

28 JAN 2002

MAHATHIR-UTAMA

BANK UTAMA GIVEN LIMITED TIME TO DISCUSS MERGER WITH RHB

KUALA LUMPUR, Jan 28 (Bernama) -- Bank Utama Bhd, the only bank that has yet to join any of the 10 anchor banks under the country's banking industry consolidation exercise has been given extra time for its proposed merger with RHB Bank.

While talks between the two has supposedly collapsed last week, Prime Minister Datuk Seri Dr Mahathir Mohamad today said: "It would seem that Utama has now come back, wishing to complete the deal."

Speaking at a press conference after launching the Ministry of Finance's "A Day with the Customers" assembly here, he said for that reason the government has given additional time for Bank Utama to seal the deal.

Asked to confirmed reports that Bank Utama has been given until Friday to conclude the merger talks, Dr Mahathir said: "The exact date I won't know but I know it has been given a little bit of time, not six months but a little bit of time."

Last Tuesday, Dr Mahathir had said that Bank Utama's banking license would be cancelled if it does not find a merger partner by the end of June.

RHB Bank is 70 percent owned by RHB Capital Bhd, which in turn is controlled by Rashid Hussain Bhd (RHB).

Utama Banking Group, which owns Bank Utama is a 51-percent unit of Cahya Mata Sarawak Bhd, a diversified Sarawak-based group.

Prior to RHB Bank, Bank Utama has previously failed in its merger negotiation with the banking unit of AMMB Holdings and Edaran Otomobil Nasional (EON). -- BERNAMA

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