



STRONG DEMAND ON CAGAMAS ISLAMIC COMMERCIAL PAPERS (ICPs)

Kuala Lumpur, 25 March 2014 – Cagamas Berhad (Cagamas), the National Mortgage Corporation of Malaysia, announced its first ICP issuance for year 2014, a 3-month Islamic Commercial Papers (ICPs) amounting RM500 million. The ICPs will be issued under the Islamic Commodity Murabahah structure and the proceeds from the issuance will be used to fund the purchase of Islamic financing from the financial system.

“Going concern over pace of the scale back in the US Federal Reserve stimulus plans has caused investors to adopt more cautious investment approach as evidenced by decreased secondary market volume in the private debt securities space as compared to corresponding period last year. Evidently, investors preference for high grade issues and short duration investment strategy results in strong demand for the Company’s 3-month ICPs particularly from financial institutions with a bid to cover ratio of over 2.4 times and competitively priced at 3-month KLIBOR,” said Mr Chung Chee Leong, President/Chief Executive Officer of Cagamas.

The ICPs, which will be redeemed at their full nominal value on 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, was established in 1986 to promote the broader spread of house ownership and growth of the secondary mortgage market in Malaysia. It issues debt securities 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 debt securities in the market. Since incorporation in 1986, Cagamas has cumulatively issued RM276.2 billion of conventional and Sukuk.

Cagamas' debt securities continue to be assigned the highest ratings of AAA and P1 by RAM Rating Services Berhad and AAA/AAA_{ID} and MARC-1/MARC-1_{ID} by Malaysian Rating Corporation Berhad, denoting its strong credit quality.

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

~ end ~