



For Immediate Release

**PRIVATE RETIREMENT SCHEMES GAINING MOMENTUM,
SAYS PRIVATE PENSION ADMINISTRATOR**

Petaling Jaya, 15 March 2013 – The Private Pension Administrator Malaysia (PPA), the nation's central administrator for voluntary Private Retirement Schemes (PRS), today revealed that the awareness of the government initiated private pension scheme is gaining momentum and nationwide interest.

At the official opening of PPA office today, its Chief Executive Officer, Dato' Steve Ong said, "Since the launch of the Private Retirement Schemes by licenced providers over the past few months, we are certainly encouraged by the progress made. Our statistics show that there are PRS contributors in every state in the country, indicating that awareness is widespread across the nation and is steadily picking up."

The PRS is part of the Economic Transformation Programme to address the nation's need to provide for adequate retirement funding in the future. With Malaysia's gross income replacement rate (a person's gross income after retirement divided by gross income before retirement) coming in at around 30%, Malaysians are far behind the 66% replacement income recommended by the World Bank for the adequacy and sufficiency of retirement income.

Coupled with that, the average life expectancy of Malaysians is expected to increase beyond the 75 years. With the increase of retiree age group to beyond 10% by 2020, Malaysia will be classified as an aging nation. An EPF survey also revealed that more than two-thirds of retirees in the country deplete all their EPF savings between a mere three to five years after retirement.



The launch of the PRS is designed to help individuals to increase their retirement savings beyond their EPF savings. The PRS forms the third-pillar of Malaysia's multi-pillar pension framework and the right enabling environment is crucial for its long-term success. As such, the PPA, a body approved by the Securities Commission Malaysia, was established as the central administrator for the PRS to oversee and promote the growth of the industry as well as create general awareness of PRS.

"Today's event is a significant milestone for the PPA and Malaysia's private pension industry. The official opening of PPA's office is a sign of PPA's commitment and further reinforces our dedication in promoting the development and growth of the PRS industry," said PPA's Chairman, Datuk Zaiton Mohd Hassan.

"We have come a long way in the last few months. PPA is now fully up and running with our operational and administrative systems and infrastructure now in place. Between January and February 2013 alone, there were more than 1,000 enquiries coming in through calls and emails from providers, members and the public. We will continue to provide efficient and convenient services to all stakeholders of the PRS industry," added Dato' Steve Ong.

PPA's efforts in the areas of promotion and awareness creation have also borne fruit. Since the first PRS product was launched in October 2012, PRS contributions have been rising steadily and PPA has seen the registration of 24,000 PRS members as at 28 February 2013. With some members that have signed up with multiple PRS providers, the total amount of accounts opened during the same period is almost 31,000.

"This is an encouraging start bearing in mind that it has only been a few months and only five PRS providers out of eight had launched their products," said Datuk Zaiton.

PPA will continue with its efforts by embarking on a long-term awareness programme to communicate the need for saving for retirement and to build up the third-pillar of ones' pension fund. PPA looks towards enhancing the current retirement pension framework and continuing to serve the public by means of efficient administration, advocacy, and industry development.



With the opening of its new office at Level 6, Menara Mudajaya, Jalan PJU 7/3, Mutiara Damansara, 47810 Petaling Jaya, Selangor, the PPA will focus on delivering one-stop administration and services as well as protecting members' interests.

The opening of its new office was officiated by Securities Commission Malaysia Chairman, Datuk Ranjit Ajit Singh. PPA was represented by its Chairman, Datuk Zaiton Mohd Hassan and CEO, Dato' Steve Ong.

For more information visit the PPA website: www.ppa.my or email askPPA@ppa.my or call the hotline at 03-7732 1520.

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About Private Pension Administrator Malaysia (PPA)

Incepted alongside the launch of the Private Retirement Scheme on 18 July 2012, the Private Pension Administrator Malaysia or PPA is the central administrator for the PRS industry. PPA is a body approved by the Securities Commission Malaysia and is established to administer, oversee, and promote the growth and operation of the PRS industry.

PPA's task is to facilitate and maintain all PRS-related transactions via a life-time PPA account for PRS members. PPA is also responsible for the promotion and general awareness on PRS and serves as a one-stop resource centre for the PRS industry and PRS members in Malaysia. The PPA plays a significant role in enabling infrastructure for supplementary retirement savings. It promotes an efficient administration to help account holders conveniently monitor their PRS funds.

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