

## **Maybank Raises US\$800.0 Million Subordinated Notes**

### **- Largest ever US\$ bond issuance by a Malaysian Financial Institution**

KUALA LUMPUR, 14 September 2012 - Maybank yesterday successfully priced its US\$800 million Regulation S Tier 2 Capital Subordinated Notes ("**Subordinated Notes**" or the "**Transaction**") under its US\$5.0 billion Multicurrency Medium Term Note Programme. This is the largest Regulation S US\$ Lower Tier 2 capital issuance by an Asian Bank outside Japan and also marked the largest ever US\$ bond issuance by a Malaysian financial institution.

The Transaction was priced at 5-year US Treasury + 260 bps or a yield of 3.254% and will pay a coupon of 3.25% per annum, to be paid semi annually in arrears. The Subordinated Notes will have a tenure of 10 years from the issue date on a 10 non-callable 5 basis, maturing on 20 September 2022. The Subordinated Notes have been accorded a rating of BBB+ by Standard & Poor's Ratings Services and are also expected to be rated BBB+ by Fitch Ratings. The Subordinated Notes are expected to be listed on the Singapore Exchange Securities Trading Limited and Labuan International Financial Exchange Inc.

The Transaction was allocated to high-quality investors and the 5.6 times oversubscribed order book was well diversified. In terms of geographical distribution, Asian investors were allocated 84% and European investors 16%.

The proceeds from the Transaction will be used for working capital, general banking and other corporate purposes. The Subordinated Notes are expected to qualify as Lower Tier 2 capital as per the Bank Negara Malaysia's guidelines and be eligible for Basel III transitional treatment.

"This is a landmark issuance among Malaysian financial institutions and the strong order book and fine pricing is testimony to international investors' recognition of Maybank's financial strength as well as their support of our credit standing," said Dato' Sri Abdul Wahid Omar, President & CEO of Maybank.

"Investors have responded enthusiastically to the opportunity to subscribe for our Subordinated Notes issuance and this exhibits the confidence that they have in Maybank and its future prospects. The book size was robust with over US\$4.5 billion in orders drawn from a well diversified investor base in excess of 200 accounts," he added.

Maybank Investment Bank Berhad, the Hongkong and Shanghai Banking Corporation Limited Offshore Banking Unit Labuan and Nomura were Joint Lead Managers and Bookrunners for the Transaction.

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**Note:**

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