

**SPEECH BY Y.BHG. DATO' YUSLI MOHAMED YUSOFF
CHIEF EXECUTIVE OFFICER OF BURSA MALAYSIA
LAUNCH OF CERTIFICATE IN INVESTOR RELATIONS OF IR SOCIETY (UK)
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Yang Berhormat Dato' Wira Chor Chee Heung
Deputy Minister Of Finance I

Yang Berbahagia Dato' Justin Leong
Chairman of Malaysian Investor Relations Association (MIRA)

Yang Berbahagia Dato' Ranjit Ajit Singh
Managing Director of Securities Commission Malaysia

Distinguished guests,

Members of the media,

Ladies and gentlemen.

Assalamualaikum and good afternoon.

First of all, I would like to thank Yang Berhormat Dato' Wira Chor Chee Heung for gracing this important occasion. Thanks also go to Yang Berbahagia Dato' Justin Leong and his dedicated team from MIRA – the Malaysian Investor Relations Association - for making the **Certificate in Investor Relations of IR Society of UK** possible in Malaysia. It is great to see all of you here today.

Investor relations in Malaysia has been given little prominence in the past. When I first started working in the financial markets more than 25 years ago, the acronym 'IR' stood for only one thing which is **Industrial Relations**. How times have changed.

Today, investor relations is receiving more attention than ever before. As companies become more global and competitive, investor relations or IR continues to grow both in

complexity, importance and prominence, especially to shareholders. IR is an essential business support in helping companies attract more investors and also target specific investors to their company, all of which enhances credibility and facilitates expansion and growth opportunities.

Good IR is about effective communications between the company and its shareholders, both in good and more so in bad times. Some of the more well-known companies have comprehensive IR strategies in place and actively engage with investors for business growth and sustainability. We can also see the benefits it brings to these companies in the long run, not just in the initial capital raising phase, but on an on-going basis where they remain on the radar screen of investors through being covered by analysts and media.

It may sound simple but getting it right is really the challenge.

From the Exchange's point of view, the most common pitfall that we see after a company is listed is in them not continuing with ongoing investor relations activities. And they wonder why their companies don't get the valuations they feel it deserves. Getting your company listed on an Exchange is not a destination but a journey. And that, ladies and gentlemen, is only the very beginning. Once the company is listed, doing regular investor relations activities on an on-going basis is absolutely essential and should not be viewed as additional cost. This is when active engagement with investors, analysts and media translate to higher understanding of your business, its directions and its potential. Companies must not be afraid to talk to them, answer their questions, keep your websites updated and telephone lines active all the time. IR is an essential element for every listed company.

To assist listed companies in appreciating the importance of IR as part of their business discipline, Bursa Malaysia published a manual on Investor Relations which provides comprehensive guidelines and insights on policies, processes and best practices of IR activities. This IR Manual, together with the Bursa Malaysia Listing Requirements, is given to all listed companies right after they hit the gong to signify their listed status. The very fact that we give both the Listing Requirements and the IR Manual at the onset of a company being listed on Bursa Malaysia speaks volumes of the importance we place on the role investor relations will play in the journey of a listed company.

Lately, we have also made it mandatory for every listed companies to maintain a website and provide continuous up-to-date information on the company. Needless to say, we were very surprised to learn that in this day and age, there were quite a number of listed companies which did not have a website!

This has been one of the many initiatives Bursa Malaysia has taken to impress upon its capital market players the importance that IR serves in ensuring that the story of your business is well communicated. Many of you may be familiar with the CMDF Bursa Malaysia Research Scheme or better known as CBRS which was established to widen research coverage for listed companies. The scheme is designed to facilitate the availability of research information on listed companies, particularly on small and medium cap companies, so as to provide investors with information to base their investment decisions on. However, I would like to point out here, if companies themselves seriously step up their engagements on IR, this will serve to complement subsidised initiatives such as the CBRS, as subsidies cannot be sustained for too long.

We also introduced the Investor Relation Incentive Program (IRIP) where companies are provided with IR advisory in establishing their IR functions and outlining IR best practices online. Through IRIP, we aim to have at least one qualified IR officer in these companies to undertake investor relations tasks and to establish a proper IR division in the company. Again, this is another demonstration of the importance IR plays and the Exchange's efforts in spurring the greater acceptance and implementation of this business discipline.

We realised that more could and needed to be done in galvanising greater understanding of IR. To that end, Bursa Malaysia, together with the Capital Market Development Fund (CMDF), established the Malaysian Investor Relations Association, or MIRA, with a task to elevate the understanding and practice of investor relations as a key discipline in business strategy and communications.

Since its inception in June 2007, MIRA has been very actively organising various IR programmes such as seminars, workshops, networking luncheons, IR roundtables and survey. These initiatives have helped listed companies greatly in understanding the need to build strong and positive relationships with their stakeholders.

Ladies and gentlemen,

The introduction of the Certificate in IR today will enable MIRA to equip our market with more qualified investor relations professionals. I strongly encourage all listed companies to enroll their IR officers in this certification in order to learn and benchmark themselves against international standards of IR best practices. I would also urge PR or IR agencies to take this examination to qualify themselves as certified IR professionals.

I am appreciative of what MIRA has done so far in educating and instilling the value of investor relations as a fundamental element for companies which are looking for avenues of growth. I believe many companies have also benefited from their IR initiatives so far.

On that note, I would like to congratulate MIRA for launching the Certificate in Investor Relations of IR Society of UK and I certainly look forward to seeing more IR professionals carrying out their important duties towards the furtherance of our capital market.

Thank you.