

SABMILLER MEETS WITH INVESTORS AMID TAKEOVER BID

LONDON: SABMiller met with investors yesterday to underscore its strength as an independent company, as the world's second-biggest brewer seeks to head off a takeover by larger rival Anheuser-Busch InBev. SABMiller said the meetings focused on the company's accelerating growth and a stepped up cost-cutting program that will target \$1.05 billion of savings by March 2020, more than double the previous goal of \$500 million by 2018.

"We are continuing to remove duplication across markets, bringing specialist

expertise in areas like procurement under one roof, and standardizing common processes," CEO Alan Clark said in a statement. "It results in our markets being freed up to concentrate on what they do best - growing revenue with local consumers and customers."

The announcement comes two days after SABMiller rejected a 68 billion pound (\$104 billion) takeover bid from AB InBev, the Belgium-based company that makes Budweiser. The offer of 42.15 pounds a share is 11 percent more than AB InBev's initial proposal and 28 percent

higher than SABMiller's stock price before the bid was announced Sept. 16.

AB InBev is trying to create what it calls "the first truly global beer company" by combining its business, which is focused on the Americas and Western Europe, with SABMiller's brands in Africa and Eastern Europe. The deal would create a company with 31 percent of the global beer market.

Tensions surrounding the proposal have risen in recent days, with SABMiller Chairman Jan du Plessis saying that AB InBev was "very substantially undervalu-

ing" his company. In response, AB InBev CEO Carlos Brito accused SABMiller's board of refusing "to meaningfully engage with us." On Thursday, he appealed directly to SABMiller shareholders, asking them to "voice their views" and not "let this opportunity slip away." Altria Group, SABMiller's largest shareholder, said Thursday that it supports AB InBev's offer and believes the merger "would create significant value." Altria, whose companies include cigarette-maker Phillip Morris USA, owns 27 percent of SABMiller. — AP

CHINA'S MOM-AND-POP INVESTORS IT'S NOT ALL ABOUT THE MONEY

SHANGHAI: Some are in it purely for the money. Others just want a few extra yuan to buy a meal. And then there are also those who trade for fun or to spend time among friends. Millions of mom-and-pop investors - from pensioners, to security guards, to students - dominate China's stock markets, conducting about 80 percent of all transactions. But this year they have experienced one of the most tumultuous periods in the country's financial history.

China's stock markets first soared - more than doubling in the six months to May - only to crash. Since June, prices have fallen about 40 percent on concerns that growth in the world's second-biggest economy is slowing down faster than previously thought.

"Trading stocks is my biggest hobby," says 90-year-old Wang Cunchun, who only started to invest in equities after he retired from a stationary store in Shanghai.

He joins other retirees in one of the many brokerage houses dotted around China

where people gather not just to trade stocks but to enjoy the company of fellow investors and, on hot days, take advantage of the air conditioning. "There are many old neighbors coming to the brokerage house," he said. "I don't know how to use computers so my neighbors actually help me sell and buy."

Trading stocks is also a hobby for 16-year-old high school student Qian Yujie. But in contrast to Wang, he places his orders from a desktop computer at his home in Shanghai.

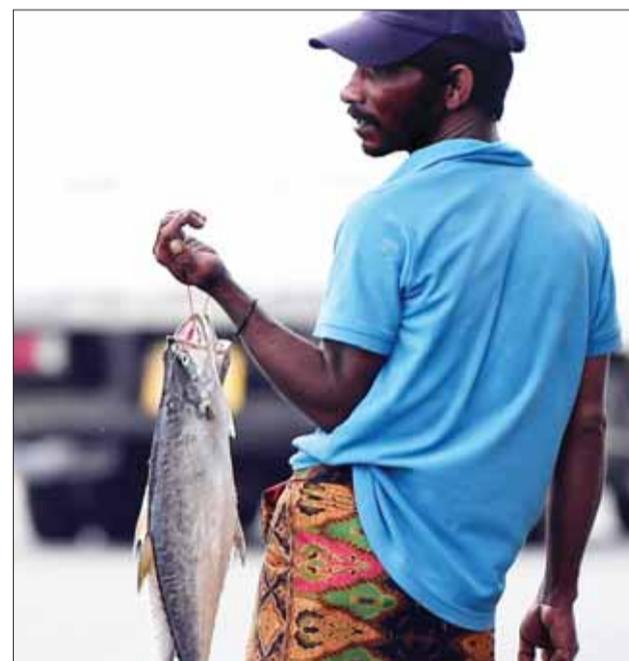
He began trading at the age of 13 when his father gave him 2,000 yuan (\$320) to learn about stock investing. He fits trading into his schedule when he has a day off school.

"I like maths and want to study finance in college and I think it's very helpful for job hunting," Qian said. While some retail investors say they want to make their fortune on China's stock markets, electrician Gao Haibao, 55, has a more modest approach by aiming to make about 10 yuan everyday, or \$1.50. "I make money to buy a meal every-

day," he says. "I'm happy with it. I'm making money."

And Du Mingpeng, 50, a security guard at a jewellery store, hopes to profit from his investments to give money to his son who is getting married. Many of the retail investors use an informal network to help decide which stocks to buy and sell. At the weekends in Shanghai, hundreds gather at what is locally known as the "street stock salon" near the city's landmark People's Square to exchange tips and information and listen to long-term investors talk about their experiences. Wu Lin'an sells his analysis of the stock market at the "street stock salon" and believes the ruling Communist Party, headed by President Xi Jinping, will save the stock market and make people rich.

"Chairman Mao led us through liberation," he said, referring to the founding of modern China. "Deng Xiaoping led us to the road of happiness, Xi Jinping led us to the road of enjoyment." — Reuters



COLOMBO: A Sri Lankan fisherman carries his catch to be sold in Colombo yesterday. — AFP

QNB, GARANTI, CHINESE GROUP INTERESTED IN FINANSBANK STAKE

ISTANBUL: Qatar National Bank, Turkey's Garanti Bank and Fibabanka are interested in an anticipated sale by National Bank of Greece of a stake in its Turkish unit Finansbank, sources close to the matter told Reuters. One source said an unnamed Chinese group was also interested in the stake sale in Finansbank, which is virtually 100 percent owned by NBG. Under a restructuring plan approved by European regulators, NBG committed to selling 40 percent of its Finansbank stake but postponed the plans earlier this year on valuation concerns.

NBG, Greece's biggest lender, declined last week to comment on a report that it had received a bid from QNB valuing Finansbank at about 3 billion euros (\$3.4 billion). "In total four groups have made bids. NBG wants to have concrete bids when the stress test results come in," another source said. "It is likely that QNB will be at the forefront in this sale." The sources said Goldman Sachs and Morgan Stanley were advising on the sale. Another source said that the data room process was about to begin. Finansbank told Reuters it had nothing to add to a statement which it made to the Istanbul stock exchange last week, when it said alternatives were being considered to cover NBG's potential capital shortfall and that a final decision had not been taken.

A QNB spokesman was not available to comment when Reuters called the bank's Doha office yesterday. QNB said in July it was interested in entering the Turkish market given the right opportunity, but that it was not in any specific discussions. Garanti Bank and Fibabanka declined to comment. NBG has not abandoned a plan to eventually hold a public offering and reduce its Finansbank stake, continuing to work towards a share sale. The European Central Bank's banking supervision arm is due to conduct a comprehensive assessment of all four main Greek banks this month to assess their recapitalization needs after the imposition of capital controls in late June to halt massive deposit flight. — Reuters



LIMA: China's Foreign Minister Wang Yi (left) shakes hands with Turkish Deputy Prime Minister Cevdet Yilmaz, during a family-photo shoot on Thursday of the G20 Finance Ministers and Central Bank Governors reunited for the World Bank Group and International Monetary Fund (IMF) Annual Meetings held in Lima, Peru from October 5 to 11. — AFP