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Our ref: JPN(S)152/185/113 INT Jld 4 (26)

Date: 9 January 2007

The Secretary of the Tribunal,
Malaysian Historical Salvors Sdn. Bhd. v
The Government of Malaysia (ICSID Case No. ARB/05/10)
International Centre for the Settlement of Investment Disputes
1818 H Street, N.W.
Washington, D.C.
20433 USA

(Fax No. 0012025222615)

Dear Sir,

**MALAYSIAN HISTORICAL SALVORS SDN. BHD. v THE
GOVERNMENT OF MALAYSIA (ICSID CASE NO. ARB/05/10)**

Your letter dated 19 December 2006 which was received on 26 December 2006 in respect of the above refers.

2. We write to confirm receipt of the Comments made by the Claimant on the issue of "investment" within the meaning of Article 25(1) of the ICSID Convention.

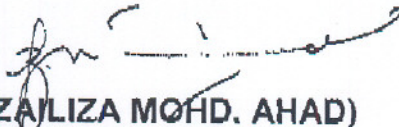
3. However, we seek your indulgence to record our observation that in the said Comments, the Claimant had raised numerous facts, some of which were never submitted before, which were not substantiated by documentary evidence. In that regard, we are of the

view that such evidential issues would not be of relevance at this juncture given the proceedings is to decide on jurisdictional issue.

4. We therefore request that our observation be given due consideration and be brought to the attention of the Sole Arbitrator, Mr. Michael Hwang.

Thank you.

Yours sincerely,



(AZALIZA MOHD. AHAD)
For and on behalf of
Attorney General, Malaysia