

20 MAY 1996

Bank

M'SIA INC POLICY PUTS M'SIA AMONG TOP 10 INVESTORS IN VN

HAIPHONG (Northern Vietnam), May 20 (Bernama) -- The Malaysia Incorporated Policy, coupled with strong support of the Vietnamese government, has contributed to Malaysia being among the top 10 investors in Vietnam, Malaysian ambassador Cheah Sam Kip said today.

The policy encourages the Malaysian private sector and the Malaysian government to jointly promote and enhance Malaysia's economic interests domestically and internationally.

Opening the fourth branch of the VID-Public Bank here, Cheah said the Vietnam-Malaysia banking joint venture established four years ago also underscored Malaysia's commitment to the policy.

Vietnam State Bank deputy governor Do Que Luong, Haiphong people's committee vice-chairman Do Gia Pach, Public Bank chairman Tan Sri Thong Yaw Hong and its president-cum-chief executive officer Tan Sri Teh Hong Piow were present.

Cheah said the Malaysian government was indeed encouraged by the opening of the fourth branch as "its policy remains one of encouraging the Malaysian private sector to undertake investments abroad."

Malaysian Prime Minister Datuk Seri Dr Mahathir Mohamad's second visit to Vietnam last March, which was substantially geared towards Malaysian business ventures and investments, underlined Malaysia's commitment to enhance its economic presence in Vietnam, he said.

As of last year Malaysia ranked seventh largest investor in Vietnam with projects in banking, manufacturing, petroleum (upstream and downstream), infrastructure and tourism, among others, valued at US\$840 (RM2.1 billion).

Cheah said the Malaysian government hoped that the success of VID-Public Bank would inspire more Malaysian businessmen to venture into Vietnam to strengthen commercial ties between the two countries.

A year after Dr Mahathir launched VID-Public Bank in Hanoi during his first visit to Vietnam in April 1992, the bank opened its second branch in Ho Chi Minh City, the southern commercial hub and the third, in Danang in central Vietnam in April 1994.

Haiphong, 103km north of Hanoi and northern Vietnam's largest seaport with rail links to southern China, is part of an economic triangle now actively developing export-oriented industries.

In his speech, Thong said approval for the fourth branch strongly motivated the bank towards achieving its corporate mission to be the "most efficient, profitable and respected financial institution in Vietnam."

VID-Public Bank, a joint venture between Vietnam's Bank for Investment and Development and Malaysia's third largest bank in terms of assets, was ranked among the five top performing foreign banks for two consecutive years in 1994 and 1995.

Last year it recorded a pre-tax profit of US\$2.57 million (RM6.42 million), almost a-145 per cent increase over 1994's profit of US\$1.05 million (RM2.62 million).

In his speech, VID-Public Bank chairman Nguyen Van Doan said: "The bank is one of the most profitable banks and the bank with foreign interest to have the most number of branches in Vietnam."

Last year the State Bank allowed it to increase its authorised capital from US\$10 million to US\$15 million (RM25 million to RM37.5 million). --

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