

Proton not interested in mergers
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KUALA LUMPUR – Proton Holdings Bhd is making money now and see no reason to merge with other companies, says former Prime Minister Dr Mahathir Mohamad.

It is, however, open to cooperation with other companies, he said.

"Financially Proton is okay," Dr Mahathir, who is also Proton adviser, told a media briefing here yesterday.

Dr Mahathir said this when asked to comment on DRB-HICOM Bhd's proposal to buy a 32.9% stake in Proton.

He said currently, the carmaker was in the midst of restructuring and would be able evaluate the value of its assets after that.

On allowing foreign car makers to set up assembly plants in Malaysia, he urged the government to re-think the move, saying it may not benefit the country.

"We cannot have access to these countries that want to invest in Malaysia as they imposed a lot of restrictions to the extent that we cannot invest there, but they can invest here," *Bernama* quoted him as saying.

The Malaysian Investment Development Authority (MIDA) said on Wednesday it was evaluating applications from five foreign carmakers keen to set up assembly plants in Malaysia to assemble cars below and above 1,800cc.

MIDA is expected to decide on the carmakers' entry in the next few months.

The agency said carmakers from India, China, Japan and South Korea had shown keen interest to manufacture hybrid and electric cars.

With the revised National Automotive Policy, foreign carmakers can own plants that produced luxury vehicles with an engine capacity above 1,800cc and costs more than RM150,000 a unit.

The Malaysian automotive industry is also seeing a surge in foreign interests this year, with two local firms - Naza Nasim Sdn Bhd and DRB-HICOM Bhd securing production rights to brands such as Peugeot and Potenza.

Dr Mahathir also said the Government should strike a win-win deal in negotiating with other countries.

"When they don't open up but we open up, obviously we are not going to benefit from the deal."

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