

Most local banks not exposed to Madoff scheme

P34



Q2 profit slides on construction slowdown

P37

Foreign forays: Little things make a big difference

P36



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# BUSINESS TIMES

### WORLD INDICES

STI	1,795.47	▼	3.48
HANG SENG	15,127.51	▼	370.30
NIKKEI	8,588.52	▼	78.71
FTSE100 (DEC 18)	4,330.66	▲	6.47
DJIA (DEC 18)	8,604.99	▼	219.35

### TOP GAINERS

DFZ Capital	3.40	▲	0.34
Lafarge	3.92	▲	0.34
Padini Hlg	2.55	▲	0.31
Scanwolf Corp	0.60	▲	0.22
MISC	8.70	▲	0.20

### TOP LOSERS

Shell	8.15	▼	0.30
WZ Steel	0.235	▼	0.24
Country Heights	0.68	▼	0.22
Sime Darby	5.45	▼	0.20
Tenaga	5.90	▼	0.20

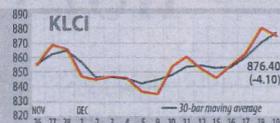
### MOST ACTIVE

KNM Group	0.41	33.99
Resorts World	2.21	17.09
MRCB	0.74	12.33
Lion Industries	0.71	11.38
Tenaga	5.90	10.60

### VOL (M)

### FOREX RATES

Mid rates at noon	Dec 19	Dec 18
USD	3.4675	3.4835
GBP	5.2571	5.4081
EUR	4.9523	5.0253
JPY100	3.8878	3.9784



# PHBB buys CP Tower for RM200m

Company inked deal with CIMB-Mapletree early this week, sources say

**PRIME PROPERTY:** CP Tower is located in a thriving business area

By Vasantha Ganesan  
bt@nstp.com.my

PELABURAN Hartanah Bumiputera Bhd (PHBB) is buying CP Tower in Section 16, Petaling Jaya, from CIMB-Mapletree Management Sdn Bhd for RM200 million, sources say.

Sources told Business Times that a sale and purchase agreement between the parties was inked earlier this week.

SavillsRahim & Co, the real estate consultant handling the deal, declined to comment when contacted by Business Times.

CP Tower is a 22-storey commercial office building with three levels of basement parking. It has some 314,000 sq ft of net lettable space. Business Times reported in May that the building was up for sale and that its owners were seeking about RM600 per sq ft, or RM188 million.

PHBB was created in 2005 to increase Bumiputera participation in commercial properties in major urban locations.

CIMB-Mapletree, a 60:40 joint venture between CIMB Real Estate Sdn Bhd and Mapletree Capital Management Pte Ltd of Singapore, bought the property in 2005 for RM136 million.

The joint venture set up the CIMB-Mapletree Estate Fund 1 (CMREF 1), the first private equity property fund in the country.

CIMB-Mapletree has raised some RM400 million for the CMREF 1, and as much as 80 per cent of the CMREF 1 was invested in properties like CP Tower and Menara CSM/Jaya Shopping Centre.

>> SEE PAGE 37, COL. 4



## More liberalisation measures early next year



ZETI: Expected to announce more foreign ownership in local banks

BANK Negara Malaysia will announce further liberalisation of the level of foreign ownership in local banks as early as the first quarter of next year.

"We are going to announce our liberalisation measures early next year," central bank governor Tan Sri Dr Zeti Akhtar Aziz said in Kuala Lumpur yesterday.

In recent weeks, several top government officials indicated that Malaysia plans to further liberalise its economy, including the financial services sector. Zeti was asked if allowing more foreign ownership in local banks would be part of that liberalisation.

On whether local banks are affected by the Bernard Madoff US\$50 billion fraud, Zeti said: "No, not to our knowledge."

## Amcham: US firms will maintain investments here

By Zuraimi Abdullah  
zuraimi@nstp.com.my

US COMPANIES will sustain their level of investments in Malaysia despite gloomy forecasts next year, the American Malaysian Chamber of Commerce said.

Amcham president Karen Albertson said except for a few including Western Digital, it was not aware of any other US companies that are closing all or some of their operations here because of the economic downturn.

In response to retrenchment concerns, she said many companies are implementing planned year-end production shutdowns, shorter working weeks and other strategies to mitigate the possibility of laying off their staff.

"US companies in Malaysia see retrenchments only as a last re-

sort," Albertson said at a media briefing in Kuala Lumpur yesterday.

Amcham executive director Dom LaVigne said Malaysia is still attractive for foreign investments amid the current economic situation, adding that reducing electricity costs and lowering corporate tax rate would enhance Malaysia's attractiveness.

Benchmarking with Singapore's corporate tax of 18 per cent, Albertson said a tax rate in the high teens or low twenties would be better for Malaysia.

Malaysia's corporate tax rate is 25 per cent for the year of assessment for 2009.

Albertson said the current economic uncertainty was tough on various industries with lower demand for goods.

>> SEE PAGE 37, COL. 4