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PROTON-MOROCCO

PROTON SEEKS EXPANSION IN MOROCCO

SHAH ALAM, Jan 28 (Bernama) -- Perusahaan Otomobil Nasional Bhd (Proton), in talks to buy a stake in Moroccan car assembler, Somaca, is seeking to expand its presence both regionally and globally, said a company spokesman.

"However, no new plans have been confirmed by Proton at this point in time," the spokesperson told Bernama here today.

The expansion plan was in line with the company's objectives to become a significant player in the global automobile market, he said when asked to comment on a news report on the negotiation of Somaca.

A foreign wire agency reported yesterday that Proton was in talks with Moroccan authorities over the planned sale of a state stake of Somaca.

In the report, a senior Moroccan Finance and Privatisation Ministry official was quoted as saying that a delegation representing Proton was holding talks with the Privatisation Department, Industry Ministry and Somaca officials over the privatisation plans of Somaca.

In April, Prime Minister Datuk Seri Dr Mahathir Mohamad made an official visit to the 43-year-old Somaca plant in Casablanca.

Meanwhile in a statement to Kuala Lumpur Stock Exchange (KLSE) today, the company said it was seeking opportunities for new business ventures and to expand markets in an effort to establish its brand and products overseas.

The company said a team had been sent to Morocco to study any business opportunity for Proton in the country including the possible establishment of manufacturing and assembly operations in the North African region.

"This is consistent with our strategy to procure the most cost effective method of producing and marketing our products in the respective markets," the company said in replying to KLSE's query on the article which appeared in the local daily today.

"We are still at an exploratory stage and the appropriate announcement will be made should we find the feasibility of establishing a manufacturing venture in Morocco or the North African region," it said. -- BERNAMA

ERE/MAS KTC