

11/12/1998

8pc dividend, 2.5pc bonus payouts for ASB unitholders

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KUALA LUMPUR, Thurs. - Amanah Saham Bumiputera will pay an eight per cent dividend and a bonus of 2.5 per cent this year.

The announcement was made by Prime Minister Datuk Seri Dr Mahathir Mohamad in a statement read by Permodalan Nasional Bhd chairman Tan Sri Ahmad Sarji Abdul Hamid, at a Press conference today. Also present was PNB group chief executive Hamad Kama Piah Che Othman.

Unitholders are expected to receive their dividend and bonus vouchers in February. There are some 4.9 million unitholders this year compared to 4.7 million last year.

This year's total payout will be RM2.7 billion, down 15.36 per cent from last year's RM3.2 billion.

Last year, ASB paid dividends of 10.25 per cent and a bonus of 1.25 per cent.

Dr Mahathir said the return on investment of 10.5 per cent for unitholders was fair for a long-term and low-risk investment such as ASB.

"The dividend and bonus payment are still an attractive return after taking into account the current market situation and when compared to returns on investment offered by other schemes," he said.

Dr Mahathir, who is chairman of Yayasan Pelaburan Bumiputera, said the calculation of bonus payment for the ASB this year was based on the minimum monthly balance for nine consecutive years, from 1990 to 1998.

"This form of calculation of bonus payment is a reward to loyal unitholders who continue to maintain long-term investments in the ASB," he said.

Yayasan Pelaburan Bumiputera is the holding company of PNB, which in turn owns Amanah Saham Nasional Bhd, the body that manages the ASB. Besides ASB, ASNB also manages the Amanah Saham Nasional and Amanah Saham Wawasan 2020.

Dr Mahathir said 37.28 per cent of ASB's earnings this year came from dividends, 60.48 per cent from the sale of investments and the rest from other sources.

He expressed the hope that unitholders would retain their dividends and bonus and re-invest them to further increase their investment in the ASB as "it is a long-term investment scheme which is both stable and profitable".

The PNB would continue to ensure the interests of the Bumiputera ASB unitholders by managing their funds in the best manner possible while making sure their equities remained strong in the corporate sector.

Last year's RM3.2 billion payment was the largest ever dividend and bonus payout declared by ASB since its inception in 1990. In 1996, the total payout was RM3.05 billion.

Meanwhile, all transactions for the Amanah Saham Nasional (ASN) and ASB schemes will be put on hold between Dec 16 and Jan 1 for the purpose of calculating the dividends and bonus entitlements. Operations will resume as normal from Jan 2. However, transactions for the Amanah Saham Wawasan 2020 scheme (ASW 2020) will proceed as usual.

Later Ahmad Sarji told newsmen the increase in the number of unitholders by 3.39 per cent this year despite the present economic downturn was very encouraging.

Ahmad Sarji said PNB's prudent management and strict guidelines when investing had helped instil investor confidence.

He also said PNB's equity ownership was in blue chip counters with proven track record.

PNB's forays into the stock market only involved fundamentally strong counters like the plantation sector which, despite the economic problems, had posted steady profits.

To allay fears of the unitholder, he said PNB was not involved in speculative activities.

"Even if the counters are actively traded, we keep track of the price movements with the view to making profits and do not sell to depress the market."

He said the fall in the stock market also enabled PNB to acquire more stakes in companies, which, when the economy turned around for the better, would provide substantial returns to PNB.

Ahmad Sarji however said their investment this year dropped by 13.3 per cent compared to last year.

He said more than 90 per cent of ASB's investments were in equities.

Meanwhile, Hamad Kama, when commenting on this year's 10.5 per cent payout, said the amount was still more attractive for investors when compared to other unit trust funds.

The average return on investment on the ASB scheme was 12.75 per cent.

In 1990, the return on investment was 14 per cent, 1991 (12.5 per cent), 1992 (12.5 per cent), 1993 (13.5 per cent), 1994 (14 per cent), 1995 (13 per cent) and 1996 (13.25 per cent).

PNB now manages ASB's assets worth about RM25.6 billion.

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