

**Idris' departure may clip MAS' wings**  
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Idris Jala's forthcoming departure from Malaysia Airlines System (MAS) may be viewed negatively by the market, according to OSK Research today.

The pessimistic view is based on the fact that Idris's experience may be better utilised for the betterment of the nation, its said in its daily news note.

Idris was appointed managing director and chief executive officer of MAS in December 2005 and was instrumental in saving the national carrier from the brink of bankruptcy to where it is today.

"The protracted downturn in the global economy may pressure yields following substantial fare discounts by airlines, and volatile crude oil prices is also a cause of concern," the research unit said.

Coupled with the potential market disappointment on Idris's departure, OSK Research maintains a "sell" for MAS with a 12-month target price of RM2.00.

Idris was appointed minister without portfolio in the Prime Minister's Department and as chief executive officer of the performance management and delivery unit.

Current CFO the best candidate

The board of MAS is expected to announce, separately, the airline's new MD and chief executive officer.

However, OSK Research noted that the carrier's chief financial officer, Tengku Datuk Azmil might be the most suitable candidate to take over from Idris.

"With over seven years experience in the aviation industry and being one of the masterminds behind the transformation plan introduced by Idris, we think his knowledge and experience will certainly help to ensure a smooth transition," it said.

Meanwhile, MIDF Research also recommended a "sell" on MAS for the same reason, with a target price of RM2.63.

"We view the loss negatively. Idris has been instrumental in MAS' turnaround plans and the carrier can ill afford further turbulence as the challenges in executing the plans require great focus."

"A hastily appointed new CEO could hamper MAS' return to stability and profitability," MIDF Research pointed out.

It said unless a new chief executive officer is recruited internally, he or she would not have the luxury of slowly adapting to MAS' culture before being severely put to test. - Bernama