

# 'Nor Mohamed helping to speed up MAS revamp'

Bt - 3 JAN 2002

PRIME Minister Datuk Seri Dr Mahathir Mohamad has appointed his economic adviser Nor Mohamed Yackop to speed up a revamp of ailing Malaysia Airlines, a senior company official said in Kuala Lumpur yesterday.

The official, who declined to be identified, said Nor Mohamed was not on the board of the company but spoke frequently with top airline officials on the phone.

"Nor is helping out in MAS restructuring process. It's very good that someone is helping us in the restructuring plan that we have drawn up earlier," he told AFX-Asia, an AFP-owned financial news service.

Nor Mohamed's appointment has yet to be made public and details of his role was not immediately available.

The Asian Wall Street Journal quoted government sources as saying that the premier, fed up with the slow pace of restructuring, named Nor Mohamed last month to oversee a rescue plan for the airline

which is struggling under some RM10 billion in debt.

It said the carrier was trying to sell off its catering division, its headquarters in Kuala Lumpur and operations complex at the Kuala Lumpur International Airport to free up more than RM2 billion in cash.

The airline has suffered successive losses since the 1997 regional financial crisis. It embarked on a restructuring plan last year to return to the black by 2004 after the Government renationalised it in February.

Dr Mahathir said on Tuesday the Government is still considering requests by several foreign airlines to acquire stakes in Malaysia Airlines and was likely to decide once the restructuring exercise was completed.

The Prime Minister said the Government is still considering how to restructure the airline and its management following a slump in air travel sparked by the terrorist attacks of September 11.