

**List of Entities on Rating Watch for 3<sup>rd</sup> Quarter 2014 (period covering 1.07.2014 – 30.09.2014)**

No	Issuer / Entity	Issue size & Instrument	Last Rating action	MARCWatch	Subsequent Rating Action	Chronology of MARCWatch
1.	Tesco Stores (Malaysia) Sdn Bhd	RM3.5 billion Conventional and Islamic Commercial Papers / Medium-Term Notes Programme	AA+(cg)	NEG	<p>Tesco Stores (Malaysia) Sdn Bhd, was placed on MARCWatch Negative on 25 September 2014 due to the announcement made by Tesco Malaysia's parent company UK-based Tesco PLC (Tesco) on the identified overstatement of its expected profit by £250 million for the half-year ended August 23, 2014 (1HFY2015) which was earlier projected at £1.1 billion.</p> <p>MARC is concerned that a continued weakening in Tesco's operating performance could deteriorate its credit metrics to a level not commensurate with the current rating band as the ratings of the facilities reflect the credit strength of the corporate guarantee provided by Tesco.</p> <p>MARC expects to resolve the MARCWatch Negative placement upon further clarification and upon full assessment of Tesco's financial results which are expected to be announced on October 23, 2014.</p>	25 September 2014 - placed on MARCWatch Negative