



PRESS RELEASE

**For Immediate Release
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**PNB PRODUCES ITS INAUGURAL PUBLIC ANNUAL REPORT FOR FY2017
*POSITIVE ON 2018 PROSPECTS***

- PNB produces its inaugural public annual report for the financial year ended 31 December 2017 (FY2017) in line with its effort towards delivering greater transparency.
- For FY2017, PNB's total assets under management grew by 4.8% to RM279.2 billion. The proforma consolidated net income of PNB and its unit trust funds (PNB Group) increased by 16.4 % to RM17.7 billion on the back of steady domestic growth and a strong recovery in the FBM KLCI.
- PNB is positive on the year ahead given the favourable macroeconomic outlook. Its Strategic Plan 'STRIVE-15' is progressing well, with the successful implementation of all 15 strategic initiatives under the three key pillars. PNB Group's proforma consolidated net income for the first two months of 2018 grew by 39.5% y-o-y to RM2.2 billion.
- For financial year ending 31 March 2018, two ASNB fixed price funds namely Amanah Saham Bumiputera 2 (ASB 2) and Amanah Saham Malaysia (ASM) declared income distribution of 6.75 sen per unit and 6.25 sen per unit respectively. The total income distribution payout amounts to RM562.9 million for ASB 2 and RM1.1 billion for ASM.
- PNB also declared income distribution for all three funds under the Amanah Saham Gemilang (ASG) umbrella fund namely ASG-Pendidikan, ASG-Kesihatan and ASG-Persaraan of 4.80 sen per unit, 5.20 sen per unit and 5.15 sen per unit respectively. The total income distribution payout for the three ASG funds amounts to RM211.6 million.

Kuala Lumpur, 29 March 2018: Permodalan Nasional Berhad (PNB) today announced its performance for the financial year ended 31 December 2017 (FY2017) and shared highlights for the first quarter of 2018, as well as prospects for the year ahead.

Inaugural Annual Report 2017

PNB's progress and achievements for FY2017 are presented in its inaugural publicly-released Annual Report, which was unveiled during the media briefing. The Report also commemorates PNB's 40th anniversary, highlighting the many milestones in PNB's journey to become the largest fund manager in Malaysia today.

PNB Group Chairman, Tan Sri Abdul Wahid Omar said, “I am happy that today, we have been able to deliver on our commitment towards greater transparency and public disclosure with the public release of our Annual Report for FY2017.”

PNB delivered a commendable performance in FY2017, as its assets under management (AUM) increased by 4.8% to RM279.2 billion from RM266.4 billion in the previous year. PNB’s unit trust operations also saw positive growth. Total number of units in circulation increased by 3.5% to 219.7 billion in 2017, whilst total number of accounts also expanded by 1.5% to 13.2 million.

Tan Sri Abdul Wahid commented, “The Malaysian economy registered a steady growth of 5.9% in 2017. The FBM KLCI also rose by 9.4%, demonstrating a strong recovery following three years of negative price returns. By leveraging on this and building on its solid fundamentals, we are pleased that PNB and its unit trust funds (PNB Group) were able to record proforma consolidated net income of RM17.7 billion, a significant increase of 16.4% compared to RM15.2 billion in FY2016.”

“As a result of this impressive performance, PNB distributed dividend and bonus amounting to RM14.6 billion for FY2017, bringing the cumulative dividends paid out since PNB’s inception to RM172.1 billion.”

STRIVE-15

During the year, PNB’s Strategic Plan 2017-2022 or STRIVE-15 gained significant traction. “Alhamdulillah, in 2017– the first year of the Plan’s execution – some initiatives have already proven to be fruitful, while the groundwork for others have been put in place, to fully deliver in 2018 and beyond,” said Tan Sri Abdul Wahid.

A key milestone was the completion of all strategic companies’ transformation initiatives targeted for 2017, which saw the total market capitalisation of PNB’s strategic companies increasing significantly by RM39.5 billion, with a weighted average total shareholders’ return (TSR) of 26.0%, almost double that of the KLCI’s TSR of 13.2% for the year.

Meanwhile, all ASNB funds have been recognised as “Harus” or permissible by all states, an important milestone in fulfilling PNB’s Shariah aspirations. Additionally, the successful IT system migration has enabled the introduction of the ‘myASNB’ portal, an important first step towards providing PNB’s unit holders with a full digital experience.

Amanah Dana Anak Malaysia 2050 (ADAM50), a collaborative initiative between PNB and the Government, also kicked off on 1 January 2018. The scheme provides 200 free units to all Malaysian babies born between 1 January 2018 until 31 December 2022, with the aim of encouraging Malaysian households to invest from birth.

In terms of PNB's social objectives, 505 young talents signed up in 2017 under the PNB Chartered Accountant (PCA) Initiative to pursue their professional qualifications towards the target of producing 1,000 Bumiputera chartered accountants by 2022. PNB's target of constructing 5,000 affordable homes by 2022 also saw progress, with two pilot projects initiated in Sungai Sedu, Selangor and Port Dickson, Negeri Sembilan.

OUTLOOK IN 2018

Moving forward, PNB is positive on the year ahead. Tan Sri Abdul Wahid commented, "Globally, synchronised growth is expected across major economies in 2018, with the IMF expecting global GDP to expand by 3.9%. We therefore hope that 2018 will also be a good year for the local economy and capital markets. A robust economic growth brings about more business and employment opportunities and a better performance for our funds. This will in turn benefit more than 13 million unit holders and translate into a greater financial wellbeing for seven million Malaysian households."

PNB is set to leverage on this positive outlook as a springboard to achieve its financial and operational targets, spearheaded by STRIVE-15. In the first two months of 2018, PNB has already recorded strong performance with its AUM and PNB Group's proforma consolidated net income rising by 6.1% and 39.5% year-on-year to RM279.6 billion and RM2.2 billion respectively. The aggregate market capitalisation of PNB's strategic companies had also increased by RM6.3 billion for the year to date.

INCOME DISTRIBUTION OF ASNB UNIT TRUST FUNDS

During the media briefing, PNB also announced an income distribution amounting to a total of RM1.88 billion for five funds, namely Amanah Saham Bumiputera 2 (ASB 2), Amanah Saham Malaysia (ASM), and Amanah Saham Gemilang (ASG) which is an umbrella fund comprising ASG-Pendidikan, ASG-Kesihatan and ASG-Persaraan.

The income distribution for ASB 2 unit holders is 6.75 sen per unit, while ASM unit holders will receive 6.25 sen per unit.

ASB 2 will be paying out a total of RM562.9 million in income distribution to its 348,000 unit holders who currently hold 9.4 billion units. ASB 2 was the latest fund launched by Prime Minister YAB Dato' Sri Mohd Najib Tun Abdul Razak in 2014. As at 28 February 2018, ASB 2 recorded a net income of RM551.2 million.

Meanwhile, the income distribution for ASM involves a total payout of RM1.1 billion, which will benefit over 540,000 unit holders with 18.4 billion units. As at 28 February 2018, ASM recorded a net income of RM1.1 billion.

The computation of the income distribution for ASB 2 and ASM is based on the average minimum balance held throughout the financial year of each respective fund. The distribution declared by ASB 2 and ASM will be re-invested as additional units into the accounts of unit holders and will be automatically credited into unit holders' accounts on 1 April 2018.

The three funds under the ASG umbrella fund, namely ASG-Pendidikan, ASG-Kesihatan and ASG-Persaraan announced an income distribution of 4.80 sen per unit, 5.20 sen per unit and 5.15 sen per unit, respectively.

The total income distribution of RM211.6 million for all three ASG funds will benefit 185,590 unit holders.

The income distribution of 4.80 sen per unit declared for ASG-Pendidikan for the financial year ending 31 March 2018, translates into a distribution yield of 4.91% contributing to the year-to-date total return of 6.73% as at 28 March 2018. The total income distribution payout of RM54.5 million will benefit over 74,000 unit holders with 1.1 billion units subscribed. As at 28 February 2018, ASG-Pendidikan recorded a net income of RM43.8 million.

Meanwhile for ASG-Kesihatan, the income distribution of 5.20 sen per unit translates into a distribution yield of 5.08% contributing to the year-to-date total return of 7.67% up until 28 March 2018. The total income distribution payout of RM99.4 million will benefit more than 74,000 unit holders with 1.9 billion units subscribed. As at 28 February 2018, ASG-Kesihatan recorded a net income of RM92.4 million.

For ASG-Persaraan, the income distribution of 5.15 sen per unit is equivalent to a dividend yield of 4.52% contributing to the year-to-date total return of 6.42% as at 28 March 2018. Total

income distribution payout of RM57.6 million will benefit 37,000 unit holders with 1.1 billion units subscribed. Up until 28 February 2018, ASG-Persaraan recorded a net income of RM22.9 million.

This stronger performance is in line with the funds' focus to give balanced returns through investments in equities and fixed income. It is also in line with PNB's strategy of focusing its variable price funds towards delivering total return to unit holders.

The calculation of income distribution for all three funds under ASG is based on the balance of units as at 31 March 2018. The payment of income distribution for all three funds will be automatically re-invested in the form of units and credited into unit holders' accounts on 1 April 2018, based on the Net Asset Value of each fund on 31 March 2018.

Effective from 31 March 2018 onwards, PNB will disseminate income distribution statements, annual reports of all its unit trust funds and interim reports of variable price funds to all unit holders through electronic means. With effect from the same date, the electronic versions of the income distribution statements of all the funds will be sent to the registered e-mail address of unit holders, while the annual and interim reports of the funds can be accessed at www.asnb.com.my.

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About Permodalan Nasional Berhad (PNB)

Permodalan Nasional Berhad (PNB) is one of the largest fund management companies in Malaysia with assets under management (AUM) currently exceeding RM279 billion. PNB's portfolio covers strategic investments in Malaysia's leading corporates, global equities, private investments and real estate. For more information, please visit www.pnb.com.my.

Amanah Saham Nasional Berhad (ASNB)

Amanah Saham Nasional Berhad (ASNB) is a wholly-owned unit trust management company of PNB and currently manages 12 unit trust funds with total Units in Circulation of nearly 220 billion units and 13.3 million accounts. For more information, please visit www.asnb.com.my.

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