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Who owns majority stake in Perodua

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KUALA LUMPUR, Thurs. - The Government will not allow foreign companies to have the majority share in Perusahaan Otomobil Kedua Sdn Bhd or Perodua, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

However, he said the Government would allow foreigners to have a controlling stake if it was for the manufacturing of Perodua models for the export market.

Dr Mahathir was asked to comment on reports that Daihatsu Motor Co Ltd of Japan may consider shifting operations to Thailand if it fails to get the controlling stake in Perodua.

Daihatsu Japan currently holds 25 per cent stake in the company.

"There have been negotiations and nothing has been finalised. Of course we want to retain that part of Perodua that is the manufacturing of cars for the local market.

"However, if they (Daihatsu) want to have a share or even a majority share in the production of Perodua cars for the Asean or other export markets, we have no objection to that," he said.

Perodua's current shareholding consists of UMW Corp Sdn Bhd (38 per cent), Med-Bumikar Mara Sdn Bhd (20 per cent), PNB Equity Resource Corp Sdn Bhd (10 per cent), Mitsui Co Ltd (Japan) (seven per cent), Daihatsu Malaysia Sdn Bhd (five per cent) and Daihatsu Motor Co Ltd (Japan) (20 per cent).

Dr Mahathir was speaking to reporters after attending the Young African Leadership and Intellectual Dialogue: Dr Mahathir's Perspective On the Role of the New Generation in Developing Countries at the Putra World Trade Centre.

Present were African ambassadors and High Commissioners. Also present were more than 1,000 students from African countries studying at local universities and other institutions of higher learning and their lecturers. The event was jointly organised by the African Students' Society in Malaysia and Umno Youth.

The move by Daihatsu to increase its stake in the second national car is viewed by many as significant in preparing Malaysia as a regional production and assembly centre for the Asean Free Trade Area market.

It appears that both Daihatsu and Toyota (which owns Daihatsu), intend to make the Perodua plant in Rawang, Selangor, a regional assembly centre for small cars in preparation for the onset of Afta.

Britain remains the biggest overseas market for Perodua.