



Asian Strategy & Leadership Institute  
Dedicated To Creating A Better Society

Event	Malaysian Strategic Financial Outlook Forum
Date	13 March 2019
Section	StarBiz
Publish	The Star

# Poser on how to keep MAS afloat

## Government weighs on national carrier's continued viability

By B.K. SIDHU  
bksidhu@thestar.com.my

**PETALING JAYA:** Malaysia Airlines Bhd (MAS) is at the crossroads again, as the government weighs on its continued viability.

Several options are on the table, including shutting down the troubled national carrier, selling it or keeping it going with more cash infusion from the government.

Experts believed MAS may report about RM1bil in losses for full-year 2018 after incurring about RM2.4bil losses from 2015 to 2017, as the losses continue despite previous attempts to resuscitate the airline.

For its near-term sustainability, experts reckoned a RM1bil to RM3bil cash injection is

needed. Prime Minister Tun Dr Mahathir Mohamad said a decision on the airline's future would be made soon.

Former Khazanah Nasional Bhd managing director Tan Sri Mohd Sheriff Mohd Kassim, speaking on the sidelines of the Malaysian Strategic Financial Outlook Forum organised by The Asian Strategy and Leadership Institute yesterday, said shutting down the airline was an option the government should consider in light of its repetitive legacy issues, but others felt that shutting down the airline might not be the best option.

An analyst added "since the PM is overlooking this matter, we are assured that he will take a 360 degree view on things. Beyond the national agenda, the financial and economic

consideration, the PM will likely want to get insights into the rakyat's sentiment on whether they are amenable or oppose the cessation of a national icon".

"Shutting-down is an obviously extreme option," added another.

Closing the airline is an option after Khazanah and the government pumped in about RM23bil to keep it flying from 2001.

However, clipping MAS' wings would mean shedding over 13,000 employees and the ripple effect of a severely disrupted supply chain may be a big shock to the economy.

"It will be a total shock on the entire supply chain," said an industry executive.

> TURN TO PAGE 2