



KHAZANAH
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MEDIA STATEMENT

Ankara, 17 April 2014

Khazanah's investments in Turkey underscore strong bilateral and commercial relations between Malaysia and Turkey

Highlights:

- **A total initial cost of investments of USD1.4 billion in Turkey with current approximate market value of more than USD2.0 billion**
- **A further USD300 million has been committed by Malaysia Airports Holdings Berhad ("MAHB") to raise its stake in Istanbul Sabiha Gökçen International Airport ("ISGIA") from 20% to 60%**
- **Khazanah Turkey Regional Office serves as a strategic platform to further grow and strengthen Khazanah's regional investments, public & private relationships and business links in Turkey, Middle East, Africa, Central Asia and Eastern Europe**

In conjunction with the state visit of the Prime Minister of Malaysia, YAB Dato' Sri Mohd Najib bin Tun Haji Abdul Razak to Ankara, Turkey on 17 April 2014, Khazanah Nasional Berhad ("Khazanah") is pleased to provide the following update to the Malaysian and international media.

1. Khazanah Turkey Regional Office ("KTRO")

On 31 October 2013, Khazanah opened its regional office in Istanbul which was officiated by His Excellency Turkish Deputy Prime Minister Ali Babacan. This is Khazanah's fourth satellite office after Beijing, Mumbai, and San Francisco.

As a regional hub, KTRO will originate and facilitate investments into Turkey, Middle East, Africa, Central Asia and Eastern Europe which are of strategic interest to Khazanah, our investee companies and Malaysia in general. Khazanah's official presence in Turkey will also serve as a platform to enhance and strengthen regional investments, public and private relationships, and business links in these regions. Moreover, the office will also promote investments into Malaysia, such as into Iskandar Malaysia, and facilitate cross border co-investments into the growing markets of ASEAN.

In October 2013, Khazanah, represented by Managing Director Tan Sri Dato' Azman Hj. Mokhtar, also participated in Turkey's VIII International Advisory Council meeting chaired by His Excellency Turkish Prime Minister Recep Tayyip Erdoğan, which is a platform for high-level dialogue and consultations between government leaders and senior executives from prominent multinational companies to provide an international perspective to the ongoing investment climate reform agenda in Turkey.

2. Khazanah's investments in Turkey

To date, Khazanah and several of its investee companies have invested a total initial cost of USD1.4 billion in Turkey. The approximate market value of these investments is currently more than USD2.0 billion. The investments made since 2008 are:

- **Istanbul Sabiha Gökçen International Airport**

In May 2008, MAHB (36.56% owned by Khazanah) invested USD48 million for a 20% stake in the second international airport in Istanbul, ISGIA. MAHB plays the role of a technical operator in ISGIA, alongside a local partner, Limak Group and an international partner, GMR Group of India.

ISGIA is one of the fastest growing airports in the world. Its total passenger number has grown to 18.8 million in 2013 as compared to 4.3 million passengers in 2008, representing a compound annual growth rate (“CAGR”) of 34%. The investment into ISGIA has provided MAHB with a good platform to showcase its capabilities in the provision of airport management services.

In December 2013, MAHB exercised its right of first refusal to purchase a 40% stake in ISGIA held by GMR Group for approximately USD300 million. The transaction is currently pending regulatory approvals. On completion of this transaction, MAHB's shareholding in ISGIA will increase to 60%.

- **Acıbadem Healthcare Group (“Acıbadem”)**

In January 2012, Khazanah, together with our 45.2% owned investee company IHH Healthcare Berhad (“IHH”), acquired a total stake of 75% at an initial investment cost of USD1.1 billion in Turkey's largest private healthcare services provider, Acıbadem. It currently owns and operates over 2,000 beds in a total of 17 hospitals (15 hospitals in Turkey and one hospital in Macedonia that are being owned and operated, while one hospital in Iraq that is being operated). In addition, Acıbadem owns and operates 14 licensed medical centres and ancillary healthcare businesses providing clinical laboratory services, mobile and home health services, catering and laundry services, and hospital design and project management.

In 2013, Acıbadem contributed approximately 28% to the Earnings Before Interest, Tax, Depreciation and Amortisation (“EBITDA”) of IHH, the world's second largest listed healthcare operator by market capitalization at approximately USD10.0 billion.

- **Acıbadem Sağlık ve Hayat Sigorta A.Ş., (“Acıbadem Sigorta”)**

In November 2013, Khazanah through its insurance holding company Avicennia Capital Sdn Bhd (“Avicennia Capital”), acquired a 90% stake in the second largest health insurance services provider in Turkey, Acıbadem Sigorta, for USD252 million.



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Headquartered in Istanbul, Acıbadem Sigorta currently operates via six regional offices across Turkey. Acıbadem Sigorta, a leading provider of premium health insurance offering for corporate and individual clients in Turkey, provides its customers with access to a large network of high quality healthcare facilities in Turkey.

The Acıbadem Sigorta acquisition complements Avicennia Capital's acquisition of Sun Life Malaysia Assurance Berhad and Sun Life Malaysia Takaful Berhad (formerly known as CIMB Aviva Assurance Berhad and CIMB Aviva Takaful Berhad, respectively) in April 2013. It forms an important piece of the insurance platform which Avicennia Capital is seeking to build that is focused on markets with strong growth potential.

Khazanah would like to take this opportunity to thank the Turkish Government and our local partners for their excellent support in ensuring the continued success of Khazanah's various investments in Turkey. We hope this strong collaboration would serve as a strategic platform to foster a deeper relationship between Malaysia and Turkey.

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For further information on Khazanah, please visit www.khazanah.com.my or contact Mohd Asuki Abas at +603 2034 0000, or e-mail at asuki.abas@khazanah.com.my.

About Khazanah Nasional Berhad

Khazanah Nasional Berhad 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, healthcare, airport management, infrastructure, leisure & tourism, property development, broadcasting, investment holding, and technology. Some of the key listed companies in Khazanah's investment portfolio include Telekom Malaysia Bhd., Tenaga Nasional Bhd., CIMB Group, Axiata Group Bhd., IHH Healthcare Bhd., Malaysia Airports Holdings Bhd., and UEM Sunrise Bhd.