



FOR IMMEDIATE RELEASE

MMC SECURES RM2 BILLION SAUDI PORT DEAL

Kuala Lumpur, 5 November 2007 – MMC Corporation Berhad today scored another major win in Saudi Arabia when it signed an agreement to acquire rights to jointly develop and operate the third container terminal at Jeddah Port, Saudi Arabia (Tusdeer Container Terminal/ TCT), together with partners Saudi Industrial Services Company, Xenel Industries Limited and Saudi Trade and Export Development Company. The new Tusdeer Container Terminal will comprise three berths with a capacity of 1.5 million teu (twenty-foot equivalent units) and cost approximately SAR 2 billion (SAR 1 = RM 0.9). Construction is expected to begin in early 2008 and be fully completed by 2010.

This deal will involve MMC acquiring the entire equity interest in City Island Holdings Limited (City Island) through its wholly-owned subsidiary, MMC International Holdings Limited. City Island currently owns the rights to jointly develop and a 30-year concession to jointly operate TCT (expiring in 2039), together with its Saudi partners. This deal comes exactly one year after MMC was awarded the rights to develop and manage the new US\$30 billion Jazan Economic City in Saudi Arabia on 5 November last year.

Jeddah Port is centrally located along the Red Sea, close to the southern entrance of the Suez Canal, one of the world's most important international waterways, which handles over 30% of global container trade. As the largest and best equipped port closest to the southern entrance of the Suez Canal, Jeddah Port is well placed to take advantage of the container ships passing through the canal. Jeddah Port's two existing container terminals handled 2.9 million teu in 2006, approximately 76% of the total Saudi container port throughput and over 60% of the total throughput handled by Red Sea container ports west of Saudi Arabia.

Tusdeer Container Terminal will be developed to cater to the underlying need for increased container handling facilities in Jeddah arising from strong growth in the region. The new facility will leverage on its ability to offer accessibility to larger vessels up to 12,000 teu and a faster turnaround time to attract container lines. TCT will offer a best in class container terminal facility which will provide a direct outlet for the import/export business for Jeddah's hinterland and also attract hub and spoke and relay transshipment.

According to Feizal Ali, MMC Group Chief Executive, "this deal will further expand MMC's footprint internationally in the ports business and complement our strategic focus in Saudi Arabia and other countries in the Middle East and North Africa. We will leverage on our experience in developing and managing our two ports in Malaysia and replicate our success in one of the most dynamic regions in the world."

Feizal Ali added, "we are optimistic about the opportunities brought about by Saudi Arabia's vibrant and rapidly growing economy as well as those in the surrounding region. The Red Sea region has seen strong throughput growth, with volumes increasing from 1.15 million teu in 1995 to 4.48 million teu in 2005, an average growth rate of 14.6%." He continued, "Jeddah Port itself has seen strong throughput growth from both its hinterland areas as well as transshipment. This trend points to a need for Jeddah Port to expand to accommodate future growth. According to forecast, we are expected to break even in the third year of operations."

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About MMC Corporation Berhad

MMC Corporation Bhd is a utilities and infrastructure group with interests in Transport & Logistics, Energy & Utilities, and Engineering & Construction. The group's key businesses include Pelabuhan Tanjung Pelepas (Malaysia's largest container terminal), Malakoff Corporation (Malaysia's largest independent power producer) and Gas Malaysia (Malaysia's sole supplier of natural gas to the non-power sector). MMC has also been involved in major engineering & construction projects, like the Stormwater Management and Road Tunnel (SMART) project, a

unique and innovative solution to address Kuala Lumpur's floods. Through Zelan, MMC has interests in IJM, one of Malaysia's premier construction companies, and Zelan Construction, a specialist contractor for power plants.

For more information, visit the company's web site at www.mmc.com.my. The website also contains an Email Alert service that notifies subscribers about major news.

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