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MAHATHIR-VALUECAP

VALUECAP TO LOOK AFTER GOVT'S INVESTMENTS IN COMPANIES, SAYS MAHATHIR

KOTA BAHARU, Jan 16 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad stressed that Valuecap Sdn Bhd was set up to look after the interest of shares of companies in which the government has invested in.

The company's formation was to counter moves by certain parties, which had purposely sold shares of some companies that led to sharp falls of the shares concerned, he said.

"If the share value of the companies like TNB (Tenaga Nasional Bhd) and others, where the government has interests in drop due to the large scale sales of its shares, we have the right to defend it," he said.

"That is why we set up Valuecap, to look after the interest of companies where we have invested in," he told a press conference at the Sultan Ismail Petra Airport, at the end of his two-day working visit to Kelantan here today.

Valuecap, an investment holding company with a RM10 billion fund, was in the market since last Friday.

Its move to enter the market is expected to increase the value of shares on the Kuala Lumpur Stock Exchange (KLSE) at between 33 percent to 68 percent from the current value.

Dr Mahathir said that claims by some parties that Valuecap was not transparent did not arise as the government's action was solely to protect its rights.

"We know that the value of the shares fell much lower from its assets or profitability, so we have the right to buy the shares which are being sold," Dr Mahathir said.

"They sell to push the prices down, we buy, that was the only thing that we did," he said.

Dr Mahathir also said that there was no need for Valuecap to make a public announcement concerning the shares it had bought although this move was regarded as not transparent.

"We do not have to make an announcement, it is up to the market," he said.

"There is always a mixed feeling, whenever we do something to help ourselves. We act almost like foreigners, we condemn ourselves. That is why it is very difficult for us to get some benefit from our own economy.

"Just because other people criticise us, we think that other people are right. But if we follow other people, this country will go bankrupt," he said.

-- BERNAMA

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