

RHB AND JBIC SIGN USD100 million

Kuala Lumpur, 28 May 2009: RHB Bank Berhad (“RHB”) and Japan Bank for International Cooperation (“JBIC”), the international arm of the Japan Finance Corporation (“JFC”) signed a long-term two-step Untied Loan Agreement of USD100m today.



(Seated, from left) Michael J. Barrett, Group Managing Director of the RHB Banking Group, and Fumio Hoshi, Executive Director of Japan Bank for International Cooperation (JBIC) signing on behalf of RHB Bank Berhad and JBIC respectively. Witnessed by (from left) Datuk Azlan Zainol, Chairman of RHB Bank Berhad, Dato’ Seri Ahmad Husni Mohamad Hanadzlah, Finance Minister II of Malaysia, and His Excellency Masahiko Horie, Japanese Ambassador to Malaysia from the Embassy of Japan.

This loan is a synchronized and coordinated fiscal and monetary response from the Japanese Government through JBIC mainly towards supporting the SME sector following the announcement in March that the Japanese Government would tap its USD1trillion foreign exchange reserves to finance business activities abroad and alleviate the effects of the sharp plunge in economic activities.

The two-step Untied loan is aimed at providing finance through RHB Bank to help promote and encourage commercial activities in Malaysia particularly in the small- and medium-sized enterprises (SME’s) especially those in the greenfield, energy, electrical and electronics (E&E), and automotive sectors.

The signing was witnessed by Yang Berhormat Dato’ Seri Ahmad Husni Mohamad Hanadzlah, Finance Minister II of Malaysia, His Excellency Masahiko Horie, the Japanese Ambassador to Malaysia and Yang Berbahagia Datuk Azlan Zainol, Chairman of RHB Bank Berhad.

Mr. Fumio Hoshi stated that JBIC’s facility acts as the catalyst for the Japanese Government to promote its initiatives, such as investments and trade, in Malaysia. This loan is JBIC’s response to the financial crisis to support regional liquidity and help stabilize the financial systems in the ASEAN region such as Malaysia which aims to provide funding access to the SME sector. In this regard, RHB Bank is an excellent partner to manage this loan program based on its positive track record, broad customer network, strong management team and strong bilateral partnership with JBIC.

According to Datuk Azlan Zainol, “This focus to explore with external parties such as JBIC to develop our own medium to longer term foreign currency stability is in line with the RHB Banking Group’s direction to expand into regional markets. Now, the cost of borrowing has gone up and US Dollar lenders have diminished in the market. Therefore, this 3rd Untied Loan from JBIC this time carries a completely different meaning from the previous Untied loan.”

Issued on behalf of RHB Bank Berhad by Group Corporate Communications Division, RHB Capital Berhad. For more information, please call Mohamad Zaihan Ariffin at 012-3322191, Eza Dzul Karnain at 012-3420060 or Sandra Foo at 012-3188412.



News Room

Note to the Editor:

RHB Bank Berhad's previous partnerships with the Japan Bank for International Cooperation (JBIC) include:

- 1) The 1st USD100million Untied Loan from JBIC to RHB to support the small- and medium-sized industries in Malaysia, signed in April 2006. RHB was the first private financial institution to receive an Untied loan from JBIC;
- 2) The Carbon Credit Finance Scheme to support the CDM (Clean Development Mechanism) Projects such like biodiesel, biomass, projects in the greenfield area in Malaysia, signed with the Japan Carbon Finance-Japan fund for Carbon Credit in July 2006; and
- 3) The 2nd USD100million Untied Loan from JBIC to RHB towards supporting industries in Malaysia signed in March 2008.

SMBC: Sumitomo Mitsui Banking Corporation, Tokyo, Japan, is another strong partner of RHB. RHB Bank has a long-standing relationship with Japan through its strategic alliance with Sumitomo Mitsui Banking Corporation ("SMBC") spanning over 30 years and it is this relationship with SMBC that led RHB to the culmination of the close bilateral cooperation with JBIC.

RHB Bank : The fourth largest fully integrated bank in Malaysia, with 186 branches and total asset size of RM84.24 billion. It has one of the largest SME portfolios in the country with about 100,000 SME customers.

JBIC: The international wing of the Japan Finance Corporation (JFC) established on October 2008. The role of JBIC is to complement the financing provided by private financial institutions by promoting overseas development and acquisition of strategically important natural resources to Japan as well as maintaining and improving the international competitiveness of Japanese industries. Although JBIC's activities have revolved around government-to-government funding and financing in emerging economy countries, its partnership with RHB is the first with a commercial bank in Malaysia.

About the RHB Banking Group

The RHB Banking Group is the fourth largest fully integrated financial services group in Malaysia. The Group's core businesses are streamlined into four Strategic Business Units (SBUs): Retail Banking, Corporate & Investment Banking, Islamic Banking and International Banking. These businesses are offered through its main subsidiaries – RHB Bank Berhad, RHB Investment Bank Berhad, RHB Insurance Berhad and RHB Islamic Bank Berhad, while its asset management and unit trust businesses are held under RHB Investment Management Berhad. RHB's International Banking Division include the commercial banking operations in Singapore, Thailand and Brunei. The Group also has a non-ringgit based offshore funding operations in Labuan as well as a representative office in Vietnam. It is the RHB Banking Group's aspiration to deliver superior customer experience and shareholder value; and be recognised as one of the top financial services groups in ASEAN.

It's time we simplify banking.