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MAHATHIR-TELEKOM-TRI

TELEKOM KEEN ON TAKING OVER TRI, SAYS DR MAHATHIR

KUALA LUMPUR, May 3 (Bernama) -- Telekom Malaysia Bhd is interested in taking over Technology Resources Industries Bhd (TRI), given the recent move by Telekom to buy TRI's shares, said Prime Minister Datuk Seri Dr Mahathir Mohamad.

"Telekom obviously is interested. That is why they have bought (the shares)," he said.

Telekom Malaysia currently holds direct and indirect stakes in TRI totalling 15.6 percent following its purchase of a 13.14 percent stake at RM2.75 per share or RM717 million from Pengurusan Danaharta Nasional Bhd's foreclosure on Tan Sri Tajudin Ramli's loan collateral.

Dr Mahathir said Malaysia does not need too many telecommunication companies especially with the advent of the third generation (3G) which would involve huge investment.

He indicated that the country may need around three telcos to operate.

"We need three companies in Malaysia. Not too big in number especially with 3G coming on," he told reporters after officiating an ICT seminar organised by Umno Youth here today.

The current telcos in the country are Telekom Malaysia, Maxis Communications Bhd, TRI, DiGi.Com Bhd and Time dotCom Bhd.

Dr Mahathir said many countries that had gone into 3G had fallen flat on their faces.

"They have suffered," he said.

He also pointed out that NTT Docomo, which late last year launched the world's first commercial 3G service in Japan, was now facing a lot of problems pertaining to the 3G.

The prime minister also said that he believed Telekom Malaysia will give a "fair deal" to the public should it take over TRI.

It was reported today that Telekom Malaysia was looking at ways to merge its mobile phone services under Telekom Cellular Sdn Bhd with TRI's wholly-owned subsidiary, Celcom (M) Sdn Bhd.

One way this could happen is by Telekom Malaysia raising its current 15.6 percent stake in TRI to a controlling interest.

Telekom Cellular operates the TM Touch service while Celcom operates the Celcom GSM and ART900 services. -- BERNAMA

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