

CAGAMAS CONCLUDES ISSUANCE OF ONE-YEAR FLOATING RATE NOTE

Kuala Lumpur, 28 February 2018 – Cagamas Berhad (“Cagamas” or “the Company”), the National Mortgage Corporation of Malaysia, announced the issuance of its one-year RM300 million Floating Rate Notes (FRN). Proceeds from the issuance will be used to fund the purchase of mortgage loans from the financial system.

“Despite the steady increase in interest rates globally evidenced by the 10-year U.S Treasury yield hitting a four year high of 2.95% on the pricing date (21 February 2018), the FRN was successfully concluded via private placement and was competitively priced at 5 basis points over the 3-month KLIBOR benchmark rate,” said Chief Executive Officer, Datuk Chung Chee Leong.

“Attractive rates offered by the financial institutions (FIs) for short term deposits recently have resulted in the demand for higher yield returns for investments amongst investors, especially corporate institutions. Nonetheless, appetite from fixed income investors especially FIs over Cagamas’ strong credit was encouraging as the Company successfully concluded the issuance of its local currency FRN – which represents the Company’s third issuance for the year with a collective amount of RM1.06 billion issued in 2018 thus far,” added Datuk Chung.

The papers, which will be redeemed at their full nominal value upon maturity, are unsecured obligations of the Company, ranking pari passu among themselves and with all other existing unsecured obligations of the Company. They will be listed and tradable under the Scripless Securities Trading System.

About Cagamas

Cagamas Berhad (Cagamas), the National Mortgage Corporation of Malaysia, was established in 1986 to promote the broader spread of home ownership and growth of the secondary mortgage market in Malaysia. It issues corporate bonds and sukuk to finance the purchase of housing loans from financial institutions and non-financial institutions. The provision of liquidity to financial institutions at a reasonable cost to the primary lenders of housing loans encourages further expansion of financing for houses at an affordable cost.

The Cagamas model is well regarded by the World Bank as the most successful secondary mortgage liquidity facility. Cagamas is the second largest issuer of debt instruments after the Government of Malaysia and the largest issuer of AAA corporate bonds and sukuk in the market. Since incorporation in 1986, Cagamas has cumulatively issued circa RM302.9 billion worth of corporate bonds and Sukuk.

Cagamas' corporate bonds and sukuk continue to be assigned the highest ratings of AAA and P1 by RAM Rating Services Berhad and AAA/AAA_{IS} and MARC-1/MARC-1_{IS} by Malaysian Rating Corporation Berhad, denoting its strong credit quality. Cagamas is also well regarded internationally and has been assigned local and foreign currency long-term issuer ratings of A3 by Moody's Investors Service Inc. that are in line with Malaysian sovereign ratings.

Cagamas Berhad (157931-A)

Level 32, The Gardens North Tower

Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur

Tel : +603 - 2262 1800 | Fax: +603 - 2282 8125 / 9125

www.cagamas.com.my

Media Enquiries

Sarah Abdul Aziz

Tel : +603 - 2262 1866

csc@cagamas.com.my

Lucia Wee

Tel : +603 - 2262 1868

csc@cagamas.com.my