

## Deleum eyes RM1bil jobs

Deleum Bhd group managing director Nan Yusri Nan Rahimy says it has submitted tenders for contracts worth a total of RM1bil since the third quarter of last year. >4



## Making companies more attractive

AmBank Group MD (corporate and institutional banking) Pushpa Rajadurai says the practice of corporate governance can make companies more attractive by improving their valuations. >7



## HP plans to slash workforce

Hewlett-Packard Co shares rose after the world's largest PC maker announced plans to slice its workforce by 27,000, or about 8%, and reported fiscal second-quarter sales and profit that topped estimates. >14

# Biz

We have to bring back top talent and nurture it in Malaysia.

TALENT CORP CEO JOHAN MAHMOOD MERICAN >3



### MARKET MOVEMENTS

FBM KLCI	1,548.25	+8.54
Nikkei-225	8,563.38	+6.78
Hang Seng	18,666.40	-119.79
Dow Jones (23/05)	12,496.15	-6.66
FTSE 100 (23/05)	5,266.41	-136.87

### DAILY TOP ACTIVE

BURSA MALAYSIA		
Counter	Close	Vol('00)
SKPetro-CB	0.185	445250
AGlobal	0.14	349078
SKPetro	2.09	308115
SMI	0.28	285877
Nicorp	0.335	259009
SKPetro-CA	0.11	211508

# Bina Puri to diversify

It eyes Indonesian power plant and mining

By CHOONG EN HAN  
han@thestar.com.my

**KUALA LUMPUR:** Construction outfit Bina Puri Holdings Bhd is planning to further diversify the company's sources of income by acquiring a hydro-power plant in Pulau Bangka, Indonesia, and entering the mining business.

The company's group managing director, Tan Sri Tee Hock Seng, said the decision was made to diversify the sources of income further as the core construction business suffered from extremely low profit margins.

He said although construction had been the bread and butter of Bina Puri, narrowing margins was now pressuring the company to venture into other new businesses.

"Not only are we faced with escalating building material prices, the whole industry is also faced with labour shortages. The high rubber prices had spurred a lot of Indonesians to opt out of seeking opportunities in Malaysia," Tee told StarBiz.

He said the company would be venturing into the mining business as well as acquiring a hydro-power plant. Bina Puri currently has five

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**Tee:** "We are in talks with parties... we are moving on to a more concrete stage already."



diesel power plants in Pulau Bangka with a combined capacity of 10 megawatt.

The company took control of the power plants in 2010 by acquiring an 80% stake in Indonesia-based power plant owner and operator PT Megapower Makmur via Bina Puri Power Sdn Bhd, and had spent close to US\$5mil on the investment.

"We are in talks with parties to acquire a hydro-power plant with substantial capacity, and we are moving on to a more concrete stage already," Tee said, adding that the hydro-power plant would complement the existing plants.

According to him, the margins generated by the power plants had been very healthy and were generating about 40% of revenue as gross

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### Bina Puri major ongoing projects

No.	Project	Value (RM mil)	Progress % (Dec 11)
1.	Kem Batalion 6(PGA) PDRM, Muar Johor Darul Takzim	300.0	92.0
2.	Pusat Latihan Polis (Pulapol), KL	147.0	96.0
3.	Regalia Service Apartment, Jalan Kuching, KL	185.0	98.8
4.	UITM Campus Kampong Pinang, Kota Samarahan, Sarawak	306.9	29.8
5.	New LCC Terminal (KUA2)	997.2	52.9
6.	Ampang Light Rail Transit (LRT) Line extension-Package 1A	702.3	15
7.	Housing works in Kampung Lugu, Brunei	158.4	22
8.	Service Apartments and Retail space at US121 (Taipan Square) -New	135.0	9
9.	Sabah Administration Centre in Teluk Likas, K.Kinabalu-New	388.7	2.6
10.	KK Times Square, K.Kinabalu-New	470.3	7.8

Source: Bina Puri

## Maybank Q1 net profit up on all-round strength

By THOMAS HUONG  
huong@thestar.com.my

**PETALING JAYA:** Malayan Banking Bhd (Maybank) posted a 17.9% year-on-year jump in net profit to RM1.35bil for the first quarter ended March 31, supported by sustained revenue growth across all business pillars.

The bank said in a press statement that revenue jumped by 29.8% to RM6.66bil on strong performance from investment banking, corporate banking, international banking and global market operations.

Maybank chairman Tan Sri Megat Zaharuddin Megat Mohd Nor said the strong growth in profitability reflected the momentum that the group had been building over the last few years, even as it expanded its regional footprint.

"Our focus now remains on fully leveraging on our operations regionally and ensuring we remain agile to deliver even better value to our stakeholders," he said.

It said the results included that of Kim Eng Holdings, the Singapore-based brokerage which was not part of the group a year earlier. The bank said earnings per share was up 13% to 17.63 sen while gross loans grew 6.1% on an annualised basis during the quarter.

The moderating loan growth was offset by higher fee-based income

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# Hard copy itemised bills should be part of service



**Friday Reflections**  
B.K. SIDHU  
bksidhu@thestar.com.my

If you are a postpaid mobile user, you pay RM2 every month to get a paper copy of your mobile bill. But if you want an itemised paper bill that is sent to your house or office, the price is RM3 more, totalling RM5 every month.

That's what the celcos call print and distribution cost that it passed down to their users; it is somewhat like airlines passing their fuel surcharges to travellers.

That works out to RM60 a year for 12 itemised bills. For some, RM60 is a negligible amount, but for others every ringgit counts, more so at

times when the cost of almost every basic item is on the rise.

The mobile companies are saying they encourage e-billing, where there is no charge for bills, be it summarised or itemised, at least for now.

Itemised billing has its benefits, you get a breakdown of calls, SMSes sent, with the time, date and even cost listed. It is also a piece of good evidence material if needed.

As a consumer you can also opt for e-billing and pay nothing and by so doing, you can stop paying your service provider RM60 a year.

But then, not all have the luxury of having internet access for e-billing, and not every company allows employees to access the internet.

So there are people out there who need itemised billings and they need it in hard copy. The question, of

course, is how big is that segment of people?

Going by the statistics, there are 37 million mobile subscribers in the country as at end March 2012, of this 29.9 million are prepaid users, who do not get a bill every month, and only 7.1 million are post paid users, who can opt for paperless or paper bills. Of the 7.1 million, at least 10%-15% are already on the e-billing platform.

DiGi.Com has over 10 million users as at end March this year and 80% of its base is made up of prepaid users. Of the remaining 20% postpaid users, 30% have opted for e-billing.

Maxis Bhd says it has over 14 million subscribers as at the end last year, and it has also a sizeable prepaid base. And 20% of their postpaid users are on email billing. Celcom Axiata Bhd has over 12 million users,

and 9.2 million are prepaid users.

Earlier this month, Celcom sent out messages to its users to say it will raise rates from RM3 to RM5 for itemised billing and will charge for summarised hard copy bills; that came into effect last Friday. And there is a waiver on the charges if they go e-billing.

Maxis and DiGi have been charging RM5 for a long time now but Celcom's move recently seems not to be going down very well with some of its users.

Some say RM5 for paper itemised bill is "expensive" and others say it is "unfair and unjustified." One consumer group, Labuan Consumer Council (LCC), wants the regulator to intervene as it fears the move by Celcom to raise rates could lead to other agencies wanting to follow Celcom's footsteps. The question

here is not about Celcom, it is about the service.

Is billing part of the service or out of the service, and is sending a bill a basic necessity, or users should be charged for it?

These are the basics, and if telecommunications is increasingly being seen as a utility, then should we be made to pay for hard copy bills or itemised versions, are we not already paying enough for calls, SMS and data services?

Need there be extras? Goodwill and customer retention should be key for celcos, not the bigger share of the two, three or five more ringgit from the consumer's wallet.

● Deputy new editor B.K. Sidhu thinks celcos should dangle the carrot to get more on e-billing instead of punishing them RM5 a month.

# Talent Corp success

More Malaysians are returning home as agency's efforts bear fruit



**By YAP LENG KUEN**  
lengkuen@thestar.com.my

**PETALING JAYA:** Talent Corp Malaysia has received good response for its returning expert programme where experienced Malaysian professionals abroad are provided incentives to return and work in the country.

"In 2010, prior to us coming on board, 300 expert professionals were approved under this programme. Last year, we came in and approved 680; in the first four months, we approved 400," Johan Mahmood Merican, CEO of Talent Corp told StarBiz.

The programme has been around for a while; prior to Talent Corp, it was under Ministry of Human Resources.

"We are starting from a low base

but we have shown that we can drive good results. We see it as an upward trend.

"On a broader level, there is more confidence among these professionals that the transformation is really happening," said Johan.

The economies in the West are in turbulence, and countries in Asia are the current powerhouses.

"We also have historical and long commercial ties with them. In that sense, there is greater interest in coming back as well," he added.

Besides this confluence of factors, the quality of the returnees speak for themselves. For example, they include:

● Zainal Abidin Jalil, more than 15 years with ExxonMobil. He had just returned last year and is currently CEO of Malakoff Bhd;

● Dr Kenneth Pereira, who just

returned from India last year, is CEO of Hibiscus Petroleum Bhd and

● Rhoda Yap, who worked for McKinsey, is CEO of British India.

In addition, some of multinational-als are also looking to leverage on their global network to bring some of the Malaysians overseas back into senior management.

For example, prior to assuming his present position, Shell chairman Anuar Taib had served in various capacities in Miri, Kuala Lumpur and New Orleans.

Other companies with similar priorities include Intel and Standard Chartered Bank.

"Things are happening," said Johan. "There is strong growth in priority sectors. We have to bring back top talent and nurture it in Malaysia."

# CIMB Q1 profit up 10% on revenue growth

**KUALA LUMPUR:** CIMB Group Holdings Bhd has reported a 10.3% advance in net profit to RM1.01bil for the first quarter ended March 31, against RM916.5mil previously on the back of a double-digit growth in revenue driven by outperformance at its regional corporate banking and treasury markets division and sustained high growth at PT Bank CIMB Niaga Tbk.

"Despite the heightened downside risk to the global economy and markets, we remain optimistic that we will be able to achieve our targets for 2012.

"Our deal pipeline is strong and we believe that we can mitigate the expected slower growth in consumer lending across the region by improving liability management and improving non-interest income," group chief executive Datuk Seri Nazir Razak said in a statement.

For the first quarter, CIMB Group's earnings per share (EPS) climbed to 13.60 sen from 12.33 sen in the year earlier period.

Revenue for the quarter grew 18.4% to RM3.25bil from RM2.75bil a year ago largely due to the strong expansion in non-interest income.

CIMB Group's profit before tax (PBT) was 8.8% higher at RM1.341bil as the revenue improvement was partially offset by higher impairment charges and overhead expenses. The annualised net return on average equity in the first quarter stood at 15.6%. Compared with the preceding quarter, the group's net profit was 10.8% lower.

On the group's performance, Nazir said the year started well for the group, underpinned by outperformance at the regional corporate banking and treasury markets division and sustained high growth momen-

tum at CIMB Niaga.

"We maintained our moderate growth momentum with total assets and net loans increasing by 14% and 12% respectively."

The latest financial statements provide enhanced disclosure of segment financials to reflect the group's integrated regional platform.

"This provides a clearer reflection of how management views the operating business lines across the entire Group and enhances overall transparency to stakeholders," Nazir said.

In the first quarter, CIMB Group's regional consumer bank PBT increased by 3.4% year-on-year to RM530mil.

The Malaysia consumer operations PBT grew 4.7% year-on-year as the expansion in the retail banking operations were offset by lower recoveries at the bad bank.

The Indonesian consumer opera-

tions were 1.8% lower year-on-year owing to higher operating costs and currency translation. The consolidated Thai consumer PBT saw improved profits under Thai GAAP but a small loss on consolidation due to the different timing of provision expenses.

The group's regional wholesale banking PBT rose 7.1% year-on-year to RM641mil in the first quarter ended March 31 as the markets division PBT almost doubled to RM381mil on the back of strong debt capital markets and foreign exchange flows.

Investment Banking had a relatively slow start to the year with a 78.2% year-on-year PBT decline, while the corporate banking PBT fell 27% year-on-year due to higher provisions made in first quarter.

Investments PBT grew by 40.4% year-on-year to RM170mil.

# Tee says company also focusing on properties

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profits.

The power plants have a concession of about five years with PT PLN (Persero) the Indonesian equivalent of Tenaga Nasional Bhd.

Tee said the company was now in preliminary discussions with an Indonesian partner to form a joint venture to mine coal in Kalimantan, Indonesia.

"We will be engaging Chinese mining contractors for the project as they are well known for their mining expertise. I like to do mining, and it has been my forte over the last 30 years. I need to help steer Bina Puri to have more recurring income and new businesses," he said.

Tee started mining tin in the 1970s in various parts of Selangor including Bangi, Port Dickson, Dengkil, and Batang Kali. He also privately owns manganese mining operations in Kelantan.

Besides power generation and mining, he said the company was also focusing on property development as margins were significantly better compared with construction.

The company posted a net profit of RM6.01mil or less than 2% of the RM1.17bil revenue.

Currently the company has about eight projects in the pipeline worth a total of RM1.5bil in gross development value located in the Klang Valley, Johor Baru and Kota Kinabalu.

As at end-December last year, the company still had 67% balance of works to be executed from the RM4.86bil worth of ongoing projects.

Executive Editor  
ERROL OH  
Deputy Executive Editor  
SOU EWE JIN

Associate Editors  
YAP LENG KUEN  
HAFIDZ MAHPAR

Editor (News)  
RISEN JAVASELAN  
Editor (Multimedia)  
JOSEPH CHIN

Email: Starbiz@thestar.com.my  
Tel: (03) 7967 1388  
Fax: (03) 7957 0694  
StarBiz, Menara Star  
15 Jalan 16/11  
46350 Petaling Jaya

ADVERTISING  
PHUA YEN LI  
yphen@thestar.com.my  
(03) 7966 8245

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**Biz**

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