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Proton pins hopes on new models

National carmaker aims to achieve sales of 150,000 units this year

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SHAH ALAM: Proton Holdings Bhd is hoping that the launch of new models such as the *Perdana* will help it achieve sales of 150,000 units this year.

"With the new *Perdana* and new models planned, we hope to achieve this target," said chief executive officer Datuk Abdul Harith Abdullah at a media briefing yesterday. "We're not aiming high. Our goals are realistic," he said.

Projected sales of 150,000 units for Proton means the company will have a market share of 20% of total vehicle sales in the country. It will also be a jump of almost 47% compared to the sales last year where Proton sold 102,175 units with only 15% of market share.

In 2014, Proton's sales was 115,783 and it had 17% of the market share.

Abdul Harith said Proton wanted to "right the mistakes" it had made in the past and remove the negative perception that the public had on the national car company.

"It's not easy to admit our mistakes. But there is a strong need to rebrand and reposition ourselves."

Proton also held a private viewing of the new *Perdana*, which chairman Tun Dr Mahathir Mohamad promised "will be a better car" than the Honda *Accord* platform that the vehicle is based on.

"It's not going to be another patched-up front and back car," he said, citing that the company had undertaken stringent quality



Better image: Dr Mahathir (left) and Abdul Harith at the press conference. Abdul Harith says Proton wants to 'right the mistakes' it has made in the past and remove the negative perception that the public has on the national car company.

control procedures on the new *Perdana*.

"When we launched the *Preve* (in 2012), it was launched before proper testing but we don't do that anymore."

Dr Mahathir added that the new *Perdana* had a development cost of RM200mil because it was based on an existing model's platform. He said the cost of the vehicle would be a lot higher if it is based on a new platform (from the ground up).

"What we introduce will be based on a proper platform and still be relevant. If we were selling one million vehicles a year, then

we can have our own platform.

"We try to keep within our means. We don't have deep pockets because we're competing with foreign makes. We are now selling fewer cars with narrower margins."

Dr Mahathir said the new *Perdana* was already available for booking and will tentatively be priced between RM100,000 and RM150,000.

"We hope to launch it by this quarter," he said.

According to the Malaysian Automotive Association (MAA), vehicle sales last year was



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dominated by Perodua, which sold 213,307 units. The company had a commanding market share of 32%.

Honda was the top non-national brand with a market share of 14.2% or 94,902 units. Toyota was a close second with 14.1% or 93,760 units (of which 65,295 were passenger vehicles and the remaining 28,465 commercial vehicles).

This was followed by Nissan with 7.1% or 47,235 vehicles, of which 41,941 were passenger vehicles and the remainder 5,294 commercial vehicles.

The automotive industry has been growing for six consecutive years since 2010, peaking at a new all-time high of 666,674 units last year.

However, due to subdued consumer sentiment, a sluggish economy, the weaker ringgit and tighter lending requirements, the MAA has forecast total industry volume to drop by 2.5% to 650,000 units in 2016 against last year.