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DAIHATSU MAY PRODUCE SECOND NATIONAL CAR

Mahathir-car

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KUALA LUMPUR, Dec 17 (Bernama) -- 'Prime Minister Datuk Seri Dr Mahathir Mohamad indicated today that Daihatsu of Japan might be given the green light to produce Malaysia 'ssecond national car soon.

+The government is 90 per cent certain of the project,+ he told reporters when asked whether the second national car would be produced by Daihatsu.

He said, however, that the government, had yet to make a final decision on the matter as it was studying conditions submitted by the company.

Speaking to reporters after presenting the 1991 Prime Minister's Quality Award here, he said, for a start, the company would establish an office in Malaysia.-- more

▼17/12/16-30MST

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Mahathir-car 2 (last) Kuala Lumpur

He also said there was a possibility that Daihatsu distributors in Malaysia might be offered shares in the company to be set up to produce the second national car.

Shares would also be offered to Permodalan Nasional Berhad through United Motor Works (UMW) ,

+Daihatsu will. retain several per cent of the equity of the new company , + he added.

Asked whether the company would receive government subsidy, he said the government would only give tax exemption +and the government does not lose anything+.

Datuk Seri Dr Mahathir -said details of Daihatsu's conditions could not be disclosed.

Last July, the Prime Minister said that Daihatsu had been given the task to conduct a feasibility study on whether Malaysia could produce cars of 1,000 cc and below.

Meanwhile, Peugeot of France has also expressed interest in producing small cars in Malaysia. -- Bernama

▼17/12/16-44MST