

MEDIA RELEASE

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Khazanah acquires stake in Jadwa Investment

Khazanah Nasional Berhad (“Khazanah”) is pleased to announce that it has signed an agreement with Jadwa Investment (“Jadwa”), a leading Shari’ah compliant investment company based in the Kingdom of Saudi Arabia, to acquire 10% of the share capital of Jadwa for a total consideration of SAR284.25 million (USD75.90 million or RM270.85 million).

Jadwa is a premier fully Shari’ah compliant investment company counting from among its shareholders the leading Saudi business families and is chaired by HRH Prince Faisal Bin Salman Bin Abdul Aziz Al Saud. It was founded in 2005 and in the financial year ending 31 December 2007, Jadwa recorded a commendable rate of return on equity of 21% and return on total assets of 13%. Its services include investment banking and corporate finance, asset management and brokerage.

Khazanah’s investment into Jadwa aims to provide cross linkages between Malaysian and Saudi Arabian businesses, laying the foundation for a stronger economic cooperation between the two Muslim countries as well as supporting the aspirations of Malaysian International Islamic Financial Centre (“MIFC”).

Commenting on the agreement, Khazanah’s Managing Director, Tan Sri Dato’ Azman Hj Mokhtar said, the investment will foster stronger bilateral ties and cooperation between Malaysia and Saudi Arabia and increase trade between the Muslim countries.

“During such times of a global economic crisis, one must look to strengthen alliances and friendships where we have mutually sound and beneficial business models and partners. This investment is an important milestone for Khazanah as it represents the continued strengthening of economic and bilateral relations between Malaysia and Saudi Arabia. We anticipate that, InsyAllah, this signing is just the first step in a long and mutually supportive relationship,” said Tan Sri Azman.

The official signing ceremony was held in Riyadh yesterday with Khazanah represented by Tan Sri Azman and Jadwa by its Chairman, HRH Prince Faisal Bin Salman Bin Abdul Aziz Al Saud. The signing was witnessed by HRH Raja Dr Nazrin Shah Ibni Sultan Azlan Muhibbuddin Shah, Crown Prince of Perak Darul Ridzuan and the Financial Ambassador for the promotion of MIFC.

Tan Sri Azman added that as both Khazanah and Jadwa have a long term investment strategy, they would be able to ride out the current economic downturn and to capitalize on opportunities created. “Coupled with Jadwa’s strength of a sound and professional management team with the right experience in the business, Khazanah is confident that this investment will serve as an important bridge between the two countries to provide a two-way flow in capital, ideas and people for our mutual benefit.”

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For further clarification, please contact Mohd Asuki Abas at +603 2034 0000, or via email to asuki.abas@kbn.com.my

About Khazanah Nasional Berhad

Khazanah is the investment holding arm of the Government of Malaysia entrusted to hold and manage the commercial assets of the Government and to undertake strategic investments. Khazanah was incorporated under the Companies Act 1965 on 3 September 1993 as a public limited company. Khazanah has a nine member board comprising representatives from the public and private sectors. YAB Dato' Seri Abdullah Haji Ahmad Badawi, the Right Honorable Prime Minister of Malaysia is the Chairman of the Board.

Khazanah has stakes in more than 50 companies with assets valued in excess of USD25 billion. Khazanah is also the state agency responsible for strategic cross-border investments. These companies are involved in various sectors such as power, telecommunications, banking, automotive, airport management, infrastructure, property development, broadcasting, semiconductor, steel production, electronics, investment holding, research technology and venture capital.

About Jadwa Investment

Jadwa is a Saudi Arabian Closed Joint Stock company operating under the supervision of Saudi's Capital Markets Authority ("CMA"). The company was founded in 2005 and received its investment banking license from CMA on 21 August 2006. Full investment banking operations commenced in March 2007 with a paid-up capital of SAR500 million and its first fiscal year was completed on 31 December 2007.