

Headline	Property giants sign MoU on WIFE sidelines
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Property giants sign MoU on WIEF sidelines

JAKARTA: Malaysia and Indonesia's largest property developers plan to develop an affordable housing project in greater Jakarta, riding on the growing middle-class population of Southeast Asia's largest economy.

Sime Darby Bhd, I&P Group Sdn Bhd and SP Setia (Indonesia) Sdn Bhd yesterday signed a Memorandum of Understanding (MoU) with PT Hanson International Tbk to jointly develop about 500ha in Maja, Tangerang, 80km from Jakarta.

The project has a gross development value of IDR11.29 trillion (RM3.5 billion), according to a joint statement issued by the companies.

Under the MoU, the companies will form a joint venture where the Malaysian companies have an equity interest of 20 per cent each, while PT Hanson will hold the remaining 40 per cent. The parties will continue negotiations to finalise the details and work on an agreement in three months.

The companies exchanged the documents on the sidelines of the 12th World Islamic Economic Forum (WIEF) yesterday.

The MoU exchange was witnessed

"We are proud to partner distinguished companies from Malaysia with extensive experience in the property development industry. As Indonesia's leading property developer, PT Hanson is optimistic this partnership will contribute towards Indonesia's efforts to provide much needed affordable housing," said PT Hanson group chairman Edi Yosfi.

"I am confident in the deep synergy and combined wealth of experience in township development of the three Malaysian companies. And this, in turn, combined with PT Hanson's strengths and reputation in Indonesia, will make the joint venture more than a success," said I&P group Sdn Bhd group managing director Datuk Jamaludin Osman.

"With Jakarta being home to 10 million people and Greater Jakarta, more than 25 million and growing rapidly, it is an opportunity for SP Setia to share its expertise and expand its growing presence in the world, having a 40-year track record," said SP Setia president and chief executive officer Datuk Khor Chap Jen.

ject with the Malaysian companies is next to an existing township called Citra Maja Raya, which started development last year.

Citra Maja Raya is being developed by PT Hanson in partnership with Ciputra Group, one of Indonesia's largest developers.

Sime Darby is Malaysia's biggest conglomerate by market value, with operations in more than 26 countries. Apart from plantations, industrial equipment, automotive and logistics, the group has been involved in property development for more than 40 years and is Malaysia's biggest developer by landbank.

SP Setia (Indonesia) Sdn Bhd is a wholly-owned subsidiary of SP Setia Bhd, Malaysia's largest property developer by market value, with a regional footprint that spans Australia, Singapore, Vietnam, China and the United Kingdom, among

others. SP Setia and Sime Darby are also partners in London's Battersea Power Station redevelopment.

I&P Group Sdn Bhd is a wholly-owned subsidiary of Permodalan Nasional Bhd. The group is one of

by Prime Minister Datuk Seri Najib Razak and WIEF chairman Tun Musa Hitam.

"As Malaysia's biggest property developer by landbank, Sime Darby is keen to share its experience in developing sustainable communities. This is an opportunity for Malaysian and Indonesian companies to collaborate in what we hope will be a win-win partnership," said Sime Darby president and group chief executive Tan Sri Mohd Bakke Salleh.

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Maja is located to the west of Jakarta and is near industrial areas in the Banten province, where there are about 400,000 people working in 1,500 factories. It is about 90 minutes from central Jakarta by train.

PT Hanson is one of Indonesia's largest property developers by landbank, owning more than 3,500ha in greater Jakarta. The proposed pro-

ject with the Malaysian companies is next to an existing township called Citra Maja Raya, which started development last year.

the few leading developers in Malaysia with over 50 years of experience in township development and is known for its quality work and good track record.

The group has developed over 60 townships in Malaysia and is actively developing 13 townships and five future township developments which are primarily concentrated in the Klang Valley and Johor Baru. **By Lokman Mansor**

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Prime Minister **Datuk Seri Najib Razak**, Indonesian Finance Minister **Sri Mulyani Indrawati** (back row, third from left), WIFE chairman **Tun Musa Hitam** (back row, left) and Indonesia's National Development Planning Minister **Professor Dr Bambang P.S. Brodjonegoro** (back row, right) witnessing the signing of a memorandum of understanding between Sime Darby Bhd, I&P Group Sdn Bhd and SP Setia and Indonesia's PT Hanson International Tbk in Jakarta yesterday. Exchanging the documents are Sime Darby president and group chief executive **Tan Sri Mohd Bakke Salleh** (front row, left), I&P Group Sdn Bhd group managing director **Datuk Jamaludin Osman** (front row, second from left), SP Setia president and chief executive officer **Datuk Khor Chap Jen** (front row, right) and Hanson Group Chairman **Edi Yosfi**. Pic by Aizuddin Saad