

# Mahathir sees RM8 'good price' for MAS shares

SUN 27.11.2000

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**SINGAPORE:** Prime Minister Datuk Seri Dr Mahathir Mohamad said RM8.00 "could be a good price" per share for buying a 29% stake of national carrier Malaysian Airline Systems Bhd (MAS), although the government is still negotiating the price.

The Malaysian government has approved plans to buy the stake from Naluri Bhd, a company controlled by Tan Sri Tajudin Ramli.

The sticking point is the share price, with Tajudin asking for as much RM1.79 billion ringgit, the *Asian Wall Street Journal* reported yesterday, citing anonymous sources

familiar with the plan.

Investors are watching for signs the government may bail out another tycoon battling dwindling assets and swelling debt after the country's recession in 1998.

The airline's shares closed at RM3.22 on Friday, less than half the RM8.00 Tajudin paid per share in 1994.

MAS has posted losses for three consecutive years through March 2000. The government is counting on a foreign shareholder to boost the airline's competitiveness at a time when air travel in the region is increasing.

Mahathir said MAS can't avoid the global trend of forming alliances with other airline companies.

"All we have done so far is to say

that we will study the possibility, selling shares or cooperating in some kind of joint cooperation with others," Mahathir told reporters in Singapore.

Swissair, Europe's fifth-largest airline, Qantas Airways Ltd, Australia's biggest carrier, and KLM Royal Dutch Airlines NV have been named as potential buyers of a stake in the carrier.

"We are open. There are lots of people who have become suitors," Mahathir said.

"At the moment, MAS is not yet satisfied with the suitors and is maybe looking at other things as well."

Naluri, which is 47% owned by Tajudin, has RM1 billion of debt. - Bloomberg.