

**OCBC BANK LEAD ARRANGING RM198 MILLION ASSET BACKED
SECURITIES BONDS FOR SECURITISATION OF KENANGA
INTERNATIONAL BUILDING**

Kuala Lumpur, 24 May 2007 – OCBC Bank (Malaysia) Berhad (OCBC Bank) has been appointed Sole Principal Adviser and Lead Arranger for Injaz AsiaEquity Property Berhad's (IAEPB) Asset Backed Securities in the form of Secured Bonds of up to RM198 million (ABS Transaction) in conjunction with the securitisation of the Kenanga International Building (the Property).

IAEPB was set up as a bankruptcy remote special purpose vehicle to implement the securitisation of the Property which involves its disposal by Kenanga Management Services Sdn Bhd (KMS), a subsidiary of K & N Kenanga Holdings Berhad (KNK Holdings), to IAEPB. The ABS Transaction also involves IAEPB's entering into a lease agreement with Kenanga Investment Bank Berhad for a portion of the Property. To fund the purchase of the Property, IAEPB is issuing Secured Bonds of up to RM198 million.

The disposal and leaseback provides an avenue for KNK Holdings to transform the value of the Property into cash to provide KNK Holdings with the required resources to expand and grow its core business both locally and overseas, with the ultimate objective of enhancing shareholders' value and returns in the future. In addition, the completion of the disposal would effectively reduce KNK Holdings' gearing, thus strengthening its balance sheet. KNK Holdings also expects to realize a gain on the disposal which will enhance the financial position of KNK Holdings.

Pursuant to the ABS Transaction, the Property would be managed by AsiaEquity Partners Sdn Bhd (AEPsB) as the Servicer, who will perform certain functions and duties in relation to the development and refurbishment of the Property as well as appoint any service providers required to help in managing the Property.

According to OCBC Bank's Head of Investment Banking, Ms Tan Ai Chin, the transaction represents a breakthrough in Malaysia's debt capital market as it involves the issuance of multi tranching Bonds comprising Senior Rated Bonds (rated AAA to A), unrated Subordinated Bonds, Mezzanine Bonds, and rated and non rated Junior Bonds to suit the appetite of different classes of investors.

"This transaction also creates a first in the Malaysian debt capital market by the issuance of non investment grade Bonds which have been successfully placed out to external investors such as Injaz Mena Investment Company PSC (Injaz Mena), a full service investment bank that is licensed and regulated by the Central Bank of the United Arab Emirates, who has subscribed to the Junior Bonds," she said.

The Bonds investment by Injaz Mena is part of the strategy of its offshore property fund, Injaz AsiaEquity Property Fund 1, which is jointly managed by Injaz Mena and AsiaEquity Partners Inc (AsiaEquity Partners), a boutique investment and fund management outfit specialising in originating real estate investment and structured investments based in Singapore. The Servicer, AEPSB, is a 100% subsidiary of AsiaEquity Partners Pte Ltd.

Commenting on the Junior Bonds, AsiaEquity Partners' Managing Director, En Yusof Wahid said Injaz Mena's subscription of the Junior Bonds is a testament to the bank's confidence in Malaysia's commercial real estate market.

"With the launch of the US\$100 million Injaz AsiaEquity Property Fund 1 in November 2006 by AsiaEquity Partners in partnership with Injaz Mena, investors in the Middle East now have the opportunity to invest in prime commercial real estate in the region," he said.

Injaz AsiaEquity Property Fund 1 seeks to achieve capital appreciation by acquiring interest in prime commercial properties in major cities across Asia, including Singapore, Malaysia and Thailand.

Oversea-Chinese Banking Corporation Limited's (OCBC Ltd) Head of Group Investment Banking, Mr George Lee added, "We are delighted to be involved once again in paving the way for greater progress in the development of Malaysia's capital market through the issuance of another innovative capital market instrument which would facilitate participation by foreign property funds and other classes of investors in the vibrant debt capital market of the country.

"With the completion of this ABS Transaction, we are proud to say that OCBC Bank becomes the only bank to have completed a diverse range of real estate securitisation assets comprising both retail malls and office buildings in the Malaysian debt capital market with four deals concluded including this ABS Transaction. OCBC Bank's role has now expanded beyond the traditional adviser/lead arranger role to one that involves participation as subordinated/mezzanine bondholders, thus demonstrating our commitment and confidence in the ABS Transaction.

"OCBC Bank, as a leader and innovator in structured finance, has lead-managed several innovative/landmark real estate structured financing transactions comprising, among others, Mid Valley Capital Sdn Bhd (the securitization of Mid Valley Megamall), Focal Quality Sdn Bhd (the securitization of 3 retail malls) and Aragorn ABS Berhad (the securitization of a commercial property). In fact, OCBC has also pioneered the first securitization of plantation assets in Malaysia in year 2005 with 3 transactions concluded to-date."

The signing ceremony saw Mr George Lee, Head of Group Investment Banking, OCBC Ltd exchanging documents with En Abdul Aziz, Chairman of IAEPB. Witnessing the event were En Yusof Wahid, Managing Director of AsiaEquity Partners, En Megat Mizan Nicholas Denney, Director of KMS, Mr Jeffrey Chew, Head of Business Banking, OCBC Bank and Ms Tan Ai Chin, Head of Investment Banking, OCBC Bank.

About OCBC Bank

Singapore's longest established local bank, OCBC Bank, currently has assets of S\$157 billion and a network of over 370 branches and representative offices in 15 countries and territories including Singapore, Malaysia, Indonesia, Vietnam, China, Hong Kong SAR, Brunei, Japan, Australia, UK and USA. This network includes more than 250 branches and offices in Indonesia operated by OCBC Bank's subsidiary, PT Bank NISP. OCBC Bank and its banking subsidiaries offer a wide range of specialist financial services, from consumer, corporate, investment, private and transaction banking to global treasury and stockbroking services to meet the needs of its customers across communities.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the largest insurance group in Singapore and Malaysia, in terms of assets and market share, and its asset management subsidiary, Lion Capital Management, is one of the largest asset management companies in Southeast Asia. Additional information may be found at www.ocbc.com.

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