

## **MEDIA STATEMENT**

**Kuala Lumpur, 20 November 2007**

### **Negotiations with Volkswagen and General Motors called off**

Khazanah Nasional Berhad ("Khazanah"), as the major shareholder of Proton Holdings Berhad ("Proton"), would like to announce that it has discontinued negotiations with Volkswagen AG ("Volkswagen") and General Motors Corporation ("General Motors") with regard to a possible alliance with Proton.

The Government of Malaysia has taken note of the recent positive developments at Proton, in particular the improvement of domestic sales and exports. The Government is, therefore, of the view that Proton's management should be allowed to continue with its plans to further strengthen the company. The issue of strategic alliance, if necessary, can be considered at a later date.

The Government and Khazanah would also like to record their appreciation to both Volkswagen and General Motors for their commitment and professionalism during the course of negotiations.

**END**

For further information, please contact Mohd Asuki Abas at +603 2034 0000 or via e-mail to [asuki.abas@khazanah.com.my](mailto:asuki.abas@khazanah.com.my)