



FUND MANAGEMENT SDN BHD (43811-W)

AMUNDI Acquires Fixed Income Business of KAF Fund Management

Singapore and Kuala Lumpur – March 31, 2014 – Amundi, a leading European asset management firm¹ with more than USD1 trillion (777 billion euros)² in AUM, announces today the acquisition of the fixed income business of KAF Fund Management through Amundi Malaysia, its wholly owned subsidiary in Kuala Lumpur. The Kuala Lumpur based-KAF Fund Management, a subsidiary of the KAF Group, with more than USD1.2 billion (MYR4 billion)³ in AUM is an institutional fixed income specialist as well as a retail fund manager. The purchase of the expertise and investment capabilities in fixed income will significantly strengthen Amundi's range of product offerings and its positioning as a leading foreign asset manager in Malaysia.

This acquisition is a natural step in Amundi's development following 6 years' presence in the Malaysian equities market and 4 years on-the-ground experience in the sukuk product offering.

Through this acquisition, Amundi will:

- significantly expand its expertise in global and local sukuk management to include local conventional fixed income capabilities;
- strengthen its overall investment offerings which now cover equity and fixed income in both Shariah and conventional products;
- enhance the development of Amundi's presence in the Southeast Asia region with strong capabilities to adapt and customize its investment solutions for its institutional and retail clients.

Following the acquisition, KAF Fund Management's fixed income business will be taken over by Amundi Malaysia which remains a fully owned and controlled subsidiary within the Amundi Group. Amundi Malaysia will be managing more than USD4.3 billion (MYR 14 billion)⁴ of assets and become the top foreign asset management firm in the country. Roslina Abdul Rahman, Managing Director of Amundi Malaysia, will take on the role of Managing Director of the enlarged company. Roslina Abdul Rahman reports to Jenny Sofian, Chief Executive Officer of Amundi in Southeast Asia and Australia. Thariq Ahmad, former Chief Executive Officer of KAF Fund Management, will become Senior Advisor and Head of Fixed Income Strategies of Amundi Malaysia.

"The acquisition of KAF Fund Management's fixed income business is further evidence of Amundi's commitment to Malaysia and Southeast Asia. It will enhance the range and the quality of our fixed income offerings to our clients globally, thanks to the expertise of the KAF Fund Management team, which is highly complementary to our existing expertise. We share common values based on long term commitment to clients and the delivery of sustainable performance through a disciplined research-driven investment process," said Pascal Blanqué, Deputy

Chief Executive Officer and Chief Investment Officer of Amundi, adding that “while Europe is our domestic market, Asia is a key market and a second nature for Amundi”.

“This transaction represents a great opportunity for KAF Fund Management to build relationships with a leading player in global asset management. The result will be an enlarged entity that will benefit both our clients and our employees. The fixed income team is looking forward to working with Amundi to build upon their recent successes and further expand our presence and capabilities to better serve their investors. Our aim is to build a long term relationship between KAF Group and Amundi as we have agreed on a long term commitment regarding the management of most of KAF retail Malaysian funds,” commented Thariq Ahmad, former Chief Executive Officer of KAF Fund Management and newly appointed Senior Advisor and Head of Fixed Income Strategies at Amundi Malaysia.

All key clients of Amundi in Southeast Asia have been informed of this operation. This acquisition has been approved by regulatory authorities and is also supported by the management and staff of KAF Fund Management.

About Amundi

Amundi ranks first in Europe¹ and ninth worldwide¹ in the asset management industry with AUM of more than €777 billion². Located at the heart of the main investment regions in almost 30 countries, Amundi offers a comprehensive range of products covering all asset classes and major currencies.

Amundi has developed savings solutions to meet the needs of more than 100 million retail clients worldwide and designs innovative, high-performing products for institutional clients tailored specifically to their requirements and risk profile. It contributes to funding the economy by orienting savings toward company development.

Amundi has become a leading European player in asset management, recognised for:

- Product performance and transparency;
- Quality of client relationships based on a long-term advisory approach;
- Efficiency in its organisation and team engagement to serve its clients;
- Commitment to sustainable development and socially responsible investment policies.

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About KAF Fund Management

Founded in 1997, Kuala Lumpur-based KAF Fund Management is an award-winning MYR fixed income specialist asset manager providing discretionary fixed income asset management services to institutional clients as well as being the appointed investment manager for the KAF Bond Fund and KAF Money Market Fund, two of Malaysia's leading fixed income mutual funds. KAF Fund Management manages in excess of MYR 4 billion (USD1.2 billion) as at February 2014. KAF Fund Management is the fixed income fund management subsidiary of the KAF Group, a leading Malaysian banking group with activities in investment banking, treasury management, corporate finance, stockbroking, capital markets and private equity.

Additional information about the KAF Group may be found at www.kaf.com.my

Footnote

¹ IPE «Top 400 asset managers active in the European marketplace » published in June 2013, based on figures as at December 2012

² Amundi Group figures as of 31 December 2013

³ KAF Fund Management's AUM as of 28 February 2014

⁴ Amundi Malaysia's AUM as of 31 December 2013

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