



**MEDIA RELEASE**  
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## **DANAJAMIN ISSUES ITS INAUGURAL TIER-2 SUBORDINATED SUKUK**

**Kuala Lumpur, 6 October 2017** - Danajamin Nasional Berhad (“Danajamin”), the country’s first Financial Guarantee Insurer, issued its inaugural Tier-2 Subordinated Sukuk as part of its Capital Management Plan.

The Subordinated Sukuk issuance of RM500 million is part of a Sukuk Programme of up to RM2.0 Billion for the Issuance of Senior and Subordinated Sukuk Murabahah. The Subordinated Sukuk will have a tenure of 10 years, with a callable option made available from year 5 onwards and is rated AA1 by RAM Rating Services Bhd and AA+ by Malaysian Rating Corporation Berhad.

The Subordinated Sukuk, which will be redeemed at its full nominal value upon maturity, is subordinated, unsecured obligations of the company, ranking pari passu with any other existing subordinated, unsecured obligations of the company.

According to Mohamed Nazri Omar, Chief Executive Officer of Danajamin, “We have put in place a comprehensive Capital Management Plan as part of regulatory requirement. This Sukuk programme provides an alternative to the company in sourcing for additional capital. This will also increase the ability of Danajamin in meeting its developmental mandate of bringing new and viable companies into the debt capital market.”

The inaugural issuance was oversubscribed, receiving overwhelming response of about RM800 million from a diverse range of investors achieving a yield of 4.80%. As a result, the issuance was upsized from the initial size of RM300 million to RM500 million of which RM400 million is offered to investors and RM100 million via private placement.

“We are indeed very pleased to receive encouraging support by a wide range of investors that includes asset managers, financial institutions, pension funds and insurance companies. This reflects the market confidence in Danajamin. We were able to attract a total of 16 investors to participate in this inaugural issuance,” added Mohamed Nazri.

The issuance also sees Danajamin strengthening its regulatory capital level enabling it to continue meeting its developmental mandate to stimulate the bond/sukuk market.

The Joint Principal Advisers and Joint Lead Arrangers are AmInvestment Bank Berhad and Maybank Investment Bank Berhad. The Joint Lead Managers for the first issuance AmInvestment Bank Berhad, Maybank Investment Bank Berhad and Hong Leong Investment Bank Berhad.

Since its establishment in 2009 to broaden access to the corporate bonds market with a focus on projects related to economic transformation initiatives, Danajamin has guaranteed both conventional and Islamic bond/sukuk programmes issued by 31 viable Malaysian corporations across various sectors. To date Danajamin has brought about a market impact of approximately RM16 billion.

For more information about Danajamin, its services as well as its leadership, kindly visit our website at [www.danajamin.com](http://www.danajamin.com)

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**ABOUT DANAJAMIN**

Danajamin Nasional Berhad (Danajamin) is Malaysia's first and only Financial Guarantee Insurer. Established in May 2009, Danajamin's objective is to ensure that financially viable corporates continue to be able to access the bond market for their long term financing needs and at the same time, be an enabler to further develop the domestic bond and sukuk market.

To date, Danajamin has provided its guarantee for RM9 billion bond/sukuk programmes issued by 31 companies across various sectors; and brought about a market impact of RM16 billion through its risk sharing collaboration with partner banks.

Danajamin has been accorded the highest rating 'AAA' by both RAM Rating Services Berhad (RAM) and Malaysia Rating Corporation Berhad (MARC). It is regulated and supervised by Bank Negara Malaysia under the Financial Services Act 2013. Danajamin is equally owned by Minister of Finance Incorporated and Credit Guarantee Corporation Malaysia Berhad.

Today, Danajamin is well positioned to further enable the development of Malaysia's capital market. Growing from strength to strength, Danajamin's total assets and shareholders' equity stands at RM2.1 billion and RM1.6 billion respectively (as at 30 June 2017).