



GLC

TRANSFORMATION PROGRAMME

PROGRESS REVIEW

2013



GEARING UP FOR GRADUATION
TOWARDS 2015 AND BEYOND



GOVERNMENT-LINKED INVESTMENT COMPANIES AND G20

GLIC		GLC	
 Lembaga Tabung Haji		 TH Plantations Berhad	
 BIMB Holdings Berhad			
 Employees Provident Fund		 Malaysian Building Society Berhad	
 Malaysian Resources Corporation Berhad			
 Lembaga Tabung Angkatan Tentera		 Affin Holdings Berhad	
		 Boustead Holdings Berhad	
 Permodalan Nasional Berhad		 Chemical Company of Malaysia Berhad	
		 Malayan Banking Berhad	
 Sime Darby Berhad		 UMW Holdings Berhad	
 Khazanah Nasional Berhad		 Telekom Malaysia Berhad	
		 CIMB Group Holdings Berhad	
		 Axiata Group Berhad	
		 Malaysian Airline System Berhad	
		 Tenaga Nasional Berhad	
		 Malaysia Airports Holdings Berhad	
		 UEM Group Berhad	

G20 is a selection of large GLCs controlled by GLICs under the GLCT Programme and is used as a proxy for performance of the GLCs. This list originally comprised of 20 GLCs but currently stands at 17 due to various mergers, demergers and other corporate exercises over the years.

Government-Linked Companies (GLCs) are defined as companies that have a primary commercial objective and is under the control of a GLIC. A GLIC has control over GLC when it is the majority shareholder or single largest shareholder and when it has the ability to exercise and influence major decisions such as appointment of board members and senior management, award of tenders and contracts and so on. Subsidiaries of such GLCs also fall under the purview of the GLCT Programme. The GLCT Programme excludes state-controlled or state-linked companies.

Government-Linked Investment Companies (GLICs) are defined as Federal Government linked investment companies. There are five GLICs which come under the Government-Linked Company Transformation (GLCT) Programme namely Employees Provident Fund (EPF), Khazanah Nasional Berhad (Khazanah), Lembaga Tabung Angkatan Tentera (LTAT), Lembaga Tabung Haji (LTH) and Permodalan Nasional Berhad (PNB).

On the Cover: Gearing Up For Graduation – Towards 2015 and Beyond

The gears on the cover of this report reflect the important connections between the various parts of the economy that work together as the country's engine of growth. They also represent the theme 'Gearing Up For Graduation' that encourages GLCs to accelerate their transformation agenda as the 10-year GLC Transformation Programme approaches its last two years before completion in 2015, and beyond to 2020.



TABLE OF CONTENTS

1 Foreword by **YAB Prime Minister**

2 Foreword by **PCG Secretariat**

3 **Executive Summary**

4 **GLC Transformation Programme Journey**

5 **Progress To-Date**

5.1 Financial Performance

5.2 Benefits to Stakeholders

5.3 GLCT Programme Activities

5.4 Impact On National Development

6 **Special Features**

6.1 Overcoming Global Financial Crisis of 2008

6.2 Investments in New Industries and Sectors

6.3 Industrial Relations

7 **Gearing Up For Graduation**

Towards 2015 and Beyond

Appendices

Appendix A – G20 Scorecards and Performance Highlights

Appendix B – Economic Profit

Appendix C – 1Malaysia Products by GLCs

Appendix D – Selected Awards and Recognition Received by GLCs

Appendix E – Role 1 in New Economic Model (NEM): Stay the Course

Appendix F – Role 2 in NEM: Relentless Drive to Become Regional Champions

Appendix G – Role 3 in NEM: Pursue New Economy Investments

Appendix H – Role 4 in NEM: Collaborate with Private Sector

Appendix I – Acronyms & Abbreviations

1

2

3

9

17

45

55

59



FOREWORD



GLC TOWNHALL AT PICC, PUTRAJAYA
3 May 2012

After assuming office in April 2009, I stressed the importance of the Government-Linked Companies Transformation (GLCT) Programme and its role in driving development and growing Malaysia's economy. The Programme, which began in 2004, aims to transform Government-Linked Companies (GLCs) into high-performing entities and to create several regional champions by 2015.

After receiving a new mandate, I would like to re-affirm the Government's commitment to the Programme and explore new ways for it to benefit the people of Malaysia. The GLCT Programme serves as a pre-cursor to the critical National Transformation Programme (NTP) introduced during my first term as Prime Minister.

Our overall national ambition is to transform Malaysia into a high income nation that is inclusive and sustainable. To-date, the results of this transformation effort have been extremely encouraging. Since the launch of our transformation effort in 2009, Malaysia's Gross National Income (GNI) per capita has risen 48.8% to USD9,970. Our Gross Domestic Product (GDP) growth remained robust at 5.6% in 2012 in the face of the global economic downturn. Private investments have tripled since the start of the Economic Transformation Programme (ETP), growing 22% in 2012 alone, amounting to RM139.5b.

I am pleased that the GLCs have continued to support various Government initiatives such as the innovation agenda, leadership development, and corporate integrity. They have also supported the Nation by introducing many 1Malaysia products in support of our 'People First, Performance Now' drive.

The GLCT Programme is an important component of the national agenda which ultimately benefits the lives of all Malaysians. The strong financial performance of this group of companies to date has resulted in healthy taxes and dividends paid. In addition, GLCs have also been good corporate citizens by providing various stakeholder benefits to their employees, customers, suppliers and society in general. GLCs also took the lead on the implementation of minimum wage while other schemes are currently being developed to improve the capabilities and well-being of employees.

I appreciate many GLCs have invited me to their town halls or staff engagement sessions. These sessions have provided the platform for me to engage directly with the workforce, share ideas and obtain valuable feedback.

Our 10-year GLCT Programme will reach its completion in 2015. It is crucial that this graduation occurs seamlessly, and retains the momentum that is key to our development. We must also look ahead and make the necessary preparations towards 2020 with emphasis on key areas such as inclusivity and sustainability.

I would like to thank the GLCs for their support. Together we can develop our Nation in the spirit of 1Malaysia.



DATO' SRI MOHD NAJIB
*Prime Minister of Malaysia and
Chairman of the Putrajaya Committee
on GLC High Performance*



2

FOREWORD BY PCG SECRETARIAT

We are about to enter the ninth year of the 10-year GLCT Programme. The PCG Secretariat is pleased to report that on an aggregate basis, G20 continue to be on a strong trajectory as they progress towards graduation from the Programme in 2015.

Since the start of the Programme in 2004, G20's Economic Profit is at its highest, reaching RM5.34b in FY2012. Their market capitalisation almost trebled to RM405b from RM140b in 2004. Total Shareholder Returns grew at 15% p.a., outperforming the FBMKLCI by 1% p.a. and aggregate earnings grew at 12% p.a. from FY2004 to FY2012. During the same period, G20 have also been actively growing their regional footprint as reflected by the increased overseas contribution to both assets and revenue.

G20 had collectively paid their shareholders RM78b in dividends from FY2004 to FY2012. Given the significant holdings by institutional shareholders in G20, these dividends, arising from their improved performance, have contributed to the well-being of millions of subscribers to the funds managed by GLICs. G20 have also paid a total of RM49b in taxes for the same period. Again, it was their improved performance that has allowed them to be good corporate citizens that contribute directly to national development.

These improved performances at the firm level which produced better shareholder returns, are in line with the GLCT Programme's 3 underlying principles: performance focus, national development, respect for governance and stakeholder interests.

Notwithstanding these achievements, GLCs continue to face challenges in developing and managing talent, managing the increasingly complex regulatory environment and balancing commercial interest with social expectations. These remaining obstacles undoubtedly need to be overcome.

The recently elected Government has re-affirmed its support of the GLCT Programme. With this, G20 will continue to intensify their five roles in the New Economic Model (NEM) namely, stay the course of the Programme, relentless drive to become regional champions, pursue new economy investments in line with NEM, collaborate and co-invest with private sector, and continue to focus on core operations while competing on a level playing field.

GLCs need to gear up for Programme graduation in the next two years. They have to further strengthen their business

models, close remaining gaps while adapting to the changing environment they operate in. The GLCT fraternity will also need to determine how best to transition beyond 2015 without losing the good work, momentum and the richness of the network created by the Programme.

In addition, GLCs need to chart out the runway to 2020. Given prevailing circumstances, focus needs to be given to innovation, inclusivity and sustainability. GLCs also need to promote diversity and meritocracy. Most of all, GLCs need to build internal institutions, and help strengthen external institutions to ensure sustainability and further contribute towards a progressive Malaysia.

In this regard, a GLCT Programme stock-take is currently in progress and recommendations for moving forward will be tabled at the next PCG Meeting for endorsement.

We would like to congratulate the Prime Minister, YAB Dato' Sri Mohd Najib bin Tun Abdul Razak, on the re-election of his Government at the thirteenth General Election. We also express our sincere gratitude for his continued support of this Programme. We would also like to recognize the support of YB Dato' Seri Ahmad Husni Mohamad Hanadzlah, Tan Sri Nor Mohamed Yakcop, Tan Sri Dr. Wan Abdul Aziz Wan Abdullah and GLICs, headed by Tan Sri Dato' Sri Hamad Kama Piah Che Othman, Tan Sri Azlan Zainol, Tan Sri Dato' Lodin Wok Kamaruddin, and Datuk Ismee Ismail.

We would also like to congratulate and thank Dato' Sri Abdul Wahid Omar, former CEO of Maybank, an active supporter of the GLCT Programme, who is now the Minister in the Prime Minister's Department heading the Economic Planning Unit.

The achievements would not have been possible without the tremendous support from GLIC/GLC staff and the broader GLCT community, all stakeholders and society at large.



**TAN SRI DATO' AZMAN HJ. MOKHTAR
& MOHD IZANI ASHARI**
*For Secretariat to the Putrajaya Committee
on GLC High Performance*



**EXECUTIVE
SUMMARY**



KL SENTRAL
MRCB

3

EXECUTIVE SUMMARY

Moving into the ninth year of the 10-year journey, the GLCT Programme continues its trajectory towards successful graduation in 2015. The transformation of GLCs into high-performing organisations is important for the future of Malaysia, especially in meeting the goals of becoming a developed nation by 2020. To date, GLCs have achieved wide-ranging results, strengthened their capacity and contributed significantly to the national economy.

A. G20 CONTINUE TO CREATE VALUE

G20 have shown tangible improvements in all key financial areas. FY2012 results indicate that GLCs are on a positive growth trajectory, with key financial indicators such as Total Shareholder Return (TSR), Net Income and Economic Profit (EP) showing significant improvements.

G20 FINANCIAL RESULTS ON AN UPWARD TRAJECTORY

- G20 TSR outperformed FBMKLCI by 1% p.a. from 14 May 2004 to 31 May 2013, growing at 15% p.a. compared with FBMKLCI's 14% p.a.
- Market capitalisation almost trebled from RM140b to RM405b over the same period
- G20 net profit grew at a Compound Annual Growth Rate (CAGR) of 12% from FY2004 to FY2012 hitting an all-time high of RM25.8b in FY2012
- G20 delivered a Return on Equity of 13% in FY2012, up from 12% in FY2011
- G20 Economic Profit in FY2012 was also highest at RM5.3b, up seven-fold from RM0.7b in FY2011 since the Programme started

Through various corporate restructuring, transformation and strengthening of balance sheet exercises since the start of the Programme, G20 are now fundamentally stronger and have shown resilience during the global financial crisis of 2008.

- Non-bank G20 operating cash flow grew from RM14.9b in FY2004 to RM22.3b in FY2012
- Non-bank G20 Debt-to-Equity ratio improved from 51% in FY2004 to 36% in FY2012
- G20 achieved 77% of their headline Key Performance Indicators (KPIs) in FY2012, up from 67% in FY2011

Diligent execution and institutionalisation of the GLCT Initiatives have also enhanced the overall running of their organisations.

G20 CONTINUE TO EXPAND ABROAD

G20 have been expanding their geographic footprint since the start of the Programme by making inroads into regional markets. From FY2004 to FY2012, G20 foreign sales contribution to total sales grew from 28% to 33%. Meanwhile, their foreign assets contribution to total assets grew from 12% to 25% over the same period.

Several GLCs within the G20 are already amongst leaders in the region such as Axiata, Maybank, CIMB and Sime Darby. Other GLCs within G20 have also successfully extended their footprints outside of Malaysia, such as MAHB, UEM and UMW.

PROVIDING BENEFITS TO ALL STAKEHOLDERS

GLCs continue to provide benefits to all stakeholders including customers, employees, suppliers and the society at large. This has been achieved through various human capital development initiatives to increase employee value propositions; enhanced delivery and quality of products and services; vendor development programmes; and contributions to society through programmes such as PINTAR, SEJAHTERA and the Graduate Employability Management Scheme (GEMS).

Good industrial relations has and continues to be an important element. In this regard, GLCs have led the way in implementing the Minimum Wage (MW) and Minimum Retirement Age (MRA) Policies. Over and above that, G20 are also in the process of developing various Upward Mobility Schemes (UMS) to provide opportunities for non-executives to upskill themselves and be able to progress further up the organisation.

B. THE ROLES IN NATIONAL TRANSFORMATION

GLICs and GLCs continue to play an active role in providing support for the various national transformation programmes and initiatives which include Government Transformation Programme (GTP), Economic Transformation Programme (ETP) and Bumiputera Economic Transformation Roadmap (BETR). GLICs and GLCs have also been executing the 5 roles identified in support of NEM (see chapter 4).

As a result of the value created to-date, G20 have returned RM78b in dividends and paid RM49b¹ in annual taxes from FY2004 to FY2012.

G20 have been actively investing in New Economy Investments (NEIs)² and contributing to the development of national economic corridors. Since the Programme started, G20 have invested an estimated RM115b domestically. They have also formed successful

partnerships with non-GLC private sector companies and divested non-core and non-competitive assets. In 2012, Permodalan Nasional Berhad (PNB) and Khazanah Nasional Berhad (Khazanah) announced that they have each identified five companies to be divested to deserving Bumiputera entrepreneurs under the Bumi Agenda in order to increase Bumiputera entrepreneur participation in the economy. Some of these divestments have been completed, while a few more are in the final stages of divestment.

C. MOVING FORWARD TOWARDS 2015

The GLCT Programme is approaching its last lap before Programme graduation in 2015. It is important for GLCs to sustain its trajectory of strong growth. Despite the strong financial performance, GLCs need to strengthen their adoption and execution of the Programme Initiatives. GLCs are also encouraged to adopt best practices from the coloured books as well as to embrace new, dynamic and breakthrough ideas to further accelerate performance.

It is also critical to narrow the gaps with respect to the Programme's expectations and ambitions. Some GLCs are emerging as regional champions while others are still lagging industry peers. GLCs can leverage on their 5 roles in NEM and the Programme Initiatives to raise their performance and therefore be able to support the national development agenda, including the Bumi Agenda. GLCs should also continue to support all stakeholder interests, particularly improving investor relations. Meanwhile, some challenges remain at the Programme level and will require longer and more sustained efforts to address. These include challenges in developing and managing talent, managing the increasingly complex regulatory environment and balancing commercial interest with social expectations.

Moving beyond 2015, networking amongst GLCs should be continuously leveraged to sustain and increase the momentum of the Programme. GLCs will continue to support the National agenda in bringing the country towards achieving developed nation status in 2020. 🌐

¹ As estimated 72% was paid in Malaysia

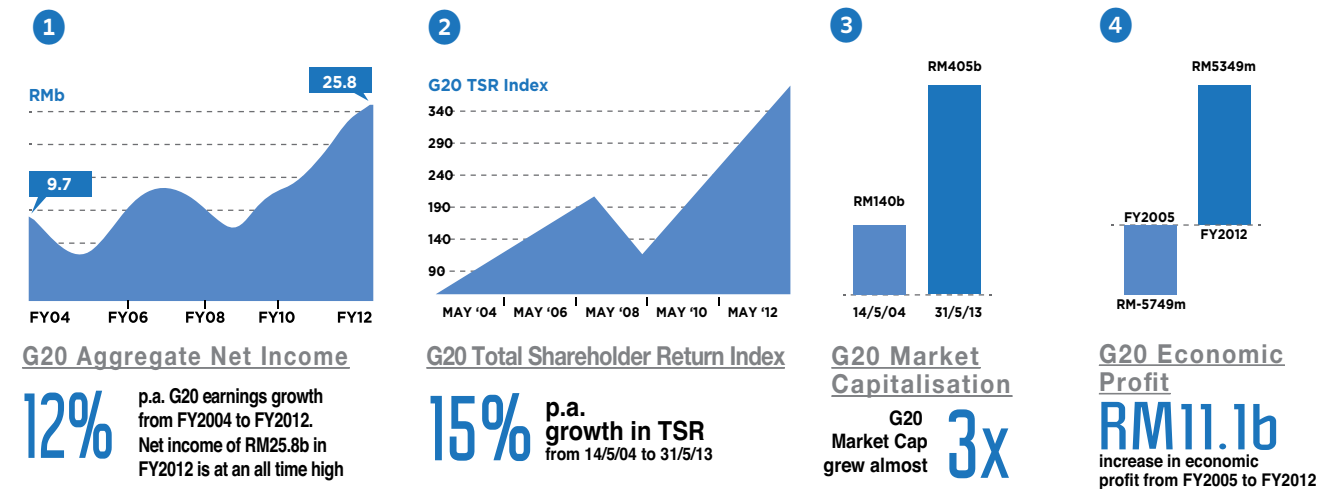
² NEIs refer to new knowledge-based and service-oriented sectors, which are transformative and catalytic in nature. NEIs are aimed at moving the Nation further up the economic value chain



Exhibit 1:

KEY HIGHLIGHTS

GLCs ON STRONG GROWTH TRAJECTORY



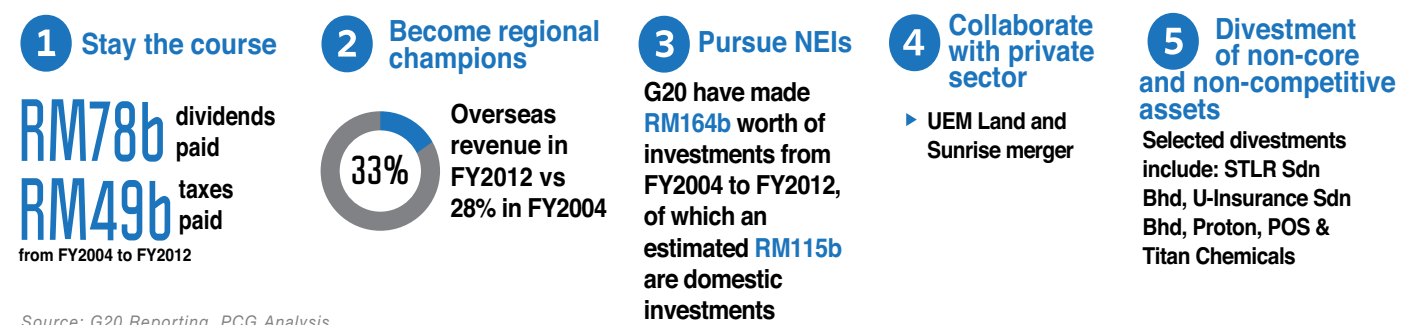
Source: G20 Reporting, Bloomberg, PCG Analysis

GLCs PROVIDING BENEFITS TO ALL STAKEHOLDERS



Source: G20 Reporting, PCG Analysis

5 ROLES OF GLICs & GLCs IN NEM



Source: G20 Reporting, PCG Analysis

NATION BUILDING

► GLICs and GLCs actively supporting GTP, ETP and other National Programmes

GLCT PROGRAMME DELIVERY

GLCT Initiatives

► On-going initiatives, Circles Performance Monitoring
► Annual GLCT Progress Review
► Headline KPIs reporting

Programme Activities in 2012

► 25 PCG Meetings
► 1,263 Programme days amounting to 20,359 man days from 2005 to 2012 of participation from G20
► Inaugural 'Warga GLC Bersama YAB PM' in 2012

Source: PCG Secretariat



WIND TURBINE, PERHENTIAN ISLAND
TNB



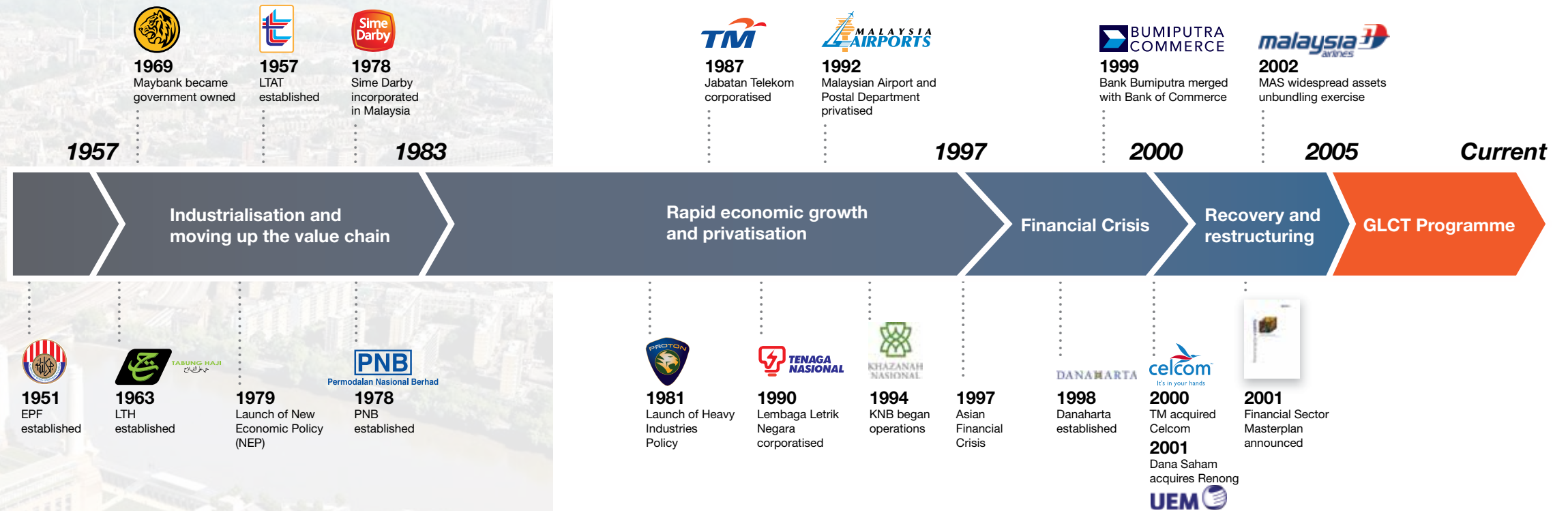
GLC TRANSFORMATION PROGRAMME JOURNEY

4

GLC TRANSFORMATION PROGRAMME JOURNEY

INTRODUCTION TO THE GLCT PROGRAMME

Exhibit 4.1: History and Evolution of GLCs



Source: GLCT Programme Progress Review Report, December 2006

A. THE PROGRAMME

GLCs have grown and evolved significantly since their humble beginnings post Malaysia's independence in 1957 (see exhibit 4.1). Today, GLCs form an integral part of the Malaysian economy as they provide mission-critical services, catalyse developments in strategic sectors and at the start of the GLCT Programme, employ around 5% of the national workforce and constitute 36% of total market capitalisation at Bursa Malaysia³.

Prior to 2004, GLCs underperformed the broader Malaysian market, both financially and operationally – a trend that risked derailing the country's efforts to become a high income nation by 2020. Therefore, the transformation of GLCs was imperative in order to catalyse Malaysia towards the developed nation status.

In order to improve GLC performance, in 2004 the then Prime Minister, Dato' Seri Abdullah Ahmad Badawi announced that the transformation of the GLCs would be made a national priority, which led to the introduction of the GLCT Programme. The Programme aims to transform GLCs into high performing entities and help accelerate the country's social and economic development. When Dato' Sri Mohd Najib Tun Haji Abdul Razak took office in 2009, he announced that the Government was committed to ensure that the transformation of the GLCs continues, if anything, with greater urgency and focus. He also said GLCs must aspire to greater heights, whether in being best in their class or emerging as future regional if not global champions.

The GLCT Programme has 3 Underlying Principles, 5 Policy Thrusts and 10 Initiatives (see Exhibit 4.2). These were developed and documented in the Transformation Manual, launched on 29 July 2005.

³ Source: Transformation Manual, July 2005

Exhibit 4.2: 3 Underlying Principles & Five Policy Thrusts



Source: GLC Transformation Manual, July 2005

To support the 5 Policy Thrusts, 10 Initiatives were developed and launched (see Exhibit 4.3) for implementation at GLICs and GLCs. The 10 GLCT Initiatives had been identified on the basis

of their importance as levers for change, potential impact on value, and the ability of PCG to drive change in these areas.

Exhibit 4.3: The GLCT Programme Initiatives and Launch Dates

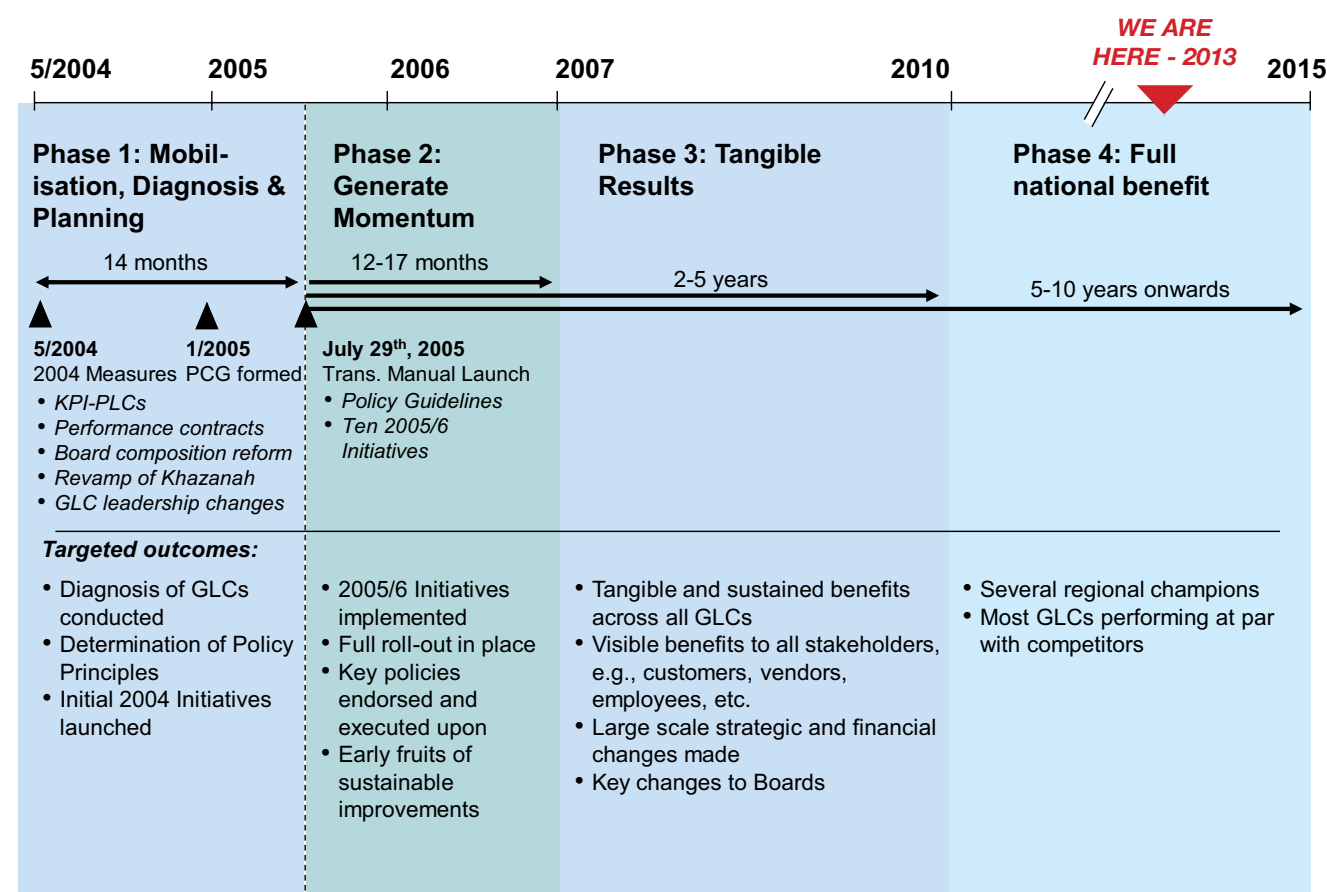
JULY 2005		APRIL 2006		SEPTEMBER 2006	
					
BLUE BOOK		GREEN BOOK	RED BOOK	YELLOW BOOK	SILVER BOOK
Intensifying Performance Management Practices		Enhancing Board Effectiveness	Procurement Guidelines & Best Practices	Enhancing Operational Efficiency & Effectiveness	Achieving Value Through Social Responsibility
Covers guidelines on setting key performance indicators and targets, reviewing performance, appropriate compensation for senior management and intensified performance management		Provides guidelines on structuring a high performing board, ensuring effective board operations and interactions, and fulfilling fundamental board roles and responsibilities	Provides best practice procurement guidelines on total cost of ownership, procurement cycle times, eradicating corruption, procurement organisation and governance and stable and competitive supplier base	Provides a framework for continuous improvement to serve as a guide to assist GLCs to evaluate, select and execute initiatives to enhance operational effectiveness	Clarifies social responsibility of GLCs, guides on how to evaluate a GLC's starting position and provides the building blocks of a contributions programme
DECEMBER 2006					SEPTEMBER 2008
					
GLIC M&M		MINDA	ORANGE BOOK	PURPLE BOOK	WHITE BOOK
GLICs' Monitoring & Management Framework		Malaysian Directors Academy - Strengthening Directors Capabilities	Strengthening Leadership Development	Optimising Capital Management Practices	Creating Value Through Regulatory Management
Provides a brief overview of the various approaches a GLIC may take to monitor and manage their GLCs		MINDA's goal is to equip boards with world class knowledge, mindset and skill to perform at consistently high standards	Sets out practical guidelines to institutionalise good leadership development practices including recruitment, honouring excellence, strategic deployment of leaders, developing high potentials and engaging and retaining talent	Provides best practice guidelines on how to optimise the capital structure and improve capital efficiency including capex efficiency, working capital efficiency and disposal of non-core assets	Sets out best practice regulatory management covering regulatory value creation plan, setting-up a world-class regulatory affairs unit and developing a strategic regulatory mindset

Source: PCG

GLCT is a 10-year Programme encompassing four phases. (See Exhibit 4.4). The Programme

is now in Phase 4 and about to enter its 9th year (since official launch in 2005).

Exhibit 4.4: GLCT is a 10-Year Programme Covering 4 Phases



Source: GLC Transformation Manual, July 2005

B. GLCT PROGRAMME STEWARDSHIP

Given the critical position and role that GLCs have in the nation's economy and the significant benefits of their enhanced performance, the Putrajaya Committee on GLC High Performance (PCG) was established in January 2005 to drive the delivery of the GLCT Programme. The PCG is represented by 5 GLICs (EPF, LTH, LTAT, PNB and Khazanah) and is currently chaired by the Prime Minister with Khazanah as its secretariat (see Exhibit 4.5).

The principal mandate of the PCG was to design, implement and oversee the policies to transform GLCs to high performing companies and establish the institutional framework to programme-manage and oversee the execution of the GLCT Initiatives. With the initiatives gaining momentum and producing tangible results, the PCG now focuses its efforts on the oversight and institutionalisation of the Programme Initiatives.

Exhibit 4.5: PCG Structure (as at 1 June 2012)



Source: GLC Transformation Manual, July 2005

Since the start of the Programme, seven annual progress reviews and two Programme stock-takes had been conducted with the results published for transparent reporting and accountability (see exhibit 4.6). In addition, the PCG Secretariat

organised various knowledge networks and sharing sessions such as workshops, roundtables and dialogue circles to continue building the capabilities of the GLICs and GLCs and institutionalise the GLCT Initiatives.

Exhibit 4.6: GLCT Manual, Progress Reviews and Stock-takes

				
2005 July Transformation Manual	2006 April GLCT Scorecard 2006 December Progress Review (Stock-take #1)	2007 March Progress Review 2007 December Interim Progress Review		
				
2008 March Progress Review	2009 March Mid-Term Review (Stock-take #2)	2010 March Progress Review	2011 April Progress Review	2012 May Progress Review

Source: PCG

C. ALIGNING THE GLCT PROGRAMME WITH THE NEM

In March 2010, the Government introduced the New Economic Model (NEM) for Malaysia to become a developed and competitive economy. This is part of several interventions to shape the nation towards becoming a high income, sustainable and inclusive economy by 2020. In 2010, the PCG announced five roles for GLICs and GLCs to align with and support the NEM. The five roles provide the GLCT fraternity with a common understanding, language and framework on the NEM (see Exhibit 4.7).

Exhibit 4.7: 5 Roles of GLICs & GLCs in NEM



Source: PCG



PROGRESS TO-DATE



EMPLOYEE VOLUNTEERISM - CAHAYA KASIH
MAYBANK

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PROGRESS TO-DATE

5.1 FINANCIAL PERFORMANCE

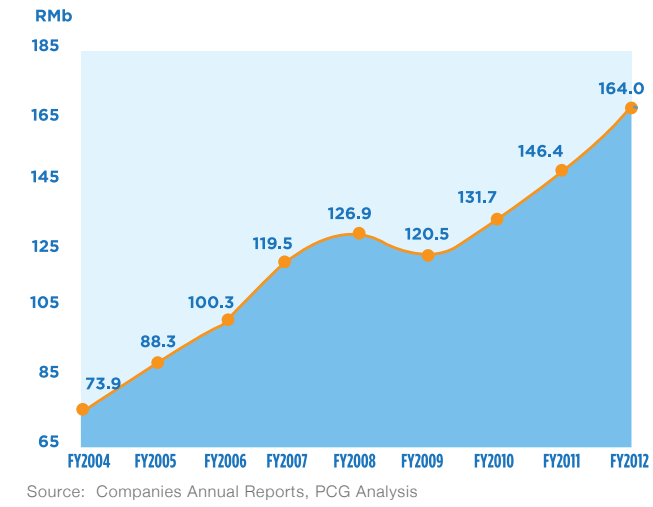
A. EARNINGS GROWTH DRIVEN BY REGIONAL CONSUMPTION AND GLOBAL COMMODITY PRICES

Since the inception of the GLCT Programme in 2004, G20 Net Profit has grown at a CAGR of 12%, hitting an all-time high of RM25.8b in FY2012 (see Exhibit 5.1). Reforms undertaken as part of the GLCT Programme laid the ground work for G20 to exploit the virtuous cycle of rising global commodity prices and its feedback into stronger domestic and regional consumption growth, against a backdrop of low global interest rates.

Exhibit 5.1: G20 Net Profit



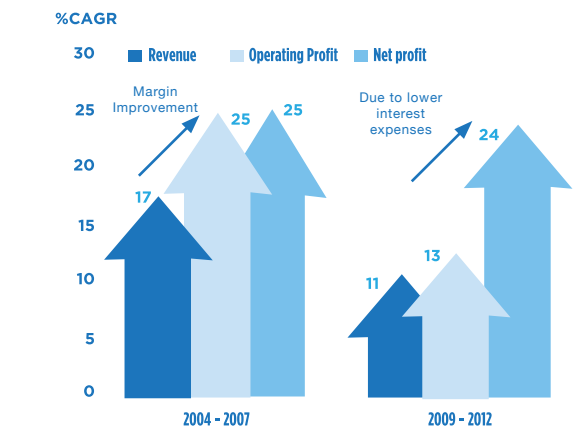
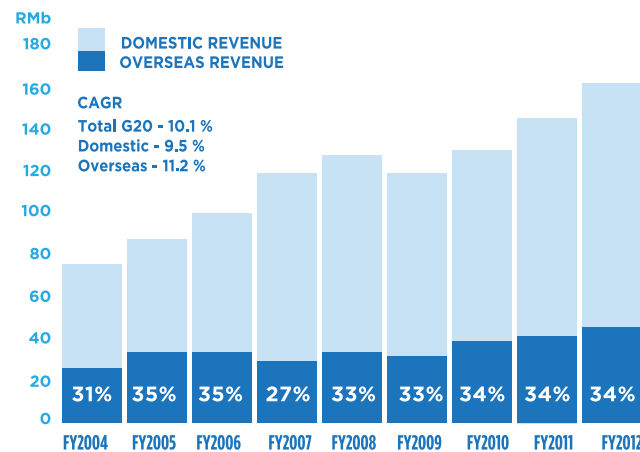
Exhibit 5.2: G20 Non-Bank Revenue



First wave 2004-2007: Despite a long-term positive trajectory, Net Profit has grown in two waves, punctuated by the 2008 Global Financial Crisis. For G20 non-banks, the first wave between 2004 and 2007 was driven by a combination of strong revenue growth and margin improvement. Non-Bank Revenues rose by 17% p.a. on the back of positive Malaysian real GDP growth, which averaged 6% for the period. Operating Margins rose from 13% in 2004 to 15% in 2007, thanks to internal efficiencies arising from measures undertaken by the GLCT Programme, as well as rising commodity prices.

Profits initially dipped in 2005 as a result of operational and financial restructuring, particularly at MAS and TM. However, earnings later rebounded strongly, and by 2007 far exceeded the initial starting-point level of 2004 in a J-curve effect (see Exhibit 5.1). Overall, G20 emerged from these reforms in a leaner and more competitive state, and this provided a great deal of earnings resilience in the face of the 2008 Global Financial Crisis. Furthermore, this period also saw G20 undertaking a number of important transformative regional M&A deals, such as CIMB's acquisition of GK Goh (in 2005), TM's acquisition of Excelcomindo (also in 2005) and Sime Darby's Synergy Drive merger (2007).

Second wave 2009-2012: The second wave of growth between 2009 and 2012 was driven by modest revenue growth, coupled with lower interest expense. While Non-Bank Revenue growth slowed to a still-respectable 11% p.a. on the back of lower post-2008 Global Financial Crisis, Malaysian GDP growth of 4%, Net Profit growth remained robust at 24% p.a. due to the impact of savings from lower interest expenses (see Exhibits 5.2 and 5.3). This was due to gearing falling from 51% Debt-to-Equity in 2004 to 36% in 2012, and interest rates falling from 1.2% (for benchmark 3-month LIBOR USD) to 0.3%.

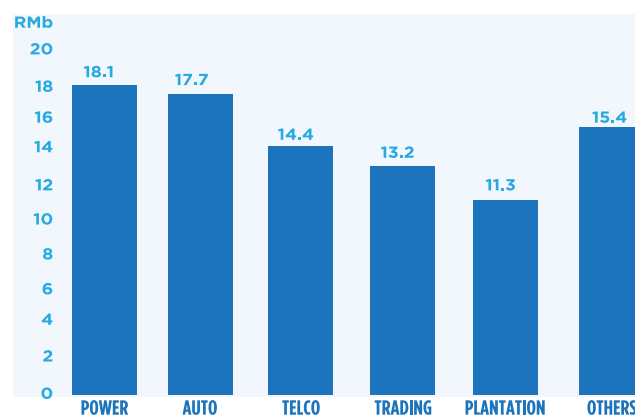
Exhibit 5.3: G20 Non-Bank Operating Leverage**Exhibit 5.4: G20 Non-Bank overseas derived revenue**

In the past 9 years, G20 revenue growth has been partly driven by the regionalisation of their businesses (see Exhibit 5.4). This has further exposed them to global macro themes such as the commodity boom and robust Emerging Markets consumption growth. Since 2004, overseas-derived Non-Bank Revenue growth of 11% p.a. has out-paced domestic growth of 10% p.a., with overseas revenue growth explaining approximately forty percent of total non-bank revenue growth over this period.

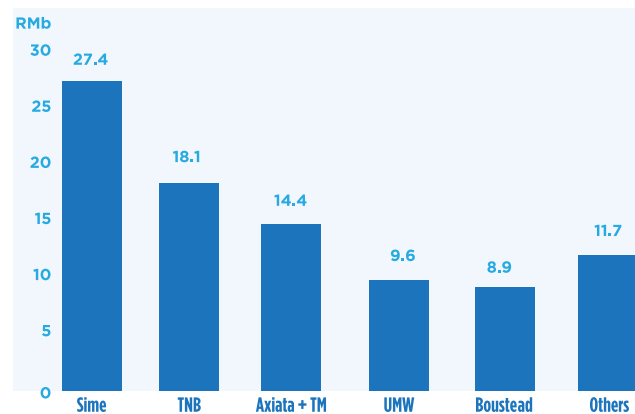
On a sectoral basis, the biggest contributors to revenue growth have been the power, automotive, telecommunications, trading and plantation sectors (see Exhibit 5.5). The automotive and telecommunications sectors were beneficiaries of rising household income from strong regional GDP growth. In the telecommunications sector, Axiata's growth was partly explained by subscriber growth in Indonesia and South Asia. In the automotive sector, Sime Darby grew sales through its acquisition of Hyundai's Malaysia franchise in 2004, as well as from growth in its Singapore and

China car distribution division. UMW also saw car sales rise through an increase in Malaysian market share, as Toyota's share of industry volume rose from 11% in 2004 to 17% in 2012. During this period, automotive revenue for Sime and UMW rose by 3x and 2x respectively (see Exhibit 5.6).

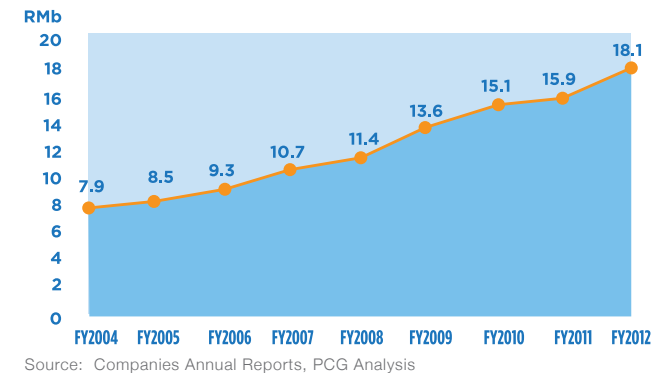
The trading and plantation sectors were beneficiaries of the global commodity boom. Higher crude palm oil prices benefitted Boustead, Sime Darby and TH Plantations. In trading, Sime Darby and UMW's capital equipment distribution business fed into booming regional coal and primary industries. However, rising global commodity prices also burdened major fuel feedstock users such as TNB, MAS and CCM. In TNB's case, the higher fuel bill more than offset the impact of revenue growth from domestic tariff hikes and volume growth. Overall, the commodity megatrend benefitted certain G20 firms such as Sime Darby, UMW, TH Plantations and Boustead, but also burdened others such as MAS, TNB and CCM.

Exhibit 5.5: Absolute change in Non-Bank G20 Revenue by sector, 2004-2012

Source: Companies Annual Reports, Management Report, Bloomberg, PCG Analysis

Exhibit 5.6: Absolute change in Non-Bank G20 Revenue by company, 2004-2012

Source: Companies Annual Reports, Management Report, Bloomberg, PCG Analysis

Exhibit 5.7: G20 Bank Net Interest Income (NII)

For G20 banks, net profit grew at a CAGR of 16% p.a., from RM3.5b in 2004 to RM11.4b in 2012. Bank NII grew a CAGR 11% p.a. (see Exhibit 5.7) in-line with growth in their asset size and loan base. During the same period, domestic total assets grew at 9% p.a., outperforming average GDP growth of 5% p.a. However, much of G20 banks' earnings growth can be explained by the various regional M&A deals undertaken by CIMB and Maybank since 2002 (see exhibit 5.9). Between 2004-2012, G20 banks' overseas total assets grew at 23% p.a., thanks to exposure to high-growth and under-banked markets such as Indonesia. The overseas share of G20 banks' total assets stood at 26% in 2012 compared to 14% in 2004.

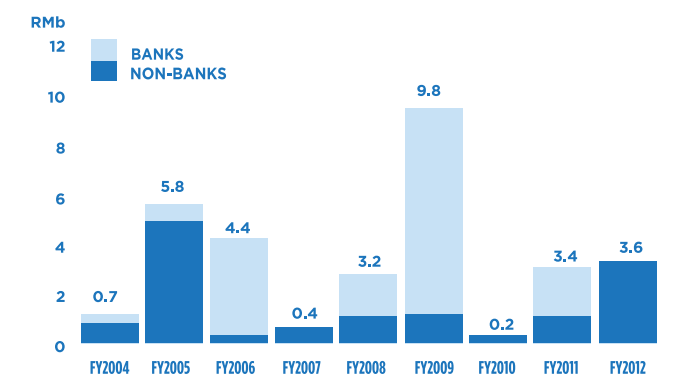
Box 5.1: Regional M&A

Since 2004, G20 deployed RM32b on their regional expansion plan within the Asia Pacific region. Acquisitions have been led by big cap G20 such as CIMB, Maybank, Axiata and Sime Darby (see Exhibit 5.8).

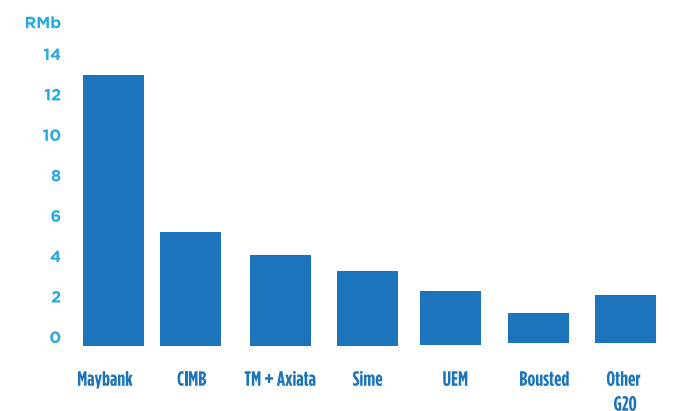
The various acquisitions made by these big cap firms have resulted in an increased exposure of G20 total assets abroad from 12% in FY2004 to 25% in FY2012. Amongst the G20, Axiata, Sime, CIMB and Maybank have the biggest asset exposures to overseas markets.

The overseas share of G20 non-bank revenue increased from 30% in 2004 to 34% in 2012, with Axiata and Sime Darby accounting for 67% of G20 overseas non-bank revenue in 2012. For banks, the overseas share of bank net income increased dramatically from 5% in 2004 to 24% in 2012, fully accounted for by Maybank and CIMB.

The regionalisation process of these companies has resulted in CIMB, Maybank and Axiata closing the gaps with regional leaders in terms of market capitalisation and revenue. It is worth noting that Maybank is now comparable to Singapore's DBS on a revenue and market capitalisation basis, while CIMB has the largest bank network coverage in ASEAN. Axiata now derives 56% of its revenues and 94% of its subscriber base outside Malaysia.

Exhibit 5.8: G20 Acquisitions by year, 2004-2012

Source: Companies Annual Reports, PCG Analysis. Data from investing cashflow acquisitions.

Exhibit 5.9: G20 Acquisitions by company, 2004-2012

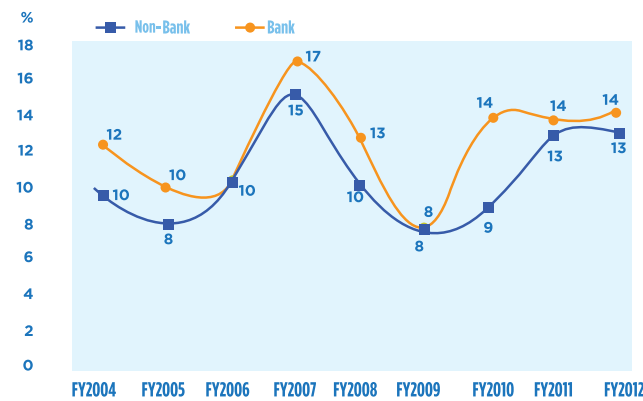
Source: Companies Annual Reports, PCG Analysis. Data from investing cashflow acquisitions.

B. SHARE PRICE APPRECIATION FROM REAL IMPROVEMENTS IN ROE AND VALUATION MULTIPLES

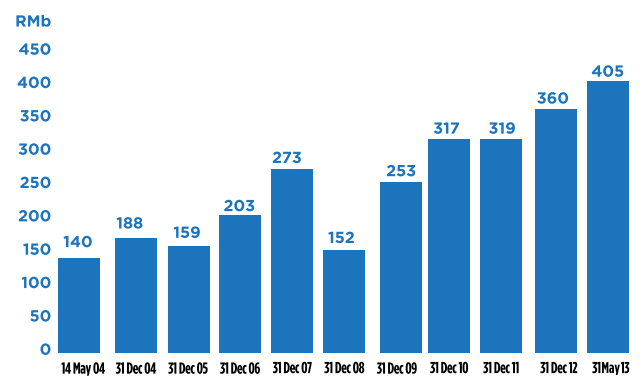
Between 14 May 2004 to 31 May 2013, G20 Total Shareholder Return (TSR) grew at a compound 15% p.a., outperforming the KLCI by 1% p.a. (see Exhibit 5.10). Market capitalisation almost trebled, from RM140b to RM405b (see Exhibit 5.12). Much of this growth in share prices can be attributed to improvements in ROE as well as valuation multiples. Between 2004 and 2012, non-bank G20 ROE excluding MAS rose from 10% to 13%, while bank ROE rose from 12% to 14%, in-line with the overall cyclical and trajectory of earnings. As the return on equity has increased, so has the market valuation attached to that equity, measured in terms of the Price-to-Book (PBV) ratio (see Exhibit 5.11). Between 2004-2012, the average PBV ratio for G20 banks rose from 1.3x in 2004 to 1.6x in 2012, while the ratio for G20 non-banks rose from 1.1x to 1.8x.

Exhibit 5.10: G20 Total Shareholder Return Index

Source: Bloomberg, PCG Analysis

Exhibit 5.11: G20 Return on Equity

Source: Companies Annual Reports, PCG Analysis. Excludes MAS

Exhibit 5.12: G20 Market Capitalisation

Source: Bloomberg, PCG Analysis

Exhibit 5.13: G20 PBV Ratio

Source: Bloomberg

G20 Non-Bank ROE: ROE was driven by improved asset turnover (from 0.39 in 2004 to 0.57 in 2012) but was offset by the impact of lower financial leverage (assets-to-equity fell from 2.63x to 2.33x). Between 2004-2012, revenue grew by RM90b to RM164b on stable operating margins of 14%, implying that this growth was achieved without sacrificing margins. While lower financial leverage directly dampened ROE, indirectly, stable debt coupled with lower interest rates led to lower interest expenses, which caused an improvement in net margins. This in turn had a positive impact on ROE. Net interest expenses fell from RM2.4b in 2004 to RM2.1b in 2012, net margins rose from 9% in 2004 to 10% in 2012.

Prior to the 2008 Global Financial Crisis, the impact from asset turnover gains were stronger than the impact of degearing, due to strong revenue growth and lumpy regional M&A. However after 2008, G20 non-bank firms undertook extensive equity recapitalisation, sharply reducing their debt gearing. The net result was that although non-bank ROE in 2012 was higher than its starting point in 2004, it has not returned to peak levels of 15% seen in 2007 (see Exhibit 5.11).

Exhibit 5.14: DuPont Analysis of Non-Bank G20 Return-on-Equity, 2004-2012

	ROE %	Profit Margin	Asset Turnover	Financial Leverage
	Return on Equity =	Net Profit/ Sales (%)	Sales/Assets (x)	Assets/Equity (x)
FY04	10	9	0.39	2.6
FY05	8	7	0.42	2.7
FY06	10	8	0.47	2.6
FY07	15	11	0.53	2.5
FY08	10	8	0.50	2.5
FY09	8	7	0.49	2.4
FY10	9	7	0.50	2.4
FY11	13	10	0.53	2.4
FY12	13	10	0.57	2.3
Directionality	▲	=	▲	▼
Reasons		Flat Margin	Higher efficiency	Lower gearing

Source: Companies Annual Reports, PCG Analysis. Excludes MAS

Exhibit 5.15: DuPont Analysis of Bank G20 Return-on-Equity, 2004-2012

	ROE %	Profit Margin	Asset Turnover	Equity Multiplier
	Return on Equity =	Net Profit/ Operating income (%)	Operating Income/Assets (%)	Assets/Equity (x)
FY04	12	44	2	12.3
FY05	10	37	2	11.5
FY06	10	36	2	13.6
FY07	17	66	2	12.1
FY08	13	48	2	12.9
FY09	8	30	2	12.2
FY10	14	54	2	12.0
FY11	14	60	2	12.4
FY12	14	63	2	11.9
Directionality	▲	▲	=	=
Reasons		More fee income	Flat asset efficiency	Flat capital structure

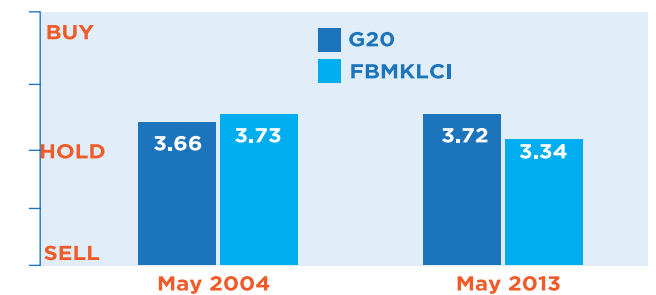
Source: PCG Analysis, Companies Annual Reports

G20 Bank ROE: Like the non-bank G20, 2012 G20 bank ROE of 14% is also still below its 2007 peak of 17% in 2007, but has improved from its initial starting point in 2004 of 12%. ROE has been on an uptrend despite greater competition in bank lending, and despite the fact that net interest yields today are significantly lower than they were at the peak of the global interest rate cycle in 2007.

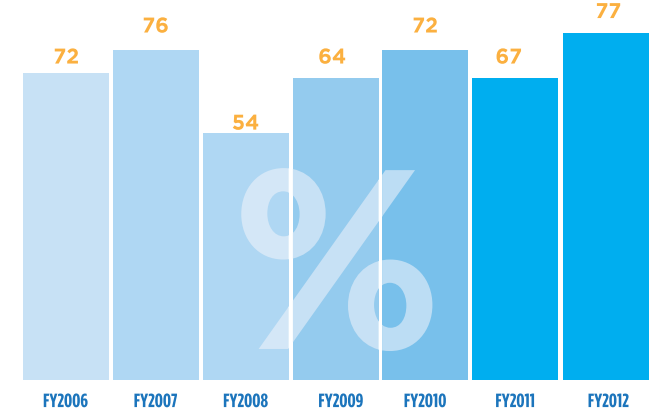
Since the start of the GLCT Programme, solid earnings growth figures and increased operational efficiencies have improved the financial structure of G20 companies. This is evidenced by sectoral exposure, financial risk, cash flow profile and economic profits. Additionally, G20 now enjoy stronger balance sheets as a result of retained earnings and equity recapitalisation, and the cyclical recovery in EPS post-2008 has allowed them to sharply raise dividend payouts from 47% in 2008 to 52% in 2012, excluding MAS (see Exhibit 5.20).

Box 5.2: G20 Key Performance Indicators

In 2012, G20 companies achieved a 77% success rate on their key financial and operational performance indicators (known as Headline KPIs). This new high represents a 10% year-on-year increase, after a slight dip in KPI performance for 2011 (see Exhibit 5.17). Higher KPI hit count was observed across the board for both banks and non-banks, due to the strong momentum of earnings growth. Since bottoming out at 54% during the 2008 Global Financial Crisis, G20 KPIs have been steadily improving.

Exhibit 5.16: Bloomberg Market Capital Weighted Analyst Rating May 2004 vs May 2013

Source: Bloomberg, PCG Analysis

Exhibit 5.17: G20 Headline KPI success rate

Source: Bloomberg, PCG Analysis

Box 5.3: Consensus Analyst Ratings of G20 shares

G20 Bloomberg analyst ratings suffered a major dip in 2009 as a result of the 2008 Global Financial Crisis, with G20 banks taking the biggest hit due to their foreign financial exposure.

Overall stock prices and market sentiment recovered from mid-2009 to early-2011 but fell again in 2011 as the Eurozone sovereign debt crisis triggered capital flight and major sell-downs in global equities. Analyst ratings have since normalised to historical levels, on the back of a recovery in global economic conditions.

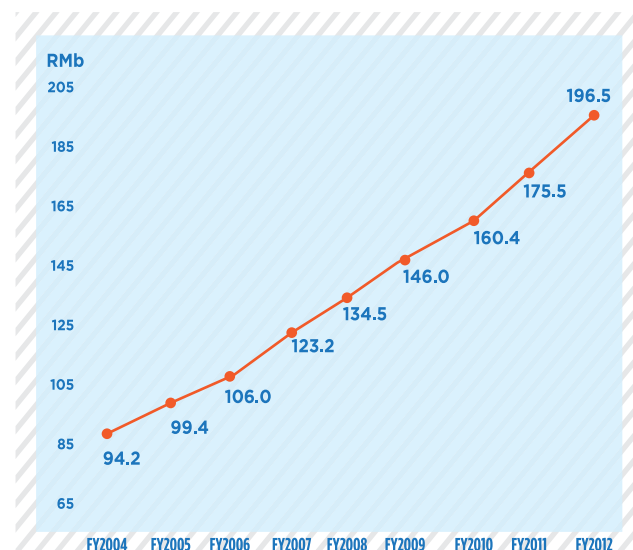
Setting the 2008 Global Financial Crisis aside, analyst rankings have tended to be favorable to G20 shares, relative to the KLCI index. Over the past year, there has been a divergence in analyst recommendations, as G20 analyst calls held steady as that for the broader market declined. This could be explained by the defensive nature of G20, and is possibly an indication of the success of the GLCT Programme.

As of May 2013, Bloomberg analyst rating for G20 companies stands at 3.72, marginally below the eight year average of 3.81 while the KLCI's 3.34 remains significantly below its historical average of 3.71 (see Exhibit 5.16).

C. BALANCE SHEETS HAVE STRENGTHENED

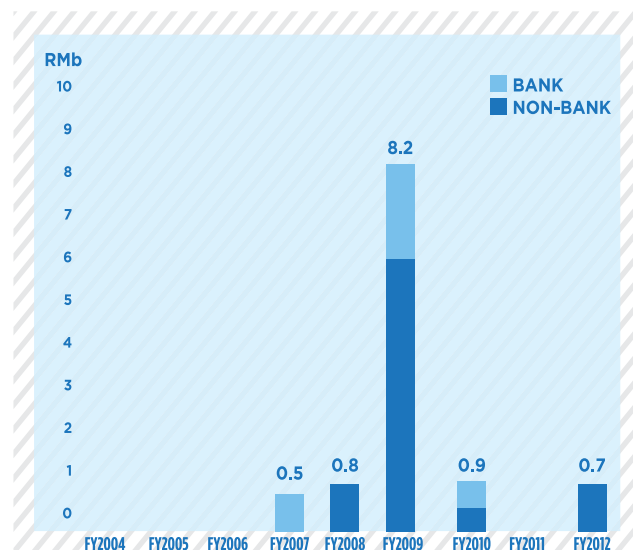
Since the 2008 Global Financial Crisis, G20 have significantly reduced their gearing levels through a combination of stronger retained earnings and equity cash calls. As an indication, non-bank G20 gearing fell from 51% debt-to-equity in 2004 to 36% in 2012 (see Exhibit 5.21). Excluding MAS, G20 increased their shareholders funds by RM74b between 2008-2012, of which RM11b came from equity recapitalisation (see Exhibits 5.18 and 5.19). The biggest issuers of equity were Axiata with RM5.4b in cash calls between 2004-2012, MAS with RM3.8b, and Maybank with RM2.2b. In all cases, equity-raising went to fund regional M&A and capital expenditure.

Exhibit 5.18: G20 Shareholders Funds



Source: Bloomberg, PCG Analysis

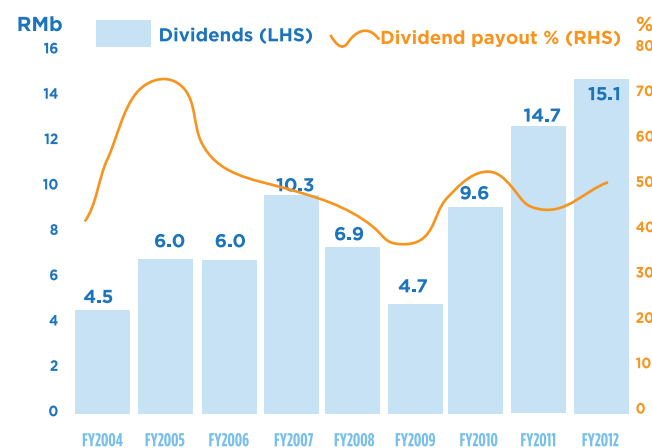
Exhibit 5.19: G20 Major Equity Cash Call



Source: Companies Annual Reports, PCG Analysis. Excludes MAS

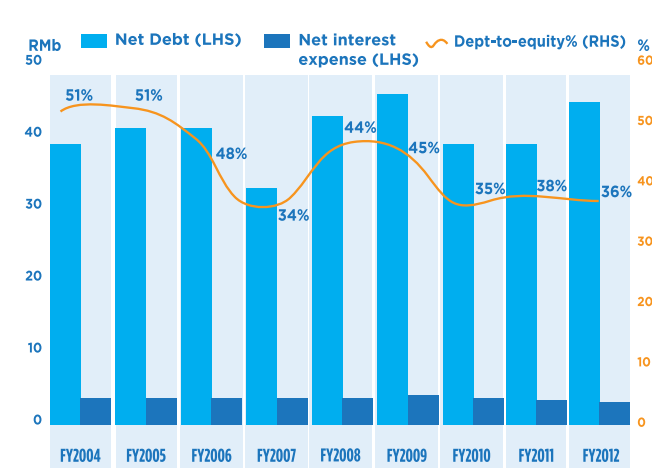
The significant reduction in gearing levels especially post-2008 has recently led to G20 being more inclined to increase their dividend payouts, in order to optimise their capital structures. Excluding loss-making MAS, the dividend payout ratio for non-bank G20 rose from 40-50% between 2004-2006 to a range of 50-60% normalised between 2010-2012 (see Exhibit 5.20). Examples of G20 which have recently ramped-up dividend payouts include MBSB and Axiata (both through special dividend payments) and Boustead (via its new dividend payout policy). However, for G20 banks, dividend payout ratios are still lower than pre-2008 due to heightened regulatory capital requirements in the post-2008 environment. Nevertheless, both non-bank and bank G20 2012 dividend payout ratios of 57% are higher than the KLCI's four-year average of 48%.

Exhibit 5.20: G20 Dividend Payments



Source: Bloomberg, PCG Analysis. Excludes MAS

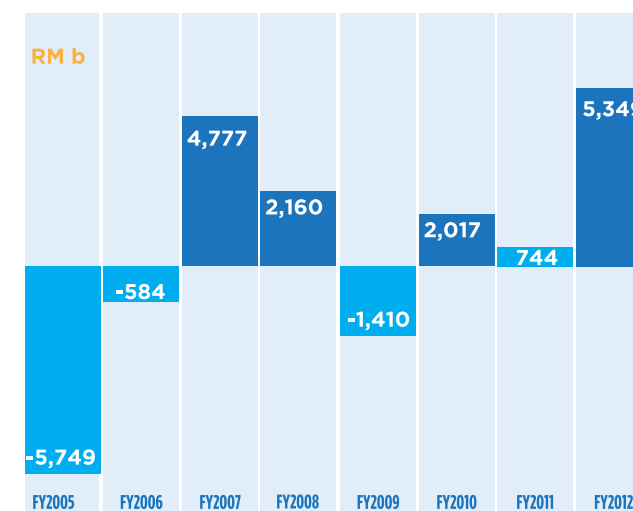
Exhibit 5.21: G20 Non-Bank Debt to Equity Ratio



Source: Companies Annual Reports, PCG Analysis

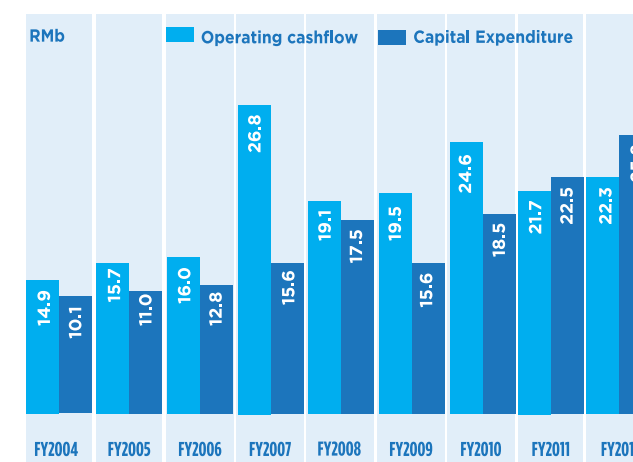
From a financial perspective, lower gearing at G20 has had a mixed effect. On the upside, being under-gearred means G20 have the financial means to fund future growth, either organically through capital expenditure, or through M&A. For example, non-bank G20 capital expenditure has grown consistently, from RM10b in 2004, to RM26b in 2012, a CAGR of 12% (see Exhibit 5.23). For now, this ramp-up in capital expenditure has been largely funded by operating cashflow, rather than new debt issuances. This means that G20 have the capacity to re-gear, should they need to take advantage of future opportunities arising from any cyclical regional downturn over the medium-term.

Exhibit 5.22: G20 Economic Profit



Source: Bloomberg, PCG Analysis

Exhibit 5.23: G20 Non-Bank Capital Expenditure and Operating Cashflow



Source: Companies Annual Reports, PCG Analysis

However on the downside, because G20 have funded their post-2008 de-gearing programme partly through fresh equity issuances, both ROEs and Economic Profit have been suppressed due to the bigger equity base. G20 Economic Profit of RM5.3b in 2012 has surpassed the previous high of RM4.8b in 2007 (see Exhibit 5.22), thanks to sizeable year-on-year improvements at TNB, due to fuel cost compensation, and MAS, due to its recovery business plan. However, it is worth noting that post-2008 economic profit has been highly volatile, as a result of equity cash calls increasing G20 Weighted Average Cost of Capital (WACC).

To improve on their capital structure, GLCs with a higher equity base will need to continue increasing asset utilisation, practise stronger capital management, including raising dividend payouts where appropriate, and to seek and secure value-enhancing, earnings accretive acquisitions and investments. Given the potential tightening of global monetary policy and the softening of the global commodity super-cycle, there could be future M&A opportunities which G20 firms are well-positioned to exploit, given the strength of their balance sheets.

5.2 BENEFITS TO STAKEHOLDERS

A. CUSTOMERS

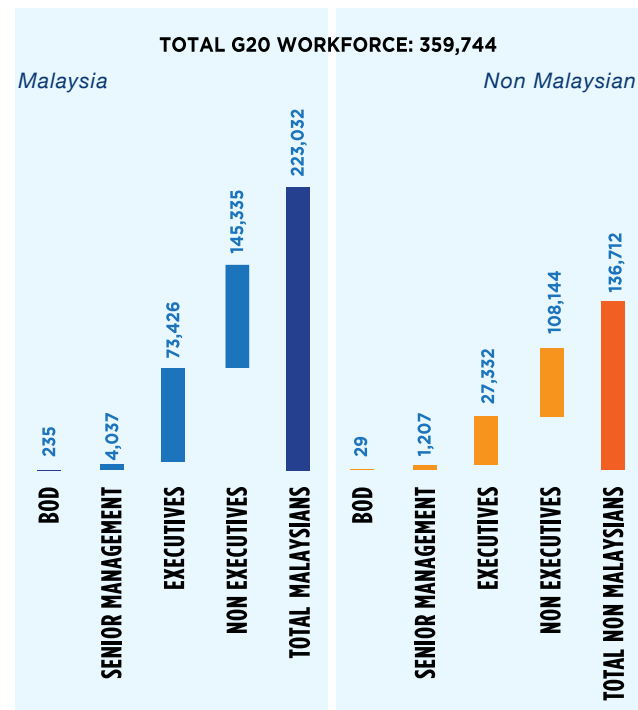
G20 have been offering a wide range of quality products and services that have positive impact on the lives of consumers. G20 have won numerous awards for their offerings, both within Malaysia and overseas (see Appendix D).

G20 have also developed various 1Malaysia products and services to provide greater benefits to their customers (see Appendix C). 1Malaysia products are also discussed in section 5.4 C.

B. EMPLOYEES

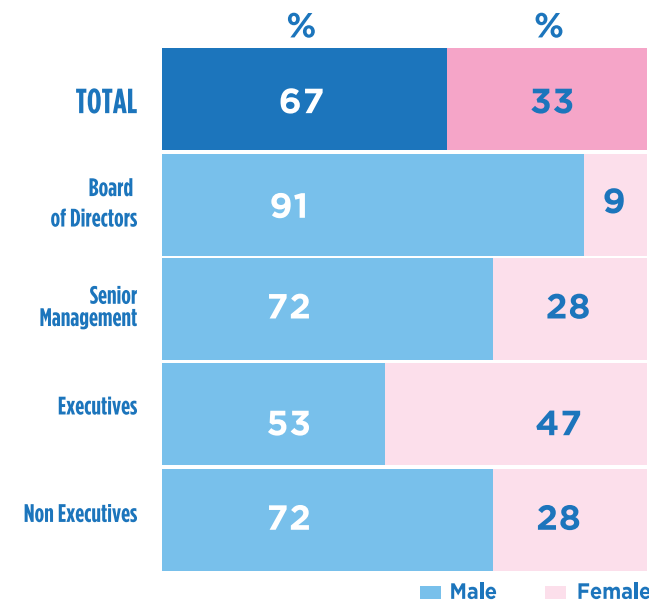
G20 currently employ 359,744 employees, a third of whom are women. G20 also created 12,518 net new jobs in 2012 (see Exhibits 5.24 and 5.25).

Exhibit 5.24: G20 Total Workforce - Based on Nationality and Position Breakdown for 2012



Source: G20 HR Data Reporting for 2012

Exhibit 5.25: G20 Total Workforce by Gender 2012

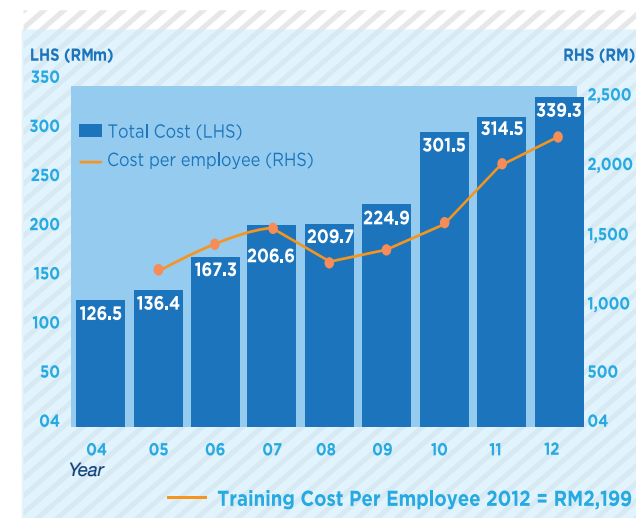


Source: G20 HR Data Reporting for 2012

G20 have also continued to focus on employees' welfare, with average salary increase of 5.7% in 2012, on par with the national average⁵. G20 paid employees average bonus on par with the national average⁶.

G20 spent RM339m in 2012 on human capital development activities such as training and learning programmes, an increase of 6.35% from 2011 (see Exhibit 5.26). This has provided for skills upgrading and career progression opportunities for employees, particularly for non-executive staff to gain opportunities for promotion.

Exhibit 5.26: G20 Total Workforce - Training & Learning Development Cost in 2012



Source: G20 HR Data Reporting for 2012

⁵ Source: GLCs HR Data Reporting for 2012

⁶ Source: The Star, Tuesday 27 November 2012 - Minimum Wages Lift Salary Levels of Employees

In addition, some GLCs have also started to develop and implement Long Term Incentive Plans (LTIP) scheme for the employees with robust performance management programmes to increase the level of productivity towards becoming a high performing workforce.

GLCs are also providing other long term benefits, such as housing and car loan facilities, discounted travel benefits, medical, hospitalisation and maternity coverage, and child care facilities.

To promote closer industrial relations among employees and unions, GLCs have been implementing various engagement programmes. These include Employee Engagement Survey (EES) activities with employees and Joint Consultative Committee (JCC) activities with unions.

EES findings show that there is a close correlation between the benefits provided and the low attrition rate of 5.1% in 2012, below the national average of 15%⁷.

C. ENTREPRENEURS



VENDORS AND SUPPLIERS

There has been an increase of procurement opportunities given to local suppliers. To date there are 52,197 local suppliers already being awarded contracts by G20.

G20 are actively providing business opportunities to TeraS⁸ companies. Currently 217 TeraS companies have been registered as suppliers with G20. The main areas where G20 have provided significant opportunities to TeraS companies are business services, construction, general manufacturing and communications & infrastructure. G20 continue to work with local suppliers to explore opportunities for sustainable collaboration.

⁷ Source: The Hay Group - Study on impact of GLC Programme on employees, February 2011.

⁸ TeraS is a special scheme to develop high performing Bumiputera companies.



VENDOR DEVELOPMENT PROGRAMME (VDP)

Currently 8 GLCs (of the G20) have adopted the VDP, with Sime Darby and MAHB being the latest additions. Since 2004, 319 vendors have graduated from the VDP having developed the requisite level of skills to compete on the open market. In a related development, TNB recently conducted a Lab to enhance the VDP model in creating more independent and competitive Bumiputera vendors.

D. COMMUNITY

GLCs continue to participate in the development of the society at large. They support educational programmes for primary and secondary schools through PINTAR Foundation, poverty alleviation through Yayasan Sejahtera, and enhance employability for Malaysian graduates.



PINTAR Foundation is an initiative that facilitates the adoption of schools by GLCs and other private companies to improve the academic achievement of students from underserved communities. Launched in 2006, PINTAR Foundation has benefited 640,846 students to date from 335 schools (including 175 schools that have graduated from the programme). G20 contributions alone have benefited a total of 393,239 students from 287 schools. In 2012, 10.6% of students from PINTAR schools scored straight A's in UPSR compared to the national average of 8.94%.



Yayasan Sejahtera assists the poor and hard-core poor create better lives for themselves by equipping them with tools, skills, infrastructure and opportunities to exit the vicious poverty cycle. Since its founding in 2009, Yayasan Sejahtera has reached out to 5,123 families from Kedah, Kelantan, Pahang, Sarawak and Sabah.

335

PINTAR schools
adopted to date

640,846

students have benefitted
from various PINTAR
programmes and
events since 2006

188

families have
taken up income-
generating
activities

2,235

families have
received basic food
support

2,662

families have
received basic
community
services

38

families have had
their houses built or
rehabilitated

The Graduate Employability Management Scheme (GEMS) aims to equip graduates with commercially useful skills and experiences that will enhance their employability.

Since 2009, GEMS has trained 8,029 graduates and a further 1,042 graduates have commenced their 8-month training in staggered batches from October 2012. The Programme is currently co-funded by the Economic Planning Unit and various industry players. In August 2012, the management of GEMS was transitioned to TalentCorp Malaysia Berhad (TalentCorp). Industry support for the internship opportunities of GEMS participants comprises GLCs, multinational companies, other corporations, Government Organisations (NGOs) and government agencies. G20 have provided internship opportunities to 1,480 GEMS graduates. An average of 80% of GEMS graduates have secured employment since 2009.

Scholarship

Since 2004, G20 have awarded 58,513 scholarship and financial assistance amounting to approximately RM490m to Malaysians studying locally and abroad⁹.

⁹ Source: G20 Reporting

5.3 GLCT PROGRAMME ACTIVITIES

The GLCT Programme Initiatives contain best practices to enhance value creation in GLCs. Subsequent to the launch of the Initiatives, many workshops and meetings to train, share best practices and problem solve common challenges were conducted via forums called "Initiative Circles". These Circles provide a platform to advance, update and institutionalise the initiatives at GLCs. Progress highlights on the Initiatives as follows:

Malaysian Directors Academy (MINDA)



Since inception Malaysian Directors Academy (MINDA) has continued to offer programmes and activities to strengthen Directors' capabilities.

The past 12 months have been notable for MINDA in particular for establishing new customized programmes. In early 2012, Women Directors Onboarding Training Programme (WDOTP) was introduced to prepare potential and qualified women to fully understand their roles as board directors in collaboration with Ministry of Women, Family and Community Development (KWPKM) and NAM Institute for the Empowerment of Women (NIEW). Since February 2012, 347 women have been trained.

In addition, MINDA also launched, The International Directors Summit (IDS) in 2012, officiated by the Minister of Finance II. The Summit, attended by 148 participants was jointly held with the Asian Strategy & Leadership Institute (ASLI) to address the challenges faced by Company Directors in balancing 'risks and rewards', 'entrepreneurship & control' and 'growth & profitability'. To-date MINDA has trained a total of 783 directors. In November 2012, MINDA officially announced to extend Programme offerings to companies listed in BURSA Malaysia.

Achieving Value through Social Responsibility (Silver Book)



Key initiatives for Silver Book in 2012 were:

Publication of the Silver Book Best Practice Notes

The Silver Book Best Practice Notes (BPN) published in November 2012, is designed as a supplementary document to the Silver Book. The BPN provides up-to-date contextual information, practical guidance and case studies for developing and implementing robust Corporate Responsibility (CR) programmes. It covers a number of key areas identified by stakeholders to be fundamental in advancing the CR agenda, namely proactive environmental management, stakeholder engagement and CR reporting.

Silver Book Review

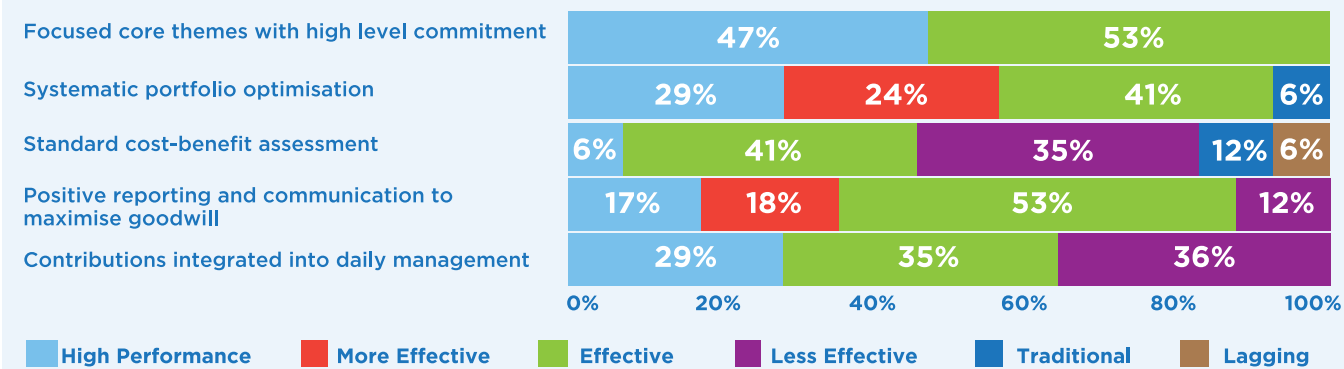
The self assesment and review was conducted to gauge adoption level of Silver Book guidelines among the G20. The review also aims to provide the G20 with an understanding of how they are performing with respect to their peers and to identify opportunities to further integrate their contributions to society into their company's core business.

The review was conducted from December 2012 to May 2013 and all G20 were required to perform a self-assessment on the following three key areas:

1. Overall management and execution of their contributions to society
2. Qualitative impact assessment of key contributions to both the company and society
3. Cost-benefit assessment of their five major recurring contributions

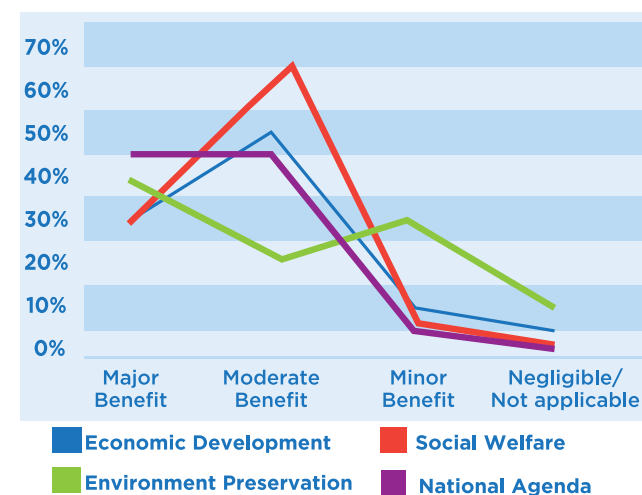
Selected highlights of findings as follows:



Exhibit 5.27: G20 Overall management and execution of contributions to society

Source: Silver Book Review (G20 self-assessment), June 2013

- **Have defined core themes but losing out on its fundamentals:** While G20 have core themes to guide all or selected contributions to society, only 29% evaluate their contributions in a portfolio manner. Other assess contributions on a case by case basis with a majority (47%) prioritising contributions on an as “per need basis”, and independent of the annual strategy and budget planning process.
- **Qualitative cost - benefit assessment of contributions is widely practiced but quantification of social impact remains elusive:** G20 generally perform a qualitative cost-benefit assessment to analyse all or major contributions to society. Lack of adoption of more sophisticated quantitative methods, for example the Social Return on Investment, is believed to limit the ability of G20 to quantify the social impact of their contributions.
- **Standalone reporting is practiced among G20 who view contributions as a strategic competitive lever:** Although all G20 report their contributions in annual reports, only about 30% of them produce a standalone sustainability or corporate responsibility annual report that is based on globally accepted reporting frameworks. 80% of the GLCs admit treating contributions to society as an integral part of their business.
- **KPIs established but not always linked to rewards:** Even though GLCs have developed KPIs for all or selected contributions to society, 70% of them have either not reflected or only partially integrated the KPIs into the performance evaluations of senior management and working teams. Linking societal contributions to society to rewards or KPIs is important to get and management employees engaged and to drive continuous performance improvement.

Exhibit 5.28: Qualitative impact assessment of key contributions to society

Source: Silver Book Review (G20 self-assessment), June 2013

Environmental preservation still remains low on G20 agenda: More than 80% of G20 highlighted that their contributions generate moderate to major benefits in the areas of economic development, social welfare enhancement and national agenda. A significant proportion of G20 (41%) acknowledge that they have minimal impact on environmental preservation, given the limited number of environmental initiatives undertaken.

Moving forward, GLCs should focus their efforts on addressing the challenges of climate change and sustainable development, specifically in areas such as energy management, water consumption, waste management, product stewardship and biodiversity conservation.

G20 have made progress in adopting the guidelines and best practices advocated in the Silver Book. Nevertheless, there are still opportunities to enhance their practices, particularly in performing quantitative cost-benefit assessments, optimising societal contributions and integrating sustainability factors such as good corporate governance, sound environmental and health and safety practices, and responsible supply chain into their company's overall business strategy. These enhancements are critical to achieve sustainable benefits for both G20 and society.

Review and Revamp Procurement Practices (Red Book)



Key activities and achievements for Red Book were:

- The GLC Procurement Circle intensified its engagement and establish possible procurement practices towards becoming regional champions. There were 10 Procurement Circle and Sub Group meetings conducted up to April 2013. The Procurement Circle launched two work streams on Procurement Enhancement and Vendor Development Programme (VDP)
- In the Procurement Enhancement Sub-Group, various discussions and initiatives were initiated to transform the procurement fraternity into an entity which add value far beyond cost savings
- The VDP Sub-Group focused on solving issues relating to vendor graduation and how VDP can provide more value to the GLCs
- In terms of intensifying GLC supplier relationships and development of a stable and competitive supplier base, the Procurement Circle participated in the Bumiputera Economic Transformation Roadmap (BETR) workshop in September 2012
- GLCs have also provided more opportunities and support to TeraS companies through various procurement activities. Currently 217 companies have been registered as vendors to the G20 in different industries
- A VDP Lab with the objective of producing more competitive and independent Bumiputera entrepreneurs was conducted by TNB.

Strengthening Leadership Development (Orange Book)



As we approach the tail-end of the GLCT Programme, the Orange Book looks at reaping the full national benefits by turning GLCs into leadership talent factories for the nation. The Leadership Development Circle (LDC), headed by G20 CEOs and HR Heads, is a platform to institutionalise the Orange Book principles and guidelines.

Based on the last Leadership Development Audit (LDA) conducted done in 2012, the leadership gaps stand at 42%, where 2,147 leaders are required to fill in leadership positions in the next three years;

During the LDC in 2012, G20 have committed to become leadership talent factories for the Nation, i.e.:

- Proliferate top level talent
- To produce regional and global talent
- To build entrepreneurship talent and

Other Orange Book Initiatives are as follows:

- G20 led the way to implement the Minimum Wage Policy on 1 May 2012 8 months ahead of schedule while the Minimum Retirement Age Policy will be implemented on 1 July 2013
- G20 are also committed to build and enhance industrial relations in order to achieve strong labour relations amongst the employees, unions and employers at large
- G20 are also committed to develop and implement the Upward Mobility Scheme (UMS) Program for non-executive staff who have limited options to expand their career opportunities by providing them with continuous up-skilling and re-skilling training programmes

The strategic intent of the Orange Book is to increase talent diversity and mobility factors of the GLC workforce by encouraging changes within the workplace environment to align with the rapid changes in the business world.

Intensifying Performance Management (Blue Book)



The Blue Book is currently being reviewed to align with advancement in performance management practices. New guidelines on long-term incentive plans such as share awards versus stock options are currently being developed. In December 2012 the 9th Performance Management Circle (PMC9) was convened to review a draft of the new guidelines on share awards. The Circle comprises a network of G20 Heads of Strategy and Heads of Human Resource, which convene periodically to share best practices and pursue thought leadership in the area of performance management.

Another area in the Blue Book that is currently being reviewed are the guidelines on performance contracts for senior management. This is in view of strong performances by GLCs in the final phase of GLCT, reflecting improved performance management practices as well as the increasing need to attract global talent. The guidelines are also being reviewed to align with new legislation, notably the Minimum Retirement Age Act 2012.

Optimising Capital Management Practices (Purple Book)



The Purple Book Circle convened in November 2012 to bring members of the circle up-to-date with the GLCT Programme initiatives as well as for members to share their feedback and ideas on Capital Management topics. A survey was conducted to assess the level of adoption of the Purple Book's best practices and primarily aimed at identifying key lessons that can be shared among the fraternity. The survey is also important to analyse if there are structural issues that become common across GLCs, which need to be addressed and appropriate interventions can be identified.

Creating Value Through Regulatory Management (White Book)



A White Book Circle was conducted in July 2012 where speakers shared thoughts on "Free Trade Agreements and Its Impact to the Private Sector" and "Managing International Investment Conflicts". Later in 2012, a survey was conducted among the G20 to assess the level of adoption of the White Book. While most are on track in having regulatory functions and processes in place and meeting regulatory requirements, there remains room for enhancement in embracing the essence of the White Book which is about ensuring regulators, companies and society interact in a collaborative way for the benefit of all stakeholders and long-term sustainability of the industry.

PROGRAMME MAN DAYS

PCG Secretariat has organised 101 days of Programme sessions, syndication, briefings, discussions, workshops and circles in 2012. This translates to 1,116 man days of participation from GLICs and G20, reflecting continuing commitment of GLCs to the GLCT Programme.

Since the official launch of the GLCT Programme in 2005, 1,263 Programme days have been clocked, amounting to total of 20,359 man days of participation from the various attendees, ranging from CEOs to operational line managers.

SPECIAL EVENT



GLC TOWNHALL AT PICC, PUTRAJAYA: 3 MAY 2012

The inaugural GLC Townhall session provided the Prime Minister with an opportunity to engage the GLC staff. The inaugural GLC Townhall session was an opportunity event for the Prime Minister to engage with the staff and rakyat while doing programme oversight. Some 3000 staff from all levels, CEOs and Board members of G20s were present.

In his speech, the Prime Minister in his capacity as Chairman of PCG congratulated all for their successful contributions to the GLCT Programme. He also emphasised the need for the achievements to be sustained towards 2020.

The theme for the GLC Townhall was 'Continuing the Transformation Agenda Together – fulfilling the "1Malaysia: People First, Performance Now" promise. Other key messages were:

1. Transformation is the cornerstone of our national development journey
 - GLCs have created significant financial value via the GLCT Programme
 - All have to transform: do better things and do things better
2. Value created by GLCs needs to be shared among all stakeholders equitably
3. We move forward together as "Team 1Malaysia"
 - Everyone to work together and collaborate to succeed



5.4 GLCs CONTINUE TO MAKE AN IMPACT ON NATIONAL DEVELOPMENT




A. NATIONAL TRANSFORMATION PROGRAMME

The slowdown in the global economy, which has persisted since the global financial crisis of 2008/2009, presented a stark reminder of the need for a fresh approach to achieving stable and sustainable growth through a new economic model. Under these challenging global economic scenarios, Prime Minister Dato' Sri Mohd Najib Tun Razak laid the foundation for the National Transformation Programme (NTP) by launching both the Government Transformation Programme (GTP) and the Economic Transformation Programme (ETP).

Government Transformation Programme (GTP): The GTP was among the first few programmes launched by the current Prime Minister after he took office in 2009. Six National Key Results Areas (NKRAs) were initially identified following months of evaluating the people's demands and the most pressing issues of the Government. In July 2011, a seventh NKRA – “Cost of Living” was announced to address the issue of inflation and escalation in cost of living. GLCs have been actively supporting the NKRAs since its launch and have in part, contributed to this achievement.

Exhibit 5.29: Selected G20 Involvement in the GTP and other Nation Building Initiatives

AREAS	G20	RELATED PROJECTS
Reducing Crime		<ul style="list-style-type: none"> Enhancing security at estates Home security system packaged together with mortgage loan Integrated Security Management System MSAFE services, which integrates CCTV located at strategic places with the Malaysian Emergency Response Service (MERS 999) Prevention of cable theft through several campaigns and enforcement bodies Safe cities initiatives in Ara Damansara, Mutiara Damansara (Selangor) and Nusajaya (Johor)
Fighting Corruption		<ul style="list-style-type: none"> Implementation of Whistle Blower Policy Signed of Corporate Integrity Pledge Transparent procurement policies
Improving Student Outcomes		<ul style="list-style-type: none"> PINTAR Foundation Programme Strategic public and private partnerships through selected schools and higher education institutions Supply of vitamins at selected schools
Low Income Household		<ul style="list-style-type: none"> Increasing basic salary of lower level staff Participating in Yayasan Sejahtera Programme Upgrading of workers' accommodation


Rural Basic Infrastructure		<ul style="list-style-type: none"> Enabling access to the internet in rural areas via Community Broadband Centers, Community Broadband Libraries and TMpoint on Wheels (mobile units) Providing public amenities especially in plantation vicinities Supply electricity to rural households Upgrading of roads to probase roads and all-weather roads
Cost of Living		<ul style="list-style-type: none"> 1Malaysia Privilege Card Provision of utilities allowance, schooling assistance and festive token to low income workers Reducing employment and encouraging entrepreneurship by providing business opportunities to staff RM200 salary increase for plantation workers
Improving Urban Public Transport		<ul style="list-style-type: none"> Integrated Touch 'n Go ticketing system for LRT and RapidKL buses

Source: G20 Reporting

Economic Transformation Programme (ETP): Launched in 2010, the ETP features 12 National Key Economic Areas (NKEAs) which represent key sectors of economic opportunities in the country. The ETP sets out to achieve a Gross National Income (GNI) per Capita of US\$15,000, create 3.3 million jobs and secure US\$444b in investments by 2020. The ETP is

aimed at encouraging the private sector to retake its rightful role as the engine of economic growth whilst enabling public investment be focused on catalytic projects. By 2020, it is hoped that private sector would make up 92 per cent of total investments in the country, while the public sector covers the balance. GLCs continue to actively support this initiative.

Exhibit 5.30: Selected GLC Involvement in the ETP and other Nation Building Initiatives

AREAS	G20	RELATED PROJECTS
Oil, Gas & Energy		<ul style="list-style-type: none"> Investments in three new power plants Drilling activities in Berantai Field
Wholesale & Retail		<ul style="list-style-type: none"> Transforming KLIA into a Commercial & Retail Hub KLIA2 Integrated Complex Development of Big Box Boulevard in Nusajaya
Financial Services		<ul style="list-style-type: none"> To become global hub for Islamic finance Significant investments & acquisitions in several major banks to develop regional banking while improving its services
Agriculture		<ul style="list-style-type: none"> Paddy demo lot in IADA to demonstrate 100% yield increase
Palm Oil & Rubber		<ul style="list-style-type: none"> Usage of crop harvesting mechanization to improve worker productivity Developing eco-friendly facilities Accelerating replanting programmes
Tourism		<ul style="list-style-type: none"> Build commercial area surrounding the airports (mainly KLIA) and planning to establish 3 new premium outlets in Malaysia

Communication Content Infrastructure		<ul style="list-style-type: none">Improving & extending regional network and connecting 1Malaysia via TelePresence; the next generation in video conferencing technologyFormation of <i>Konsortium Rangkaian Serantau</i> (24 telcos) to address bandwidth capacity and cost
Greater Kuala Lumpur/ Klang Valley		<ul style="list-style-type: none">Beautification and cleaning up of Klang RiverElectric Supply to two MRT stations in Lembah Klang
Education		<ul style="list-style-type: none">Developing public & private partnerships in higher educationCollaboration between researchers, industries and inventors to increase research capabilities
Healthcare		<ul style="list-style-type: none">Establishing new medical centers in Ara Damansara and Desa ParkcityDeveloping general pharmaceutical industryClinical, medical and research development
Business Services		<ul style="list-style-type: none">Netstorage facilitiesExpanding aviation MRO servicesUp scaling systems engineering & human capital capability in ship building & ship repair industry

Source: G20 Reporting

B. 5 ROLES OF GLCs IN SUPPORTING THE NEW ECONOMIC MODEL (NEM)

In March 2010, the Prime Minister of Malaysia, launched the NEM to transform Malaysia into a high-income, sustainable and inclusive economy by 2020. With the introduction of the NEM, there was a need to clearly articulate how the GLCT Programme should be aligned to this national agenda. In May 2010, PCG announced 5 roles on ways for GLICs and GLCs to support NEM.

1 STAY THE COURSE IN EXECUTING THE 10-YEAR GLCT PROGRAMME

The GLCT Programme, which aims to raise the performance of GLCs and create regional champions, should continue, as it provides strategic and sizeable contribution to Malaysia's overall efforts to become a high-income Nation by 2020.

Part of staying the course involves executing and institutionalising the 10 GLCT Initiatives. GLCs have also continued to build on the momentum

of their various transformation, turnaround, restructuring and growth programmes.

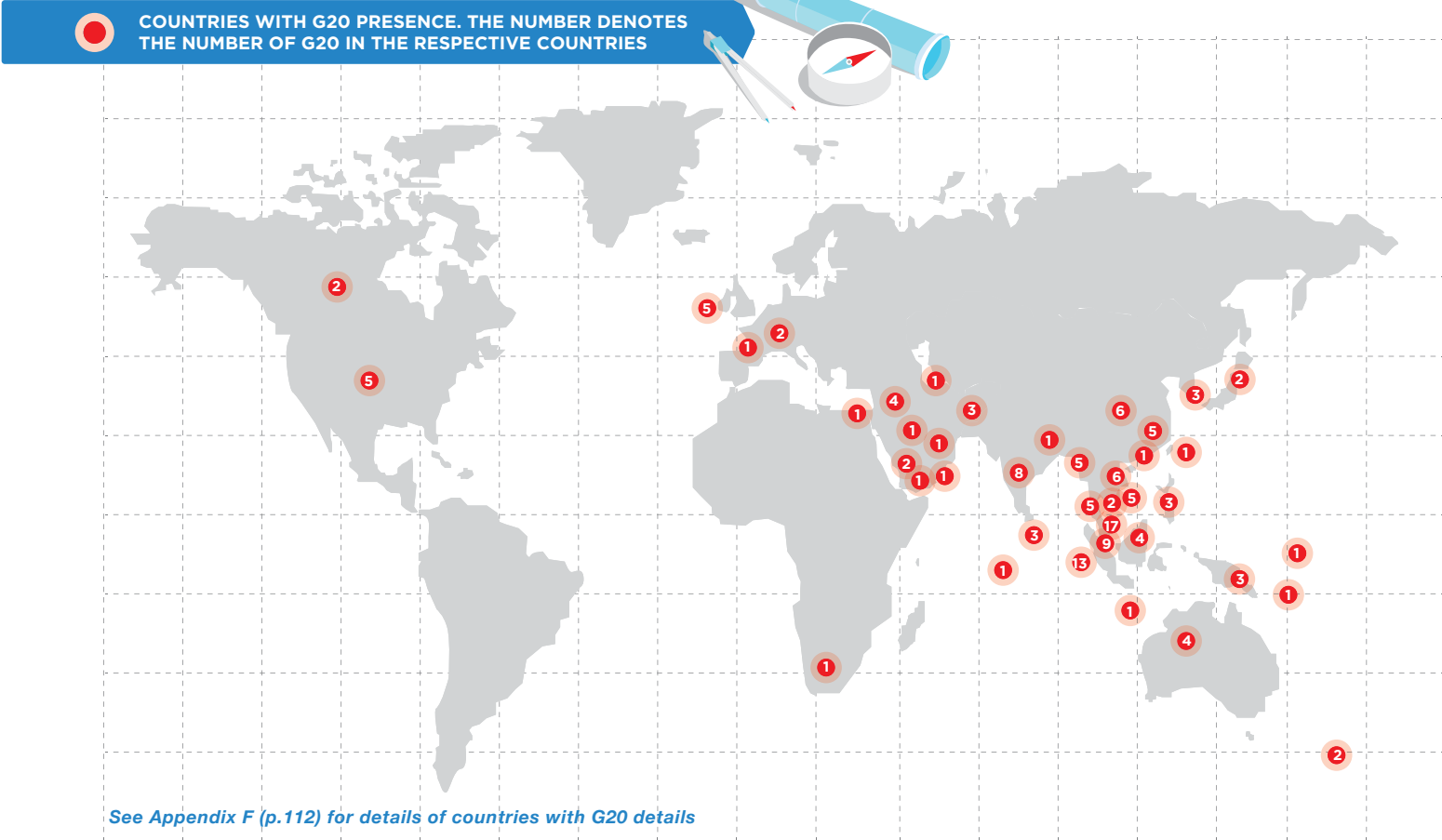
Through these efforts the G20 have returned RM78b in dividends and paid RM49b in taxes from 2004 to 2012 (see Appendix F).

2 RELENTLESS DRIVE TO BECOME REGIONAL CHAMPIONS

Several GLCs are heading in the right direction to become regional champions (see Exhibit 5.31).

The G20 have continued their success by winning various awards, nationally, regionally, and globally. G20 have also embarked on collaborative ventures to strengthen their presence in the region (see Appendix E).

Exhibit 5.31: G20 Regional Footprint



3 PURSUE NEW ECONOMY INVESTMENTS (NEIs) IN LINE WITH NEM

GLCs actively pursue NEIs as they continue to explore several new industries and corridor developments. To date, G20 have made RM164b worth of investments from FY2004 to FY2012. (Please see Chapter 6 for a special feature on NEIs and Appendix G on the details of G20 NEIs and various other investments and business ventures.)

4 COLLABORATE AND CO-INVEST WITH PRIVATE SECTOR

The collaboration and co-investment between GLCs and non-GLC private sector have intensified with various activities undertaken between both entities. Many such activities exist today in the areas of commercial property development, oil and gas engineering, agriculture research programme, industrial, engineering, telecommunication services and healthcare (see Appendix D).

5 CONTINUE TO FOCUS ON CORE OPERATIONS: LEVEL PLAYING FIELD AND EXIT NON-CORE AND NON-COMPETITIVE ASSETS

This role is to spur economic growth, promote entrepreneurial dynamism in Malaysia and optimise allocation of resources at country level. GLCs continue to invest on core business for better value creation and divest non-core and non-competitive assets. For example, Boustead sold its entire 60% equity interest in PSC Tema Shipyard Limited in Accra, Ghana to Government of the Republic of Ghana. Maybank also divested its insurance provider business, AsianLife and General Assurance Corporation (ALGA) to STI Investment Incorporated.

C. 1MALAYSIA PRODUCTS BY GLCs FOR THE RAKYAT

The Government introduced 1Malaysia products to help the *rakyat* deal with the rising cost of living. The Government called on other parties including the private sector to support this initiative for the benefit of *rakyat*. The G20 provided support by introducing various 1Malaysia products as spinoffs from their original offerings (see Appendix C). 1Malaysia products are also referenced in Section 5.2.A.

D. PROGRESS ON NEW EXPECTATIONS ON GLCs

The GLCT Programme is currently in its final phase. This phase coincides with the roll-out of the NEM and various NTPs. Hence this creates additional new expectations on GLCs to support nation-building via specific programmes which include, among others, the following:

Development of Human Capital and Improvement of Labour Market

The NEM introduced five Strategic Reform Initiatives (SRIs). One of the SRIs involves Human Capital Development (HCD).

The G20 work closely with PEMANDU to align and implement the various HCD initiatives, namely:

- G20 have implemented the Minimum Wage Policy on 1 May 2012 (8 months ahead of schedule).
- G20 will implement the Minimum Retirement Age Policy on 1 July 2013
- G20 will be implementing the HR Capability Development and Certification Programme to up-skill the HR practitioners as HR professionals

to enhance their performance in partnering with the line business

- G20 are implementing the Upward Mobility Scheme (UMS) for non-executive staff (non-skilled and semi-skilled). (See details in Chapter 6)
- G20 are supporting the initiative to increase the participation of women in the workforce

GLCs as the “Leadership Talent Factory for the Nation”

At the last Leadership Development Circle (Orange Book Sub Circle) in May 2012, the G20 agreed to adopt the role of ‘Leadership Talent Factory for the Nation’.

This is to bridge the leadership gaps in the workplace environment by building a robust and high-performance workforce.

G20 will focus on the following 3 key areas to build leaders at all levels (see Exhibit 5.32).

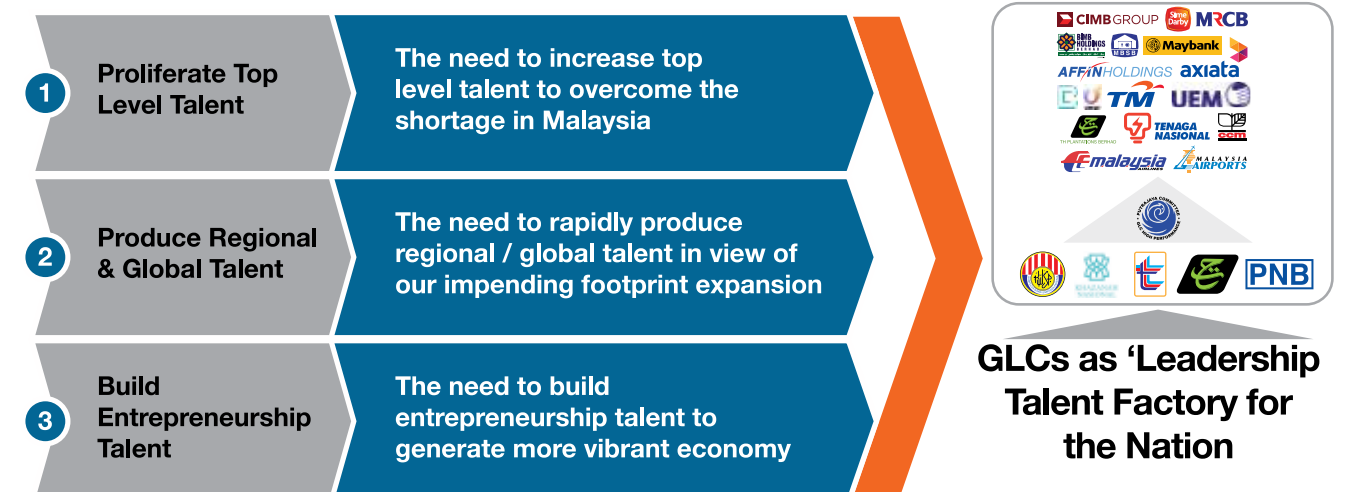
Based on the results of LDA Cycle #3/2012, there is an urgent need for GLCs to review their talent management programmes to develop and nurture leadership talents.

Currently GLCs are focusing their attention to fill their talent pipeline with high potential and performing leaders to assume senior management positions. Based on past LDAs conducted from 2008 to 2012, the leadership gaps have decreased from 52% in 2008 to 45% in 2012. This was due to structured, robust and transparent succession planning processes being implemented thoroughly at G20.

Innovation

In July 2011, the Agensi Inovasi Malaysia (AIM) Governance Council, chaired by YAB Prime Minister, identified innovation as an important initiative towards boosting competitiveness in Malaysia. The Forum agreed that this initiative be implemented in two phases. For the first phase, the PCG Secretariat was mandated to lead an innovation assessment exercise

Exhibit 5.32: GLCs as the ‘Leadership Talent Factory for the Nation’



Source: Leadership Development Circle (LDC) 6/2012

GLCs are putting in place robust and sustainable Talent Mobility Programmes to identify, attract, recruit, develop, manage and retain high potential and performing talents who possess regional and global mindset with business and entrepreneurial skill.

Leadership Development Audit (LDA)

LDAs are conducted via the Orange Book platform to identify leadership gaps at G20.

at the G20. The objective of this exercise was to develop a pilot index to assess the innovation levels at G20 in an effort to promote the innovation mindset and culture across Malaysian companies. This would then set the stage for phase two, where AIM can emulate the pilot exercise to introduce a National Index that offers some degree of standardisation in the assessment of innovation at firm level. This would allow for within-industry comparisons.



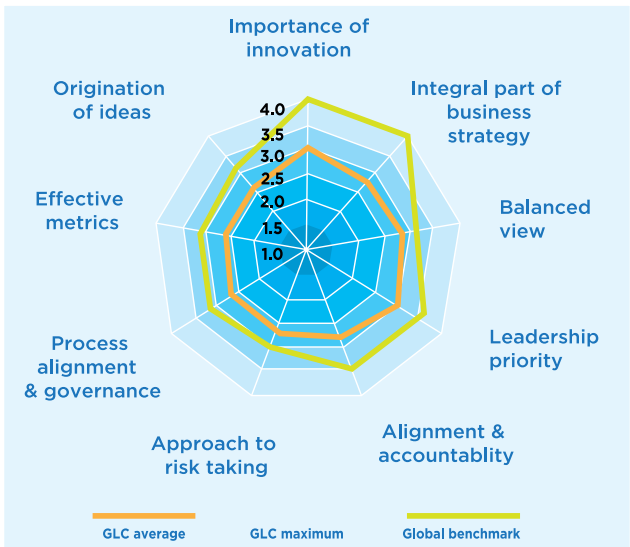
The Yellow Book (Enhancing Operational Efficiency and Effectiveness) Circle took the lead to implement phase one of this initiative. Three main activities were conducted as part of the diagnostic at the G20:

1. An on-line employee survey (more than 3000 staff participated)
2. One-on-one leadership interviews (more than 80 senior leaders were involved)
3. Benchmarking of best practices, as reference points

Results: The scorecard (in Exhibit 5.33) shows the G20 innovation capabilities across each of the 12 key dimensions for innovation – as compared to global best practice scores.

- Average scores for the GLC peer group fall short of global best practice. The overall innovation score for GLCs is 2.7 (out of a maximum of 4.0), compared to 3.2 for global best practice
- On selected dimensions, some GLCs are close to best practice level. Some GLCs perform at global best practice levels, e.g. in having “a balanced view to innovation” and in “approach to risk taking”
- Within the GLC peer group, there is a wide variance in capabilities

Exhibit 5.33: Average Scores for the G20



Source: GLC Innovation Survey, 2012

Insights

- More needs to be done to achieve global excellence. Most GLCs have set up their pathway on the innovation journey but more can certainly be done to achieve global excellence
- It is critical to recognize the urgency to innovate. Different profiles of innovation capabilities observed across GLCs. Several GLCs acknowledge the urgency to innovate and believe their capabilities can be improved BUT a number of other GLCs do not see the urgency to innovate beyond the core (e.g. due to highly stable industry conditions, limited resources and scale)
- Innovation must be an integral part of strategy. More than 60% of staff surveyed cited that link between innovation and business strategy could be improved
- Alignment between leadership priority and organizational buy-in is key. Senior management in general agreed that they encourage new ideas
- Important to have holistic support towards innovation. Approach to innovation needs to be more holistic – with value given to both constant incremental moves and game changing ideas
- Drive towards execution of the best ideas must be fast. Even good ideas have difficulty in execution
- With the launch of the pilot index, phase one of this initiative is complete. The next step is to move the overall innovation agenda forward to the national level. AIM will spearhead this phase of the initiative

Customer Service Excellence In GLCs

In 2011, Maybank presented a proposal at the PCG to elevate the standards of customer service in Malaysia. They proposed the establishment of a National Customer Satisfaction Index that would serve as a common benchmark to gauge customer service levels among corporations. This index can be developed to instill a service excellence mindset among Malaysian companies. The PCG, chaired by the Prime Minister, were appreciative of the idea. A task force GLC Customer Satisfaction Index (GCSI) Circle was formed from amongst the Yellow Book members, led by Maybank and assisted by the PCG secretariat. A collaboration with the Malaysia Productivity Corporation (MPC) was established to develop this proposal and launch the pilot index. Some key milestones were as follows:

Dec 2011 – April 2012: Development of Customer Satisfaction Component and Agreement on Methodology

- Identification of customer satisfaction component, driven by MPC, Maybank and PCG Secretariat, supported by all G20
- Adoption of a framework to measure and benchmark GLC service delivery standards using the American Customer Satisfaction Index (ACSI) methodology

June 2012: Launching the GCSI Initiative

- 10 GLCs agreed to participate in the development of the pilot GCSI

Sep – Oct 2012: Survey and data collections

- Analysed participating G20 service delivery performance from customers’ perspectives
- MPC led the survey and data collections activities
- Survey conducted at Central Region, Johor, Pahang, Penang, Kedah and Malacca

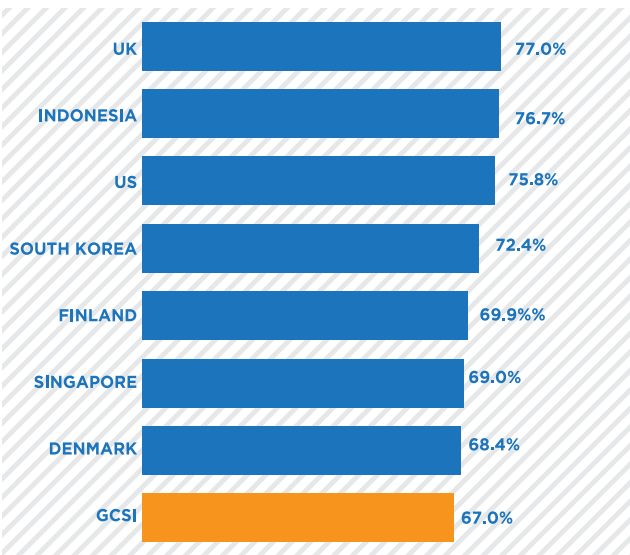
Nov – Dec 2012: Syndicate with participating GLCs on the findings

- Presented the draft pilot GCSI
- Identified key findings

2013-2014 (future): Service Excellence transformation

- To establish Customer Satisfaction Index at national level.
- National CSI to be the benchmark for industries to achieve competent service excellence ratings

Exhibit 5.34: GCSI Score compared to National CSI (2011) of selected countries



Source: GLC Customer Satisfaction Index, 2012

Findings

1. More needs to be done to be a global service leader. Average GLC overall score is 67. Score above 80 is considered strong in American CSI.
2. Go Extra Mile in raising customer expectations and branding. Innovation is the key factor to provide excellent service.
3. Strengthen approach in handling customer complaints. 50% of customers surveyed reported their complaints were handled favourably.
4. Pricing – Key strategy to retain customer. 20% of existing disloyal customers can be recovered with the right pricing strategy.
5. Service excellence for the *Rakyat*. Embark on customer centric initiatives with total employee participation.

This pilot index was conducted on a voluntary basis. The results will be presented at the PCG to deliberate the merits of launching a National Customer Service Index.

BUMIPUTERA ECONOMIC TRANSFORMATION ROADMAP (BETR)

The BETR workshop was held in September 2012 in response to the BETR which was launched in 2011. The workshop, officiated by the then Minister in the Prime Minister’s Department, YB Tan Sri Nor Mohamad Yakcop, was attended by GLICs and GLCs G20 Chief Executive Officers, Chief Procurement Officers, Chief Strategy Officers and Human Resource Heads. In his keynote address, the Minister reflected the Government’s unwavering commitment to the continuous enhancement of the Bumiputera Agenda which outlined strategies and initiatives that provide new impetus to ensure successful, holistic and sustainable participation of the Bumiputeras in the economy.

In his message at the workshop luncheon talk, YM Professor DiRaja Ungku Abdul Aziz accounted the historical concept of Malay entrepreneurship which existed some 400 years ago. He shared the characteristics of those entrepreneurs as independent, courageous, very knowledgeable, wealthy and risk takers. He gave his few precepts for the Bumiputera entrepreneurs to adopt which include sincerity, reality, competitive, independent and affirmative actions.

The workshop participants concurred that Bumi Agenda is important and will continue to be a national agenda as there is the dire need for game changing strategies to address various shortcomings, despite successes of past policies and that 'it takes a village' to advance it. Among the outcomes of the one-day workshop were few quick-win initiatives identified to address issues involving the Bumiputera entrepreneurs. The initiatives are:

1 Vendor Portal as information platform: A centralized vendor information system portal is currently being developed by TERAJU. The portal is intended to make available information on the capable suppliers keen to participate in the Government and GLC procurement activities. All GLC vendors will be encouraged to register. Phase 1 of the portal will be launched in August 2013.

2 Transparent tender process: Under the tender process guidelines of the Red Book, there is the need to increase the transparency while minimising the need for one-on-one interactions between GLCs and their suppliers in the procurement process. On average, the G20 are currently at 80% level of adoption.

3 Up-scaling of Bumi SMEs: One of the issues in the GLC procurement activities is the lack of capability of the Bumiputera entrepreneurs to match the contract values required by the GLCs. This up-scaling exercise is to build capability and capacity and create opportunities for Bumiputera vendors to participate in sizeable GLC projects.

4 Outsourcing: GLCs should do away with non-core, non-competitive activities and focus on core activities. This can reduce cost and improve efficiency. Where outsourcing means essential parts of the value chain are outsourced, Bumiputera companies can benefit from the scale and sustainability of providing services and supplies to larger GLCs. A structured outsourcing programme has its advantage over straight divestment of assets as divestments cannot be premised merely on the basis of sale of unwanted assets. Examples of outsourcing activities being implemented by GLCs are fire fighting and safety equipment maintenance, facility and property management and maintenance services and outsourcing of logistic management systems.



Professor Ungku Aziz
at BETR, 2012

5 Divestment: Under the 5 roles in the NEM, GLCs are expected to divest non-core non-competitive assets. Many of the largest and most successful corporations in the world are lean and light. The latest divestments of 5 Khazanah's and 2 PNB's companies are part of the divestment process.

6 Vendor Development Programme (VDP): 2 other GLCs have adopted (VDP) and are in the process of implementing the programme. While the VDP will continue to be enhanced to ensure a level playing field for the competitive Bumiputera companies, TNB recently embarked on a VDP lab with the view to establish a model to best deal with issues relating to the implementation of the programme.

7 Strategic partnership: GLCs are constantly in need of reliable partners as part of the business optimization plan. Leveraging on the vendors' capabilities through strategic partnership can facilitate GLCs to enter new markets.

GLC Bumi Agenda Blueprint

As part of the key take-away of the BETR workshop, a blueprint intended to establish structured and sustainable programmes with clear outcomes for the adoption of the GLCs is being drafted. Its main purpose is to strategically outline the various initiatives for the GLCs to collaborate with the various stakeholders in contributing towards the national Bumi Agenda.

Divestment of Non-Core Assets

In support of Majlis Tindakan Agenda Bumiputera's initiative, GLCs continue to divest their non-core assets. Through transparent and merit-based divestment processes, Khazanah has divested its wholly-owned STLR Sdn Bhd and are in the advance stage of divesting its four (4) other companies namely TM Resorts Sdn Bhd, Axiata Celcom Childcare, Special Builders Sdn Bhd and Time Engineering Berhad to Bumiputera entrepreneurs as part of the divestment exercise of the five (5) companies under the Bumi Agenda. The divestment exercise is expected to be completed by Q3 2013.

Under the same divestment exercise, PNB has meanwhile divested 1 of its company and is in the process of divesting Syarikat Malacca Straits Inn Sdn Bhd.

INTEGRITY PLATFORM

The Government established the Corporate Integrity Pledge (CIP) to address the issue of corruption. This initiative was introduced in 2010 and to-date, LTH, MAS, Maybank, MAHB, Sime Darby, TH Plantation, TM and TNB have signed the CIP to support Government in fighting corruption.

In support of The Government's efforts to eradicate corruption, a training programme called Certified Integrity Officer (CeIO) was established by Malaysia Anti Corruption Academy (MACA). The pilot programme commenced in 2010 and was officially launched in February 2012 by the Prime Minister. The programme's objectives are to ensure legal, systemic, regulatory and procedural compliance; to prevent abuse of power and fraud; and to advise and consult the management of the organisation the officer is serving. To date, LTH, TM and TNB have attended this programme. ☺

SPECIAL NATIONAL EVENT: MY BEAUTIFUL MALAYSIA DAY INITIATIVE

My Beautiful Malaysia Day (MBMD) is a national initiative which strives to instill the spirit of volunteerism, contribution to society and care for the environment among youths. This programme was held in conjunction with 2013 being Malaysia Volunteerism Year.

MBMD was launched the Prime Minister on Sunday 3 February 2013. Approximately 1.2 million youth had gathered at 390 tourist hot spots spread across 14 states nationwide, to carry out voluntary work in helping to clean-up and preserve the environment. The GLICs and GLCs collectively contributed a total of RM10.7m towards this initiative as a form of corporate responsibility in youth development. 570 Telekom Malaysia staff also participated in the event in 6 states by providing support to the youth development activities.





BROADBAND SERVICES
TM



6

SPECIAL FEATURES



6 SPECIAL FEATURES

Since the start of the GLCT Programme, there have been several imperatives that the GLICs and GLCs have had to address. The global financial crisis that struck in 2007/2008 took many by surprise. It was fortunate that GLCs entered the crisis from a position of strength and managed to weather the sharp downturn, largely due to their various turnaround and transformation programmes undertaken earlier as part of the GLCT Programme. Following the financial crisis, 5 roles of GLICs and GLCs were announced in 2010 in support of the NEM, as described in Chapter 5. One of the roles is to pursue investments in new industries and sectors, which are intended to help shift the Nation towards higher value adding sectors. In the pursuit of growth, it is additionally crucial to ensure all stakeholder interests are respected and supported. In this context, industrial relations is key and should be given due attention by GLCs. The sub-sections below provide further details on what GLICs and GLCs did vis-à-vis the imperatives.

6.1. OVERCOMING GLOBAL FINANCIAL CRISIS OF 2008

During the period of unprecedented global financial and economic crisis which occurred between late 2007 through to 2008, GLICs and GLCs implemented their various crisis management programmes with emphasis on improving operations to ensure strong and sustainable cashflows as well as robust capital structure to ride out the crisis.

GLICs continued on-going tracking of investee company health and monitoring of sector and country specific risks and counterparty risks; conducted scenario and stress testing to assess potential capital requirements in extreme events; and established an early warning system. GLICs also adopted a strategy of “Defense first, then Offense”: i.e. opting for a more cautious stance whereby the focus was on consolidating and defending their positions when market conditions were volatile. Nevertheless, times of market weakness also provide potential opportunities. As such, it was imperative for GLICs and GLCs to remain nimble enough to switch to a more “offensive stance” particularly if an inflection point materialises to capitalise on such opportunities as appropriate.

GLCs entered the global financial crisis in a much stronger position, as a result of their remaking during the earlier years of the GLCT Programme which started in 2004. G20 non-bank Debt-to-Equity pared down from 51% in FY2004 to 34% in FY2007 at the onset


of the crisis. Over the same period, G20 non-bank Operating Cashflow grew from RM14.9b to RM26.8b while earnings increased from RM9.7b to RM19.2b.


As a result of the above measures, GLCs were not only resilient throughout the crisis but emerged stronger thereafter. G20 market capitalisation which was at RM152b as of 31 Dec 2008 more than doubled over the next 2 years to RM317b by 31 Dec 2010 and subsequently to RM360b by 31 Dec 2012. Meanwhile, G20 earnings grew from a low of RM11.8b in FY2009 to RM25.8b in FY2012. Market capitalisation of the GLCs featured below grew between 1.8x to 11.7x from end 2008 to 31 May 2013.

Some examples of initiatives which were undertaken by GLCs to overcome the global financial crisis are described below.

AFFIN HOLDINGS Despite the financial crisis and its resultant impact on the local business environment, Affin Group’s core business activities and long term prospects remained positive. The tight execution of their business model allowed them to weather the turbulent times. The Group also undertook various initiatives such as rebranding and strengthening of their human capital. This was conducted through the implementation of new and dynamic systems and technology that will further enhance their operations and project the Group as a vibrant and dynamic organisation. Despite the challenging operating environment, the Group achieved a consolidated Profit Before Tax of RM497.2m in 2009, up 23% from 2008. In 2009, Total Assets increased by RM3.1b to RM40.0b.

The net loans, advances and financing grew 12.9% to RM22.5b in 2009 from the year before. More importantly, the Group further improved on its net non-performing loans ratio from 3.2% in 2008 to 2.2% in 2009. As a result of these improvements, the long term credit rating of Affin Bank was upgraded from A2 in 2008 to A1 in 2009. The Bank's short term rating was reaffirmed at P1 stable. This was a significant achievement as the Bank's rating improved consecutively over a two year period despite a very challenging market environment. Affin Holding's market capitalisation had risen 2.7x from RM2.3b as at end 2008 to RM6.2b as at 31 May 2013.

 Axiata undertook a deleveraging exercise shortly after its listing in April 2008. It was a prudent approach to raise additional equity through a renounceable rights issue of approximately RM5.25b (completed in May 2009) for the purposes of reducing overall debt levels and achieving a more optimal capital structure. Axiata pared down its debt over the period 2008 – 2010, from a high of RM15.9b to a more conservative RM10.7b, which improved its Gross Debt-to-EBITDA from 3.6x (2008) to 1.5x (2010). Axiata has been rated investment grade internationally since 2010 (Moody's rating Baa2 and S&P rating BBB) and maintains a strong balance sheet with Gross Debt-to-EBITDA of 1.7x at the end of 2012. Axiata pursued other measures on operational efficiencies, mainly through its Cost Management Programme which showed tangible results in 2009, saving approximately RM700m in procurement and technology areas, and helped preserve its EBITDA margin at 41% in 2009. As a result of these measures and Axiata's growth prospects, its market capitalisation grew by more than 4.2x from RM13.6b as at end 2008 to RM57.6b as at 31 May 2013.


 BIMB Group anticipated the emergence of an increasingly competitive environment and narrower net income margins. To mitigate these effects and sustain their bottom line, the Group pursued strong volume growth, ensured operational cost efficiency and maintained strong asset quality. As a result, the Group's revenue grew by 4.44% to RM1.49b in FY2009 over the preceding year's revenue of RM1.43b, despite adverse market conditions underpinned by the overall slowdown in global economy.

To strengthen the Group's balance sheet during and beyond the economic downturn, a capital raising exercise was implemented in April 2009 for its banking arm, Bank Islam Malaysia Berhad (Bank Islam), with an issuance of Islamic Convertible Redeemable Non-Cumulative Preference Shares to raise additional Tier-1 capital amounting to RM540 million (ICRNCPS Issuance). Upon its completion in October 2009, the ICRNCPS Issuance enhanced Bank Islam's Risk Weighted Capital Ratio (RWCR) from 13% to above 17%.


Moving forward, the Group continued with prudent asset quality management through intensified recovery efforts and effective credit management of their banking, takaful and stockbroking business segments. The Group also continued to implement measures to reduce operating overheads and to enhance operational efficiencies while exploring strategic collaboration with the right business partners. The Group's market capitalisation grew 5.5x from RM0.8b as at the end 2008 to 4.3x as at 31 May 2013.


 Despite the volatile markets and global uncertainty, Maybank as a Group demonstrated resilience throughout the global financial crisis. The 2008/2009 financial year was a defining one, when Maybank set a new vision and aspiration to secure the bank's position in Malaysia as the undisputed number one and to become the regional financial services leader by 2015. The Group had embarked on a transformation programme (LEAP30) to achieve the Group's new vision whilst remaining focused on "business as usual" operations.

Maybank Group also took proactive steps to strengthen its capital base by undertaking a RM6b rights issue which was completed on 30 April 2009. With the rights issue, the Group was able to retain its credit ratings and became one of the best capitalised banks in Asia. This was also to enable the Group to enhance its competitive positioning by strengthening their domestic and regional presence to accelerate growth in the near future. Market acceptance of Maybank's operations and strategy has resulted in its market capitalisation growing by over 3.5x to RM88b as at 31 May 2013 from RM24.9b as at end of 31 May 2008.

 At the time of the crisis, Sime Darby Group had a strong and stable cashflow position (RM3.8b in FY2008) and low gearing (Debt-to-Equity of 21.7% in FY2008). This good balance sheet position not only ensured the Group was able to weather the economic and financial volatility, but also provided it with the foundation to explore new

growth opportunities. The Group's diversified business portfolio also ensured that it remained resilient during the crisis. Despite the Plantation Division's FY2009 profits declining by almost 60% as a result of the volatility in crude palm oil prices, the Industrial Division delivered record-breaking results of RM862m on the back of robust demand in the mining sector, while the Motors and Property Divisions registered respectable improvements in profits of 4% and 13% respectively in FY2009. These inherent strengths, coupled with a focus on cost savings measures and efforts to enhance corporate governance and risk management across the Group, resulted in Group Profit Before Tax (PBT) of RM3.2b in FY2009. The Group's market capitalisation grew 1.8x from RM31.2b as at end 2008 to RM56.6b as at 31 May 2013. Their ROE remained high at 16% in FY2011 and 17% in FY2012.


 TM faced serious challenges from increasing costs and the decline of fixed voice during the period having just demerged from the higher growth mobile business owned by Axiata (formerly TM International Berhad) in April 2008. In 2008 alone, voice revenue had declined by nearly 10% Year-on-Year (YoY) with subscriptions falling 3.1% YoY to 4.3m customers. TM's roll out of its High Speed Broadband (HSBB) project was an important milestone. The Nation's first HSBB was launched in March 2010 and was rolled out to 1.377 million premises by 2012 exceeding the target of 1.3 million. TM was able to stabilise the fixed voice subscriber decline in 2Q 2009 and implemented many other initiatives including more robust procurement management leading to capex savings, disposal of non-core assets, liability management and improvement in accounts receivable collection days. These resulted in TM's ROE rising from sub 8% for the three years from 2007 to 2009 to between 15% to 18% over the next 3 years. Market capitalisation grew 1.8x from RM11.0b from end 2008 to RM19.6b as at 31 May 2013.

 UEM Group embarked on a restructuring exercise in 2008 to unlock the value in UEM World's group of companies, which resulted in the delisting of UEM World and the subsequent listing of UEM Land. Since then, UEM Builders, the construction flagship company under UEM Group, managed to pare down its debt from RM1.9b to its current debt level of RM0.4b.

As part of efforts to adopt a defensive posture, UEM Group streamlined the company to focus on four core businesses, namely, expressways; township & property development; engineering & construction; and asset & facility Management. As part of this streamlining exercise, UEM Group divested Pharmaniaga Bhd, a profitable healthcare business, to Boustead Holdings Berhad (Boustead). Together with UEM Builders, UEM Group also divested Touch 'n Go Sdn Bhd. Other divestments include Gapima Sdn Bhd.

On the offensive front, UEM Land acquired Sunrise Berhad, a property development and investment holding company, in February 2011. This acquisition was synergistic and complementary for both parties. It gave rise to interesting prospects for the combined entity, as both, a macro township developer and a specialised property player renowned for its up-market high-rise residential projects as well as commercial developments.

The various initiatives undertaken since the onset of the global financial crisis have resulted in a stronger balance sheet and net cash position for UEM Group. UEM Land's market capitalisation grew a substantial 11.7x from RM1.3b as at end 2008 to RM15.2b as at 31 May 2013.

 The global financial crisis lowered demand for industrial and consumer products. UMW's cost of importation also rose due to the foreign currency exchange factor. As a result, Group revenue and Profit Before Tax declined in Q1 2008 by 21.3% and 57.8% respectively YoY. The Group took measures during the year to remain highly competitive and profitable. These measures included various cost-saving exercises, deferment of non-critical capital expenditure, enhancement of risk factor assessments for new investments and extraction of greater efficiency and productivity levels. Under the guidance of their experienced management team, the Group was able to weather the economic storm and ride the wave of renewed market confidence. UMW achieved an overall performance that was encouraging in the second half of 2009 and in 2010, delivered a record-breaking performance, through the combined efforts of its strategic business units. Their market capitalisation grew 3.0x from RM5.6b as at end 2008 to RM16.8b as at 31 May 2013.

6.2 INVESTMENTS IN NEW INDUSTRIES AND SECTORS

In support of the NEM, GLCs are also actively investing in new, knowledge-based and service-oriented industries and sectors, which are transformative and catalytic in nature. These are aimed at moving the Nation further along the economic value chain and competitiveness. Sectors within the GLICs and G20 that fall under this category include leisure & tourism, life sciences, agriculture, education, sustainable development, creative and media, technology, wellness, healthcare as well as the economic corridor of Iskandar Malaysia (IM).

The GLCT Programme was established with the aim of transforming GLCs into high-performing entities and this is in line with the aspirations of the NEM of transforming Malaysia into a developed nation with a high-income, sustainable and inclusive economy. To achieve the aims of NEM, GLICs and GLCs have been pursuing investments in new industries and sectors to catalyse growth.

The following are some of the forays by the GLICs and GLCs in new industries and sectors:

HEALTHCARE

The Employers Provident Fund (EPF) has a significant stake (30%) in Columbia Asia Sdn Bhd's Hospitals, with the remaining 70% held by a US-based fund, the International Columbia USA LLC (ICU), which represents over 150 individual and institutional investors. The company has hospitals in three countries namely Malaysia, Indonesia and Vietnam. The EPF together with two other parties, has bought into the Spire Healthcare Group in January 2013, Britain's second-largest private healthcare provider. The £700m (RM3.28b) acquisition comprised 12 out of 38 hospitals belonging to the Spire Healthcare Group spread across Britain. The 12 acquired hospitals would be leased back to the Spire Healthcare Group to operate under long leases.

IHH Healthcare Berhad represents the successful maturity of a Khazanah new investment area in the integrated healthcare services platform. The successful RM22.6b IPO of IHH Healthcare Berhad (IHH) in July 2012 was the world's third-largest at the time of listing. By end 2012, IHH's share price had risen 20.4%, adding RM6.6b to Khazanah's Net Worth Adjusted portfolio value. Through IHH, Khazanah has built an integrated healthcare services platform with leading positions in various markets, providing premium-quality healthcare services and aiming to develop local expertise and capability across the full spectrum of healthcare services.

Pharmaniaga Berhad (Pharmaniaga), a subsidiary of Boustead Holdings Berhad, in May 2013 inked a joint venture (JV) agreement with Modern Healthcare Solutions Company Limited (Modern) of Saudi Arabia, to set up a JV company that will construct and manage a pharmaceutical manufacturing plant in Sudair Economic City, Riyadh in the Kingdom of Saudi Arabia. Apart from the construction of the plant, the JV company will also produce, market and supply healthcare products and services to countries in the Middle East and North Africa region. The joint venture is part of Pharmaniaga's long-term strategy to accelerate growth plans for its international pharmaceutical business by capitalising on the rapidly growing opportunities within the Middle East and North Africa region.

Sime Darby, in March 2013, expanded its foray in healthcare via a JV with Ramsay Health Care in Southeast Asia. The deal, subject to regulatory approvals, will merge Sime Darby's portfolio of healthcare assets in Malaysia with Ramsay's three hospitals in Indonesia, under a new joint venture company. Sime Darby has three hospitals in Malaysia and also operates a nursing and health sciences college. The JV marks Sime Darby Healthcare's first expansion outside of Malaysia. The aim of the joint venture will be to build a quality portfolio of hospitals throughout Asia.

EDUCATION

Boustead Holdings Berhad - The University of Nottingham in Malaysia Sdn Bhd (UNMSB). UNMSB, a 66.35% owned subsidiary of Boustead Holdings, saw continued growth and contributed significantly to its Finance & Investments Division's 144% increase in earnings to RM110m in Q4 2012.

Iskandar Malaysia (IM) - Education is poised to be a thriving new investment area within IM. One of IM's focus areas is the development of EduCity, a fully integrated education hub located within Nusajaya that covers the entire education spectrum - pre-school, primary, secondary, and tertiary levels, as well as offers student accommodation and facilities for recreation and sports. The development of EduCity aims to promote Malaysia as a centre of educational excellence.

Sime Darby - Pagoh Education Hub (PEH). Four Concession Agreements (CAs) were signed with the Government of Malaysia and the respective universities in November 2012 for the development of PEH over ~506 acres in Q1 FY2013. The concession period is 23 years including 3 years construction period under Build, Lease, Maintenance & Transfer (BLMT) model. The development of a student village and related facilities will commence in 2H FY2013 and Q1 FY2014.

LEISURE & TOURISM (L&T)

Boustead Heavy Industries Corp Bhd and Sunborn Marine (M) Sdn Bhd have, in May 2013, completed the construction of the world's largest floating hotel. Called Sunborn III, the RM462m five-star floating yacht hotel is the first of its kind to be built in Southeast Asia as an alternative to land-based properties and hotels built on water. The new luxury yacht hotel joins the new trend of offshore hospitality products that are fast gaining popularity worldwide.

Boustead Holdings Berhad have made further investments in L&T via the following:

- **Royale Bintang Hotels**
Construction in progress for Royale Resort & Spa, Cherating and Royale Bintang Hotel Penang
- **Curve Nx**
A 7-storey building with overhead link bridge to the Curve that houses the 100,000 sq.ft. KidZania indoor theme park, McDonalds Drive-Thru Restaurant and 700 car parking bays
- **Nucleus Project**
The development of a new commercial centre in Mutiara Damansara

Themed Attractions and Resorts Sdn Bhd (TAR) to drive increase in tourism spend and create multiplier effects. Khazanah's L&T investments complement the development of IM and Khazanah's destination resorts by catalysing new value-added services and promoting further growth in a sector that relies largely on the country's diverse natural attractions. Apart from the high multiplier effect of creating jobs and boosting tourism, the sector will also generate spin-off benefits to the property development sector. TAR was established in 2009, and is wholly-owned by Khazanah. It was set up to drive the development, ownership and operation of various theme parks and attractions to enhance the L&T industry in Malaysia. TAR's current portfolio of theme parks and attractions comprise of LEGOLAND Malaysia, KidZania Kuala Lumpur and Puteri Harbour Family Theme Park at Nusajaya (which houses Sanrio Hello Kitty Town, The Little Big Club and Lat's Place).

Destination Resorts & Hotels Sdn. Bhd. (DRH) to spur high-value tourism by leveraging on Malaysia's natural assets. DRH, another wholly-owned indirect Khazanah subsidiary is involved in the ownership, development and operations of destination resorts and hotels, and owns a hotel management company. DRH Group currently owns and manages The Datai Langkawi, a premier and internationally-recognised homegrown Malaysian resort associated with luxury and excellent service, located at Teluk Datai, Langkawi. DRH is also the developer and owner of Desaru Coast, Teluk Datai, and Puteri Harbour destination resorts.



CREATIVE

Pinewood Iskandar Malaysia Studios. Khazanah has partnered with Pinewood Shepperton PLC to develop Pinewood Iskandar Malaysia Studios, a catalytic project for the creative sector. The studio is a state-of-the-art integrated media production facility scheduled for completion in 2013. Apart from complementing the development of IM, Khazanah's participation in this sector offers the opportunity to build local capabilities, raise Malaysia's profile as an international creative content production hub, and provide economic spillover benefits to the local tourism, financial, and education industries.



ISKANDAR MALAYSIA

Iskandar Malaysia (IM) is geared to be a dynamic region and is intended to catalyse new growth industries of the future. With an area of 2,217 sq km and a long-term development horizon, IM is the manifestation of a plan to develop a world-class and dynamic metropolis in the southern region of Johor. Its development as a key growth corridor for the country leverages on its strategic location at the heart of the ASEAN region and its proximity to Singapore and Kuala Lumpur.

On track to achieve investments target of RM383b by 2025. Since its launch in 2006, IM has progressed rapidly, with committed investments totaling RM111.37b as of 31 March 2013. Of this total, RM44.82b, or 40.2% of the committed investments have been realised. The rising investments have generated increased economic activity, and correspondingly, rising demand for workers. More than 154,000 jobs in the manufacturing and services-related sectors have been created, since its inception in 2006.

Tipping point in 2012 provided acceleration in both domestic and international investors' interest as delivery of catalytic projects rolled out. IM delivered its "banner year" in 2012 with the rollout, on schedule, of various catalyst projects. In the leisure and tourism (L&T) sector, projects that were launched include LEGOLAND Malaysia, Puteri Harbour Family Theme Park, and the first phase of the Mall of Medini. The education sector saw the

opening of the University of Southampton campus and the International Student Village in EduCity, as well as Marlborough College Malaysia. IM also benefitted from the full operationalisation of key infrastructure, including the 16km Coastal Highway which links Johor Bahru city centre and Nusajaya.

Wellness sector helps to create a new economic cluster within IM. There are two wellness developments in IM, the Afiniti Medini urban wellness and Avira resort wellness themed projects, both of which are located in Medini.

IM remains an exciting investment prospect especially with future regional connectivity. Over the period of its 20-year development, IM is expected to achieve GDP growth of 8% per annum, resulting in nominal GDP of USD\$93.3b, with GDP per capita of USD\$31,100 in 2025. In addition, the labour force and total population are expected to reach 1.5 million and 3 million respectively. To achieve these aspirations, investments totaling RM383b would be required. The proposed Rapid Transit System (RTS) link between Singapore and Johor Bahru, as well as the newly announced High Speed Rail (HSR) linking Kuala Lumpur and Singapore will further improve IM's regional connectivity. As more investments come in and new developments are completed and launched, IM's progress is set to continue.

Key projects expected to be launched or delivered in 2013 include the Desaru Integrated Leisure development in Johor; completion of the revamped Datai resort in Langkawi; the official launch of joint investments by Khazanah and Temasek Holdings (Pte) Ltd in Iskandar Malaysia and Singapore; the launch of Pinewood Iskandar Malaysia Studios. In addition, the LEGOLAND Malaysia Water Theme Park, Traders Hotel Puteri Harbour, as well as property developments in Medini Iskandar and more facilities in EduCity are set to be launched.

MOVING FORWARD

In view of the continuing need for Malaysia's economy to improve its competitiveness, respond to changes in the marketplace, and increase its resilience in the face of global economic uncertainty, it is imperative that GLICs and GLCs enhance crisis preparedness of its portfolio of business and investments with strong potential.

6.3 INDUSTRIAL RELATIONS

GLCs have been supportive of the Government's recent policies in Minimum Wage (MW) and Minimum Retirement Age (MRA). GLCs have gone up a notch by developing their various upward mobility schemes to provide non-executive employees with opportunities to build their capabilities and progress in their career.

MINIMUM WAGE, MINIMUM RETIREMENT AGE & UPWARD MOBILITY

GLCs continue to improve the industrial relations with their employees through development of human capital and improving the labour market. This is in line with the Government's recent policies to implement Minimum Wage and Minimum Retirement Age Acts.

Both Acts were gazetted recently for implementation in 2013: the Minimum Wage Act to be enforced on 1 January 2013, while the Minimum Retirement Age (MRA) Act being on 1 July 2013.

These Acts help create a more competitive and vibrant domestic economy, while aligning local laws with best practices in global economies. The Acts also ensures effective and efficient protection for workers, while enhancing the value of employment and labour management.

In addition, some G20 have also crafted their respective versions of Upward Mobility programmes to provide their non-executive employees with opportunities to build their skills, competencies and capabilities to progress further in their careers.

► MINIMUM WAGE (MW)

MW set at RM900 for workers in Peninsular Malaysia and RM800 for workers in Sabah and Sarawak, is meant to increase the standard of living of low income workers by providing them with a fixed and decent wage. This is expected to lead to improvements in productivity and local hiring activities. Ultimately, this will improve social and industrial relations between the employees and employers.

¹ Percentage is of local G20 staff in Malaysia, based on reporting to PCG Secretariat in 2012.

At the GLC Townhall Session on 3 May 2012, the Prime Minister announced to GLCs employees that and G20 to take the lead with the implementation of minimum wage effective 1 May 2012.

To-date, 8 companies from the G20 have taken this initiative up a notch by implementing the 'moral wage' which is more than the stipulated MW to further alleviate the cost of living of their workers.

► MINIMUM RETIREMENT AGE (MRA)

The introduction of MRA of 60 years old is in line with the global trends in developed nations as well as Malaysia's aspiration to become a fully developed and high income nation by year 2020. Such a shift, in tandem with increased life expectancy, will help Malaysia increase the level of productivity through the retention of more mature, knowledgeable and experienced workers.

The impact of MRA will also contribute to increased income, and fundamentally lead to an increase in retirement savings.

Tenaga Nasional Berhad (TNB) was the first G20 to implement MRA in September 2012 during the Prime Minister's visit to TNB. This was then followed by GLICs EPF, LTH, LTA, PNB, KNB) in Q4 of 2013. Currently, G20 are ready to implement MRA effective 1 July 2013.

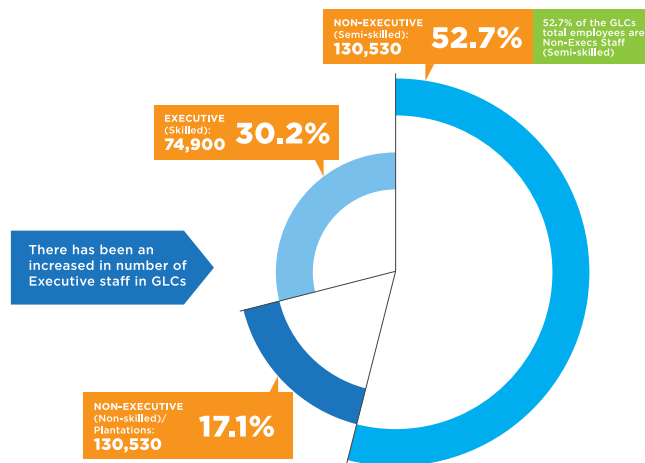
► UPWARD MOBILITY SCHEME (UMS)

Some G20s have already introduced their versions of upward mobility programmes to enable the lower ranked employees who are typically trapped in their low paying jobs into a higher income occupation. The programme typically includes up-skilling and re-skilling the skills to improve competencies of this category of employees with structured career advancement activities.

As there are various versions of these upward mobility programmes, PCG Secretariat with the support from the HR Circle, is developing an UMS guideline to include best practices and benchmarks with policy, process and procedure guidelines that could be of use by GLCs. The objective, in addition to the above

benefit to such employees, would allow greater personal growth and create high performing organization to support the Nation's aspiration of Vision 2020 towards becoming a high income nation with a high performance workforce. The UMS is expected to benefit 130,530 G20 local Non-Executive employees at semi-skilled level. This represents about 52.7% of the local workforce in G20 (see Exhibit 6.1).

Exhibit 6.1: Average Scores for the GLCs



Source: G20 HR Data Reporting 2012

LONG TERM INCENTIVE PLANS AND NON-EXECUTIVE DIRECTORS REMUNERATION

► LONG TERM INCENTIVE PLANS

The Blue Book on Intensifying Performance Management advocates the use of share based rewards in the form of Long Term Incentive Plans (LTIP) to compensate employees. LTIP serves as a meaningful driver in motivating employees and getting their commitment to achieve the desired longer-term business outcomes. In addition to being an incentivisation and retention tool, it also serves as a means of distributing the wealth that has been created back to employees. The notion is that GLCs should equitably share the value that they have created with their employees, exemplifies good industrial relations.

In a 2011 study conducted on the impact of GLCT on G20 employees, findings indicated that there was a global shift away from stock options towards share awards as a form of LTIP. This is primarily due to the over dependence of stock options on share price as well as the higher cost to the company in terms of dilutive effects. Among the GLCs that have recently introduced share awards include Axiata and Sime Darby.

In May 2012, the PCG endorse efforts to intensify LTIP implementation at G20. Currently 9 companies in the G20 have implemented LTIP. The remaining G20 are currently in the midst of developing and introducing their own schemes including the ones currently without any, whilst the ones with expired schemes are preparing to introduce new ones. To facilitate its implementation, new guidelines on share awards are currently being developed for the Blue Book.

► NON-EXECUTIVE DIRECTORS (NED) REMUNERATION

NEDs are important stakeholders in GLCs Their compensation should commensurate with their contribution to company's performance. Hence the Green Book on Enhancing Board Effectiveness as well as the Blue Book on Intensifying Performance Management recommend that NED total compensation should be set at the 50th percentile (P50) of NED compensation in peer companies. This is primarily to ensure that GLCs are able to attract and retain Board members of the requisite caliber and that their compensation appropriately reflect the higher level of skills, knowledge and experience required by the company. This is also in view that NEDs are not eligible to participate in variable performance-linked incentive schemes (e.g. LTIP/ share awards), due to the need to maintain independence and avoid short-term behaviour.

Currently the P50 or market average for GLC peer companies for NED fixed fees amount to around RM101,000 per annum. This is derived from two studies:

- Non-Executive Directors in ASEAN, Pay Practices, Responsibilities and Policies for Top 50 Companies, February 2012, Hay Group. Note: figures are based on fixed fees and exclude social allowance, car allowance, reimbursement, retirement gratuity & others.
- Non-Executive Directors: Profile, Practices & Pay for Top 300 Companies, 2009, KPMG. Note: figures are based on average fees comprising fixed fees, allowances and share-based payments.

In May 2012, the PCG reinforced the need for G20 NED Remuneration to be set at P50. To date, 7 GLCs have set their NED remuneration at P50, while others are expected to review their respective terms by 2014. ●



GEARING UP FOR GRADUATION
TOWARDS 2015 AND BEYOND



THE PRIME MINISTER VISITS UEM
UEM GROUP

7

GEARING UP FOR GRADUATION TOWARDS 2015 AND BEYOND

Many GLCs have done well as reflected from their financial performances and contributions to various key stakeholders. This has been made possible by the GLCT Programme which created the conditions of legitimacy to act, to voice and exchange ideas through relevant platforms, to coordinate efforts to address certain issues, and to form a supportive stewardship structure.

GLCs have also been supportive of various national development causes where they are expected to become icons and the pride of the Nation and in many cases, expected to lead, catalyse and showcase the way forward.

GLCs continue to create value by providing competitive offerings, by going regional to increase market base and pursuing NEIs whilst practising inclusiveness and collaboration in line with their roles in NEM.

As the GLCT Programme graduation in 2015 approaches, there are 3 significant milestones requiring the attention of the fraternity:

i. Towards 2015

To date, G20 have gone on different trajectories and recorded various levels of achievements. While some are joining the league of regional champions, others have some catching up to do. Gearing towards 2015, G20 need to assess themselves against their ambitions and expectations, either to be at par with peer companies or to become regional champions. G20 need to wet their appetite for success, address the remaining gaps and prepare themselves towards graduation via appropriate intervention.

GLCs need to prepare themselves to face the challenges in areas such as:

- **Talent Shortage:** The war for talent is an on-going issue the GLCs need to address. Remedial programmes include increasing training and development investments, active participation in talent exchange programmes, working closely with Talent Corp and collaborating with

universities. Being successful icons is another way of attracting talents

- **Regulatory Issues:** Regulatory issues in sectors such as energy, aviation and plantation continue to be challenging. This highlights the need to continue intensifying White Book guidelines in facilitating regulators, companies and societies to interact and collaborate for the benefit of all stakeholders and long-term sustainability of the industry
- **Commercial versus Social Roles:** Due to the impact on the Nation and population at large, G20 have greater social obligations than private sector companies. Areas with potential overlap with Government obligations such as in development and redistribution need to be addressed. GLCs could start or help to catalyse initiatives to deliver the objective which could eventually be transitioned to the right entity
- **Transitioning GLCT Initiatives to appropriate entities:** The transitioning is to ensure the G20 fraternity could continue to leverage on each other for continuous learning, networking and collaboration

Various interventions are currently in place at the Programme level to address remaining gaps and challenges, including to leverage the power of network through sharing of practices, creating collaborative and synergistic initiatives and to highlight issues, concerns and views using appropriate platforms and sessions with the relevant parties.

ii. Beyond 2015

G20 will need to identify ways to sustain the momentum and richness of the fraternity created by the GLCT Programme beyond 2015.

Transformation beyond 2015

G20 is expected to continue the transformation spirit to scale greater heights. The details or the form of the network setting would however require further deliberation by the fraternity.

5 Roles in NEM

To ensure the economic ambition of high income Nation in line with the NEM is achievable, GLCs need to continuously execute the 5 roles with the spirit of inclusiveness, collaboration and distribution.

Transitioned Circles and Institutions

These new entities play vital roles in leveraging and enriching the members by elevating the initiatives to another level such as through forum discussions, sharing platform of issues, challenges and achievements. They could also perform as the negotiation vehicle to escalate structural issues to higher level for appropriate intervention, knowledge sharing and the introduction of appropriate new thought leadership.

iii. Building Runway to 2020

Vision 2020 aspires for Malaysia to achieve national unity and social cohesion, economic competitiveness, social justice, political stability, Government efficiency, quality of life, high social and spiritual values, and a strong national identity. The GLCT fraternity needs to chart out the runway to 2020 to help the country achieve a developed Nation status.

This runway should cover the economic, social and sustainability aspects.

PROGRAMME STOCK-TAKE

The PCG secretariat is currently in the midst of conducting a GLCT Programme stock-take and moving forward recommendations will be tabled at the next PCG meeting for endorsement. ●



APPENDICES

GLCS' ACTIVITIES



BIMB



MBSB



CCM



CIMB



UMW

Explanatory Notes

The following definitions and explanatory notes apply to the Historical Performance data in the G20 Scorecards that follow unless otherwise advised:

- **Net profit** is defined as net profit after tax and minority interests (PATAMI) after exceptional items
- **Operating cashflow** is defined as operating cashflow after net interest receipts
- **Net cash/(debt)** is defined as year-end total cash and short-term investments, less year-end total borrowings
- **Market capitalisation** refers to year-end market capitalisation
- **ROE** is defined as PATAMI divided by average shareholder funds for the year
- **Debt-to-assets** is defined as net debt divided by the sum of net debt and total balance sheet equity, inclusive of minority interest
- **Operating margin** is defined as earnings before interest, tax, exceptional items and associate income, divided by revenue
- **Net interest income** is defined as bank interest income less interest expense; excludes Islamic finance and fee-based income
- **Loan assets** is defined as year-end loan, financing and advances, as per balance sheet
- **Risk-weighted capital ratio (RWCR)** refers to the statutory definition based on Basel standard prevailing at the time, before dividends, for Malaysian operations only
- **Net non-performing loans (NPL)** refers to the statutory definition i.e. after specific provisions but before general provisions
- **Headline KPIs** mentioned in this report are targets or aspirations set by the company as a transparent performance management practice. The Headline KPIs shall not be construed as either forecasts, projections or estimates of the company or representations of any future performance, occurrence or matter. The Headline KPIs are merely a set of targets/aspirations of future performance aligned to the company's strategy
- Backward-looking accounting data and derivative financial ratios may differ from prior-year GLCT Progress Review reports due to the restating of financial accounts

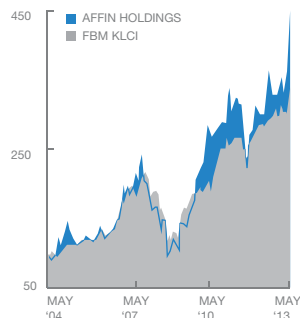
G20

SCORECARDS AND

PERFORMANCE HIGHLIGHTS

APPENDIX A

TSR INDEX

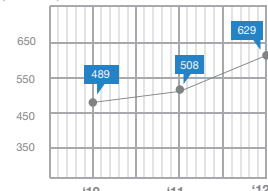


HISTORICAL PERFORMANCE

FY 31 December

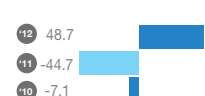
Unit: RM Million	'10	'11	'12
Net Interest Income	840	870	897
Loan Assets	26,574	30,437	34,163
Market Cap	4,618	4,603	5,141

Net profit
(RM Million)



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

Unit: %	'12 Target	'12 Actual	'13 Target
After-tax ROE	9.6	10.8	10.1
After-tax ROA	1.0	1.2	1.1
Gross Impaired Loan Ratio	2.7	2.3	2.2
Earnings Per Share (unit: sen)	38.30	42.08	42.08

ACHIEVEMENTS

Financial Performance FY2012

- The Group's profit after tax and zakat grew by **23.8%**
 '11 RM508.0m >>> '12 RM628.9m
- Total assets showed growth of **3.9%**
 '11 RM53.7b >>> '12 RM55.8b
- 11.7%** double digit loans growth, equivalent to RM 3.64b, was achieved by the Group. Loans and advances grew from **RM31.1b in 2011 to RM34.7b in 2012**
- 9.1%** increase in customer deposits, or **RM3.6b year-on-year to RM42.9b** were recorded as at 31 December 2012
- The gross impaired loan ratio
 '11 2.8% >>> '12 2.3%

Strengthened Foothold in The Region

- Exploring potential business opportunities that will arise

through merger and acquisition and strategic collaboration in the areas of Commercial Banking, Islamic Banking and Investment Banking in the ASEAN region and China

Enhanced Domestic Presence

AFFIN BANK

- 3 new branches** in Cyberjaya, Bandar Baru Bangi & Bandar Bukit Tinggi, Klang and **12 ATMs** at BHP stations and **5 ATMs** at other growth potential areas
- Awarded **Top 30 Most Valuable Brands** by The Association of Accredited Advertising Agents (4As)
- AFFIN Bank was awarded **Malaysia Service To Care Champion Award** in year 2011 and 2012 in the category of Conventional Bank with assets less than USD20b awarded by MarkPlus Insight in conjunction with the Philip Kotler and the Christopher Lovelock Centre for Services Marketing

AFFIN INVESTMENT BANK

- 6th retail stock broking branch in Bandar Bukit Tinggi, Klang
- AFFIN Investment Bank won **Islamic Finance News' Project Finance Deal of the Year** award for its role as

Joint Mandated Lead Arranger in the Boustead Naval Shipyard Syndicated Trade Facilities of up to RM2.06b

RAM Award of Distinction 2012 - Blue Print Awards for Most Innovative Deal of the Year in respect of RM3.29b Senior Sukuk Murabahah under Tawarruq by Tanjung Bin Energy Issuer Berhad

- Ranked highly by **Financial Times & StarMine** in the Top Stock Pickers and Industry Award Winners categories.
- The winner in **The EDGE Best Analyst Call Awards 2012** for technology stock

AFFIN FUND MANAGEMENT BERHAD

- Launched 2 new funds, AFFIN 1 Wholesale Fund and AFFIN 1-1 Wholesale Fund, bringing **total Assets Under Management (AUM) to RM1.9b** as at 31 December 2012

AXA AFFIN GENERAL INSURANCE BERHAD

- Awarded **The Most Preferred Brand for General Insurance** at BrandLaureate SMEs BestBrands Award 2011

CHALLENGES

Market Competition

- Net Interest Margin (NIM) squeeze: It is predicted that **NIM for banks would continue to be under pressure**. Most major banks are operating at a NIM of 2.5%. Banks need to enhance fee based income in order to diversify overall revenue stream
- Attracting consumer deposits in anticipation of stringent **liquidity requirements under Basel III** as well as to keep healthy Loan to Deposit Ratio
- Stiff **competition in mortgage financing** due to innovation in product features and pricing issues

- Challenging **external environment** affecting domestic economy
- Increased **complexity of regulatory and compliance environment** for the Commercial, Islamic and Investment Banks
- Ongoing **consolidation of Malaysian banking landscape** resulting in emergence of larger players; small and mid-sized banks face a more competitive environment as larger players dominate the transaction pipeline by leveraging their balance sheets

- Increased **regionalisation of larger banking players** to capture cross-border transactional flows to mitigate against more competitive domestic landscape
- Recruitment and retention of talent:** Migration of home grown talents and intense competition for skilled and experienced personnel to continue
- Larger market players offering extremely attractive packages to poach remisers in the Investment Banking industry. **The small / mid-scale houses will struggle to compete** due to lack of economies of scale

Source: G20 Reporting, Bloomberg, PCG Analysis

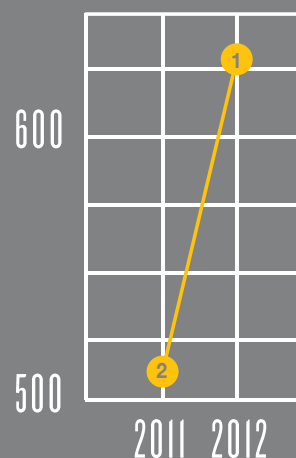


DATO' ZULKIFLEE ABBAS
ABDUL HAMID, MD / CEO

PERFORMANCE HIGHLIGHTS

PROFIT AFTER TAX AND ZAKAT

RM Million



1
RM628.9m
2
RM508.0m

+23.8%

INCREASE IN CUSTOMER DEPOSITS

9.1%
RM3.6b year-on-year to RM42.9b

THE GROSS IMPAIRED LOAN RATIO

2.3%
In 2012, from 2.8% in 2011

ECONOMIC PROFIT

2012

RM48.7m
2011 **-RM44.7m**

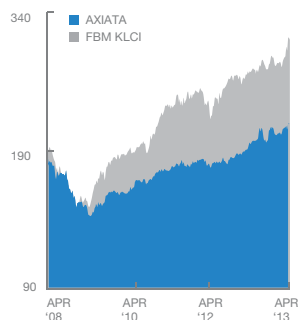
THE DOUBLE DIGIT LOANS GROWTH

+11.7%

RM3.64b

Source: G20 Reporting, Bloomberg, PCG Analysis

TSR INDEX

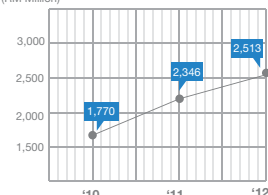


HISTORICAL PERFORMANCE

FY 31 December

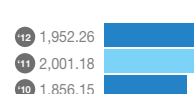
Unit: RM Million	'10	'11	'12
Operating Cashflow	6,077	6,021	7,100
Net Cash (debt)	-4,405	-4,842	-4,751
Market Cap	40,114	43,516	56,070

Net profit (RM Million)



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

Unit: %	Target	Actual	Target
Revenue Growth	5.3	7.3	7.6
EBITDA Growth	1.8	4.2	0.2
Return On Invested Capital (ROIC)	11.3	11.9	10.3
Return On Capital Employed (ROCE)	8.9	9.4	8.3

ACHIEVEMENTS

► In 2012, Axiata Group began its evolution into a digital lifestyle services company, beyond the traditional voice and SMS businesses

► Strong growth in data revenue continued, driven by positive response towards aggressive offerings of smartphones, services and continued investment in data

► The Group's focus on financial performance delivered outstanding results which exceeded all its Headline KPIs in 2012

► Group revenue increased by 7%

11 RM16.4b ►► 12 RM17.7b

► Excluding changes in foreign exchange, revenue growth would have been 12%

11 RM16.4b ►► 12 RM18.4b

► The strong growth in Group revenue resulted in a 6% increase in the Group's Profit after Tax (PAT)

11 RM2.7b ►► 12 RM2.9b

► A two-year RMB1.0 billion Sukuk was issued under Axiata's Multi-Currency Sukuk Programme with an aggregate nominal value of up to USD1.5bn or its equivalent (in other currencies)

► Axiata is the first internationally rated company to successfully tap the Chinese RMB Sukuk market, establishing a new benchmark which was oversubscribed by more than 3.5 times

► Declared an increase in ordinary dividend payout to 23 sen per share up from 19 sen and a special dividend of 12 sen per share for the year ended 31st December 2012

Awards And Recognition Received In 2012

► Frost & Sullivan, Asia Pacific ICT Awards: Best Telecom Group 2012

► Boston Consulting Group: 2012 BCG Southeast Asia Challengers

► Several awards for Issuance of Sukuk, including recognition from Bank Negara Malaysia, Finance Asia, and Euromoney amongst others

CHALLENGES

► Increased competition as well as changing industry dynamics

► Forex exposure remains a risk that mitigates local operating companies' performance

► Regulatory challenges particularly in Bangladesh and India

► Data profitability remains a challenge. However, whilst data and new services will have an impact on margins in the short term, we are confident that it will further strengthen our leadership position in the long term

► Voice and SMS could potentially decline or record a flat growth in Malaysia and Indonesia



DATO' SRI JAMALUDIN IBRAHIM
MD / PRESIDENT & CEO

PERFORMANCE HIGHLIGHTS

GROUP REVENUE



Y-o-Y

RM17.7b

PROFIT AFTER TAX



Y-o-Y

RM2.9b

TWO-YEAR SUKUK ISSUANCE

RMB
1.0b

Axiata is the first internationally rated company to successfully tap the Chinese RMB Sukuk Market



which was oversubscribed by more than 3.5 times

AWARDS



Several awards for Issuance of Sukuk, including recognition from Bank Negara Malaysia Finance Asia Euromoney



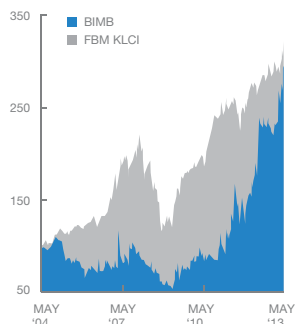
Asia Pacific ICT Award Best Telecom Group 2012 by Frost & Sullivan

Source: G20 Reporting, Bloomberg, PCG Analysis



BIMB HOLDINGS BERHAD

TSR INDEX

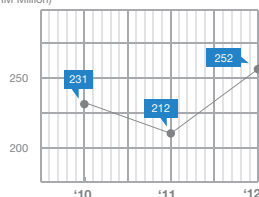


HISTORICAL PERFORMANCE

FY 31 December

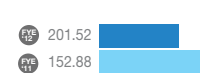
Unit: RM Million	'10	'11	'12
Net Financing Income	773	921	1,060
Loan Assets	11,861	14,162	19,508
Market Cap	1,504	2,166	2,998

Net profit
(RM Million)



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

Unit: %	'12	'12	'13
Return on Assets	1.50	1.75	1.70
Return on Equity	16.00	19.87	20.00

ACHIEVEMENTS

BIMB Holdings Berhad ("BHB")

► Posted a record Profit Before Zakat and Taxation ("PBZT")

12 RM717.4m

► Increased **RM128.6m** or **21.8%** over the last corresponding period ended 31 Dec 2011

► Consolidated net profit for the year ended 31 Dec 2012 increased by **RM75.2m** or **17.8%**, driven by the growth in its net income on healthy financing and deposits from customers growth, coupled with improved asset quality

► Higher operating results
RM150.5m (23.4%UP▲)

► Higher revenue
RM395.0m (19.0%UP▲)

► Growth in net profit attributable to the shareholders
RM40.1m or 18.9%UP▲

BHB had distributed a total of **RM74.7m** out of its net profit for 2012 as interim dividends on 31 Oct 2012 and 27 Dec 2012 respectively

► Registered net financing growth

RM5.3b or 37.7%UP▲
outpaced the domestic banking industry's growth of 10.4%

► Asset quality of the Group also continue to improve further as the gross impaired financing ratio as at 31 Dec 2012 stood at 1.55% (31 Dec 2011: 2.61%), compared to Islamic Banking

industry's 1.66%. Risk Weighted Capital Ratio ("RWCR") remained healthy at 13.99%

Bank Islam Malaysia Berhad

► RM597.4m reported PBZT, an increase of **RM104.9m** or **21.3%** compared to the last financial year of RM492.5m. The improved performance was mainly attributed to growth in business activities during the period under review

► Net financing, advances & others grew by **RM5.3b** to reach **RM19.5b** as at end Dec 2012

► Fund based income from financing increased by **RM215.4m** or **23.4%** and Non-fund based income reported a **14.2%** or **RM33.5m** growth, mainly from fees and commission and gain from foreign exchange transactions

► Customer deposits recorded a y-o-y growth of **15.1%** or **RM4.3b**

12 RM32.6b

► 41.2% CASA ratio as at end Dec 2012, above the Islamic Banking Industry ratio of **26.9%** as at end Dec 2012

► Gross impaired financing ratio fell from **2.61%** as at end Dec 2011 to **1.55%** as at end Dec 2012, whilst net impaired financing ratio improved from -0.17% as at end Dec 2011 to -0.67% as at end Dec 2012

► 20.2% Return on Equity ("ROE") against the Islamic Banking Industry ratio of **19.6%** and Return on Asset ("ROA") was **1.7%** against the Islamic Banking Industry ratio of **1.4%**

Syarikat Takaful Malaysia Berhad

► RM125.5m Recorded PBZT, increased by **23.8%** as compared to RM101.4m in the last corresponding period ended 31 Dec 2011

► Operating Revenue increased by **19.5%** to **RM1,607.5m** from **RM1,345.5m** in the same period of the preceding year. The increase was mainly attributable to higher sales generated by Family Takaful business

► Contributions earned by Family Takaful generated gross

11 RM694.7m ►► 12 RM987.7m

► Contributions earned by General Takaful generated gross

11 RM401.7m ►► 12 RM457.1m

mainly attributable to higher sales and release of unearned contribution reserve arising from the change in reserving estimates from Group Family Takaful products

► Surplus transfer from Family Takaful increased by **RM32.0m** to **RM129.8m** as compared to the same period last year while General Takaful recorded RM66.5m compared to RM85.5m last year

► Mainly due to better underwriting, investment results and release of unearned contribution reserve. General Takaful reported lower surplus transfer mainly due to shift to wakalah model products



BIMB HOLDINGS BERHAD



JOHAN BIN ABDULLAH
GROUP MD / CEO

PERFORMANCE HIGHLIGHTS

OPERATING RESULTS

+23.4%
RM150.5m

RISK WEIGHTED CAPITAL RATIO

14%

PROFIT BEFORE ZAKAT & TAXATION

+21.8%
RM717.4m

NET FINANCING GROWTH

+RM5.3b or

REVENUE

+RM395.0m or **+19.0%**

+37.7%

Domestic Banking Industry's Growth: **+10.4%**

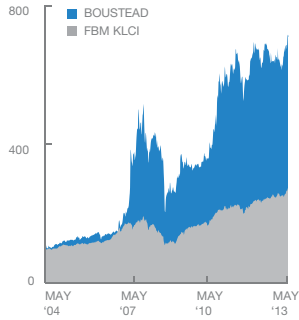
Source: G20 Reporting, Bloomberg, PCG Analysis

Source: G20 Reporting, Bloomberg, PCG Analysis



BOUSTEAD HOLDINGS BERHAD

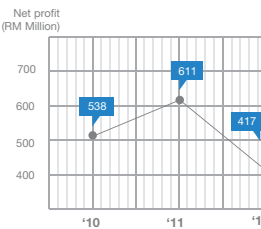
TSR INDEX



HISTORICAL PERFORMANCE

FY 31 December

Unit: RM Million	'10	'11	'12
Operating Cashflow	48	706	-705
Net Cash (debt)	-2,739	-3,955	-5,860
Market Cap	5,058	5,434	5,378



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

Unit: %	'12 Target	'12 Actual	'13 Target
ROE	10.5	9.2	9.5
ROA	7.5	6.3	6.5
Net Dividend per share (sen)	30.0	32.5	30.0

ACHIEVEMENTS

Financial Performance FY2012

- An increase of revenue by **19.3%**
RM8.5b ➡ RM10.2b
- Recorded a net profit of **RM517.7m**

Continued Focus on Enhancing Shareholder Value

- Boustead Group through its subsidiary, Mutiara Rini Sdn Bhd, has entered into a **JV Agreement** with Ikano Pte Ltd to jointly develop and manage a shopping centre in Jalan Cochrane, Kuala Lumpur
- Launching of **new housing phase** in Taman Mutiara Rini, Johor
- The opening of new hotel, Royale Bintang Damansara – **370 rooms** and the only hotel in the country with an indoor ice-skating rink
- MHS Aviation Berhad secured a new contract with **Petronas Carigali Sdn Bhd** to provide support to its Sarawak operations utilising a Sikorsky S76C helicopter
- Divestment of the PSC Tema Shipyard Limited in Africa
- Introduction of the **"Wound Care Unit"** and rapid dengue test kit **"MyDenkit"** by Pharmaniaga Berhad

Innovation and R&D

- BHPetrol launched its latest engine oil, **SynGard 8000** – fully synthetic engine oil that delivers up to five times greater

protection for gasoline engines

- Plantation Division is collaborating with University of Nottingham Malaysia Campus (UNMC) towards the development of a molecular tool box to **verify the purity of oil palm seedlings**
- University of Nottingham Malaysia Campus (UNMC) has opened a new Centre of Excellence for Post-harvest Biotechnology (CEPB) for **developing new technologies aimed at reducing food losses** as well as improving overall quality and safety

Awards & Accolades

PHARMANIAGA BERHAD WAS AWARDED

- **"Winner of Malaysia's 100 Leading Graduate Employers for Pharmaceutical Industry"** by Malaysian Graduate Barometer

BOUSTEAD SISSONS PAINTS SDN BHD WAS AWARDED

- **"ISO 9001-2008"** by Lloyd's Register Quality Assurance (LRQA)

MHS AVIATION BERHAD WAS AWARDED

- **"ExxonMobil Gold Award"** by ExxonMobil Exploration Malaysia Inc

THE ROYALE BINTANG KUALA LUMPUR WAS AWARDED

- **Challenges of the maritime sector** amidst surplus capacity and downward pressure on rates
- **Uncertainties economic situation** due to the ongoing Eurozone situation

Strengthening Market Position

- BHPetrol will roll out **effective marketing programme**

- **"Best Golden Circle"** by Agoda.com

UAC BERHAD WAS AWARDED

- **"SIRIM Eco Label: Environmental Claim complying with SIRIM criteria 021:2010"** by SIRIM Berhad
- **"Anugerah Kecemerlangan Keselamatan dan Kesihatan Pekerjaan Peringkat Kebangsaan"** by National Council for Occupational Safety and Health

Corporate Responsibility

- Skud Operasi Sayang (SOS) - a **mobile clinic** that performs health screening such as BMI measurement, blood pressure and glucose test and **creates awareness in promoting a healthy lifestyle** for rural and marginalized populations
- A collaboration with RTM and BHPetrol for the TV programme called "Di Celah-Celah Kehidupan" that showcases real life stories of the rakyat **facing challenges** such as poverty, disability and old age
- Participation in **"Program Pengiktirafan Veteran 1Malaysia"**
- **Continuous contribution** to Yayasan Warisan Perajurit
- Provide training under "Skim Lathian 1 Malaysia (SL1M)" to **enhance the unemployed fresh graduate soft skills**
- The BHPetrol Orange Run

to further gains in market share

- Pharmaniaga Berhad **expand market penetration in Indonesia** through a MOU to acquire 100% of PT Eritra Pharma, a privately-held manufacturer of generic pharmaceutical products based in Bandung
- Mechanisation of estate operation that will **reduce dependency on labour and enhance productivity**

Source: G20 Reporting, Bloomberg, PCG Analysis



BOUSTEAD HOLDINGS BERHAD



TAN SRI DATO' SERI LODIN
WOK KAMARUDDIN, GROUP MD

PERFORMANCE HIGHLIGHTS

REVENUE 2012



JOINT VENTURE



Boustead Group and Ikano Pte Ltd entered into a JV to jointly develop and manage a shopping centre in Jalan Cochrane, Kuala Lumpur

SARAWAK OPERATIONS

MHS Aviation Berhad secured a new contract with Petronas Carigali Sdn Bhd to provide support to its Sarawak operations utilising a Sikorsky S76C helicopter.

ROYALE BINTANG DAMANSARA

Opening of a new hotel, Royale Bintang Damansara.

370 rooms & the only hotel in the country with an indoor ice-skating rink

HOUSING PHASE DEVELOPMENT

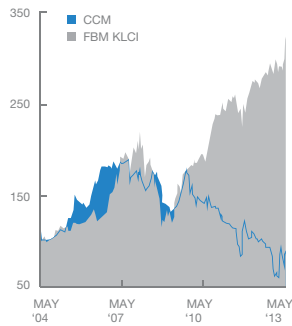
Launching of new housing phase in Taman Mutiara Rini, Johor

Source: G20 Reporting, Bloomberg, PCG Analysis



CHEMICAL COMPANY OF MALAYSIA BERHAD

TSR INDEX

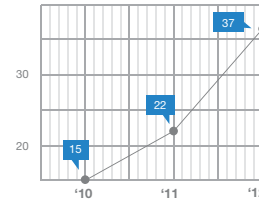


HISTORICAL PERFORMANCE

FY 31 December

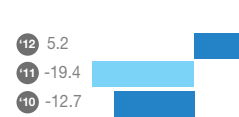
Unit: RM Million	'10	'11	'12
Operating Cash Flow	774	921	1,060
Net Cash / (debt)	11,861	14,162	19,508
Market Cap	1,504	2,166	2,998

Net profit (RM Million)



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

	'12	'12	'13
Target	Actual	Target	
ROE (%)	4.2	5.9	5.8
Profit before tax (RM Million)	70.2	71.9	71.6

ACHIEVEMENTS

Pharmaceuticals Division

► Profit before taxation for FYE 31 Dec 2012 increased **30%**, following higher revenue and improvement in gross profit margins

11 RM19.5m ►► 12 RM25.4m

► **9%** improvement in revenue. The improved performance for the year was largely driven by higher sales to both the public and private sectors

11 RM262.4m ►► 12 RM284.8m

► Focused its **Ethical business efforts** in niche areas such as oncology, biosimilars and vaccines while enhancing in R&D activities to strengthen product pipeline and customer offerings

► Completed the development of **10 generic products that include sustained release products** which differentiate the division's products from commodity generics through ISO17025 certified R&D facility

► Also adopted **two pronged strategy** to address its future pipeline, leveraging the expiry of Innovator Patents to introduce new generic products as well as to pursue strategic partnerships with major multinational players

► One such partnership was an exclusive licensing and distribution rights agreement from Biocin Ltd, India through its Malaysian wholly owned subsidiary to appoint the division to market, sell and distribute a range of insulin products in Malaysia and Brunei

► Inked a **strategic collaboration on clinical trials and distribution** with Korea's PanGen Biotech Inc. to pioneer development of biosimilars for kidney failure treatment in Malaysia

Chemicals Division

► Continued to be the top contributor despite its profit before tax falling by 10%

11 RM43.5m ►► 12 RM39.0m

► Revenue for the division declined by **15%** as a result of softening commodity prices and the ongoing rationalization of its trading business portfolio

11 RM413.2m ►► 12 RM352.2m

► Chemicals Division's manufacturing segment comprising of Chlor-Alkali and polymer coating businesses continued to be the key drivers behind the division's performance

Fertilizers Division

► Profit before tax improved two-fold from a loss position

11 -RM10.0m ►► 12 RM10.7m

► However, revenue slipped **6%**, due to lower volume of compound fertilizers sold to the plantations and dealers sectors by approximately **18%** when compared to the same period last year

11 RM934.2m ►► 12 RM876.3m

► It has the only plant in the country to have Sirim MS49, ISO9001 and SNI certification and the only AN base compound fertilizers supplier in the country

Awards & Accolades

► Received Gold Awards in **Process Safety Code** to signify high standards in operating a chemical plant; **Employee Health and Safety Code** to

ensure the employees' health and safety welfare are taken care of; and **Product Stewardship Code** to ensure we manage chemical products with the highest safety, health and environment standards from the day produce till dispose from Chemical Industries Council of Malaysia (CICM) **Responsible Care Awards 2012**

► Chemical Division also received Silver Award for **Community Awareness and Emergency Response Code** to recognize efforts in making surroundings a safer place to live in and the **Distribution Code** to show that CCM adopt the safest way to distribute products around the country and also for exports

► It was also recognized with a **Merit Award** as a company that promotes pollution prevention and cleaner environment

► CCM Pharmaceuticals Division was given recognition for being the forefront in developing the Halal Pharmaceuticals industry and infrastructure when it won the **MS user Award 2012** awarded by the Department of Standards Malaysia, Ministry of Science, Technology and Innovation

Continued Support for GLCT Programme

► Sponsored 4 of **CCM PINTAR Schools** (SK Padang Jawa, Shah Alam, SK Padang Garong 2, Kota Bharu, SK Sungai Ramal Dalam, Bangi, and SK Sungai Tisang, Bintulu) each awarded RM20,000 to expand their ideas of having their own 'Herb Land', building a new court, a covered assembly area and a walkway

► Trained 10 graduates from United Kingdom via the **Graduate Training Programme**

CHALLENGES

Staying at par with the industry

► **Low commodity prices** affecting crude palm oil and chlor-alkali

► **No Fertilizers Act** to regulate product quality for protection of particularly small holder

► **Increase competition** from local and international players resulting in price competition for base volume of fertilizers

► Originator going into **generic pharmaceuticals**

► Volatile **raw material pricing**

► **Product adulteration** especially for fertilizer

Improving further delivery platform

► Continue growing **Revenue and Profitability** by engaging aggressive sales and marketing activities, investment in R&D and to obtain quality assurance

► Enhance **customer value, products and services**

► Continuously implement cost management & process improvement to ensure **cost efficiency and optimise cash-flow**

► Maximise **resource utilization**

► Identify potential **strategic partnership**

► Create effective **talent management and succession planning program**



CHEMICAL COMPANY OF MALAYSIA BERHAD



AMIRUL FEISAL BIN WAN ZAHIR
GROUP MD

PERFORMANCE HIGHLIGHTS

ECONOMIC PROFIT

Significant improvement from a Loss before Tax

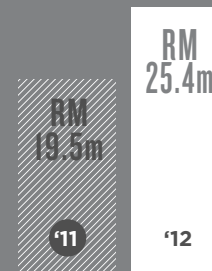


PROFIT BEFORE TAX (FERTILIZERS DIVISION)

Improved from a Loss before Tax in the same period last year



PROFIT BEFORE TAX (PHARMACEUTICALS DIVISION)



+30%



following higher revenue and improvement in gross profit margins.

REVENUE (PHARMACEUTICALS DIVISION)



improved performance for the year was largely driven by higher sales to both the public and private sectors

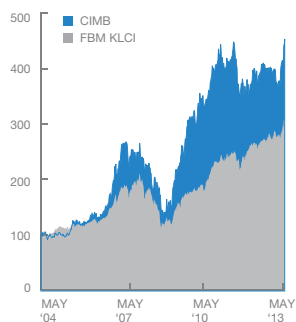
Source: G20 Reporting, Bloomberg, PCG Analysis

Source: G20 Reporting, Bloomberg, PCG Analysis



CIMB GROUP HOLDINGS BERHAD

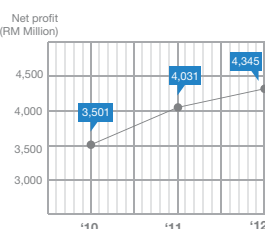
TSR INDEX



HISTORICAL PERFORMANCE

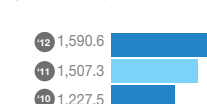
FY 31 December

Unit: RM Million	'10	'11	'12
Net Interest Income	6,537	6,676	7,396
Loan Assets	159,181	183,839	202,138
Market Cap	63,179	55,300	56,712



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

Unit: %	'12 Target	'12 Actual	'13 Target
After-tax ROE	16.4	16.0	16.0
Group Loans Growth	16.0	10.0	15.0
Group Credit growth for FY13 target			
TSR	>FBM KLCI	-9.8% <FBM KLCI	>FBM KLCI

ACHIEVEMENTS

2012 Financial Performance

► A record net profit growth of 7.8%. This was equivalent to net EPS of 58.4 sen and ROE of 16.0%

► RM4.0b ►► RM4.35b

► 40% of dividend payout ratio translating to a total dividends amounting to RM1.7b or 23.38 sen per share was declared by CIMB Group for FY12

Other Key Financial Highlights

► 11.3% higher in the Group's operating income at RM13.495b led by a 10.8% expansion in net interest income and a 12.7% growth in non-interest income in FY2012. A record year in ASEAN capital market transactions and an uplift in treasury markets activity underpinned the stronger non-interest income performance

► 9.1% higher in the Group's profit before tax ("PBT") at RM5.678b with a net profit of RM4.345b, up 7.8% Y-o-Y

- 10% increased in Total Group gross loans and deposits respectively
- 23.9% was expanded in the regional Consumer Bank PBT to RM2.323b while the regional Wholesale Banking PBT rose 23.1% Y-o-Y to RM2.868b largely underscored by the Treasury & Markets division and Investment Banking PBT improving by 43.8% and 18.3% respectively
- 41% increased in Total non-Malaysian PBT in 2012 from 36% in FY2011

Advanced Regional Investment Banking Positioning

► Acquisition of selected Asia Pacific cash equities and advisory businesses from the Royal Bank of Scotland (RBS) decisively transforms CIMB into the largest Asia Pacific-based investment bank with full and enlarged operational presence in Hong Kong/China, Australia, India, South Korea and Taiwan, as well as upgraded equity sales operations in London and New York

Regional value proposition

► Proposed acquisition of 60% of Bank of Commerce (BoC) in the Philippines could potentially strengthen the Group's overall regional value proposition of facilitating intra-ASEAN investments and trade flows

Corporate Responsibility

- CIMB Niaga – Continued high growth rates
- CIMB Thai – Launched core banking system (1Platform) in March 2012
- CIMB Cambodia – Opened 7 branches

CHALLENGES

Regulations

- Tightened BNM lending regulations for the consumer sector:
 - Stricter loan-to-value ("LTV") requirements for the purchase of a second residential property
 - Increase in capital charges in the computation of risk weighted assets
 - Maximum portfolio concentration limits for certain lending classes such as unsecured personal lending and credit card advances
- Uncertainty over new foreign shareholding limit for banks in Indonesia.
- Bank Indonesia and The Capital Market and Financial Institution Supervisory Board (Bapepam-LK) announced

new minimum down payment for vehicle financing and LTV for mortgages.

Operations

- Decelerating credit growth environment resulting in a more cautious stance on loan book expansion
- Uncertain global economic conditions arising from the Euro debt crisis
- Slower capital markets in general and fewer "mega" transactions in all countries apart from Malaysia
- Net interest margin compression in Indonesia. Other countries continue to face intense price competition especially in mortgage loans and deposit rates

- Teething issues from the gradual completion of the RBS acquisition which resulted in lower revenues in 2012
- Increased operational constraints imposed by greater cost discipline

Share Price Underperformance

ATTRIBUTED TO:

- Management's strategic decision to adopt a cautious stance since mid-2011 given the uncertainties in the regional and global operating environment
- Uncertainty related to foreign shareholding in banks in Indonesia following Bank Indonesia's announcement of a possible review of shareholding limits.



CIMB GROUP HOLDINGS BERHAD



DATO' SRI NAZIR RAZAK
GROUP MD / CEO

PERFORMANCE HIGHLIGHTS

NET PROFIT

2012

RM4.35b

2011

RM4.03b

+7.8%

RM 4.35b

RM 4.03b

'12

TOTAL GROUP LOANS & DEPOSITS

+10%

▲ Respective Growth

TOTAL NON-MALAYSIAN PROFIT BEFORE TAX

2012

41%

2011

36%

ASEAN CAPITAL MARKET

Acquisition of selected Asia Pacific cash equities and advisory businesses from the Royal Bank of Scotland (RBS) transforms CIMB into the largest Asia Pacific-based investment bank

ASEAN CAPITAL MARKET



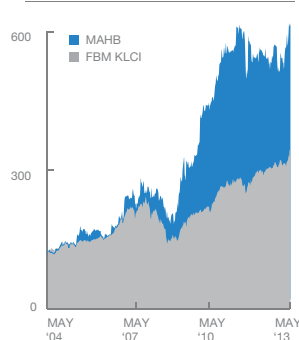
A record year in ASEAN capital market transactions & an uplift in treasury markets activity underpinned the stronger non-interest income performance

Source: G20 Reporting, Bloomberg, PCG Analysis



MALAYSIA AIRPORTS HOLDINGS BERHAD

TSR INDEX

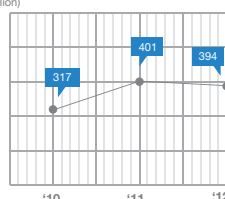


HISTORICAL PERFORMANCE

FY 31 December

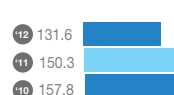
Unit: RM Million	'10	'11	'12
Operating Cashflow	300	492	646
Net Cash / (debt)	-943	-1,703	-2,246
Market Cap	6,908	6,380	6,304

Net profit
(RM Million)



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

	'12 Target	'12 Actual	'10 Target
EBITDA (RM Million)	822.0	866.4	751
ROE (%)	10.42	8.59	-
AIRPORT SERVICE QUALITY AWARD	Top 5 in 25-40mll pax category	Ranked no.3 in 25-40mll pax category	Top 5 in 25-40mll pax category

*Excluding construction profit

ACHIEVEMENTS

Performance Highlights

- MAHB recorded a passenger growth of 5% in FY2012
- 64m → 67.2m
- Both international and domestic passenger movements registered strong growth at 6.1% and 3.9% respectively
- 5.8% growth in the total passenger movements in KLIA and all other airports recorded an aggregate growth in total passenger movements of 3.8%
- 2.3% growth in total aircraft movements to 646,535 aircrafts, with the international sector recording a higher growth of 6.1%

Financial Highlights

- Overall revenue growth of 28.8% in FY2012
- RM2.8b → RM3.5b
- 16.6% growth in aeronautical performance revenue contributed to overall revenue growth

CHALLENGES

- In 2012, the aviation industry was laden with challenges on the back of **global economic headwinds, volatile fuel prices and geopolitical issues**
- High oil prices** as the main cost component of airline operations, remained relatively high in the average of USD130 throughout 2012. Uncertainty of the US economy, Eurozone crisis and a subtle economy growth in Asia continue to pose **major challenges** to the air transport industry
- Airlines and aircraft manufacturers are capitalising on innovation for **more fuel efficient aircrafts** such as the latest A320neo and A380
- Malaysia Airports has long foreseen the need to provide **enhanced facilities to support new aircraft models**, hence the A380 infrastructure has been ready at KLIA as early as 2008. Implementation of facilities and procedures that lower aircraft turnaround time at the airports can further avoid

- The **aeronautical revenue improvement** was a result of the higher passenger and aircraft movements, as well as partly from the implementation of the new aeronautical rates
- Malaysia Airports' total non-aeronautical business continues to be a **strong driver of our earnings**, accounting for **52.1%** or **RM1,126.3m** of revenue in FY2012
- 9.8% increase in our non-aeronautical revenue (airport operators) to **RM985.4m** in FY2012 from **RM897.8m** in FY2011 was due to higher retail, rental and commercial activities in our airports
- 5.8% growth in revenues from rental of space, advertising and other commercial segments to **RM448.9m** in FY2012, contributed mainly by the addition of new tenants, higher tenant occupancy rate in 2012 and increased car park revenue due to higher passenger movements
- 13.3% growth in MAHB's duty-free and non-duty free outlets have shown a robust growth
- MAHB share price consistently outperform the benchmark FBM KLCI
- MAHB has been rated AAA/A3 by RAM/Moody's – GoM's sovereign rating

Awards & Accolades

- KLIA won the **'Best Airport Staff Asia Award 2012'** in the SKYTRAX, 2012 World Airport Awards
- Malaysia Airports is one of the finalist in the **Air Cargo Award of Excellence** for the category Airports Asia 400,000 to 999,999 tonnes, for achieving Air Cargo Excellence and the superior overall rating as determined by the readers of Air Cargo World Magazine
- Malaysia Airports was recognised for its leadership with the inaugural award for **'Exceptional Service to Aviation'** by Pacific Asia Travel Association (PATA)
- Malaysia Airports received **'Lifetime Achievement Award'** in Global Leadership Awards 2012, conferred to Tan Sri Bashir Ahmad, the Managing Director of Malaysia Airports
- Malaysia Airports won **'Anugerah Peratus Prestasi Kutipan Terbaik 2011'**, by the Lembaga Zakat Selangor (LZS)
- KLIA has been certified EarthCheck Platinum after being certified Gold for five years in a row

traffic delays and allow airlines to efficiently use and effectively reduce jet fuel consumption

- The new Runway 3 being built to a full length 4 km runway at KLIA to **support the overall airport efficiency** is Malaysia Airports' commitment to support energy-efficient initiatives of the industry. It will not only ease congestion, reduce taxiing time and serve as a backup runway but also enable airlines to **save a significant amount of fuel** during take-off and landing

KLIA will be amongst the first in the region to have a third runway and it is seen to **provide a competitive advantage** in terms of airside capacity to cater the exponential traffic growth in Asia Pacific Region

- For the MAHB Group, the year 2013 is expected to be a **better year** in terms of overall passenger traffic performance. The capacity cuts and termination of routes in 2012, have been sufficiently filled up by the national

carrier and foreign carriers, as evidenced by the double digit growth registered 1Q13

- Positive signs in the economy aligned with an **increase in capacity offering** will further contribute to an optimistic traffic growth. Therefore, the Group expects to achieve a passenger growth of 7% for 2013, on the assumption that Malaysia's GDP grow in the range of 5-6%, as positive economy **generates domestic demand** that will help drive the aviation industry
- However there are still risks to the industry. Although the oil price has declined slightly it may remain at a high of USD110 according to IATA. The **new strain of bird flu** in China and the uncertainty of the **Euro crisis** will remain a downside to the industry

- Klia2 construction** will continue to be a priority and upon completion, it will contribute positively to MAHB's revenue particularly in retail and commercial operations

Source: G20 Reporting, Bloomberg, PCG Analysis



MALAYSIA AIRPORTS HOLDINGS BERHAD



TAN SRI BASHIR AHMAD
BIN ABDUL MAJID, MD

PERFORMANCE HIGHLIGHTS



PASSENGERS

Total number through
MAHB's 39 airports in Malaysia

67.2m

▲ +5% Passenger Growth

REVENUE

2012

RM3.5b

2011

RM2.8b

+28.8%



Improvement in aeronautical
performance revenue

AWARDS & ACCOLADES



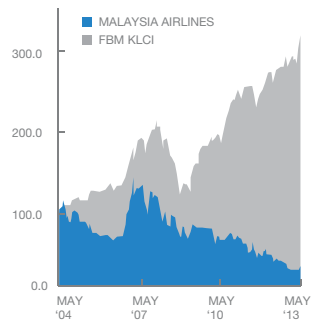
MAHB has been
rated AAA/A3 by
RAM/Moody's



KLIA won the 'Best Airport Staff Asia
Award 2012' in the SKYTRAX, 2012
World Airport Awards

Source: G20 Reporting, Bloomberg, PCG Analysis

TSR INDEX

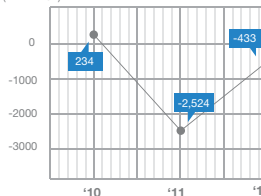


HISTORICAL PERFORMANCE

FY 31 December

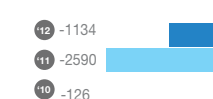
Unit: RM Million	'10	'11	'12
Operating Cashflow	104	-567	-274
Net Cash / Debt	-1,484	-4,554	-7,400
Market Cap	6,985	4,345	2,373

Net profit
(RM Million)



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

Unit: RM Million	Target	Actual	Target
Profit Before Tax	-972	-425	170

ACHIEVEMENTS

- Reduction of full year financial loss

RM2.52b → RM430.74m

- Progress made in Funding Plan: **Perpetual Sukuk RM2.5b, new aircraft leasing valued at RM5.3b**, Corporate Exercise announced for Capital Restructuring and Rights Issue

- Corporate brand – refreshed; A&P – new look & feel

- Accelerated push in marketing targeting more corporate travel, new & under-served market segments

- Route rationalisation to suspend low yield long-haul destinations & increase frequency regionally to tap growth, new destination added (Kathmandu)

- 4 out of 6 aircraft delivered in 2012 (new flagship A380 fleet)

- 28 aircraft delivered in 2012 (4 A380, 10 A330-300, 14B737-8). Fleet renewal programme progressed.

- 9.2 Average Age of Fleet (end 2012)

- 143 Total No. of Aircraft for Group

- Signed S&P Agreement for 36 ATR72-600 turboprops for Firefly, MASwings

- Launched entry into the oneworld alliance on 1 Feb 2013 MASkargo network expansion - Colombo (Sri Lanka), Baku (Azerbaijan), Papua New Guinea, Ho Chi Minh, Johannesburg

- Firefly network expansion – more point-to-point – to Penang, Kota Bharu, Singapore

- MASwings network expansion to more BIMP-EAGA destinations regionally – to Bandar Seri Begawan, Tarakan, Pontianak

Awards Won

- World's 5-Star Airline, Skytrax UK 2012
- World's Best Cabin Staff, Skytrax UK 2012
- Best Airline Signature Dish, Skytrax UK 2012
- Gold Award for Transportation, Travel & Tourism Category, Putra Brand Awards 2012
- Most Promising Brand Award (Firefly), Putra Brand Awards 2012
- World Travel Awards (WTA) 2011, World's Leading Airline to Asia
- Best First Class Cellar, Cellars In The Sky 2012
- Best First Class Red Wine, Cellars In The Sky 2012
- 2nd in Best First Class Sparkling, Cellars In The Sky 2012

CHALLENGES

Industry Outlook

- Asia expected **CAGR GDP growth** till 2030 ranging between 5% to 7%

- 2013 GDP growth in Asia expected to be between 4% to 6%

- 35% of total 34,000 new orders for aircraft till 2030 belongs to Asia Pacific. Approx 59% of all orders are for growth, indicating the huge capacity injection and increased competition regionally

- Low cost carrier (LCC) market share expected to grow from 14% to 19%

- Outlook: Jet fuel prices expected to remain high

- Heavy capacity injection in Asia Pacific region
- New competitors and growth of LCCs adding to increased competition
- Pressure of yields expected to increase
- More collaborations among airlines demonstrating changing players and landscape

Competitive Landscape

- Marginal GDP growth expected in Asia for 2013; longer term prospects more promising

- Inter and intra Asia Pacific travel projected to be largest in the world by 2030

- With 35% of total orders, competition in Asia Pacific is expected to increase tremendously

- Most aircraft orders expected from Asia Pacific – leading to added pressure on yields

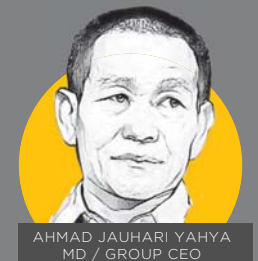
- Premium class travel expected to reduce given slower economic growth worldwide & added choice for consumers

- Asia Open Skies 2015 – deregulation & more competition

- Qantas-Emirates powerhouse

Source: G20 Reporting, Bloomberg, PCG Analysis

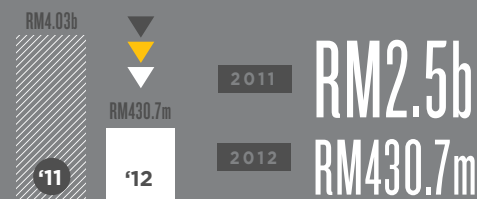
MALAYSIAN AIRLINE SYSTEM BERHAD



AHMAD JAUHARI YAHYA
MD / GROUP CEO

PERFORMANCE HIGHLIGHTS

FINANCIAL NET LOSS



ECONOMIC LOSS

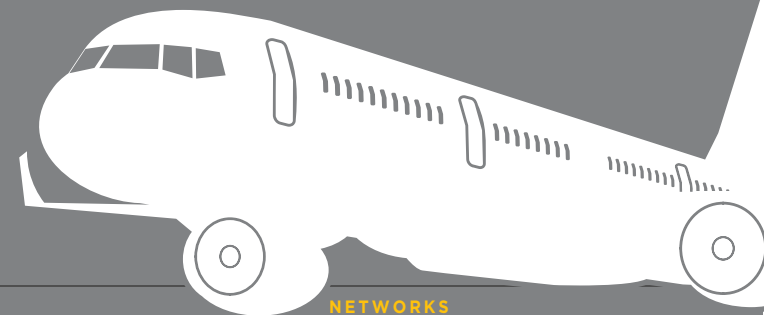


FUNDING PLAN

Perpetual Sukuk
RM2.5b

New aircraft leasing
RM5.3b

Corporate Exercise announced for Capital Restructuring and Rights Issue



NEW FLAGSHIPS



**4 out of 6 new
flagship A380
fleet received**

NETWORKS

**Launched entry into the
oneworld alliance on
FEB 2013**

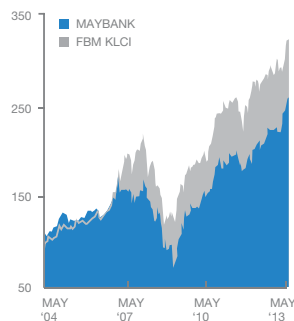


Source: G20 Reporting, Bloomberg, PCG Analysis

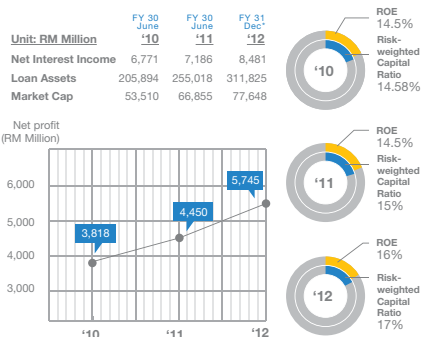


MALAYAN BANKING BERHAD

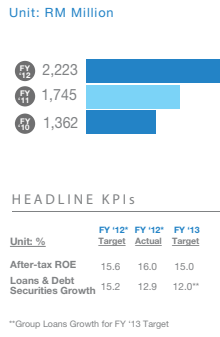
TSR INDEX



HISTORICAL PERFORMANCE



ECONOMIC PROFIT



ACHIEVEMENTS

Financial performance continued to improve during FY2012

- RM5.74b record PATAMI was delivered as well as superior shareholder value creation with **ROE of 16.0%** exceeding headline KPI of 15.6%.
- 2012 was the third year of **double-digit earnings growth** which was driven by higher revenue growth, operating efficiency and improvements in asset quality.
- **12% overall increase in revenue** from the year earlier, with domestic operations growing at 10.5% and international growing at 15.5%, has led the rise in Group PBT and PATAMI
- **30.2% of Group PBT** are now contributed by **International operations**, up from 23.8% in calendar year 2011, with Singapore's PBT now crossing the RM1.0b mark, and Indonesia's PBT rising 60% year-on-year to reach RM554m.
- **Maybank Islamic** maintained its leadership position with a **PBT of RM1.19b, up 24.9%**; and total gross financing **grew 18.3% to RM62b**, representing **30.6% of Maybank's total domestic financing**.
- The Group's balance sheet continued to strengthen with **total assets of RM495b**, and **RWCR of 17.2%** (assuming 85% reinvestment rate).
- Asset quality continued to improve with a **Net Impaired Loans ratio of 1.09%** and loan loss coverage of 105.6% as at Dec 2012.

Key Corporate Developments

EXPANSION OF REGIONAL FOOTPRINT:

- Beijing and Laos branches commenced business operations. The first branch in Laos completed the Group's footprint in all 10 ASEAN nations.
- Cambodia operations were locally incorporated and Myanmar Representative Office was reactivated.
- Added **two new branches** each in Philippines and Cambodia and also **53 branches** in Indonesia.

STRENGTHENING CAPITAL POSITION FOR FUTURE GROWTH

- **RM3.66b of equity capital** was raised by Maybank in October 2012 through a private placement, the largest in

CHALLENGES

- Uncertainty around macroeconomic developments in various key economies may slowdown external demand and value of ASEAN exports. Continued pressure in this area may slow corporate activity and consumer spending that typically support demand for credit. Further, the slow down in external demand may lead to an uptick in asset quality issues

Malaysia's corporate history. It was well received by both domestic and foreign institutional investors with the **base deal size of 300m new shares being upsize to a total of 412m** new shares to cater for the demand. The private placement was a proactive move to boost the Group's equity capital ahead of the implementation of the Basel III capital framework in 2013 as well as to support regional growth.

The Transformation Journey - Year of the Harvest

► The past years' record-breaking results underlie the success of Maybank's transformation journey. 2012 was the transformation programme's year of harvest since the Group's restructuring of the main business to three pillars to form the new "House of Maybank" in 2010.

MOVING CLOSER TOWARDS MAYBANK'S 2015 STRATEGIC OBJECTIVES:

- Undisputed No.1 Retail Financial Services provider in Malaysia by 2015
- 17% Total Consumer / Household market share
- 20.5% Automobile hire purchase market share, rose from 19.4%
- 18.5% market share with 15 million cardholders, No.1 in Customer Cards
- 3208 touch points, the largest network
- Leading ASEAN wholesale bank eventually expanding to Middle East, China & India
- **No.1 and No.2** in M&A and Domestic Bonds respectively in the Malaysian League Table
- Asset quality improved significantly with net impaired loans registered at **0.52% from 2.00%** in the previous year
- Global Banking presence in **15 countries**
- Undisputed Insurance & Takaful leader in Malaysia & emerging regional player
- Total assets at **RM27.5b**
- "The Most Outstanding Takaful Company" by Kuala Lumpur Islamic Finance Forum (KLIFF)
- Truly regional organisation with ~40% of pre-tax profit

- The competitive landscape in financial markets in the region will fuel more keen competition for funding via core deposits to ensure sufficient liquidity amidst rising credit demand. The pursuit of more deposits and competitive pricing on financing would lead to further compression on net financing margin for banks

derived from international operations by 2015

- **International PBT contribution at 30%**
- Footprint in all 10 ASEAN countries
- Global Leader In Islamic Finance
- Group Islamic PBT at RM1.32b in 2012
- **No.3** on the Global Islamic Bond Market League Table
- Maybank is not only the largest banking group in Malaysia but it is also the **most valuable company listed on Bursa Malaysia** with market capitalisation of **RM55b**
- It now ranks among the **top five banking groups in Southeast Asia** and has recently acknowledged by Bloomberg Markets as **13th strongest bank in the world**

Notable Awards for 2012

- **Alpha South East Asia Annual Deal and Solution Awards 2012** - Best Mid Cap Deal Of The Year, Best REIT Deal Of The Year, Most Innovative Deal Of The Year, Best Project Financing Deal Of The Year, Best Islamic Finance Deal Of The Year, Best Dual-Listed IPO Of The Year, Best Equity Deal Of The Year
- **Preferred Employer Awards** - Banking & Financial Services Category
- **Radar Global Awards 2012** - Gold Medal For Overall Reputation
- **Malaysia's Most Valuable Brand Award 2012** - Malaysia's Most Valuable Brand
- **MACRA 2012 Awards** - Platinum Award - Overall Excellence Award, Industry Excellence Award - Finance, Platinum - Best Designed Annual Report Award, Gold Award - Best Corporate Social Responsibility, Silver Award - Best Annual Report in Bahasa Malaysia.
- **Annual ICT Leadership Award 2012 (PIKOM)** - Malaysia's ICT Organisation of the Year Award and CIO of the Year 2012 Award
- **World's Best Islamic Financial Institutions Awards 2012** - Best Sukuk Bank and Best Islamic Finance Deal of The Year AsiaMoney Award 2012 - Best Managed Company in Malaysia - Large Cap

Source: G20 Reporting, Bloomberg, PCG Analysis



MALAYAN BANKING BERHAD

PERFORMANCE HIGHLIGHTS

PROFIT AFTER TAX & MINORITY INTEREST

RM5.7b

shareholder value creation with
Return on Equity of



exceeding headline KPI of



REGIONAL PRESENCE

over
2,200
offices & 20 countries

47,000
Maybankers &
22 million customers

Source: G20 Reporting, Bloomberg, PCG Analysis



DATO' SRI ABDUL WAHID OMAR
PRESIDENT / CEO

MARKET CAPITALISATION

USD29.3b

No.2 in ASEAN*

*as at 7 June 2013

TOTAL NON-MALAYSIAN PROFIT BEFORE TAX



AWARDS & ACCOLADES

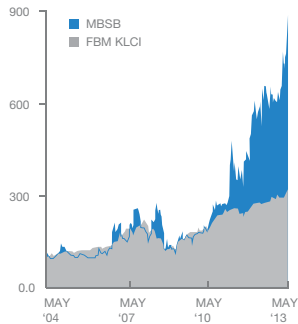
TOP 5 amongst leading banks in
Southeast Asia* and recently
acknowledged by Bloomberg
Markets as 13th strongest
bank in the world

*based on Assets, Loans & Deposits and PATAMI
as at 31 March 2013



MALAYSIA BUILDING SOCIETY BERHAD

TSR INDEX

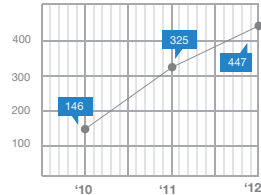


HISTORICAL PERFORMANCE

FY 31 December

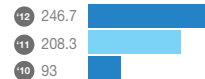
Unit: RM Million	'10	'11	'12
Net Interest Income	177	206	223
Loan Assets	10,707	15,185	24,266
Market Cap	1,043	2,285	2,803

Net profit
(RM Million)



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

Unit: %	'12	'12	'13
ROE	15	34	15
Revenue Growth	25	44	25

ACHIEVEMENTS

Financial performance meeting targets and on the rise

- PBT recorded growth of 53%
11 428m >>> 12 656m
- Net loan, advances and financing showed an increase of 60%
11 15.2b >>> 12 24.3b
- Achieved ahead of full year target for all Headline KPIs for FY 2012
- 33% dividend declared, inclusive special dividend of 18%

Enhancing customer value proposition and improving service level

- Continued enhancing productivity and optimal cost

efficiency and translated into low profit rate charges to its customers

- Introduced new business line in Auto financing and remittance services made available at MBSB's branches
- Established partnership with Government agencies and GLCs to offer financing package to its vendors e.g. MARA, FELDA, Sime Darby, TNB, etc.
- Launched new Islamic Tawarruq platform for Personal Financing-i product.

Improved operational platform

- Development of new Treasury system for front and back office

Increased focus on customers and society

- Completed Phase 1 MiCoB (new banking platform).
- Scored above average on the survey for GLC's

Customer Service Index organized by Malaysia Productivity Corporation

- Provided a platform for marketing agencies with high commission payout to grow their business with MBSB
- Sponsoring of Youth ICON, Nabil Jeffri in 2012 JK Racing Asia Series
- Sponsoring Suria FM Annual Concert (Malay radio station with highest listenership)

Accolades

- The Edge Billion Ringgit Club (Finance Sector): Best Performing Stock - Highest Return to Shareholders over 3 years
- IBFIM's Islamic Finance Talent Development (IBFIM - Islamic Banking and Finance Institute Malaysia): Champion Award 2011/2012

CHALLENGES

Stay competitive with the industry

- Pressure on NIM for certain products due to funding structure
- Continuous efforts to resolve and unlocking the value of mortgage and legacy loans

Reaching a wider market

- Limited branch network and absence of ATM facilities
- Introduced new business line in Auto financing and remittance services made available at MBSB's branches

Source and Retain of Talents

- Shortage of talents at strategic management level in certain areas such as Syariah, Risk Management and staff pinching remains common in the industry

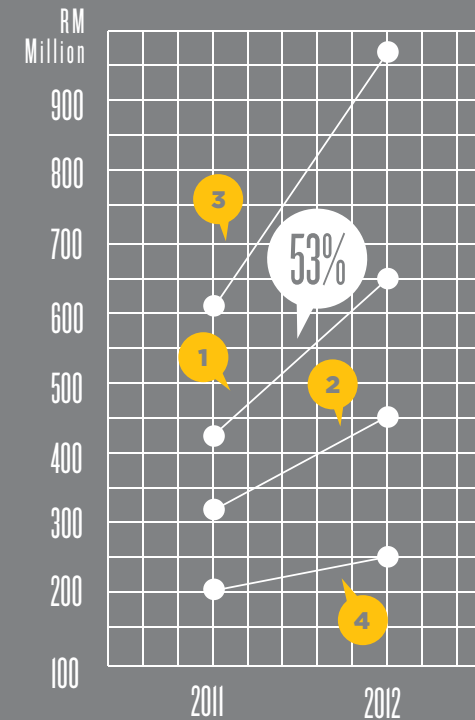


MALAYSIA BUILDING SOCIETY BERHAD



DATO' AHMAD ZAINI OTHMAN
PRESIDENT / CEO

PERFORMANCE HIGHLIGHTS



1. PROFIT BEFORE TAX

2012	RM656m
2011	RM428m

2. PROFIT AFTER TAX

2012	RM447m
2011	RM325m

3. OPERATING INCOME

2012	RM970m
2011	RM603m

4. ECONOMIC PROFIT

2012	RM246.7m
2011	RM208.3m

NET LOAN, ADVANCES & FINANCING

2012	2011
RM24.3b	RM15.2b

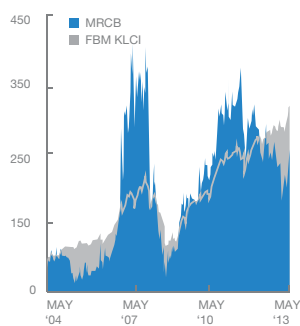


+60%

Source: G20 Reporting, Bloomberg, PCG Analysis

Source: G20 Reporting, Bloomberg, PCG Analysis

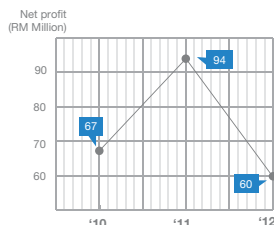
TSR INDEX



HISTORICAL PERFORMANCE

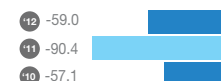
FY 31 December

Unit: RM Million	'10	'11	'12
Operating Cashflow	237	-31	-256
Net Cash / (debt)	-1,197	-2,108	-2,661
Market Cap	2,750	2,994	2,151



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

Unit: RM Million	'12	'12	'13
Group Revenue	1,500	1,283	1,200
New Property Sales	1,000	975	1,000
New Order Book Growth	1,200	841	1,200
For Engineering, Infrastructure and Others	130	134	150
Group PBT	130	134	150

ACHIEVEMENTS

Financial performance for the 3 months period ended 31 March 2013

- ▶ RM262m Revenue
- ▶ RM5m PBT

Major infrastructure project delivery, commencement of works and strong capital management practices

- ▶ The ongoing developments valued more than RM4b in Kuala Lumpur Sentral by 2013
- ▶ Completed the first office development to comply with the **BCA Green Mark (Singapore)** and **GBI (Malaysia)** standards in Kuala Lumpur Sentral. Completed another development to comply with LEED (US). Three ongoing developments to comply with GBI (Malaysia) standards
- ▶ High office rent rates in KL Sentral – RM6.00-RM9.00 psf monthly rent

Continuous support to Malaysia's economic development and ETP

- ▶ JV with Pelabuhan Hartanah Berhad to develop an **integrated transport hub in Penang** that will stimulate economic growth in Northern Peninsular Malaysia
- ▶ Commencement of **St Regis Residence & Hotel** development in Kuala Lumpur Sentral to establish a new benchmark in the Malaysian hospitality industry and services sector
- ▶ Transformation of **Little India in Brickfields and Jalan Travers** into a vibrant and conducive environment for business and living for the community
- ▶ Ongoing development of a **1 million sq ft office tower** and **1 million sq ft residential condominium** in Kuala Lumpur Sentral to be completed by 2015 and 2016 respectively

Continuous support towards environmental and social development

- ▶ Working towards **river rehabilitation works** in Greater Kuala Lumpur
- ▶ Continuous work done on "**greening**" of **Kuala Lumpur Sentral** and donation towards establishing Taman Botani Perdana under the green initiatives of the Greater Kuala Lumpur development plan
- ▶ Donation to **Yayasan Peneraju Pendidikan Bumiputera** to enable more Bumiputera achieve high-income employment
- ▶ Donation for **building upgrade** on mosque and staff quarters at Masjid Jamek Pasir Pelangi, Johor Bahru and flood victims in Pagoh, Johor

CHALLENGES

Susceptibility to external factors

- ▶ Weakness of **demand for overall property** particularly high residence due to economic conditions, excess supply and tightening of end financing
- ▶ Increase in **cost of raw materials and imported goods** expected to negatively impact profit margins particularly when contract price are fixed regardless of the increase in world commodities market
- ▶ Slow payments from clients affecting work progress and cashflow

Improving bottom-line, legal defence, pre-

empting issues, reward system and tax planning

- ▶ Reusable construction machinery, equipment, tools and materiel are supplied to sub-contractors to **reduce overhead cost**
- ▶ Strengthening **terms and conditions in agreements** with vendors and purchasers and documentation/ notification process from a **legal perspective**
- ▶ Efficient **tax planning** for all business structures and internal reorganization of shared administrative cost
- ▶ **Closer monitoring** of the number of manpower

and cost claims at project sites and to inculcate a performance based work culture

- ▶ Streamline **human capital remuneration & reward system** together with incentives to attract and retain best talents
- ▶ Identify and immediately engage relevant parties to **resolve potential problems and improve delivery time**

PERFORMANCE HIGHLIGHTS

ECONOMIC PROFIT

2012

-RM59.0m

2011

-RM90.4m

DEVELOPMENT

Commencement of **St Regis Residence & Hotel** development in KL Sentral to establish a new benchmark in the Malaysian hospitality industry and services sector

MARKET CAPITALIZATION

Transformation of **Little India in Brickfields and Jalan Travers** into a vibrant and conducive environment for business and living for the community

RESIDENTIAL

Ongoing development of

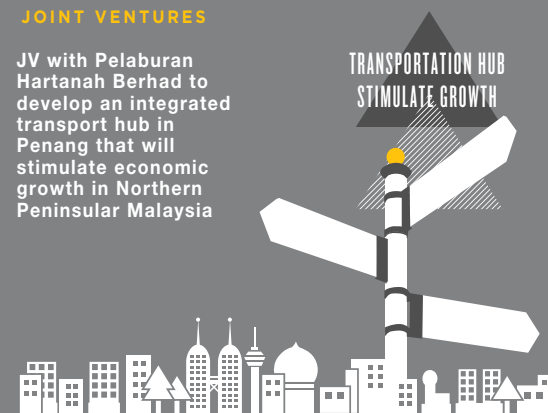
1 million sq ft

each of office tower and residential condominium in KL Sentral to be completed by 2015 and 2016 respectively

JOINT VENTURES

JV with Pelabuhan Hartanah Berhad to develop an integrated transport hub in Penang that will stimulate economic growth in Northern Peninsular Malaysia

**TRANSPORTATION HUB
STIMULATE GROWTH**



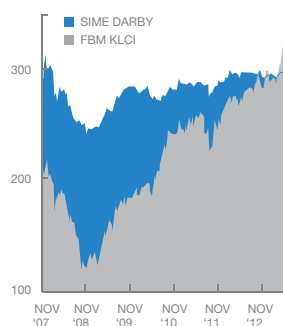
Source: G20 Reporting, Bloomberg, PCG Analysis

Source: G20 Reporting, Bloomberg, PCG Analysis



SIME DARBY BERHAD

TSR INDEX

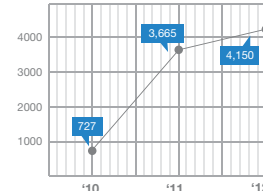


HISTORICAL PERFORMANCE

FY 30 June

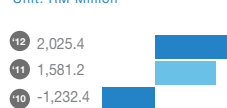
Unit: RM Million	'10	'11	'12
Operating Cashflow	2,997	3,175	2,478
Net Cash / (debt)	-3,098	-2,151	-5,239
Market Cap	52,883	55,287	57,210

Net profit (RM Million)



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

	'12 Target	'12 Actual	'13 Target
Return on Average Shareholder's Funds (ROSF)(%)	13.3	16.6	12.0
Net Profit (RM Million)	3,300	4,150	3,200

ACHIEVEMENTS

Financial performance meeting targets and on the rise

► Net profit: **+13.3% YoY**
RM4,150.2m

► Revenue: **+13.7% YoY**
RM47,602.3m

► Return on Average Shareholders' Funds
16.6%

Strategy

► Refinement of the 5-Year Strategy Blueprint and Portfolio Review Framework in FY2012

STRATEGIC ACHIEVEMENTS

Plantation Division

- 2.5m MT of palm products as of 31st March 2013, the largest producer of sustainable palm oil in the world
- 55 strategic Operating Units (SOUs) have been certified by the Roundtable Sustainable Palm Oil (RSPO) as of YTD March 2013, covering a total planted hectare of 513,000 ha. Target to have all 58 SOUs certified by end 2013
- Launched Sime Darby's first Central Housing Complex (CHC) for plantation workers at Tennamaram Estate, Selangor on April 2012
- Introducing three more CHCs in CEP Penggarn Estate, Johor, Sungai Dingin Estate, Kedah and Sentosa Estate in Sabah
- 5,132 ha out of 8,088 ha of cleared land has been planted in Sime Darby Plantation Liberia's Bomi and Matambo Estates, as of YTD March 2013

CHALLENGES

► Global economy is expected to be clouded by the Eurozone debt crisis

Property Division

► Joint Venture Development with S P Setia and EPF through the successful acquisition of the Battersea Power Station in London. Sime Darby holds 40% stake in this mixed development project

Motors Division

- In August 2012, Sime Darby acquired Citroen under a global Peugeot-Citroen plan to bring its brands together in Australasia
- As of March 2013, Sime Darby opened 2 new showrooms in China and Thailand, as well as 1 showroom each in Malaysia and Australia

Energy & Utilities Division

► Launched Wefang Sime Darby Port's Five Year Development Plan to raise its current capacity of 22m MT to 100m MT per annum by 2017

Healthcare Division

► A 50:50 Joint Venture agreement with Ramsay Health Care was signed on 26 March 2013 to expand the healthcare businesses in Southeast Asia initially and eventually throughout the whole region

AWARDS & ACCOLADES

Property Division

- #3 in The Edge Property Developer Award 2012
- Fiacbi Property CEO 2012 for Dato' Abd Wahab Maskan
- Best Golf Experience, The Best of Malaysia Awards 2012 for KLGCC
- Special Achievements for Sime Darby Property's Corporate Tower at Oasis Square, Ara Damansara
- Certification of the Leadership in Energy and

Environmental Design (LEED Silver) by the US Green Building Council
• First building to be LEED Silver-certified in Malaysia and recognised by the Malaysia Book of Records

Industrial Division

- #3 Caterpillar dealer in the world in 2012 from #5 in 2011
- Motors Division
- #3 BMW dealer in the world in 2012
- #1 BMW - Car Brand in Singapore in 2011, 2012

Healthcare Division

► Industry Excellence Award, Kuala Lumpur Malay Chamber of Commerce's 2012

Corporate Social Division

- Winner of the 'Best Corporate Sustainability Related to Primary Commodities' at the Malaysian Dutch Business Council's Sustainability Awards (MSA) 2012
- Yayasan Sime Darby Scholarship Programmes
- Inaugural publication of Sime Darby Group Sustainability Report
- Big 9 Programme - Funding channelled to Borneo Rhino Sanctuary (BRS), Borneo Sun Bear Conservation Centre (BSBCC) and Ulu Segama - Malua Forest Reserve in aid of the Orangutan
- Child Protection Policy (CPP) Programmes
- Member of United Nations Global Compact (UNGC) on Human Rights
- Women Safety Programme
- Cancer Research Initiatives - Breast Cancer's 'More Than A Mammo' Programme and Cancer Centre at Sime Darby Medical Centre, Subang Jaya

► Volatility in commodity prices in the markets we operate

Source: G20 Reporting, Bloomberg, PCG Analysis



SIME DARBY BERHAD



TAN SRI DATO' MOHD BAKKE SALLEH
PRESIDENT / GROUP CEO

PERFORMANCE HIGHLIGHTS

GROUP'S REVENUE

2012

RM48b

+13.7%

NET PROFIT

+13.3%



2011

RM3,665m

2012

RM4,150m

RETURN ON EQUITY

2012

17%

2011

16%

PRODUCTION

Largest producer of sustainable palm oil in the world

2.5m MT

of palm products as of 31 Mar 2013

JV DEVELOPMENT

JV with SP Setia and EPF through the successful acquisition of the Battersea Power Station in London. Sime Darby holds 40% stake in this mixed development project



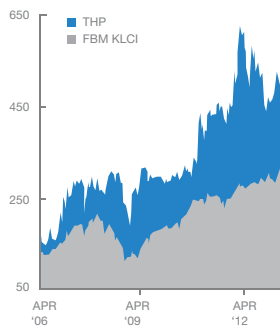
Source: G20 Reporting, Bloomberg, PCG Analysis



TH PLANTATIONS BERHAD

TH PLANTATIONS
BERHAD

TSR INDEX

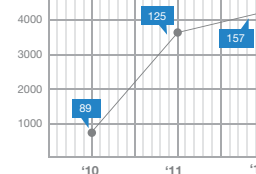


HISTORICAL PERFORMANCE

FY 31 December

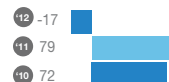
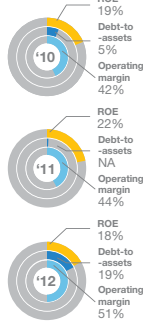
Unit: RM Million	'10	'11	'12
Operating Cashflow	187	159	-29
Net Cash / (debt)	-36	17	-365
Market Cap	1,016	1,079	1,442

Net profit
(RM Million)



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

	'12 Target	'12 Actual	'13 Target
Return on Equity (%)	19.0	18.0	6.5
FFB yield per mature hectare (mt/ha)	22.07	21.51	20.50
Dividend	To distribute approximately 50% of Group's Annual PATAMI		
	A single tier interim dividend of 3.60 sen per ordinary share and a final single tier dividend of 1.00 sen per ordinary share. The total single tier dividend of 4.6 sen per share, translating into a dividend payout ratio of 59% of Group's PATAMI based on realized profits		
Landbank Increase	To expand our land bank to 50,000 Ha by 2012	Surpassed our target of increasing our Group land bank by 103% from 44,933 Ha to 91,078 Ha in 2012	Driven to undertake new and strategic land bank expansions of an additional 30,000 ha by 2015

ACHIEVEMENTS

Financial Portfolio Value Creation

- Registered net profit RM167.5m
- Balance sheet recorded a growth of 79% in shareholders' funds
- RM624.0m → RM1.1b
- Market capitalization increased by 34% RM1.4b
- The establishment of Sukuk Murabahah Programme of up to RM2.5b in nominal value with tenure of up to 15 years

Shareholders Value Creation

- RM33.5m dividend commitment declared, translating into a net payout of 59% of the Group's PATAMI based on realized profits.
- Proposed bonus issue on the basis of one bonus share for every five existing shares

Sustainable Growth Through Inorganic Expansions

- Doubled land banks to 91,078 Ha via acquisitions of plantations land totaling 46,145 Ha in Terengganu, Sabah & Sarawak from Lembaga Tabung Haji
- Third parties proposed acquisitions of plantation land totaling 6,514 Ha in Sarawak

Supporting The National Agenda

- Jointly developing the Native Customary Rights land located in Beladin and Simunjan, Sarawak with State Agency and the Natives. The ventures are expected to benefit the natives in eradicating poverty & improving rural infrastructures

CHALLENGES

Susceptibility Of Changes in External Factors

- As a pure upstream plantation player, unfavourable fluctuation of CPO prices will directly impact our bottomline
- The plantation industry is currently facing labour shortage and failure to address this would be detrimental to the industry especially in the long run
- The discriminatory measures by NGOs to harm oil palm industry, from accusations of rampant deforestation and unsound environmental practices to unfair treatment of farmers and indigenous people

Managing the Internal Factors

- Amidst the changing business landscape, we will be leveraging on our Performance Improvement Program, to continually build momentum and derive sustained value creation from the planted area of 56,623 Ha and developing the plantable reserve of 28,299 Ha over a few years
- Attracting, re-examining, retaining, and developing the best talent to increase effectiveness and competitiveness

Source: Q20 Reporting, Bloomberg, PCG Analysis



TH PLANTATIONS BERHAD

TH PLANTATIONS
BERHAD



DATO' ZAINAL AZWAR BIN
ZAINAL AMINUDDIN, CEO

PERFORMANCE HIGHLIGHTS

LAND BANKS

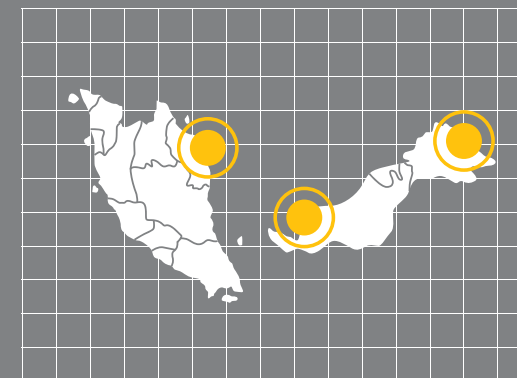
Doubled to

91,078 Ha

via acquisitions of plantations
land totaling

46,145 Ha

in Terengganu, Sabah & Sarawak
from Lembaga Tabung Haji



NET PROFIT

2012

RM157m

2011

RM125m

PROPOSED ACQUISITION

Plantation land totaling

6,514 Ha

in Sarawak

SUKUK MURABAHAH PROGRAMME

Up to

RM2.5b

in nominal value with tenure of
up to 15 years

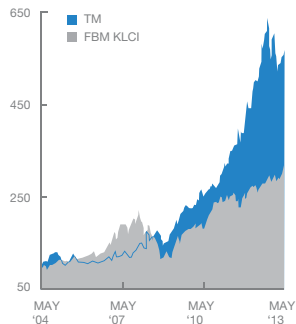
MARKET CAPITALISATION

RM1.4b



Source: Q20 Reporting, Bloomberg, PCG Analysis

TSR INDEX

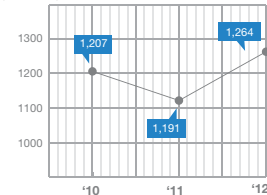


HISTORICAL PERFORMANCE

FY 31 December

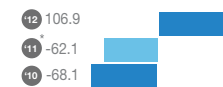
Unit: RM Million	'10	'11	'12
Operating Cashflow	3,088	3,156	2,860
Net Cash / (debt)	-1,184	-1,759	-2,885
Market Cap	12,555	17,742	21,605

Net profit (RM Million)



ECONOMIC PROFIT

Unit: RM Million



*Prior year comparatives were restated arising from adoption of MFRS Framework and optional exemption elected by the Group

HEADLINE KPIs

	'12 Target	'12 Actual	'13 Target
Revenue Growth (%)	5	9	6
EBITDA Margin (%)	32	32	n/a
EBIT Growth (%)	n/a	n/a	3
Customer Quality Perspective	TRI'M Score of 72	TRI'M Score of >72	TRI'M Score of 72

ACHIEVEMENTS

Achievement of All Headline KPIs in 2012 for 3rd Consecutive Year

- ▶ 9.2% revenue growth
- ▶ 32% normalised EBITDA Margin
- ▶ >72 TRI'M score on Customer Satisfaction Measure

Key Milestones Delivered

- ▶ Completed rollout of HSBB to 1.377m premises passed, exceeding target of 1.34m under the Public Private Partnership agreement with the Government of Malaysia

Revenue Growth

- ▶ Revenue growth of 9.2% is the highest recorded since demerger

12 RM9,993.5m

- ▶ 60% of group revenue is contributed by non-voice (data and Internet & multimedia) revenue, surpassing voice
- ▶ 18.5% growth in Internet & Multimedia revenue, being the main driver

Continued Commitment to Shareholders Value Creation

- ▶ RM787m payout for 2012, exceeding the minimum dividend commitment of RM700m for the first time

Balance Sheet Management

- ▶ Continuous divestment of non-core assets

Malaysia's Broadband Champion

- ▶ Maintained leadership in broadband segment

12 2.1m customers

▲ UP 7.4%

11 1.9m customers

CHALLENGES

Arresting Decline in Voice Services Revenue

- ▶ Although at a slower pace, decline is continuing year-on-year due to lower usage and fixed-to-mobile substitution. However, this is mitigated by growth in the internet & multimedia and data revenue
- ▶ Efforts to arrest decline through improved offering in terms of service and price

Competition in Broadband Space

- ▶ Competition from mobile, LTE and new HSBB providers
- ▶ There is still room for growth as broadband penetration rate is currently 66%

- ▶ There are also other opportunities available for TM with mobile broadband growth, ie backhaul services

Capex Management

- ▶ Careful management of HSBB and "Business-as-usual" capital expenditure spend remains crucial along with continued implementation of cost management initiatives, particularly maintenance and manpower cost. This is compounded by the challenge of maintaining two concurrent networks while TM undergoes transition to an all-IP Next Generation Network (NGN) as well as high takeup of UniFi customers and the need to maintain quality of service

Regulatory

- ▶ Regulatory support remains important in light of increasingly competitive industry landscape to ensure equitable and balanced industry structure and fair returns on HSBB network investments.

TELEKOM MALAYSIA BERHAD



TAN SRI DATO' SRI ZAMZAMAIRANI
BIN MOHD ISA, MD / CEO

PERFORMANCE HIGHLIGHTS

NET PROFIT



NET PROFIT



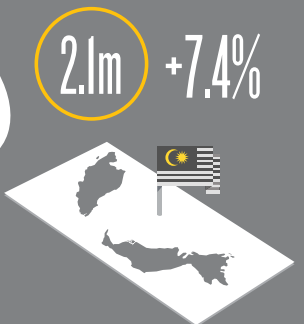
REVENUE GROWTH



ECONOMIC PROFIT



NUMBER OF BROADBAND CUSTOMERS



PROJECT

Completed HSBB to 1.377m premises passed, exceeding target of 1.34m

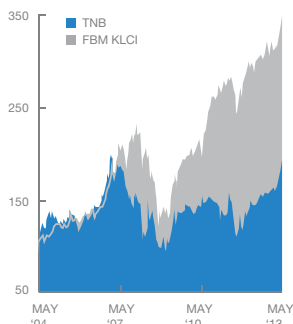
Source: G20 Reporting, Bloomberg, PCG Analysis

Source: G20 Reporting, Bloomberg, PCG Analysis



TENAGA NASIONAL BERHAD

TSR INDEX

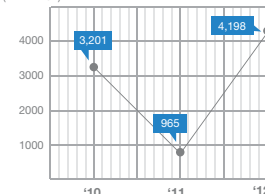


HISTORICAL PERFORMANCE

FY 31 August

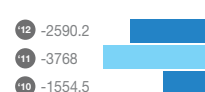
Unit: RM Million	'10	'11	'12
Operating Cashflow	7,070	4,410	7,967
Net Cash / (debt)	-12,639	-15,100	-14,446
Market Cap	38,565	28,647	37,631

Net profit (RM Million)



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

	'12 Target	'12 Actual	'13 Target		'12 Target	'12 Actual	'13 Target
Return on Asset (ROA) (%)	2 - 3	4.5	4 - 5	T&D Losses	8.7 - <9.0	8.2	8 - 8.25
Company CPU (sen/kWh)	32.7 - 33.7	31.9	30.5 - 31.5	Transmission System Minutes	1.1 - 2.0	1.0	1.1 - 2.0
Revenue from Non-Regulated Business (RMb)	1.8 - 1.9	2.3	1.9 - 2.0	Distribution SAIDI	>75 - 80	62.3	60 - 65
Unplanned Outage Rate (UOR) (%)	3.6 - 4.0	3.5	3.6 - 4.0				

ACHIEVEMENTS

Financial performance meeting targets and on the rise

- Group's Revenue increased by **11.2%**
'11 RM32,241.2m **»»** **'12** RM35,848.4m
- Improvement in **EBITDA margin** (after restating the fuel cost compensation)
'11 23.3% **»»** **'12** 25.1%
- Concerted cost control measures contributed to minimal rise in operational expenses of **2.1%**
'11 RM30,956.4m **»»** **'12** RM31,592.1m
- Improvement in Return on Asset (ROA)
'11 4.5% **»»** **'12** 4.6%

Delivered continuous improvements in Malaysia's security of supply

- Improved Generation Equivalent Unplanned Outage factor (EUOF)
'11 7.1% **»»** **'12** 3.5%
- Transmission System Minutes have been constantly **less than 1.03 minutes** over the last four years (FY2010 - 0.9 minutes, FY2009, FY2011 & FY2012 - 1.0 min)
- Distribution System Average Duration Index (SAIDI) further reduced to **62.3 minutes per customer a year**, which getting closer to our target of less than 50 minutes per customer a year by 2015
- Met our targeted Transmission and Distribution losses of **less than 9%** with a significant margin,

recording losses of **8.2%**

Good start in New Business through diversified business portfolio and an international footprint

- Achieved **RM2.3b** Revenue in FY2012 from its non regulated income stream and has **improved by 35%** from **RM1.7b** in FY2010
- The present strategic partnership with Malaysian and international partners will enable TNB's subsidiaries like Remaco to **enhance its competitive positioning domestic and international market** such as: JV with Kharafi National, Kuwait for Shuaibah North for O&M contracts, NDA on rehabilitation & Long Term Service with DHA Pakistan and Dyna Synergy and AYD, Myanmar

Enhance Customers Expectations

- Increased in National CSI score to **7.2 in FY2012 from 7.0 in FY2011**
- The official launch of TNB Careline by the Minister of Energy, Green Technology and Water on 16 Feb 2012
- The introduction of five new main communication channels to customers on 16 Feb 2012:
 - Telephone/fax: 1300-88-5454
 - Telephone/SMS: 1-5454
 - Email: tnbcareline@tnb.com.my
 - Webchat: www.tnb.com.my
 - Facebook: www.facebook.com/mytnbcareline
- Gold Award for Best CRM Implementation** in Contact Centre as recognised by Contact Centre Association Malaysia (CCAM)

CHALLENGES

Challenges in FY2012

- Security of adequate fuel supply and the volatility of fuel prices:
 - In FY2012, TNB had to manage the prolonged gas supply shortage. About **60% of the generation capacity** in Peninsular Malaysia depends on gas, hence the shortfall took a significant toll on the company, requiring TNB to burn more expensive alternative fuels such as medium fuel oil (MFO) and distillates
 - Persistently high coal price (average USD105/tonne) as compared to allowable tariff pass through of USD85/tonne under approved tariff

Mitigation Plan

- Government support through **compensation package**, shared three ways by Government, Petronas and TNB. Since this compensation scheme was implemented, TNB has received a total of **RM3,154.5m**, greatly easing our financial burden and improved our profit margin from the second quarter of the FY2012 onwards

The Way Forward

- TNB is exploring several alternatives to safeguard future supply; using more clean coal technology, importing LNG, importing hydro-based electricity from Sarawak and purchasing from neighbouring countries



TENAGA NASIONAL BERHAD



DATUK SERI IR. AZMAN MOHD
CEO

PERFORMANCE HIGHLIGHTS

GROUP'S REVENUE

2012

RM36b

2011

RM32b

+11.2%

RM 36b

RM 32b

'11

'12

EBITDA MARGIN

2012

25.1%

2011

23.3%

NET PROFIT

2012

RM4.2b

from RM965m in 2011

RETURN ON ASSET

4.6%

from 4.5% in 2011

ECONOMIC PROFIT

-RM2.6b

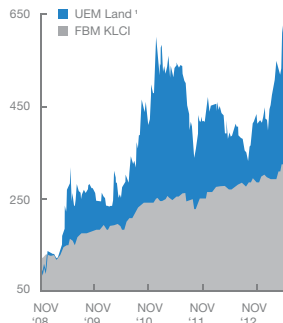
from -RM3,768m in 2011

2012

Source: G20 Reporting, Bloomberg, PCG Analysis

Source: G20 Reporting, Bloomberg, PCG Analysis

TSR INDEX



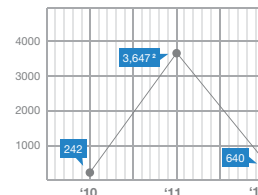
¹ UEM Group Berhad being unlisted, its listed subsidiary UEM Land Holdings Berhad is utilised as proxy for TSR and market capitalisation

HISTORICAL PERFORMANCE

FY 31 December

Unit: RM Million	'10	'11	'12
Operating Cashflow	2,347	1,964	357
Net Cash / (debt)	-9,429	-1,091	1,619
Market Cap ¹	8,887	10,463	9,089

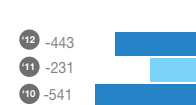
Net profit
(RM Million)



² Including exceptional gain arising from restructuring of expressway assets.

ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

Unit: %	'12	'12	'13
Revenue Growth	51.0 ³	37.9	41.4
ROE	3.5	8.3	9.0

³ Revenue growth target is based on continuing operations for comparative purpose

ACHIEVEMENTS

Operational achievements

► PLUS International received the final approval to commence construction of Cikampek-Palimanan Toll Road after signing of **Rp8.8t Credit Syndication Agreement** with **22 banking and financial institutions**

► UEM Land Holdings Berhad has signed an agreement with Singapore's Ascendas Land International Pte Ltd to **jointly develop a RM3.8b technology park** in Gerbang Nusajaya and embarked on a joint venture collaboration with Singapore's Fastrack Autosports Pte Ltd to develop a Motorsport City at Gerbang Nusajaya with **GDV of about RM3.5b**

► UEM Builders

- **106 days ahead of schedule** in completing the installation of final approach span for Second Penang Bridge
- Secured the My Rapid Transit Viaduct Package 3 and Package S3 projects worth **RM1.2b** from Mass Rapid Transit Corporation

► UEM Group and its JV partner, Najcom Sdn Bhd via a SPV, Konsortium ProHawk Sdn Bhd

was awarded a **RM648m** contract by the Ministry of Health Malaysia to develop Malaysia's first Women & Children Hospital through public private partnership. Concession Agreement was signed in March 2013

► CIMA's sustainable product, NS EcoCrete LH, received the ECO-LABEL Product by SIRIM and is certified GREEN LABEL SINGAPORE by the Singapore Environment Council

► Kualiti Alam is now fully licensed to treat and dispose clinical waste at its Waste Management Centre, located in Bukit Nanas, Negeri Sembilan

List of the key Awards & Accolades

► PLUS Malaysia was accorded the **Service Excellence Award** from Malaysia Productivity Corporation (MPC) at the 2nd CreaNova (Creative and Innovative) 2012

► UEM Land:

- Nusajaya was named winner in the Master Plan Category at the **FIABCI Prix d'Excellence Awards 2012**
- Accorded the **HSBC International**

Property Awards Asia Pacific 2012-2013 for Best Architecture Multiple Residence Development in Asia Pacific for East Legang

► UEM Construction received the **MBAM Bronze Excellent Service Award** conferred by the Master Builders Association of Malaysia (MBAM)

► Kualiti Alam received **2 Gold Awards** (Achievement Awards and Managing Occupational Road Risk) during the RoSPA Occupational Health & Safety Awards 2012

► OPUS Group Bhd was accorded the **National Occupational Safety and Health Excellence Award 2012**

CHALLENGES

Five Key Areas

► **Strategic and tactical approaches** to selective regional growth

► **Foreign exchange fluctuation and strengthening of RM** against most currencies of this region

► Competition for talent with the right skill-set to meet Group's needs & aspirations

► Innovating on multiple fronts for growth & sustainability

► **Intense competition** in the construction industry and rise of key building **material costs**

► Raising the level of **internal productivity** and **profitability** to be best-in-class



DATO' IZZADDIN IDRIS
GROUP MD / CEO

PERFORMANCE HIGHLIGHTS

TECHNOLOGY PARK IN GERBANG NUSAJAYA

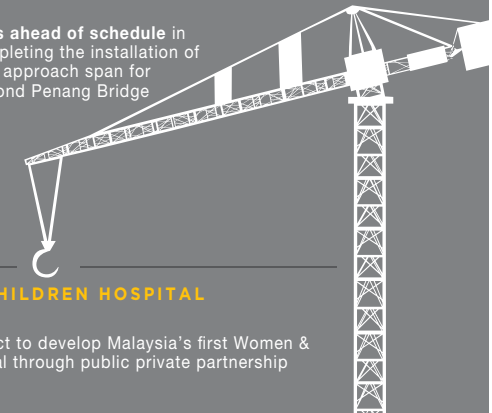


RM3.8b

Signed an agreement with Singapore's
Ascendas Land International Pte Ltd

SECOND PENANG BRIDGE

106 days ahead of schedule in
completing the installation of
final approach span for
Second Penang Bridge



WOMEN & CHILDREN HOSPITAL

Awarded contract to develop Malaysia's first Women &
Children Hospital through public private partnership

JV COLLABORATION WITH SINGAPORE'S FASTRACK AUTOSPORTS PTE LTD

**RM
3.5b**



Motorsport City at Gerbang Nusajaya

THE EDGE TOP PROPERTY DEVELOPERS AWARDS

5th Top Property
Developer
2012

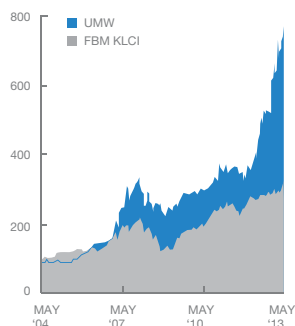
NUSAJAYA WINS THE MASTER PLAN CATEGORY

2011 at the FIABCI Prix
d'Excellence Award

CONSTRUCTION OF CIKAMPEK-PALIMANAN TOLL ROAD, INDONESIA

RM2.8b Credit Syndication Agreement
with 22 banking and financial
institutions

TSR INDEX

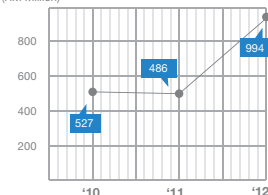


HISTORICAL PERFORMANCE

FY 31 December

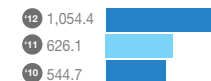
Unit: RM Million	'10	'11	'12
Operating Cashflow	1,050	1,379	1,266
Net Cash / (debt)	-488	-375	-386
Market Cap	8,097	8,178	13,950

Net profit
(RM Million)



ECONOMIC PROFIT

Unit: RM Million



HEADLINE KPIs

Unit: %	'12 Target	'12 Actual	'13 Target
Return on Average Shareholder's Funds (ROSF)	10.0	21.9	10.0
Dividend Pay Out	50.0	58.8	50.0

ACHIEVEMENTS

► Group revenue grew by **RM2,327.8m or 17.2%**
 '11 RM13,535.8m ►► '12 RM15,863.6m

► In tandem with the increase in revenue, Group profit before taxation increased substantially by **47.2% or RM644.4m**

'11 RM1,365.3m ►► '12 RM2,009.7m

All four core business segment of the Group registered better profit for the financial year 2012

► Consequently, net profit attributable to equity holders of the company for FY2012 improved significantly, **a surge of RM508.5m or more than 100%**

'11 RM485.8m ►► '12 RM994.3m

► UMW achieved its target Headline Key Performance Indicators (KPI) for 2012 as stated below:

- Annual Return on shareholder fund of **21.9%** against target of minimum 10.0%.
- Annual dividend pay out ratio of **58.8%** against target of 50.0%

► Registered total Toyota and Perodua vehicle sales of 294,024 units represented **46.8% of the Total Industry Volume ("TIV")** of 627,753 units, **an improvement of 8.7%** from corresponding year 2011. (270,544 units or 45.1% of TIV of 600,123 units)

PROSPECTS 2013

Automotive

► The Malaysian Automotive Association forecast for the TIV for year 2013 to **improve by about 2% to 640,000 units** from the 627,753 units in the year 2012

► Year 2013 will remain challenging due to intense competition in the market with aggressive promotions and new model launches

Equipment Segment

► Revenue for the equipment segment is expected to be **slightly lower than 2012**. Uncertain external factors may affect the demand for equipment. However profitability is expected to sustain resulting from better cost management and increased parts sales

Oil & Gas Segment

► The performance of the Oil & Gas segment is expected to improve in 2013 following full contribution from the refurbished NAGA 1, higher daily operating rate for NAGA 2, continuing contract for NAGA 3 and additional contribution from the new NAGA 4

Manufacturing & Engineering

► Performance of M&E segment is expected to improve considering the following major activities planned for 2013

- Higher capacity utilization for our automotive components plants in India and lubricant plant in China
- Increase sales of Repsol and Pennzoil lubricant products

UMW HOLDINGS BERHAD

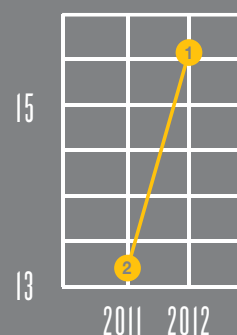


DATUK SYED HISHAM SYED WAZIR
PRESIDENT / GROUP CEO

PERFORMANCE HIGHLIGHTS

GROUP REVENUE

RMbillion



RM15.9b

RM13.5b

+17.2%

GROWTH

REGISTERED TOTAL TOYOTA & PERODUA SALES

294,024



46.8% total industry volume (TIV)

NET PROFIT IN 2012



ECONOMIC PROFIT



GROUP PROFIT BEFORE TAXATION



Source: G20 Reporting, Bloomberg, PCG Analysis

Source: G20 Reporting, Bloomberg, PCG Analysis

APPENDIX B

ECONOMIC PROFIT

WHAT IS EP?

ECONOMIC PROFIT (EP)

EP is an important yardstick to measure value creation to shareholders. It shows a company's net income after deducting shareholders' opportunity cost in investing money in the firm.

There are two approaches to compute EP:

- 1 **Spread Approach**

$$EP = (ROIC - WACC) * \text{Invested Capital}$$
- 2 **Residual Approach**

$$EP = NOPLAT - (\text{Invested Capital} * WACC)$$

Note:

ROIC: Return on Invested Capital

WACC: Weighted Average Cost of Capital

NOPLAT: Net Operating Profit less Adjusted Tax

WHY EP?

EP supplements accounting profit to provide a more accurate picture of the underlying economic performance of a company because it measures performance in two dimensions:

- A **PROFIT vs. CAPITAL**
 Takes into account the required rate of return for equity and debt capital providers while analysing profits earned by the company
- B **RISK vs. RETURN**
 Incorporates returns earned by the stakeholders based on the risk of their investments

Independent research has shown that there is a stronger correlation between improvements in EP to shareholder value than there is to accounting profit. Improvement in the long-term trend in EP signals fundamental improvement that ordinarily lends confidence to investors.

APPENDIX C

SELECTED 1MALAYSIA PRODUCTS BY GLCs

EDUCATION & TRAINING



Program Bakat Muda 1Malaysia

A leadership development programme offered to various education levels & scholarship.



Program PINTAR 1Malaysia

A three-year adoption programme for under privileged primary or secondary schools to boost up their students' academic performances. BIMB has adopted 13 schools.



Program PINTAR 1Malaysia

A three-year adoption programme for under privileged primary or secondary schools to boost up their students' academic performances. CIMB has been provided ICT skills training to improve the methodology & process of learning with an emphasis on English proficiency.



1Malaysia CCM JATI Program

An entrepreneurship development programme for youth in the university.



Malaysian Entrepreneur Development Programme

Partnered with Ministry of Entrepreneur Development and Co-operative Development (MECD) to support the development of Small Medium Enterprises (SMEs) by providing retail and Food & Beverages businesses opportunities in an international airport such as KLIA.



Program Biasiswa 1Malaysia

A scholarship programme for Malaysian, studying in local foreign universities.



1Malaysia Education Fund Programme

A sponsorship programme for under privileged students via education programmes and incentives for children of MBSB's customers.



Program PINTAR 1Malaysia

A three-year adoption programme for under privileged primary or

secondary schools to boost up their students' academic performances.



Program Educare Bandar Enstek 1Malaysia

Sponsorship of tuition classes for UPSR, PMR and SPM.



Program Biasiswa Yayasan SIME DARBY (YSD) 1Malaysia

A scholarship programme which is given to potential graduates, studying in local or foreign universities.

Other CR Programmes

Sime Darby through its foundation Yayasan Sime Darby supports various activities with a focus on Education, Conservation of Environment, Youth Community and Sports Recreation, Community development, Arts & Culture



Anugerah Biasiswa 1Malaysia

RM 35m worth of educational grants and scholarship via Yayasan Tenaga Nasional



Program PINTAR 1Malaysia

A three-year adoption programme for under privileged primary or secondary schools to boost up their students' academic performances.

Biasiswa Kecil 1Malaysia

A scholarship programme for UPSR and PMR post candidates.



Programme PINTAR 1Malaysia

A three-year adoption programme for under privileged primary or secondary schools to boost up their students' academic performances. UMW has adopted 7 primary schools in the rural areas.

CUSTOMER SERVICE



Affin Plus

A type of current account with saving account privileges and cheque writing convenience. Their high interest is calculated daily and credited monthly with a low initial deposit or RM 1,000.



Penangguhan Pembayaran Pinjaman 1Malaysia
No monthly home loan payments for the month of November and December every year to ease customer financial commitment.



BH Petrol & Royal Bintang – 1Malaysia Privilege Card
The card will earn discounts on services and products from about 20 merchants.



Cawangan Maybank Mesra Orang Kurang Upaya Malaysia
Branches with facilities for wheelchair users, parking lots, counters & ATM machines located on the ground floor concept.

Program Perbankan Bersama Maybank & Pos Malaysia
Pos Malaysia provides easy access for areas without a Maybank branch.

Akaun Simpanan YIPPIE Malaysia
Trust fund account for children below 18 years old with higher benefits.



‘Saya nak cuti’ Package
A package that offers everyone exceptional value for money travel to inter-states.



Streamyx & UniFi 2012 New Promo (Superspeed Me)
Existing customers can upgrade their Internet service speed from Streamyx to UniFi at a discounted price.

Pakej Jalur Lebar & Telefon Malaysia

Affordable internet access & telephone facilities by TM to increase broadband access among Malaysians.

TM Wi-Fi
Affordable broadband wireless Internet access where mobile wireless LAN users can access the Internet within the range or zones, which are located at selected public places such as shopping malls, F&B outlets, universities & colleges, hotel lobbies, transportation hubs and many more.



PLUS RONDA Malaysia
Dedicated enforcement with the Auxiliary Police patrol team.

Cadangan Waktu Perjalanan Malaysia
To encourage road users to use

highways according to suggested schedules to avoid congestion during festive seasons.

Pengumuman Perkhidmatan Awam Mufor Road Reels Malaysia
To inform & update highway users on current traffic information.



Salam 1Felda oleh Perodua
Exclusive package of buying a new car for Felda settlers covering cash rebate, service voucher, personal insurance coverage as well as financing scheme.

“What’s Up Graduate”
Exclusive package of buying a new car for University graduates & students to cater demand for ‘First Time Buyers’ covering cash rebate, service voucher, personal insurance coverage and financing scheme to all young Malaysians.

CSR



Ar-Rahnu Micro Financing
Provides micro financing as part of Government’s initiative on financial inclusion for all including the under-served rakyat.



Program Pembangunan Sukan 1Malaysia
Continuous sports development & sponsorship initiative by CIMB

foundation that support squash, football, golf & rugby.



1Malaysia CHB Nationwide Tour
Program aims to provide free technical advisory services to assist small holders in maximizing their oil palm yield per acreage.

1Malaysia CCM Halal Awareness Seminar
This seminar manifest CCM’s contribution towards making Malaysia’s aspiration to be the Premier Global Halal Hub a reality by providing an avenue for all our stakeholders to gain awareness and knowledge about Halal annually on a complimentary basis.



Vaganza 1Malaysia Personal Financing Programme
A special financing program for Public and Private sectors’ personnel at an affordable profit rate with incentives to ease their financial commitment.



Little India Development
A project to transform Brickfields into a new Indian cultural enclave in the country. The redevelopment has converted it into a major tourist attraction, which in turn help boost income potentials of the community.



Programme Creating Sustainable Communities – THP Way 1Malaysia
Programme to develop areas with Native Customary Rights (NCR) status to become sustainable oil palm plantations.



Klinik Hoki Pelajar 1Malaysia
Programme to train students between 12-18 years old for the development of the hockey in the country.

Program Bantuan Ketua Komuniti 1Malaysia
Leadership and career development among the rural community.

Program MAKNA 1Malaysia
RM200,000 donation for the fight against cancer.



Community Broadband Centres (CBC)
Community Broadband Centres that offer computers equipped with Internet access especially in the rural areas to create ICT awareness among the people in the vicinity.

Pusat Komuniti Jalur Lebar 1 Malaysia
Internet community centres by

TM close the digital gap of local communities especially in rural areas.



RM500 Vouchers to UMW Non-Management Staff
Distribution of supermarket vouchers worth RM500 each to 7,600 non-management employees of UMW.

HOUSING



Pembiayaan Perumahan 1Malaysia
Home financing program that eases the burden of homebuyers with no interest until the property completed.



PR1MA Affordable & Quality Homes
Launched the first phase of its affordable quality homes on Tuesday, 13 December 2011 at its 550-acre Bandar Ainsdale township in Negeri Sembilan.

Tennamaram Central Housing Complex
To improve the lives of all Malaysians, especially in the plantation industry that comprises residences, offices, public amenities and recreational facilities all within easy reach and

nucleated in one location.

Carey Island Estate Workers Housing Scheme
To build 400 homes on 40 acres of land for Malaysian plantation workers and ex-workers in Carey Island, Selangor and are intended to be sold at affordable prices at below the total cost of development.



Baiti Jannati Malaysia
Provides welfare shelter with basic necessities for the unfortunate.

HEALTHCARE



Skuad Operasi Sihat 1Malaysia
A voluntary programme to encourage healthy lifestyle among the public by providing mobile basic medical checks and services to communities in rural and suburban areas, nationwide.



1Malaysia Pharmaceuticals Road Show
A nationwide roadshow in introducing and educating consumers with Halal pharmaceutical products and consumers can purchase the products during the roadshow at a special discount.



Program Kesedaran & Kajian Kesihatan Malaysia
Mobile programme with the collaboration with NADI to increase awareness & reduce diabetes in rural areas



MERCY Malaysia Basic Medical Check-up & Dental Care
Collaboration with MERCY Malaysia to provide free basic medical check-ups and basic dental treatment to vulnerable communities and the underprivileged of all races.

APPENDIX D

SELECTED AWARDS AND RECOGNITION RECEIVED BY GLCS

AFFIN HOLDINGS

Financial Times and Starmine Top Analysts of 2012 for Asia

- ▶ Top Stock Pickers #1: Healthcare, Food, Household & Personal Products, Consumer Goods & Services
- ▶ Top Stock Pickers #6: Banks
- ▶ Industry Award Winners #1: Top Stock Picker Food, Household & Personal Products
- ▶ Industry Award Winners #1: Top Earnings Estimator Food, Household & Personal Products
- ▶ Industry Award Winners #2: Top Stock Picker Banks

Malaysia's Most Valuable Brands 2012 (MMVB)

- ▶ Malaysia's Most Valuable Brand 2012



- ▶ 2012 BCG Southeast Asia Challengers
- ▶ Frost & Sullivan, Asia Pacific ICT Awards, Best Telecom Group 2012

Asian Supply Chain Excellence Awards 2012

- ▶ Collaborative Supply Chain Special Award



Bank Islam

- ▶ Best Annual Report in Bahasa Malaysia (Gold) for the FYE 2011 Annual Report
- ▶ Awarded as the winner of the Platinum Award for Islamic Financial Services at the annual Reader's Digest Trusted Brands Award 2012
- ▶ Best Project Financing Deal of the Year in Southeast Asia – Annual Deal and Solutions Awards 2012
- ▶ Anugerah Zakat Kebangsaan 2012 (Kategori Syarikat Awam Berhad)
- ▶ Best Islamic Bank in Malaysia in Islamic Finance News Best Banks Poll 2012
- ▶ The BrandLaureate Awards 2011-2012 (Best Brand in Banking - Islamic Banking)
- ▶ Malaysia Service to Care Awards 2012



Boustead Travel Services

- ▶ Million Dollar Travel Agent

- 2011
- ▶ Top 10 Agents 2011
- ▶ Top Agency Sales 2011/2012
- ▶ Supporting Agents 2012

Boustead Sissons Paints

- ▶ ISO 9001:2008

UAC Berhad

- ▶ Anugerah Kecemerlangan Keselamatan Dan Kesihatan Pekerjaan Peringkat Kebangsaan 2012
- ▶ Safety Employee Award 2012
- ▶ SIRIM Eco-label Environmental claim, complying with SIRIM criteria 021 : 2010

Boustead Travel Services

- ▶ Outstanding Sales Achievement - Diamond Award 2011
- ▶ Competition : Langkawi Fire Fighting Competition

Boustead Naval Shipyard

- ▶ Competition: Konvensyen QE (5S) Wilayah Utara
- ▶ 3 Stars (Highest rating of the competition and qualified to Konvensyen QE (5S) Peringkat Kebangsaan)

The Royale Chulan Hotel

- ▶ Best Festival Offers (Overall Winner) - L'Heritage Restaurant
- ▶ Best Festival Offers (Winner of Award of Excellent) - Bunga Emas Restaurant
- ▶ Most Creative Food Presentation at the Gala Launch (Winner of Excellent) - L'Heritage restaurant
- ▶ Most Outstanding Cuisine at the Gala Launch (Winner of Excellent) - L'Heritage Restaurant
- ▶ Best Value Menu of the Festival (Winner of Award

- of Excellent) - L'Heritage Restaureant
- ▶ Best Marketed Restaurant of the Festival (Winner of Award of Excellent) - L'Heritage and Bunga Emas Restaurant
- ▶ Most Creative Station at The Gala Launch (Winner of Excellent)
- ▶ Most Creative Festival Menu of The Festival (Winner of Award of Excellent) - L'Heritage and Bunga Emas Restaurant
- ▶ 2nd Runner Up for the best chocolate cake in "The 6th Chocolate Cake Championship"

MHS Aviation

- ▶ Gold Award 2011
- ▶ Safety Recognition for Hurt-Free Operations exceeding 100,000 Manhours - April 2012
- ▶ Certificate of Achievement
- ▶ In recognition for Outstanding Overall PCPP HSE Performance with 1 Million Manhours, Zero LTI in April 2012

Pharmaniaga Berhad

- ▶ Winner of Malaysia's 100 Leading Graduate Employers for "Pharmaceutical Industry" Award



CCM Agriculture (Sabah) Sdn Bhd (14 Feb)

- ▶ SNI Marking Certification

CCM Pharmaceuticals (12 Aug)

- ▶ Unity Popular Choice Awards 2012 under Sugar Block Supplement Category

CCM Agriculture (Sabah) Sdn Bhd (22 June)

- ▶ ISO 9001:2008 – Quality Management System

CCM Fertilizers Sdn Bhd (30 June-08 July)

- ▶ Silver Award - Floria Best Booth Award (Garden Bazaar /Hortmart)

CCM Pharmaceuticals Sdn Bhd (19 July)

- ▶ Guardian Customers' Choice Award 2012 - Champs C - Kid's Supplement Category

CCM Pharmaceuticals (22 Nov 2012)

- ▶ Winner of MS User Awards 2012

CCM Fertilizers Sdn Bhd (22 Nov 2012)

- ▶ Acknowledgement on MS Usage

CCM Berhad Certification: (28 Dec 2012)

- ▶ ISO 9001:2008 - Quality Management Systems
- ▶ ISO 14001:2004- Environmental Management Systems
- ▶ OHSAS 18001:2007 - Occupational health and safety management systems



Alpha Southeast Asia Deal & Solution Awards 2012

- ▶ Deal Of The Year : Axiata Group Berhad RM1.0b Sukuk Issuance

- ▶ Best IPO Deal Of The Year in Southeast Asia & Best Deal Of The Year in Southeast Asia for Minority Shareholders: USD3.1b Felda Global Ventures Holdings IPO
- ▶ Best Dual-Listed IPO of the Year in Southeast Asia & Best Equity Deal Of The Year in Southeast Asia : RM6.7b (SGD2.7b) IHH Equity Offering
- ▶ Best REIT Deal Of The Year in Southeast Asia & Most Innovative Deal Of The Year in Southeast Asia: USD275.3m (RM837.5m) IGB REIT
- ▶ Best Local Currency Bond Deal Of The Year in Southeast Asia: USD1.4b (SGD1.8b) Genting Singapore PLC Sub Perpetual Securities
- ▶ Best Project Financing Deal Of The Year in Southeast Asia: USD780m (RM2.4b) DanaInfra Nasional's Islamic Commercial Papers & IMTN
- ▶ Best Islamic Finance Deal Of The Year in Southeast Asia : USD11.1b (RM23.35b) IMTN Programme + RM11b) PLUS Guaranteed Sukuk
- ▶ Best Bond House of the Year in Southeast Asia: CIMB Investment Bank and
- ▶ Best Equity House Of The Year in Southeast Asia : CIMB Investment Bank

The Asset Triple A Investment Awards 2012

- ▶ Best Derivatives House in Malaysia
- ▶ Best Structured Products House in Malaysia
- ▶ Best Private Bank in Malaysia

Global Finance Best Internet Bank Awards 2012

- ▶ Best Consumer Internet Bank in Malaysia
- ▶ Best in Social Media – CIMB

Group (Global Award)

Global Islamic Finance Awards 2012

- ▶ Best Islamic Structured Funds Platform
- ▶ Best Islamic Bank for The Year 2012

Structured Products Asia Awards 2012

- ▶ Structured Products: Best in Malaysia

Asia Risk Awards 2012

- ▶ House of the Year, Indonesia : CIMB Niaga
- ▶ House of the Year, Malaysia: CIMB Group
- ▶ Regional House of the Year : CIMB Group

Private Banker International Wealth Summit Awards 2012

- ▶ Outstanding Wealth Management Service for The Affluent

The Asset Benchmark Research Awards 2012

- ▶ Top Bank in the Secondary Market for Government Bonds, Malaysia
- ▶ Top Bank in the Secondary Market for Corporate Bonds, Malaysia
- ▶ Top Bank Arranger – Quality and Number of Primary Government Bond Deals, Malaysia
- ▶ Top Bank Arranger – Quality and Number of Primary Corporate Bond Deals, Malaysia

The Banker Investment Banking Awards 2012

- ▶ Most Innovative Investment Bank from Asia-Pacific
- ▶ Most Innovative Bank for

Islamic finance

Asiamoney Best Islamic Awards 2012

- ▶ Best Islamic Bank In Malaysia
- ▶ Best Islamic Bank In Asia
- ▶ Best Domestic Bank In Malaysia
- ▶ Best Domestic Equity House in Malaysia

Asiamoney FX Poll Awards 2012

- ▶ Best for FX Products and Services in Asia Pacific as voted by financial Institutions

- ▶ Best domestic provider of FX services in Malaysia as voted by Financial institutions
- ▶ Best domestic provider of FX services In Malaysia as voted by corporates
- ▶ Best domestic provider of FX products and services as voted by corporates
- ▶ Best domestic provider of FX options In Malaysia as voted by corporates
- ▶ Best domestic provider of FX research and market coverage in Malaysia as voted by corporates

Asiamoney Cash Management Poll Awards 2012

- ▶ Best Local Cash Management Bank in Malaysia as voted by small,medium and large-sized corporates
- ▶ Best Overall Domestic (Local) Cash Management Services in Malaysia as voted by small, medium and large- sized corporates
- ▶ Best Overall Cross Border (Local) Cash Management Services in Malaysia as voted by small, medium and large-sized corporates

Architecture Excellence Awards 2012

- ▶ Winner in the Enterprise Architecture category

IT Excellence Awards 2012

- ▶ Best Change Management Project: 1View Change Journey Management – Release 1.x

Asian Banking & Finance Wholesale Banking Awards 2012

- ▶ Domestic Cash Management Bank of the Year for Indonesia
- ▶ Domestic Cash Management Bank of the Year for Malaysia
- ▶ Domestic Trade Finance Bank of the Year for Malaysia
- ▶ Domestic Trade Finance Bank of the Year for Indonesia

Asian Banking & Finance Retail Banking Awards 2012

- ▶ Core Banking System Initiative of the Year for Malaysia
- ▶ Core Banking System Initiative of the Year for Thailand
- ▶ Advertising Campaign of the Year for Malaysia
- ▶ Online Securities Platform of the Year for Malaysia

Alpha Southeast Asia Best Financial Institution Awards 2012

- ▶ Best Islamic Finance Bank
- ▶ Best Investment Bank
- ▶ Best Institutional Broker
- ▶ Best Private Wealth Management Bank
- ▶ Best Cash Management Bank
- ▶ Marquee Award: Best Islamic Finance Bank in Southeast Asia
- ▶ Marquee Award: Best Asset Manager in Southeast Asia

Alpha Southeast Asia Institutional

Investor Corporate Awards 2012

- ▶ Most Organised Investor Relations

Euromoney Awards for Excellence 2012

- ▶ Best Bank in Malaysia
- ▶ Best Investment Bank in Malaysia

The Asset Triple A Islamic Finance Awards 2012

- ▶ Islamic Bank of the Year: CIMB Islamic Bank
- ▶ Best Islamic Bank, Malaysia CIMB Islamic Bank
- ▶ Best Islamic Investment Bank, Asia CIMB Investment Bank
- ▶ Islamic Asset Management House of the Year CIMB-Principal Islamic Asset Management
- ▶ Sukuk House of the Year, Asia CIMB Investment Bank
- ▶ Islamic Deal of the Year / Best Sovereign Sukuk Deal: Government of Malaysia USD2b dual tranche global sukuk CIMB Investment Bank acted as joint bookrunner and lead manager
- ▶ Best Islamic Deal, Malaysia Deal: Government of Malaysia USD2b dual tranche global sukuk CIMB Investment Bank acted as joint bookrunner and lead manager
- ▶ Best Islamic Equity Deal: Bumi Armada USD888m IPO CIMB Investment Bank acted as joint global coordinator and joint bookrunner
- ▶ Best Corporate Sukuk Deal: Projek Lebuhraya Usahasama RM30.6b sukuk CIMB Investment Bank acted as sole principal &

- Shariah adviser and lead arranger
- ▶ Most Innovative Deal / Best Islamic Local Currency Deal: Khazanah Nasional 500m renminbi sukuk al-wakala CIMB Investment Bank acted as joint bookrunner & lead manager
 - ▶ Best Islamic Restructuring Deal Deal: Pengurusan Aset Air simultaneous acquisition of RM5.8b water bonds and issuance of RM5.8b government-guaranteed Islamic medium-term notes CIMB Investment Bank acted as joint lead manager

Trade Finance Deals of the Year & Awards for Excellence

- ▶ Best Malaysian Trade Bank
- ▶ Best Thai Trade Bank
- ▶ Best Islamic Trade Bank in Asia-Pacific

Credit Guarantee Corporation Malaysia Berhad (CGC) Top Bumiputera SMI Supporter Awards

- ▶ Best Financial Partner: CIMB Bank
- ▶ Top Bumiputera SMI Supporter Award: CIMB Bank
- ▶ Top SMI Supporter Award for the year 2011 under the Commercial Banks category: CIMB Bank

Business Review Indonesia Insurance Awards 2012

- ▶ The Most Prospective Life Insurance Company 2012 based on the number of customer growth
- ▶ Best Foreign Exchange Bank
- ▶ Best Broker
- ▶ Best Equity House
- ▶ Best Bond House

- ▶ Best Investment Bank

Asia Pacific Loan Market Association

- ▶ Syndicated Loan House of the Year for Malaysia

CIR Magazine Business Continuity Awards 2012

- ▶ Crisis Management Strategy of the Year: CIMB Thai Bank Public Company

Asia money Best Domestic Bank Awards 2012

- ▶ Best Domestic Bank (Malaysia)
- ▶ Best Domestic Equity House (Malaysia)

Malaysia Investor Relations Awards 2012

- ▶ Best Company for Investor Relations (large cap)
- ▶ Best Investor Relations Website (large cap)
- ▶ Business Knowledge & Insights of IR Team

Asia Pacific Loan Market Association

- ▶ Syndicated Loan House of the Year for Malaysia

The Banker Deal of the Year 2012

- ▶ Equities Deal of the Year for Bumi Armada IPO

Banking & Payments Asia Trailblazer Awards 2012

- ▶ Product Excellence Award in P2P Payment

The Asian Banker Transaction Banking Awards 2012

- ▶ Best Trade Finance Bank in Indonesia
- ▶ Best Cash Management Bank in Malaysia

The Asian Banker Technology Awards 2012

- ▶ Best Risk Analytics Project Award 2012

The Asian Banker International Excellence in Retail Financial Services Awards 2012

- ▶ Best Social Media Engagement



IATA World Cargo Symposium 2012

- ▶ Finalist, Air Cargo Award of Excellence for the Category Airports Asia 400,000 to 999,999 tonnes

SKYTRAX, 2012 World Airport Awards

- ▶ Best Airport Staff Asia Award

Pacific Asia Travel Association (PATA)

- ▶ Exceptional Service to Aviation award

Lembaga Zakat Selangor (LZS)

- ▶ Anugerah Peratus Prestasi Kutipan Terbaik 2011



Skytrax, UK

- ▶ The World's 5-Star Airline Award
- ▶ World's Best Cabin Staff 2012
- ▶ Best Airline Signature Dish

Putra Brand Awards

- ▶ Gold Award for Transportation,

- Travel & Tourism
- ▶ The Most Promising Brand Award (Firefly)



Alpha South East Asia Annual Deal and Solution Awards 2012 (Kim Eng and Maybank Investment)

- ▶ Best Dual-Listed IPO Of the Year in Southeast Asia;
- ▶ Best Equity Deal Of The Year In Southeast Asia (RM6.7b (\$\$2.7b) IHH Equity offering)

Employer Award of the Year – GOLD 2012 (Singapore)

- ▶ Employer Award of the Year

Work-Life Excellence Award 2012 (Singapore)

- ▶ Work-Life Excellence

Central Singapore Corporate Appreciation Award 2012

- ▶ Excellence Award

2012 Pacific Rim Bankers Program (PRBP) Distinguished Leadership Award

- ▶ Distinguished Leadership Award Maybank Singapore

Alpha South East Asia Annual Deal and Solution Awards 2012

- ▶ Best Mid Cap Deal Of The Year In Southeast Asia (USD241.5m Gas Malaysia public offering)
- ▶ Best REIT Deal Of The Year In Southeast Asia; Most Innovative Deal Of The Year In Southeast Asia (USD275.3m (RM837.5m) IGB REIT)
- ▶ Best Project Financing Deal Of The Year In Southeast Asia (USD780m (RM2.4b) Danalnfra Nasional's

- Islamic Commercial Papers & IMTN)
- ▶ Best Islamic Finance Deal Of The Year In Southeast Asia (USD11.1b (RM23.35b IMTN Programme + RM11b PLUS Guaranteed Sukuk)

IFR Asia Awards 2012

- ▶ Malaysia Capital Markets Deal of the Year (IHH Healthcare's RM6.3b Malaysia and Singapore IPO)

Graduan Brand Awards 2012

- ▶ Preferred Employer in Malaysia

Preferred Employer Awards

- ▶ Banking & Financial Services Category

Radar Global Awards 2012

- ▶ Gold Medal For Overall Reputation

The Marketing Events Awards.

- ▶ GOLD Award for Best Sponsorship Activation for Manchester United, Live at Old Trafford
- ▶ Bronze Award for Best Use of Retail Marketing for Mobile Mortgage Activation

Annual ICT Leadership Award 2012 (PIKOM)

- ▶ Malaysia's ICT Organisation of the Year Award
- ▶ CIO of the Year 2012 Award

SGAM ICT Achievement of the Year 2012 Award (PIKOM)

- ▶ Achievement in Project Clarity : Aligning Strategy and Unifying Project Information

NACRA 2012 Awards

- ▶ Platinum Award for the Overall

- Excellence Award
- ▶ Industry Excellence Award for Finance
 - ▶ Platinum for Best Designed Annual Report Award
 - ▶ Gold Award for Best Corporate Social Responsibility
 - ▶ Silver Award for Best Annual Report in Bahasa Malaysia

Malaysia's Most Valuable Brand Award 2012

- ▶ Malaysia's Most Valuable Brand

The Asset Triple A Asian Awards 2012

- ▶ Best Islamic Trade Finance Bank Malaysia
- ▶ Best Islamic Retail Bank Malaysia

The Asset Triple A - Islamic Finance Awards 2012

- ▶ Best Islamic Equity - Bumi Armada IPO
- ▶ Best Corporate Sukuk - Projek Lebuhraya Usahasama Sukuk
- ▶ Best Islamic Restructuring Deal - Pengurusan Aset Air Berhad

Asiamoney Best Bank Awards 2012

- ▶ Best Domestic Debt House Malaysia

The Asset Triple A - Islamic Finance Awards 2012

- ▶ Best Islamic Trade Finance Bank, Malaysia
- ▶ Best Islamic Retail Bank, Malaysia
- ▶ Islamic Deal of the Year / Best Sovereign Sukuk - Wakala Global Sukuk
- ▶ Best Islamic Deal, Malaysia - Wakala Global Sukuk

Financial Times - The Banker, Deal of The Year Awards 2012

- ▶ Equities / IPO/ Equity Linked
- ▶ Trade Finance

World's Best Islamic Financial Institutions Awards 2012

- ▶ Best Sukuk Bank
- ▶ Best Islamic Finance Deal of The Year

Best Debt House Awards 2012

- ▶ Best Debt House

Financial Insights Innovation Awards (FIIA) under the Social Marketing Category

- ▶ Innovation in Social Marketing

Putra Brand Awards 2012

- ▶ Malaysia's Top Brand in the Finance Category (Gold)

Innovation Malaysia Awards 2012

- ▶ M2U Mobile Payment Application

People's Association Community Spirit Awards 2012

- ▶ Excellence Award (Maybank Singapore)



The Edge Billion Ringgit Club 2012

- ▶ Best Performing Stock (Highest returns to shareholders over three years - Finance sector)

IBFIM

- ▶ IBFIM's Islamic Finance Talent Development Champion Award 2011



Malaysia Achievement Awards 2012 (MACA)

- ▶ Special Organisation Achievement Category

The Edge Property Awards 2012

- ▶ Green Excellence Awards 2012 - Platinum Sentral

Editor's Choice Award 2012

- ▶ Best Integrated Development - Kuala Lumpur Sentral CBD
- ▶ Best Green Office Development - Platinum Sentral
- ▶ Best Green Initiatives – MRCB

NACRA 2012

- ▶ Top Finalist Merit Award (NACRA) Annual Report 2012



- ▶ Yum! KFC Malaysia Supplier of The Year 2011 - SD Jomalina
- ▶ No. 1 Luxury Brand for BMW - Hong Kong, Macau & Singapore
- ▶ Industry Leader for BMW in Singapore - Performance Motors Ltd
- ▶ After Sales Excellence for BMW Shenzhen, Guangzhou, Chengdu & Yunnan
- ▶ Best Selling Dealer in Asia Pacific - Rolls-Royce Hong Kong
- ▶ Best Selling Dealer in Asia Pacific - McLaren Hong Kong
- ▶ Volvo Trucks market leader in Premium Trucks and 23 tonne and above category - Motor Truck Distributors (NZ) Ltd

- ▶ Hino Trucks as market leader in 9 tonne plus segment in New Zealand Hino Distributors (NZ) Ltd
- ▶ Record Sales for MINI - Macau
- ▶ BCI Asia Awards 2012 – Top 10 Developer Awards
- ▶ Best Villa Development' award (Malaysia category) in the South East Asia Property Awards 2012 - The Residences, Putra Heights.
- ▶ Learning Capability Assessment Tool 3 Star Rating
- ▶ Gold in Marine Service Capability Award
- ▶ Caterpillar Five Star Contamination Control
- ▶ Prime Minister Hibiscus Awards 2010/2011
- ▶ Notable Award - SD Jomalina
- ▶ Best CSR Practitioner - Bukit Pilah Estate, Negeri Sembilan
- ▶ Best Managed Rubber Estate in Malaysia - Bukit Pilah Estate
- ▶ National Excellent OSH Award (Agriculture Sector) - Salak Estate, Negeri Sembilan
- ▶ AISM Best Estate Award 2011/12 (1,001 - 4,000 hectares) - Kempas Estate, Melaka
- ▶ Food Industry is Industry's Responsibility (MESTI Certificate) - SD Kempas, Johor
- ▶ MSOSH Award 2011 (GOLD CLASS 1) received by SD Jomalina
- ▶ KLMCC Malaysia Business Award (MBA) Industry Excellence Award (Healthcare Sector)
- ▶ SDMC Subang Jaya Registered as Healthcare facility for promotion of Healthcare Travel
- ▶ Record Sales for Ford - Sime Sarby Auto ConneXion Sdn Bhd Prime Minister Hibiscus Award for Environmental

- Excellence Category - Bukit Jelutong
- ▶ Putra Brand Awards 2012 - Gold Award
- ▶ The Edge Top Property Developers Awards 2012 - Top 3
- ▶ ISO 5000:2011 Energy Management System Certification
- ▶ Property CEO of the Year
- ▶ Anugerah Cemerlang - Pusat Bertauliah (5 bintang)
- ▶ ISO 14001:2004
- ▶ OHSAS 18001:2007
- ▶ ISO 14001:2004
- ▶ ISO 9001:2008
- ▶ 2011 Safety Recognition for Hurt-Free Operation <100,000 manhours
- ▶ MSOSH Award Gold Class II



15th Annual Telecom Asia Award

- ▶ Best Broadband Carrier Award

2012 Frost & Sullivan Asia Pacific ICT Award

- ▶ Fixed Broadband Service Provider of the Year

Contact Centre World Top Ranking Performers Award 2012 Gold Award

- ▶ Best Large Outsource Contact Centre
- ▶ Best Outsourcing Partnership
- ▶ Best Loyalty Programme
- ▶ Best Outbound Contact Centre
- ▶ Best Sales Campaign Project

Silver Award

- ▶ Best Community Programme by Contact Centre (OKU initiative)

3rd CMO ASIA Awards for Excellence in Branding & Marketing

- ▶ Asia's Best Brand Award

2012 Global Services 100 Provider

- ▶ Global BPO Challengers Category

National Center for Sustainability Reporting (NCSR) Award 2012

- ▶ Best Sustainability Report for Malaysia

Asia Geospatial Forum 2012

- ▶ Asia Geospatial Excellence Award

NEF-AWANI ICT Awards 2011

- ▶ People's Choice Category - Favourite Telecommunication Company

PC.com

- ▶ PC.com 12th Readers Choice Awards 2011
- ▶ Best Wired Broadband UniFi

Frost & Sullivan Malaysia 2012 Excellence Awards

- ▶ Broadband Service Provider of the Year
- ▶ Managed Service Provider of the Year to VADS
- ▶ Data Communications Service Provider of the Year
- ▶ Service Provider of the Year

Putra Brand Award 2012

- ▶ Communication Networks Category (Silver)

Brand Laureate Awards 2012

- ▶ Best Brands in ICT – Internet Service Provider

Malaysian Software Testing Board (MSTB) Q-Merit Award

- ▶ TM R&D (Product & Services)

Computerworld Reader's Choice Awards 2012

- ▶ Telekom Malaysia (Managed Connectivity)

Malaysian HR Awards 2012

- ▶ Employer of Choice Gold Awards

Customer Relationship Management & Contact Centre Association Malaysia 2012

- ▶ Best of the Best BPO Outsourcer of the Year

National Excellence OSH Award 2012

- ▶ TM Pahang (Communications)

National Annual Report Awards 2012 (NACRA)

- ▶ Overall Excellence Award for Most Outstanding Annual Report Of The (Silver)
- ▶ Industry Excellence Award For The Trading And Services Category

SME Recognition Award 2012

- ▶ Sahabat Negara SME Award 2012

SMI Association of Malaysia

- ▶ Sahabat Negara SME Award 2012 for SME Recognition Award 2012



Frost & Sullivan Malaysia Excellence Awards 2012

- ▶ TNB REMACO: Power Plant Service Provider of The Year (Energy)

RAM Awards of Distinction

- ▶ Blue Print Award 2011

Project Finance International

- ▶ Asia Pacific Bond Deal Award 2011

Best Brands Brand Laureate 2011-2012

- ▶ Best Brand in the Corporate Generation category – Energy Utility

Quality Environment Convention (5S) Northern Zone Level 2012

- ▶ Three Star Award for Quality Environment (QE) Initiatives

Brand Finance PLC's Top 10 Malaysian Brands 2012

- ▶ Ranked 8th (Maintained but improved rating)

Best Senior Management IR Support

- ▶ Best Senior Management in IR Support 2012



UEM Land Malaysia Achievement Awards (MACA) 2011

- ▶ Fame Awardin Special Organisation Achievement Category (Sunrise Berhad)

Institute of Landscape Architecture Malaysia (ILAM)

- ▶ Honour Award of Property Developers Landscape Planning and Development Category

International Property Awards 2012-2013

- ▶ Highly Commended High-rise Architecture Malaysia & Highly Commended Commercial High-rise Development Malaysia
- ▶ Best Architecture Multiple Residence Asia Pacific & Best Architecture Multiple Residence Malaysia
- ▶ Highly Commended Mixed-Used Development Malaysia

FIABCI Prix'd Excellence 2012

- ▶ Nusajaya-Best Masterplan Category

Pertubuhan Arkitek Malaysia (PAM) Awards 2012

- ▶ Commendation Award in Category 7 Commercial

Forbes Asia 2012

- ▶ The Region's Top 200 Small and Mid-size Companies 2012

Forbes Asia Magazine

- ▶ Asia's 200 Best Under A Billion Forbes Asia Magazine (UEM Land Holdings Berhad)

The Edge Malaysia

- ▶ The Edge Billion Ringgit Club
- ▶ The Edge Top Property Developers Awards 2012

The Edge-Property Consultants in the Private Sector (PEPS) Value Creation Excellence Award 2012

- ▶ Ranked 5th Top Property Developer

Johor Tourism Awards 2012

- ▶ Anugerah Khas
- ▶ Best Tourism Website for Kota Iskandar (Tourism Marketing and Media)

National Annual Corporate Reports Awards (NACRA) Awards

- ▶ Merit for 2011 UEM Land's Annual Report

Malaysian Reserve Editor's Choice Property Awards 2012

- ▶ Best Luxury Residential Development
- ▶ Best Township Developer

2010/2011 Prime Minister Hibiscus Notable Award (PMHA)

- ▶ Notable Achievement Award (Small and Medium Enterprise)
- ▶ 2010/2011 Prime Minister Hibiscus Notable Award (PMHA)

Kualiti Kitar Alam Sdn Bhd

- ▶ Notable Achievement Award for Small and Medium Enterprise Category

RoSPA Occupational Health & Safety Awards 2012

- ▶ RoSPA Gold Merit Award
- ▶ RoSPA Gold Award
- ▶ RoSPA Gold Award for Managing Occupational Road Risk

Kualiti Alam Sdn Bhd

The Royal Society for the Prevention of Accident (RoSPA)

- ▶ RoSPA Occupational Health & Safety Awards 2012
- ▶ RoSPA Gold Award for Managing Occupational Road Risk

Malaysian Society for Occupational Safety and Health (MSOSH) 2011

- ▶ A Very Good Occupational Safety and Health (OSH) Performance
- ▶ MSOSH Gold Class II Award

The IKM Laboratory Excellence

Silver Award 2012

- ▶ Achieving excellence in providing quality and competent testing services whilst adhering to the requirements on as stipulated in ISO/IEC 17

PLUS

Putra Brands Awards

- ▶ Transportation, Travel & Tourism (Bronze)

Quality Management Excellence Award

- ▶ Service Excellence Award

Malaysia Productivity Corporation

- ▶ Service Excellence Award

Federation of Public Listed Companies Berhad Award

- ▶ Top Ten FPLC's Highest Sponsorship Recognition Award Category - CSR in Social Welfare (2010/2011)
- ▶ Top Ten FPLC's Highest Sponsorship Recognition Award Category - CSR in Sports (2010/2011)

Malaysian Software Testing Board

- ▶ Q-Merit Award for Testing Leadership

Perbadanan Hal Ehwal Bekas Angkatan Tentera (PERHEBAT)

- ▶ Anugerah Majikan Komited

OPUS

MITI: 21st Industry Excellence Awards

- ▶ Quality Management Excellent Award

2012 Asia Pacific Property Awards

- ▶ Public Service Architecture Award for the Wilson School

Project

UEM BUILDERS

Master Builders Association of Malaysia (MBAM)

- ▶ MBAM Bronze Excellent Service Award

21st Industry Excellence Awards

- ▶ Certificate of Industry Excellence 2011

Faber Group Berhad

MITI: 21st Industry Excellence Awards

- ▶ Certificate of Industry Excellence 2011



Asian Auto Fuel Efficiency Awards 2011

- ▶ Hybrids
1st place - Lexus CT200h (NEW) (3.8L/100km)
- 2nd place - Toyota Prius 3rd Generation (3.9L/100km)

Asian Auto Fuel Efficiency Awards 2011

- ▶ Luxury Family Cars
1st place - Toyota Altis 1.8L 7-Speed (5.5L/100km) winner since 2009

Asian Auto Fuel Efficiency Awards 2011

- ▶ Luxury SUV's
1st place - Lexus RX Hybrid (6.3L/100km)

Asian Auto Fuel Efficiency Awards 2011

- ▶ Compact MPV's
3rd place - Toyota Avanza 1.5L (7.1L/100km)

Asian Auto Fuel Efficiency Awards 2011

- ▶ Premium SUV's
3rd place - Toyota Fortuner 2.7L Diesel (NEW) (8.3L/100km)

International Association of Drilling Contractors (IADC)

- ▶ Safety Excellence – 1
Year without Lost Time Incident (LTI)

CNH America LLC

- ▶ Global Top Loader
Backhoe Market Share 2011

Shell V-Power Autoworld Car of the Year Awards 2011

- ▶ Best Passenger Car (Compact) - Toyota Altis
- ▶ Best pick-up truck - Toyota Hilux 3.0G -
- ▶ Winner of Best Super Compact Passenger Car - Perodua

Putra Brand Awards

- ▶ Gold (Automotive)

Frost & Sullivan Malaysian Excellence Awards

- ▶ Pick-up truck of the year - Toyota Hilux
- ▶ Value for money COTY (1.3l and above) - Toyota Vios

Asian Auto Ambank Fuel Efficiency Award 2011

- ▶ Winner of 3rd Place for Compact City Car Category - Perodua

The Association of Accredited Advertising Agents Malaysia

- ▶ The Putra Brand Awards – Silver in Automotive Segment - Perodua

Frost & Sullivan Malaysia Excellence Awards 2012

- ▶ Winner of Best Model of The



- Year Award - Perodua
- ▶ Perodua - Winner of Value for Money Car of The Year Award (1.3L & below)

Asian Auto ALLIANZ Auto Industry Awards 2012

- ▶ Perodua - Winner of Best Local Assembled Compact Car

Bureau Veritas Certification, Malaysia

- ▶ Lubetech - ISO 14001:2004

SIRIM QAS

- ▶ Lubetech/Pennzoil - OHSAS 18001:2007

MODENAS

- ▶ KYB - Modenas Best Vendor
- ▶ Multi-National Category

TOYOTA SUPPLIER'S CLUB

- ▶ KYB - Outstanding Delivery Performance 2011

PROTON

- ▶ KYB - Proton 2011 Certificate Of Compliance – Grade A Manufacturing Process Audit Criteria

Toyota Boshoku UMW Sdn Bhd

- ▶ Best Cost Improvement Award

Proton Berhad

- ▶ Supplier Zero Defect Program (Silver Award)
Total Logistic Services (3rd party Logistic for PERODUA)
- ▶ Best Performance Award 2011

Petronas Carigali Sdn Bhd

- ▶ Best Contractor Performance

Kuala Lumpur Malay Chamber of Commerce (KLMCC)

- ▶ KLMCC 2012 MBA International Excellence Award

APPENDIX E

APPENDIX E ROLE 1 STAY THE COURSE IN EXECUTING THE 10- YEAR GLCT PROGRAMME

AFFIN HOLDINGS

1. On-going leadership development for senior management, middle management, junior management.
2. Relevant training organised by FIDE for the Directors in the group.



Celcom has been transforming the organization through a four-pronged - approach for Celcom's supply chain transformation. This involved supplier segmentation, relationship building effort, rationalization initiative and supplier development efforts.



1. Introduce and develop formal policies consistent with the various coloured books such as:
2. Boustead Group Investor Relation (IR) Policy Framework;
 - Boustead Group Procurement Framework;
 - Boustead Group Corporate Social Responsibility (CSR) Policy; and
 - Cost Saving Measures Initiatives.
3. Boustead Heavy Industries Corporation Berhad (BHIC) has signed the "Corporate Integrity Pledge" with the Malaysian Anti-Corruption Commission.
4. Pharmaniaga Berhad has appointed a Chief Integrity Officer (CelO).

CIMB GROUP

The CIMB 2.0 initiative seeks to recalibrate operations and to accelerate the Group's next growth phase via the internal restructuring of the consumer and wholesale banking divisions across all geographies.



1. Completion of some strategic transformation initiatives across the MAHB Group through internal Cross-Functional Teams (CFTs) and Coloured Books projects
2. Cross-Functional Team (CFT) to oversee key project areas such as Airport Service Quality (ASQ), Airport Customer Satisfaction Performance Programme (ACSPP), Environment, EBITDA and Reward & Recognition.
3. Highlights of 2012:
 - MS ISO/IEC 27001: 2007 Certification for Procurement & Contract Division. The first non-IT related division in Malaysia to acquire the ISMS certification;
 - KLIA Customer Engagement Duty – All staff based in the Corporate Office are required to perform duty as Hospitality Ambassador at KLIA; and
 - Coaching and Mentoring Program - Creating an inclusive leadership opportunity for talents in developing their knowledge in leadership.



1. Implementation of Malaysia Airlines Business Plan (Recovery Plan, Game-

Changers, Build on Foundations) to drive revenue, manage costs and increase productivity:

- Commercial re-organisation to Win Back Customers;
- Improved asset utilization – aircraft, review of systems & processes, people;
- Renegotiate major contracts; and
- Oneworld Integration.



1. The financial results for FY2012 reflected the Group's transformation programme's year of harvest since the Group's restructuring of the main business to three pillars to form the new "House of Maybank" back in 2010.
2. The year 2012 saw all sectors executing high impact initiatives with a direct link to the bank's profits.
3. Some of the key achievements in FY2012 :
 - Business Transformation:
 - i. Operationalised their customer-centric and segment-led focus strategy achieving customer and total financial asset (TFA) growth of 11.9% and 19.2% respectively
 - ii. Implemented Retail Small and Medium Enterprise (RSME) business model & transformational change to accelerate growth and better serve SME customers
 - iii. Rolled out 29 Maybank

- One
- iv. Rolled out three regional electronic channels for Transaction Banking
- Performance Improvements:
- i. Re-engineered and centralised their retail credit functions to improve efficiency and turnaround time.
 - ii. Rolled out a regional Branch Solution (RBS) to pilot branches.
 - iii. Improvement in the bank's cost-to-income ratio to below 49% through a rigorous cost management programme
- Service Transformation:
- i. Embarked on various service transformation initiatives to further enhance their service standards



1. Incorporated the GLCT 10 Initiatives into the operations of the company. Where applicable, the GLCT 10 Initiatives have been implemented and reported to the PCG.



1. Accelerate replanting and new planting Consistently engaged in annual replanting and new planting for oil palm.
2. Improving worker productivity Productivity related incentives for estates and mills workers are implemented via

the following:

- Harvesting Incentive Scheme;
 - OER Incentive Scheme;
 - Increased remuneration of all the Plantation workers and staff by RM200 per month effective July 2011;
 - Ongoing mechanisation initiatives in Malaysia to enhance operational efficiency in estates; and
 - Cost of productivity related incentives: circa RM120m p.a.
3. Increasing average national rubber productivity via
 - Annual replanting exercise; and
 - Continuous implementation of best agronomic practices as per in-house Agriculture Reference Manual.

4. Ensuring sustainability of the upstream rubber industry Conversion of oil palm to rubber at marginal areas, to ensure optimal returns

5. Sime Darby Affordable Housing Program The program launched its maiden affordable housing projects in Bandar Ainsdale, a 550-acre township in Seremban, Negeri Sembilan, to enable more Malaysians to own homes.



1. Fortifying their footprint in Malaysia by increasing the land bank size.
2. 3 Key Growth Nodes were identified to overcome challenges of increasing costs, fluctuating CPO price, manpower constraints and unpredictable:
 - value enhancement of the enlarged plantation platform;
 - land bank expansion; and
 - humanizing their business operation towards achieving greater operational excellence.
3. A total dividend commitment of RM33.5m has been declared as a testament of rewarding and appreciating the shareholders.



1. Performance Improvement Programme, PIP 2.0
 - TM continued its Performance Improvement Programme (PIP 2.0) anchoring on "COOL";
 - As a demonstration of commitment, TM announced its Headline KPI for 2011 consisting of revenue growth of 2.5%,
 - EBITDA margin of 32%, and a TRI*M score of 70 for customer satisfaction measure;

- and
- Emphasis is also given to 'Human Capital & Leadership' and 'Sustainability and Corporate Responsibility' programme.



TNB has identified 5 KRAs which will help TNB to overcome challenges and meet its aspirations to become strong domestic leaders while growing as regional champion:

1. KRA 1: Shape regulatory outcome
 - To increase company profitability
2. KRA 2: Exceed customer expectation
 - To exceed customer expectation
3. KRA 3: Drive operational cost efficiency
 - To focus on operational costs efficiencies
4. KRA 4: Grow profitable new business
 - To increase non-regulated profit regionally and internationally
5. KRA 5: Transform Organization
 - To transform the organization



1. Transformation initiative at UEM Builders Berhad, a subsidiary of UEM Group Berhad
 - Transformation of UEM Group's Engineering & Construction Division; and
 - UEM Builders completed the installation of final approach span for the Second Penang Bridge 106 days ahead of schedule.
2. Enhanced capital management efforts via Centralised Treasury Management and the set-up of UEM Special Investment Funds.
3. Ensure optimal capital structure and to continue to strive for competitive rate securing financing facilities for the Group:
 - Rp8.8t Credit Syndication Agreement to fund the construction of the 116-kilometer long Cikampek-Palimanan toll road project;
 - PLUS Berhad had successfully raised the required long term financing via the establishment of up to RM34.35b nominal value Islamic Medium Term Notes Programmes; and
 - UEM Land Holdings Berhad ("UEM Land") successfully priced its inaugural RM600m, 5-year Islamic Medium Term Notes ("Sukuk") issued.

4. The on-going education initiatives under UEM group are:
 - English Literacy Programme; and
 - Kolej Yayasan UEM (KYUEM).
5. UEM Builders Berhad had entered into a Memorandums of

Understanding (MoU) with Majlis Amanah Rakyat (MARA) and Institut Kemahiran Belia Negara (IKBN). The MoU provides a framework for an Apprentice Programme to equip young graduates with hands-on skills and knowledge in a real industrial environment.

6. CIMA, a subsidiary of UEM Group, was on a Joint Venture initiative with Japanese New Energy And Industrial Technology Development Organization (NEDO) in Renewal Energy Scheme.

7. Strives to be the Employer of Choice and has developed EVP for its staff focusing on two talent management strategies, namely Talent Attraction and Employee Retention.

8. Carried out various improvements in LDA/LDD #3/2012 and has registered better ratings in the recent audit.



- Quantum Leap II – (2009 – 2013)
- PBT of RM1.75b by 2013 against revenue of RM 15b; and
 - 2012 Result, PBT of 2.0b at the back of revenue RM15.9b.

APPENDIX F

ROLE 2 in NEM:
**RELENTLESS
DRIVE TO
BECOME
REGIONAL
CHAMPION –
REGIONALISATION**



1. The 80% of acquisition interest in PT Bank Ina Perdana is currently on hold due to new ownership rules announced by Bank Indonesia. Nonetheless, AFFIN Holdings Berhad is still keen to enter into the Indonesian Market especially in Islamic Banking and will revisit its entry strategy.



1. Boustead Group continuously identifies new business opportunities in Indonesia, Myanmar, Vietnam and Cambodia.
2. Continue expansion regionally in the pharmaceutical business as Pharmaniaga Berhad has existing operations in Indonesia and Vietnam.
3. Pharmaniaga Berhad has entered into a MoU with Glenn Rahyu Adli Ariff to buy 100% of PT Errita Pharma, a privately-held manufacturer of generic pharmaceutical products based in Bandung.
4. Heavy Industries Division

to further expand their business in ship building by exploring foreign markets in the Middle East, Asia Pacific and African regions.



1. Acquisition of RBS's cash equities and advisory businesses in Asia Pacific Completion of the Group's Asia Pacific expansion in the investment banking space positions CIMB Group well to facilitate trade and deal flows within the Asia-to-Asia, Asia-to-ASEAN and intra-ASEAN channels.



1. Overseas Ventures: Operates and manages three overseas airports: (1) Indira Gandhi International Airport, New Delhi; (2) Rajiv Gandhi International Airport, Hyderabad in India; and (3) Sabiha Gokcen International Airport in Turkey. With 20% stake, Sabiha Gokcen Airport registered an 8.4% growth in passenger traffic to 14.8 million passengers.
2. Airport Consultancy: Malaysia Airports through Malaysia Airports Consultancy Services (MACS) participated in a tender exercise to New Doha International Airport (NDIA) under Malaysia Airports Consultancy Services Gulf LLC. MACS had also participated in the tender for pre-qualification exercise for Private Sector Participation in the Development of Yangon International Airport in Myanmar.
3. KLIA strives to be a champion among world's top airports in terms of Service Quality:

- Kuala Lumpur International Airport (KLIA) continues to be in the top 20 best airports worldwide for the 4th year participation in Airport ServiceQuality (ASQ) programme. Under the ASQ CFT, KLIA achieved the equivalent to no. 3 in the '25-40m passengers' category an improvement from No. 5 in previous year.



1. Increase in frequencies in key regional markets:
 - ASEAN increased Available Seat per Kilometer (ASK) by 7% from 4.6b to 5.0b;
 - China increased ASK by 15% from 4.7b to 5.4b; and
 - South Asia increased ASK by 8% from 4.2b to 4.6b.
2. Malaysia Airlines' subsidiaries, Firefly and MASwings also strengthening networks regionally:
 - Firefly – tapping growth in the Indonesia-Malaysia-Thailand Growth Triangle by adding destinations in south Thailand and Sumatra, Indonesia; and
 - MASwings – tapping growth in BIMP-EAGA by adding new destinations in Kalimantan and south Philippines.



1. Maybank's vision by 2015 is to be a Regional Financial Services

- Leader, with our mission being "Humanising Financial Services across Asia". Beyond Malaysia, our commercial banking business operates in 16 countries, 10 in ASEAN and the rest in strategic markets including Greater China, the Middle East, the United Kingdom and the United States.
3. Key developments in regional network:
 - Beijing and Laos branches commenced operations in 2012.
 - Cambodia operations were locally incorporated (Maybank Cambodia Plc.) and Myanmar Representative Office was reactivated.
 - Added 2 new branches each in Philippines and Cambodia and also 53 branches in Indonesia in 2012.
 4. Key financial achievements:
 - Maybank's continued international expansion saw profit before tax from international operations grow by 39.1% for the financial year ended 31st December 2012 year-on-year. As a result overseas profits contribution grew to 30.2% (up 45.4% year-on-year) of Group profit.
 - Gross loans for the Group's international operations collectively grew 12.1% since December 2011, and now make up 36.1% of total Group loans. The Group's international deposits collectively grew 13.6% since December 2011.
 - Maybank Singapore achieved a milestone of RM 1 billion profit before tax.
 - Bank Internasional Indonesia (BII) achieved total assets exceeding Rp 100 trillion and PATAMI exceeded RP 1 trillion.



1. The world's largest listed sustainable palm oil producer: Producing about 2.44m MT or 5% of the world's crude palm oil (CPO) output annually. To date, about 95% are certified sustainable palm oil (CSPO).
2. Large landbank for growth in Africa:
 - Sime Darby has planted 5,021ha of oil palm out of the total concession of 220,000ha in Liberia.
3. Program Penilaian Peringkat Kinerja Perusahaan Dalam Pengelolaan Lingkungan Hidup (PROPER) Province Award – Blue rating for environmental compliance
 - The awards were given to Sime Darby's oil palm estates in Indonesia by the Kementerian Lingkungan Hidup Republik Indonesia.
4. Obtain a larger market share of downstream products To date, Sime Darby has achieved 2.6% share of the Asia Pacific & Europe's vegetable oil market.
5. Be a world leader in oleochemical derivative products To date, Sime Darby has achieved 3.6% share of Asia Pacific's oleochemical derivatives market.
6. South East Asia Property Awards 2012 (The Residences,

Putra Heights - Best Villa Development (Malaysia):

- The South East Asia Property awards recognize the high quality of regional's real estate industry celebrating the work of developers, agents, architects and

designers from the all major property markets including Thailand, Singapore, Malaysia, Indonesia, Philippines, Cambodia and Vietnam.

- 7 Operations strategically located in high growth regions:
 - Dominant position in Queensland's Bowen Basin Caterpillar Inc.'s commitment to China Extensive network in southeastern China to key construction markets. Established presence in rapidly growing Xinjiang province, China's next coal mining frontier.

8. Aspire to be a leading automotive player in the Asia Pacific region:
 - Reinforcing their presence in the China region through operational excellence;
 - Several locations won the China Nationwide BMW Best Service Advisor Competition, namely: Guangzhou, Shenzhen, Shantou; and Chengdu;
 - Marketing Department of Yunnan Bowayue got the "Excellent Feature Report Awards" in 2012 BMW 7 Customer Image PR Campaign; and

- Several other outlets in China won awards from BMW China, JD Power and local newspapers.
9. Maintaining leadership position in the Singapore auto market Best selling brand in Singapore Dec 2012 (for the year of 2012)



1. Managing Agent:
 - Manage Lembaga Tabung Haji's palm oil operations in Indonesia, totaling up to 83,878 Hectare, which contributes RM16.4m of revenue in the year 2012.



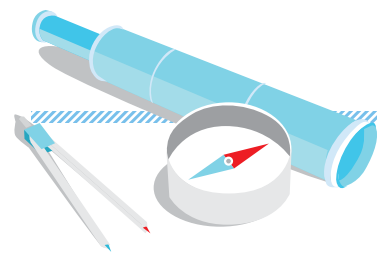
1. Business Process Outsourcing (BPO): As one of the region's leading BPO provider, both VADS Berhad (a wholly owned subsidiary of TM) and PT VADS Indonesia has recently won several service excellence awards, including:
 - 2012 Global Services 100 Provider - VADS won under Global BPO Challengers Category;
 - Customer Relationship Management & Contact Centre Association Malaysia 2012 - VADS won Best of the Best BPO Outsourcer of the Year;
 - The 7th Championship-Service Customer Service Star Awards 2011 (with PT XL

- CEO of PT VADS Indonesia, Wardhani Soedjono won the Runner Up for 2011 Global Industry Champion at The 6th Annual Top Ranking Performers Conference – Best in World in Las Vegas, Nevada;
 - The Contact Centre Association of Singapore (CCAS) awarded XL Silver Award for Outsource Call Center Above 100 Seat Category at CCAS 11th Contact Centre Awards Gala Night 2011; and
 - Managed Security Service Provider of the Year for VADS from Frost & Sullivan.
2. Regional Internet Gateway Amongst the new submarine cable systems being build include:
 - The Bay of Bengal Gateway (BBG) provides connectivity between South East Asia, South Asia and the Middle East. It will also connect to Europe and Africa through interconnections with other existing and newly built cable systems;
 - Cahaya Malaysia, which links Malaysia directly to Hong Kong and Japan, built in collaboration with NTT Communications Corporation. It is expected for this cable system to be operational in 2012; and

- The Batam-Dumai-Melaka submarine cable built in collaboration with PT XL Axiata Tbk and PT Mora Telematika.



1. O&M for Petrogas Carigali:
 - TNB Subsidiary: TNB REMACO Providing operation and maintenance services to proposed Petronas power plant at Garraf, Iraq.
2. Project Management for Petronas RAPID transmission line
 - TNB Subsidiary: TNB REMACO Providing consultancy services for transmission line for Petronas RAPID project.
3. Sumatera-Peninsular Malaysia HVDC Interconnection, Coal Fired Power Plant & Coal Mine Mouth Projects In Sumatera, Republic Of Indonesia
 - Partners/JV: PLN, PTBA - Under a Joint Development Agreement (JDA), PT PLN, PT Bukit Asam and TNB engaged in binding terms and conditions pertaining to the development of the Coal Fired Power Plant Project, Coal Mine Project (Coal Mine Mouth Project) and HVDC Interconnection Project. The HVDC Interconnection Project will involve a



G 2 0 F O O T P R I N T



construction of an interconnection line from Telok Gong in Melaka to Garuda Sakti in Sumatera, Indonesia and the development and construction of a mine mouth coal fired power plant in Peranap.

4. Saudi ARAMCO's Third Party Cogeneration Projects In Abqaiq, Hawiyah & Ras Tanura, Kingdom Of Saudi Arabia (KSA)
 - Partners/JV: Saudi Oger Ltd. - Involved in the bidding for the development of 3 new gas fired electricity and steam plants for Saudi Aramco in its plant in Abqaiq, Ras Tanura and Hawiyah of Kindom of Saudi Arabia with a combined capacity of 770 MW of power and an approximately 2.95m pounds per hour of steam generation.

- construction, commissioning, completion and maintenance of a pilot scheme to design and build 4,000 houses and the necessary supporting infrastructure for the national housing scheme of Brunei Darussalam at Mengkubau, Kampong Mentiri, Bandar Seri Begawan. Target completion in Q1, 2014.
4. Malaysia: Positioning of Nusajaya as the World in One City as a key gateway to attract investments into this region from all around the world.



Continue to fortify UMW presence in 12 countries we are located in: China, Vietnam, Papua New Guinea, Australia, Thailand, Myanmar, India, Turkmenistan, Indonesia, Taiwan, Oman, and Singapore.



1. Indonesia: Commencement of construction of the 116km Cikampek-Palimanan Toll Road in West Java, after the successful signing of the Rp8.8t 'Credit Syndication Agreement' with the 22 banking and financial institutions.
2. Gujarat, India: Involved in the construction, operation and maintenance of the 127 km section of NH 8D connecting Jetpur and Somnath.
3. Brunei: Active with the on-going design, procurement,

APPENDIX G

ROLE 3 PURSUE NEW ECONOMY INVESTMENTS IN LINE WITH NEM



1. Provide financing for the establishment of private institutions of higher learning and development of financial packages for contractors involved in ETP (e.g. MRT project etc.)
2. Technological innovations were made in a new Loan Origination System to hasten the processing of loan applications and an enhanced Retail Internet Banking system to afford customers greater convenience during online transactions.
3. AFFIN Fund Management Berhad successfully launched AFFIN 1 wholesale Fund and AFFIN 1-iWholesale Fund, bringing total assets under management (AUM) to 10. As at 31 Dec 2012, the AUM stood at RM 1.93b, a 125.7% from RM 855.0m as at 31 Dec 2011.
4. Additional ATMs were installed by AFFIN Bank to improve service to customers. ATMs were also opened at BHP stations and other

growth areas.

5. Strategically relocated and expanded into new areas, e.g. 3 new branches in Cyberjaya, Bangi and Bandar Bukit Tinggi.



1. Long term value creation in existing investments - Recently completed the acquisition and subsequent merger of its investment in Cambodia, Hello Axiata Co. Ltd. with Latelz Co. Ltd. in February 2013.



1. BHIC expanding further into Maintenance, Repair & Overhaul (MRO) business such as:
 - BHIC AeroServices Sdn Bhd (BHICAS) has entered into an MRO Centre Agreement with Eurocopter;
 - BHICAS has received a Letter of Award from Ministry of Defence to undertake a 3 years in-service support of 6 Royal Malaysian Navy Fennec AS555SN helicopters;
 - BHIC Defence Techservices Sdn Bhd was awarded a contract from Ministry of Defence for the maintenance, repair and spare parts supplier for



- guns and radar for the Malaysian Army; and
 - BHIC Bofors Asia Sdn Bhd has successfully obtained a 3 years contract renewal from Ministry of Defence for the supply, maintenance and training for the Bofors Gun.
- Ongoing research between Pharmaniaga's clinical affairs team and the Government on the development and commercialization of local herbs, e.g. Kacip Fatimah and Patawali.
 - Enhancement to existing property development such as:
 - Construction of Royale Resort and Spa Cherating and Royale Bintang Penang;
 - Curve NX – a 7-storey building with overhead link bridge to the Curve that house the 100,000 sq. ft. KidZania indoor theme park, McDonalds Drive-Thru Restaurant and 700 car parks; and
 - Nucleus Project – the development of commercial centre in Mutiara Damansara.
 - Enhancement in the palm oil production through R&D and other new technology that can reduce dependency on labour and enhance productivity.



- Providing Total Airport Solutions through Malaysia Airports Consultancy Services (MACS):
 - Provides airport operation and technical services for the development, operation, maintenance and management of several international airports; and
 - The Government through Jabatan Laut Malaysia Maritime Dept. and Jabatan Kerja Raya, has offered MACS to plan and design development works for Kuah Jetty Terminal in Langkawi, and relocation feasibility study for Pangkor cargo ramp in Pangkor Island.
- Aeropolis Development:
 - The MoU was signed with Mitsui Fudosan on the development of the RM335m 'Mitsui Outlet Park KLIA', a premium retail outlet which to be completed in Q4 2014; and
 - Additionally, an integrated complex, which will serve as terminal's car park and retail facilities is being developed as part of the KLIA2 construction package and is expected to be completed in time with the new terminal.



- MAS Aerospace Engineering's (MAE) joint venture, e.g. in Hyderabad, India, with strategic partners to develop a Maintenance, Repair and Overhaul (MRO) Centre to meet regional demand.
- Malaysia Airlines' membership of oneworld airline alliance beginning 1 Feb 2013 enables Malaysia Airlines to increase revenue.



- Stepping up transformational initiatives to boast long-term sustainability in their Community Financial Services business to support a high income economy:
 - Re-engineering and centralising the retail credit functions through Centralised Processing Centre – Originator Processor (CPC-OP) to improve efficiency and turnaround time;
 - Rolling out new concept of branchless banking (MaybankOne Kiosk); and
 - Implementing a new Retail SME business model, a transformational change that allows CFS to better serve SME customers in a more cost effective way.
- Driving their Islamic first strategy and building Islamic banking.
 - Maybank Islamic

remains the leading Islamic bank in ASEAN, and in 2012 surpassed its profit before tax of RM1b;

- Incorporation of both Islamic and conventional products to help expand their Islamic banking footprint across Malaysia; and
 - Islamic banking has begun to expand into key regional markets: Indonesia – Expanding Islamic Universal banking products and solutions through BII and MPI. Singapore – Widened treasury solutions & secured the 1st Islamic Profit Rate Swap deal with a Singapore-based conglomerate.
- Expanding and integrating their business capabilities and presence across ASEAN for Global Banking providing seamless facilities for cash management and trade finance for their corporate clients to facilitate regional business:
 - The Regional Trade Finance Platform (RTFP) was put in place to facilitate more efficient trade processing across the region;
 - Deployed Global Treasury Risk Management System for better global risk management and greater cross-border synergy; and
 - Regional Cash Management Platform

(RCMP) deployed to Singapore and Malaysia to enable consistent service offerings to tap into Asia's fast growing cash management market.

- Developed and launched new insurance and takaful products for specific target markets like new single premium investment products, Dragon 9, Golden Retirement and AUSpicious 10.



- Proposed Acquisitions of 4 property companies in Nusa Gapurna Development Sdn Bhd (NGD Subsidiaries) and GHC and GGS for RM729m
- Proposed acquisitions of NGD Subsidiaries that owns a total of 32 acres of land for development with approvals from the local. Upon completion, could generate Gross Development Value of approximately RM5.8b.
- GHC is a project coordinator for the projects of NGD subsidiaries with a total order-book of RM3.5b and GGS is a provider of integrated surveillance services with secured contracts of RM245m and a continuous stream of income for a period of 19 years.
- Acquisition of land for property development MRCB has been expanding its land stock after it acquired a 27 acre piece of land

- in Setapak, Kuala Lumpur, a 1 acre land in Jalan Kia Peng, Kuala Lumpur and the acquisition of a 5 acres land in Brickfields, Kuala Lumpur in 2014. MRCB's total urban land bank for development in the Klang Valley is approximately 39 acres and post-acquisition of NGD Subsidiaries would expand to approximately 72 acres with a total GDV of RM12.45b.



- Improving fresh fruit bunch yield & Increasing the Oil Extraction Rate (OER) - Continued R&D efforts on the genome project which was used in the development of the Calix 600 fingerprinting procedure. Project cost of RM30m p.a.
- Developing biogas facilities at palm oil mills: Co-leading Malaysia's Biomass initiative together with Felda (AIM, MIGHT) to examine new economic opportunities from biomass. Project cost of RM50m.
- Commercialization of second generation biofuels R&D trial on biofuel production from biomass.
- Expediting growth in food and health-based segments production of high purity tocotrienols derived from palm fruit extract through Sime Darby Foods & Beverages Marketing.

- 20% of property earnings from overseas projects by 2015. Entering new high growth domestic and international markets.
- Pagoh Education Hub (PEH)
- Concession Agreements (CAs) were signed with the Malaysia's Government and the respective universities on 7 Nov 2012 for the development of PEH in Q1 2013:
 - The concession period for 23 years including 3 years construction period under the Build, Lease, Maintenance & Transfer (BLMT) model;
 - The PEH Project Land (~506 acres) was sold and transferred to the Malaysia's Government in Q2 2013; and
 - Student village and related development will commence in 2H 2013 and Q1 2014.



TH PLANTATIONS BERHAD

- Adoption of New Technology Tools in their Plantation Operations Among the systems adopted are THP Management Information System, Global Positioning System and Geographic Information System for improved economic efficiency of the plantation operations



- UniFi and HyppTV:
 - UniFi is TM's triple-play offering of voice, Internet and video services riding on the new High-speed Broadband (HSBB) network. Through IPTV offering, HyppTV offers 50 channels, 14 Interactive channels (include YouTube™ and Facebook™), over 1,000 hours of Video-On-Demand and interactive services.
- Content and Applications Hub – My1Content Portal:
 - Developed in partnership with the Government as part of the HSBB public-private, My1Content offers Malaysian consumers and businesses a one-stop shop to explore, browse and purchase games, music, movies, TV shows, web services and applications from local contents developers.
- Online Value-Added Services (OVAS):
 - OVAS e-Commerce solution has been successfully deployed in several web services such as MybizPoint.com, yemnz.com, TM Rewards e-Store, TMpoint Virtual Mall, e-Browse, Bluehyppo.



com and TM Web Hosting Services. For retail customers, OVAS offers various content portals designed to complement TM's broadband packages such as HyppTunes, HyppTV, HyppGames, e-Browse, and B-Smart.

4. Directory Services – Yellow Pages:

- The Directory Services division of TM New Media has evolved from publishing printed directories into a digital e-directory and has expanded into other publications such as Malaysia Tourist Pages, Halal Pages, Malaysia Energy Guide and Malaysia Chinese Yellow Pages. Other online listing services offered include Internet Yellow Pages, e-Yellow Pages, e-Halal and e-Holiday.

5. Blue Lane (BL) Programme:

- With a total of 1,248 entrepreneurs currently involved in this programme, the BL programme aims to nurture home-grown technopreneurs in ICT industry (hardware and software, including content and application). This is also a platform for the technopreneurs to showcase their products to the market.



- Nusajaya is on course to become the largest fully integrated urban development in Southeast Asia, attracting cumulative committed investments of RM106.31b (approximately USD34.7b) in various sectors, including healthcare, commercial, industry, education, property and tourism. The latest effort in Nusajaya is the launch of the Phase 2, Gerbang Nusajaya, as of Dec 2012:

- An agreement was signed with Singapore's Ascendas Land International Pte Ltd to jointly develop a RM3.76b technology park project;
- A joint venture collaboration was established with Singapore's Fastrack Autosports Pte Ltd to develop a Motorsport City which will have a gross development value of about RM3.5b, comprising components such as showrooms, automotive retail, workshop, a 5 kilometres test track and go-kart track; and
- A MoU was signed between UEM Land Berhad and Chinamall Holdings Pte Ltd on the proposed development of China Mall, a trade and exhibition centre.

- UMW Oil & Gas Business Expansion:
 - Acquired new jack up drilling rig (Naga 4 – delivered in Feb 2013) to add to existing 3 units. Naga 4, secured contract from Petronas Carigali (3 + 2 years) for drilling activities at Malaysian water with approximate value of USD157m; and
 - UMW has signed a principal agency agreement with Repsol to distribute the Repsol brand of lubricants throughout Asia (China, Malaysia, Singapore, Brunei, Papua New Guinea and Myanmar).

APPENDIX H ROLE 4 in NEM: COLLABORATE AND CO-INVEST WITH PRIVATE SECTOR



- In collaboration with Permodalan Nasional Berhad, AFFIN Bank introduced a 24 hour, online ASNB top-up facility on 31 May 2012.
- AFFIN Investment Bank was the principal adviser, underwriter and joint placement agent to Gabungan AQRS Sdn Bhd's Initial Public Offering (IPO) of RM108.6m. AFFIN Investment Bank was also involved in the arrangement of a total of

RM12.9b in debt fund raising in 2012.

- AFFIN Investment Bank successfully completed a RM900m structured bonds issue comprising RM272m senior bonds and RM628m guaranteed bonds for Mecuro Properties Sdn Bhd in its capacity as the principal adviser and lead arranger. This landmark transaction saw RM628m of the RM900m bond issue being credit wrapped by two Gurantors, Danajamin Nasional Berhad and RHB Bank Berhad.



- Various JV have been made with non-GLC private sector such as:
 - Mutiara Rini Sdn Bhd has entered into a joint venture agreement with Ikano Pte Ltd to jointly develop and manage a shopping centre in Jalan Cochrane, Kuala Lumpur;
 - Boustead Wah Seong Sdn Bhd – a JV company of Boustead Global Trade Network Sdn Bhd and Wah Seong Industrial Holdings Sdn Bhd to undertake various business activities in Myanmar;
 - By the acquisition of 51% in 2011, MHS Aviation Berhad is involved in the provision

of air transportation, flight support & training and technical services to oil and gas companies;

- Atlas Hall Sdn Bhd – principally involved in the business of oil and gas engineering agency;
- Applied Agricultural Resources Sdn Bhd (AAR) – a JV company of Boustead Holdings Berhad and Kuala Lumpur Kepong Berhad. AAR maintains a large research programme in strategic areas to improve productivity and efficiency in estates;
- AAR – UNMC Biotechnology Centre partnership to synergies research of palm breeding and cultivation. To date, the Group has planted up to 12,800 ha. of clonal material; and
- Boustead DCNS Naval Corporation – a JV company with DCNS S.A. The JV partners will collaborate in the field of the industrial and engineering activities.



- Strategic partnership with Tune Money:
 - With CIMB Group owns up to 25% in Tune, the collaboration involves joint branding/marketing and product bundling.
- Malaysia Airports Overseas Collaboration with Malaysian



Private Sector

- Consortium with Amona Group of Companies, Jurutera Perunding Zaaba Sdn Bhd and LKMD Architecture Sdn Bhd for the upgrading of Tehran's Imam Khomeini International Airport, Islamic Republic of Iran;
- Collaboration with Jurutera Perunding Zaaba Sdn Bhd, LKMD Architecture Sdn Bhd and Jurukur Bahan Antara Sdn Bhd to bid for the Yangon terminal development and expansion plan;
- Collaboration with Jurutera Perunding Zaaba Sdn Bhd and LKMD Architecture Sdn Bhd for the upgrading of Caticlan Airport, Boracay, the Philippines; and
- Collaboration with OPUS UEM on Project Management Consultancy (PMC) for New Doha International Airport (NDIA).



- MRCB's Proposed Acquisition of equity interests in the subsidiaries of Nusa Gapurna Development Sdn Bhd (NGD Subsidiaries) and Gelanggang Harapan Construction Sdn Bhd (GHC) and Gapurna Global Solutions Sdn Bhd (GGS) for a total purchase consideration of up to RM729m which will be satisfied by a combination of cash of RM111m and up to RM398.7m new ordinary shares of RM1.00 each in MRCB at an issue price of RM1.55 per share together with up to 113.9m free detachable warrants on the basis of 2 free detachable warrants for every 7 MRCB shares issued.
Explanation: The proposed acquisitions involve 4 property companies in NGD subsidiaries having a total area of land for development of more than 32 acres already obtained the necessary approvals to proceed with development to create a total Gross Development Value of approximately RM5.8b. GHC is a project coordination and main contractor for the existing and future projects of NGD subsidiaries with a total orderbook of RM3.5b and GGS is a provider of integrated surveillance services with secured contracts of RM245m and a continuous stream of income for a period of 19 years.
- Joint Venture with various companies.
Explanation: Smart

partnerships with reputable companies as evidenced in the development of Kuala Lumpur Sentral e.g. with Capital Land, Pelaburan Hartanah Berhad, Gapurna Sdn Bhd, Quill Berhad, CMY Capital, UM Land Berhad, Aseana Properties, Ireka Berhad, Kuwait Finance House and recently DMIA Sdn Bhd. MRCB-Pelaburan Hartanah Berhad JV: Finalizing terms with the Government of Malaysia to develop Penang Sentral. MRCB-Brunfield JV: Collaboration with Negeri Sembilan state government to develop a transportation hub in Seremban.



- Focus on high value oleo derivatives and bio-based chemicals
Continuous involvement through their subsidiary Emery Oleochemicals with focus on derivative products.
- Sime Darby-SP Setia-EPF Battersea Power Station Joint Venture:
 - The venture combines the property development capabilities and financial strength of 3 major Malaysian institutions to redevelop Battersea power station site in South London.
- Ramsay-Sime Darby Healthcare Joint venture
A JV between Sime Darby



Berhad and Ramsay Health Care Limited to expand their healthcare businesses in Southeast Asia and throughout the region:

- The partnership will combine all Sime Darby's portfolio of healthcare assets in Malaysia with Ramsay's three hospitals in Indonesia, under a new JV company known as "Ramsay Sime Darby Health Care" which will be equally owned by Sime & Ramsay. It is the first Sime Darby Healthcare's expansion outside of Malaysia.



TH PLANTATIONS BERHAD

1. Strategic Partnerships:
 - Strategic partnerships with several identified private companies to procure fertilizers, tractors and replanting activities for the plantation area. The efficiencies and value created from these strategic partnerships expedite the operational process thus translating into positive returns.



1. Smart Partnership:
 - TM works with property developers in building

high-speed broadband infrastructure and bundling together broadband connectivity with properties. Smart Partnerships have been signed with UEM Land, Bertam Properties, Mulpha International and many others.

2. High-speed Broadband Access (HSBA):
 - Signed a historic 10-year agreement for provision of HSBA services with Maxis Berhad, followed by a MoU with Celcom Axiata Berhad and Packet One Networks.
3. TM Wi-Fi Zones:
 - TM's collaboration with PERNEC, Redtone, Mitch, and Touch Mindscape to build, operate and maintain TM Wi-Fi zones / hotspots nationwide. Today, there are more than 20,000 strategic WiFi locations via this collaboration.



1. EPC Contract between TNB Prai Sdn. Bhd. with Samsung Engineering & Construction Malaysia Sdn Bhd:
 - Supply, erection and commissioning to combined cycle power plant in Prai, Penang.
2. Long Term Service Agreement between TNB Prai Sdn. Bhd. with Siemens AG:
 - Long Term Services (technical) to combine

cycle power plant in Prai, Penang.

3. O&M Contract between TNB Prai Sdn. Bhd. with TNB REMACO:
 - Operation and maintenance to combined cycle power plant in Prai, Penang.
4. Subscription and Shareholders Agreement between TNB Energy Services Sdn. Bhd. (TNBES) dan Amcorp Power Sdn. Bhd (APSB):
 - RE projects – Sungai LiangMini hydro, Raub Pahang.



1. Faber Medi-Serve Sdn. Bhd., a wholly owned subsidiary of Faber Group Berhad (an associate company of UEM Group) has signed JV agreements with several private sector companies in separate consortiums for the provision of hospital support services for Sabah and Sarawak zones.
2. UEM Group Berhad and its joint venture partner, Najcom Sdn. Bhd. via a special purpose vehicle, Konsortium ProHawk Sdn. Bhd. was awarded a RM848m contract by the Ministry of Health Malaysia to develop Malaysia's first Women & Children Hospital.
3. Propel signs MoU with Uniutama Property Sdn. Bhd. (UPSB) to collaborate in securing all infrastructure maintenance works from Universiti Utara Malaysia

(UUM) and also Public Institution of Higher Learning and Private Higher Education Institution in December 2012.

4. On 17 December 2012, UEM Group together with partners, Koç Holding and Gözde Girişim, successfully submitted the highest bid of USD5.72b for the privatisation of motorways and bridges in the Republic Of Turkey for a period of 25 years, albeit the privatization was cancelled later by Turkey's Finance Minister.
5. Several collaborations between UEM Land and various private sector entities in Nusajaya, as listed in the previous page under Role 3.

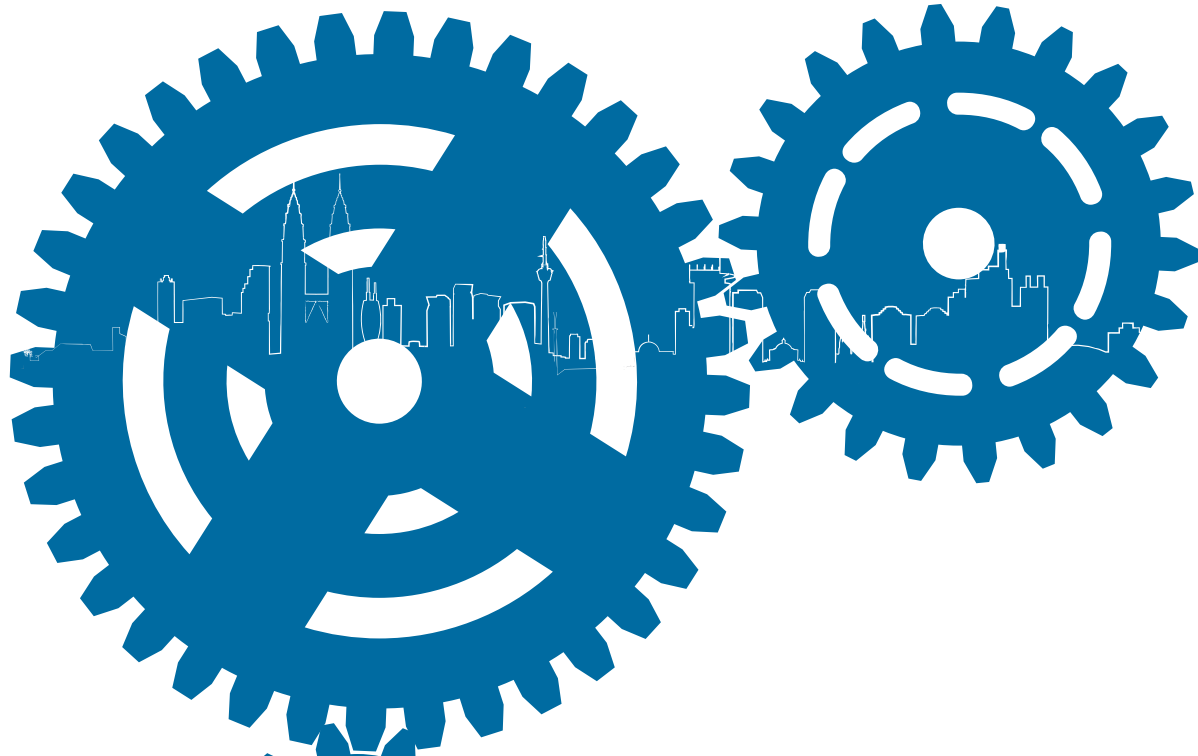
APPENDIX I

ACRONYMS & ABBREVIATIONS

ADP	Accelerated Development Programme	FIABCI	The International Real Estate Federation
AFFIN	Affin Holdings Berhad	FTA	Free Trade Agreement
AFFINBANK	Affin Bank Berhad	FY	Final Year
AIM	Agensi Inovasi Malaysia	FYE	Financial Year End
ASP	Average Selling Price	GDP	Gross Domestic Product
Axiata	Axiata Group Berhad	GDV	Gross Development Value
BETR	Bumiputra Economic Transformation Roadmap	GEMS	Graduate Employability Management Scheme
BEIM	Business Ethics Institute of Malaysia	GFC	Global Financial Crisis
BIMB	Bank Islam Malaysia Berhad	GLC	Government-Linked Company
BHB	BIMB Holdings Berhad	GLCT	GLC Transformation
Boustead	Boustead Holdings Berhad	GLIC	Government-Linked Investment Company
CAGR	Compounded Annual Growth Rate	GRI	Global Reporting Initiative
CCM	Chemical Company of Malaysia Berhad	G20	A selection of originally 20 larger GLCs controlled by the Government – Linked Investment Company
CEO	Chief Executive Officer		Constituents of the Putrajaya Committee on GLC High Performance. There are currently 17 GLCs in the G20 due to various mergers, demergers and corporate exercise
CEIO	Chief Integrity Officer		Government Transformation Programme
CIMB	CIMB Group Holdings Berhad	GTP	Information Technology
CIP	Corporate Integrity Pledge	IT	Iskandar Malaysia
CR	Corporate Responsibility	IM	<i>Institut Integriti Malaysia</i> (Malaysian Institute of Integrity)
CPO	Chief Procurement Officer	IIM	Joint Venture
EBIT	Earnings Before Interest and Tax	JV	Khazanah Nasional Berhad
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortisation	Khazanah	Key Performance Indicators
EP	Economic Profit	KPIs	Leadership Development Audit
EPF	Employees Provident Fund	LDA	Leadership Development Circle
EPPs	Entry Point Projects	LDC	Lembaga Tabung Angkatan Tentera
EPS	Earnings Per Share	LTAT	Lembaga Tabung Haji
ETP	Economic Transformation Programme	LTH	Malaysian Airports Holdings Berhad
FBM KLCI	FTSE Bursa Malaysia Kuala Lumpur Composite Index	MAHB	
FCF	Free Cash Flow		
FFB	Fresh Fruit Bunch		

MACA	Malaysia Anti-Corruption Academy	PEMANDU	Performance Management & Delivery Unit
MAS	Malaysia Airline System Berhad	PINTAR	Promoting Intelligence, Nurturing Talent and Advocating Responsibility
Maybank	Malayan Banking Berhad	PNB	Permodalan Nasional Berhad
MBSB	Malaysia Building Society Berhad	PLUS	PLUS Expressways Berhad
MINDA	Malaysian Directors Academy	Pos	Pos Malaysia Berhad
MRA	Minimum Retirement Age	PROTON	Proton Holdings Berhad
MRCB	Malaysian Resources Corporation Berhad	R&D	Research and Development
MRO	Maintenance, Repair and Overhaul	ROE	Return on Equity
MT/ha	Metric Tonne Per Mature Hectar	RWCR	Risk-Weighted Capital Ratio
MTAB	Majlis Tindakan Agenda Bumiputera	SEA	South East Asia
MW	Minimum Wage	Sime Darby	Sime Darby Berhad
NEAC	National Economic Advisory Council	SPRM	Suruhanjaya Pencegahan Rasuah Malaysia (Malaysian Anti-Corruption Comission)
NKEAs	National Key Economic Areas	SRI	Strategic Reform Initiatives
NKRAs	National Key Results Areas on reducing crime, fighting corruption, improving rural basic infrastructure improving student outcome, raising living standards of low-income household, improving urban public transport and addressing cost of living.	TalentCorp	Talent Corporation Malaysia Berhad
NED	Non-Executive Directors	TERAJU	Unit Peneraju Agenda Bumiputra
NEIs	New Economy Investments	THP	TH Plantations Berhad
NEM	New Economic Model	TM	Telekom Malaysia Berhad
NEP	New Economy Policy	TNB	Tenaga Nasional Berhad
NIM	Net Interest Margin	TSR	Total Shareholder Return refers to the total return of a stock to an investor (capital gain plus dividends)
NPL	Non-Performing Loan	UEM	UEM Group Berhad
OpCos	Operating Companies	UMS	Upward Mobility Scheme
PATAMI	Net Profit after Tax and Minority Interests	UMW	UMW Holdings Berhad
PBT	Profit before Tax	VDP	Vendor Development Programme
PCG	Putrajaya Committee on GLC High Performance	YAB	Yang Amat Berhormat
		YB	Yang Berhormat
		YBhg	Yang Berbahagia
		Y-O-Y	Year-on-Year





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