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Looking at the application of the GST model in other countries, it will take time to stabilise. Yes, it may have an impact initially. But we are a long-term player. We will continue to invest in our brand, products and people.

- Perodua president and CEO Datuk Aminar Rashid Salleh

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Big deal: An MoU for 50 A330neo aircraft valued at US\$13.8bil (RM44.16bil) is signed at the Farnborough Airshow in the UK by AirAsia X CEO Azran Osman-Rani and Airbus president and CEO Fabrice Bregier (fourth from left), witnessed by AirAsia X co-founder and director Tan Sri Tony Fernandes, chairman Tan Sri Rafidah Aziz and Airbus COO John Leahy (second from left). > See page 3.

Weststar to reassess venture into Iraq

By TEE LIN SAY
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LONDON: Weststar Aviation Services Sdn Bhd will need to reassess its venture into Iraq as the current conflict and insurgency renders the country very risky, said chief executive officer Tan Sri Muhammad Ismail Jamaluddin.

"We have conducted a feasibility study, which was commissioned by Petronas Carigali Iraq. That study has been accepted by Petrolim Nasional Bhd (Petronas). It is an onshore project. However, it is now on hold because of the situation there," he said.

The violence and fighting in Iraq appears to be deepening, with no signs of abatement since the Islamic State of Iraq and the Levant (Isis) seized large areas of Iraq and major cities last month.

Initially, Weststar group managing director Tan Sri Syed Azman Syed Ibrahim had said that Weststar was planning to enter the Iraqi market as early as next year.

Weststar Aviation director of business development, Datuk Anuar Noordin, added that under the feasibility study, Petronas had agreed on a Rotary Wing Services contract.

"For a start, we were planning to begin with two to three helicopters. At a contract period of between five and 10 years, the Iraq venture would be worth between RM1bil and RM1.5bil," said Anuar at the

Waiting game for Maybank

PNB-owned bank had toyed with idea of merger with RHB Cap two weeks ago

PETALING JAYA: Malaysia's largest banking group, Malayan Banking Bhd (Maybank), has resigned itself to waiting on the sidelines after being locked out of the negotiations for RHB Capital Bhd and Malaysia Building Society Bhd (MBSB).

Sources said Maybank had expressed its interest to the authorities on RHB Cap two weeks ago, but has decided to stay out of the race

for now due to the exclusivity agreement between the banks and CIMB Group.

"Some two weeks ago, Maybank's senior management had broached the subject of acquiring RHB Cap. The idea was even floated at Bank Negara level," said a source.

However, last week's move by CIMB to start negotiations with RHB Cap and MBSB with the view of

forming a large commercial bank and establishing a mega-Islamic bank has caught Maybank by surprise.

Hence, banking officials said the Permodalan Nasional Bhd-controlled bank was off the negotiations unless the deal did not happen.

In 2011, Maybank and CIMB were in neck-and-neck negotiations to take over RHB Cap. But the price was

not agreeable to the Aabar Group of Abu Dhabi, which had a 25% stake then.

A transaction was done between the groups of companies within the Aabar Group, setting the benchmark price for RHB Cap at RM10.80 per share. The Aabar Group's interest is now down to 21.43%, and it is said to

> TURN TO PAGE 2

> TURN TO PAGE 2

Weststar bids for jobs in Australia, Africa

► FROM PAGE 1

Farnborough International Airshow, where Weststar took delivery of the first AW189 super-medium helicopter from AgustaWestland, a Finmeccanica company.

At the same time, Anuar said Weststar Aviation was bidding for contracts worth over RM4bil in Australia and Africa and is confident of increasing its orderbook to RM10bil soon. It currently has an orderbook of RM8bil.

Weststar Aviation, a unit of the Weststar Group, provides offshore helicopter transportation services to the oil and gas (O&G) industry globally.

"Weststar has bid for a 10-year contract worth A\$1bil (RM2.98bil) in Australia. We should know the results by between September and November. By late fourth quarter, we should also hear something for the markets in Mozambique and South Africa. We are bidding for contracts worth over RM1bil in those markets," said Anuar.

"This is the first in four AW189 that we have ordered from AgustaWestland. This first helicopter will be put to work in Peninsular Malaysia by the fourth quarter of this year. We will take delivery of the remaining helicopters in the first quarter of 2015 onwards," said Ismail.

Priced at about US\$24mil (RM76.8mil), the AW189 is the most advanced helicopter now available in the market to perform long-range operations.

Currently, the bulk of Weststar Aviation's fleet is comprised of the AW139 helicopters, which are smaller in size.

On the Brazilian market, Ismail said Weststar had been approached by a local partner and



Ismail (front, left) and AgustaWestland CEO Daniel Romiti signing the agreement. With them are (from left) Weststar commercial director Datuk Abdul Aziz Ali, Malaysian High Commissioner to the United Kingdom Datuk Ahmad Rasidi Hazizi, Weststar director of business development Datuk Anuar Noordin and Finmeccanica CEO Mauro Moretti.

was still in the process of evaluating whether to go ahead.

He added that the initial public offering of Weststar Aviation was on track and would take place earliest by mid-2015.

Weststar Aviation is the largest provider of offshore helicopter transportation services to

the O&G industry in South-East Asia and the fourth-largest in the world with its current fleet of 23. By next year, the fleet size will increase to over 30 helicopters.

Some 70% of Weststar's contracts comes from the local market while the remainder comes from Africa and Thailand.

Investment banks courting Maybank

► FROM PAGE 1

be seeking some RM12 per share for its stake.

Meanwhile, Reuters reported that investment banks were rushing to court Maybank with a range of merger and acquisition ideas, convinced that CIMB's merger plans will push Malaysia's top bank to do a deal of its own.

"Everybody is pitching, but Maybank seems very relaxed to me," said a Hong Kong-based investment banker who has spoken to Maybank, adding that it was reluctant to run the risk of overpaying for a bank just to retain its No. 1 ranking.

To bolster its position, Maybank is likely to weigh buying a domestic bank such as Public Bank Bhd, the nation's No. 3 lender, or smaller banks such as Alliance Financial Group Bhd and Bank Islam Malaysia Bhd, banking sources and analysts said.

It might also pursue overseas targets such as Thailand's TMB Pcl, a bank that sources said it had expressed interest in before.

Bankers declined to be identified, as discussions with Maybank were private. Asked about possible acquisitions, a Maybank spokeswoman declined to comment.

Public Bank, Bank Islam and TMB declined to comment too. A spokeswoman for Alliance was not available for comment.

Under the proposed merger between CIMB, RHB Cap and MBSB, the parties have 90 days exclusivity to come up with a proposal to be submitted to Bank Negara.