

*****PRESS RELEASE*****
(For immediate release)

Growth Opportunities in Public Mutual's New Funds

Public Bank's wholly-owned subsidiary, Public Mutual is launching two new funds, Public Strategic SmallCap Fund (PSSCF) and Public Enterprises Bond Fund (PENTBF) on 20 March 2012. PSSCF is an equity fund that seeks to achieve capital appreciation over the medium- to long-term period through investments primarily in companies with small market capitalisations. Meanwhile, PENTBF is a bond fund that seeks to provide annual income* through investments in fixed income securities and money market instruments.

Public Mutual's Chief Executive Officer, Ms. Yeoh Kim Hong, said "PSSCF offers investors the opportunity to invest in small-cap companies with high growth potential. Over the long-term, small-cap stocks generally offer higher growth opportunities compared to larger stocks due to their smaller earnings base". She added, "Small-cap stocks are also generally under-researched by the investment community".

PSSCF will focus its investments in the domestic market, capitalising on opportunities arising from Malaysia's resilient economic growth prospects in the medium to long-term. The fund will invest in stocks with market capitalisation of up to RM1.25 billion at the point of purchase. The fund may also invest in companies which at the point of purchase form the bottom 15% of the cumulative market capitalisation of the market which the stock is listed on. To achieve increased diversification, the fund may invest up to 30% of its net asset value (NAV) in selected foreign markets such as South Korea, China, Hong Kong, Taiwan, Singapore, Philippines, Thailand, Indonesia and Australia.

The equity exposure of PSSCF will generally range from 70% to 98% of its NAV. This fund is suitable for aggressive investors who wish to participate in the medium to long-term growth potential of small-cap companies.

**Distribution (if any) will be reinvested unless unitholders opt for distribution to be paid out.*

Meanwhile, PENTBF's focus on sovereign bonds and corporate bonds issued by entities with total assets exceeding RM3 billion at the point of purchase will enable the fund to invest in bonds issued by larger and more stable entities. Larger entities are better positioned to weather economic cycles due to their size and market position in their respective industries. The fund will invest in a diversified portfolio of bonds which comprises mainly corporate bonds, to produce returns that are generally higher than fixed deposits. The fund is also able to provide the investor with greater liquidity than fixed deposits as the units in the fund can be redeemed on any business day as compared to early redemption of fixed deposits prior to maturity date where the depositor may be penalized by the loss of accumulated interest income. To achieve increased diversification, PENTBF may invest up to 30% of its NAV in foreign markets which include Singapore, Japan, Hong Kong, Australia, United Kingdom, Indonesia, United States of America, South Korea and other permitted markets, if the returns are assessed to be promising.

PENTBF is suitable for investors with conservative risk-reward temperament, seeking stability of annual income with some safety of principal.

The initial issue price of PSSCF is **RM0.2500 per unit** during the 21-day initial offer period from **20 March to 9 April 2012**. The minimum initial investment for both funds is RM1,000 and the minimum additional investment is RM100. During the offer period, **special promotional service charges as low as 5% of initial issue price per unit** are extended to the purchase of units of PSSCF. Investors who opt for Direct Debit Instruction with PSSCF during the offer period will enjoy a special promotional service charge of 5.25% of NAV per unit for as long as the Direct Debit is active. Terms and conditions apply.

Meanwhile, PENTBF's service charge is set at **an attractive rate of 0.25%** of its initial issue price of RM1.0000 per unit during the offer period of 21 days.

PSSCF and PENTBF are distributed by Public Mutual's unit trust consultants. Interested investors can contact any Public Mutual unit trust consultant or call its Customer Service Hotline at 03-6207 5000 for more details of the funds.

Public Mutual is Malaysia's largest private unit trust company with 93 funds under management. It has more than 2.6 million accountholders and as at 29 February 2012, the total net asset value of the funds managed by the Company was RM46.9 billion.
