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Dr M: Low Tabung Haji dividends `unavoidable'

SHAH ALAM, Sun. - The low dividends announced by Tabung Haji for its depositors last week could not be avoided, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said most companies were not making much profits due to the effects of the economic slowdown in the United States.

"We know that stock prices are down, but we want profits to be maintained like previously. I don't think that's realistic," he told a Press conference after attending the New Millennium Patriotic Gathering at the Malawati Stadium, here.

Dr Mahathir said when investing, one should not hope for fixed returns as that could be considered *riba*, or usury.

On Feb 10, Tabung Haji announced a 5.5 per cent dividends for its 4,032,829 depositors nationwide, much lower than the eight per cent received from the previous year.

That year, Tabung Haji reportedly had to sell its stake in Nestle in order to enable it to provide the dividends.

"In business, sometimes we make profits while at other times we register losses.

"This we must accept. If we make a small profit and the Government has to top up, that won't be business because we are taking Government funds," Dr Mahathir said.

Asked on reported suggestions that Tabung Haji review its investments, Dr Mahathir replied:

"We have professional internal and external auditors who can do the monitoring," he said.

Dr Mahathir was also asked to comment on the recent attack on Iraq by United States and British warplanes.

"I feel sad because I had high hopes that with the new US Government, it would be time for it to examine the previous administration's policies."

Dr Mahathir said he was also saddened by how the attack was described as "humanitarian".

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