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MALAYSIA'S INTEREST TO BUY FOKKER ALMOST OVER

KUALA LUMPUR, April 9 (Bernama) -- Malaysia's interest to salvage the bankrupt Dutch aircraft manufacturer NV Fokker is almost over following difficulties in carrying out investigations, including a due diligence audit, Deputy Prime Minister Datuk Seri Anwar Ibrahim said today.

He said Malaysia would not make a financial commitment if it was not allowed to scrutinise the accounts.

"There appears to be a problem from the finance and due diligence audit point of view. It is difficult to continue with our interest to scrutinise the position of Fokker and the possibility of our participating in the process of salvaging the company," he told reporters after meeting the visiting Tatarstan President, Mintimer Shaimiev, at his office here.

The Tatarstan president is on a private visit to Malaysia. Tatarstan is one of the regions in the Russian federation.

Prime Minister Datuk Seri Dr Mahathir Mohamad said in February that the government was studying the possibility of salvaging Fokker through Khazanah Nasional, the investment arm of the government.

If the discussions proved to be fruitful, Khazanah Nasional was expected to buy a 39 percent interest in Fokker before raising it to 51 percent with the balance held by the Dutch government and a Dutch firm.

It is believed that Khazanah Nasional may have to pay an initial payment of 540 million Dutch guilders (about RM685 million) for the 39 percent stake.

At one time, Fokker, the oldest commercial aircraft manufacturer in the world, was the fourth largest airplane maker after Boeing Commercial Airplane Co, Airbus Industrie and McDonnell-Douglas Corp.

Its financial problems reached their peak in March last year when the company applied for bankruptcy when its then major shareholder, Daimler-Benz of Germany, pulled out. -- BERNAMA

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