

AmMutual today launched its latest 3-year close-ended bond fund, AmIncome Flexi 2 (“the Fund”). The Fund is in response to the needs of investors seeking regular income¹, potentially higher returns than the fixed deposit rate (FD)² and an investment that provides lower risk than equities.

AmIncome Flexi 2 aims to provide annual income distribution throughout the duration of the Fund.¹ To achieve its investment objective, the Fund intends to invest in a portfolio of domestic and/or foreign sovereign issued bonds and corporate bonds.

“We are expecting this Fund to be well received based on the overwhelming response from our previous bond fund, AmTactical Bond. In the three weeks since its launch in early November, the response for the fund has seen us increase its fund size three times to 337.5 million units, with its current fund size totaling RM212.86 million. Our investors are now preferring bond investments as a hedge against the uncertainty in the current investment market and challenging economic conditions.” said Datin Mahbob, CEO, Funds Management Division, AMMB Holdings Berhad.

She added, “We believe we value-add as fund manager with our stringent credit processes and superior credit selection by our in-house proprietary credit research unit. With this in place, we offer investors the opportunity to optimize returns with

lower risk assets, within acceptable risk boundaries. Being the No.1 Fixed Income Fund Manager in the country³ and awarded the Best Bond Fund Group for the last five consecutive years⁴, investors can also be rest assured of our investment capabilities”.

The Fund employs a flexible investment strategy where the investment manager will not actively adopt a trading strategy unless there are changes or expected changes in interest rates resulting in bond price changes to maximize returns. The investment manager may at its discretion, dispose off bonds to mitigate risk currency for the benefit of the Fund.

The Fund also has an early repayment feature whereby the investors may receive the proceeds of the bond which include principal and realized gains at any time when a bond in the Fund’s holdings has achieved 15% cumulative returns before its maturity, subject to the discretion of the investment manager⁵.

The Fund has an offer period of 45 days from 13 December 2012 to 26 January 2013 at the price of RM1.00 per unit. It has an approved fund size of 150 million units. Its minimum and additional investments are RM5,000 respectively. The Fund is available at all AmBank Branches, AmPriority Banking, Alliance Bank and CIMB Bank, Citibank and OCBC.

For more details of the Fund, please refer to the AmIncome Flexi 2 Prospectus dated 10 December 2012, made available via www.aminvest.com.my, or alternatively, you may visit any AmBank branch to request for a copy of the Prospectus and its application form.

Sources:

¹ Income distribution (if any) will be paid via cheque or by instructing us to credit into your bank account.

² The Fund has a yearly target return which at least matches the 1-year AmBank (M) Berhad Conventional Fixed Deposit Rate (fixed as at Commencement Date)

³ In terms of asset under management, Malaysian Association of Asset Managers (MAAM), Lipper Investment Management & AmInvestment Management, 30 June 2012, latest available data.

⁴ The Edge – Lipper Malaysia Fund Awards 2012, February 2012

⁵ The investment manager may opt to dispose of a bond when the bond has achieved at least 15% cumulative return before its maturity, and return the proceeds of the bond (which includes principal and realized gains such as coupons received, capital gains and currency gains) to the investors.

About Funds Management Division (FMD), AMMB Holdings Berhad

FMD is one of the leading award-winning fund management houses in Malaysia and has approximately RM33 billion in assets under management (AUM) as at 30 November 2012*. Its awards includes Investment Management Company of the Year for Malaysia in the World Finance Management Awards 2012, Malaysia's Asset Management Company of the Year for the third time in a row as well as Malaysia's Islamic Asset Management House of the Year, both from The Asset's Triple A Investment Awards 2012.

To date, FMD markets 80 unit trust funds under the brand name of AmMutual (for conventional funds) and AmIslamic Funds Management (for shariah-compliant funds).

Sources: * *Lipper Investment Management and AmInvestment Management Sdn Bhd as at 30 November 2012*

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Disclaimer:

The information contained in this promotional material is general information only and does not take into account your individual objectives, financial situations or needs. You should seek your own financial advice from an appropriately licensed adviser before investing. We recommend that you read and understand the contents of AmMutual Prospectus for AmIncome Flexi 2 dated 10 December 2012 that is registered with the Securities Commission, who takes no responsibility for its contents. As this is a close-ended fund, the offer period for this fund ends on 26 January 2013. No units will be sold after the offer period. For copies of the Prospectus, visit us at our nearest representative office. You should be aware that investments in unit trust funds carry risks. An outline of some of the risks is contained in the Prospectus. The specific risks associated with the Fund is credit (default) & counterparty risk, interest rate risk, high duration risk, liquidity risk, emerging markets risk, currency risk and Shariah non-compliance risk as contained in the Prospectus. Unit prices and income distribution, if any, may rise or fall. Past performance of a fund is not indicative of future performance. Please consider the fees and charges involved before investing. Units will be issued upon receipt of completed application form accompanying the prospectus and subject to terms and conditions therein. AmInvestment Services Berhad does not guarantee any returns on the investments. In the event of any dispute or ambiguity arising out of the other language translation in this leaflet, the English version shall prevail.