

PRESS RELEASE

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PNB RECORDS 8.8% RISE IN NET INCOME TO RM10 BILLION
MARKET VALUE OF STRATEGIC COMPANIES INCREASED BY RM29.0 BILLION

- PNB records sustained growth in performance with Assets Under Management (AUM) and pro forma consolidated Net Income rising by 4.2% and 8.8% year-on-year to RM268.6 billion and RM10.05 billion respectively.
- PNB STRIVE-15 Strategic Plan's initiatives continue to deliver meaningful impact, with the transformation of PNB Strategic Companies resulting in their total market value increasing by RM29.0 billion year-to-date, and several major corporate exercises expected to be completed in 4Q17.
- PNB announces income distribution of 6.00 sen per unit for AS 1Malaysia involving a total distribution of RM724.1 million that would benefit more than 390,000 account holders who own 12.0 billion units.

Permodalan Nasional Berhad (PNB) today announced its performance for the third quarter of 2017 (3Q17) which demonstrated continued growth buoyed by better economic and market condition, as well as the steady progress of its STRIVE-15 initiatives.

YEAR-TO-DATE PERFORMANCE IN 2017

PNB's Net Income recorded a strong 8.8% growth to RM10.05 billion for the period ending 31 August 2017, with Assets under Management (AUM) rising 4.2% to RM268.6 billion. From this amount, RM228.0 billion comprises unit trust funds while the remaining RM40.6 billion is the Company's proprietary funds.

PNB's wholly owned subsidiary, Amanah Saham Nasional Berhad's (ASNB) unit trust funds now have more than 13 million accounts with almost 217 billion units in circulation (UIC).

The Malaysian economy grew at a faster pace of 5.8% in 2Q17 (the fastest since 1Q15) compared with 5.6% in 1Q17 and 4.2% in 1Q16. The stronger-than-expected growth had supported the domestic equity and currency markets. Despite a flat capital market during the third quarter, the FBM KLCI increased by 116 points or 7.1% year-to-date to close at 1,758 points, whilst the Ringgit gained 6.0% to USD4.23 as at 28 September 2017.

PNB STRIVE-15

The period also saw PNB making progress in its STRIVE-15 Strategic Plan 2017-2022, the main pillar of which relates to initiatives aimed at delivering enhanced sustainable returns by boosting domestic public equity performance, as well as rationalising and enhancing property investment.

Most encouragingly, the increase in aggregate market value of PNB's Strategic Companies sustained at RM29.0 billion year-to-date, representing a weighted growth of 19.4% while their Total Shareholders' Return (TSR) year-to-date was 21.3%, virtually double that of FBM KLCI.

The Sime Darby de-merger exercise, aimed at creating pure plays through the listing of its plantation and property units, is expected to complete by early December, whilst the proposed acquisition of I&P Bhd by S P Setia to create Malaysia's largest property company is expected to complete by year-end.

Further, the de-merger between CCM Berhad and CCM Duopharma to create a more nimble and focused group was also announced and the currently ongoing recapitalisation exercise of UMW Oil & Gas is targeted to complete by mid-October.

PNB's strong income growth year-to-date was driven by improved public equity performance, while gains from private investment and property are expected to be realised in 4Q17.

Group Chairman of PNB, Tan Sri Abdul Wahid Omar said, "We are pleased that we are still able to maintain PNB's strong financial performance year-to-date amidst an environment of positive Malaysian economic growth but a rather flat equity market during the third quarter. We are also heartened by the sustained impact of our transformational plan for PNB's Strategic Companies and look forward to seeing the STRIVE-15 Strategic Initiatives come to fruition."

On another note, Tan Sri Abdul Wahid said PNB has also made good progress towards fulfilling its Shariah aspirations. He said PNB has been continuously engaging with State Muftis with the aim to explain the company's Shariah Framework while understanding issues raised by the Muftis.

“Alhamdulillah, all States have granted the ‘*Harus*’ fatwa for investments in ASNB funds, the latest by Pulau Pinang last month and Selangor in April this year. With this positive development, I hope that the Muslim community will continue to increase their investments in the various unit trust funds managed by PNB,” he added.

Towards enhancing customer service experience, Tan Sri Abdul Wahid said PNB has successfully migrated ASNB's IT system in June this year into a single system to enable more efficient back-office management and account holders' transactions. The system migration also enables bookless transactions and eases over-the-counter transactions by using only MyKad.

AMANAH SAHAM 1MALAYSIA INCOME DISTRIBUTION

PNB also announced the income distribution of Amanah Saham 1Malaysia (AS 1Malaysia), ASNB's fifth fixed price unit trust fund, launched on 5 August 2009.

AS 1Malaysia account holders will receive an income distribution of 6.00 sen per unit, involving a total payout of RM724.10 million which will benefit more than 390,000 account holders who currently own 12.0 billion units.

AS 1Malaysia recorded a net income of RM600.47 million, a 16% growth from RM517.28 million in 2016, which can be attributed to a stronger domestic equity market performance, particularly in the Financial and Services counters.

Tan Sri Abdul Wahid commented, “We are pleased to have sustained the dividend level of AS 1Malaysia and the fund's stronger financial performance would allow us to build additional reserves to support future distribution.”

The calculation of the income distribution for AS 1Malaysia is based on the average monthly minimum balance held throughout its financial year. The income distribution payment of AS 1Malaysia will be re-invested into additional units and will be automatically credited into the unit holders' accounts on 1 October 2017.

Meanwhile, account holders who subscribed for AS 1Malaysia through the Employees Provident Fund (EPF) Members' Investment Scheme will have the income distribution credited directly into their respective EPF accounts.

All transactions for AS 1Malaysia at the ASNB headquarters, branches and agents have been suspended from 27 to 30 September 2017 to facilitate the computation of income distribution. Unit holders may update their account when transactions resume on 1 October 2017 at any ASNB offices or agents nationwide, or via the myASNB.com.my portal.

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About Permodalan Nasional Berhad (PNB)

Permodalan Nasional Berhad (PNB) is one of Malaysia's largest fund management companies which also owns unit trust management companies Amanah Saham Nasional Berhad (ASNB) and Amanah Mutual Berhad (AMB). PNB has grown from strength to strength, with its assets under management (AUM) now reaching RM268.6 billion, from around RM3.5 billion in 1981. With the STRIVE-15 Strategic Plan 2017-2022 under the new leadership, PNB is charting its way forward to sustain its performance for the next five years and beyond, and ultimately attain its vision of being a **Distinctive World Class Investment House**. For more information, visit www.pnb.com.my.

About Amanah Saham Nasional Berhad (ASNB)

Amanah Saham Nasional Berhad (ASNB), is a wholly-owned subsidiary of Permodalan Nasional Berhad (PNB). ASNB was established on 22 May 1979, to manage the Funds launched by PNB. ASNB now has a total of 10 Funds, including 6 fixed price funds namely Amanah Saham Bumiputera (ASB), Amanah Saham Wawasan 2020 (ASW 2020), Amanah Saham Malaysia (ASM), Amanah Saham Didik (ASD), Amanah Saham 1Malaysia (AS 1Malaysia), and Amanah Saham Bumiputera 2 (ASB 2) and 4 variable price funds which are Amanah Saham Nasional (ASN), Amanah Saham Nasional 2 (ASN 2), Amanah Saham Nasional 3 Imbang (ASN 3) and Amanah Saham Gemilang (ASG). ASNB has 30 branches and 2,235 agents nationwide. To find out the locations of branches and agents, or other information about ASNB, please visit the official website www.asnb.com.my.

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