



Putrajaya Committee on GLC High Performance (PCG)
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MEDIA STATEMENT

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The inaugural GLC Open Day 2011 sets to impress visitors

Putrajaya Committee on GLC High Performance (“PCG”) is pleased to present the GLC Open Day 2011, a three-day event aimed to create awareness and increase the understanding of the public on the unique roles played by Government-Linked Investment Companies (“GLICs”) and Government-Linked Companies (“GLCs”) whilst highlighting their contribution towards the development of the Malaysian economy. The GLC Open Day 2011, which commences from 24th June to 26th June, is participated by five GLICs and 18 GLCs. The timing of this event coincides with the 7th year of the 10-year journey of the GLC Transformation Programme (“the Programme”), in which the companies have emerged from the global financial crisis stronger and on better footing.

The open day is aptly themed “**NATION-BUILDING, TOUCHING LIVES**” to reflect the transformation journey as well as demonstrating their contribution to society, especially since GLCs are responsible in delivering various public goods and services.

Performance Now

The GLC Transformation Programme has achieved many significant milestones including stronger fundamentals as reflected by GLCs’ resilience in weathering the 2008/2009 global financial crisis.

For FY2010, the G20¹ companies reported strong earnings with **net income growth of 49%** year-on-year to **RM17.3 billion**, and is expected to grow further to **RM22.1 billion** in FY2011. The G20 **total shareholder return (TSR)** generated a **compounded annual return** of **16.2%** from 14 May 2004 (start of the Programme) to 3 June 2011, **out-performing** non-G20 FBM KLCI by **1.8%**. As of 3 June 2011, market capitalisation of the G20 more than doubled to RM355 billion since the start of the Programme.

For non-financial G20, **operating cashflow** increased to **RM24.9 billion** in FY2010 from RM17.7 billion in FY2009. FY2010 non-financial G20 firms’ debt-to-equity ratio improved to 32% in FY2010 from 42% in FY2009, reflecting the robust free cashflow generated over the last 12 months. **74%** of G20 **Headline Key Performance Indicators** (“KPIs”) were met in FY2010, an improvement from 64% in FY2009.

The G20 are now on a growth trajectory, contributing significantly to the economy whilst advancing further towards regionalisation and championship ambition. Three GLCs out of the G20 have clearly positioned themselves for regional championship – these three being Maybank, CIMB and Axiata.

Nation-building

The current phase of the Programme coincides with an exciting period in Malaysia’s economic landscape as the nation charges towards Vision 2020, via implementation of the New Economic Model (“NEM”). Towards this end, GLICs and GLCs are playing a significant role in contributing to the success of the two pillars of the NEM, namely the Government Transformation Programme (“GTP”) and the ETP.



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The NEM itself will impact the very environment that GLCs operate in and moving forward, the role of GLCs will evolve towards enabling the transformational reforms that come with it.

The NEM and the GLCT Programme are aligned as they both support Malaysia's Vision 2020 goals of becoming a high income nation. Therefore, it is critical for the NEM and the Programme to reinforce each other moving forward. The PCG has identified five important roles for GLCs to support the NEM:

1. Diligently stay the course in executing the 10-year GLCT Programme
2. Relentlessly continue their journey towards becoming regional champions
3. Pursue NEIs in line with NEM
4. Collaborate and co-invest with the non-GLC private sector
5. Focus on core businesses on a level playing field and to progressively divest out of non-core and noncompetitive assets

These five roles provide the GLCT fraternity with a common understanding, language and frame on how to reinforce the NEM. Given the shorter time frame to 2015 (which marks the end of the 10-year Programme) and the more challenging business environment, there is a critical need for GLICs and GLCs to elevate the execution of their five roles in NEM in order to achieve the country's 2020 aspirations.

Touching lives

The GLICs and GLCs continue to invest and support several national corridor developments such as Northern Corridor Economic Region ("NCER") and Iskandar Malaysia. They have been actively investing in new economy investments ("NEIs"), forming successful partnerships with the non-GLC private sector and divesting non-core and non-competitive assets. They have also contributed significantly to the development and execution of the National Key Economic Areas ("NKEAs") and Strategic Reform Initiatives ("SRI") labs under the Economic Transformation Programme ("ETP").

On the micro level, GLCs are directly impacting the lives of Malaysians through their products and services such as in the areas of roads and highways, plantations, telecommunications, electricity and power, automotive, financial and banking services, as well as property development. Through their expansion and growth, GLCs provide job opportunities and groom aspiring leaders. The Vendor Development Programme, for example, has been very successful in developing Bumiputera and local entrepreneurs.

The GLC Open Day will reflect the journey of GLICs and GLCs so far through an exhibition of five clusters, which illustrates how GLCs interact with Malaysians on a daily basis, the procurement process and successful partnership models with GLCs as well as how GLCs balance between maximizing profits and sustaining the environment. In addition, the clusters also show the various opportunities in terms of employment and education, as well as the way forward for the transformation programme.

The Open Day also offers public forums, chaired by heads of GLCs, to discuss various current issues. Visitors will get the chance to listen to the GLC captains at the "Spot Light Corner" as well as prominent personalities, NGOs, entrepreneurs and social activists, discussing wide-ranging issues from the new



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corporate DNA for the GLCs, to the social media phenomenon, to the limit of social entrepreneurship. There will also be a myriad of exciting activities for the family including treasure hunt, colouring competition and e-Peraduan for all ages with attractive prizes to be won.

For more information about the GLC Open Day, please visit www.glcopenday.com.my

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For enquiries, please contact Mohd Asuki Abas at +603 2034 0000 or email asuki.abas@khazanah.com.my.

About The Putrajaya Committee on GLC High Performance (“PCG”)

The GLC Transformation (“GLCT”) Programme was launched on 14 May 2004 while the PCG was formed in January 2005 as the Steering Committee for the Programme and leads the drive to transform GLCs into high-performing entities. PCG consists of representatives from the Minister of Finance Incorporated and the Prime Minister’s Office as well as participation from the heads of the Government-Linked Investment Companies (“GLIC”) namely Khazanah Nasional Berhad, Permodalan Nasional Berhad, Employees Provident Fund, Lembaga Tabung Angkatan Tentera and Lembaga Tabung Haji. The Minister in the Prime Minister’s Office in charge of the Economic Planning Unit, Chief Secretary to the Government and Chief Secretary to the Treasury have also been included as permanent members of the PCG, as participation from these key people who are intimately involved with the transformation of the public sector will strengthen the role of committee to create the right environment for the GLCT Programme goals to be met.

Khazanah has been given the responsibility to as the secretariat to the PCG and entrusted to manage the roll-out and implementation of the GLCT Programme.

GLC Open Day’s Participating GLICs



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