

PM, it's a bailout if you're using our money
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YOURSAY 'It looks like a bailout, smells like a bailout, but it's not a bailout.'

RM6bil for MAS not bailout, says Najib

Abasir: "God willing, the plan is viable...," said PM Najib Razak. Not exactly inspiring confidence, is it?

Anyway, while you are parking imminent failure at God's doorstep, please tell the people (remember 'People First'?) what is it you did in the past to bleed the airline which you will now stop doing?

That is the least you can do for your 'investors'.

Changeagent: Najib, it is an investment only if you inject your own money into a loss-making business like Malaysia Airlines (MAS) that is seriously bleeding cash.

It is a bailout when you use public money. You know, the same money that should be better spend on public infrastructure, transportation, health and education instead.

Dalvik: I sincerely hope that our PM cum finance minister can give a non-misleading statement. A bailout normally comes with a restructure plan.

Here's from a quick search on Wikipedia: "A bailout is a colloquial term for giving financial support to a company or country which faces serious financial difficulty or bankruptcy."

MAS is doing exactly that. You can't play around the technical term or replace it with the word 'investment'.

Multi Racial: If assessed objectively, it better for Khazanah Nasional Berhad to start a new airline rather than injecting RM6 billion of good money into a bad company.

It's best to allow MAS to go bankrupt and start a new airline at probably much lower cost than the RM6 billion. The new airline does not meet to continue carrying the baggages MAS has been enduring over the years.

With a new airline, it means new branding, no unfavourable contracts which have been saddling MAS, no need to compensate inefficient staff. A new airline can conduct proper recruitment base on merit.

Priority could be given to existing MAS management and staff who are productive. And no

more unfavourable contracts carried forward into the new airline.

Donplaypuks: It looks like a bailout and it smells like a bailout, therefore, it's a bailout, unless of course you define white as black and then pretend everything is hunky dory.

Khazanah is to recover the RM6 billion by when, 2120? What about the RM2 billion bailout in 2003 and the RM10 billion write-off in previous re-structuring exercise? When will that be recovered? 2220?

Ablastine: Mr Prime Minister, maybe you should get your brain checked. If injecting money into MAS can work, it would have worked long time ago.

It is so sad to know that you are throwing good money after bad and RM6 billion is heck of a lot of money to waste.

You want MAS to work, no problem. Get the Malaysian team which built and guided Singapore Airlines (SIA), one the most profitable airlines in the world, back to help. Of course, this is not going to happen because your Perkasa friends will not allow it.

Cantabrigian: It's either the people in Khazanah are too dumb to see that MAS stands for 'Money-Absconding Scam' to enrich cronies of you-know-who, or they themselves are the cronies.

I pity the hardworking workers of MAS trying to salvage a crumbling empire because they love the company, but got cheated and threatened with Voluntary (yeah, right) Separation Scheme (VSS).

FellowMalaysian: What choice do we all have but to dump in whatever it takes to revive this ailing God-forsaken blundering blighter airline that has continuously failed us since Dr Mahathir Mohamad's era.

The abuse of the national airline started with Mahathir who, wanting to prove his 'Malaysia Boleh' prowess, telling MAS to fly into uncharted places like New Mexico and Buenos Aires without any care or concern about the routes's viability.

Thus that started the snowball rolling and Tajuddin Ramli reaped more when he bought over the airline.

Although MAS is 70 percent owned by Khazanah now, its operation is still terribly subdued under the pressure of skewed contracts drawn up to benefit its fleet of supply and maintenance contractors.

Kuch Kuch Hota Hey: As a minority shareholder, I hope Najib will take into consideration those who invested in MAS. Rather than buying up minority shares for 27 sen, why not leave the minority shareholders alone? After all, Khazanah has the giant share of almost 70 percent.

We have been loyal investors of MAS and even bought rights issue on the assurance they will turn around MAS. I hope Najib or his advisers read this appeal.

If I sold off my shares at 27 sen, I would lose almost RM200,000. I have keeping them all these years and getting nothing out of it - not even dividend or bonus issue.

Actually I wanted to fund my son's education and I am not eligible for a bank loan at my age. Yes, I accept the comments that I was stupid to put all the eggs in one basket.

Retired Citizen: I can foresee that instead of reaping dividend from the RM6 billion investment, Khazanah will see the RM6 billion wiped out in less than five years.

A reasonable investment should give about 10 percent annual return. Hence the investment should generate RM600 million annual profit on top of the current trading results.

I wonder if one is to do a discounted cash flow analysis, what will be the NPV (net present value) and IRR (internal rate of return). I am confident that the IRR will be negative and it will be good money chasing bad money.

Anonymous_1392114217: Najib described this RM6 billion as an investment but I call this as throwing good money after bad.

What happened to the money Khazanah had invested in the last right issue by MAS? All had gone to the drain?

I'm not positive MAS will be profitable within three years so this RM6 billion is not the final figure Khazanah has to pay.

Anonymous_1372558750: Insanity is doing the same thing over and over again and expecting different results, said Albert Einstein.
Another RM6 billion have just gone down the toilet bowl.

Onyourtoes: How much did the government pump into MAS before today? Yes, from re-nationalisation after former MAS chief Tajuddin to the numerous injections of capital after that till today, how much?

How much did Khazanah spend to acquire 65 percent of MAS before this and then recently another 35 percent to make it 100 percent? What is the accumulated loss of MAS todate?

Vijay47: I suddenly feel so relieved and assured by recent statements made by our leaders. Earlier today, Ahmad Zahid Hamidi, our minister of home affairs gave me much comfort that there is no sinister selective move against the opposition in the numerous sedition charges they are facing.

And before I could even recover from this unexpected joy, the prime minister himself told

us that the RM6 billion parked into MAS is not a bailout but an investment. Better still, Najib added that he would recover every last dime from this loss-making monster.

I am sure that tomorrow as part of the Merdeka celebrations he will share with us mortals how he will achieve this miracle. I wonder whether it would be before or after his "walking on water" act.

The Observer: Hmm, how many sen did we recover from the last few bailouts?

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