



KHAZANAH  
NASIONAL

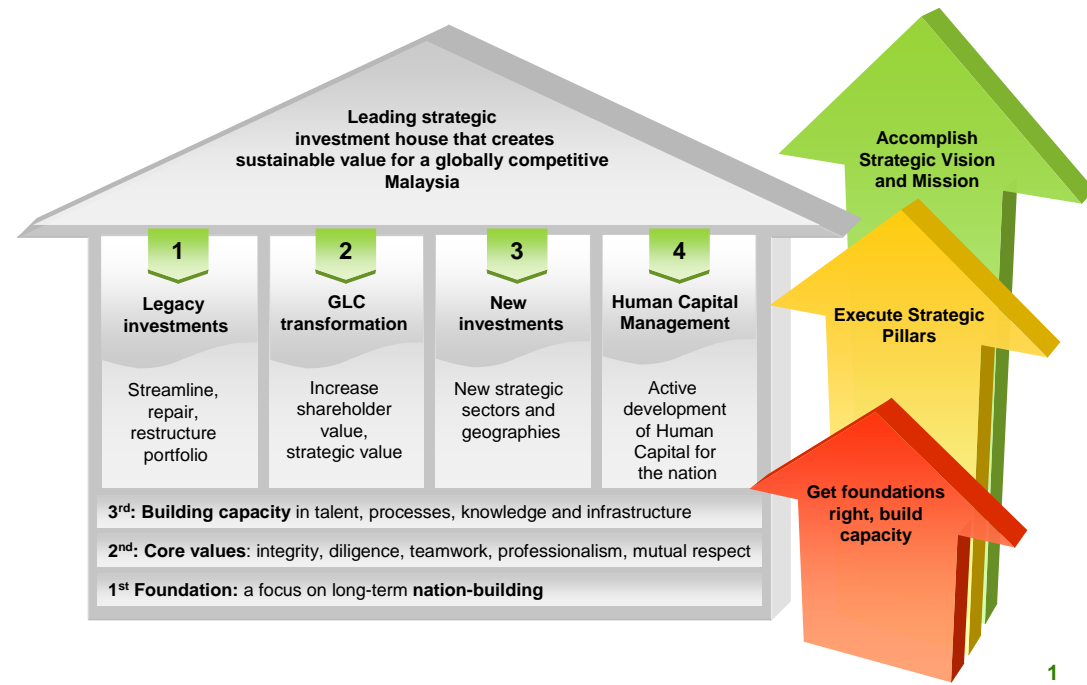
*Media Review*

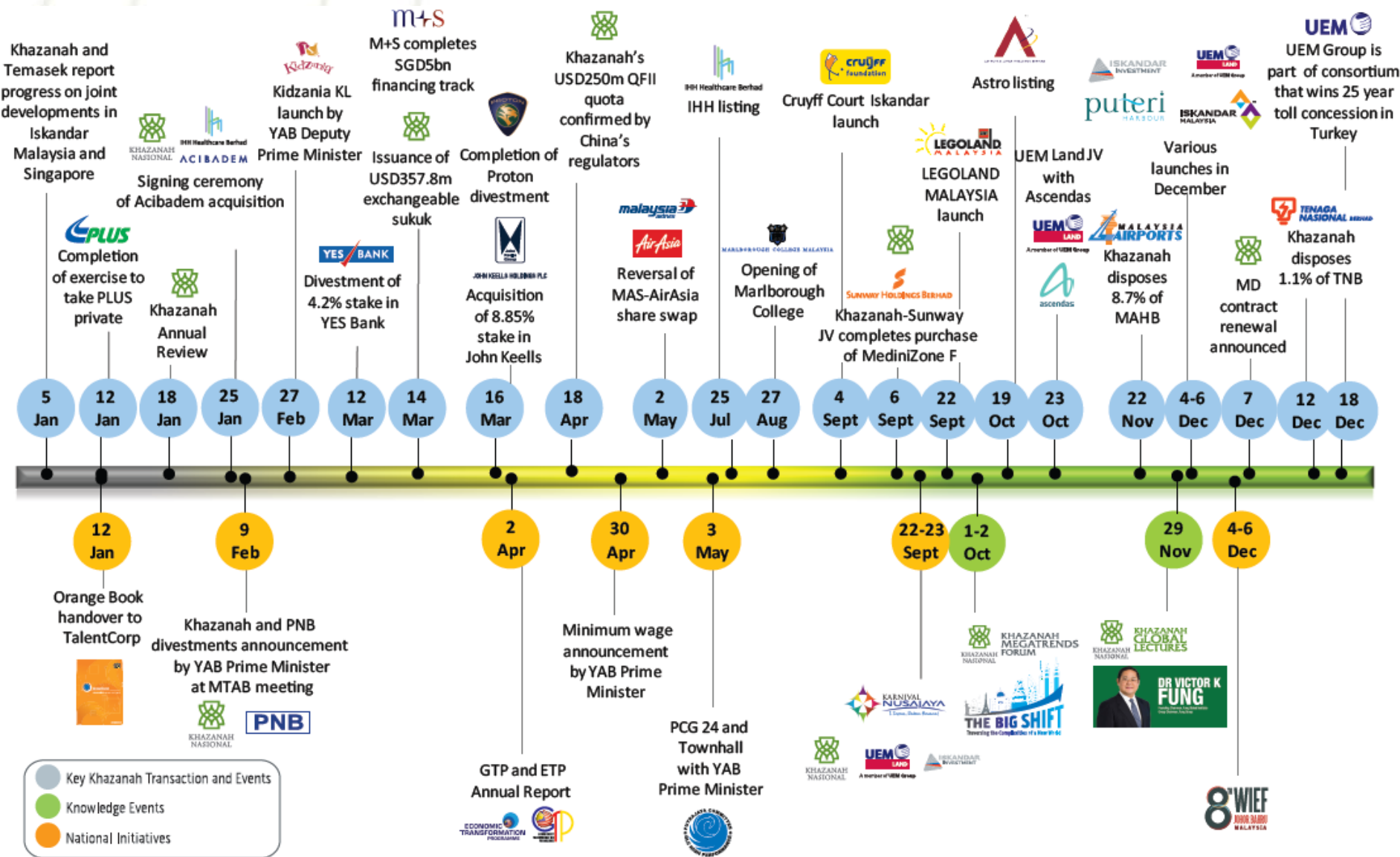
# NINTH KHAZANAH ANNUAL REVIEW

17 JANUARY 2013



- 2012 in Review
- Outlook and Focus for 2013
- Q&A





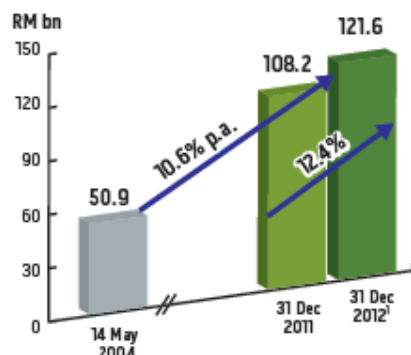
Source: Khazanah compilation

## 2012 Financial and Portfolio Performance: Good results both from portfolio value and realised profit perspectives

Portfolio as at (RM bn)	14 May 04	31 Dec 11	31 Dec 12 <sup>1</sup>	$\Delta$ 2011-12	$\Delta$ 2004-12
Realisable Asset Value ("RAV")	50.9	108.2	121.6	13.4 (+12.4%)	70.6 (+10.6% <sup>3</sup> )
Net Worth Adjusted <sup>2</sup> ("NWA")	33.3	70.0	86.9	16.9 (+24.3%)	53.7 (+11.8% <sup>3</sup> )
RAV/Liabilities Cover (x)	2.9	2.9	3.3		
Shareholders' Funds	7.7	25.6	26.9	1.3 (1.05x)	19.2 (3.51x)

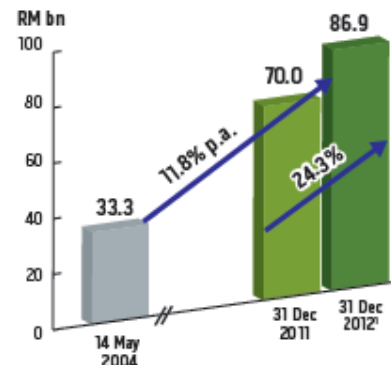
RAV (RM bn)

**121.6**



NWA (RM bn)

**86.9**



### Income statement highlights (RM m)

Financial Year 31 Dec	2008	2009	2010	2011	2012 <sup>1</sup>
Profit Before Tax	128	791	2,081	5,342	2,060
Dividends Declared	100	100	500	3,000	1,000

Note 1: Based on unaudited accounts

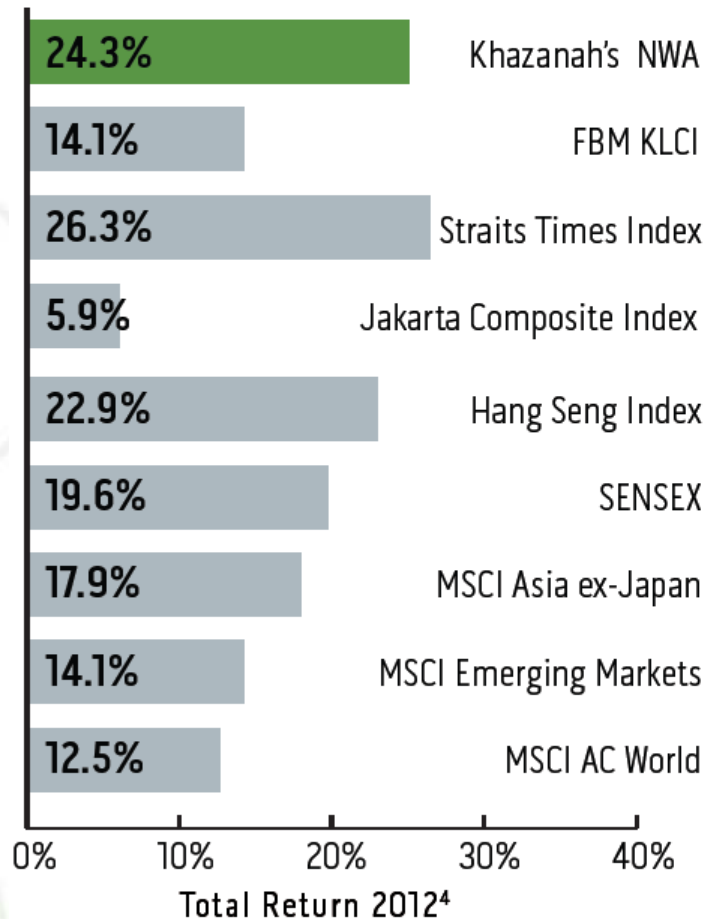
Note 2: NWA is defined as RAV less Total Liabilities and adjusted for equity injections less dividends paid, and is a measure of value created

Note 3: Compounded Annual Growth Rate

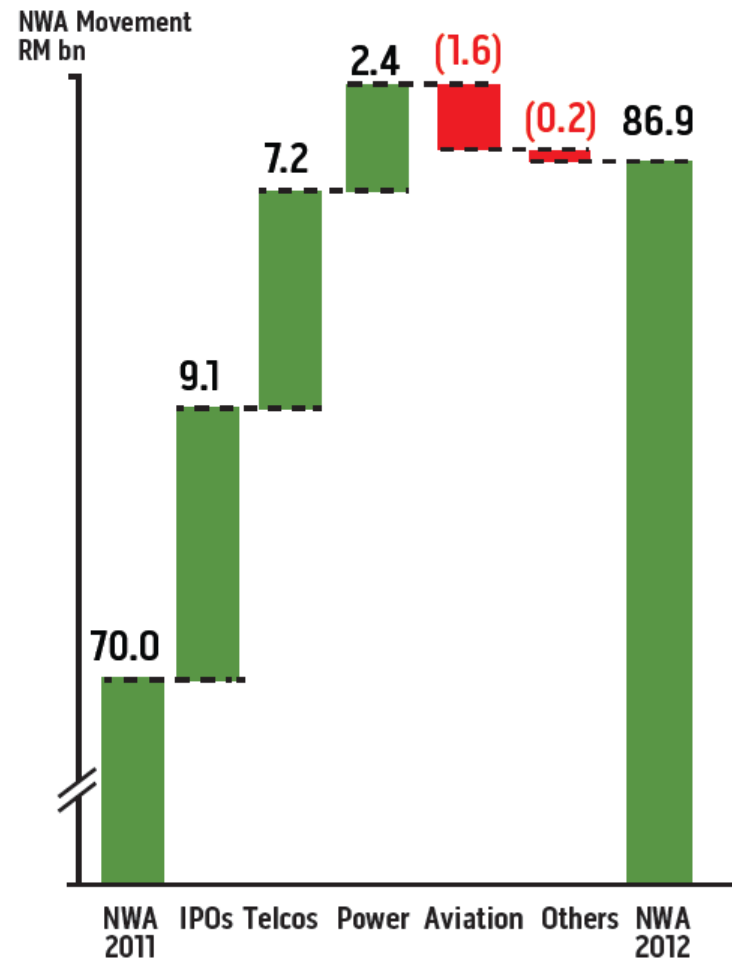
# 2012 Financial and Portfolio Performance:

## Portfolio rose on a buoyant market, but also outperformance in key strategic sectors

PERFORMANCE OF PORTFOLIO AGAINST MAJOR REFERENCE ASIAN MARKETS



DECOMPOSITION OF PORTFOLIO NWA MOVEMENT

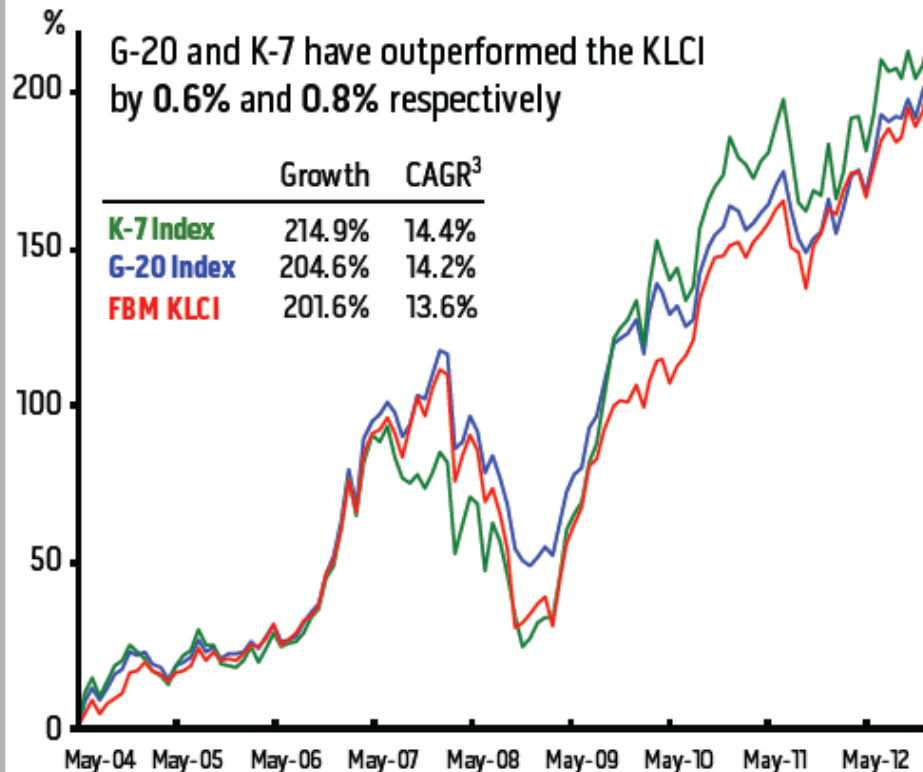


Note 4: In RM terms

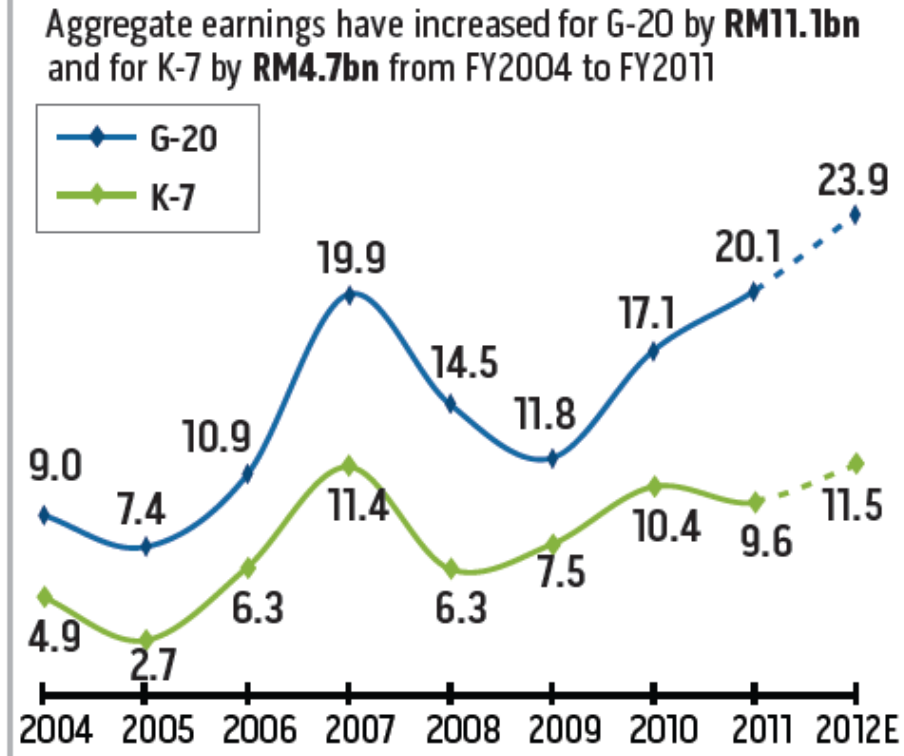
Source: Bloomberg; Khazanah analysis

# 2012 Financial and Portfolio Performance: GLCs continue to show steady outperformance and strong fundamentals

**TOTAL SHAREHOLDERS' RETURNS  
FROM 14 MAY 2004 TO 31 DEC 2012**



**AGGREGATE EARNINGS (RM bn)**

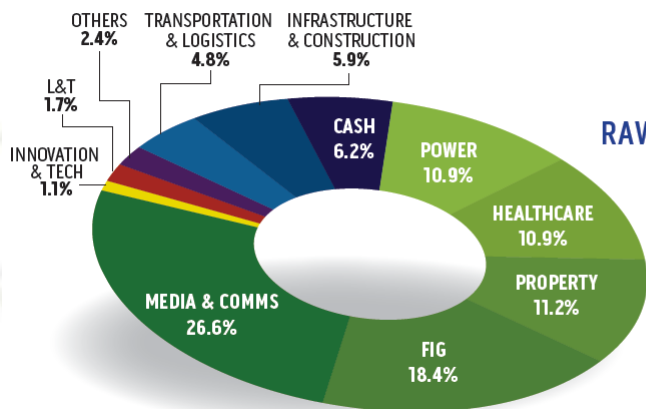


Note 3: Compounded Annual Growth Rate

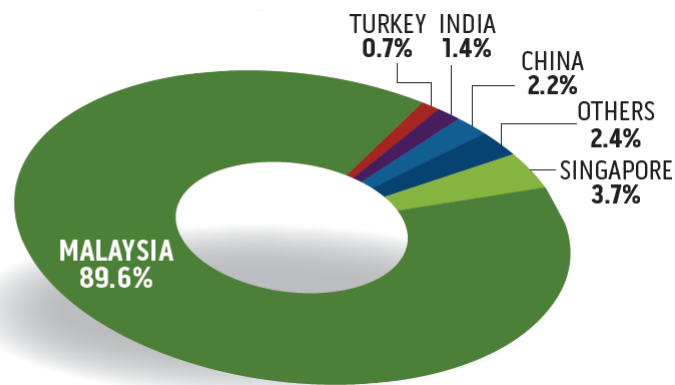
Source: G-20 Financial Reports; Bloomberg; consensus estimates (as at 31 Dec 2012); Khazanah analysis

## 2012 Financial and Portfolio Performance: Ongoing programme of strategic investments and orderly divestments

	Investments		Divestments		
	No. of transactions <sup>5</sup>	Investment Amount (RM bn)	No. of transactions	Divestment Proceeds (RM bn)	Gains on Divestments (RM bn)
<b>2004-2011</b>	<b>88</b>	<b>45.2</b>	<b>45</b>	<b>30.9</b>	<b>13.6</b>
<b>2012</b>	<b>7</b>	<b>6.2</b>	<b>10</b>	<b>4.8</b>	<b>2.1</b>
<b>TOTAL</b>	<b>95</b>	<b>51.4</b>	<b>55</b>	<b>35.7</b>	<b>15.7</b>



**RAV by domicile of companies<sup>6</sup>**



Note 5: Number of discrete new investments

Note 6: Value of investments is allocated by country of domicile of holding company. An estimate of attributable value by exposure is 65% invested in Malaysia and 35% invested overseas



- Acquired Acibadem Healthcare Group, Turkey for USD1.7bn (January 2012)
- RM6.3bn IPO launched (July) with a record 22 cornerstone investors and oversubscription of 132x. Listing is fifth largest IPO in the world
- Share price up 20.4% from listing (December), adding RM6.6bn to Khazanah NWA
- Second largest listed healthcare company in the world by market capitalisation



- RM4.6bn re-listing (October), ninth largest IPO in the world, adding RM2.5bn to Khazanah NWA
- Culminates restructuring exercise following de-listing in 2010, in collaboration with majority shareholder to reorganise operations



- Completion of taking PLUS private together with EPF (January), Malaysia's largest corporate restructuring exercise with an enterprise value of RM33bn. Funded by RM30.6bn sukuk issuance, the largest single fixed income issuance in Malaysia
- Completion of strategic divestment of Khazanah's entire 42.74% stake in Proton to DRB-HICOM (March)
- Reversal of MAS-AirAsia share swap (May)



- JV with Sunway to acquire and develop land in Medini with Gross Development Value ("GDV") of RM12bn (September)
- Delivery of projects *inter alia* Karnival Nusajaya (September), EduCity and theme parks
- JV with Ascendas, to develop a RM3.7bn integrated tech park in Gerbang Nusajaya (October)
- Six partnerships signed involving UEM Land and Iskandar Investment Berhad (December), for developments in Iskandar Malaysia with total GDV of RM28bn



- Consortium of UEM Group, Koc and Gozde Girisim won a USD5.7bn highway privatisation concession in Turkey (December)
- Under the concession, UEM Group will operate 1,976km of toll roads for 25 years, in addition to 1,277km in Malaysia, Indonesia and India



- USD357.8m Exchangeable Sukuk into shares of Parkson Retail (March) – multiple award-winning including "Emas" status conferred by Bank Negara Malaysia
- First ever sukuk priced at negative yield
- Khazanah's inaugural Renminbi sukuk in 2011 paved the way for Malaysian corporates, such as Axiata to tap Chinese debt market



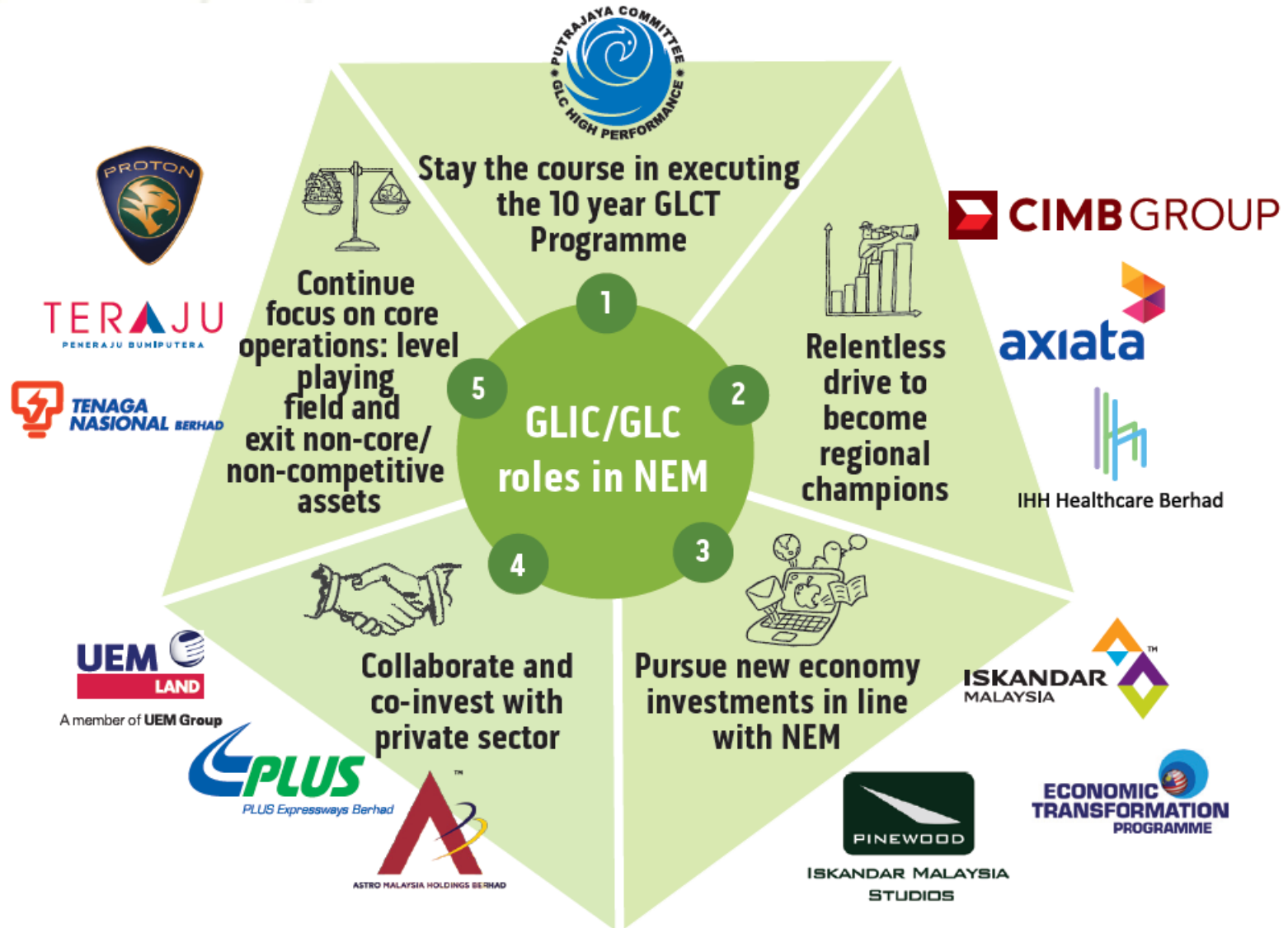


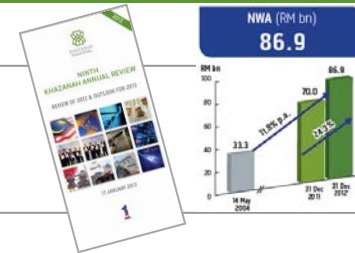
## Selected NEIs<sup>7</sup> and national projects launched and completed in 2012

<p><b>Leisure &amp; Tourism</b></p> 	<p><b>EduCity@Iskandar</b></p>  <p><b>High-speed Broadband</b></p>  <p>1.34 million premises milestone achieved</p>
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Note 7: New Economy Investments

Source: Iskandar Regional Development Authority ("IRDA"); Khazanah analysis





## ➤ PORTFOLIO MANAGEMENT:

- Strong and resilient; balanced and well-positioned for growth

## ➤ ONGOING VALUE CREATION:

- Crisis preparedness, financial resilience and ongoing strengthening of portfolio companies
- Staying the course on GLC Transformation Programme
- Continued delivery of Iskandar Malaysia projects
- Further delivery of major NEIs and national projects in 2013,
  - *inter alia* Desaru developments, Khazanah-Temasek joint investments, Pinewood Iskandar Malaysia Studios, Penang Second Bridge and KLIA
- Ongoing programmes of regionalisation, collaboration, co-investment and strategic divestments

## ➤ ONGOING INSTITUTIONALISATION:

- Ongoing institutionalisation of Khazanah and portfolio companies in systems, processes, people, knowledge and supporting national transformation
- 2013 to 2016 period will cover significant milestones:
  - 2014: 10-year milestone of Khazanah revamp programme
  - 2015: 10-year milestone of GLC Transformation Programme
  - 2016: Iskandar Phase 2 completion completion



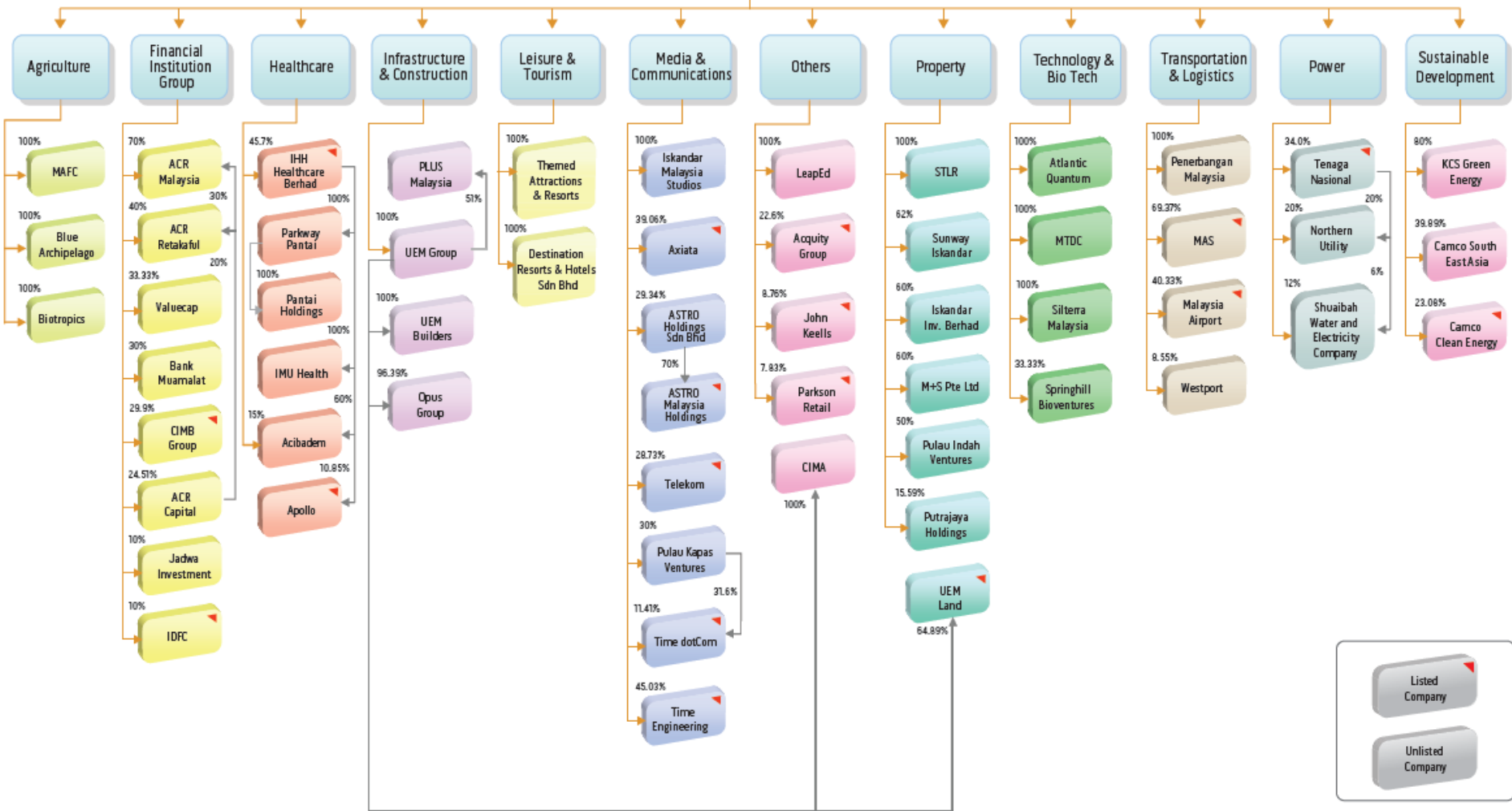


# Thank You

**Visit our website at : [www.khazanah.com.my](http://www.khazanah.com.my)**

# Investment Holding Structure as at 31 December 2012

## Khazanah Nasional Berhad



 Listed Company

 Unlisted Company