



Media Release

RAM Ratings withdraws ratings of Hong Leong Bank's RM1.7 billion Sub Notes and RM1.4 billion Capital Securities, maintains other ratings

RAM Ratings has received confirmation that Hong Leong Bank Berhad (the Bank) fully redeemed and cancelled its RM1.7 billion Subordinated Notes (2010/2032) and RM1.4 billion Capital Securities under its Stapled Securities Issuance on 5 May 2016. Consequently, RAM no longer has any rating obligation on the said facilities, and has withdrawn the respective AA₂/Stable and AA₃/Stable ratings as well as the AA₃/Stable rating of Prominic Berhad's RM1.4 billion Capital Securities under the Stapled Securities Issuance (2011/2061). Prominic is a funding conduit of the Bank for the issuance of the RM1.4 billion securities.

However, RAM will maintain surveillance on the Bank's AA₁/Stable/P1 financial institution ratings (FIRs) and those of the following debt issues:

Instrument	Rating
Up to RM1.0 billion Innovative Tier-1 Capital Securities Issuance Programme (2009/2069) ¹	AA ₃ /Stable/-
RM1.5 billion Nominal Value Subordinated Notes (2012/2024) ²	AA ₂ /Stable/-
Up to RM10.0 billion Multi-Currency Subordinated Notes Programme (2014/2044) ²	AA ₂ /Stable/-

Notes:
¹ The 2-notch rating differential between Hong Leong Bank's AA₁ long-term FIR and the AA₃ ratings of its RM1.4 billion Capital Securities and RM1 billion Innovative Tier-1 Capital Securities reflects the deeply subordinated nature and embedded interest-deferral feature of the hybrid instruments.
² The 1-notch rating differential between Hong Leong Bank's AA₁ long-term FIR and the AA₂ ratings of its Subordinated Notes reflects the subordination of the debt facilities to its senior unsecured obligations.

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