

Govt reveals equities share data

KUALA LUMPUR: The Government has revealed the various sources used in gathering information to back the methodology it has been using to determine bumiputra equity ownership.

Deputy Minister in the Prime Minister's Department Datuk Dr Abdul Rahman Suliman said the Government took into account the equity ownership of the corporate sector, unit trusts, Bumiputra/Malay interest institutions, share capital of nominee companies, government-owned shares and share

capital ownership based on ethnic groups.

He said among the important details used to calculate equity ownership in the corporate sector were annual reports of companies registered with the Companies Commission of Malaysia (CCM), companies listed on Bursa Malaysia and from institutions with bumiputra interests such as the Pilgrims Management Board, the Armed Forces Fund Board and the Cooperatives Development Department.

The calculation also includes

equity ownership by trustee agencies such as Permodalan Nasional Bhd (PNB), Mara and State Economic Development Corporations, unit trusts from Securities Commission (SC) and trust fund management companies and the Economic Planning Unit's (EPU) study on ownership through nominee companies.

Dr Abdul Rahman, who was responding to Opposition Leader Lim Kit Siang's claim that the equity methodology used by the EPU was "flawed and had a certain agenda," said a special

committee had been set up to study the best methodology to estimate share capital ownership for the corporate sector.

"The special committee involves the EPU, CCM, SC, Bursa and PNB," Dr Abdul Rahman said while winding up the debate on the Budget at the committee stage.

When met at the lobby later, he said the Cabinet would discuss and finalise the details before releasing a detailed report on the methodology used.

Statistics on share capital in companies registered with the

CCM was the main and most important information in estimating share capital ownership based on ethnic groups, he said.

Dr Abdul Rahman also explained that the par value calculation method was used to prepare corporate equity ownership data, as it gave a general picture of the company's basic share capital.

Market value, he said, could also be used but it would only be applicable for listed companies.

"This is because the market value constantly changes and is always influenced by factors

such as window dressing and market manipulation.

"Therefore measurements based on par value is regarded as the most suitable methodology," said Dr Abdul Rahman.

He said a big portion of the Government's share capital ownership was in public listed companies, while shares owned by the Employees Provident Fund, Khazanah Holding and the Finance Minister Inc were also considered important.

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