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Prime Minister Datuk Seri Najib Razak giving a speech at the launch of PNB House in London yesterday. With him are PNB president and group chief executive officer Tan Sri Hamad Kama Piah Che Othman (centre) and PNB chairman Tun Ahmad Sarji Abdul Hamid. Pic by Zaharah Othman

MALAYSIA'S economy is strong enough to endure trying times and will continue to grow further, said Prime Minister Datuk Seri Najib Razak.

He said despite claims stating otherwise, the country was in a far stronger position now than during the Asian financial crisis in 1997/98.

He said regrettably, there were some, including foreigners and even Malaysians, who chose to downplay Malaysia's strengths.

"Some foreigners and, sadly, some Malaysians, too, have been trying to talk Malaysia down.

"The reality, the true story about Malaysia is that we have an economy that is underpinned by sound fundamentals. Our economy is on track, and is expected to expand between 4.5 per cent and 5.5 per cent this year."

Najib said while it was true that Malaysia was facing trying times, the country was in much better shape than before.

"Our revenue has been hit by the fall in oil prices and the ringgit is severely undervalued.

"It is important to note that this is

not 1997 or 1998. We are in a far, far stronger position than we were in then.

"Our financial markets are in good shape and our economy is growing at a very healthy state."

He was speaking at the launch of the 30,000-square-foot PNB House, the new headquarters for PNB (UK) Ltd, here.

Malaysia's largest asset manager, Permodalan Nasional Bhd (PNB), had purchased the five-storey office building at 77, Queen Victoria Street; a location near Mansion House, the home and office of the lord mayor of the city of London.

PNB House, believed to be valued at £26 million (RM172 million) at the time of purchase, is also close to the Bank of England and within walking distance of the iconic St Paul's Cathedral.

PNB is a wholly owned subsidiary of Yayasan Pelaburan Bumiputera, of which Najib is chairman.

Najib was here on a one-day working visit before leaving for the United Nations General Assembly in New York today.

He said the opening of PNB House was testament to PNB's success in becoming one of Malaysia's premier investment institutions and was reflective of the ever-increasing role Malaysian businesses played around the world.

"I am sure PNB employees here in the new United Kingdom office will gain knowledge and skills that will be invaluable for further nation-building back home, and will assist in our goal of becoming a high-income nation by 2020, which, I am

pleased to say, we are on course to achieve.

"Indeed, not far from here, Malaysian companies are behind one of the redevelopments in central London's history: that of the iconic Battersea Power Station."

The ceremony was attended by 160 guests, including PNB chairman Tun Ahmad Sarji Abdul Hamid, its president and group chief executive officer, Tan Sri Hamad Kama Piah Che Othman, PNB (UK) Ltd principal officer Rahiyah Yahya and Malaysian High Commissioner to the UK and Eire Datuk Ahmad Rasidi Hazizi.

Ahmad Sarji, in his welcome

speech, said prior to every purchase, financial and due diligence were conducted, and other factors were taken into consideration, including the timing, rate of foreign exchange and entry-level price.

"The overall cost of acquiring these properties is close to RM7.8 billion. I am pleased to inform the prime minister that all six buildings are fully occupied by large, international corporate tenants from various industries, thus, generating a competitive yield for PNB."

PNB House has served as the headquarters for PNB (UK) Ltd (incorporated in January 2006) since March this year.

The building was acquired in May last year, together with a nine-storey building, called Aviation House, in Kingsway here.

PNB made its first property acquisition here with the purchase of the Milton & Shire House, two blocks of 15- and 11-storey office buildings in Silk Street, in January 2012.

It acquired two more office buildings, the One Exchange Square, a 13-storey structure at 175, Bishopsgate, followed by 90, High Holborn, an eight-storey building, in March 2012. Its first overseas property was acquired with the purchase of Santos Place in Brisbane, Australia, in August 2010.