

MALAYAN BANKING BERHAD

USD150,000,000 30 YEARS CALLABLE ZERO COUPON NOTES

PRICING SUPPLEMENT

16 March 2018

Malayan Banking Berhad
(Company No. 3813-K)
(incorporated with limited liability in Malaysia)

Issue of USD150,000,000 30 Years Callable Zero Coupon Notes
under the U.S.\$15,000,000,000
Multicurrency Medium Term Note Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described herein (the "**Pricing Supplement**").

Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes set forth in the Offering Circular dated 15 April 2016 and the Offering Circular Supplement dated 19 May 2016 (collectively, the "**Offering Circular**", together with the Pricing Supplement, the "**Offering Documents**"). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular.

1	Issuer:	Malayan Banking Berhad
2	(a) Series Number:	67
	(b) Tranche Number:	1
3	Specified Currency or Currencies:	United States Dollar (" USD ")
4	Aggregate Nominal Amount:	
	(a) Series:	USD 150,000,000
	(b) Tranche:	USD 150,000,000
5	(a) Issue Price:	100% of the Aggregate Nominal Amount
	(b) Net Proceeds:	USD 150,000,000
6	(a) Specified Denominations:	USD 1,000,000
	(b) Calculation Amount:	Not applicable
7	(a) Issue Date:	29 March 2018
	(b) Interest Commencement Date:	Not applicable
8	Maturity Date:	29 March 2048, subject to adjustments in accordance with the Modified Following Business Day Convention and subject to Issuer Call.
9	Interest Basis:	Zero Coupon

10	Redemption/Payment Basis:	Redemption based on schedule (" Redemption Schedule ") attached herewith.
11	Change of Interest Basis or Redemption/Payment Basis:	Not applicable
12	Put/Call Options:	Issuer Call (further particulars specified below)
13	(a) Status of the Notes:	Senior Unsecured
	(b) Date of Board approval for Notes obtained:	23 February 2012 25 November 2015
	(c) Date of regulatory approval for issuance of Notes obtained:	Not required
14	Listing:	<p>Application will be made by the Issuer for the Notes to be listed on the Taipei Exchange ("TPEX") in the Republic of China (the "ROC"). The Notes will be traded on the TPEX pursuant to the applicable rules of the TPEX. Effective date of listing and trading of the Notes on TPEX is on or about 29 March 2018.</p> <p>TPEX is not responsible for the content of the Offering Documents and no representation is made by TPEX to the accuracy or completeness of the Offering Documents. TPEX expressly disclaims any and all liability for any losses arising from, or as a result of the reliance on, all or part of the contents of the Offering Documents. Admission to the listing and trading of the Notes on TPEX shall not be taken as an indication of the merits of the Issuer or the Notes.</p>
15	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16	Fixed Rate Note Provisions:	Not applicable
17	Floating Rate Note Provisions:	Not applicable
18	Zero Coupon Note Provisions:	Applicable
	(a) Accrued Yield:	4.60% per annum, compounded annually
	(b) Reference Price:	USD150,000,000
	(c) Any other formula/basis of determining amount payable:	Amount payable on exercise of Issuer Call shall be determined in accordance with the Redemption Schedule attached.
	(d) Day Count Fraction in relation to Early Redemption Amounts and late payment	30E/360 including Early Redemption Amounts and late payment
19	Index Linked Interest Note Provisions:	Not applicable

20 Dual Currency Interest Note Provisions: Not applicable

PROVISIONS RELATING TO REDEMPTION

21 Issuer Call: Applicable, in accordance with Condition 7 of the Notes. The Issuer may, having given the requisite notices in accordance with Condition 7 of the Notes, (which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all (and not some only) of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in, or determined in the Redemption Schedule attached herewith.

(a) Optional Redemption Date(s): 29 March 2023, 29 March 2028, 29 March 2033, 29 March 2038 and 29 March 2043, subject to adjustments in accordance with the Modified Following Business Day Convention.

(b) Optional Redemption Amount: Please refer to the attached Redemption Schedule.

(c) If redeemable in part: Not redeemable in part.

(d) Notice period (if other than as set out in the Conditions): As set out in Condition 7.

22 Investor Put: Not applicable

23 Final Redemption Amount: USD 578,151,684.05

24 Early Redemption Amount payable on redemption or on event of default: As per Condition 7.7

GENERAL PROVISIONS APPLICABLE TO THE NOTES

25 Form of Notes: Registered Notes: Classic Global Note

26 Additional Financial Centre(s) or Payment Days: Taipei, Kuala Lumpur, Singapore, London and New York

27 Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): Not applicable

28 Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not applicable

29 Details relating to Instalment

Notes:

- (a) Instalment Amount(s): Not applicable
- (b) Instalment Date(s): Not applicable
- 30** Redenomination applicable: Not applicable
- 31** Other terms:
- (a) "Business Day Convention": Modified Following Business Day Convention
 - (b) "Additional Business Centre": Taipei, Kuala Lumpur, New York (in addition to Singapore and London, but excluding Hong Kong). Please refer to Condition 5.3.

DISTRIBUTION

- 32** (1) If syndicated, names of Managers:
- (a) KGI Securities Co. Ltd. the Lead Manager and Joint Bookrunner
 - (b) BNP Paribas, Taipei Branch, the Manager and Joint Bookrunner
 - (c) Cathay United Bank Co., Ltd. , the Co-Manager
- (a) Date of Subscription Agreement: 16 March 2018
- (b) Stabilising Manager(s) (if any): Not applicable
- 33** If non-syndicated, name of relevant Dealer: Not applicable
- 34** U.S. Selling Restrictions: Reg. S Category 1; TEFRA not applicable
- 35** Additional selling restrictions: **ROC Selling Restrictions**
- The Notes have not been offered, sold or re-sold, and will not be offered, sold or re-sold, directly or indirectly, to investors other than "professional institutional investors" as defined under Paragraph 2 of Article 4 of the Financial Consumer Protection Act of the ROC.

Purchasers of the Notes are not permitted to sell or otherwise dispose of the Notes except by transfer to a professional institutional investor.

OPERATIONAL INFORMATION

- 36** Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not applicable
- 37** Delivery: Delivery against payment
- 38** Additional Paying Agent(s) (if any): Not applicable
- ISIN: XS1792103712

Common Code: 179210371

39 Ratings: The Notes to be issued will not be rated.

40 Utilisation of Proceeds: As set out in the Offering Circular

Redemption Schedule

Optional Redemption Dates	Optional Redemption Price (%)	Optional Redemption Amount (USD)
29 March 2023	125.21559532%	187,823,392.98
29 March 2028	156.78945312%	235,184,179.68
29 March 2033	196.32484714%	294,487,270.71
29 March 2038	245.82932611%	368,743,989.17
29 March 2043	307.81665417%	461,724,981.26

LISTING APPLICATION

This Pricing Supplement comprises the pricing supplement required to list the issue of Notes described herein pursuant to the U.S.\$15,000,000,000 Multicurrency Medium Term Note Programme of Malayan Banking Berhad.

ROC TAXATION

The following summary of certain taxation provisions under ROC law is based on current law and practice. It does not purport to be comprehensive and does not constitute legal or tax advice. Investors (particularly those subject to special tax rules, such as banks, dealers, insurance companies and tax-exempt entities) should consult with their own tax advisers regarding the tax consequences of an investment in the Notes.

Interest on the Notes

As the Issuer of the Notes is not an ROC statutory tax withholder, there is no ROC withholding tax on the interest or deemed interest to be paid by the Issuer on the Notes.

ROC corporate holders must include any interest or deemed interest receivable under the Notes as part of their taxable income and pay income tax at a flat rate of 20 per cent. (unless the total taxable income for a fiscal year is under 500,000 New Taiwan Dollars), as they are subject to income tax on their worldwide income on an accrual basis. The alternative minimum tax (the "**AMT**") is not applicable.

Sale of the Notes

In general, the sale of corporate bonds or financial bonds is subject to 0.1 per cent. securities transaction tax (the "**STT**") on the transaction price. However, Article 2-1 of the ROC Securities Transaction Tax Act prescribes that STT will cease to be levied on the sale of corporate bonds and financial bonds from 1 January 2010 to 31 December 2026. Therefore, the sale of the Notes will be exempt from STT if the sale is conducted on or before 31 December 2026. Starting from 1 January 2027, any sale of the Notes will be subject to STT at 0.1 per cent. of the transaction price, unless otherwise provided by the tax laws that may be in force at that time.

Capital gains generated from the sale of bonds are exempt from income tax. Accordingly, ROC corporate holders are not subject to income tax on any capital gains generated from the sale of the Notes. However, ROC corporate holders should include the capital gains in calculating their basic income for the purpose of calculating their AMT. If the amount of the AMT exceeds the annual income tax calculated pursuant to the ROC Income Basic Tax Act (also known as the AMT Act), the excess becomes the ROC corporate holders' AMT payable. Capital losses, if any, incurred by such holders could be carried over 5 years to offset against capital gains of same category of income for the purposes of calculating their AMT.

Non-ROC corporate holders with a fixed place of business (e.g., a branch) or a business agent in the ROC are not subject to income tax on any capital gains generated from the sale of the Notes. However, their fixed place of business or business agent should include any such capital gains in calculating their basic income for the purpose of calculating AMT.

As to non-ROC corporate holders without a fixed place of business and a business agent in the ROC, they are not subject to income tax or AMT on any capital gains generated from the sale of the Notes.

ROC SETTLEMENT AND TRADING

Initial subscription of the Notes by investors will be settled directly through Euroclear or Clearstream, Luxembourg. In order to purchase the Notes, an investor must have an account with Euroclear or Clearstream, Luxembourg and settle the Notes through such account with Euroclear or Clearstream, Luxembourg. For any ROC investor having its own account with Euroclear or Clearstream, Luxembourg, the distributions of principal and/or interest for the Notes to such holders will be made to its own account with Euroclear or Clearstream, Luxembourg.

As of the date of this Pricing Supplement, the Issuer has not entered into any settlement agreement with the Taiwan Depository & Clearing Corporation (the "**TDCC**") and has no intention to do so. In the future, if the Issuer enters into a settlement agreement with TDCC, an investor, if it has a securities book-entry account with an ROC securities broker and a foreign currency deposit account with an ROC bank, may settle the Notes through the account of TDCC with Euroclear or Clearstream, Luxembourg if it applies to TDCC (by filing in a prescribed form) to transfer the Notes in its own account with Euroclear or Clearstream, Luxembourg to such TDCC account with Euroclear or Clearstream, Luxembourg for trading in the domestic market or vice versa for trading in overseas markets. For settlement through TDCC, TDCC will allocate the respective Notes position to the securities book-entry account designated by such investor in the ROC. The Notes will be traded and settled pursuant to the applicable rules and operating procedures of TDCC and the TPEX as domestic bonds. For such investors who hold their interest in the Notes through an account opened and held by TDCC with Euroclear or Clearstream, Luxembourg, distributions of principal and/or interest for the Notes to such holders may be made by payment services banks whose systems are connected to TDCC to the foreign currency deposit accounts of the holders. Such payment is expected to be made on the second Taiwanese business day following TDCC's receipt of such payment (due to time difference, the payment is expected to be received by TDCC one Taiwanese business day after the distribution date). However, when the holders will actually receive such distributions may vary depending upon the daily operations of the ROC banks with which the holder has the foreign currency deposit account.

Signed on behalf of the Issuer:

By:

Dato' Amirul Feisal Wan Zahir

Group Chief Financial Officer

Malayan Banking Berhad