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MBM-PERODUA

MBM RESOURCES HOPES DAIHATSU WILL HELP PERODUA FACE AFTA

KUALA LUMPUR, May 18 (Bernama) -- MBM Resources Bhd, which has a 25 percent interest in Perusahaan Otomobil Kedua Sdn Bhd (Perodua), hopes Daihatsu Japan will play a bigger role in helping Perodua to face regional competition with the advent of the Asean Free Trade Area (Afta).

Daihatsu which has a 20 percent stake in the second national car company had recently requested to increase its stake to 51 percent.

Managing director of MBM, Datuk Abdul Rahim Abdul Halim, said that with its expertise, Daihatsu would be able to produce better quality products, expand exports as well as to reduce production costs.

Abdul Rahim said that the issue of Daihatsu raising its interest in Perodua had yet to be finalised.

Last month, Prime Minister Datuk Seri Dr Mahathir Mohamad was reported to have commented that Daihatsu could be given the majority percent stake if it involved manufacturing cars for the Asean market and export to other countries.

He, however, had said that Daihatsu's request would not be met if it involved manufacturing cars for local market.

To a question on when negotiations with Daihatsu will conclude, Abdul Rahim declined to give details.

He was talking to reporters after the Group's annual general meeting here today.

Apart from MBM and Daihatsu, other companies that have interest in Perodua are Mitsui, UMW Toyota and Permodalan Nasional Bhd (PNB).

On the future of Perodua, Abdul Rahim was confident that with the back-up of prominent companies such as Daihatsu and UMW Toyota, the company could still be competitive. -- BERNAMA

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