

Speech by:
YBhg Dato' Azim Mohd Zabidi
Chairman, Bank Simpanan Nasional
at the Launch of Prudential BSN Takaful Berhad (PBTB)
on August 8, 2006

Bismillahirrahmanirrahim...

(Salutations, in order of precedence)

YBhg Tan Sri Dato' Sri Dr. Zeti Akhtar Aziz, Governor of Bank Negara Malaysia

Mr. Ng Keng Hooi - Regional Managing Director, Prudential Assurance Malaysia
Berhad

Encik Tajuddin Atan, Chairman of Prudential BSN Takaful Berhad and my Chief
Executive of Bank Simpanan Nasional

Encik Mohamad Salahuddin bin Ahmad, Chief Executive Officer, Prudential-BSN
Takaful Berhad

Members of the Board,

Members of the Media

Ladies and Gentlemen,

I am very honoured to be here today to witness a momentous occasion. Syukur Alhamdulillah, after much anticipation, the joint venture between Bank Simpanan Nasional (BSN) and Prudential Holdings Limited, part of Prudential plc, was awarded a takaful licence by Bank Negara Malaysia early this year making it one of only four consortium to receive the new licence from Bank Negara. That was

back then. Today, is another proud moment for us as we see the birth of Prudential-BSN Takaful Berhad or PBTB in short. This marks another significant

milestone for BSN as it reflects the Bank's strong commitment towards providing a complete range of Shariah-compliant financial solutions, covering Islamic banking and takaful that is tailor-made to meet the demands of the consumers. We believe, the emergence of PBTB in the Islamic financial landscape is timely. It meets the aspiration of the Government to accelerate the penetration of takaful and bring its benefit to the majority of Malaysians in urban as well as rural area.

Ladies and gentlemen,

As one of the players in the takaful industry, we will fully internalize the spirit of "takaful", that is mutual cooperation and assistance among each other, so that we can collaborate towards common goals and objectives. Indeed, fostering an alliance with a strong and reputable organization like Prudential which has over 23,000 employees around the world and more than 21 million customers, policyholders and unit holders worldwide, was a strategic decision. This is in addition to the unlimited resources reachable by tapping into BSN's extensive network of 387 branches throughout Malaysia as well as the Bank's capacity to touch the lives of many Malaysian customers through its conventional and Islamic banking products.

The combined synergy of BSN's wide reach of Malaysian customers and Prudential's successful effort in building a very strong agency distribution team, in particular the Bumiputra Agency force, would place PBTB in an enviable position to market Takaful to Muslim and non Muslim customers alike. This is particularly so as it will not only accelerate innovation and development but will also bring about considerable values in the enhancement of local talent and human capital, an essential element to drive competitiveness in the industry. The formation of PBTB provides opportunities for Bumiputeras to leverage on

Prudential's technical know-how and further develop their talent in all relevant areas in the takaful business especially actuarial and Islamic funds and investment management.

Overall, Malaysian financial markets remain competitive, and the operating environment continues to pose challenges for players to win market share and improve on returns. The emphasis on competitiveness and performance will be fundamental to success in the years ahead.

Ladies and Gentlemen,

After more than three decades, BSN has grown to become an organization that has more than 5,100 employees, with 387 branches and 623 ATMs nationwide. We have more than 7 million customers spread throughout the length and breadth of the country and with savings of more than RM 7 billion. In line with our organization's objectives, that is to develop and encourage savings as well as providing financial assistance to the consumers when in need, BSN will continuously offer better opportunities and new prospects to cater to the consumers' requirement.

To catalyse the transformation of the Bank, we have embarked on a number of key initiatives to stay competitive and to be an entity which is able to create sustainable value. We have changed a lot from what we were. We are now a more focused organization where technology enables an efficient delivery system that is an integral part of our business. This partnership is of course one of the many key initiatives that we have taken.

Going forward, our priorities will be growing and deepening client relationships, expanding and improving our product and service suite as well as operating with excellence. We believe that our customers see the reliability of the bank through the interaction that they have with our staff, the services we provide, the values we embody and the efforts that we make to the community at large.

This year you will also see BSN at the international front as it is the host of the forthcoming 21st World Congress of Savings Banks to be held on the 20th – 22 September 2006, for the first time in Asia. I am proud to let you know that the Congress has several esteemed speakers lined-up including Mr. Pascal Lamy, Director General of WTO and Mr Hamish McRae, a prominent economist and futurist. In addition, we are also honored to have our Bank Negara's Deputy Governors, YBhg Datuk Zamani and YBhg Dato' Mohd Razif Abd. Kadir to share some of their experience and input with regards to Malaysian perspective on the topics of "Asian perspective on development and opportunities for the region" and "Savings Banks and Foundations, contribution for a sustainable society" respectively.

We certainly hope that our organisation in the Congress will enhance BSN and Malaysia's image in the international financial arena. As at to-date, we have received registration from all over the world including Germany, Spain, France, El Salvador, Denmark, Thailand, China and Korea. I hope that in the near future, Prudential BSN Takaful would be able to leverage on BSN's relationship with WSBI members as a platform to undertake a strategic alliance with them to expand our takaful business internationally.

Ladies and Gentlemen,

Before I end this speech, I would like to take this opportunity to say thank you to all who have made the partnership possible and congratulations to all those who have been involved in realizing the birth of PBTB. We at BSN are committed to work together with Prudential in using the takaful venture as a platform to expand the takaful business not only locally but also internationally.

I would also like to extend my heartiest congratulation to all that has been nominated to the Board of Prudential BSN Takaful. Your leadership, commitment and guidance are crucial to the joint venture's success. We look forward to a prosperous and exciting venture through PBTB. My well wishes once again to the team. Now you have the hard work to do. It's time to get our eyes on the work ahead of us. Let's get going. Wabillahi Taufik Walhidayah Wassalamualaikum Warahmatullahi Wabarakatuh and thank you.