

**WELCOME REMARKS BY DATUK N. RAJENDRAN
DEPUTY CHIEF EXECUTIVE OFFICER OF MIDA
MOU BETWEEN MIDA - MALAYSIA AIRPORTS
HOLDINGS BERHAD (MAHB)**

**13 JULY 2018, 9.30 AM-11.00 AM
Level 31, Boardroom, MIDA SENTRAL, KL**

ACKNOWLEDGEMENTS

**YM Raja Azmi Raja Nazuddin
Acting Group CEO, MAHB**

**Mr. Azli Mohamed
Chief Strategy Officer, MAHB**

**Mr. Randhill Singh
General Manager, Land Development Division, MAHB**

MAHB representatives and fellow MIDA colleagues,

Ladies and Gentlemen,

1. Good morning. I would like to warmly welcome Malaysia Airports Holdings Berhad (MAHB) and, thank you all for making the time to join us today.
2. MIDA has collaborated with many organisations to further increase quality investments in the country. To date, we have signed more than 50 Memorandums of Understanding (MoUs) with local and foreign organisations in various countries such as France, Japan, Taiwan and US across many sectors such as Internet-of Things (IoT), smart manufacturing, logistics, aerospace, R&D and education. Today, we are pleased to add MAHB to our growing list of collaborations.
3. MIDA acts as a conduit by working with entities such as MAHB to bring together the industry and other stakeholders to create fresh and exciting collaborations. We are confident that these efforts will contribute in the long term to provide a conducive environment for businesses to thrive.
4. Understanding the needs of our investors, we seek to not only promote the development of industrial ecosystems but also to ensure that the enablers are in place. This include having the right infrastructure and facilities in place to cater to the requirements of businesses, particularly those that are value added, capital-intensive, knowledge-intensive and can provide quality business and job opportunities to Malaysians.

Ladies and Gentlemen,

5. Malaysia has come a long way from an agro-based economy to a vibrant industrialising and services oriented nation. Today, we are in the next level of development as the country's economy is more diversified and able to cater to new growth areas such as e-commerce, industry 4.0-related ventures, green technology, medical devices and aerospace.
6. In our first quarter investment performance for the manufacturing sector, MIDA recorded approved investments of RM12.5 billion from 137 manufacturing projects as compared to

RM6.6 billion from 144 manufacturing projects in the same period last year. The increase of 89% in terms of the value of investments is a clear indication that capital-intensive projects dominated Malaysia's manufacturing landscape. These approved investments created 16,437 employment opportunities.

7. During this period, foreign investments in approved manufacturing projects doubled to RM10.0 billion from RM4.2 billion in the corresponding period last year. The increase reflects the country's competitiveness as a location of choice for investments. China accounted for RM6.2 billion or 62% of the total foreign investment, followed by France (6%), Indonesia (6%), Japan (5%), Singapore (3%) and US (3%).
8. The targeted 3+2 catalytic and high potential growth subsectors namely Electrical & Electronics, Chemical & Chemical Products, Machinery & Equipment, Medical Devices and Aerospace as identified under the 11th Malaysia Plan contributed 24% (RM3 billion) to the total approved investments in the manufacturing sector. Once implemented, these projects will further energise the development and growth of the overall manufacturing sector.
9. The aerospace industry in Malaysia is gaining altitude and continues to have the trust of local and global industry players. Today, Malaysia is home to more than 200 companies involved in maintenance, repair and overhaul (MRO), aero-manufacturing, education & training, systems integration and engineering & design activities. For the first 3 months of 2018, the aerospace industry registered approved investments of RM175.4 million from 4 manufacturing projects and RM8.59 million from 1 MRO project.

Ladies and gentlemen,

10. As our economy grows, there is a rising demand to make our business environment as productive and efficient as possible. Convenient connections will make a location more desirable for businesses as it will be easier to attract quality workers. This also contributes to maximising business opportunities for industries across the board. Hence, the development of the KLIA Aeropolis and Subang Airport ecosystem, which includes the Subang Aerotech Park, is a welcomed initiative to boost the country's competitiveness in attracting the desired foreign direct investments.
11. By working with key developers such as MAHB, MIDA is able to better facilitate the interest of investors. Meanwhile, MAHB is able to leverage on our close relationship with the industries. Through this partnership, we look forward to providing more options to our investors in their selection of sites. We trust that it will translate more quality investments coming into Malaysia, particularly for the logistics and aerospace industries, as well as other supporting industries.
12. On that note, I would like to express my sincere thanks to MAHB for their support. I look forward to the impactful outcomes from our partnership.

Thank you.