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Mahathir-CLOB

UP TO S'PORE HOLDERS TO DECIDE ON CLOB SHARES

KUALA LUMPUR, July 5 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said it is up to Singaporean shareholders to decide on which proposals they prefer to resolve the issue concerning Malaysian stocks formerly traded on Singapore's Central Limit Order Book (CLOB).

"It is up to the Singaporean shareholders," he told reporters after chairing the Umno Supreme Council meeting here tonight.

Dr Mahathir, the Umno president, was asked to comment on the Singapore Stock Exchange (SES) proposal to stagger the release of the frozen Malaysian shares.

Recently, Telekom Malaysia and United Engineers (Malaysia) Bhd (UEM) made a joint offer to acquire all the frozen Malaysian shares previously traded on CLOB at a 25 percent discount to their closing share prices on the Kuala Lumpur Stock Exchange (KLSE) on June 29 this year.

Based on this cut off date, the affected shares have an estimated value of RM14.5 billion.

In exchange, holders of the CLOB shares would be issued with B class shares in the two companies at a premium of 30 percent to the June 29 closing prices.

Previously two other companies -- Effective Capital Sdn Bhd and Bintang Melewar Sdn Bhd -- had made offers to acquire the frozen Malaysian shares.

Dr Mahathir said he did not know the of stand taken by the SES and holders of the CLOB shares to break the impasse.

He said the offers made so far should be considered rather than to come up with more proposals.

"If not, it will never end. It can be infinite," he said.

Dr Mahathir also said the country's economic recovery is progressing well and statistics indicated positive growth will be achieved in the second quarter.

"The improvement seen in the sale of cars, houses and such is proof the economy is recovering," he added.

-- BERNAMA

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