Danaharta Acquires First NPL

Pengurusan Danaharta Nasional Berhad (Danaharta) entered into an agreement with Perwira Affin Merchant Bank Berhad to purchase a property-related NPL today, following approval given by the Danaharta Board of Directors during their meeting held on August 26, 1998. It represents the first in a series of acquisitions to be made in order to revitalise the banking sector. The funding for the acquisition was derived from the initial RM50m equity injection by the government. Other NPLs have been identified for acquisition in the coming weeks.

Details of today's acquisition together with other acquisitions to be made in the quarter ending September 30, 1998 will be announced in our first quarterly report (made in accordance with our quarterly disclosure standards) in October 1998.

Danaharta obtained the green light to acquire its first NPL with the approval of its Asset Acquisition Guidelines and Framework for Valuation Methodology by the Board of Directors at their recent meeting.

The Guidelines were developed in conjunction with consultants Arthur Andersen whilst the Framework for Valuation Methodology had inputs from that firm and PricewaterhouseCoopers.

Priority will be given to consistent, efficient and effective application of the Asset Acquisition Guidelines and Framework for Valuation Methodology.

Quarterly Reports

In line with our objective to be transparent, Danaharta will be making quarterly reports on its operations. The quarterly reports will be released within four weeks from the close of each quarter. Danaharta's quarterly report for the quarter ending September 30, 1998 will be the first.

The following disclosures will be included in its quarterly reports:

- Profit and Loss Statement
- Assets acquired and disposed of during the quarter, by sector
- Assets acquired from each bank
- Financing
- Operations Review

Azman Yahya
Managing Director

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For further information, please contact:
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