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TELEKOM-JARING

TELEKOM TO INITIATE NEGOTIATIONS ON ACQUISITION OF JARING

KUALA LUMPUR, Oct 1 (Bernama) -- Telekom Malaysia plans to initiate negotiations on the acquisition of Internet Service Provider, JARING, its chairman Tan Sri Ir Md Radzi Mansor said here today.

"We have to get everything ready first like what we did on the Celcom merger," he told reporters after the Corporate Malaysia Roundtable inaugural board and advisory meeting here today.

He said as soon as all the parties were ready, Telekom would then start the negotiation.

Md Radzi said that for now it was not the right time yet to "talk about any formula."

It is learnt that Telekom Malaysia has already sent a letter to the Finance Ministry to start negotiations for the acquisition.

According to a reliable market source, once the greenlight was given, Telekom would enter into such negotiation.

Md Radzi was asked on the recent Budget 2004 where Prime Minister, Datuk Seri Dr Mahathir Mohamad, who is also Finance Minister, announced the merger of the two ISPs to ensure wider and more efficient internet services in the country.

TMNet, a subsidiary of Telekom Malaysia was formed to spearhead all internet related services in Malaysia following the company's appointment as an Internet Service Provider (ISP) in Malaysia.

Jaring, an acronym of the Joint Advanced Research Integrated Networking project, was Malaysia's first and main internet access and was developed and managed by MIMOS Bhd.

At the 2004 Budget Dr Mahathir said in order to ensure wider and more efficient internet services at a lower rate, Jaring would be merged with TMNet.

Telekom Malaysia would reduce internet access charges as well as the access to broadband internet.

The company will provide a 50 percent discount for industrial and corporate packages, beginning with 30 percent for Phase I and a further 20 percent for Phase II. -- BERNAMA

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