

PM, what about 1MDB's billions in liabilities?

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YOURSAY 'Najib also didn't say how 1MDB obtained those super-cheap land assets.'

PM: Gov't only committed RM1mil in 1MDB

Clearwater: The government's 1Malaysia Development Berhad (1MDB) commitment is RM1 million in shares, but what about the company's billions in liabilities?

And where's the income to help defray interest cost of its mounting debts? Is a successful initial public offering (IPO) for the power plant assets in the second quarter (Q2) of 2015 a sure thing?

Longjaafar: I feel that PM Najib Razak knows that people know that what he's saying is only half true. This is because he did not say how 1MDB obtained all those assets and at what price they paid for them.

Is he saying that government guarantees are not commitments?

Wira: Of course, the government only gives RM1 million in cash but also RM50 billion in kind and guarantees.

May be he should write a book on how to be a billionaire in Bolehland with RM1 million. Perhaps that's how Mama saves. No wonder, she could save so much with so little.

Baiyuensheng: Those land banks, etc... aren't those the rakyat's assets?

4W4K3N1N6: Excuse me Mr Prime Minister, didn't the prime land given to 1MDB belong to the country? Yes, we contributed cash of only RM1 million but the country committed assets worth billions to 1MDB.

Anonymous_3e79: These land assets were government owned, and were transferred to 1MDB at a ridiculously low price so that it can raise capital for funding.

This capital was squandered by the unscrupulous insiders in the Umno government and people linked to the PM. We gave away our sovereign assets to fund a corrupt Umno.

BAC: Perhaps Mr Finance Minister should consider pumping all the government assets into the company and make it into a US\$1 trillion company - the biggest company ever in terms of value on this planet.

One slip in management or an unforeseen world financial upheaval, the country will have a fire-sale. Seriously, any company having more than 50 percent of its value from debts, you

should start to shiver in your pants.

And 1MDB has RM40-plus billion in debts over assets of RM50 billion (80-plus percent). Maybe, 1MDB have got some genius business adviser/s in its bag.

And bangang-troopers, please be informed that when declared bankrupt and all pledged assets goes on fire-sale, you'll be lucky to get three-quarter of the market price from them (especially assets of these sizes) in a bankruptcy scenario.

Nitendo: Please focused on the positive side of 1MDB rather than looking at the debt carried by 1MDB. The PM has mention 1MDB has an assets worth of RM50 billion and it's definitely a good sign for 1MDB to close the gap against debt.

If 1MDB don't have the assets as the PM mention, definitely the banks won't approve the loans for its projects.

SameSame: I give up, Nitendo. Banks here will give loan to losers (big fries linked to government) and catches the small fries. That's Malaysia Boleh for you.

1MDB can't even come with a proper audit report, for crying out loud. So much for credibility.

Jamal Jaz: To truly understand 1MDB, one first has to understand the nature of its business model. Officially, 1MDB management describes the entity as a "strategic development company".

1MDB is managed by people with a lot of experience. Its investments are managed prudently and professionally. 1MDB is into long-term planning. It takes time to see results.

Gunnerrun: Jamal Jaz, what a sorry state you are in. You control all the mainstream media and have a very pervasive and strong presence in the blogs but still need this bunch of cybertroopers to recycle old information and push your propaganda here to convince Malaysiakini readers.

The question is why?

Mob1900: Noticed all the Umno 'machais' come out to play in throngs whenever "1MDB" is mentioned in the news by Malaysiakini.

Telestai!: The government's RM1 billion contribution is in equity but don't forget the RM36 billion borrowings. Hence your total capital outlay is RM37 billion.

The question is what is on the other side of the balance sheet of 1MDB, which by extension is also part of the government's balance sheet?

What is the value of your investments and monies lent out? Can you recover those loans

and investments? Is there any impairment of the assets?

So Najib, don't assume we can't understand basic finance. If the business fails, it is not just the RM1 million we will lose, it is RM36.001billion.

Malaysia Ku: John Maynard Keynes would have been eager to give Najib a lesson in a 'Fools' Guide to Basic Economics'.

So if 1MDB fails, Malaysia will only forsake RM1 million? Better to remain silent than to open your mouth and forever validate your asininity.

Mr Malaysian: It is stupid of Najib to think that Malaysians are dumb and stupid. However the problem is, there are always Malaysians who will prove him right.

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