



**CAGAMAS HOLDINGS RELEASES 2012 ANNUAL REPORT:
CORPORATE DEBT SECURITIES AND ISLAMIC FINANCE CONTINUES TO
BE KEY GROWTH DRIVERS FOR GROUP**

Kuala Lumpur, 26 March, 2013 -- Cagamas Holdings Berhad (the Company) officially released its 2012 Annual Report today, recording an 11% increase in the Company's total purchase of loans and financing amounting to RM3.22 billion compared with RM2.90 billion in 2011. The growth was driven largely by purchases of Islamic assets which amounted to RM3.05 billion. During the year, its wholly owned and main operating subsidiary Cagamas Berhad's (Cagamas) Purchase With Recourse (PWR) business expanded by 12.9% to RM3.07 billion, while Purchase Without Recourse (PWOR) was at RM150.2 million. Total debt securities issuances for 2012 was RM4.9 billion, representing a 75% growth over 2011 and reaffirms Cagamas' position as the largest issuer of corporate debt securities in Malaysia. As at end of 2012, outstanding debt securities issued by Cagamas accounted for 8% of total outstanding corporate debt securities and 22% of all outstanding AAA debt securities in Malaysia. All 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 the Malaysian Rating Corporation Berhad.

For the financial year ended 2012, the Company recorded a pre-tax profit of RM551.9 million compared to RM591.5 million in 2011. Cagamas posted a slightly lower profit before tax of RM293 million due to lower PWOR purchases and gradual run down of mortgage assets, which was partly offset by higher purchases of PWR assets, higher treasury income and write-back of loan loss provision during the year. The Company's special purpose vehicle, Cagamas MBS Berhad (CMBS), contributed a pre-tax profit of RM253.4 million to the Company's performance for the financial year under review. The Company remained strongly capitalised during 2012 with Core Capital and Risk-Weighted Capital Ratio (RWCR) standing at a high of 35.6% and 36.4% respectively as at end of 2012. Cagamas' RWCR was also strong at 24.4%.

In a statement released after the Company's Sixth Annual General Meeting, Chairman Dato' Ooi Sang Kuang said, "Expanded market reach for PWR was made through the introduction of a new Shariah compliant purchase mechanism, Bai al-Dayn al-Sila'ii, which accounted for the major portion of the new purchases. The need to hedge profit rate risk on Islamic assets by Islamic financial institutions was strong, and was the main factor driving the Company's growth of PWR."

Earnings per share in 2012 at Cagamas Berhad level was 146 sen compared with 151 sen in 2011. Net tangible assets per share were higher at RM28.35 and RM15.13 for the Company and Cagamas respectively, compared with RM25.86 and RM14.77 respectively in the previous year. In conjunction with the Company's 25th anniversary celebration, the Company declared a special dividend of 25 sen per share less income tax to the shareholders; this is in addition to an interim dividend of 15 sen per share less income tax to the shareholders during 2012.

Dato' Ooi added that while the Company remained focused on its mandate in promoting home ownership for Malaysians, it would explore new opportunities to play an active role in promoting a deeper and more liquid bond market in Malaysia. Islamic finance will continue to be a key growth driver for the Company and Cagamas will be proactive in supporting Malaysia's position as a leading global Islamic finance hub.

"The Company also looks forward to realigning and broadening its mandate, which includes expanding its product offerings to cover more sectors, widening its client base and exploring cross-border opportunities. This, coupled with the favourable growth prospects in Malaysia and the Asia region, I am confident that the Company will be ready for the expanded role and tasks ahead", he added.



About Cagamas Holdings Berhad

Incorporated in 2007, Cagamas Holdings Berhad is the holding company of Cagamas Berhad, Cagamas MBS Berhad, Cagamas SME Berhad, BNM Sukuk Berhad, Cagamas SRP Berhad and Cagamas MGP Berhad (formerly known as Cagamas HKMC Berhad).

Its wholly owned subsidiary, 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 at a reasonable cost to the primary lenders of housing loans encourages further financing of houses at an affordable cost. In addition, Cagamas Berhad also securitizes mortgage loans/receivables and SME loans/receivables through its sister companies, Cagamas MBS Berhad and Cagamas SME Berhad respectively. Cagamas Holdings Berhad also provides mortgage guarantee to mortgage lenders through Cagamas MGP Berhad (formerly known as Cagamas HKMC Berhad).

The Cagamas model is well regarded by the World Bank as a successful secondary mortgage liquidity facility. Cagamas is the leading issuer of AAA debt securities in Malaysia as well as one of the top Sukuk issuers in the world. Since incorporation in 1986 till end 2012, Cagamas has cumulatively issued RM255.5 billion of conventional and Islamic debt securities.

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 Holdings Berhad (762047-P)

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~