

# MV Agusta 'could have been profitable'

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**KUALA LUMPUR, Mon.** — Maybe it was meant to be cheeky. Or flippant. Or a dig at the powerbrokers at Proton Holdings.

But Tun Dr Mahathir Mohamad and Tengku Tan Sri Mahaleel Tengku Ariff have offered to buy the Lotus Group for £1 (RM6.50) from Proton.

Tengku Mahaleel, the former chief executive officer, noted that Proton had set a precedent by selling a Malaysian-owned foreign firm for a token amount with the disposal of MV Agusta SpA.

"Since a precedent has been set, we would like to publicly register our interest to acquire (Lotus) for £1, if and when it is up for sale," he said today.

He added that they would also like to table a bid even if Proton considers selling Lotus for more than £1.

He was speaking at a Press conference to seek clarification from Proton on the MV Agusta sale.

Tengku Mahaleel said he and Dr Mahathir were disappointed that Proton had not responded to their queries after MV Agusta was sold to GEVI SpA for €1 (RM4.42).

The Press conference was called to clear the perception that he and Dr Mahathir had made a bad call in buying MV Agusta.

He wanted to know why the current Proton management had taken such a short time to sell MV Agusta, compared with the 14 months it took to complete the purchase.

"It took us 14 months to decide and complete the acquisition of MV Agusta, and they got rid of it in two-odd months."

"Why were there no consultants hired to thrash out the decision?"

He stressed that the MV Agusta management neither had an opportunity to state their case nor were they included in the meetings to decide the company's fate.

He claimed Proton had also refused an offer from MV Agusta chairman and shareholder Claudio Castiglioni to buy it for €1 and assume its liabilities in order to save it.

Tengku Mahaleel dismissed the notion that MV Agusta was not a profitable venture, saying that it could be a money-spinner for Proton in the medium term.

He noted that the firm was expected to make a pre-tax profit of €50 million in 2010, based on a PriceWaterhouse-Coopers forecast.

"With the changing Malaysian auto policy, Proton's future cash flow will not be sustainable as its domestic market share falls below 30 per cent. Therefore, the combination of Lotus and MV Agusta is crucial for Proton's future."