

EPF dividend 6pc, 10-year high
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KUALA LUMPUR, Feb 19 — The Employees Provident Fund (EPF) declared today a 6 per cent dividend, its highest in a decade after making profits of RM27.24 billion last year.

EPF chairman Tan Sri Samsudin Osman said in a press statement here that this amounted to a record RM24.47 billion payout after increasing the dividend rate from 5.8 per cent last year.

“Despite the challenging investment landscape, it was the strongest performance since the year 2001 that affirms our long term and prudent investment strategy combined with continuous efforts by our investment team,” he said.

EPF’s gross investment income of RM27.24 billion is up 13.2 per cent higher from 2010.

The pension fund has been embroiled in controversy over plans to loan RM1.5 billion to unqualified city renters to buy low-cost houses.

But it has said the deal, which the government insists will guarantee 5.5 per cent annual returns, has not been finalised.

EPF made several big moves last year, including the RM23 billion joint takeover of PLUS Expressways with UEM Group, a wholly owned subsidiary of state asset manager Khazanah Nasional Berhad.

It took 49 per cent of the highway concessionaire which in November waived their right to some RM6.5 billion in compensation in exchange for extensions to the concession periods for the Penang bridge and two other highways.

EPF also took a RM1.5 billion offshore loan to fund the acquisition of three London-based properties.

This came after acquiring an office building in the United Kingdom capital in November 2010 for RM780 million as part of plans to invest up to £1 billion (RM4.81 billion) in the British property market.

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