



## Media Release

### **RAM Ratings Lanka creates market awareness with workshops on Islamic finance**

RAM Ratings Lanka Ltd ("RAM Ratings Lanka"), one of only 2 approved rating agencies in Sri Lanka, is organising a series of educational events to build capacity in the local capital markets. RAM Ratings Lanka, a wholly owned subsidiary of Malaysia-based RAM Holdings Berhad ("RAM Holdings"), is pursuing its mission of developing the domestic bond market and creating awareness among market participants.

RAM Holdings is the parent of Malaysia's premier credit-rating agency, RAM Rating Services Berhad ("RAM RS"), which has played a pivotal role in the development of the Malaysian bond market. The valuation of the Malaysian private debt market has increased tremendously in the last 2 decades, from RM1.5 billion in 1989 to RM158.8 billion in 2007. Meanwhile, RAM RS's expertise in bond-market development was acknowledged as early as 2002, by the Asian Development Bank ("ADB"), which voted it the most influential rating agency in the Asia-Pacific region. In 2006, RAM RS was designated the *World's Second Best Islamic Rating Agency*, as part of the Islamic Finance News Awards. These 2 accolades may well have helped Malaysia become - and retain its title as - the world's top issuer of Islamic bonds (or sukuk). In 2007, about 69% of outstanding global sukuk issues originated from Malaysia.

In Sri Lanka, RAM Ratings Lanka is now replicating the formula that RAM RS had so successfully deployed in Malaysia - to be a "market educator". RAM Ratings Lanka is also leveraging on its sister company's expertise in sukuk. To this end, a workshop on *Islamic Finance: Reality or Myth* will be the first of a series to be held on 20 March 2009 at the Cinnamon Grand, Colombo.

The workshop will be conducted by Mr Roslan Abdul Razak, who is currently the Director of Training and Shariah Business Advisory at the Islamic Banking and Finance Institution of Malaysia (or IBFIM). Mr Roslan, a veteran in Islamic finance, played a significant role in Malaysia's maiden sukuk issuance in 1994. During the workshops, participants will be introduced to basic Islamic concepts; most importantly, they will gain invaluable insight into the success of the Malaysian bond market.

Although RAM Ratings Lanka is well aware of the currently less-than-conducive climate for capital markets, we are also cognisant of Sri Lanka's vast potential. As such, the present environment is perceived as an opportune backdrop against which to develop the technical capacity of market players. This can be well taken advantage of when market sentiment starts turning around.

*"Only by equipping it with the requisite knowledge can we expect the Sri Lankan debt-capital market to experience sustainable growth. Learning and educating is part of RAM's culture; they are the pillars that support our credit insights,"* says RAM Ratings Lanka's Country Manager, Mr Kingston Ng. *"RAM Ratings Lanka pledges its firm commitment to its role as market educator on bonds, by dedicating the necessary time as well as financial and human resources to cultivate an enlightened and savvy debt-capital market,"* adds Kingston.

Going forward, more sukuk-related workshops will be organised to promote better understanding of this type of instrument, and its relevance to the development of the Sri Lankan capital market.

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