

## HONG LEONG INDUSTRIES BERHAD

### PROPOSED ISSUE OF MEDIUM TERM NOTES OF UP TO RM600.0 MILLION NOMINAL VALUE PURSUANT TO A MEDIUM TERM NOTE PROGRAMME

#### 1. Proposed Medium Term Note Programme

Hong Leong Industries Berhad (“HLI” or “the Company”) writes to inform that the Company proposes to undertake a medium term note (“MTN”) programme involving the issuance of up to RM600.0 million nominal value MTNs (“Proposed MTN Programme”).

#### 2. Salient Terms Of The Proposed MTN Programme

The indicative salient terms of the Proposed MTN Programme are set out below:

**a) Issue Size**

Up to RM600.0 million in nominal value.

**b) Security/Collateral**

None.

**c) Issue Price**

The MTNs shall be issued at par or at a discount to face value and the issue price of the MTNs shall be calculated in accordance with the Rules on Fully Automated System for Issuing/Tendering issued by Bank Negara Malaysia, as amended and substituted from time to time.

**d) Tenure of the Proposed MTN Programme**

The availability period and tenure of the Proposed MTN Programme is up to seven (7) years from the date of the first issuance under the Proposed MTN Programme, which shall be made within two (2) years from the date of the Securities Commission (“SC”)’s approval.

The tenure of the MTNs to be issued under the Proposed MTN Programme shall be at least one (1) year and up to seven (7) years as the Company may select, provided that the maturity of the MTNs does not extend beyond the expiry date of the Proposed MTN Programme.

**e) Mode of Issue**

The MTNs will be issued via private placement to OCBC Bank (Malaysia) Berhad.

Hong Leong Industries Berhad

Re: Proposed Issue Of Medium Term Notes Of Up To RM600.0 Million Nominal Value  
Pursuant To A Medium Term Note Programme

**3. Rationale For The Proposed MTN Programme/Utilisation Of Proceeds**

The proceeds raised from the Proposed MTN Programme will be utilised for investments and working capital purposes.

**4. Principal Adviser/Lead Arranger**

The Principal Adviser and Lead Arranger of the Proposed MTN Programme is OCBC Bank (Malaysia) Berhad.

**5. Approval required**

The Proposed MTN Programme is subject to the approval of the SC.

This announcement is dated 18 May 2010.