

26/08/1999

10.2pc dividend millennium cheer for ASW unitholders

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PERMODALAN Nasional Bhd (PNB) yesterday announced a 10.2 per cent payout for Amanah Saham Wawasan 2020 (ASW 2020) which comprises an 8.2 per cent "regular" dividend and a 2 per cent Special New Millennium dividend.

Launched in August 1996, the national unit trust scheme which is open to all Malaysians aged between 12 and 29, paid a 10.1 per cent dividend for the financial year ended August 31 1997, and 9.8 per cent last year.

"The Special New Millennium dividend is in appreciation of the unitholders' loyalty and confidence in ASW 2020 despite the difficulties faced in the previous financial year," PNB chairman Tan Sri Ahmad Sarji Abdul Hamid said at a news conference in Kuala Lumpur yesterday.

He noted that the dividend is far higher than the average fixed deposit interest rate of 5.1 per cent offered by financial institutions during the financial year.

PNB has allocated RM180.9 million for the payout which has been approved by Prime Minister Datuk Seri Dr Mahathir Mohamad in his capacity as chairman of Bumiputera Investment Foundation, PNB's parent.

The regular dividend payout will total RM145.4 million and the special dividend RM35.5 million.

The tax-exempt dividend will be credited into the accounts of unitholders from September 1. For those who have reached or almost reached the maximum level of investment in the scheme, payment in cheques will be sent out from the second week of September.

As of August 22, the scheme had drawn 355,672 Bumiputera investors with a total investment of RM240.6 million and 493,180 non-Bumiputeras with RM1.469 billion, bringing the total number of unitholders to 848,852 who had bought more than 8.09 million units priced at RM1 each.

Some 1.19 billion units have yet to be taken up by Bumiputeras while the non-Bumiputera portion is fully subscribed.

Responding to a question, Ahmad Sarji said PNB has no plans to open the Bumiputera portion to non-Bumiputeras.

"PNB is always innovative... we may think of other schemes in the near future," he said, adding that the average investment among Bumiputeras is 958 units and non-Bumiputeras 2,979.

Among students, who form the majority of ASW 2020 investors, Bumiputeras invested an average of 1,165 units and non-Bumiputeras 3,218.

"Students perceive their investment in ASW 2020 as value for money and for security...and the attractive dividend is added incentive for them to invest more," he added.

Ahmad Sarji said ASW 2020 is able to pay a high dividend because its income rose by 15.5 per cent, or RM25.86 million, from last year. Sale of shares contributed 87 per cent to its total income thanks to the improved equity market.

The Kuala Lumpur Stock Exchange's financial sector accounted for 56 per cent of share sale proceeds, commercial and services 18 per cent, and consumer products 10 per cent.

As for dividend income, the plantation sector was the biggest contributor with 37 per cent, followed by commercial and services 23 per cent and consumer products 14 per cent.

Asked if the dividend for next year would be even higher, Ahmad Sarji said PNB takes into consideration a number of factors, including the country's gross domestic product.

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