

**CAGAMAS COMMERCIAL PAPERS SUCCESSFULLY PRICED POST-MALAYSIA
OVERNIGHT POLICY RATE CUT**

Kuala Lumpur, 23 May 2019 – Cagamas Berhad (“Cagamas” or “the Company”), the National Mortgage Corporation of Malaysia, announced its combined issuance of RM605 million comprising RM300 million 3-month Conventional Commercial Papers (CCPs) and RM305 million 3-month Islamic Commercial Papers (ICPs). The ICPs will be issued under the Islamic Commodity Murabahah structure. Proceeds from the issuances will be used to fund the purchase of housing loans and Islamic home financing from the domestic financial system.

“Despite heightened volatility in the global bond markets and moderation in growth forecasts, liquidity in the local bond markets remains resilient. The CCPs and ICPs represent the first issuance concluded by the Company post Overnight Policy Rate cuts by Bank Negara Malaysia on 7 May 2019. The short-term papers received strong subscription rates as demonstrated by the bid-to-cover ratio of 3.6 times collectively,” said President/Chief Executive Officer, Datuk Chung Chee Leong.

“Both the Conventional and Islamic issuances were priced competitively via public offerings at two basis points below the 3-month onshore benchmark Kuala Lumpur Interbank Offered Rate or equivalent to an effective yield of 3.44% per annum based on the pricing date,” 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.

About Cagamas

Cagamas Berhad (Cagamas), the National Mortgage Corporation of Malaysia, was established in 1986 to promote homeownership and contribute towards nation development. It contributes towards the growth of the capital markets, Islamic finance and other priority sectors through issuance of innovative instruments. 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 RM320 billion worth of corporate bonds and sukuk.

Cagamas' corporate bonds and sukuk continue to be assigned the highest ratings of AAA/Stable/P1 by RAM Rating Services Berhad and AAA/MARC-1 and AAA_{IS}/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.

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