KHAZANAH NASIONAL

Media Briefing - Second Year Review

1st June 2006

KHAZANAH NASIONAL

Agenda

- Overview of the Mandate
- Progress to date
- Restructuring & Reorganisation
- GLC Transformation
- Monitoring & Management
- Capacity Building
- Key Company Highlights
- Appendix

KHAZANAH NASIONAL

Our Framework

"… decisive action requires nothing less than a remaking of Malaysia Inc…"
"The Government would like to see Khazanah emerge as one of the biggest and most dynamic investment houses in the region… emerge stronger, more nimble and able to create more value"

Dato' Seri Abdullah Ahmad Badawi,
Prime Minister of Malaysia
14 May 2004

Key themes of our Mission…

- Strategic investment house
- Sustainable value creation
- Nation-building and national competitiveness
- Performance culture

… via four Strategic Pillars …

Legacy investments	Streamline, restructure
GLC trans-formation	Increase value: shareholder + strategic
New investments	New sectors, cross border
Human Capital Management	Active leadership development

and success measured by KPIs

Financial metrics as primary KPI: TSR and economic profit, ROE, Net Worth

Strategic value creation: capability building in customer acceptance, sectoral and geographic exposure, market penetration, human and knowledge capital, technology

Institution building: processes, charter, systems and controls, work culture, brand equity

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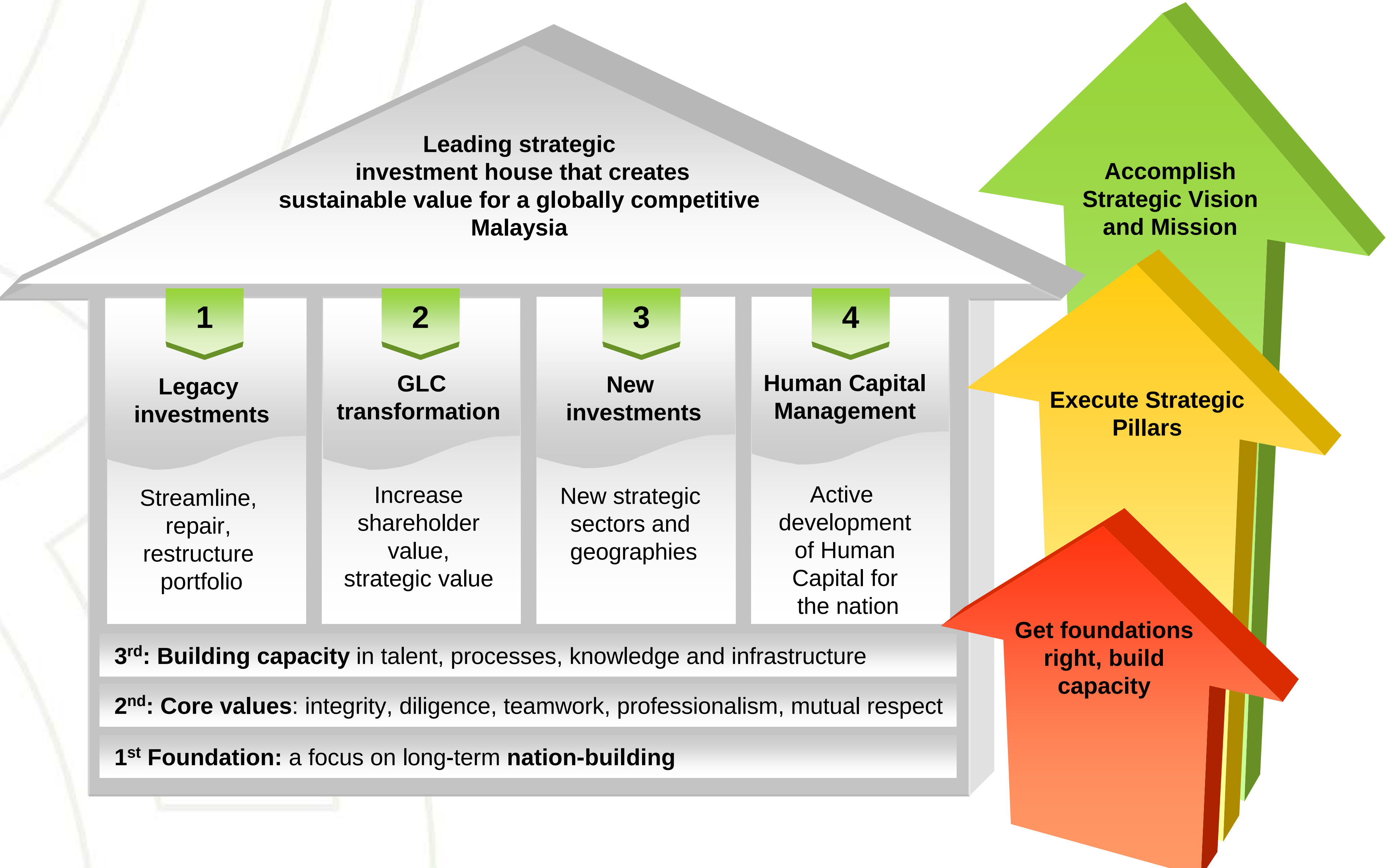
Our Mandate



Five-Pillar Terms of Engagement Framework with GLCs

Pillar	Description
Leadership Bench	• Ensure professional, capable, experienced and appropriate – Board of Directors – Senior Management team
Strategy	• Drive through the Boards and management, high-quality implementable business strategy
Systems and Controls	• Place key systems and controls to underwrite growth and value creation: e.g. Governance, Risk Management, Performance Management, Talent Management, Procurement, Internal Audit, Investor Relations
Industry Structure	• Drive or give inputs to how industry structures evolve – optimal competitive environment and regulatory structure • Leverage inter-company synergies
Monitor & Empower	• Once the above in place, do not micro-manage • Continuous monitoring of progress • Empower management to carry out its job

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Overview of Key Milestones – Last 2 Years

Year 1 (2004/05) → **Year 2 (2005/06)**

STRATEGY/ PROGRAMS

- Syndication of mandate
- Capacity Building Program starts
- Strategy set
- PCG Formed
- GLCT Manual / Blue Book
- SJER Concept Plan
- Headline KPIs
- Red Book/ Green Book

ACQUISITIONS/ DIVESTMENTS/ PROJECTS/ FUNDING

- MoF shares transferred
- Shuaibah 3 IWPP
- Lippo Bank
- Apollo Hospitals
- M1
- XL
- Pos M'sia
- Parkson

- USD414m PLUS EB
- YTL Power
- Bintulu Port
- Jardine C&C
- RM3.2bn Islamic MTN/CP

INVESTEE COMPANY MAJOR LANDMARKS

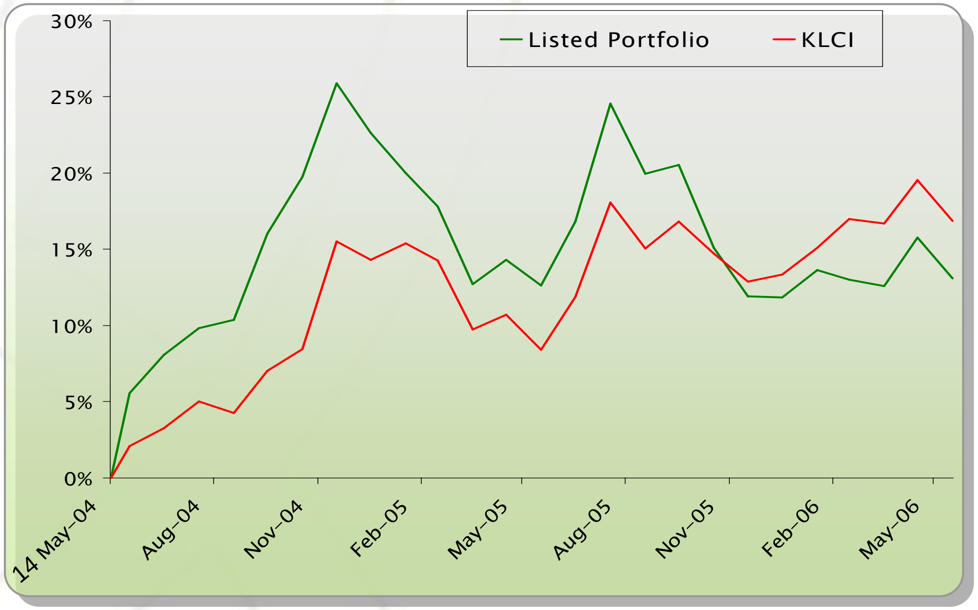
- TNB/TM/UEM SilTerra New Mgmt
- TM - XL
- CIMB GK Goh
- TM VSS
- BCB /CIMB
- MAS BTP
- BCB SBB
- MAS Domestic Rationalisation
- TM-Spice
- MAS MSS
- TNB Tariff

Source: Khazanah

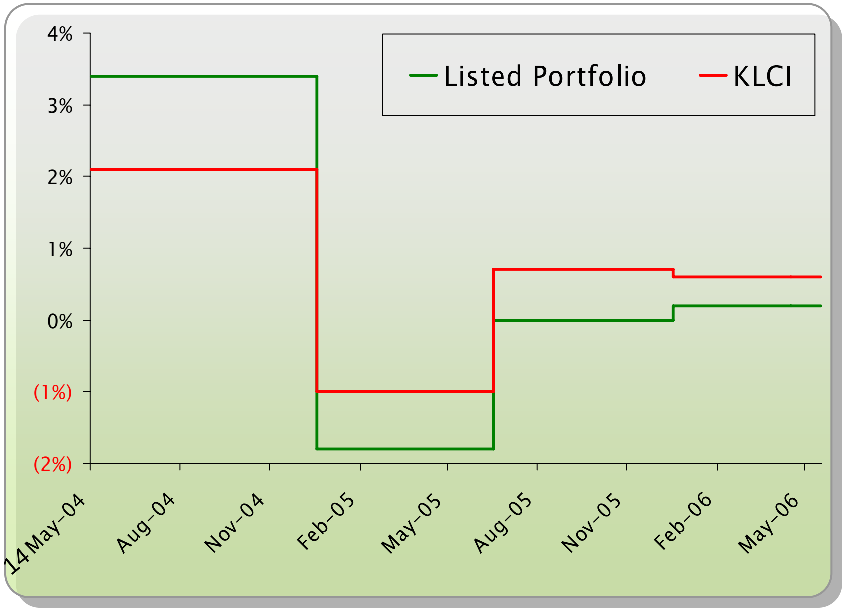
As at 31 May 2006

Khazanah Investment Portfolio: Summary of Performance

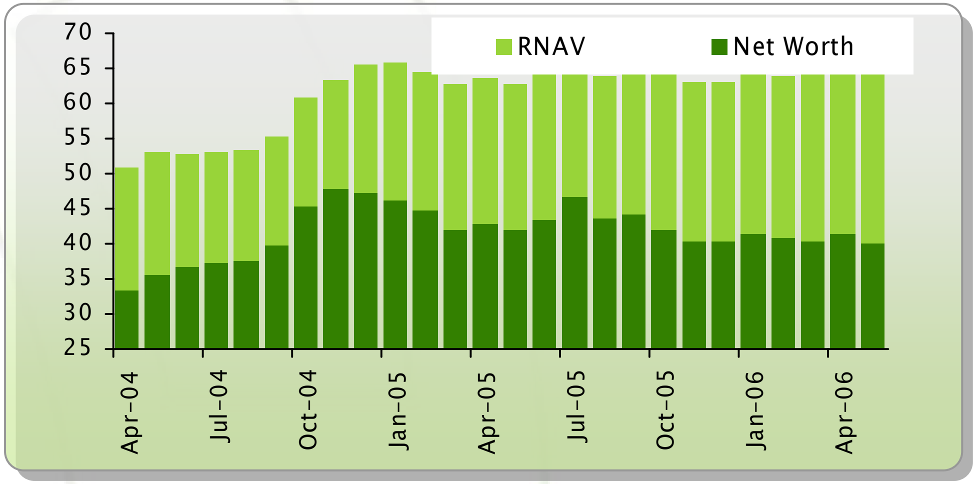
Listed portfolio return vs KLCI since 14 May 2004



6m average return vs KLCI since 14 May 2004



Khazanah RNAV and Net Worth since 14 May 2004



Khazanah Investment Portfolio Performance

Portfolio Performance	31 May 2006	14 May 2006	31 Dec 2005	31 May 2005	14 May 2004
Net Worth (RM bn)	40.0	43.6	40.4	42.0	33.3
RNAV (RM bn)	65.0	68.2	63.1	62.8	50.9

Portfolio Performance as of 31 May 06 from	31 Dec 05 (YTD)	31 May 05 (YOY)	14 May 04
Increase in Net Worth (RM bn)	(0.4)	(2.0)	6.7
Absolute Performance	1.1%	0.4%	13.1%
Total Shareholders Return (TSR)	1.6%	2.2%	17.5%

Source: Khazanah analysis

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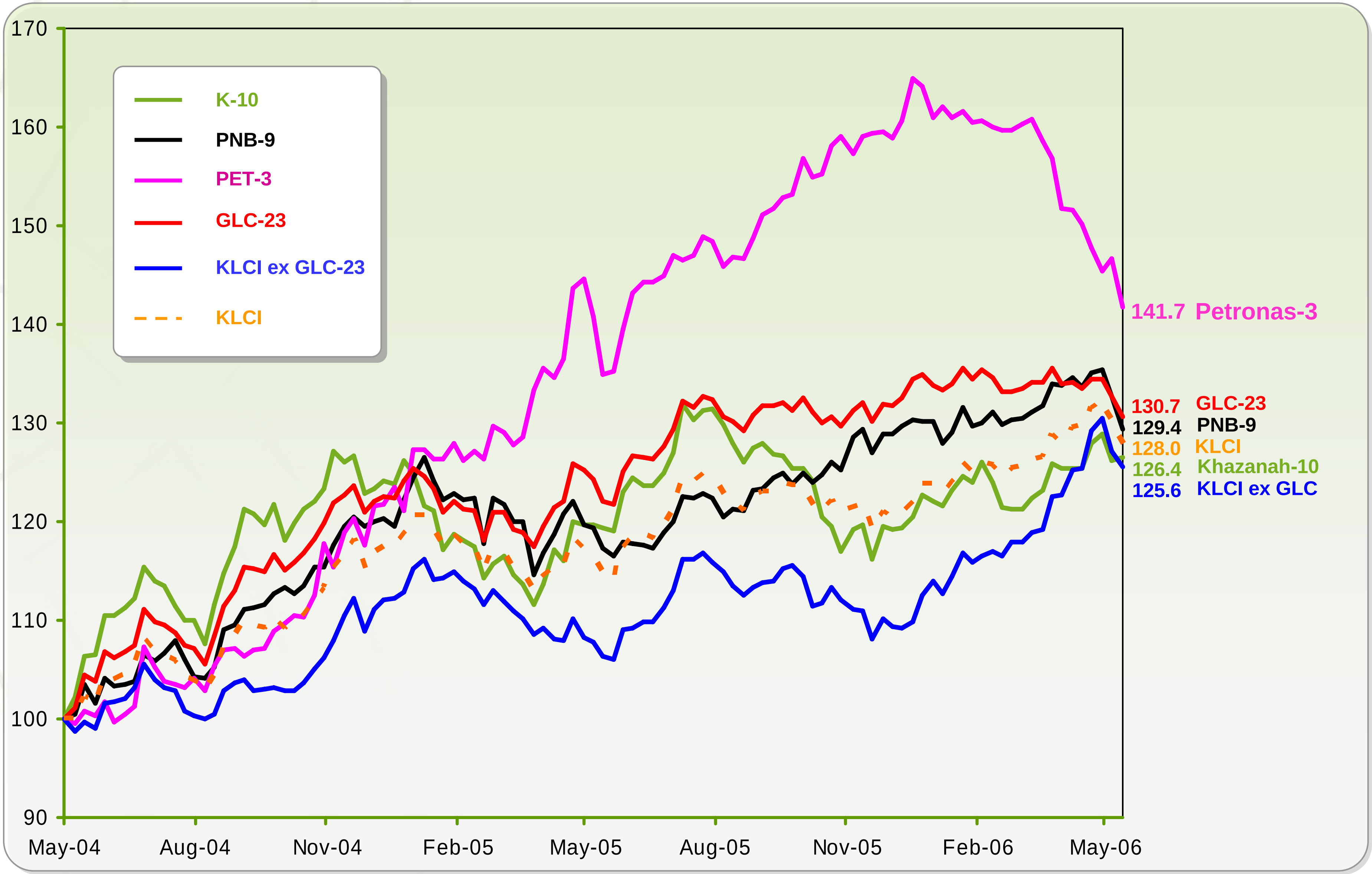
As at 26 May 2006, based on weekly close

Decomposition of Total Shareholder Return of GLC-23 from 14 May 04 to 26 May 06



Source: Bloomberg; Khazanah analysis

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Restructuring & Reorganization - Some Updates

Turnaround on-track

- **SilTerra** - EBITDA positive since 2004
- **MTDC** – Net profits since 2004
- **MAS** - New management team appointed. Business Turnaround Plan launched and currently being implemented. Small profit in Mar '06

Decision to Exit

- **Northern Utilities (NUR)** – Exiting, currently in liquidation
- **Crystal Clear Technologies (CCT)** – Exiting, actively looking for a buyer

Ongoing

- **Proton** – New management team appointed, revised plan being formulated
- **Malaysia Airports** – Restructuring ongoing. Review of lease payment structure and rates with GoM
- **Time/Time dotCom** – Khazanah, UEM and management studying options

Source: Khazanah

The Overall GLC Transformation Program is on Schedule

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5/2004	2005	2006	2007	2010	2015

Phase 1: Mobilisation, Diagnosis & Planning

14 months

- 5/2004 — **2004 Measures**
- 1/2005 — ✓ **PCG formed**

- KPI-PLCs
- Performance contracts
- Board composition reform
- Revamp of KNB
- GLC leadership changes

Phase 2: Generate Momentum

12 -17 months

29 July 2005

✓ **Transformation Manual launched**

- ✓ TMO established
- ✓ Policy Guidelines
- ✓ 2005/6 Initiatives launched
- ✓ Headline KPIs announced
- ✓ GLC Transformation Scorecard & Update
- ✓ Blue Book
- ✓ Green Book
- ✓ Red Book

Phase 3: Tangible Results

2-5 years

Phase 4: Full national benefit

5-10 years onwards

Targeted outcomes:

Phase 1:

- Diagnosis of GLCs conducted
- Determination of Policy Principles
- Initial 2004 Initiatives launched

Phase 2:

- 2005/6 Initiatives implemented
- Full roll-out in place
- Key policies endorsed and executed upon
- Early fruits of sustainable improvements

Currently, the Program is in Phase 2

Phase 3:

- Tangible and sustained benefits across all GLCs
- Visible benefits to all stakeholders, e.g. customers, vendors, employees etc.
- Large scale strategic and financial changes made
- Material changes to Boards

Phase 4:

- Several regional champions
- Most GLCs performing at par with competitors

✓ **Launched**

Source: GLC Transformation Manual

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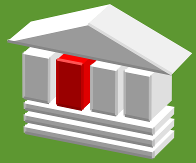
GLC Transformation Initiatives (2005/6)



No.	Initiatives	Output	Expected	Launch
1.	**Enhancing board effectiveness**	To enhance Board effectiveness through revamping Board practices and processes	Green Book	Launched ✓
2.	**Strengthen Directors capabilities**	To develop a strategy to match Directors to the right Boards and also to establish a Directors' Academy	Directors' Academy	3rd Quarter '06
3.	**Enhance GLIC M&M functions**	To reinforce the ability of GLICs to monitor and manage subsidiary GLCs	Blueprint for GLCs	2nd Quarter '06
4.	**Improve regulatory environment**	To enhance regulatory capabilities at GLCs and create a Regulatory Knowledge Network	Guidelines Regulatory Knowledge Network	2nd Quarter '06
5.	**Clarify social obligations**	To understand and make transparent GLC's social obligations and the implications of meeting them	Sliver Book	3rd Quarter '06
6.	**Review and revamp procurement**	To enhance the effectiveness and efficiency of the procurement processes in GLCs	Red Book	Launched ✓
7.	**Optimise capital management practices**	To establish guidelines for GLCs to optimise their capital structure	Purple Book	3rd Quarter '06
8.	**Manage and develop leaders and other human capital**	To improve GLCs capabilities in attracting, developing and retaining talent through the adoption of best practices	Orange Book	4th Quarter '06
9.	**Intensify performance management practices**	To encourage adoption of performance management best practices at GLCs	Blue Book Version 2 Headline KPIs EVA/VBM	Launched ✓ Launched ✓ 3rd Quarter '06
10.	**Enhance operational improvement**	To enhance value creation of GLCs through managing non-core assets	Yellow Book	4th Quarter '06
		To establish guidelines for GLCs to enhance their customer service levels	Brown Book	4th Quarter '06

Updated as of 1 March '06

Source: Joint Working Team

Monitoring & Management
– Highlights and Selected Achievements

TNB

- Efficiency gains of RM962 million realised in FY05. Improvements in operational KPIs, including availability as measured by SAIDI
- Successful bid for new overseas venture – Shuaibah 3
- Tariff increase of 12.0% (average) approved by Government, effective 1 June ‘06

TM

- VSS program - reduced workforce by 6% in 2005
- Granted fairer access pricing structure with outflow savings of RM130 million p.a.
- Harvesting gains from Telkom South Africa, successful listing of Dialog (Sri Lanka) and Excelcomindo
- Roaming and co-branding partnership with Vodafone
- Procurement pilot savings of RM120m

MAS

- New senior management team installed. Comprehensive Business Turnaround Plan in February 2006
- Quick wins implemented, gains of more than RM500 million already generated
- Whistle blower policy implemented. Unprecedented conclusion of agreements with nine unions
- Mutual Separation Scheme implemented in May 2006, Ticket-less domestic travel began in May 2006

UEM

- PLUS highway expansion of lanes and smooth implementation of scheduled toll increases
- Consolidation of key strategic business units within group (increased stake in Pharmaniaga to 72%)
- Pharmaniaga’s investments in Indonesia and China and Opus’ acquisitions to expand presence in UK and Canada
- Increased activity in Nusajaya

BCHB

- Major restructuring to integrate commercial and investment banking arms completed
- Successful regional expansion via acquisition of GK Goh
- Consolidated presence in Indonesia through increased stake in Bank Niaga
- Improved capital management structure with better capital allocation and tiering of capital structure
- Acquisition/integration of SBB and restructuring of insurance arm and start of Takaful business

Source: Khazanah

Investments and Divestments – Selected Achievements

New Investments – Selected Achievements

- **12 new discretionary investments** in the last two years. The portfolio of these new investments are up by RM318 million
- **Shuaibah 3 IWPP** – USD2.5bn project, and first privatisation by Saudi government. Already won several international awards - Power Deal of the year for Europe and Middle East by PFI and Desalination deal of the year by Global Water

Funding

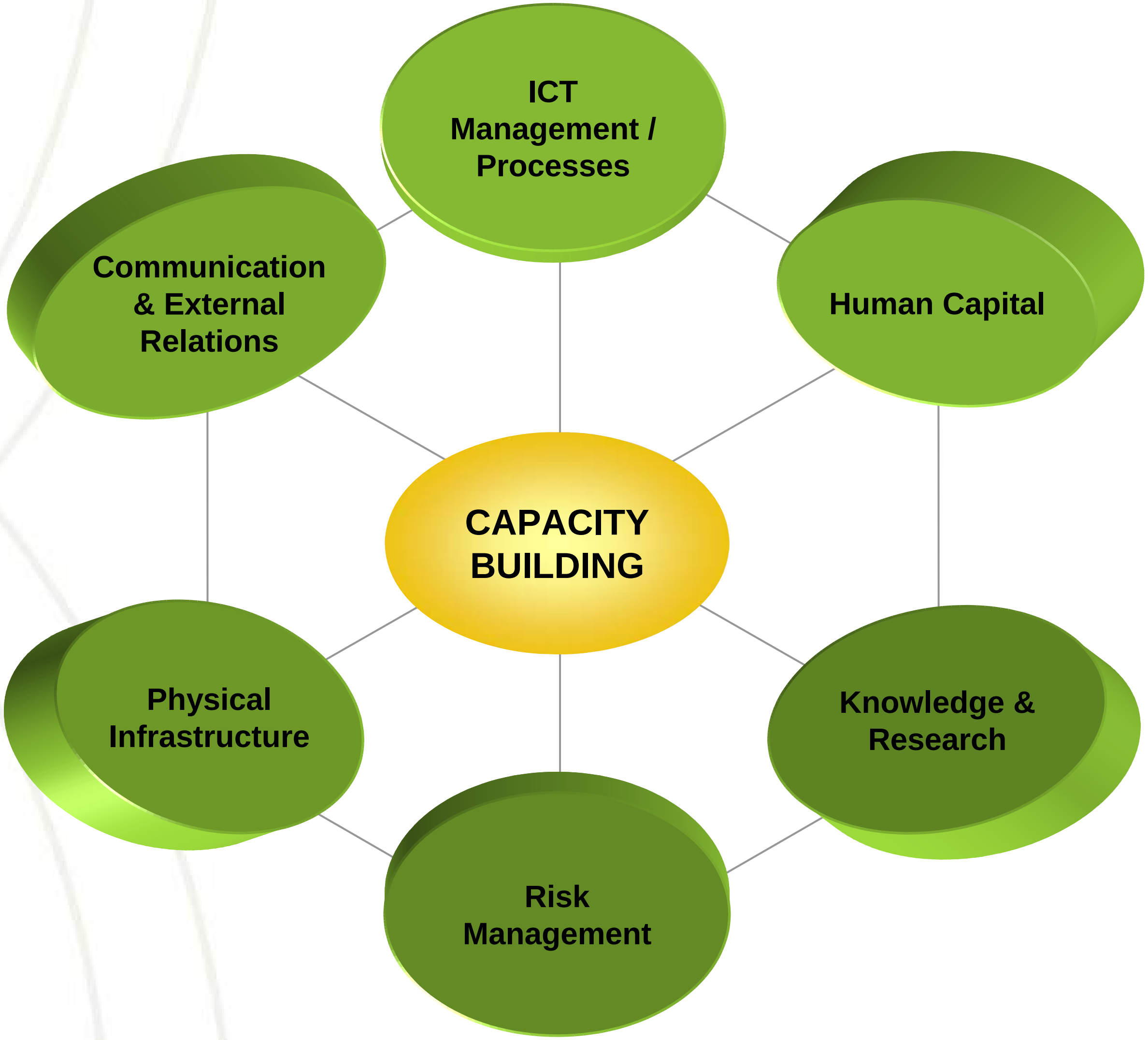
- Landmark **USD414 million PLUS Exchangeable Bond** in December 2004
- **RM3.2bn Islamic MTN and CP**, the largest Sukuk Musyarakah issuance, in March 2006

Domestic Investments

- Increased presence in **domestic banking sector** to spur industry consolidation – BCHB/CIMB stake
- Driving efforts into the development of **South Johor Economic Region**
- Identified to spearhead the development of certain aspects of the agriculture sector in Budget 2006
- Considerable **investments and capex** by key investee companies such as Tenaga, TM, UEM Group

Source: Khazanah

Capacity Building Program Summary



Source: Khazanah

In Summary

Strategic Mandate

- Legacy investments
- New investments
- GLC Transformation
- Human Capital Management
- South Johor Economic Region

Restructuring & Reorganisation

Turnaround on-track
- SilTerra
- MTDC
- MAS

Exit
- Northern Utilities
- CCT

Ongoing
- Proton
- Malaysia Airports
- Time/Time DotCom

GLC Transformation

- Program on track
- Launch of GLCT Manual
- Launch of initiative books - Blue, Red and Green Books
- Headline KPIs
- Quick wins/efficiency gains at various GLCs

Investment & Divestment

- New investments up RM318m
  - ✓PT Bank Lippo
  - ✓PT Excelcomindo
  - ✓MobileOne
  - ✓Apollo
  - ✓Shuaibah 3 IWPP
  - ✓Parkson
- Funding
  - PLUS Exchangable Bonds
  - Islamic CP/MTN
- Divestments
  - PLUS, Bintulu Port, Jardine C&C, YTL Power

Capacity Building

- Human capital build-up on track
- Risk management framework in place
- Physical infrastructure upgrade completed
- ICT & processes upgraded

Performance to Date (as at 31 May 2006)

	31 May 2006	31 May 2005	14 May 2004
RNAV (RMbn)	65.0	62.8	50.9
Net Worth (RMbn)	40.0	42.0	33.3
Increase in Net Worth (RM bn)		-2.0	6.7
Performance (%)		0.4%	13.1%
TSR (%)		2.2%	17.5%

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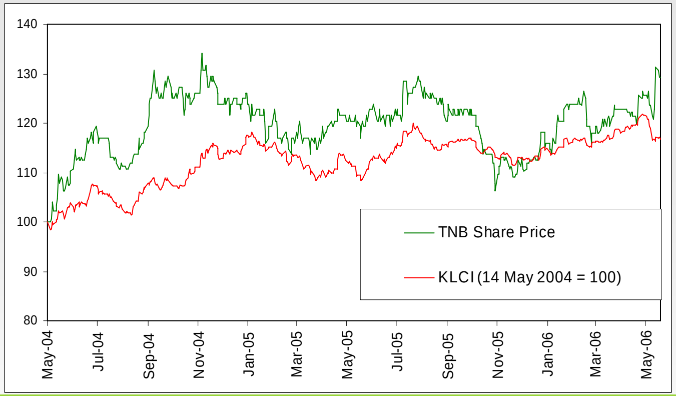
ACHIEVEMENTS AND CHALLENGES – TNB

TENAGA NASIONAL BERHAD

Performance



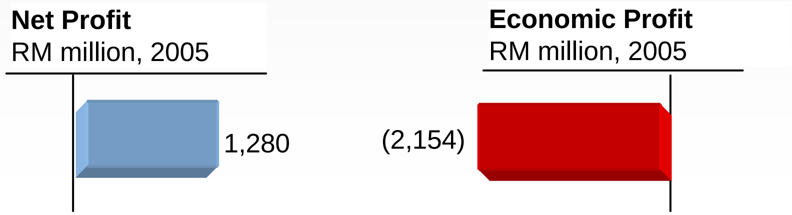
Historical Financial & Operational Highlights (RM million)

FY Aug 31	2003	2004	2005
Revenue	**16,458**	**17,712**	**18,977**
EBITDA	5,285	5,965	5,928
Pretax profit	1,649	1,483	1,819
Net Profit After MI	**1,062**	**814**	**1,280**
EPS (RM)	**0.34**	**0.26**	**0.40**
Shareholders Funds	13,965	14,798	16,086
Net Tangible Assets	12,917	14,627	15,794
Total Debt	26,404	30,262	27,009
Debt / Equity Ratio	**2.1**	**1.9**	**1.7**

Headline KPIs

Return on Assets (FY06):	2.4% (FY05: 2.2%)
Gearing (FY06):	63.0% (FY05: 65%)
Unplanned Outage Rate (FY06)	5.0% (FY05: 6.1%)
Reduction in Transmission Distribution Losses (FY06):	9.5% (FY05: 10.5%)
System Average Interruption Duration Index (FY06):	133 min (FY05: 148 min)

Net Profit vs. Economic Profit (RM million)



Achievements

Lagging/Co-incident indicators

- Efficiency gains of RM962 million realised in FY05 from cost reduction, revenue enhancement and reduced losses
- Sustained improvement in EBITDA margins
- Steady reduction in gearing levels
- Improvements in operational KPIs, including availability as measured by SAIDI
- Identifying social cost of operating SESB, cost for which offset by diesel subsidy by government

Leading indicators

- Successful bid for new overseas venture – Shuaibah 3
- Tariff increase of 12.0% (avg) approved by Gov't, effective 1 Jun 06
- No new unplanned planting-up scheduled up to 2010
- On-going focus on cost reduction and revenue enhancement program with RM600 million savings target in FY06

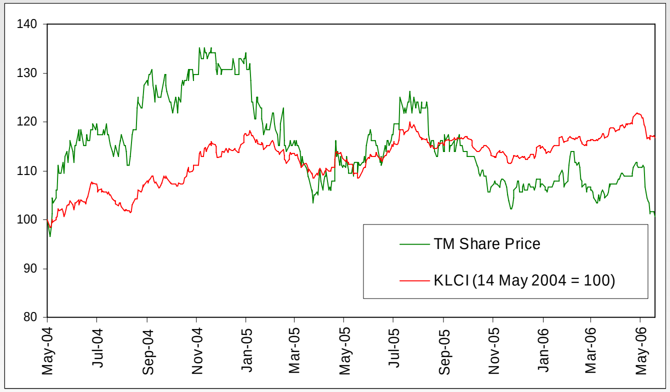
Challenges

- High energy prices
- Gas pricing structure unresolved
- Burden of providing high reserve margins
- Gearing levels improved but still high
- Need for comprehensive electricity supply industry plan
- 2 new IPPs coming on-stream in 2007/08 will further burden cashflow with increased capacity payment

Source: Literature search, Company data
Disclaimer: These headline KPIs are targets or aspirations set by the company as a transparent performance management practice. These headlines shall not be construed as either forecasts, projections or estimates of the company or representations of any future performance, occurrence or matter as the headlines are merely a set of targets/aspirations of future performance aligned to the company's strategy.

ACHIEVEMENTS AND CHALLENGES – TM

Performance



Historical Financial & Operational Highlights (RM million)

FY Dec 31	2003	2004	2005
Revenue	**11,796**	**13,251**	**13,942**
EBITDA	5,417	5,558	6,157
Pretax profit	1,811	3,173	1,578
Net Profit After MI	**1,390**	**2,614***	**875***
EPS (RM)	**0.44**	**0.78**	**0.26**
Shareholders Funds	16,782	19,453	19,384
Net Tangible Assets	12,710	15,381	12,412
Net Debt	8,099	1,833	5,129
Net Debt / Equity Ratio	**0.48**	**0.09**	**0.26**

* 2004 includes gains from Telekom South Africa, 2005 includes claims by DeTeAsia

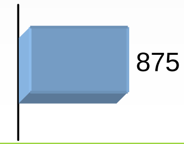
Headline KPIs

Revenue (FY06):	RM 17.0bn (FY05: RM 13.9bn)
EBITDA Margin (FY06):	45.9% (FY05: 44.2%)
ROCE* (FY06):	10.6% (FY05: 9.5%)

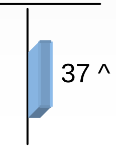
*Return on Capital Employed = EBIT/Average Capital Employed

Net Profit vs. Economic Profit (RM million)

Net Profit
RM million, 2005



Economic Profit
RM million, 2005



^ Excludes RM879.5 million payment to DeTeAsia. Revised figure due to restatement of 2004 PPE.

Achievements

Lagging/Co-incident indicators
- VSS program - reduced workforce by 6% in 2005
- Granted fairer access pricing structure with outflow savings of RM130 million p.a.
- Procurement pilot savings of RM120m
- Earnings from regional expansion plan bearing fruit
- Harvesting gains from Telkom South Africa
- Successful listing of Dialog (Sri Lanka) and Excelcomindo (Indonesia)

Leading indicators
- Launched "Smart Orange" programme on Talent Development
- Roaming and co-branding partnership with Vodafone
- Well executed regional expansion strategy into Indonesia, Singapore and India
- Completed Board Effectiveness pilot

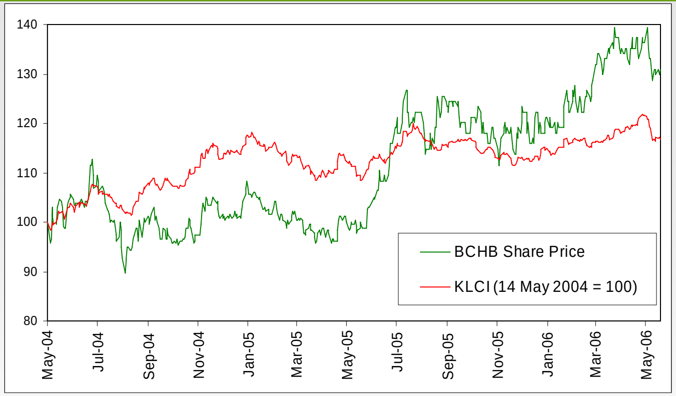
Challenges

- 4Q05 loss of RM701 million on settlement of RM880 million claims by DeTeAsia
- Intense competition in cellular segment typified by price wars
- To continue engaging regulators for greater clarity on regulatory framework

Source: Literature search, Company data
Disclaimer: These headline KPIs are targets or aspirations set by the company as a transparent performance management practice. These headlines shall not be construed as either forecasts, projections or estimates of the company or representations of any future performance, occurrence or matter as the headlines are merely a set of targets/aspirations of future performance aligned to the company's strategy.

ACHIEVEMENTS AND CHALLENGES – BCHB

Performance



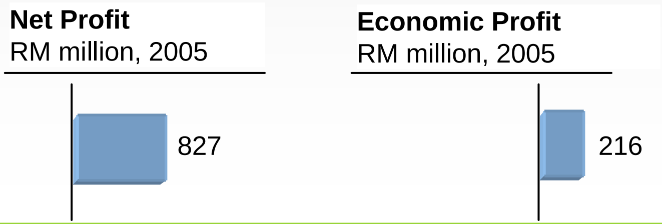
Historical Financial & Operational Highlights (RM million)

FY Dec 31	2003	2004	2005
Revenue	**3,579**	**4,155**	**4,723**
Profit Before Provision	1,872	2,201	2,445
Pretax profit	1,241	1,053	1,313
Net Profit After MI	**782**	**735**	**827**
EPS (RM)	**0.31**	**0.28**	**0.31**
Shareholders Funds	7,900	8,959	9,637
Net Tangible Assets	7,578	8,608	9,103
Net Debt	N/A	N/A	N/A
Debt / Equity Ratio	N/A	N/A	N/A

Headline KPIs

Return on Average Equity (FY06):	13.0% (FY05: 8.9%)
Total Shareholders Return (FY06):	Outperform KLCI TSR in FY06 (FY05: 24.0% vs KLCI TSR of 11.7%)

Net Profit vs. Economic Profit (RM million)



Achievements

Lagging/Co-incident indicators

- Major restructuring to integrate commercial and investment banking arms completed
- Successful regional expansion via acquisition of GK Goh
- Consolidated presence in Indonesia through increased stake in Bank Niaga
- Improved capital management structure with better capital allocation and tiering of capital structure

Leading indicators

- Acquisition/integration of SBB
- Restructuring of insurance arm and commencement of Takaful business

Challenges

- Shortfall in FY05 target ROE of 12% with actual ROE of 8.9% due to provisioning, consolidation and merger costs
- On-going liberalisation and consolidation of banking sector will see intensifying competition

Source: Literature search, Company data

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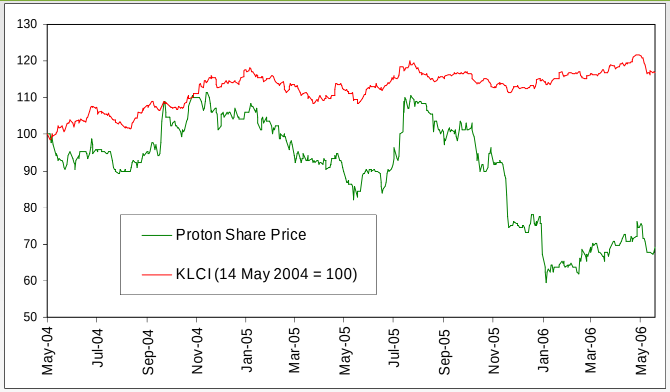
ACHIEVEMENTS AND CHALLENGES – PROTON

Performance



Historical Financial & Operational Highlights (RM million)

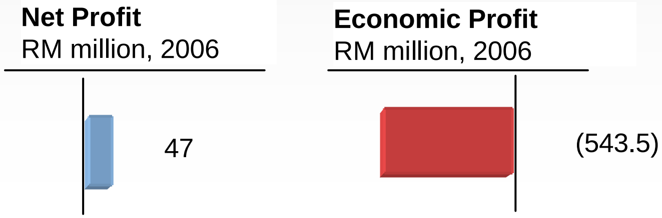
FY Mar 31	2004	2005	2006
Revenue	**6,361**	**8,483**	**7,795**
EBITDA	942	1,139	428
Pretax profit	577	780	28
Net Profit After MI	**510**	**810**	**47**
EPS (RM)	**0.93**	**1.48**	**0.09**
Shareholders Funds	5,538	5,831	5,871
Net Tangible Assets	5,536	5,833	5,871
Net Debt / (Cash)	(2,257)	(1,481)	(681)
Net Debt / Equity Ratio	**(0.41)**	**(0.25)**	**(0.12)**

Headline KPIs

Domestic Market Sales (FY07):	45.8% (FY06*: 41.4%)
Export Sales (% Contribution to Revenue) (FY07):	8.6% (FY06*: 5.2%)
Revenue growth (FY07):	12.4%
EBIT (FY07):	2.5% (FY06: 0.2%)
Customer Satisfaction Index (FY07):	720 points (FY06*: 690 points)

* Financial year end is 31 March, as such figures for FY06 are estimates

Net Profit vs. Economic Profit (RM million)



Achievements

Lagging/Co-incident indicators

- New senior management team installed
- Return to profitability in 3Q06 and 4Q06 after two successive quarters of losses
- Signing of MoU with Mitsubishi, China's Chery and Jinhua Youngman to explore possibility of collaboration, and other alliances being considered

Leading indicators

- Launch of 5 pronged plan to improve performance
- Positive outlook on the release of the National Auto Policy
- Completion of sale of MV Agusta

Challenges

- Implementing a cohesive alliance strategy
- Product quality and competitiveness has significant room for improvement

Source: Literature search, Company data
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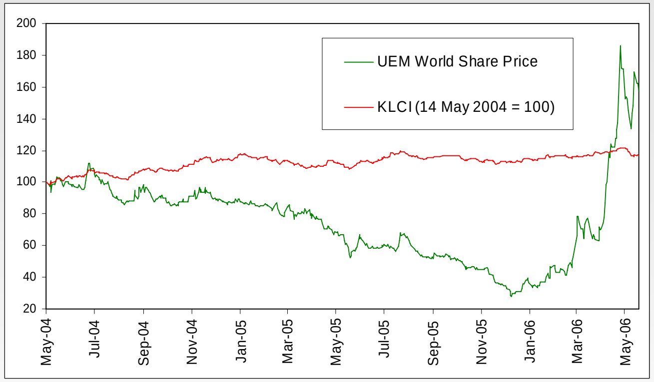
ACHIEVEMENTS AND CHALLENGES – UEM WORLD

Performance



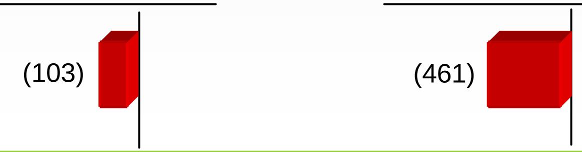
Historical Financial & Operational Highlights (RM million)

FY Dec 31	2004	2005
Revenue	**2,863.0**	**3,257.3**
EBITDA	324.5	93.3
Pretax profit	160.4	(167.0)
Net Profit After MI	**63.5**	**(103.1)**
EPS (RM)	**0.046**	**(0.074)**
Shareholders Funds	1,121.2	990.7
Net Debt	3,327.0	3,573.7
Debt / Equity Ratio	**3.8**	**4.6**

Headline KPIs

Revenue Growth (FY06): 36.0% (FY05: 13.8%)
Return on Equity (FY06): 12.0% (FY05: -9.8%)

Net Profit vs. Economic Profit (RM million)



Achievements

Lagging/Co-incident indicators

- Revamp of senior management teams at group companies
- Order books of RM3 billion, mainly from domestic contracts
- Company reported net profit of RM100m in 1Q06

Leading indicators

- Consolidation of key strategic business units within group (e.g. increased stake in Pharmaniaga to 72%)
- Creation of an international business development unit to spearhead overseas ventures
- Pharmaniaga's investments in Indonesia and China
- Opus' acquisitions to expand presence in UK and Canada
- Increased activity and interest in Nusajaya

Challenges

- International construction work
- Diverse business environment requires focussed management approach and efficient capital resource management
- Conglomerate style structure requires combination of solid recurring income, growth opportunities and operational synergies
- Unlock value in Nusajaya

Source: Literature search, Company data
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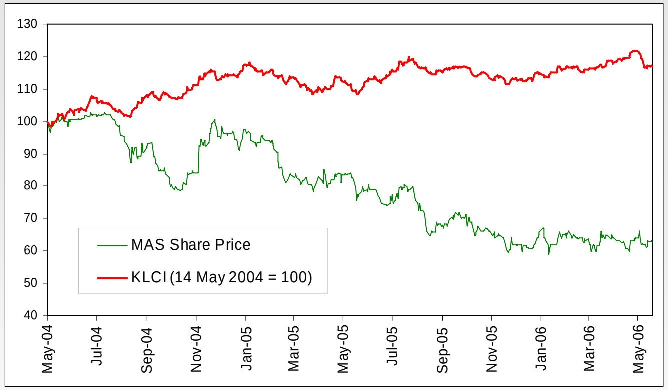
ACHIEVEMENTS AND CHALLENGES – MAS

Performance



Historical Financial & Operational Highlights (RM million)

FY	31/3/2004	31/3/2005	31/12/2005*
Revenue	**8,588**	**10,951**	**8,851**
EBITDA	351	493	(1,017)
Pretax profit	345	364	(1,241)
Net Profit After MI	**461**	**326**	**(1,265)**
EPS (RM)	**0.368**	**0.260**	**(1.009)**
Shareholders Funds	3,024	3,319	2,023
Net Tangible Assets	3,024	3,319	1,997
Net Debt/(Cash)	(2,191)	(2,195)	(1,179)
Debt / Equity Ratio	**N/A**	**N/A**	**N/A**

* 9-month period

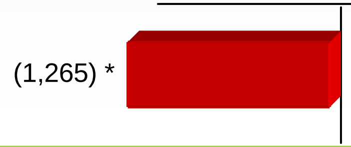
Headline KPIs

Net (loss)/income (FY06):	-RM620m (FY05: –RM1.27bn) RM50m (FY07), RM500m (FY08)
Cash surplus (FY06):	RM1.0bn
Profit for MAS Kargo (FY06):	RM107m
On Time performance:	80% for flight schedules in 2006
Number of incidents:	Not more than 3 cases per month

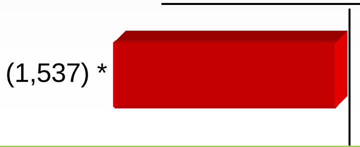
Net Profit vs. Economic Profit (RM million)

* Nine months result

Net Profit
RM million, Dec 2005



Economic Profit
RM million, Dec 2005



Achievements

Lagging/Co-incident indicators

- New senior management team installed
- Comprehensive Business Turnaround Plan unveiled in February 2006
- Quick wins implemented, revenue of ~RM500 million already generated
- Whistle blower policy implemented
- Unprecedented conclusion of agreements with nine employee unions
- Mutual Separation Scheme implemented in May 2006
- Ticket-less domestic travel began in May 2006

Leading indicators

- Secured RM1 billion short term loan
- Phase 2 international route rationalisation
- 1Q06 net loss of RM321 million lower than management forecast of RM349 million loss

Challenges

- Net loss of RM1.3 billion in FY05
- Aviation industry remains intensely competitive
- High energy prices unlikely to improve soon
- RM4 billion financing requirement identified
- Implementing domestic business rationalisation by 1 August 2006
- Projected loss of RM620 million for FY06
- Cash-crunch anticipated in FY06 on do nothing scenario
- Engaging in global alliance

Source: Literature search, Company data
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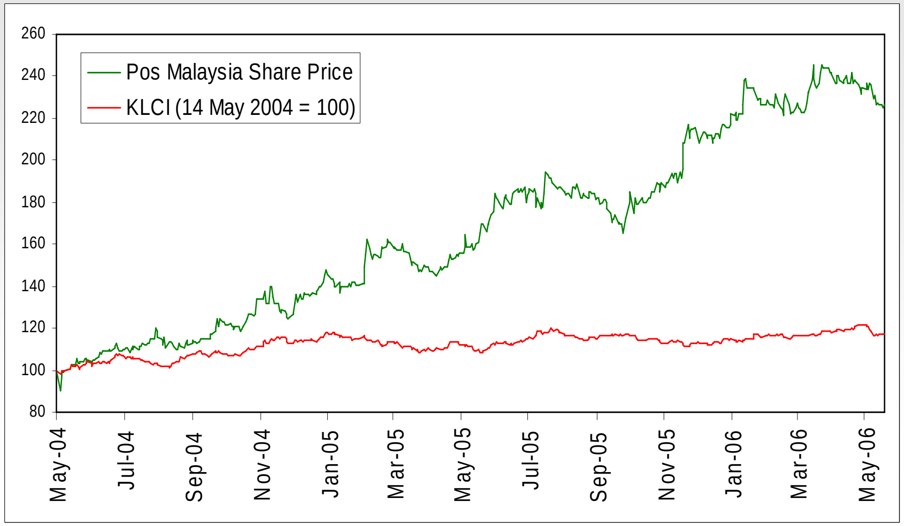
ACHIEVEMENTS AND CHALLENGES – POSM

Performance



Historical Financial & Operational Highlights (RM million)

FYE Dec 31	2003	2004	2005
Revenue	**648.0**	**694.3**	**787.0**
EBITDA	74.7	102.3	142.8
Profit before Tax	95.5	112.0	153.0
Net profit after MI	**67.3**	**76.1**	**145.4**
EPS (RM)	**0.17**	**0.18**	**0.28**
Shareholder Funds	1171	1333	1573
Total Assets	1657	1733	2006
Net Debt / (Cash)	(549.3)	(643.3)	(928.6)
Debt / Equity Ratio	**7.1%**	**0.0%**	**0.0%**

Achievements

Lagging/Co-incident indicators

- Sustained improvement in EBITDA margins from 11.5% (FY03) to 18.1% (FY05)
- Cash generative business with RM117 million net cash flow generated from operations (FY05)
- VSS in 2005 reached target of 10% total staff reduction

Leading indicators

- Rate reclassification has resulted in a 17% increase in blended postal rates
- Investments in automation and ICT to move forward

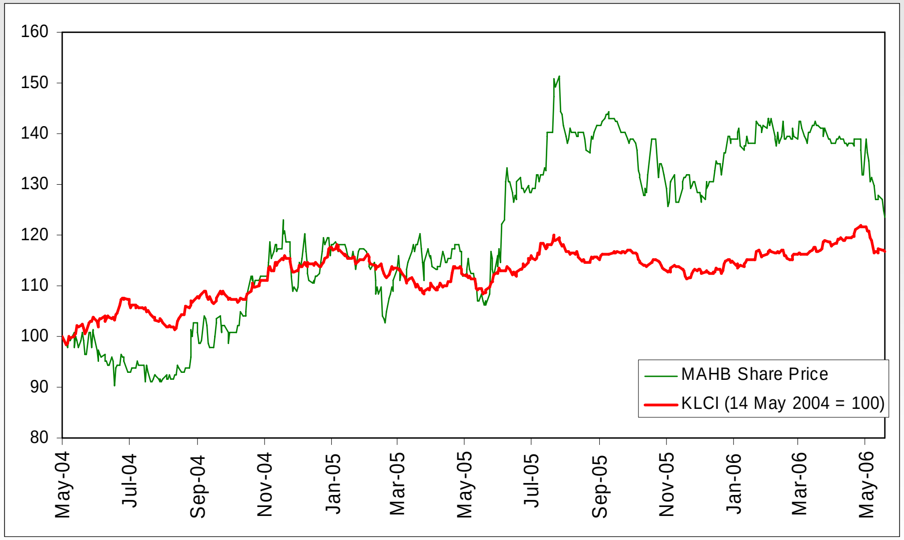
Challenges

- Shrinking market due to competition from substitute services
- Low automation in mailing/courier processes
- Core ICT systems require upgrading
- Inefficient capital structure

Source: Literature search, Company data

ACHIEVEMENTS AND CHALLENGES – MAHB

Performance



Historical Financial & Operational Highlights (RM million)

FYE Dec 31	2003	2004	2005
Revenue	**894**	**1,025**	**1,113**
EBITDA	146	204	268
Profit before Tax	152	196	279
Net profit after MI	**85**	**125**	**182**
EPS (RM)	**0.077**	**0.114**	**0.166**
Shareholder Funds	2,388	2,498	2,656
Net Tangible Assets	2,388	2,498	2,656
Net Debt / (Cash)	(112)	(314)	(440)
Debt / Equity Ratio	**Net cash**	**Net cash**	**Net cash**

Achievements

Lagging/Co-incident indicators

- Partnership with GMR in India for privatization of Hyderabad and Mumbai airports.

Leading indicators

- Expansion of retail floor space by another 30% at the end FY2005 will help boost non-commercial revenue this year.

Challenges

- Restructuring scheme awaiting approval
- Higher operating costs due to start of LCC terminal operations
- Increased cost from greater security requirements at airports

Source: Literature search, Company data
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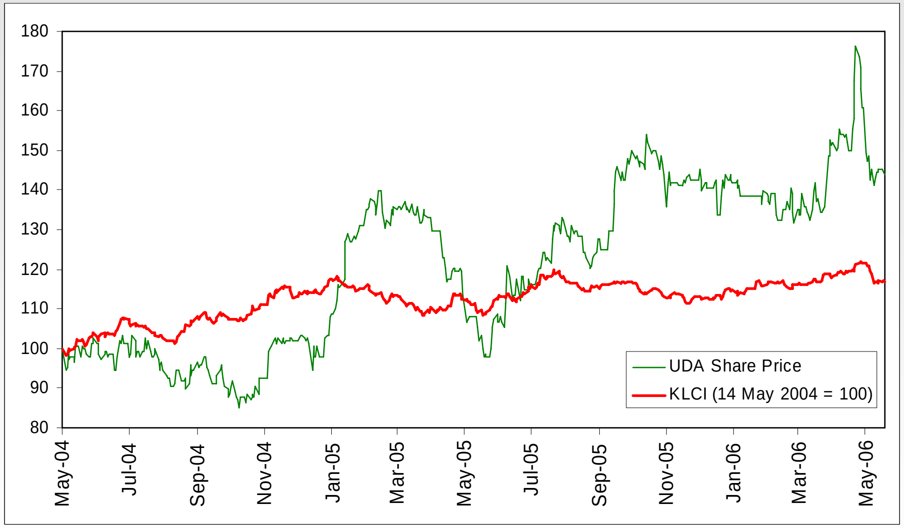
ACHIEVEMENTS AND CHALLENGES – UDA

Performance



Historical Financial & Operational Highlights (RM million)

FY Dec 31	2002	2003	2004
Revenue	**488.8**	**412.1**	**538.2**
EBITDA	69.6	17.8	67.8
Pretax Profit	51.6	(9.2)	43.6
Net profit after MI	**32.6**	**(9.8)**	**19.8**
EPS (RM)	**0.09**	**(0.03)**	**0.06**
Shareholder Funds	1,196.3	1,160.0	1,159.4
Net Tangible Assets	1,195.9	1,159.6	1,159.1
Net Debt / (Cash)	220.4	130.7	137.4
Net Debt / Equity Ratio	**0.28**	**0.27**	**0.25**

Achievements

Lagging/Co-incident indicators

- New Board members introduced, and senior management team installed
- Formation of QA & QC team to assist subsidiaries in implementing their projects
- Introduction of new Standard Operating Procedures and Operating Guidelines

Leading indicators

- Enhancement of internal business processes by continuing ISO certification

Challenges

- Optimising management of social obligations
- Market positioning

Source: Literature search, Company data
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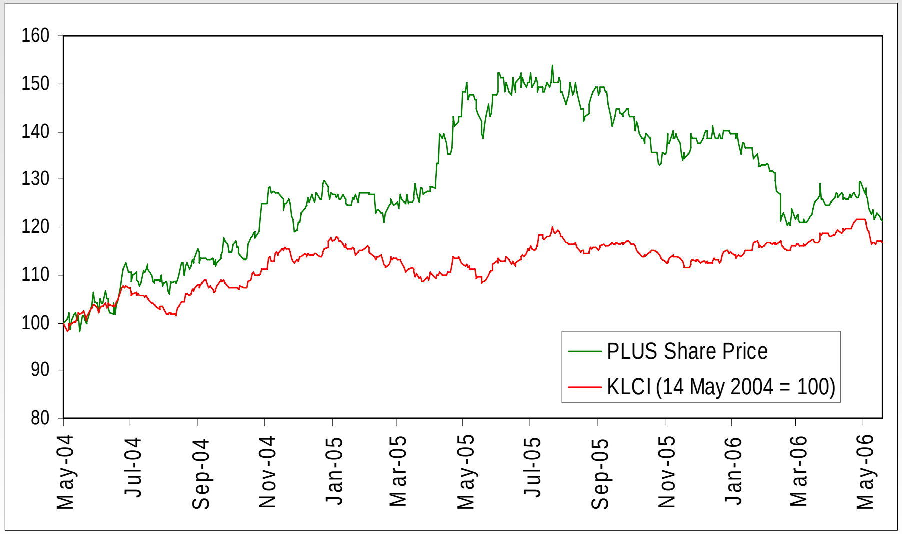
ACHIEVEMENTS AND CHALLENGES – PLUS EXPRESSWAYS

PLUS EXPRESSWAYS BERHAD

Performance



Historical Financial & Operational Highlights (RM million)

FY Dec 31	2003	2004	2005
Revenue	**1,580.87**	**1,650.12**	**1,671.32**
EBITDA	1,136.02	1,155.92	1,458.62
Pretax profit	735.56	773.70	1,071.46
Net Profit After MI	**732.06**	**768.49**	**1,063.75**
Fully Diluted EPS (RM)	**0.15**	**0.15**	**0.21**
Shareholders Funds	3,079.21	3,497.69	4,161.44
Net Tangible Assets	3,079.21	3,497.69	4,161.44
Net Debt/(Cash)	5,734.14	5,391.30	4,012.78
Net Debt / Equity Ratio	**1.86**	**1.54**	**0.96**

Achievements

Lagging/Co-incident indicators

- Raised RM1.0billion in Islamic Securities in June 2005 to fund the construction of 3rd lanes widening and upgrades at the NSE
- Government's commitment to scheduled toll rate increases formalised and gazetted

Leading indicators

- 4 new exchanges along the NSE in 2006 expected to boost revenue
- Third lane expansion

Challenges

- Traffic volume y-o-y in 2005 dipped to 0.8% i.e. lowest in the past 5 years attributed mainly due to higher petrol prices
- Traffic volume is likely to remain dampened by the recent petrol price increase.

Source: Literature search, Company data
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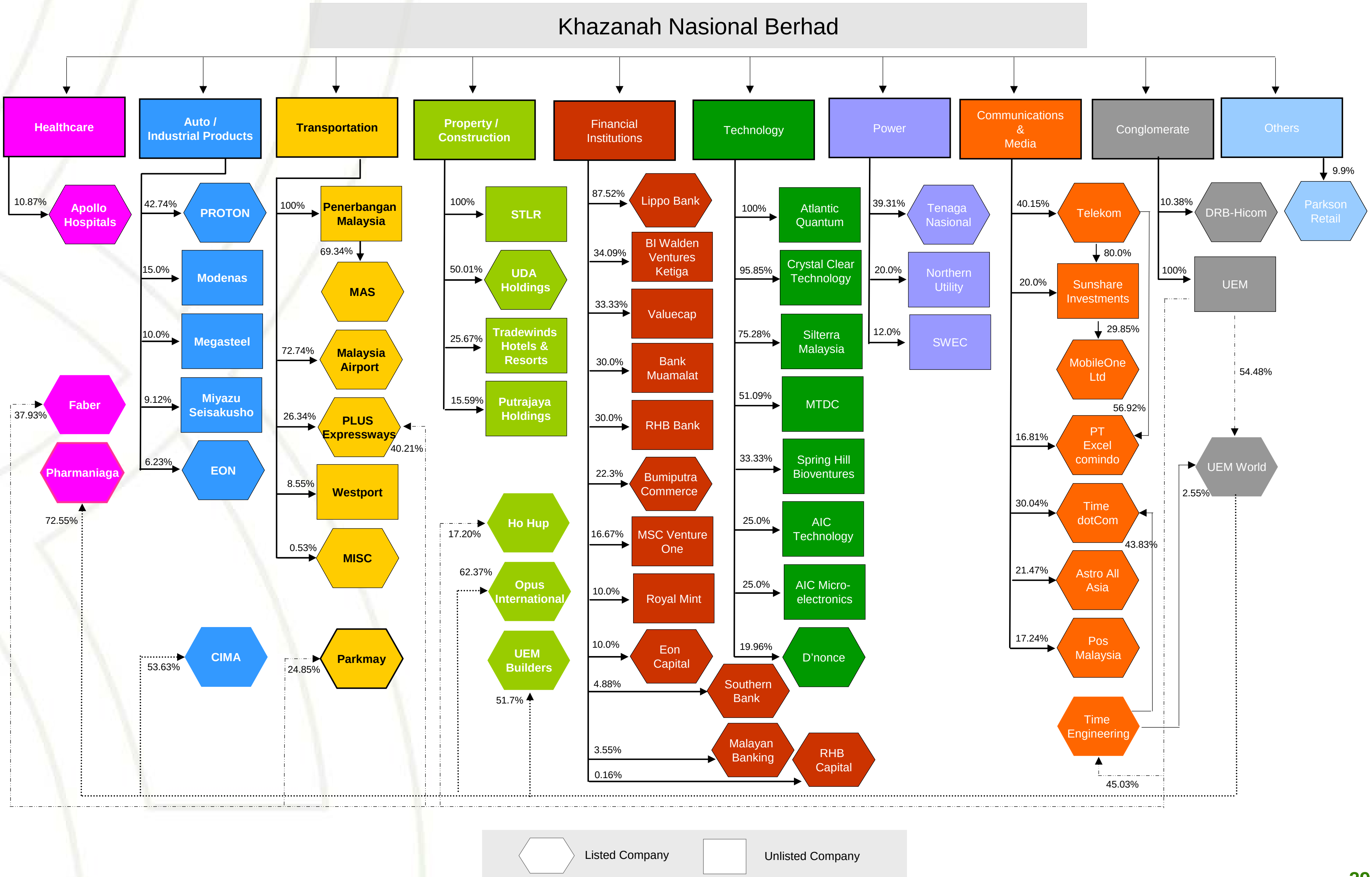
KHAZANAH NASIONAL

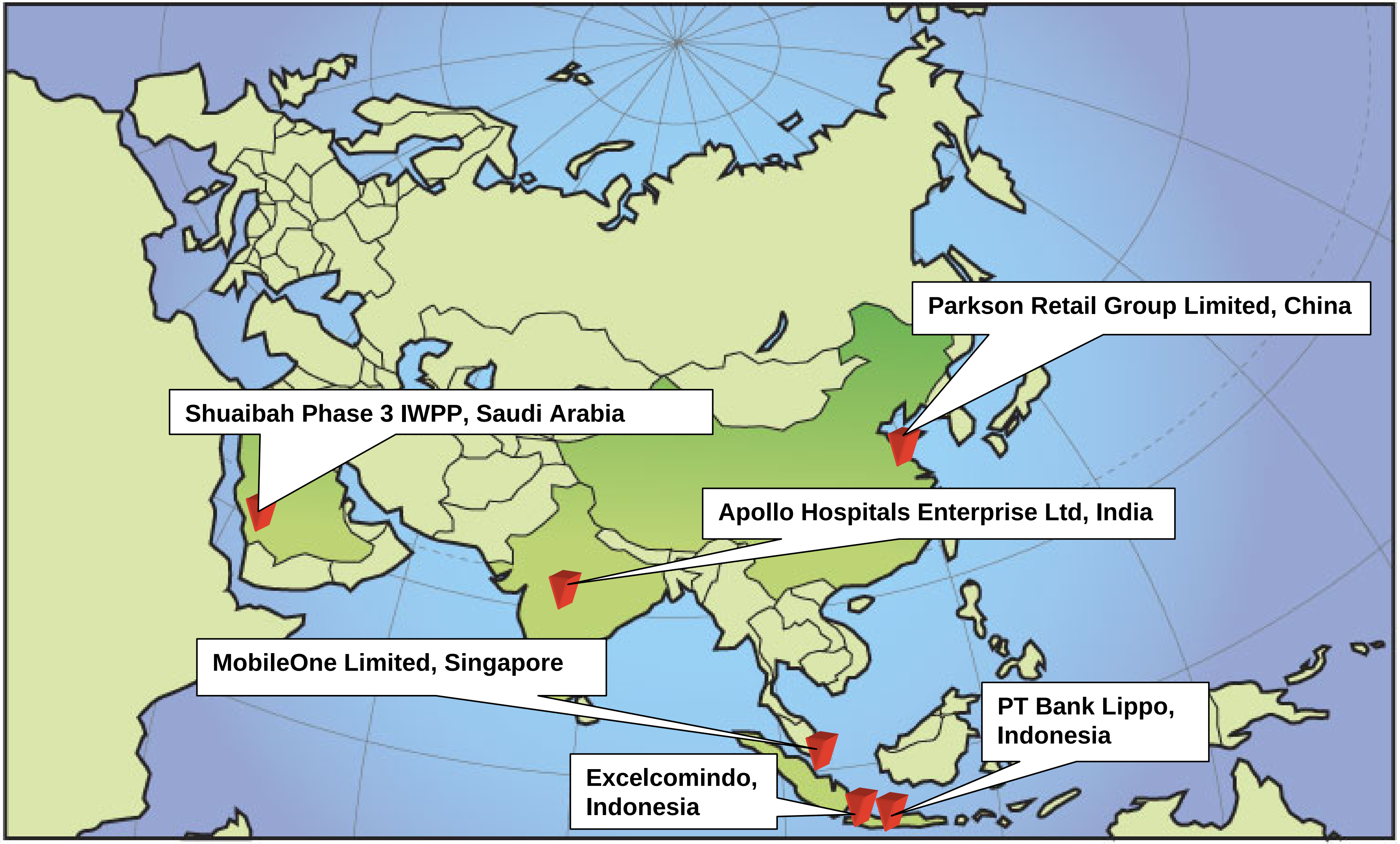
Agenda

As at 5 May 2006

Investments Holding Structure



Khazanah's International Investments



KHAZANAH NASIONAL

Khazanah's International Investments

Company	Description	Deal	Rationale
PT Bank Lippo, Indonesia	Indonesia's 9th largest commercial bank	87.52% stake for RM2.09bn in 2005	Strategic financial investment and represents Khazanah's commitment in the Indonesian financial and banking sector
Excelcomindo, Indonesia	Indonesia's 2nd largest cellular phone company	16.8% stake for USD234m in 2005	Strategic financial investment and represents Khazanah's commitment in the Indonesian telco sector
Apollo Hospitals Enterprise Ltd, India	India's largest private hospital group, with a network of 36 hospitals, 180 pharmaceutical outlets, 50 clinics, 7 nursing colleges	10.9% stake (second largest shareholder) for RM168.1m (USD44.23m) in 2005	To participate in the high growth opportunities of the Indian economy and the broader regional healthcare sector
Shuaibah Phase 3 IWPP, Saudi Arabia	Greenfield 900 MW and 880,000 m3 power and desalination plant. 1st IWPP in Saudi	Khazanah, together with TNB and Malakoff holds 30% interest in the project company. Total project cost of approx RM9.5bn (USD2.5bn). Plant to be commissioned in 2009	To participate in the Saudi privatization program and in line with efforts to regionalize Malaysian companies
Parkson Retail Group Limited, China	One of the largest retail group's in China	Acquired a 9.9% stake in Nov 2005	A strong platform to participate in one of Asia's fastest growing economy and the broader retail and consumer industry in China
MobileOne Limited, Singapore	Singapore's leading mobile communications provider with 30% share of the Singapore mobile services market	Khazanah, through a JV with TM International acquired 29.85% (single largest shareholder) of the company for RM856.3m (USD225.3m) in 2005	Co-investment with existing investee company, in line with efforts to regionalize Malaysian companies

Thank You

Visit our website at : www.khazanah.com.my