

PRICING SUPPLEMENT



AFFIN ISLAMIC BANK BERHAD
(Company No. 709506-V)

Issuance of RM800,000,000.00 of T2 Sukuk Murabahah
pursuant to a Sukuk Programme of
RM5.0 billion in nominal value

LEAD ARRANGER AND LEAD MANAGER



Affin Hwang Investment Bank Berhad
(Company No. 14389-U)

The date of this Pricing Supplement is 18 October 2018

This document is issued to give details of an issue of Basel III-compliant Tier 2 Sukuk Murabahah (“**T2 Sukuk Murabahah**”) by Affin Islamic Bank Berhad (the “**Issuer**”) pursuant to a Sukuk Programme of RM5.0 billion in nominal value (the “**Sukuk Programme**”).

Full information on the Issuer and the offer of the T2 Sukuk Murabahah is only available on the basis of a combination of this T2 Sukuk Murabahah Pricing Supplement and the information memorandum dated 8 October 2018 (“**Information Memorandum**”) (as may be supplemented from time to time).

Unless otherwise defined in this T2 Sukuk Murabahah Pricing Supplement, capitalised terms used herein shall have the same meaning as in the Information Memorandum. In case of any conflict between the terms of the T2 Sukuk Murabahah Pricing Supplement and/or the Conditions, the terms set forth in this T2 Sukuk Murabahah Pricing Supplement shall govern.

The establishment of the Sukuk Programme has been duly authorised by the Issuer by way of the resolution of the Board of Directors passed on 25 June 2018.

The Issuer hereby acknowledges that it has authorised Affin Hwang Investment Bank Berhad (Company No. 14389-U) as the Lead Manager for the Sukuk Programme to circulate or distribute this T2 Sukuk Murabahah Pricing Supplement on its behalf in respect of or in connection with the proposed offer or invitation to subscribe for and issue of the T2 Sukuk Murabahah **only to prospective investors who fall within the ambit of the Selling Restrictions** (as defined below) for the purpose of the sale of this series of T2 Sukuk Murabahah described herein pursuant to the Sukuk Programme and that no further evidence of authorisation is required.

The Selling Restrictions of the T2 Sukuk Murabahah are as follows:

(a) Selling Restrictions at issuance

The T2 Sukuk Murabahah may not be issued, offered, sold or delivered, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons falling within Part I of Schedule 6 (or Section 229(1)(b)) and Part I of Schedule 7 (or Section 230(1)(b)) read together with Schedule 9 (or Section 257(3)) of the Capital Markets and Services Act 2007 (as amended from time to time) (“**CMSA**”).

(b) Selling Restrictions after issuance

The T2 Sukuk Murabahah may not be issued, offered, sold or delivered, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons falling within Part I of Schedule 6 (or Section 229(1)(b)) read together with Schedule 9 (or Section 257(3)) of the CMSA.

This T2 Sukuk Murabahah Pricing Supplement does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation, and no action is being taken to permit an offering of the T2 Sukuk Murabahah or the distribution of this T2 Sukuk Murabahah Pricing Supplement in any jurisdiction where such action is required.

THERE ARE RESTRICTIONS ON THE DISTRIBUTION OF THIS T2 SUKUK MURABAHAH PRICING SUPPLEMENT AND THE OFFERING OR SALE OF THE T2 SUKUK MURABAHAH IN MALAYSIA. PERSONS INTO WHOSE POSSESSION THIS T2 SUKUK MURABAHAH PRICING SUPPLEMENT COMES ARE REQUIRED BY THE ISSUER, THE LEAD ARRANGER AND THE LEAD MANAGER TO INFORM THEMSELVES ABOUT AND TO OBSERVE SUCH RESTRICTIONS. FOR A DESCRIPTION OF THE RESTRICTIONS ON THE OFFERING AND SALE OF THE T2 SUKUK MURABAHAH AND ON DISTRIBUTION OF THIS T2 SUKUK MURABAHAH PRICING SUPPLEMENT IN MALAYSIA, PLEASE REFER TO SECTION 3 OF THE INFORMATION MEMORANDUM FOR THE SUKUK PROGRAMME DATED 8 OCTOBER 2018.

Specific Final Terms

1. Issuer:	Affin Islamic Bank Berhad
2. Series Number:	002
3. Nominal Value:	RM800,000,000.00
4. Issue Price:	RM800,000,000.00
5. Specified Denominations: <i>(this means the minimum integral amount in which transfers can be made)</i>	RM 1,000.00 and integral multiples of RM1,000.00 in excess thereof.
6. Issue Date:	23 October 2018
7. Tenure of the T2 Sukuk Murabahah to be issued:	10 years non-callable 5 years
8. First Call Date	23 October 2023
9. Maturity Date:	23 October 2028

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this T2 Sukuk Murabahah Pricing Supplement. The Issuer confirms that having made all enquiries as were reasonable, the information contained in this T2 Sukuk Murabahah Pricing Supplement is in accordance with the facts prevailing on and is not false, misleading or contain any material omission as at the date of this T2 Sukuk Murabahah Pricing Supplement.

The Issuer confirms that where information has been sourced or extracted from third parties, the Issuer confirms that to the best of their knowledge and belief, and as far as they are able to ascertain from such information and without any independent verification having been conducted on the same, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed for and on behalf of
AFFIN ISLAMIC BANK BERHAD
(Company No. 709506-V)



By:
Duly authorised