



## Media Release

### RAM Ratings withdraws rating of Hong Leong Bank's RM2 billion Subordinated MTN Programme (2009/2029)

RAM Ratings has withdrawn the AA<sub>2</sub>/Stable rating of Hong Long Bank Berhad's (the Bank) RM2 billion Subordinated MTN Programme (2009/2029), following the full redemption of the said debt facility on 30 December 2015. As such, RAM no longer has any rating obligation in respect of the Programme. However, RAM will maintain surveillance on the Bank's AA<sub>1</sub>/Stable/P1 financial institution ratings and those of the following debt issues:

Instrument	Rating
<b>Hong Leong Bank</b>	
RM1.4 billion Capital Securities under Stapled Securities Issuance <sup>1</sup>	AA <sub>3</sub> /Stable/-
Up to RM1.7 billion Subordinated Notes Programme (2010/2032) <sup>2</sup>	AA <sub>2</sub> /Stable/-
Up to RM1.0 billion Innovative Tier-1 Capital Securities Issuance Programme (2009/2069) <sup>1</sup>	AA <sub>3</sub> /Stable/-
RM1.5 billion Nominal Value Subordinated Notes (2012/2024) <sup>2</sup>	AA <sub>2</sub> /Stable/-
Up to RM10.0 billion Multi-Currency Subordinated Notes Programme (2014/2044) <sup>2</sup>	AA <sub>2</sub> /Stable/-
<b>Notes:</b> <sup>1</sup> The 2-notch rating differential between Hong Leong Bank's AA <sub>1</sub> long-term financial institution rating and the AA <sub>3</sub> 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. <sup>2</sup> The 1-notch rating differential between Hong Leong Bank's AA <sub>1</sub> long-term financial institution rating and the AA <sub>2</sub> ratings of its Subordinated Notes reflects the subordination of the debt facilities to its senior unsecured obligations.	
<b>Prominic</b>	
RM1.4 billion Subordinated Notes under the Stapled Securities Issuance (2011/2061)	AA <sub>3</sub> /Stable/-
<b>Note:</b> Prominic's RM1.4 billion of Subordinated Notes are part of Hong Leong Bank's RM1.4 billion of Capital Securities. Each issue of Hong Leong Bank's Capital Securities will be stapled to its Subordinated Notes. The Subordinated Notes carry the same rating as the RM1.4 billion Capital Securities, given that Hong Leong Bank's payment obligations to Prominic under an inter-company loan – which will be used to pay coupons on the Subordinated Notes – rank pari passu with the RM1.4 billion Capital Securities.	

**Media contact**

Choong Andrea  
(603) 7628 1115  
andrea@ram.com.my

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**RAM Rating Services Berhad**  
(763588-T)

Suite 20.01, Level 20  
The Gardens South Tower  
Mid Valley City  
Lingkaran Syed Putra  
59200 Kuala Lumpur

<b>T</b>	+603 7628 1000
	+603 2299 1000
<b>F</b>	+603 7620 8251
<b>E</b>	ramratings@ram.com.my
<b>W</b>	www.ram.com.my