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CONFIRMED, NADZMI TO LEAVE PROTON

TANJONG MALIM, March 23 (Bernama) -- Prime Minister Datuk Seri Dr. Mahathir Mohamad today confirmed that Datuk Nadzmi Salleh, Perusahaan Otomobil Nasional Bhd (Proton)'s General Manager, will leave the company.

The Prime Minister's statement lays to rest months of speculation over Nadzmi's future in Proton, which surfaced last year after the takeover of Hicom Holdings Bhd by entrepreneur Datuk Seri Yahya Ahmad.

Proton is part of the Hicom Group.

Dr. Mahathir said he accepted Nadzmi application to leave Proton, as he respected the latter's wishes to pioneer into a new field.

He said this after his speech at the ground breaking ceremony of Proton's second manufacturing plant at Behrang Ulu near here, which will be known as Proton City. It will cover an area of 1,600 hectares.

"Although I accepted his resignation with a heavy heart, I believe that with Yahya Ahmad in Hicom DRB, we do not need two able captains in one group," he added.

Nadzmi, when met by reporters later, confirmed his resignation on May 1, 1996, but declined to reveal his future plans, but corporate circles speculate he might join Kelanamas Industries Bhd.

Earlier, the chairman of Hicom and Proton, Datuk Seri Yahya Ahmad, said that the second Proton plant, located about three kilometres from Behrang, will produce cars of engine capacity between 1,300 cc to 1,800 cc, for local consumption and export markets.

The plant located at the "Proton city." The city will take between 10 to 12 years to complete.

Construction of the plant will involve several phases and the first phase will commence this year and expected to complete by end 1998. It will produce 150,000 units of cars per annum in the first phase.

Yahya said the production of cars will increase to 250,000 units per annum in the second phase by the year 2000. However, the plant capacity could be increased to 500,000 units when there is a need to increase production.

By the year 2000, he added that, the export of Proton cars will rise to 30 percent compared to the present 18 percent.

Proton city is the first such automotive city project in the region and will be the successful mark of achieving Vision 2020. -- Bernama

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