



Permodalan Nasional Berhad

(38218-X)

FOR IMMEDIATE RELEASE

27 MARCH 2017

PNB SUSTAINS PERFORMANCE IN 2016 AND OPTIMISTIC OF 2017
ANNOUNCES 6.00 SEN PER UNIT FOR ASM AND 6.50 SEN PER UNIT FOR ASB 2

- For the year 2016, PNB's total Asset Under Management grew to **RM266.5 billion**, representing an increase of 4.6%. Despite the challenging market environment, with FBM KLCI continued its decline for three consecutive years, the proforma net income of PNB and its unit trust funds were sustained at RM15.3 billion.
- PNB distributed a total dividend payout of RM13.9 billion in 2016 which translates into a weighted average of 6.87 sen income distribution for ASNB fixed-price unit trust funds. This brings the cumulative dividend distributed since inception in 1981 to RM157.5 billion.
- On 2017 outlook, PNB is cautiously optimistic for a better economic and financial markets performance. The implementation of its Strategic Plan 'STRIVE-15' aimed at sustaining competitive returns for all its unit holders are progressing well with the announcement of de-mergers of Sime Darby Bhd and UMW Holdings Berhad. These exercises together with the improvement in the broad equity market had contributed to enhance the total value of PNB strategic companies by RM20 billion since the beginning of this year up to March 24, 2017.
- For financial year ending March 31, 2017, two ASNB fixed-price funds namely ASM and ASB 2 declared income distribution of 6.00 sen per unit and 6.50 sen per unit respectively. The total income distribution payout amounted to RM1.0 billion for ASM and RM384.7 million for ASB 2. PNB also announced a total of RM138.0 million of income distribution for all three ASG funds for the financial year ending March 31, 2017.

Permodalan Nasional Berhad (PNB) announced its Annual Financial year ended December 31, 2016 performance and shared its progress on the Strategic Plan STRIVE-15 as well as the prospects for 2017.

PERFORMANCE IN 2016

PNB Group Chairman, Tan Sri Abdul Wahid Omar said the company had successfully sustained its performance in 2016 despite a challenging operating environment. PNB's total assets under management in 2016 grew by 4.6% to surpass RM260 billion compared to RM254.6 billion recorded in 2015. "Although the FBM KLCI declined for the third consecutive year by 3.0% in 2016 and the economy expanded slower at 4.2%, the proforma net income of PNB and its funds was sustained at RM15.3 billion."

PNB currently manages 12 unit trust funds totaling 212.3 billion units owned by 12.9 million unit holders as at December 31, 2016, with 97.0% in fixed-price funds while the remaining 3.0% or 7.3 billion units in variable-price funds, which grew strongly by 23.7%.

Tan Sri Abdul Wahid Omar added, "We are pleased to be able to distribute dividends totaling RM13.9 billion last year, bringing the cumulative figure to RM157.5 billion since 1981. This translates to a total average weighted dividends including bonus for PNB's fixed-price funds at 6.87 sen in 2016."

OUTLOOK IN 2017

Looking forward, PNB is cautiously optimistic that global growth may continue to improve albeit moderately. This is despite the expectations of rising US interest rates and continuing volatility in commodity prices.

Tan Sri Abdul Wahid Omar observed that, “Despite some risks coming from the external side, Malaysia’s 2017 economic outlook remains broadly favorable, reflecting a well-diversified economy and accommodative Government policies.”

PNB is projecting a real GDP growth of 4.4% this year on the back of recovery in exports and oil price along with sustained domestic demand. Further, PNB is positive on the outlook of the Ringgit given stronger inflow and stability in bond market.

Together these factors could help drive up sentiment for the Malaysian stock market in 2017. As at March 24, 2017, FBM KLCI closed at 1,745.75 points, a rise of 6.3% from 1,636.94 points at the start of the year. Other world major and regional bourses had also displayed increases on improved fundamentals and sentiments.

PNB STRIVE-15

During the briefing, PNB had also shared the progress of its STRIVE-15 Strategic Plan 2017-2022.

PNB had in November 2016 unveiled its Strategic Plan aimed at enhancing and sustaining returns by optimising asset allocations, boosting domestic public equity performance, increasing exposure in private equity and fixed income, rationalising and enhancing property investments, and diversifying into global assets.

Tan Sri Abdul Wahid Omar said that, “Since the announcement of our STRIVE-15 Plan in November last year, our strategic companies such as Sime Darby Berhad and UMW Holdings Berhad have announced de-merger exercises. We hope that these could excite the market and support growth of the corporate Malaysia.”

On the same breath, PNB had also begun to rebalance its asset allocation, gradually shifting its cash portion into fixed income as a strategy to boost its overall portfolio yield, whilst supporting the domestic fixed income market as well as increasing its private investment as reflected in its recent announcement to expand Prolintas through the acquisition of SILK Holdings.

Tan Sri Wahid also said that PNB will continue to be steadfast in the implementation of its Strategic Plan 'STRIVE-15' towards sustaining competitive returns for all its account holders.

"We are hopeful that the economy and financial markets could improve further this year. We therefore expect the corporate sector to perform well in terms of improvement in earnings to enable us to maintain our track record of paying competitive dividend on our unit trust products."

ASNB UNIT TRUST FUND INCOME DISTRIBUTION ANNOUNCEMENT

PNB at the same media briefing also announced an income distribution totaling more than RM1.5 billion for five funds, namely Amanah Saham Malaysia (ASM), Amanah Saham Bumiputera 2 (ASB 2), and Amanah Saham Gemilang (ASG) an umbrella fund comprising namely ASG-Pendidikan, ASG-Kesihatan and ASG-Persaraan.

ASM unit holders will receive an income distribution of 6.00 sen per unit, while ASB 2 unit holders will receive an income distribution of 6.50 sen per unit.

The income distribution for ASM approximately involves a total payout of RM1.0 billion, which will benefit more than 500,000 unit holders who currently hold 17.3 billion units. Until February 28, 2017, ASM had recorded a gross income of RM1.2 billion. Profit from the sale of shares contributed RM622.2 million or 52.4% towards the gross income. Dividend income from investment in companies contributed RM404.2 million or 34.0%, while the remaining income of

RM160.9 million or 13.6% was derived from investments in short-term instruments and other income.

Meanwhile the income distribution for ASB 2 involves a payout of RM384.7 million, which will benefit more than 200,000 unit holders who currently hold some 7.4 billion units. Until February 28, 2017, ASB 2 recorded a gross income of RM349.8 million. Profit from the sale of shares contributed RM158.8 million or 45.4% towards the gross income. Dividend income from investment in companies contributed RM133.2 million or 38.1%, while the remaining income of RM57.8 million or 16.5% was derived from investments in short-term instruments and other income.

The computation of the income distribution for ASM and ASB 2 are based on the average minimum balance held throughout the financial year of each respective fund. However, unit holders of ASB 2 must maintain a minimum of 10 units in their accounts on the income distribution date in order to be entitled for the income distribution.

The distribution declared by ASM and ASB 2 will be re-invested as additional units into the accounts of unit holders at RM1.00 a unit, and will be automatically credited into the unit holders' accounts on April 1, 2017.

For income distribution of ASG, ASNB had allotted a total of RM138.0 million which will benefit more than 140,000 unit holders who had subscribed 3.1 billion units.

The three funds under ASG umbrella fund, namely ASG-Pendidikan, ASG-Kesihatan and ASG-Persaraan announced income distribution of 4.50 sen per unit, 4.25 sen per unit and 5.15 sen per unit respectively.

The calculation of income distribution for all three funds under ASG is based on the balance of units as at March 31, 2017, which is the last day of the financial year for each fund. The

payment of income distribution for all three funds will be automatically re-invested in the form of units and credited into the unit holders' account April 1, 2017.

PNB also during the year continued to deliver on its corporate social responsibility programmes that are impacting the lives of many Malaysians.

Most significantly, more than 400 students and graduates have enrolled into PNB Chartered Accountant Initiative that was launched in October 2016, aimed at producing 1,000 Bumiputera professional accountants by the year 2022. PNB had also increased its intake of Skim Latihan 1Malaysia (SL1M) trainees to 400 graduates in addition to the more than 600 scholarships that were offered under various schemes throughout the last year.

PNB during 2016 continued to focus on financial literacy initiatives where almost 600,000 individuals were educated on investment and financial planning through its 'Minggu Saham Amanah Malaysia', 'Seminar Pelaburan 360 Hari', 'Kuiz Pelaburan PNB' and 'Kelab Pelaburan Bijak PNB'.

**Released by:
PERMODALAN NASIONAL BERHAD**

**For further information, please contact:
Encik Aziz Anuar
Senior Vice President
Corporate Affairs & Communications Division
Tel: +603 – 2050 5810 | E-mail: aziz_a@pnb.com.my**