

Khazanah calls MAS privatisation reports 'speculation'
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Khazanah Nasional has called reports that Malaysia Airlines (MAS) is to be privatised for restructuring as pure speculation.

In a statement released late today, the government investment arm said that a comprehensive review of restructuring options is still being undertaken and evaluated.

"The resolution of this review will be made after due consideration and after respective approvals from the relevant parties and authorities, including the approval of the Special Shareholder, Minister of Finance, Incorporated," Khazanah Nasional, which is also the majority shareholder in Malaysia Airlines, said.

Meanwhile, Bernama reports that MAS has denied any knowledge of the decision to privatise the airline for restructuring as reported today by local media.

In a filing to Bursa Malaysia, MAS said such a decision rests in the hands of its major shareholder and the government.

"As of now, the company is not aware of any decision that has been made by both of them on this matter," MAS was quoted as saying by Bernama.

The news reports earlier today said at MAS' current share price of 21 sen, Khazanah would need to only pay RM1.05 billion for the 30.6% shares it does not already own.

It also said Khazanah's board was expected to meet at the end of the month to discuss the plan and an announcement would be made by year-end, Bernama reported.

As a result of the 'privatisation' report today, shares of MAS posted their biggest gain in more than two weeks today.

MAS gained as much as 16.7% in early trading. – July 3, 2014.

privatisation-reports-as-speculation