

28 JAN 2002
MAHATHIR-TRI
TELEKOM KEEN TO TAKE OVER TRI, SAYS MAHATHIR

KUALA LUMPUR, Jan 28 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today said that Telekom Malaysia Bhd has been interested to take over Technology Resources Industries Bhd (TRI) for quite some time.

"Telekom, I think has been interested in taking over TRI for quite some time but it is a question of the price.

"It is up to them to decide," he told a press conference after launching the Ministry of Finance's "A Day with the Customers" here.

Reports and industry speculation have claimed that Telekom has made an offer to buy a stake in TRI, but Telekom has denied it.

TRI owns Celcom (Malaysia) Sdn Bhd, Malaysia's second largest mobile operator with 2.13 million customers at end 2001, while Telekom, a government entity, is the country's oldest and biggest telecommunication company.

TRI is 24.3 percent-controlled by its chairman and executive director Tan Sri Tajudin Ramli and is 21 percent-owned by Deutsche Telekom.

Dr Mahathir, who is also Finance Minister, said that the government wanted to see the telecommunication industry consolidate as the present number of five players were too many.

Meanwhile, analysts said that despite Telekom's denial, they were not totally convinced Telekom would totally stay clear of TRI.

"We feel that if TRI can't find investors for the issue, the government may want Telekom or one of its other agencies to take up the stake," said one analyst.

TRI, which is saddled with RM4.2 billion debts, is making a RM1.05 billion restricted share issues, which is an integral part of its recapitalisation and restructuring exercise. -- BERNAMA

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