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PANTAI HOLDGS-HOSPITALS

PANTAI HOLDGS TO FOCUS ON HOSPITAL OPERATIONS

KUALA LUMPUR, March 3 (Bernama) -- Pantai Holdings Bhd will continue to focus on its hospital and supporting services businesses despite its substantial equity investment in Phileo Land Berhad and Tongkah Holdings Bhd, said its executive chairman Mokhzani Mahathir.

The hospital and services sectors are expected to contribute 70 percent of the group's turnover, while the rest would come from its other activities, said Mokhzani who was at the ground breaking ceremony for the Pantai Medical Centre's new RM80 million hospital block here today.

Pantai now has three separate divisions: hospital; supporting services; and other activities.

On the company's acquisition of a stake in Tongkah, he said the stake was taken following a restructuring exercise, that had only partly materialised.

He said Pantai will not increase its investment in Phileo and Tongkah.

Mokhzani also said that while the investment value in the two companies has gone down, Pantai has not written them down as the investments are considered for long term.

He also pointed out the future cooperation potential between Pantai and Phileo Land which is into property development. He said Pantai could locate its healthcare facilities on properties developed by Phileo.

On the outlook for Pantai, he said it would depend on the economic recovery.

In the last 18 months, many corporate clients have reduced the number of their staff sent to private practices, he said.

The figure of reduction is about 20 percent for the industry, he added.

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