

News Release

14 April 2016

Maybank Group seeks to tap USD110 billion ASEAN Infrastructure market

Singapore - Maybank, South East Asia's fourth largest bank by assets, today said at its Invest ASEAN conference that it aims to tap the significant opportunities in the ASEAN infrastructure market, said to be worth some USD110 billion per year.

Maybank's Group Head of Global Banking, Feisal Zahir said that estimates by the Asian Development Bank indicate that the region needs some USD110 bil per year until 2025 in infrastructure spending.

"Maybank's latest research report, 'ASEAN Infrastructure: The New Old Thing' projects that the Governments in ASEAN-6 (Malaysia, Singapore, Indonesia, Vietnam, Philippines and Thailand) is set to be USD84 billion this year," he said. "Furthermore, there are signs that the weak global environment has provided the impetus for governments to accelerate spending. Singapore has indicated development expenditure of as much as 6% of GDP by 2020 from the 3.7% in 2010.

The financing of these projects is helped by ASEAN's underleveraged position, which provides room for balance sheets to expand. The region is also set to benefit from rising savings rates due to demographic and urbanization trends.

Feisal said that the Maybank Group, with its on-ground operations in all 10 ASEAN countries and decades of expertise in project financing, was well positioned to support the infrastructure financing requirements in the region.

He added that Maybank's presence in Greater China is another factor that will enable the Group to benefit from the region's sustained growth. "Given the strong trade and investment flows between ASEAN and China, we see Maybank leveraging on this through our strengths in trade financing, transaction banking, cash management and capital raising capabilities."

Greater ASEAN integration and the creation of the AEC is expected to drive annual regional GDP growth to between 6 to 8 per cent. At the same time, annual intra-regional trade could reach US\$1 trillion. Foreign direct investment into ASEAN will continue to grow strongly to approximately US\$106 billion as companies look to expand production bases in the region.

Meanwhile, John Chong, CEO of the Maybank Kim Eng Group said that the firm is actively pursuing advisory and arrangement roles across various sectors including power, renewable energy, waste water, transport, airports and highways. "A large part of ASEAN is under-built and with increasing population and urbanization, the region is feeling the push to spend on infrastructure. We see a lot



of potential in Indonesia, Philippines, Malaysia, Thailand as well as parts of Indochina, and some of these projects are already in our pipeline of deals.”

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Maybank Kim Eng, he said, believes that infrastructure will remain an area where the region will see sustained growth and is expected to drive ASEAN’s development in the coming years. Maybank Kim Eng predicts that the second pillar of growth for ASEAN, strongly connected to infrastructure, is trade.

Invest ASEAN Singapore, is Maybank’s flagship investor conference to uncover ASEAN’s most exciting investment opportunities. Themed ASEAN’s Next Wave: Building the Infrastructure of Opportunity, this year’s conference focuses on the region’s huge potential in its infrastructure build-up and the impact of free trade agreements and blocs namely the Trans-Pacific Partnership and China’s Belt and Road, which will reshape the business landscape and competitiveness of the region.

Held at the Ritz Carlton Singapore, the event attracted over 1000 delegates with representatives from 12 countries. A total of 48 corporates from Thailand, Malaysia, the Philippines, Indonesia, Singapore and Vietnam with total market capitalisation of USD94.5billion and 307 funds across the globe totaling USD21,638 billion in Assets Under Management participated in the conference.

About Maybank

Maybank is among Asia's leading banking groups and South East Asia’s fourth largest bank by assets. The Maybank Group has an international network of 2,400 offices in 19 countries namely Malaysia, Singapore, Indonesia, Philippines, Brunei Darussalam, Vietnam, Cambodia, Thailand, Hong Kong SAR & People's Republic of China, Bahrain, Uzbekistan, Myanmar, Laos, Pakistan, India, Saudi Arabia, Great Britain and the United States of America. The Group offers an extensive range of products and services, which includes consumer and corporate banking, investment banking, Islamic banking, stock broking, insurance and takaful and asset management. It has over 46,000 employees serving more than 22 million customers worldwide. (www.maybank.com)

About Maybank Kim Eng

The Maybank Kim Eng group of companies comprises businesses stretching around the globe with offices in Malaysia, Singapore, Hong Kong, Thailand, Indonesia, Philippines, India, Vietnam, Saudi Arabia, Great Britain and the United States of America. Maybank Kim Eng has been in Asia for more than 40 years and provides services in corporate finance, debt markets, equity capital markets, derivatives, retail and institutional securities broking and research. A leader in many of the Asian markets that it operates in, Maybank Kim Eng has won numerous prestigious awards in the markets that it serves.

Maybank Kim Eng is the fully-owned investment banking arm of Maybank; one of Asia’s leading banking groups and South East Asia’s fourth largest bank by assets. Maybank has been ranked among the World's Top 20 Strongest Banks by Bloomberg Markets for two consecutive years - 2013 and 2014 - and has an international network of offices in 20 countries serving more than 22 million customers worldwide.