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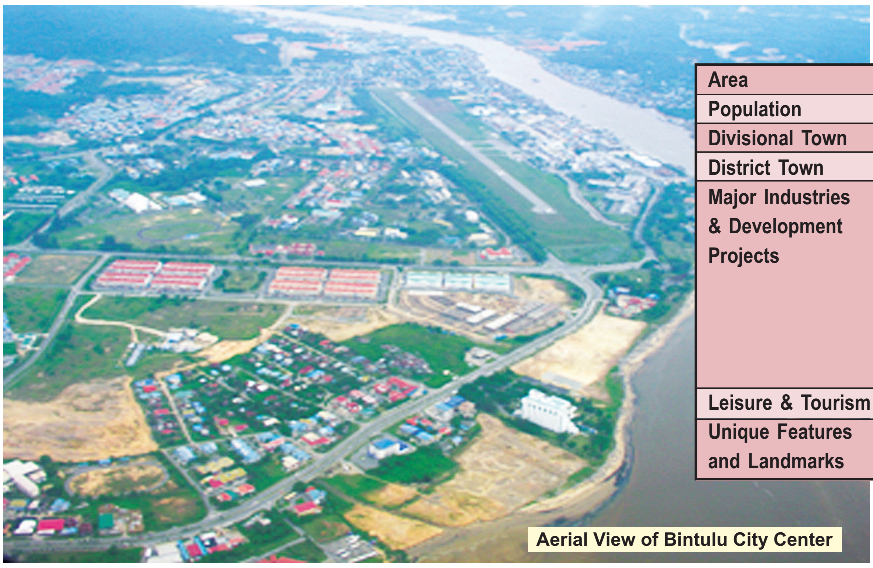
SARAWAK PROPERTY BULLETIN

"Work Together With You"

PPK 344/6/2004

SARAWAK'S INDUSTRIAL CITY - BINTULU



Aerial View of Bintulu City Center

Area	12,166 sq km
Population	145,000 (estate)
Divisional Town	Bintulu
District Town	Tatau & Sebauh
Major Industries & Development Projects	• Kidurong Light Industrial Estate - general & light industries • Kidurong Heavy Industrial Estate - petrochemical, gas and energy intensive industries • Kemena Industrial Estate - timber-based industries • Bintulu Light Industrial Estate - general & light industries
Leisure & Tourism	Similajau National Park
Unique Features and Landmarks	Petro-chemical Industries

Bintulu, with humble beginnings as a lowly fishing village, has grown tremendously in the past 3 decades since the discovery of Liquefied Natural Gas (LNG) in 1969. The development of the petro-chemical industries that followed the discovery of LNG and the creation of the Bintulu Development Authority (BDA) to undertake infrastructural development and industrial promotion, has transformed Bintulu into what it is today the Industrial Hub of Sarawak.

Bintulu is host to various gigantic industrial projects :

- Malaysia Liquefied Natural Gas Plant (MLNG)
- Asean Bintulu Fertiliser (ABF) Plant
- Glue Adhesive Factory
- Clinker Grinding Plant
- Medium Density Fiberboard (MDF) Plant
- Bintulu Kernel Crushing Plant
- Bintulu Deepwater Port
- Bintulu Crude Oil Terminal (BCOT)
- Bintulu Edible Oil Plant
- Palm Oil Bulking Installation
- Shell Middle Distillate Synthesis (SMDS) Plant
- SESCo's Combined Cycle Power Plant
- Integrated Timber-Based Projects e.g. Borneo Pulp & Paper etc.
- Plantations and Agro-Based Projects

Bintulu's future, however, is not dependent on its industrial strength alone. The emphasis is on all-round development, with agriculture also playing a significant part in the overall development.

The rapid growth of Bintulu can be seen from the increase in population registered from the past population censuses. It can be seen that Bintulu District's average annual growth rate of 5.26% based on the 2000 Census is the highest among the Districts in Sarawak, ahead even of Kuching and Miri at 3.28% and 3.42% respectively.

Highights:

Table 1 Census Population and Average Annual Growth Rate

	State/ District	1970	1980	1991	2000	1970-1980 Average Annual Growth %	1980-1991 Average Annual Growth %	1991-2000 Average Annual Growth %
1	Malaysia	10,439,430	13,136,109	17,563,420	22,202,614	2.30	2.64	2.60
2	Sarawak	976,269	1,235,553	1,642,771	2,012,616	2.36	2.59	2.26
3	Kuching	61,788	262,085	369,065	495,996	15.54	3.11	3.28
4	Samarahan		25,348	33,173	47,201	NA	2.45	3.92
5	Sibu	49,298	125,254	170,399	209,012	9.74	2.80	2.27
6	Bintulu	4,663	42,812	86,132	138,269	24.82	6.36	5.26
7	Miri	34,613	92,554	161,373	219,571	10.32	5.05	3.42

Source:- 2000 Census Preliminary Count Report and 1970 Population & Housing Census Report for Sarawak

Bintulu Townland itself experienced a high population increase of 23.54% per annum for the period between 1991 to 2000 due to high rate of urbanization.

Urban growth due to rural-urban migration has taken place at a very rapid rate in Bintulu as shown in Table 2. In fact, Bintulu has the highest urban growth among the major towns in Sarawak. And the trend is still continuing, though at a slower rate.

Table 2 Number and percentage of population in urban area

		Number			Level of urbanization (%)		
	State/ District	1980	1991	2000	1980	1991	2000
1	Malaysia	4,492,408	8,898,581	13,725,609	34.2	50.7	61.8
2	Sarawak	222,529	616,837	963,232	18.0	37.5	47.9
3	Kuching	72,555	277,905	423,873	24.2	75.3	85.5
4	Sibu	85,231	133,479	166,322	65.3	78.4	79.6
5	**Bintulu**	**0**	**51,862**	**102,761**	**0.0**	**60.2**	**74.3**
6	Miri	52,125	102,878	167,535	54.5	63.8	76.3

Source : 2000 Census Preliminary Count Report for Urban and Rural Areas

Well-ordered commercial and residential areas are springing up in Bintulu as a result of effective town-planning based on the orderly grid system, something which was missing from the older major towns like Kuching and Sibu. Most of the residential areas are found outside the Central Business District area but within 7 km radius from town which is still considered urban. According to the 2000 Population Census, about 70% of the total living quarters were found in the urban areas. With the continued growth in population and industrialization in and around Bintulu which is expected to lure influx of population, many more residential areas are expected to be established.

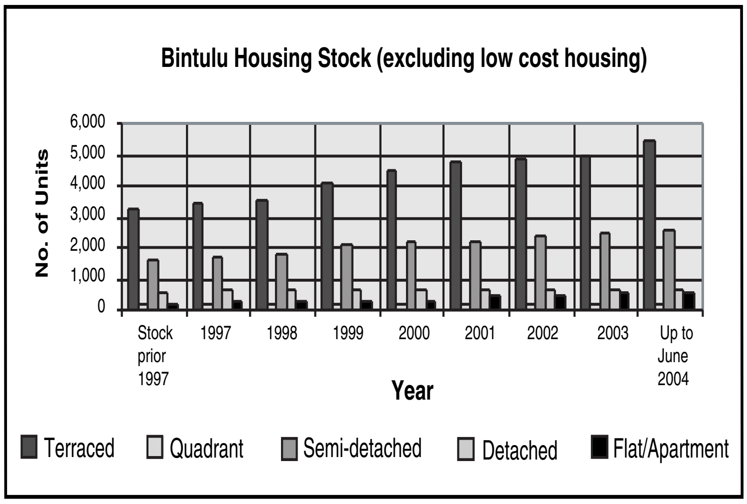
The major housing estates/areas in Bintulu are :

Jalan Tun Hussein Onn

- Bandar Jaya developed by Hock Peng Realty Sdn Bhd - 913 units
- Jade Garden developed by Paling Construction Sdn Bhd - 294 units
- Taman Putra Jaya developed by BBC Construction Sdn Bhd - 240 units

Jalan Sungai Sibiyu

- Taman Kemena Sutera developed by Johabaru Sdn Bhd - 193 units



The growth of residential property in Bintulu is evidenced by the following Chart which shows the increasing stock of housing in Bintulu for the past 7 plus years. The average annual rate of growth of about 8% is expected to increase in the coming years with the increase in government projects and other industries. Even though terraced units recorded the highest addition in terms of number of units, it is interesting to note that in terms of percentage growth, apartments have achieved a comparatively faster rate than the other developments, possibly due to increasing cost of land and a change in living style.

Excerpts from interview with Chairman of SHDA Bintulu

According to Barry Yek, the Chairman of SHDA Bintulu, until the late 1970's, there was very little development in Bintulu. The little initial projects there were, were mostly undertaken by corporate giants like LNG. It was not until the 1980's, after the change in the State leadership, that developments shifted to the private developers. The 1st private development was semi-detached houses at Tj Batu Road costing RM60K to RM62K. The rest were by LNG and BPA with 500 units each. In his opinion, he felt that the designs of houses have improved a lot over the years or so. Prices obviously have also increased i.e. about four folds (taking Semi-D as example) in the last 20 years or so. While this is also reflective of economic growth and business earnings which meant increased affordability among the business community, this has also meant housing becoming less affordable for fixed income earners. The most saleable properties are residential properties costing below RM150,000, especially low cost and medium low cost houses.

Mr Yek is of the opinion that there will continue to be a constant demand even in the long run for properties especially residential in Bintulu as the government is putting in a lot of efforts and investments into Bintulu in line with its vision of turning Bintulu into a friendly industrial city by 2020. With continuous government-funded projects spurred on further by Bintulu's strategic geographical location, Barry Yek foresees a fast development for Bintulu which should ensure continuous demand.

He further added that the prices of houses in Bintulu are expected to go up further for 2004 with the increase in cost of building raw materials. He expected prices of double storey terraced and semi-detached units to go up another 7%-8% which should translate into about RM10,000 to RM20,000 increase in price. In the medium term, he expects prices to continue to increase as oil and steel prices have gone up as well as freight and insurance charges.

Unlike the past where demand for properties in Bintulu was erratic due to the population being made up mostly of migrant workers whose numbers fluctuated according to the project developments, the situation is expected to be better now with a steady stream of mega projects being revived and planned. However, he can also foresee an inevitable increase in prices of land as most of the land tenure will expire in 10 years' time. The new premium imposed upon renewal will most likely jack up the prices.

Barry explained that Bintulu has certain peculiarities which pose a challenge to property developers in Bintulu. Material costs are much higher than in other major towns in Sarawak due to higher transportation costs. Furthermore, each housing unit is charged RM10,000 drainage contribution for septic tank and future sewerage system. The erratic population also adds to the uncertainty in demand.

His advice to buyers is not to wait but to seize the opportunity to buy now and buy landed over strata titled properties as there is no additional burden of paying service charges for the former.

PROPERTY MARKET REPORT 2003 - SALIENT POINTS

(Published by NAPiC, Valuation & Property Services Department, Ministry of Finance Malaysia)

Residential

- Prices of terraced and double storey semi-detached units continue to record increases in Kuching Division. Established areas like Tabuan and Jalan Matang recorded price increases of 5.0% to 15.0%.
- Double Storey terraced and semi-detached units continued to dominate the market.
- Overhang of residential units amounted to 337 with a total value of RM64.95 million. These units represented only 3.6% of the national overhang for residential units.
- Condominium and apartment units formed the bulk of the unsold units, contributing 49.3% of the total unsold units.

Shop

- All divisions except Sibu, Miri and Limbang noted a decline in the market. Kuching Division continued to dominate the market with 41.7% share of the total transactions of which 3-storey shop units contributed 45% of the total transaction volumes. Shop units ranging between RM250,000 to RM500,000 were the most transacted, recording 39% of total transactions.
- 4-storey shops in prime locations fetched between RM800,000 to RM1,200,000 per unit whilst 3-storey shops in main areas were transacted between RM450,000 to RM600,000 in Kuching.

- Due to the cautiousness of the commercial market, only a few small-scaled projects were launched. This reduced new supply helped the absorption of existing units in the market and reduced overhang.

Commercial Complex

- Medan Mall in Sibu was the only addition to shopping complexes in the State for 2003. It added another 8,549 sm. of retail space into the market.
- Occupancy rate of shopping complexes decreased marginally by 0.2% to 83.7% for 2003 compared to 2002.
- Rentals of commercial space were generally stable, ranging from RM20.45 psm to RM60.28 psm for Kuching City, depending on the floor locations.

Purpose-Built Office

- The glut in supply since end of 1990's continue to persist.
- Occupancy rate recorded a marginal increase of 0.7%, mostly due to the amalgamation of financial institutions and the increasing demand for space by government agencies.
- Menara Zecon added another 3,668 sm to the purpose-built office spaces whilst the proposed Dayak Plaza had been abandoned.

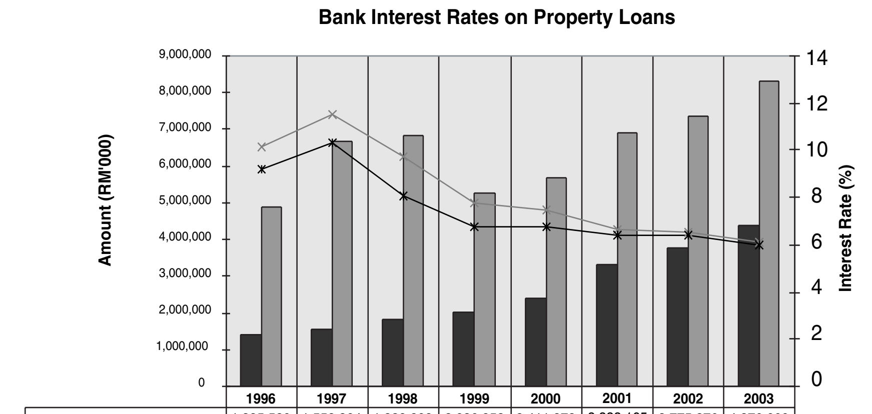
Industrial

- The volume of transactions increased from 254 in 2002 to 352 in 2003 for the industrial sector, with Sibu recording the highest volume.
- Double-storey semi-detached industrial units dominated making up more than 50% of the transactions.
- Two small scaled industrial schemes launched were the Kota Sentosa Light Industrial Park offering 16 units of semi-detached factories priced between RM360,000 and RM440,000 and Batu Kawa Light Industrial Park offering 34 units of semi-detached factories priced between RM568,000 and RM618,000 respectively. Most of the units had been sold.

Agriculture

- Reductions were recorded for all the divisions except Kuching and Sibu which were the main contributor with a combined transaction of 44% of the total volume.
- Transactions were concentrated along Jalan Kuching-Serian, Jalan Matang and Jalan Batu Kawa-Tondong in Kuching division.
- Sale prices range from RM150,000 to RM500,000 per hectare for the former while lands in the vicinity of the latter range from RM100,000 to RM270,000. Matang lands were transacted between RM180,000 and RM500,000.

ECONOMY SECTION



	1996	1997	1998	1999	2000	2001	2002	2003
Purchase of Residential Property	1,395,520	1,558,364	1,839,209	2,036,252	2,411,873	3,333,165	3,775,276	4,376,660
Broad Property Sector (Total)	4,883,760	6,657,083	6,833,690	5,275,754	5,690,462	6,899,471	7,348,464	8,302,216
Average Lending Rate (ALR)	10.12	11.51	9.72	7.75	7.46	6.67	6.50	6.11
Base Lending Rate (BLR)	9.18	10.33	8.04	6.79	6.78	6.39	6.39	6.00

Year

Since 1997, the Base Lending Rate (BLR) for Banks and Financial Institutions has been decreasing, with the deepest plunge recorded between 1997 and 1999. This has simultaneously pulled down the average lending rates (ALR) with the decrease in rates tapering off in 2003. As at end of 2003, the BLR and ALR have reached its lowest in the decade at 6.00% and 6.11% respectively.

The Base Lending Rate was continuously revised downwards by Bank Negara in the subsequent years following the economic crisis in 1997/1998 as a measure to boost up demand in order to counter the declining economy. Unlike the other sub-property sectors which continued to be in the doldrums as the bad economy stiffled whatever good that came out of the low interest, the residential sector was the sector which consistently responded positively, as evidenced by more than 200% increase in housing loans since 1996 as against 40% decrease in the bank interest rates. It can also be noted that despite the increase in interest rates in 1997 over 1996, the amount of loans for residential property in 1997 still managed to increase slightly.

This shows that the residential sector is the most resilient sub-sector in the Property Industry and should be the sector to concentrate on for sustainable property development business.

REAL GDP

	2003 e	2004 f
Regional Countries	**6.2**	**6.6-6.8**
China	9.1	8.3
South Korea	2.9	5.2
Chinese Taipei	3.2	4.7
Singapore	1.1	3.5-5.5
Hong Kong	3.3	6.0
Malaysia	5.2	6.0-6.5
Thailand	6.7	6.3-7.3
Indonesia	4.1	4.0-5.0
Philippines	4.5	4.9-5.8

Source : Bank Negara Malaysia, 2004

The East Asian Economies registered an average GDP growth of 6.2% in 2003 with further forecast of between 6.6% and 6.8% for 2004. After China and Thailand, Malaysia is expected to register the fastest growth as things begin to look up for the latter with increase in manufacturing sales and overseas orders for electronics, palm oil and petroleum as well as improved domestic sentiment boosted by record-low interest rates.

Malaysia's current account surplus surges past RM50b

Malaysia's current account surplus rose 67% to surge past RM50b as exports rose faster than imports.

Impressive GDP growth for the 1st Quarter 2004

Malaysia turned in an impressive growth of 7.6% in the 1st Quarter 2004 from 6.6% in the 4th Quarter 2003 and a good 3% ahead of the 4.6% recorded for the same period last year. This was the highest GDP growth since 3rd Quarter 2000. However, projection for 2004 remains at 6% to 6.5% growth.

RM8.6 billion worth of investments for Sarawak

Sarawak attracted 32 projects worth RM8.6 billion in 2003 which made up 30% of the total investments for Malaysia and is expected to create 4,291 job opportunities for the local people. The single largest approved project is the Aluminium Smelting Plant which involves an investment of RM7.9 billion.

PROPERTY TAXES

Investment in and ownership of real property in Sarawak is subject to taxes, Federal as well as State.

When buying a property, a purchaser has to pay stamp duties. While owning the property, the owner is liable to pay quit rents and assessment rates. If the property is rented out, income from the lease is subject to income taxes or company taxes.

If the owner decides to sell the property or shares in a real property company (RPC), the disposal may attract Real Property Gains Tax (RPGT) which is dependent upon the length of ownership.

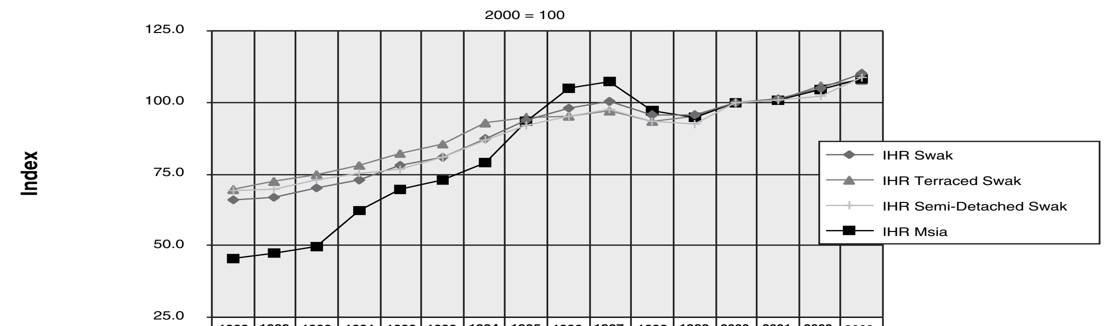
Apart from property taxes, the owner of a Strata Parcel also has to pay maintenance contribution towards the management fund of the Management Corporation or the caretaker developer prior to the set up of the Management Corporation.

The various types of property taxes are depicted in Table A as follows:

Table A Type of Property Taxes

Tax	Taxable upon	Basis	Rate	
Stamp Duty	Acquisition of property, saved that till 30-06-2004, exempted for specified instruments pursuant to S&P executed between 1-6-2003 to 31-5-2004 for residential property costing less than RM180,000.00 if purchased from approved developer	Based on the transaction price or valuation by Land & Survey Dept, whichever is higher	For every RM100.00 or part thereof for First RM100,000 >RM100,000 and <RM500,000 >RM500,000	 RM1.00 RM2.00 RM3.00
	Renting or leasing of property	Based on the annual rental:- <RM2,400 p.a. For every RM250.00 or part thereof in excess of RM2,400 p.a.	 Nil Where the lease is: <1 year >1 year but <3 years >3 years	 RM1.00 RM2.00 RM4.00
Income Tax	Renting or leasing of a property	Section 4(d) of the Income Tax Act 1967 deals with all forms of income arising from property which may be in the form of rents, rates, royalties or premiums Income from the property is to be added to the personal/company income	Individual: Depending upon chargeable income brackets Company	 0% to 30% 28%
RPGT	Disposal of a property or shares in a RPC	Based on the chargeable gains accrued from the disposal	Malaysian Citizen Within 2 years after date of acq. In the 3rd year after date of acq. In the 4th year after date of acq. In the 5th year after date of acq. In the 6th year after date of acq. and thereafter: - company - individual Foreign (individual/corporation) Regardless of years of ownership Within 5 years after date of acq. In the 6th year after date of acq. and thereafter	 30% 20% 15% 5% 5% Nil Flat 30% 5%
Quit Rent	Owning a property	As assessed by Land & Survey Dept and is depend able upon Land Category, Land Use, Land Size, Town grade	In accordance with the Dept's Table of quit rents and premiums	
Assessment rates	Owning a property	Based on the annual rateable value (ARV) assessed by the Local Council under the Local Authorities Ordinance 1996	Rates percentage varies from one Council to another	19.25% to 31.25% for year 2004

Sarawak House Price Index
1988-2003



	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
IHR Swak	65.8	66.9	70.1	73.0	78.2	81.0	87.5	94.0	98.2	100.4	95.9	95.9	100.0	101.5	105.5	110.0
IHR Terraced Swak	69.5	72.7	74.8	78.1	82.2	85.5	93.0	94.7	95.3	97.0	93.5	95.4	100.0	101.0	105.7	107.7
IHR Semi-Detached Swak	69.2	69.6	73.1	75.2	76.7	80.9	86.9	92.2	95.1	97.5	93.2	92.5	100.0	100.9	102.3	108.7
IHR Msia	45.6	47.5	49.4	62.0	69.5	72.9	78.7	93.2	105.2	107.2	97.1	94.8	100.0	100.7	104.6	108.1

Year

The House Price Index for Sarawak has been increasing steadily over the last 15 years except for a slight dip during the economic recession between 1997 and 1999. By comparison, the House Price Index for Sarawak (IHRSwak) also seemed to have fared better than the national average as seen from the index which shows less fluctuations than the House Price Index for Malaysia (IHRMsia). The House Price Index for Terraced House increased more during conducive economic times and decreased less during recession compared to semi-detached units, showing a stable demand for terraced houses at all times. This is due largely to the higher affordability for terraced houses which are priced lower than semi-detached units.

The increasing rate of climb in the last 3 years in the House Price Index at an average rate of about 3.5% per annum indicates a renewed momentum in the housing industry resulting in an uptrend in house prices which is most likely to continue for the next few years.

IPO for IBRACO

In conjunction with its listing on the Main Board of the Bursa Malaysia Securities Berhad, IBRACO Berhad (formerly known as Ibraco Realty Development Sdn Bhd) issued its Propectus dated 12 May, 2004, offering a public issue of 15,879,200 ordinary shares at RM1.20 each comprising :

- *4,494,500 ordinary shares of RM1.00 each for application by eligible directors and employees of Ibraco Berhad and its subsidiaries;*
- *8,384,700 ordinary shares of RM1.00 each by way of private placement to selected investors; and*
- *3,000,000 ordinary shares of RM1.00 each available for application by the Malaysian Public.*

The Company which started operations in 1974 has been actively involved in real estate and property development in prime areas, developing and selling residential, commercial and industrial properties.

Ibraco is the pioneer property developer of the established Tabuan Jaya and Tabuan Heights township and is currently developing a new township, Tabuan Jaya Baru in the Stutong area. Ibraco has to date completed more than 4,900 units of residential, commercial and industrial properties encompassing 850 acres of land, achieving a sales rate of almost 100% in all its developments. Ibraco Group still has another 900 acres of land banks of which 500 acres have been approved for development.

Balloting took place on 28/5/2004 and on 29/5/2004, it was announced that the IBRACo Berhad shares have been oversubscribed by 80.19 times. On 16/6/2004, it was officially listed on the Main Board.

REAL ESTATE

Steel Prices Revised

Following the rise in scrap iron price in the international market as a result of structural changes in the world demand and supply scene and further escalated by the frenzy building activities in China, the Malaysian government had revised steel prices in the country. The price of steel billets was increased by RM419 per tonne to range between RM1,294 and RM1,389 per tonne and the price of steel bars was increased by RM356 per tonne to range between RM1,531 and RM1,675 per tonne. However, with international steel priced higher at RM2,000 per tonne, this could lead to local manufacturers exporting more and possibly causing a shortage in the local market. According to the Master Builders Association Malaysia (MBAM), the higher prices of steel and other steel-related products used in the housing industry would cause a hike of about 10% in the construction cost of buildings. However, the industry consensus is for a price adjustment of around 2% to 3% in order to meet developers' margin.

Adapted from The Business Times, 15/4/2004

Renewal of Land Leases

With most land leases in the State nearing expiry in the next 10 to 15 years, the State government has allayed fears by assuring the public that applications for renewal of land leases will not be rejected unless the land had been earmarked for public purposes. However, those renewing agricultural land lease would have to prove that their land are being used for agricultural purposes. The flat rate for agricultural land is RM200 per acre.

All renewals would be given another 60 years. However, there is no automatic renewal as all renewals would have to be by application. The amount of land premium to be paid for the renewal would be calculated based on a percentage of the market value of the land and will not include the property built on the land and could be paid through instalments.

Adapted from The Borneo Post and The Sarawak Tribune, 1/4/2004

NEW RELEASE

Marina Park, Miri

Marina Park in Miri which is a unique 560-acre residential enclave with a marina theme, complete with marina festive park, business and retail park, seafront leisure belt and man-made canal is set to capture a certain niche of buyers as 70% of its Phase 1 has been sold. It consists of 107 bungalow detached lots at RM28,000 per point and 1 condominium lot. The residential lots range from 0.2 acres to 0.41 acres and will have direct waterfront view.

New Launches at MJC Township, Batu Kawah

The MJC township at Batu Kawah, a secondary residential area in Kuching, developed by Mudajaya Corporation recently added variety to their development by offering the 4-storey Courtyard Sanctuary Apartments which as the name implies, emphasizes on various courtyard themes (Japanese, European and Balinese) and the Australian Style semi-detached houses which is the 1st gated community of its kind in Kuching. There will be 954 apartment units when completed and 140 units of semi-dees.

MIDS to build more factories for SMIs at Demak Laut Industrial Park

Ministry of Industrial Development Sarawak with Jong Kui Ling Construction Sdn Bhd as its contractor is developing another 78 units of semi-detached factories under Phase 3 of its Demak Laut Industrial Park project. It has also just completed 18 units of $1\frac{1}{2}$ storey terrace factories for rent at RM1,500 to RM1,700 per month to local industrialists under the same phase to ease the setting up of more SMIs. The semi-detached units are priced from RM600,000 onwards and due to be completed by August 2004.

RECENTLY LAUNCHED PROJECTS

Location	Type of development	No. of units	Wall-up area (m2)	Land area (pts)	Selling price (RM)
KUCHING					
Jalan Stutong	2 Storey Terrace	188	149 - 151.1	4.3 - 4.8/7.2 - 15.9	248,000 - 348,000
	2 Storey Semi-detached	102	171 - 210.68	8.03 - 26.42	348,000 - 452,000
$4^1/_2$ Mile, Jalan Matang	1 Storey Semi-detached	30	92.9	8.14	188,000
	2 Storey Semi-detached	NA	NA	NA	288,000
Jalan Stapok Baru	2 Storey Terrace	8	181.6	5.05 - 11.17	279,500 - 345,400
Demak Laut	2 Storey Semi-detached Factory	78	261.2	20 - 39	From 600,000
	1.5 Storey Terrace Factory	18	345	NA	RM1,500 - RM1,700 p.m. (Rent)
Jalan Stutong Baru	2 Storey Semi-detached	12	167.85 - 187.96	8.13 - 11.26	360,000 - 405,000
	Detached Lots	3	NA	From 21.15	From 290,000
Jalan Setia Raja	2 Storey Semi-detached Factory	56	277.6	13.5 - 21	500,000 - 700,000
Taman Hui Sing	2 Storey Terrace	9	166 - 182	4.47 - 9.07	295,000 - 395,000
	2 Storey Semi-detached	24	143 - 197	7 - 14.4	375,000 - 539,500
Jalan Semaba	2 Storey Terrace	105	158.7	4.5 - >7	235,800 - 300,000
	2 Storey Semi-detached	24	204.4	From 9	338,800 - >450,000
KOTA SAMARAHAN					
Jalan Datuk Mohd Musa	1 Storey Terrace	116	73.1	3.71	From RM125,888
	2 Storey Terrace	7	NA	6.92 - 9.76	233,888 - 245,888
	1 Storey Semi-detached	78	78.3	8.6 - 9.51	From RM173,888
	4 Storey Apartments	448	NA	NA	From 66,500
SIBU					
Jalan Ulu Oya	1 Storey Terrace	58	65.94	3.85	From 98,000
	2 Storey Terrace	10	152.76	From 4	From 170,000
	2 Storey Semi-detached	8	176.9	From 8	From 235,000
Jalan Wong King Huo	2 Storey Terrace	15	175.2	4.5 - 13.6	228,000 - 318,000
Jalan Ulu Sg. Merah	2 Storey Terrace	22	155.3	5 - 10	210,000 - 285,000
	2 Storey Semi-detached	8	162.4	From 10	From 360,000
MIRI					
Jalan Pujut Lutong	2 Storey Semi-detached	40	158	NA	288,800
BINTULU					
Jalan Sultan Iskandar	2 Storey Semi-detached	36	147.16/170.94 (est)	7.56 - 14.52	312,800 - 361,800
Jalan Tun Hussein Onn	1.5 Storey Semi-detached Factory	25	160.2/320.5 (est)	13.14 - 29.94	NA
	2 Storey Terrace	53	175.2	4.67 - 16.7	208,000 - 344,800

COMMODITIES

OIL PALM PLANTATION NEWS

Saradu Plantation

In line with the government's oil-palm expansion plan in East Malaysia to spur agriculture as an engine of economic growth as well as uplift the socio-economic status of the rural populace, Saradu Plantation Sdn Bhd signed a shareholders' agreement to develop 8,000 hectares of oil palm plantation in Balingian.

Julau Oil Palm Plantation

Johore's conglomerate, Jeffa Holdings Sdn Bhd will invest RM1.86 billion over 15 years to develop 45,000 hectares of oil palm plantations on Native Customary Rights (NCR) lands in Julau in the Sibu Division. The land would involve about 200 landowners and the project is jointly managed with a local company, Krepok Plantation Sdn Bhd.

Malaysia and Indonesia's shares of global palm oil trade

Year	Palm oil production ('000 tonnes)	% of world total	Palm oil exports ('000 tonnes)	% of world total
1994				
Malaysia	7,403	52	6,750	63
Indonesia	3,421	24	2,173	20
1995				
Malaysia	7,221	47	6,513	64
Indonesia	4,008	26	1,856	18
1996				
Malaysia	8,386	51	7,212	67
Indonesia	4,540	28	1,851	17
1997				
Malaysia	9,069	51	7,490	61
Indonesia	5,380	30	2,982	24
1998				
Malaysia	8,319	49	7,465	68
Indonesia	5,100	30	2,002	18
1999				
Malaysia	10,554	51	8,911	64
Indonesia	6,250	30	3,319	24
2000				
Malaysia	10,842	49	9,081	60
Indonesia	7,050	32	4,140	27
2001				
Malaysia	11,804	49	10,625	60
Indonesia	7,950	33	4,940	28
2002				
Malaysia	11,909	47	10,886	56
Indonesia	9,200	36	6,379	33
2003 (e)				
Malaysia	13,355	49	12,248	57
Indonesia	9,750	36	6,830	32
2004 (f)				
Malaysia	13,660	48	12,600	58
Indonesia	10,450	36	7,183	33

Source: Oil World, Malaysian Palm Oil Board

Malaysia vs Indonesia - Shares of world palm oil trade

Malaysia and Indonesia account for more than 80% of the world's total oil palm production. Indonesia, Malaysia's strongest rival in the palm oil business, looks likely to overtake Malaysia as leader in palm oil production in the near future, especially if the palm oil market softens. This is because Indonesia has plenty more land for new plantations and much cheaper labour. This impending threat has caused several larger Malaysian players to set up estates in Indonesia itself to gain a foothold before the tide turns.

The gap is constantly narrowing between Malaysia and Indonesia where Indonesia came only 13% behind Malaysia in its palm oil production in 2003. However, the difference is more glaring when it comes to exports as Malaysia still accounted for 57% of the global palm oil exports while Indonesia contributed 33%.

However in the meantime, Malaysia can still bank on its better quality, marketing machinery, logistics and political stability to sustain its dominance in this business.

Source: Bizweek, 1 May 2004

News Clip

Broader loan facilities for foreigners expected to boost demand for high-end properties

The government's decision to allow broader loan facilities for foreigners to buy properties in Malaysia will increase demand, especially for higher-end properties costing more than RM250,000. From 1/4/2004, BNM is liberalizing several foreign exchange rules, including allowing resident and non-banks to extend ringgit credit facilities up to a total of 3 property loans to a foreigner for purchase of construction of immovable properties, excluding the purchase of land only.

Adapted from New Straits Times, 2/4/2004

HYPERMARKETS

- Hypermarkets are no longer allowed to operate 24 hours and will have to stick to the operation hours of 10 am to 10 pm for weekdays and 10 am to 1 am during the weekends and public holidays.

- New foreign-owned hypermarkets are not allowed to operate in the Klang Valley, Penang and Johor Baru for a period of five (5) years starting January 2004. This move could push hypermarkets to the East Coast of Peninsular Malaysia.

New LNG Jetty for Bintulu Port

A new LNG 3 jetty has been added to Bintulu Port in Tanjung Kidurong which would increase the handling capacity of LNG from 17.7 million tonnes to 20.5 million tones, an increase of 16%. The RM175 million project was financed by the Bintulu Port Authority. The port is also the only export gateway for LNG, the biggest export earner. Besides LNG, Bintulu Port is also expected to handle a dramatic increase in palm oil traffic in the near future. To facilitate this, new palm oil terminals and bulking facilities are also being constructed at Bintulu Port. Bintulu Port Holdings Bhd has injected about RM442 million towards developing a second inner harbour project to include all these facilities. These developments are expected to be completed by 2006.

Adapted from the Borneo Post, 24/4/2004

KLSE Announcement on 5/5/2004

Naim Cendera Holdings berhad ("Naim") announces the acquisition of 2 strategic land packages in the Kuching by its wholly-owned subsidiary, Naim Cendera Sdn. Bhd. as payment in kind by the State Government for construction work carried out.

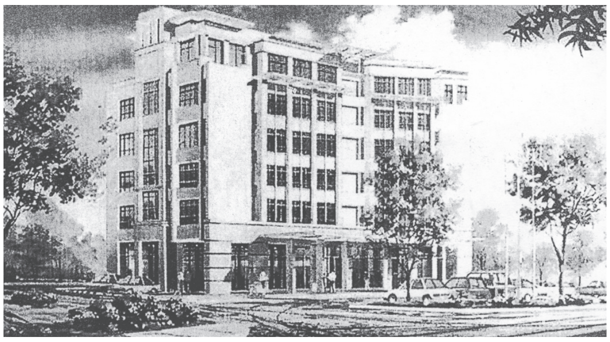
The 1st package of 100 acres is situated along the Kuching-Kota Samarahan Expressway just south of Kuching with river frontage to the Sungei Kuap and Sungei Merdang. The 2nd package of 250 acres of development land lies between Jalan Sultan Tengah and Sungei Sarawak along the Kuching-Damai Road in Petra Jaya, Northern Kuching. Both lands will carry residential/commercial title conditions. The Company will develop the lands for mixed development.

Work will commence on the development later this year.

LOW COST HOUSING

- The Ceiling of Low Cost Houses will be retained at RM47,000 despite the recent hike in price of building materials;
- Construction Industry Development Board (CIMB) requires low cost houses throughout the country to have three bedrooms, two bathrooms and a minimum built-up floor area of 650 sf for each unit;
- Refurbishing unsold low cost units by converting 2 units into 1 and laying tiles, replacing the louvers with aluminium framed windows and installing solid doors have increased take up rates.

NEW BUILDINGS



New Kidney Dialysis Center for Kuching

A new kidney foundation centre undertaken by Che Hia Khor Moral Uplifting Society will be built on Lot 2229, Block 10, Jalan Kumpang, Off Jalan Ong Tiang Swee at RM15 million. Comprising 6-storeys, it will have 150 dialysis machines and provide service to some 800 kidney patients. The State government has agreed to alienate the land at Jalan Kumpang to the foundation and construction works startted on 22/5/2004.

New DUN Building

A new 9-storey DUN building will be built on a 200-acre land on the present site of the police's General Operations Force (GOF) headquarters and barracks in Petra Jaya. The building is scheduled to be completed in 2006 and will overlook the Sarawak River and the popular waterfront. It will be equipped with state-of-the-art facilities. Other facilities include a banquet hall which will be able to accommodate about 2,000 people and a 900-lot parking facility.

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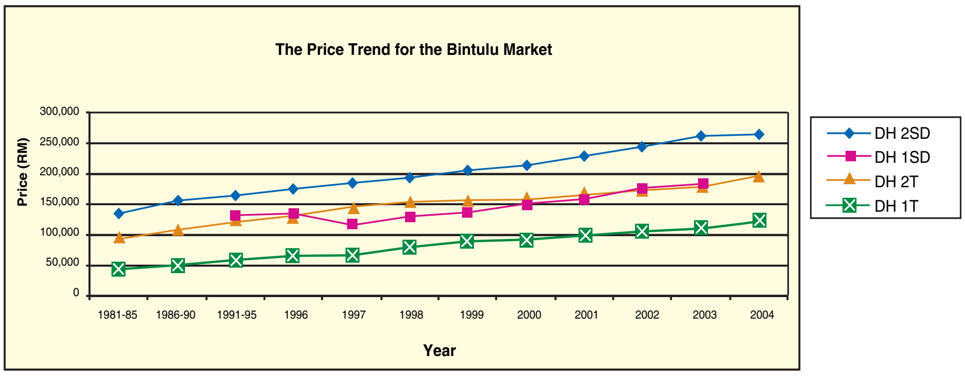
The average price trend of houses by types in Bintulu are as follows :



Bintulu saw a continuous uptrend in the prices of its residential properties over the past 2 decades. The single storey terrace houses recorded the highest average annual growth in price of about 7%, followed by double storey semi-detached and double-storey terraced units at about 5% per annum. It was found that houses in Tanjung Batu and Jalan Tun Hussein Onn were more highly priced that elsewhere with prices of double-storey semi-detached exceeding RM320,000.

Bintulu went through an eventful 2003, witnessing several milestones. The most notable change was the opening of a new international airport on 19th December, 2002, along Bintulu-Tatau Road about 23 km away from the city center which replaced the Old Airport (which interestingly held the Guinness Book of World Record for the nearest airport to a town). With the removal of the old Airport, it freed about 35.03 hectares of potential town land for redevelopment in the CBD area. The increased capacity and direct international flights to the new airport is expected to open a new chapter for Bintulu as it attracts more visitors especially those on business trips.

The opening of the MLNG Tiga complex in May, 2003 boosts LNG production in the State and Nation. Together with MLNG One and MLNG Two, Tanjong Kidurong now boasts of having the largest production of LNG in the world from a single location with an estimated production capacity of 23 million metric tones per annum. The revenue derived from the export of LNG to foreign countries account for 1/5 of the country's GDP, making Bintulu a siginificant economic contributor to Malaysia.

Asean Bintulu Fertilisers also achieved its 1000th export shipment of 28,000 metric tonnes of urea whilst Bintulu Port Authority registered an income of RM93.42 million for 2002, a 9.18% increase over 2001. Shell MDS would also make its green fuel debut as designated, official fuel used by transportation services in the coming Athens Olympics.

On infrastructure development, both the Federal and State Government has allocated RM539 million under the 8MP to construct 32 roads and upgrade others in the Division.

Despite the industrialized nature of Bintulu, a balanced approach has been adopted to turn Bintulu into a Friendly Industrial City by 2020 as outlined in the 2nd Master Plan for Bintulu.

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