



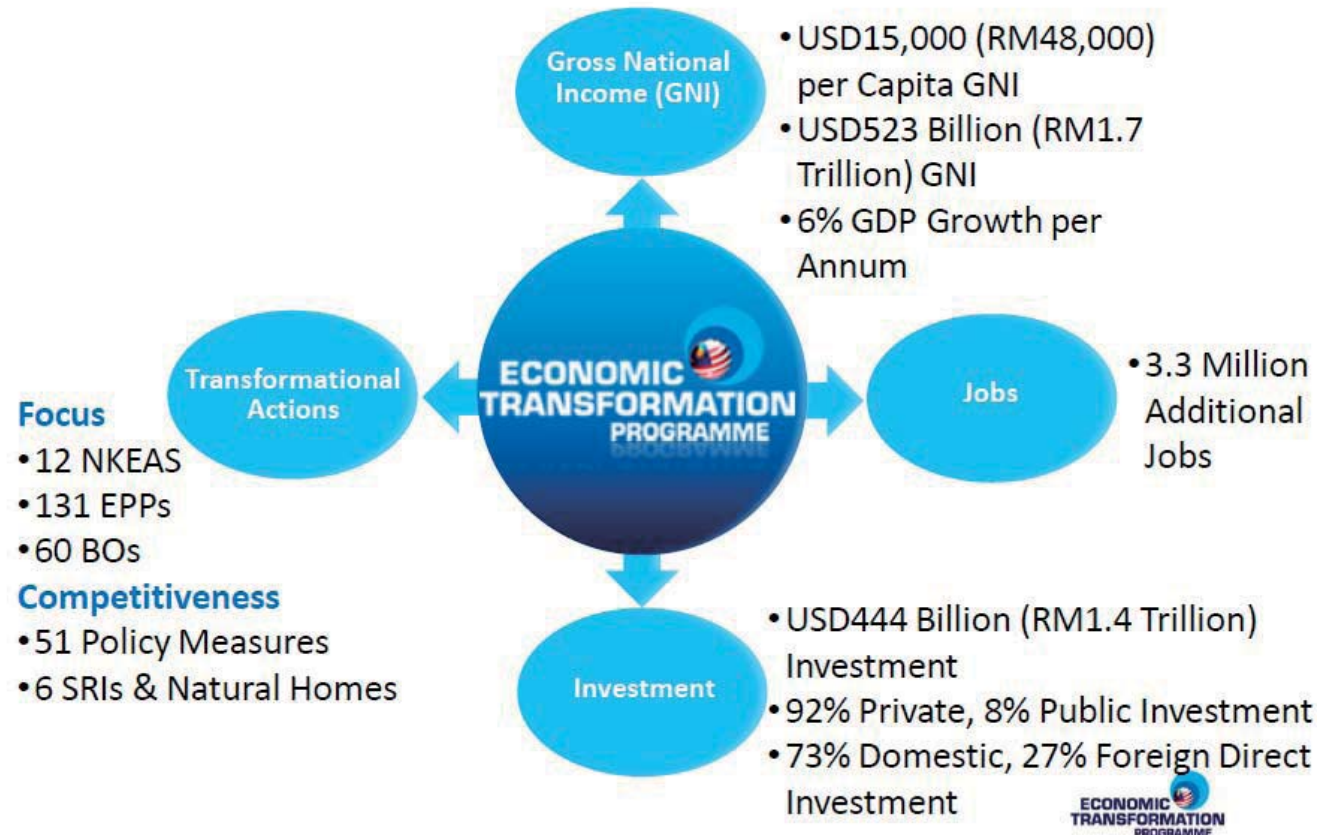
# FORUM ON ASIAN PROPERTY MARKETS OPPORTUNITIES AND HOTSPOTS : MALAYSIA

# A. Economic Transformation Programme (ETP)

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Malaysia wants to transform itself into a developed nation by 2020 and under the ETP, there are many opportunities for foreign companies to participate.

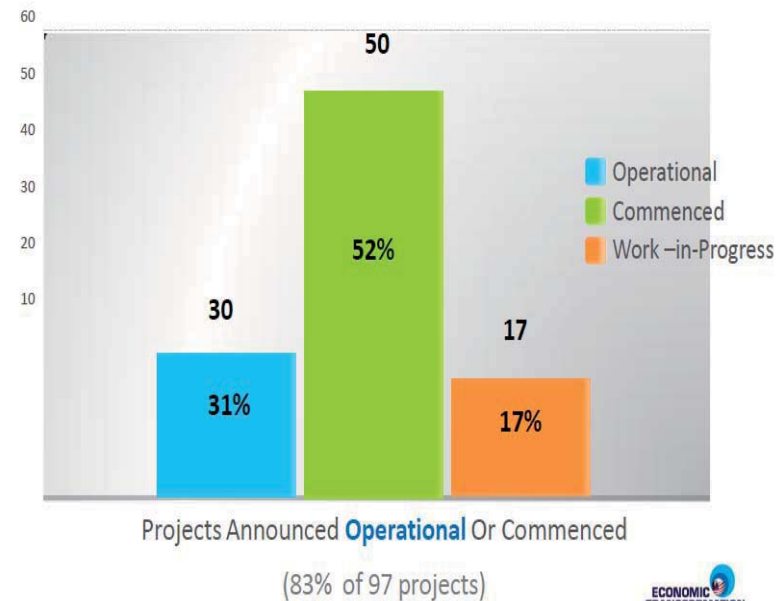
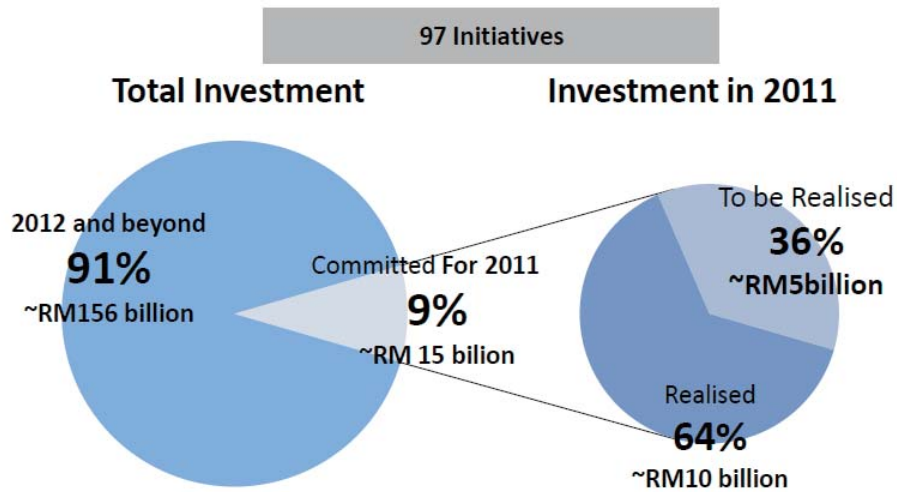
# Economic Transformation Programme (ETP)



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\* Numbers are approximate as of 15<sup>th</sup> October 2011 as they are collated from various private sector companies.



## B. Greater Kuala Lumpur/ Klang Valley

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- Objective:** *To transform Kuala Lumpur into one of the Top 20 cities in the world*
- : Target RM172 billion investments in next 10 years*
  - : Greater Kuala Lumpur cover 279,327 hectares in 10 Municipalities*

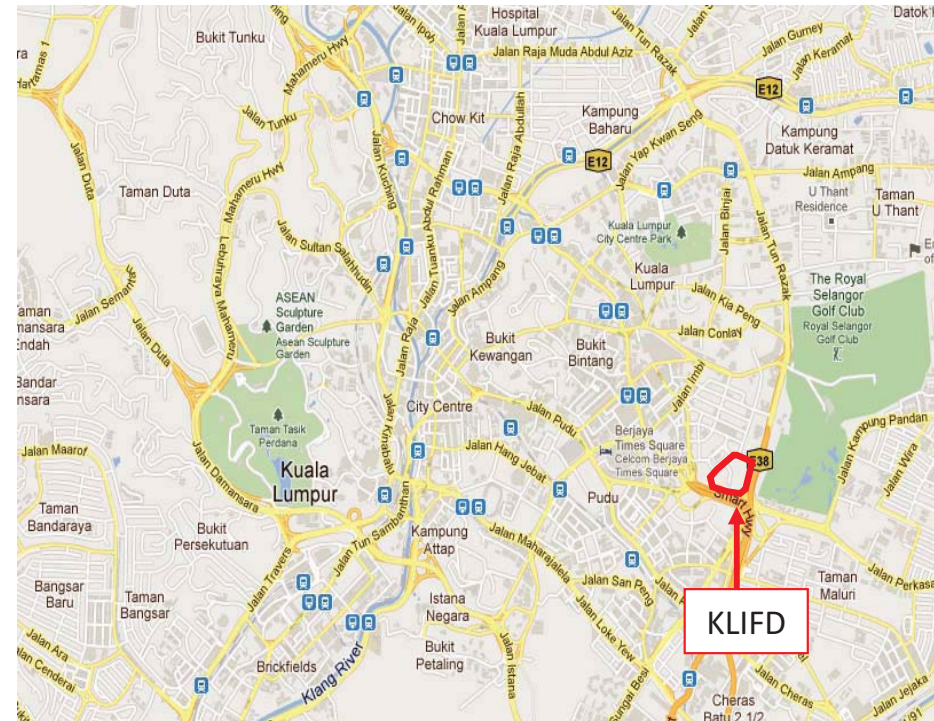
Some of the mega projects planned are:-

- Kuala Lumpur International Financial District (KLIFD)
- My Rapid Transit (MRT)
- KL Metropolis
- Bandar Malaysia (ex-Sungai Besi Airport site)
- Warisan Merdeka





- 75 acres in between Jalan Tun Razak, Jalan Sultan Ismail and the Putrajaya elevated highway
- Joint development between 1Malaysia Development Bhd and Mubadala Development (an Abu Dhabi state-owned company)
- Master planners – Akitek Jururancang + Machado Silvetti and Associates
- Work for KLIFD is on schedule with construction work expected early 2012



## The Incentives for KLIFD

- Income tax exemption of 100% for a period of 10 years
- Stamp duty exemption on loan and service agreements
- Industrial Building Allowance and Accelerated Capital Allowance
- Income tax exemption of 70% for a period of 5 years for property developers



*\*Artist's impression only*



# My Rapid Transit (MRT)



- The MRT Sungai Buloh – Kajang Line is a Mass Rapid Transit line running from Sungai Buloh and cutting through the Kuala Lumpur City Center, before ending at Kajang.
- The Sungai Buloh-Kajang Line will cover a distance of 51 kilometers (of which 9.5km is underground).
- There will be 31 stations planned along the route, to serve a total population of 1.2 million who are currently inadequately served by rail-based networks. There will be three provisional stations (not built yet for now, but planned to be) for future development.
- Funded by the Government through issuance of government bonds
- Expected to be completed in 2016
- Parties involved:-
  1. MRT Co - Project and Asset owner
  2. MMC-Gamuda - Project Delivery Partner
  3. RapidKL - Operator
  4. Land Public Transport Commission - Supervising agency

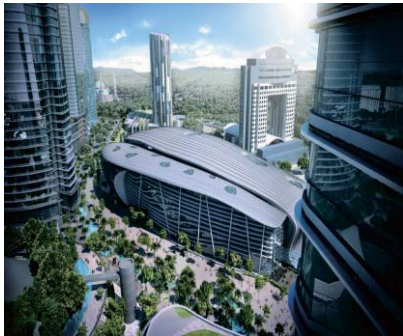
# The Final Alignment of the Klang Valley MRT Sungai Buloh – Kajang Line and the locations of the 31 stations



# KL Metropolis



- 75.5 acres located next to the existing Matrade building
- Estimated Gross Development Value at RM15 billion
- Master developer – Naza TTDI Sdn Bhd
- Master planner – Skidmore, Owings & Merrill LLP
- 4 phases development, expected completion in 2025
- 1 phase development comprising :



Matrade Centre



Office Tower



Hotel



Residential Tower



# KL Metropolis



SOM | Methan

## C. Education

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- Malaysia wants to make the country a centre of education excellence.
- Many foreign universities have already set up their campus or centre in Malaysia.
- Current foreign students population : 60,000
- By 2015, target foreign student population : 150,000
- 25 foreign universities have applied to set up campuses in Malaysia, including University of Reading and Heriot-Walt University.





## C. Education (con't)

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- Private-oriented Private Schools and International Schools will enjoy the following tax incentives:-

70% income tax exemption for a period of 5 years.

## D. Hotel & Tourism

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- Tourism industry is the 2<sup>nd</sup> largest foreign exchange earner.
- Under Budget 2012, hotel operators in Peninsular Malaysia investing in 4-5 star hotels are given pioneer status with income tax exemption of 70% or investment tax allowance of 60% for 5 years.
- Under the Langkawi 5 Year Tourism Development Master Plan, an allocation of RM420 million is made to develop tourism projects in Langkawi.
- To promote more foreign tourists, the Government is promoting Malaysia as a duty free shopping destination by removing import duties on 600 goods items.

## E. Islamic Banking

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- To further the government's objective of developing Malaysia into a leading international Islamic Financial Centre, the following incentives are available.
- New licences are issued for Islamic banks.
- Full income tax exemption is granted to Islamic banks on income from Islamic banking business.
- Tax deduction is allowed for expenses incurred in the issuance of Islamic securities.
- Full income tax exemption on management fees received by local and foreign companies for managing funds of foreign and local investors established under Syariah principles.

# F. Multimedia Super Corridor (MSC)

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- To attract world class technology companies to Malaysia, the Multi Media Super Corridor was created. Companies awarded MSC status will enjoy the following benefits.
  1. Malaysian income tax exemption under Pioneer Status.
  2. No restriction on employment of foreign knowledge workers.
  3. Freedom of ownership.
  4. Exemption from exchange control and foreign currency regulations.

## G. Medical Tourism

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- The Malaysia Healthcare Travel Council (MHTC) under the Ministry of Health is promoting healthcare travel and to position Malaysia as the health care destination of choice in the region.

	<u>No. of Foreigner Patients</u>	<u>Revenue</u>
2010	392,956	RM378.95 M
2011	578,403	RM509.77 M
2012 (estimate)	600,000	RM548 M



## G. Medical Tourism (con't)

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- The Indonesian market continued to form the bulk of foreign patients in Malaysia due to its proximity and accessibility.

<u>Location</u>	<u>Share of Foreign Medical Revenue</u>
Penang	49%
Greater Kuala Lumpur (Klang Valley)	21%
Malacca	10%
Others	20%

# H. Hotspots to Invest in Malaysia

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1. Greater Kuala Lumpur.
2. The Regional Development Regions:-
  - Iskandar Malaysia
  - Northern Corridor Economic Region
  - East Coast Economic Region
  - Sabah Development Corridor
  - Sarawak Corridor of Renewal Energy



THANK YOU