



STRONG DEMAND ON LEMBAGA PEMBIAYAAN PERUMAHAN SEKTOR AWAM MAIDEN SUKUK ISSUANCE

KUALA LUMPUR, 21 September 2016: Lembaga Pembiayaan Perumahan Sektor Awam (LPPSA), a statutory body established under the Public Sector Home Financing Board Act 2015, has successfully issued its maiden Sukuk of up to RM4.0 billion today. The issuance received overwhelming reception from the market and was oversubscribed more than 3 times with highly competitive rates. The strong demand demonstrates LPPSA's credential as a new Sukuk issuer in the market with a strong credit standing. The Sukuk was issued to finance the provision of housing loans to the civil servants.

The RM4.0 billion Islamic Medium Term Notes ("IMTN") formed part of LPPSA's RM25.0 billion Islamic Commercial Papers / Islamic Medium Term Notes Programme ("ICP/IMTN Programme") and is guaranteed by the Government of Malaysia.

Offered through a book-building process, total orders received were up to RM13.395 billion representing 68 investors. The Sukuk issued in tranches of 3-year to 30-year was priced at 3.5% to 4.90% per annum across tenures.

"There was already an indication of strong interest in LPPSA Sukuk based on the overwhelming turn-out of investors as we officially launched LPPSA and announced the maiden issuance at the investors' presentation in July 2016. We believe that underlying the investors' support is the market confidence on LPPSA's financial strength and solid credit standing as a sustainable self-financing body under the Ministry of Finance entrusted with the provision of housing loans to the civil servants" LPPSA Chairman, Tan Sri Dr Mohd Irwan Serigar Abdullah said in a statement.

Affin Hwang Investment Bank Berhad, AmInvestment Bank Berhad, Bank Islam Malaysia Berhad, CIMB Investment Bank Berhad, Maybank Investment Bank Berhad, OCBC Bank (Malaysia) Berhad and RHB Investment Bank Berhad were the joint lead managers and joint book runners for this book-building exercise.

CIMB Investment Bank Berhad is the Facility Agent and RHB Islamic Bank Berhad is the Syariah Adviser for the Financing Programme.

About LPPSA

LPPSA is the statutory body tasked with administering the housing loans for civil servants in the public sector. The formation of LPPSA from the previous Bahagian Pinjaman Perumahan (BPP) of the Ministry of Finance was effective from 1 January 2016. LPPSA has come into full operation, taking over BPP's main function as the sole provider for government housing loan facility. LPPSA has a well-established cash flow from BPP, stronger and solid credit standing with a healthy generation of cash flow from civil servant's salary deduction.

For Further information, please contact:

Nashrul bin Abdul Shukor
Senior Manager
Corporate Communications Department
Lembaga Pembiayaan Perumahan Sektor Awam
Tel : 03-8880 2888
E-mail : nashrul.shukor@lppsa.gov.my