



## President Barack Obama Visit to Malaysia Commercial Signing Event • 28 April 2014 • Facts

### Commercial Deal Signings

#### *GE-AirAsia X*

GE to provide 50 engines and related maintenance to power 25 new A330 aircraft for AirAsia X, the long-haul, low-fare affiliate of AirAsia Group. The deal is worth more than \$1.5 billion.

U.S. content totaling 50% in the deal helps support 25,000 GE engine jobs in Cincinnati, Ohio, Durham, North Carolina, Rutland, Vermont and elsewhere in the United States as well as jobs in GE's 150 suppliers in 34 states. Using Department of Commerce methodology, GE estimates 3,695 jobs are supported by this sale. Including this deal, parent company Air Asia has ordered over 600 GE engines, highlighting GE's technical reliability, fuel efficiency performance, and competitive pricing.

#### Signatories:

Mr. John G. Rice, Vice Chairman and President & CEO, GE Global Growth & Operations, GE  
Yang Berbahagia Tan Sri Dato' Sri Dr. Tony Fernandes, Group CEO, AirAsia Berhad

#### *Verdezyne-Sime Darby*

Sime Darby will take a 30% stake (valued at \$30 million) in San Diego-based Verdezyne, a U.S. start-up biotechnology company. Verdezyne will use this investment to fund U.S.-based R&D, creating 300 jobs.

Verdezyne will use this investment to fund research and development in the United States on replacing petroleum-derived materials with renewable sources, reducing dependence on oil for creating widely used products such as plastic and nylon. The two companies also have agreed to cooperate to develop new processes to convert palm oil byproducts into renewable petroleum substitutes for industrial uses, enabling smarter use of plantation byproducts for greener production of key consumer products.

This investment builds on existing bilateral biotechnology cooperation, including multi-million dollar investments by the Malaysia Life Sciences Capital Fund into several U.S. biotechnology companies and agreements by U.S. universities to build capacity in the Malaysia biotechnology sector. This signing is an example of the bilateral biotechnology cooperation highlighted in the U.S.-Malaysia joint statement

#### Signatories:

Mr. Bill Radany, President & CEO, Verdezyne, Inc.  
Tan Sri Dato' Seri Mohd Bakke Salleh, President & Group Chief Executive, Sime Darby Berhad

### MetLife-AmBank

MetLife and AmBank established a partnership to expand life insurance delivery in the region, including for Muslim customers through Islamic-compliant insurance known as “takaful.” Under the agreement, MetLife will own a fifty percent plus one share in AmBank’s insurance subsidiary AmLife, with the remaining shares to be owned by AmBank. Additionally, AmBank will own a fifty percent plus one share in AmTakaful, with the remaining shares to be owned by MetLife. The companies anticipate the deal will support jobs and enhanced employee expertise in both the United States and Malaysia.

MetLife paid nearly \$250 million for the deal, which represents the first U.S. investment in the Malaysian takaful market.

AmBank Group, also known by its stock ticker AMMB, is the fifth-largest banking group in Malaysia. AmLife has been operating since 1973, and AmTakaful since 2012.

#### Signatories:

Mr. Christopher G. Townsend, President, MetLife, Asia

Yang Berbahagia Tan Sri Azman Hashim, Chairman, AmBank Group and AmLife Insurance Berhad

### About U.S.-Malaysia Trade and Investment

The trade and investment relationship between Malaysia and the United States creates jobs and economic opportunity in both countries.

**We have a strong trade relationship.** Malaysia is our second largest trading partner in ASEAN and we are Malaysia’s fourth largest trading partner.

Reflecting Malaysia’s strong integration into global supply chains, semiconductors, computer parts and telecommunications equipment constitute major export and import categories.

U.S.-Malaysia Trade			
#s in billions	U.S. Sales to Malaysia	Malaysia Sales to U.S.	Total
Goods (2013)	US\$13.0 (RM42.3)	US\$27.3 (RM88.7)	US\$40.3 (RM131.0)
Services (2012)	US\$2.5 (RM8.1)	US\$1.4 (RM4.6)	US\$3.9 (RM12.7)
<b>Total</b>	<b>US\$15.5 (RM50.4)</b>	<b>US\$28.7 (RM93.3)</b>	<b>US\$44.2 (RM143.7)</b>

Major U.S. goods exports include: semiconductors, civilian aircraft, industrial equipment and chemicals and agricultural products. Major U.S. goods imports include: semiconductors, computer parts, telecommunications equipment, palm oil, medical and electronic equipment.

Overall bilateral trade remains stable, but we want to boost merchandise trade above last year’s \$40 billion level.

Services form an increasingly large part of our trade, including healthcare, tourism, education, financial services, green technology and creative industries. These areas promote highly-skilled, well-paying jobs in both countries.

The United States is the largest foreign investor in Malaysia, and Malaysia is a growing investor in the United States. This represents a long-term bilateral commitment, and U.S. companies have supported Malaysia's development vision throughout its history.

- Investments in rubber in the 19th century
- Partnering to develop the oil and gas sector starting in 1960s
- Pioneer investors in Malaysia's electronics industry beginning in the 1970s—Malaysia's largest export sector
- Broader manufacturing investments in the 1980s and 1990s
- High-tech, knowledge based and services today: production of solar panels, aerospace production and repair operations, global IT support, healthcare services, and widespread success of U.S. franchising.

New U.S. investors include: Darden (aquaculture), KKR (Weststar, oil platform services), IBM (IT managed services), Bose (speakers), Hershey (chocolate), Kellogg (snacks).

U.S. companies invest throughout Malaysia, from Kuala Lumpur to Terengganu, from Penang to Johor, and in Sabah and Sarawak. Through direct investments and joint ventures, over 100 U.S. companies employ tens of thousands of Malaysians in good well-paying jobs, train many hundreds of top managers, transfer technology, and build local capacity. U.S. companies:

- Reflect the faces of Malaysia, with staffing at all levels consisting overwhelmingly of Malaysian citizens
- Spend millions of dollars every year sourcing goods and services from local Malaysian firms, including thousands of SMEs
- Are good corporate citizens, transferring technology and building capacity, and developing strong CSR programs

As reflected by today's partnership between Sime Darby and Verdezyne, Malaysian investment into the United States is growing. Malaysia is of the fastest growing investors in the US. For example, Genting, a leisure and hospitality company, is investing over \$3 billion into the hotel & tourism sector, the Malaysia Life Science Capital Fund includes several U.S. biotechnology companies in its investment portfolio and Khazanah, the state investment fund, recently opened an office in San Francisco targeting high-tech investments.

For more information, contact U.S. Embassy Kuala Lumpur.

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