



Issuance of RM1.495 billion of Cagamas Debt Securities

Cagamas Berhad ("Cagamas"), the National Mortgage Corporation, has successfully closed the book-building exercise for its debt securities on 13 June 2006. The issuance comprise a 1-year discount notes of RM330 million, 2-year Cagamas fixed rate bonds of RM445 million and 3-year fixed rate bonds of RM720 million. The issuance date is scheduled on 16 June 2006.

The transaction was upsized from RM1.2 billion to RM1.495 billion, the largest offering by Cagamas through a book-building exercise. Total orders were more than RM1.7 billion amidst the volatile and bearish bond market conditions within the region, reflecting investors' confidence in the credit strength of Cagamas. At the closing of the book-building exercise, approximately 75% of the bids came from financial institution investors with the remaining from insurance companies (12%), fund managers (8%) and corporates (5%).

Aseambankers Malaysia Berhad, Hong Leong Bank Berhad and HSBC Bank Malaysia Berhad were the Joint Lead Managers/Bookrunners appointed for this transaction.

About Cagamas

Cagamas was incorporated on 2 December 1986 with the primary objective of purchasing conventional housing loans, Islamic house financing debts, industrial property loans and hire purchase and leasing debts (conventional and Islamic) from financial institutions. Cagamas issues debt securities to finance the purchase of these loans and debts. Cagamas is rated AAA by both Rating Agency Malaysia Berhad and Malaysian Rating Corporation Berhad. With the above new issue of debt securities, the total amount of Cagamas bonds outstanding in the market is RM26,755 million.

Cagamas Berhad
15 June 2006