
Prudential in Malaysian joint-venture

By Kerry Pechter *Fri, Jan 3, 2014*

A new subsidiary of Prudential will hold 70% of the shares of Uni.Asia Life Assurance Berhad.

A newly-formed joint venture of Prudential Financial, Inc. (PFI), doing business as Pramerica, and Bank Simpanan Nasional (BSN), has bought all of the shares and paid-up ordinary share capital of Uni.Asia Life Assurance Berhad (UAL) from Uni.Asia Capital Sdn Bhd (UAC), it was announced this week.

PFI and BSN paid Malaysian Ringgit (RM) 518 million (\$160 million) in cash for the UAL shares. PFI's ownership is through a subsidiary, The Prudential Insurance Company of America (PICA), which holds 70% of the UAL shares, while BSN, a part of the Malaysia Ministry of Finance, holds the rest.

With the closing of the agreement, UAL will develop "customized solutions for BSN's customers and develop a more integrated bancassurance platform that fully leverages BSN's distribution network and customer base," the firms said in a release.

UAL will also continue to sell its products through Pos Malaysia Berhad, a unit of BSN and Malaysia's only mail services provider, and through its 1,000 retail outlets across the country.

UAL's former parent, UAC, is owned by Gadek (Malaysia) Bhd, which engages in cultivation and marketing of rubber, oil palm and coffee and operates as an investment holding company. Through its subsidiaries, the company also engages in construction work and project management. The company was incorporated in 1978 and is based in Shah Alam, Malaysia.

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