

PM vows to find partner for ailing Proton
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Prime Minister Abdullah Ahmad Badawi today vowed to find a partner for ailing carmaker Proton as soon as possible after the government missed a self-imposed deadline on a decision.

Abdullah said he will soon meet Proton's chief as officials finished talks with possible partners, including Germany's Volkswagen AG and US auto giant General Motors (GM).

"I'm waiting for the Proton chief, he has indicated he wanted to see me, so I'll be expecting ... him to come any time," Abdullah told reporters.

"Of course we want to make a decision as soon as possible," he said, while refusing to set a date.

Proton's chief and managing director is Syed Zainal Abidin Syed Mohamed Tahir.

The government on Saturday missed its own deadline to announce a strategic partner for loss-making Proton, a move analysts say is crucial for the carmaker to reverse sliding sales due to increasing competition and poor models.

Malaysia has already extended the deadline for a decision once, after saying last November it aimed to announce a partner by the end of January.

"At the level of the officials, it's nearing conclusion, they have to present the full report," Abdullah said, when asked to confirm if Proton was talking to both Volkswagen and GM.

Abdullah earlier this month said Proton was in talks with Volkswagen AG and would turn to General Motors if those talks failed.

Meeting with VW

A senior official said over the weekend that Abdullah was also expected to meet top officials from Volkswagen in Malaysia over Proton's future.

"A high level meeting is expected soon. It is being arranged," the official, who is familiar with the on-going talks on a possible tie-up, told AFP.

Earlier this month, negotiations with French car giant PSA Peugeot-Citroen collapsed in what has turned into a long running saga to find a partner for the struggling Malaysian company.

Three Malaysian automotive firms have also expressed interest in partnering the national carmaker.

Proton posted a third consecutive quarterly loss of RM281.45 million in the three months to December compared with a net profit of RM86.51 million a year earlier.