

PM says Telekom keen on TRI

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TELEKOM Malaysia Bhd is keen to take over rival Technology Resources Industries Bhd (TRI), Prime Minister Datuk Seri Dr Mahathir Mohamad said.

"Telekom has been interested in taking over TRI for some time," he noted. "It's a question of price ... it is up to them. The government wants to see the industry consolidate because there are too many licensees."

Apart from Telekom and TRI, the other phone companies are Maxis Communication Bhd, Time dotCom Bhd and DiGi.Com Bhd.

Dr Mahathir said a pricing issue had held back Telekom's plan to buy TRI. He declined to say if the two parties had met since.

TRI, 21% owned by Deutsche

Telekom AG of Germany and 24.3% by chairman Tajudin Ramli, is in the midst of a plan to sell new stock to investors and existing shareholders to help repay RM1.8bil to bondholders who have a claim on its mobile phone unit.

Last Friday, Telekom denied a foreign news wire report that it had made an offer to acquire 45% of TRI by buying out Tajudin and Deutsche Telekom.

Earlier, in November, TRI had denied reports of talks with Telekom for a stake sale. Telekom also said at the time it was not negotiating, and that there were no offers or commitments by either parties.

Meanwhile, in a statement to the KLSE yesterday, TRI said Telekom had approached Pengurusan Dana-

harta Bhd on Jan 22 to acquire Tajudin's shares in TRI that were vested in the special purpose vehicle.

However, Tajudin had informed TRI that Telekom had not approached him directly for his equity stake.

And in response to a query from *Dow Jones Newswire* on whether it was selling shares in TRI, Danaharta said: "We are not contemplating the sale of a large block of any quoted shares at this point in time."

The Securities Commission (SC) had previously barred Naluri Bhd, another company owned by Tajudin, from buying RM850mil worth of new TRI shares.

Naluri later announced it planned to buy as much as RM600mil worth

of shares in TRI as part of a US\$474mil debt restructuring by the telco.

The SC, however, gave approval for Naluri to utilise only RM34.5mil of the proceeds from the sale of its stake in Malaysia Airlines to subscribe for its rights entitlement in TRI's restructuring plan.

In another development, TRI said its wholly owned subsidiary, Celcom (M) Sdn Bhd, had been converted to a public company effective yesterday.

TRI told the KLSE the conversion was to facilitate the proposed internal restructuring which formed part of the group's corporate restructuring exercise whereby Celcom would eventually assume TRI's listing status. - Agencies