

## **1MDB's pays RM2.4b-RM2.7b in interest annually**

**MalaysiaKini.com**

**Jun 15, 2015**

**By Kow Gah Chie**

1MDB has to pay between RM2.4 billion to RM2.7 billion annually in loan interests, said Finance Minister II Ahmad Husni Hanadzlah.

"If the debt is RM42 billion, the interest will be between RM2.4 billion to RM2.7 billion," he told Mohamed Hanipa Maidin (PAS-Sepang).

Hanipa had interrupted Husni's winding-up speech on the 11th Malaysia Plan to ask how much 1MDB was paying in loan interests.

However, Husni was unable to provide details.

1MDB has provided the breakdown and summary of its debts as for the accounts from March 31, 2010 to March 31, 2014.

In a graphical presentation emailed to the media, he listed out where the RM41.8 billion went to, including a RM900 million cash surplus held by the company.

Meanwhile, Husni denied that controversial billionaire businessman Jho Low had persuaded Prime Minister Najib Abdul Razak to use oil wells in Terengganu as collateral.

"The issue doesn't arise," denied Husni.

This is simply because the federal government does not own the oil well in Terengganu, he told Dewan Rakyat.

Former prime minister Dr Mahathir Mohamad claims that Low convinced Najib to get the government to guarantee the loans of 1MDB.

This was after Jho Low persuaded Najib to make 1MDB's predecessor, Terengganu Investment Authority (TIA), into a sovereign wealth fund to raise RM5 billion using Terengganu's oil fields as collateral, but this was opposed by the state palace, Mahathir said.

"Jho Low then advised Najib that the federal government should guarantee the loan," he said in a blog posting last Friday.

However, the former prime minister claimed, all this was done without the knowledge of the cabinet.

"Strictly speaking such a matter should be discussed and approved by the cabinet.

“There is no evidence that a cabinet paper was prepared and presented for approval, despite the amount being unusually big. In fact, for a long time, the cabinet was not aware of this,” he said.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd

Source : <http://www.malaysiakini.com/news/301947>