

16/01/1997

Others eyeing UMW stake too: Anwar

Kamarul Yunus

THE Sapura Group is not the only party seeking to buy a stake in UMW Holdings Bhd from Permodalan Nasional Bhd (PNB).

Deputy Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim said the Government is still studying the proposal from Sapura together with those from other interested parties.

"There has been quite a number, not only one submission," he told reporters after chairing the Cabinet Committee on Essential Goods in Kuala Lumpur yesterday.

"There is no decision yet," he said when asked to comment on a news report quoting a UMW board member as saying the proposed acquisition by Sapura might deprive many Bumiputera entrepreneurs of the benefits of PNB's involvement in UMW.

Until now Sapura was thought to be the only company seeking to acquire the substantial stake in UMW.

Earlier, UMW external board member Md Yusof Hussin was reported to have said that Sapura's proposal was highly unlikely to go through as PNB had no good reason to sell the stake.

Md Yusof had also said that PNB's unitholders might be disappointed if the stake were to be sold because the company was a very profitable counter and had tremendous earnings potential.

Anwar declined further comment, saying "there are hundreds of submissions made on hundreds of companies. This one happened to be a question specific to UMW.

"Some were considered, some rejected and some accepted. As far as I am concerned, this issue should be let to rest for now."

He said while the Government is studying the proposal, it cannot deny that PNB has a special role that is important and relevant to play.

Sapura is said to have submitted an offer to acquire 32 per cent of UMW's equity from PNB which currently holds the single largest stake of 40 per cent in the motor vehicle company.

It was said that the 32 per cent stake in UMW would cost Sapura some RM1.4 billion but Sapura had subsequently dismissed this as mere speculation. No price had been offered or had there been any discussions on it, the company had said.

To another question, Anwar said the Government is investigating an allegation that there were discrepancies in the awarding of telecommunications contracts to Ericsson by Telekom Malaysia Bhd.

"I have received a preliminary report on the allegation and had briefed the Prime Minister (Datuk Seri Dr Mahathir Mohamad) before he left for the US and Japan.

"However, there is no firm evidence to allow us to take action.

"I told the Prime Minister that if there is evidence, we will take appropriate action," he said, adding that there is no question the Government will act on the matter if the allegation is proved to be true because the contracts involve a substantial amount of money.

Anwar said he has directed officers from the Finance Ministry's contracts division to investigate and talk to Telekom to see if the procedures of awarding the contracts were fully observed and transparent.

"I have also told Telekom chief executive officer Datuk Mohamed Said Mohamed Ali of the matter before he left for the US," Anwar said, adding that he was informed of the alleged discrepancies by "reliable sources"

two weeks ago.

(END)