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Companies advised to compromise

PRIME Minister Datuk Seri Dr Mahathir Mohamad yesterday advised DRB-Hicom Bhd and Proton to compromise in their negotiations for the sale of DRB-Hicom's stake in Edaran Otomobil Nasional Bhd.

"When there is a difference, you have to water down your own demands and reach some agreement," said Dr Mahathir when asked about the impasse in the Proton-EON deal.

With the sale of Proton to Petronas, DRB-Hicom is selling its entire 32.18 per cent equity in EON to the national car company.

The Prime Minister spoke at a Press conference after witnessing the signing of a Memorandum of Agreement between Honda, DRB-Hicom and Oriental Holdings Bhd in Putrajaya to set up a new car-making company called DRB-Oriental-Honda Sdn Bhd.

DRB-Hicom chairman Tan Sri Mohd Saleh Sulong agreed that the talks have stalled but stressed that the deal is still on.

"There's not much progress but that does not mean we have walked away," he said.

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