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MEDIA STATEMENT

Johor Bahru, 11 December 2011

ISKANDAR MALAYSIA's Fifth Anniversary Review Underscores a Track Record of Investments and Delivery

- *Total committed investments of RM77.8 billion*
- *New strategic investments of RM1.73 billion*

ISKANDAR MALAYSIA moves strongly into its second phase of development, attracting RM77.8 billion worth of investment commitments during its first stage of its 20-year development plan. As at September 2011, more than RM38 billion or nearly half of the investments commitments has been actualized. A number of important developments have either been completed, nearing completion or getting off the ground, underscoring a strong track record of investments and delivery.

Interest among local and foreign investors remains high, with scheduled launches of significant projects and new investments. At the ISKANDAR MALAYSIA's Fifth Anniversary event held at Puteri Harbour, Nusajaya today, 12 new investment commitments amounting to RM1.73 billion were announced, from both domestic and foreign investors.

In addition, it is envisioned that RM1.05 billion in projected investments would be generated from the knowledge-economy over the next 7 years. It is particularly significant as the knowledge economy is envisaged to transform not only ISKANDAR MALAYSIA's economy, but is also a key pillar of Malaysia's Economic Transformation Programme.

Strongly signalling that ISKANDAR MALAYSIA is building a robust platform for the high value-added innovative economy are recent strategic collaborations between the Multimedia Development Corporation, Frost & Sullivan and Iskandar Investment Berhad ("IIB") to establish a Global Innovation Centre in ISKANDAR MALAYSIA, and the establishment of a Supply-Chain Centre of Excellence by DHL and IIB. This also reflects investor confidence in ISKANDAR MALAYSIA's growth and development since its inception in 2006 and its continued progress towards becoming a strong and sustainable metropolis of international standing.

Speaking at the event, Managing Director of Khazanah Nasional Berhad ("Khazanah"), Tan Sri Dato' Azman Hj. Mokhtar said: "After five years, it is clear that ISKANDAR MALAYSIA has achieved a strong momentum with the timely delivery of major infrastructure, iconic developments and catalyst projects."

"Stemming from traditional and knowledge economies, the opportunities and benefits for the *rakyat* and businesses in ISKANDAR MALAYSIA in the near future are very encouraging: increased tourist arrivals are expected from 2012 onwards, thousands of students in a thriving education sector, further improved public infrastructure, more than 55,000 estimated new jobs, and enhanced safety and security overall," added Tan Sri Azman.

The year 2012 will see major developments such as Legoland Malaysia theme park, Marlborough College and EduCity scheduled to come fully on stream. The realisation of these projects has translated strongly into enhanced investor and public confidence in ISKANDAR MALAYSIA, evidenced by increasing domestic and foreign participation and investment into the region.



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A key track is establishing ISKANDAR MALAYSIA as a regional education destination of choice. On this front, strong progress has been made with EduCity's stadium and sports complex nearing completion; agreements signed with the Netherlands Maritime Institute of Technology, Raffles University Iskandar and University of Southampton; and the launch of the Newcastle University Campus earlier this year. In addition, today's education-linked announcements include agreements to establish, in Educity, the University of Reading Malaysia and a branch campus of Multimedia University offering a Cinematic Arts programme with the University of Southern California.

Working closely with the Johor State and Federal governments, Iskandar Regional Development Authority ("IRDA") has committed to fostering and enabling a healthy investment climate that is attractive to local and foreign investors, and also to ensure that the people of Johor, the ultimate beneficiaries of ISKANDAR MALAYSIA, fully share its growth and progress.

IRDA's Chief Executive, Ismail Ibrahim said the new investments reflected the continuous confidence that investors, both local and foreign, have in the development of ISKANDAR MALAYSIA. "We are very pleased with this announcement and we know this would not have been possible without the support of our partners and Government agencies. Our partners have played an instrumental and key role in ISKANDAR MALAYSIA's five-year journey thus far," he said.

Ismail said IRDA is convinced that one of ISKANDAR MALAYSIA's greatest strengths was the collaboration and partnership between the private and public sectors – a partnership that has enabled ISKANDAR MALAYSIA to continue to attract FDI in the face of intense global competition.

"The journey towards realizing ISKANDAR MALAYSIA's vision is still a long one, so all the more we will need to work closely together to ensure we continue to deliver milestones on schedule to the people, the ultimate beneficiaries." Ismail said the announcement of the new investments was a great close to 2011, adding that there would be more to come in the Tipping Point year of 2012.

To ensure that safety and security is further enhanced at ISKANDAR MALAYSIA, a 942 person auxiliary police battalion – the ISKANDAR MALAYSIA Auxiliary Police, will soon be deployed to further strengthen security in the region. The Prime Minister handed out appointment letters to the first batch of the 13-member team at the event today.

To encapsulate what has been achieved thus far, the **ISKANDAR MALAYSIA Five-Year Progress Report** was also launched today by the Prime Minister. The report details the various developments that have taken place in ISKANDAR MALAYSIA over the five years since its inception, as well as the strategies that will be pursued to further attract talent and investment.

As envisaged by the Comprehensive Development Plan launched in 2006, ISKANDAR MALAYSIA will be a place where living, entertainment and business would seamlessly converge in a vibrant and sustainable metropolis of international standing. The foundations have been laid and the city of future is now steadily taking shape.

The Way Forward

To protect and enhance value of the economic region, there are four key strategic imperatives that will underpin the continued robust growth of the ISKANDAR MALAYSIA development over the next five-years and beyond. They can be categorized broadly into:



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Capital-related imperatives

- Broaden foreign and domestic investor base to enhance regional economic cooperation and collaboration. In particular, target investors from Asian sources such as Singapore, China, Japan, India and South Korea.
- Focus on strengthening ISKANDAR MALAYSIA-Singapore partnerships in identified growth sectors that can bring mutual benefit
- Enhance Public-Private Partnerships for the further development of public infrastructure to accelerate their implementation.

Demand Catalysts

- Ensure that catalyst projects in the sector of leisure, tourism, education, healthcare and infrastructure are successfully delivered, thereby attracting more participation and investment into the region.
- Build-up the resident population and sustain influx of visitors to bring about further multiplier effects on the local economy. New investments into the leisure and tourism sector in particular to further boost the attraction of ISKANDAR MALAYSIA as a destination for tourism-related activities including meetings, incentives, conferences and exhibitions (MICE).

Supply Realignment

- Cluster new developments to create physical and geographical density necessary for the efficient flow of ideas and innovation, creation of liveable communities, and to spur hubs of economic activity.

Critical Enablers

- Intensify social development within ISKANDAR MALAYSIA to ensure fair and equitable distribution of benefits across communities in the region and develop a vibrant and livable environment crucial to attracting talent and investment.

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About Khazanah Nasional Berhad

Khazanah is the strategic investment fund of the Government of Malaysia entrusted to hold and manage the commercial assets of the Government and to undertake strategic investments. Khazanah is involved in various sectors such as power, telecommunications, banking, automotive manufacture, airport management, infrastructure, property development, broadcasting, semiconductor, steel production, electronics, investment holding, technology and venture capital. Some of the key listed companies in Khazanah's investment portfolio include Telekom Malaysia Berhad, Tenaga Nasional Berhad, CIMB Group, Proton Holdings Berhad, Malaysia Airlines System Berhad, Malaysia Airport Berhad, UEM Land Holdings Berhad, Axiata Group Berhad and Time dotCom Berhad.

For further information on Khazanah, please visit www.khazanah.com.my

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About IRDA

The Iskandar Regional Development Authority (IRDA) is the regulatory authority mandated to plan, promote and facilitate the development of ISKANDAR MALAYSIA into a strong and sustainable metropolis of international standing, where living, working, business and leisure converge seamlessly.

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