

WSJ: 1MDB's RM2.6b found in 'PM's accounts'

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In another sensational expose, The Wall Street Journal (WSJ) reported today that Malaysian investigators have traced nearly US\$700 million of deposits into what they believe are personal bank accounts of Prime Minister Najib Abdul Razak.

WSJ cited documents from a government probe, which both the international financial newspaper and whistleblower website Sarawak Report have obtained.

According to WSJ, the investigation documents mark the first time Najib has been directly connected to investigation into the troubled state investment fund.

"The government probe documents what investigators believe to be the movement of cash among government agencies, banks and companies linked to 1MDB before it ended up in Mr Najib's personal accounts," WSJ reports.

"Documents reviewed by The Wall Street Journal include bank transfer forms and flow charts put together by government investigators that reflect their understanding of the path of the cash."

Meanwhile, Sarawak Report in a separate report said a total of US\$681,999,976 (RM2.6 billion) was wire transferred by the Abu Dhabi fund Aabar into the Najib's private AmBank account in Kuala Lumpur on March 2013, two months before the May 5, 2013 general election.

"The transfers from the fund's wholly owned Falcon Bank into Najib's AmPrivate Banking account took place just days after the signing of a so-called 'strategic partnership' between Malaysia and Abu Dhabi on 12th March 2013.

"This resulted in the issuing of a US\$3 billion bond guaranteed by the the Malaysian government as part of a '50-50 joint venture between 1MDB and Aabar' to develop the Tun Razak Exchange project."

It said that "stunning body of banking information has recently been received by a number of Malaysia's top law enforcers, including the attorney-general".

Sarawak Report also said that another RM42 million had been transferred from SRC International Sdn Bhd, a company linked to 1MDB which is now under the Finance Ministry, into Najib's three private accounts at AmPrivate Banking in Kuala Lumpur as recently as five months ago.

'Money taken from SRC International is from KWAP'

"The money taken from SRC International is a particularly shocking revelation, because this

was money lent by the public pension fund KWAP and never accounted for," Sarawak Report said.

Kumpulan Wang Persaraan (KWAP), the country's second-biggest pension fund, is the retirement fund of mostly government civil servants.

It said on Feb 10, 2015, SRC International had transferred RM10 million into the account number of 'Dato'Sri Mohd Najib Bin Hj Abd Razak' at AmPrivate Bank for a corporate social responsibility (CSR) programme.

"Likewise, on December 26th 2014, two earlier transactions had seen the transfer of another RM27 million and RM5 million from SRC International Sdn Bhd into AmPrivate Banking account..., which also belongs to 'Dato'Sri Mohd Najib Bin Hj Abd Razak'."

WSJ also revealed that documents in the investigation show SRC International director Nik Faisal Ariff Kamil, had power of attorney over Najib's accounts. Nik Faisal declined to comment on the matter when approached by the journal.

However, a government spokesperson told WSJ that Prime Minister Najib had not used any funds for his personal use.

"The prime minister has not taken any funds for personal use. The prime minister's political opponents, unwilling to accept his record or the facts, continue to try to undermine him with baseless smears and rumours for pure political gain." WSJ quoted an unnamed government spokesperson as saying.

The journal was also cautioned by a 1MDB spokesperson that doctored documents had been used to discredit the government, adding: "1MDB is not aware of any such transactions, nor has it seen any documents to this effect."

This latest expose, in addition to an earlier report by WSJ on June 19, indicates that part of the 1MDB money had been channelled to fund Najib's election campaign in the 2013 general election.

In an immediate response, 1MDB denied any of its funds went to the prime minister.

The Prime Minister's Office in a statement also dismissed the WSJ report as an attempt at political sabotage against Najib.