

PM: Azlan Hashim likely to be Proton chairman

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KUALA LUMPUR, Sat. — Prime Minister Datuk Seri Abdullah Ahmad Badawi today confirmed a *New Straits Times* report that former Kuala Lumpur Stock Exchange executive chairman Datuk Azlan Hashim is the likely candidate to be the new chairman of Proton Holdings.

"It still has to be decided and endorsed at the board meeting," he said at a Press conference after meeting Umno leaders at Putra World Trade Centre here today.

Abdullah did not elaborate and left after answering the question.

The *NST* reported today that Azlan, widely respected in corporate and government circles, was tipped to replace Datuk Abu Hassan Kendut who resigned earlier this week.

The report said that Abu Hassan resigned following a decision by Khazanah Nasional to consider an appeal by former Prime Minister Tun Dr Mahathir Mohamad to extend the contract of Tengku Mahaleel Ariff as Proton's chief executive.

Proton's board of directors had earlier decided not to renew Tengku Mahaleel's term and wanted a new CEO appointed.

The *Asian Wall Street Journal* had yesterday also reported Abu Hassan's resignation over Mahaleel's appointment.

The Hong Kong-based newspaper said the board had been

pressured by Dr Mahathir to rescind its decision.

Dr Mahathir today called a Press conference to refute the reports, saying that he had kept to his word when retiring that he would not interfere in the running of the Government.

He said he would stick to his role as adviser to the national car maker and oil company Petronas.

He said when his views on Mahaleel were sought by Second Finance Tan Sri Nor Mohamed Yakcop, he "didn't appeal to the board of Khazanah or Proton's board of directors. I was appointed Proton's adviser and I must say I'm advising Proton, not the Government.

"There is a difference there. It is not my job to advise the Government but, if the Government asks me something, then of course I'll give my opinion."

He said he told Nor Mohamed that he saw no reason why Mahaleel should not be retained.

"I don't see why not. What is his sin?"

"Maybe he is not nice to some people. In my view we don't sack people just because of that."

Dr Mahathir, in specific reply to the *AWSJ* article, said:

"I have got nothing to do with Abu Hassan (resignation) or whoever and I did not give the Government any headaches."

Dr Mahathir, who was appointed to the post in April last year, defended Mahaleel, saying that the CEO had steered the company to great success and profitability and had also helped advance the country's engineering and auto-



AIM FOR THIS: Abdullah urging Malays to achieve a 'towering personality' embodying the highest level of courtesy, kindness and excellence at the special meeting of Umno leaders yesterday.

motive technologies.

"I don't know what the Government thinks about Tengku Mahaleel or even why it decided that he should be retained. That's not my business.

"But for me, a CEO who's able to keep the company profitable and, at the same time, improve the performance of the company in terms of acquiring technology and engineering, does not deserve to be thrown out.

"Companies are restructured when they are not doing well. A CEO is removed if he fails the company.

"As far as I can make out, neither of that has happened."

Dr Mahathir, who was barraged with questions, said it was obvious the company's board of directors "wanted to get rid" of Tengku Mahaleel as he was considered as "not being very compliant".

Pressed to elaborate, he said: "Well, I think maybe because they told him to do something and he did not agree with it."

"That is the impression I got from the board. But as far as his performance is concerned, if they can tell me that he was stealing or losing money, then a

removal can be justified. But they did not say so."

He said several Proton board members, including Abu Hassan, had about five months ago met him at his house to discuss the problem and he gleaned then that some of them did not like Mahaleel.

Asked if the current hostility between a CEO and the board would be to Proton's disadvantage, he said, "It is not that the CEO does not get along with the board, it's the board that does not get along with the CEO."

He said the situation would not jeopardise business, adding that he did not think the board's position reflected that of the Government.

"I was with the Government before.

"Sometimes when it made decisions in some government-owned bodies, they did not reflect my views at all."

He said he would continue to defend Mahaleel's position in the company, adding that he was impressed by the CEO's extensive knowledge of the engineering and automotive industries.

"If he hadn't, Proton would have failed by now."