



Press Release
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LRA's parent undergoes a corporate reorganization

Rating Agency Malaysia Berhad (better known as RAM), LRA's parent, recently completed a corporate reorganisation exercise. The reorganisation has entailed the renaming of RAM as RAM Holdings Berhad ("RAM Holdings"), and the transfer of RAM Holdings' credit rating operations to a newly incorporated, wholly owned subsidiary known as RAM Rating Services Berhad ("RAM Ratings"). With this change the two rating agencies, RAM Ratings and LRA have become sister companies.

RAM Holdings will maintain its affiliation with Standard & Poor's and continue with all its other businesses, such as consultancy services, which are not related to credit rating, as well as retain all the assets, liabilities, intellectual property and patents of RAM.

RAM's reorganisation is in line with the Securities Commission's ("SC") Practice Note on Recognition of Credit Rating Agencies by the Securities Commission for the Purpose of Rating Bond Issues ("the Practice Note", issued on 25 January 2006), which provides for credit rating services to be independently operated from other business operations of the company.

Mr Suresh Menon who is currently a Director of LRA has been appointed as the Executive Director at RAM Holdings and will overlook LRA whilst focusing on setting-up domestic rating agencies in the region. "We have been approached by a few countries to help them set up domestic rating agencies, akin to RAM's own business model. This is indeed a compliment to RAM as they acknowledge that our model has been successful in spearheading the growth of the Malaysian bond market since its inception", said Suresh Menon.

Datuk Rajandram will continue to be the Executive Deputy Chairman of the group and Chairman of LRA. Notwithstanding these changes, the same commitment in terms of service, integrity, credibility and transparency can be expected from LRA.

Tel: 2553089
E-mail: lra@lankarating.com
Web: www.lankarating.com