

## **Proton has indulged too long in one individual's 'unrealistic dream'**

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**By Aedi Asri**

**Prime Minister Najib Razak says it makes no sense to own Proton 100% while having to bear annual losses of hundreds of millions.**

KUALA LUMPUR: For too long this country has had to bear the financial losses of Proton just to indulge the "unrealistic dream" of an individual, says Prime Minister Najib Razak.

He said everyone knew Proton's business model was unsustainable in the long run.

"For too long we had to indulge this unrealistic dream and the lack of commercial understanding of the 'ex-chief tester'. This individual would prefer Proton to be owned 100% by Malaysia while losing hundreds of millions each year," he said.

Najib did not name the individual but he was believed to be referring to former prime minister and Proton's founder Dr Mahathir Mohamad who has lashed out at the government for selling the national carmaker to a China-based automobile giant.

"However, Proton's losses came from the people's money and it will be irresponsible for us to continue with a business model that clearly will not succeed," he said at the signing of an agreement for DRB-Hicom Bhd to sell a 49.9% stake in Proton to Zhejiang Geely Holding Group Co Ltd.

The agreement was signed by DRB-Hicom managing director Syed Faisal Albar and Geely chairman Liu Shufu. Besides Najib, also present at the ceremony were DRB-Hicom chairman Dr Mohd Khamil Jamil and Chinese ambassador to Malaysia Dr Huang Huikang.

Under the deal, Geely would also buy 51% of Proton-owned sports carmaker Lotus and inject RM170.3 million into the joint venture while licensing Proton to manufacture Geely's SUV model Boyue.

Najib said the partnership would see Proton realise its potential to become a premier car producer in South-East Asia.

The prime minister again dismissed fears that foreign investment would undermine Malaysia's sovereignty, pledging that it would not happen under his watch.

“If you are economically illiterate and reject direct foreign investment because of lack of information or racism, this would only cause the people to become more backward and lose their competitiveness,” he said.

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