NEWS RELEASE
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DANAJAMIN SIGNS STRATEGIC COLLABORATION AGREEMENT WITH CREDIT GUARANTEE AND INVESTMENT FACILITY
Collaboration to unlock the potential of capital markets

Kuala Lumpur – Danajamin Nasional Berhad, Malaysia’s first Financial Guarantee Insurer, today announced it entered into a Strategic Collaboration Agreement (SCA) with Credit Guarantee and Investment Facility (CGIF), an initiative of the Governments of ASEAN+3 (People’s Republic of China, Japan, and Republic of Korea) countries and a trust fund of the Asian Development Bank (ADB) to accelerate and promote the development of the capital markets in Malaysia and ASEAN+3 countries.

In a signing ceremony held today, the SCA established a strategic partnership to facilitate meaningful exchange of market intelligence and talent development, as well as jointly undertake transactions here in Malaysia. The SCA was signed by Mohamed Nazri Omar, CEO of Danajamin and Kiyoshi Nishimura, CEO of CGIF. Witnessing the event was Dato’ Mohamed Hussein, Chairman of Danajamin and Datuk Wan Azhar Wan Ahmad, President and Chief Executive Officer of Credit Guarantee Corporation Malaysia Berhad.

In keeping with its primary objective of building financial capacity and capability, the SCA focuses on 2 priority areas; capacity building and knowledge transfer. This includes transactional collaboration involving potential obligors of the respective parties as well as cross-promotion of bonds and Sukuk guaranteed by Danajamin and CGIF to local and foreign investors. The SCA will also allow both parties to share best practices in terms of regulatory frameworks, banking and capital market structures as well as technical expertise.

Commenting on the partnership, En. Mohamed Nazri Omar, CEO of Danajamin Nasional Berhad said, “We have a great responsibility to stimulate and enable the development of the Malaysian bond market. This is in addition to our primary objective of enabling financially viable companies tap the domestic capital markets for long term fixed rate funding. CGIF is a natural partner for us to align and collaborate with given how CGIF complements our role as a catalyst in unlocking the potential of the local capital market. We see opportunities in the domestic bond market and this is the first step towards realising the full potential of the Malaysian capital market”.

CGIF is a trust fund established to promote economic development, boost long-term investments and resilience of financial markets in the ASEAN region. Established in 2010, CGIF ensures that corporates continue to access the capital markets for their long term financing needs. This is done through CGIF’s guarantees on local currency denominated bonds issued by companies in the ASEAN+3 region.

“We are very pleased to collaborate with Danajamin. The partnership will provide us an opportunity to promote the Malaysian bond market and at the same time, jointly contribute to the development and growth of the ASEAN financial landscape” concluded Kiyoshi Nishimura, CEO of CGIF.
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 RM6.9 billion bond/sukuk programmes issued by 24 companies across sectors; and brought about a market impact of RM10.0 billion through its strategic collaborations with 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 stand at RM1.9 billion and RM1.2 billion respectively (as at 31 December 2013).

IN A SNAPSHOT

Danajamin’s key objectives are to:
- Provide financial guarantee to enable financially viable companies access to the PDS market to obtain financing, with emphasis on long-term financing
- Further enable the development of the domestic PDS market as an alternative source of financing to complement the banking industry
- Stimulate economic growth by improving access to capital for Malaysian companies

Danajamin aims to:
- Facilitate a wider range of credit-worthy companies to raise capital via the bond/sukuk market
- Encourage smaller/non-traditional issuers to raise capital via the bond/sukuk market
- Provide access to long-term capital for a wider range of companies

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

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