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No audit study, no Fokker deal: Dr Mahathir

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PRIME Minister Datuk Seri Dr Mahathir Mohamad said yesterday Malaysia will not participate in NV Fokker's rescue exercise if it is not allowed due diligence on the bankrupt Dutch aircraft manufacturer.

"If we are not allowed due diligence, we will not buy. We can't be expected to buy because this is not a 10-sen or one-ringgit deal; the exercise may take billions of ringgit.

"We have to exercise caution. We cannot manage the Government's money that way," he told reporters at the Sultan Abdul Aziz Shah International Airport, Subang, on arrival from Islamabad after his visit to Kuwait, Bahrain and Pakistan.

The Prime Minister was asked if the Government is still interested in the Fokker deal since Malaysian officials were not given the chance to study the company's audits.

Deputy Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim had earlier said the Government cannot be expected to remain interested in taking part in the rescue exercise if it is not allowed to conduct due diligence.

Through investment arm Khazanah Nasional Bhd, the Government had sought to conduct a study on Fokker's financial position before proceeding with further negotiations. It would involve going through the plane maker's books as well as looking at its business plans for the next 15 to 20 years to determine whether it is viable to revive the company.

The Government sent a team of officials to Amsterdam last month to conduct a study on the company's accounts but was turned away.

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