

**SPEECH BY
YAB DATO' SERI ABDULLAH BIN HAJI AHMAD BADAWI
AT THE SIGNING CEREMONY FOR THE UNDERWRITING AND PLACEMENT OF
SHARES AGREEMENTS IN CONJUNCTION WITH THE LISTING OF SYMPHONY
HOUSE BERHAD ON THE MESDAQ MARKET OF THE KUALA LUMPUR STOCK
EXCHANGE, AT HOTEL NIKKO KUALA LUMPUR
3 DECEMBER 2002**

Assalamualaikum

I am pleased to have been invited to witness the signing of the underwriting agreement in conjunction with Symphony House Berhad's forthcoming listing on the MESDAQ market of the KLSE.

2. To my mind symphony group, is a good example of homegrown professionals and entrepreneurs venturing into two of the most rapidly growing economic sectors, it and services. I understand that the group provides total it solutions and advisory services to companies mainly in the financial industry. The provision of these services will serve to bring costs down for banks, and I hope this will be translated to lower interest charges to borrowers!.

3. I am also pleased to note that one of the companies in the group, symphony Xen Solutions Sdn. Bhd. has been awarded MSC status. I urge the company to fully utilise the multitude of available incentives, such as tax exemptions and access to research and development facilities.

4. In addition, it is good to hear that the company has a successful set-up in Singapore with major banks listed as its clients, and is planning to expand into the Asia Pacific region. This type of export of services and intellectual property is what Malaysian government wants, which to some extent will reduce the service deficit on the country's balance of payment.

Ladies and gentlemen,

5. The 8th Malaysia plan projects that the services sector will grow by 7.7 per cent in the period from 2001 to 2005. Within the services sector, finance, insurance, real estate and business services are expected to contribute significantly.

6. Increased use of it is expected to contribute to the growth of this subsector. Harnessing technology can improve efficiency, reduce costs and improve the quality of services. It can also create entirely new business models. A good illustration of this would be the rapid growth of the internet, which in turn has led to the accelerated use of e-commerce. The e-commerce market has been estimated to increase from usd1 billion in 1998 to usd6 billion in 2000 in the Asia Pacific region alone. E-commerce has helped reshape market places, trading relationships and even international trading boundaries.

7. On its part, the government recognises the pivotal influence of it and envisions a shift in the growth strategy from being input-driven to one that is knowledge- driven. We are committed to further enhancing the development of the it sector. We aim to position Malaysia as a major global it and multimedia hub. We want to see higher utilisation of it as a key enabler to facilitate local companies to compete globally,

especially in sectors such as banking and finance, logistics, manufacturing and key services. We encourage companies and entrepreneurs to marshal their creativity, innovation and resourcefulness to realise this vision. The knowledge economy presents boundless opportunities for businesses to customise and undertake novel pursuits. Malaysia must ensure that it is fully plugged into the digital revolution because it is clear that it and e-commerce are sources of future growth and wealth. To be left behind in this race will sow the seeds of future poverty.

8. The government is not sparing any effort to create a stable and supportive environment for the development of the IT sector. We will continue providing infrastructure and logistical support to ensure that the IT sector remains dynamic and robust. We are also fully aware that for companies to be able to create, innovate, and develop ideas into solutions, protection of intellectual property is paramount. As a matter of fact, in many cases, intellectual property is the single largest asset that such a company would own. It is therefore crucial that budding entrepreneurs take the trouble to register their trademarks and copyrights. The government will continue to strengthen our intellectual property laws and to step up enforcement.

Ladies and gentlemen,

9. I am especially pleased to see Dato' Azman moving on from his assignment with government agencies to the private sector. He has contributed commendably to the government's efforts to rehabilitate non-performing loans and restructure corporate debt. I hope that the culture of good governance and prudent management that he has demonstrated, both at Danaharta and the corporate debt restructuring agency, will also be put into good use in running Symphony House. Nevertheless, we hope that he will still be available to contribute and assist the government where needed. That is why we are still keeping his address and phone number.

10. I am also equally pleased to learn that the board of directors is led by Tan Sri Datuk Asmat Kamaluddin, a former senior civil servant with vast exposure and experience in international trade. In view of the inevitable globalisation of the world economy, I strongly believe that the company would benefit immensely from Tan Sri Asmat's in-depth knowledge on the matter.

Ladies and gentlemen,

11. I wish Symphony House Berhad a very successful listing exercise and even greater success after it has attained public status. Thank you for inviting me to do the honours and congratulations on taking this first step towards a new chapter in the corporate history of Symphony House.