



CAGAMAS MBS BERHAD LAUNCHES LARGEST EVER ISSUANCE OF RESIDENTIAL MORTGAGE-BACKED SECURITIES

Kuala Lumpur, August 1

Cagamas MBS Berhad ("CMBS") today launched its fifth and to date, its largest issuance of Residential Mortgage-Backed Securities (CMBS 2007-2) of indicatively RM2.41 billion in nominal value.

CMBS, wholly-owned by Malaysia's national mortgage corporation, Cagamas Berhad ("Cagamas"), is a special purpose entity set up solely to undertake the securitisation of the Government of Malaysia's ("GOM") staff housing facilities.

This issuance involves the acquisition of approximately RM3.0 billion portfolio of GOM's staff housing facilities.

The GOM, as the originator and the servicer for this transaction, is obliged to deduct the mortgage installments from the salary and pension payments to staff and pensioners respectively.

CMBS 2007-2 is expected to be issued in multiple tranches of 3, 5, 7, 10, 12, 15 and 20 years and has been accorded the highest indicative rating of AAA by both Malaysian Rating Corporation Berhad (MARC) and RAM Rating Services Berhad (RAM). The rating reflects the superior quality of the underlying assets of the portfolio and the integrity of the legal and payment structure of the transaction. This strong rating is also a reflection of the strength of the counterparties which include the GOM as the Servicer for the assets and Cagamas as the Transaction Administrator and Administrator. Other key factors considered for the assigned rating of AAA include the quality of mortgages which is further reinforced by the eligibility criteria which, amongst others, require that monthly salary and pension exceed the mortgage installments.

The underlying pool of assets backing CMBS 2007-2 are the most seasoned of all the issuances by CMBS to date, with a weighted average seasoning of 7.58 years.

AmInvestment Bank Berhad ("AmInvestment") and CIMB Investment Bank Berhad ("CIMB") act as Joint Principal Advisers, Joint Lead Arrangers and Joint Lead Managers for CMBS 2007-2. As Joint Lead Managers, AmInvestment and CIMB will market CMBS 2007-2 to both local and foreign investors. CMBS 2007-2 is structured to cater to market demand for structured debt securities instruments as well as to support the GOM's effort in strengthening the Asset-Backed Securities market.

Cagamas Berhad
1 August 2007