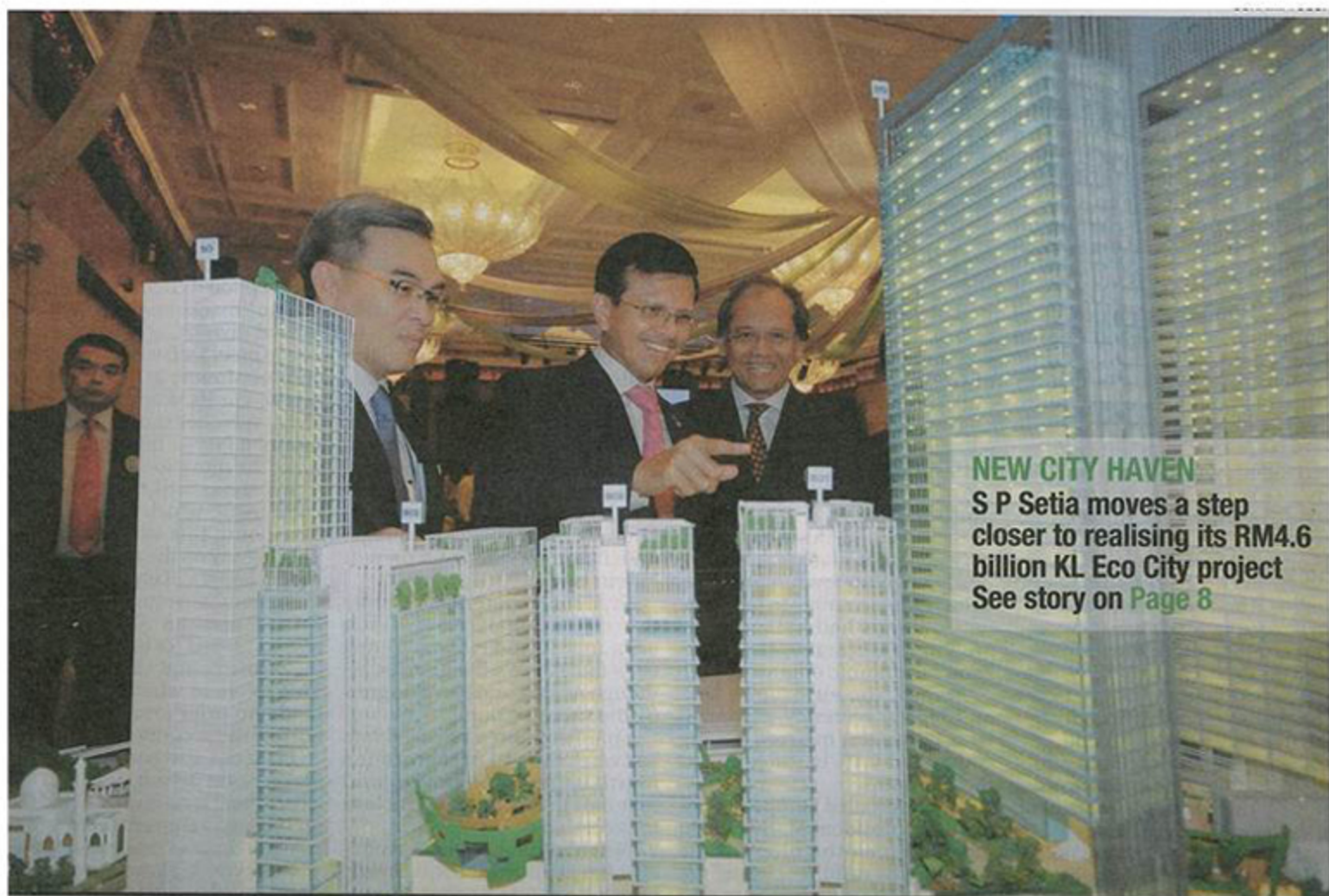


S P Setia moves a step closer to realising its RM4.6 billion KL Eco City project.

(Financial Daily, Page 8, 16 November 2011)



KL ECO CITY



NEW CITY HAVEN
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RM460m funding for KL Eco City

KUALA LUMPUR: S P Setia Bhd signed a RM460 million syndicated Islamic financing yesterday with three Islamic financial institutions — HSBC Amanah Malaysia Bhd, Hong Leong Islamic Bank Bhd and Bank Muamalat Malaysia Bhd — in conjunction with the official launch of its RM6 billion KL Eco City project.

According to Tan Sri Liew Kee Sin, president and CEO of S P Setia, the RM460 million syndicated loan will be utilised to provide infrastructure such as ramps and bridges to ensure a smooth flow of traffic in and around the development.

S P Setia will invest more than RM150 million to link the project to all major highways surrounding the area.

"Phase 1 will be ready in three to four years. We have started work on the site. Right now, we are doing soil tests and piling. As part of S P Setia's commitment, we will solve the traffic problems first so that by the time Phase 1 is ready, the traffic problems in that area will be already resolved," he said.

"We're building four ramps, and most ... will be built simultaneously. We want to assure our customers that when they come to KL Eco City, they will not only have the KTM and the LRT [at their disposal], we will also make sure traffic for cars is taken care of," he added.

Once fully completed, the 24-acre development will house approximately 30,000 people, including residents and office workers. Liew said KL Eco City will transform the former Kampung Haji Abdullah Hukum site into an inner city



Liew (second from right) exchanging documents with Rafe, witnessed by (from left) Raja Nong Chik, KL Datuk Bandar Tan Sri Ahmad Fuad Ismail and Bank Muamalat deputy CEO Musa Abd Malik.

haven, and is expected to start contributing to the group's earnings in the next two years.

The project is expected to take 10 years to complete, said Liew. It aims to be the country's first integrated green development with accreditation from both the Malaysian Green Building Index and US-based Leadership in Energy and Environmental Design.

Apart from the RM460 million financing it secured from the Islamic banks, the project will be fully funded by internally generated funds and also through the group's recurring income.

S P Setia has been working with the authorities in the past 10 years

to resolve all matters related to land ownership and resettlement of squatters previously resident in the area of Kampung Haji Abdullah Hukum.

"KL Eco City is the perfect example of a public-private partnership. How do we solve the squatters problem on site? It took us 10 years to solve it but we were committed, we never ran away [from the problems]. We wanted to solve the problems of the people, so together with the minister and the Datuk Bandar, we resolved it," he said.

Present to witness the signing between Liew and Rafe Haneef, CEO of HSBC Amanah Malaysia

Bhd, was Datuk Raja Nong Chik Raja Zainal Abidin, the minister of Federal Territories and Urban Wellbeing.

He said S P Setia's initiative to preserve "Rumah Abdullah Hukum", the home of the earliest settler in the area whom the kampung was named after, is highly commendable.

"The restored heritage house will be an informative tourist attraction to learn about Kuala Lumpur in the early days, especially in reference to the Abdullah Hukum site, and its significance as one of the early kampung settlements in the development of Kuala Lumpur," the minister said. — By Kamarul Azhar

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