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LID-WAHID

INVESTORS WILL AVOID COUNTRIES WITH INCONSISTENT POLICIES - WAHID

By Mohd Arshi Daud

LANGKAWI, July 30 (Bernama) -- Foreign investors will shun countries with a history of inconsistency in policies, Telekom Malaysia Bhd new chief executive Datuk Abdul Wahid Omar said today.

Echoing former Prime Minister Tun Dr Mahathir Mohamad's remark that government policies should not change with changes in leadership, he said this is something that investors could not tolerate.

"Factors that determined a country's risk include the change in government policies. This is certainly a risk investors can't afford.

"A country may offer great opportunities but if the risks are not acceptable, investors will generally be hesitant to invest in that country," he told Bernama on the sidelines of the Langkawi International Dialogue (LID).

Telekom Malaysia, the main sponsor of Global 2004 LID, is pursuing an international arbitration against the government of Ghana, claiming that the Ghanaian parties had in 2002 reneged on a deal for Telekom to take control and management of Ghana Telekom.

Abdul Wahid said while Telekom has some "no success" stories about its overseas investments in south-south countries, there were also successful stories.

"We have to allocate certain resources to invest overseas to provide additional revenue and profit for the group to go forward.

"South Africa, Sri Lanka and Bangladesh are three examples which we have been successful," he said.

Telekom, he said, had unlocked the value of its investments in Telekom SA, its single largest overseas investment, following a listing exercise.

Its Sri Lankan unit recently signed its one millionth mobile phone customers while its mobile unit in Bangladesh was moving towards registering the same number of subscribers.

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MAD TOM