**DRB-HICOM BERHAD (Company No. 203430-W) ("ISSUER")**

**PROPOSED ISSUANCE OF SUBORDINATED ISLAMIC PERPETUAL NOTES PURSUANT TO A PROPOSED SUKUK MUSHARAKAH PROGRAMME OF RM2,000,000,000.00 IN NOMINAL VALUE UNDER THE SHARIAH PRINCIPLE OF MUSHARAKAH ("SUKUK MUSHARAKAH PROGRAMME")**

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**Series 1 Tranche 2**

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| 1 | *Issuer* | : | DRB-HICOM Berhad (Company No. 203430-W) |
| 2. | *Issue Date* | : | 30 December 2014 |
| 3. | *Nominal Value* | : | RM300,000,000.00 |
| 4. | *Tenure* | : | Perpetual Non-Callable 7 years |
| 5. | *Initial Periodic Distribution Rate (%) (p.a.)* | : | 8.00%*<br><br>* *this rate is applicable from the Issue Date to the First Distribution Stepped-Up Date.* |
| | *Spread* | : | 3.871% |
| | *Benchmark Rate* | : | 7-year Malaysian Government Securities |
| | *Distribution Stepped-Up Date(s)* | : | First Distribution Stepped-Up Date: 7th anniversary of the Issue Date<br><br>Second Distribution Stepped-Up Date: 10th anniversary of the Issue Date |
| | *Subsequent Periodic Distribution Rate* | : | From the First Distribution Stepped-Up Date up to the day before the Second Distribution Stepped-Up Date: the Benchmark Rate plus the Spread plus 1% ("**First Distribution Stepped-Up Rate**")<br><br>From the Second Distribution Stepped-Up Date and thereafter: the First Distribution Stepped-Up Rate plus 2.5% |
| | *Reset Date(s) of the Benchmark Rate* | : | 7th anniversary of the Issue Date and every 7 years thereafter |
| | *First Call Date* | : | 7th anniversary of the Issue Date |

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| **6.** | ***Details on Utilisation of Proceeds*** | : | (1) the Issuer's investments (including amongst others, purchase of shares, lands, buildings and property; and development and construction costs and working capital of existing and future projects), (2) provision of advances to the Issuer's subsidiaries; and (3) the Issuer's working capital, as well as refinancing of the Issuer's outstanding borrowings/financings that are utilised for Shariah-compliant purposes. |
| **7.** | ***Periodic Distribution Frequency*** | : | Semi-annual |
| **8.** | ***Margin for the purpose of calculating the Make-Whole Amount*** | : | 1.50% |
| **9.** | ***Rating*** | : | $A_{IS}$ by MARC |