

Press Release

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Maybank expands overseas mortgage loan scheme

- *Sydney, Perth & Singapore new markets under this scheme*

Maybank has expanded its Overseas Mortgage Loan Scheme to include purchases of residential properties in three new markets - namely Sydney, Perth and Singapore. This new scheme will enable Malaysian investors enjoy the convenience of financing their property purchases there in Ringgit, thus alleviating the concern of fluctuating foreign exchange rates.

Maybank was the first Malaysian Bank to offer Ringgit loans for overseas properties when it introduced the Overseas Mortgage Loan Scheme for London properties in 2011. This was followed by Melbourne properties in 2012.

Maybank's Deputy President and Head of Community Financial Services, Datuk Lim Hong Tat said that the new scheme was introduced following strong demand from customers for mortgages that would cover other popular locations. Malaysians, he revealed, were increasingly expanding their investment portfolios to include overseas properties by capitalizing on favourable exchange rates and potential value appreciation or for use by their children studying abroad.

"Malaysians today are savvy investors and make up a growing portion of property investors in Australia and Singapore," he explained. "There is a distinct need to provide hassle-free financing options for this segment of customers who would otherwise face more inconvenience and added expenditure in arranging for financing from banks in these foreign markets."

Datuk Lim added that the main benefits customers would enjoy from Maybank's Overseas Mortgage Loan Scheme were the relief from currency fluctuations as well as assistance with the necessary regulatory approvals in Malaysia for the financing facility.

He said that the new mortgage facility was being offered for properties that are completed or off-the-plan. In addition they could be for own occupation or investment purposes with financing options of term loan, overdraft or a combination of both.

“Our financing plans are flexible and highly competitive, with financing margins of between 75%-85% of the property value,” he said. “In addition, we offer other benefits such as financing for mortgage reducing term assurance, legal and valuation fees as well as the financial freedom to pay more into the loan for immediate interest savings and enjoy redraw benefits later.”

Datuk Lim revealed that since the Overseas Mortgage Loan Scheme was launched in 2011, total financing secured has reached some RM720 million. “Of this amount, over 90% has been for London properties while the balance has been for Melbourne purchases.”

Maybank, he added, is targeting to secure RM200 million in financing for properties in Sydney, Perth and Singapore for this year.

“Given our significant regional operations, we are seeing growth opportunities in financing of properties across borders,” he explained. “More recently, we launched an Islamic financing scheme for Singaporeans who wished to purchase properties in Malaysia, which is in addition to the conventional loan scheme we have been offering prior to that. This is allowing us to tap into the growing market of investors from the region who seek opportunities in international markets.”

Datuk Lim said this latest product will help the Bank achieve its targeted home financing growth rate of over 13% this financial year over the last year. The new mortgage loan scheme will also support Maybank’s leadership position as it takes on a more global role in offering its products and services.

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