

1MDB repeats 'debt-laden' label is misleading
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1MDB, in a statement late this evening, reiterates that its assets exceed its liabilities.

Responding to former deputy prime minister Muhyiddin Yassin that the characterisation of 1MDB as a "debt-laden company" is misleading, 1MDB states the Umno deputy president should know about this as he was in the Cabinet.

"This fact is reinforced by the significant value indicated by local and international investors for the ongoing sale of equity in Edra Energy and Bandar Malaysia," it said.

"As a cabinet member when 1MDB was formed, Muhyiddin is fully aware of 1MDB's capital structure. With RM1 million in equity from its shareholder - the Ministry of Finance - 1MDB raised capital on the markets, which is the debt on the company's accounts," it said.

1MDB said many businesses, both in Malaysia and abroad, have used debt to successfully build their asset base.

In 1MDB's case, it added, from RM1 million equity, total group shareholder equity of RM1.7 billion was generated as of 31 March 2014.

"1MDB remains confident of generating surplus value as we progress with the rationalisation plan.

"1MDB regrets that, despite repeated clarification, certain current and former politicians continue to issue half-truths about the company," it said.

The sovereign fund said it has been going through politically motivated attacks, meant to sabotage not only its previous energy IPO but also the ongoing implementation of its rationalisation plan.

1MDB reiterates that the company and its "100% ultimate shareholder - the federal government", are fully committed to executing the rationalisation plan as presented to Cabinet on May 29.