



PORT KLANG FREE ZONE SDN BHD (708970-U)
P.O. Box 261, Jalan Pelabuhan,
42009 Port Klang, Selangor D.E., Malaysia
Jalan FZ 2-P5, Port Klang Free Zone / KS 12,
42920 Pulau Indah, Selangor Darul Ehsan
Tel : +603 3101 5568
Fax : +603 3101 4489
E-mail : info@pkfz.com
Website : www.pkfz.com

Press Clipping

Client: Port Klang Free Zone

Publication: New Straits Times – B&W
Business Times, P. 47 (1 of 1)

Date: September 7, 2006

Free Zone Cap plans bonds to fund road, electrical works

FREE Zone Capital Bhd plans to sell RM410 million of bonds this month to fund road and electrical work at Port Klang, the nation's biggest port.

The fixed-rate bonds will be sold in three portions, maturing in November 2008, November 2009 and November 2010, according to the arranger OSK Securities Bhd, the nation's second-largest stock broking group. The coupons

haven't been fixed yet, the company said.

"We are marketing the bonds now to determine the pricing and aim to sell them before the end of the month," said Eddie Fong, head of debt capital markets at OSK Securities in Kuala Lumpur. "We certainly expect a good demand because of the strong rating."

Free Zone Capital is a unit of closely held Kuala Dimensi Sdn

Bhd, the contractor appointed by the Port Klang Authority (PKA) to develop the port as a transshipment hub to compete with Singapore and the Port of Tanjung Pelepas in Johor.

Kuala Dimensi has raised RM3.36 billion through three previous bond sales since July 2003 to help develop a 1,000-acre (405ha) free-trade zone comprising office buildings, warehouses, a hotel and

associated infrastructure.

The bonds sold by Kuala Dimensi are given the highest AAA investment grade rating by Malaysian Rating Corp because its parent, PKA, is backed by the Government. The debt is not rated by Standard & Poor's or Moody's Investors Service.

The offering will add to the RM47.6 billion of bonds sold by Malaysian companies this year, ac-

cording to the Securities Commission.

Malaysian firms issued RM38.2 billion of bonds in 2005, 5 per cent more than in the previous year, according to the central bank data.

Port Klang, the world's 13th largest, handled 109.7 million tonnes of cargo last year, 10 per cent more than a year earlier, according to PKA. — Bloomberg