



BINA PURI HOLDINGS BHD

PRESS RELEASE

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New highway to further drive Selangor growth

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The RM1 billion Kuala Lumpur-Kuala Selangor Expressway project, set to open in June next year, will benefit several housing and industrial projects in Selangor.

Projects and towns that may benefit from KLS include Kundang Jaya Industrial Park, Bandar Baru Kundang, Ijok, Bandar Tasik Puteri, Rawang and Sg Buloh.

KLS is a 33km two-lane dual carriageway with five interchanges, three toll plazas as well as a rest and service area, connecting Assam Jawa near Kuala Selangor to Templer's Park near Rawang.

KL-Kuala Selangor Expressway Bhd (KLSEB) chairman Datuk Mohamad Razali Othman said the toll road will be ready by April next year and open to public in June.

It is expected to spur ongoing projects along the stretch and open up new developments, he said.

KLSEB, an equal joint venture between Bina Puri Holdings Bhd, a construction group and privately-held Arena Irama Sdn Bhd, holds a 40-year concession to maintain and operate KLS, previously known as Assam Jawa-Templer Park Highway or LATAR.

The highway will cut travelling time from Kuala Lumpur to Kuala Selangor and vice versa, to just 30 minutes from two hours currently.

"We are confident in this development and hope to recoup our investments for the project within the next 15 to 20 years," he told Business Times.

KLS provides alternatives to Federal Route 54 and to other existing roads along the stretch.

It was supposed to start in 1997 and completed by the year 2000 after Bina Puri signed a 40-year concession agreement with the government.

But the project was put on the back burner as the company could not secure financing due to the Asian financial crisis.

The government also decided to put on hold several mega infrastructure projects.

KLS was revived in 2008 after Bina Puri partnered Arena Irama and awarded the design-and-build contract for package 1 (Assam Jawa to Kundang) and package 2 (Kundang to Taman Rimba Templer), worth a total RM958 million to Mudajaya Corp Bhd.

KLSEB has secured a RM740 million loan from Bank Pembangunan Malaysia Bhd and a RM300 million loan from Islamic Development Bank for the project.

KLS was incorporated in 1996 with paid-up capital of RM5 million by 1997. The shareholding then was 60 per cent held by Bina Puri and 40 per cent by Arena Irama.

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