

WSJ claims funds from fake Aabar went to firm behind RM2.6b

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The Wall Street Journal, which Putrajaya has accused of attempting to undermine Prime Minister Najib Abdul Razak, has made another startling allegation about the US\$3.5 billion Abu-Dhabi-based International Petroleum Investment Company (IPIC) said it never received from 1MDB.

1MDB was reported to have transferred the money to a British Virgin Island-based company bearing a similar name to IPIC's subsidiary Aabar Investments PJS, but having no links with the Abu Dhabi fund.

In its latest report, WSJ, which was nominated for a Pulitzer Prize for its 1MDB coverage, claimed that part of the money from the phoney firm ended up in British Virgin Islands-based Tanore Finance Corp, the same entity that transferred US\$681 million into Najib's personal bank accounts.

"Some of that (Aabar) money in turn was transferred, via intermediaries, to a shell company called Tanore Finance Corp, registered in the British Virgin Islands, investigators in two countries believe.

"The beneficial owner of Tanore when it was first set up was Tan Kim Loong, a young Malaysian business associate of Mr (Jho) Low, according to people familiar with the matter. Attempts to reach Mr Tan were unsuccessful.

"Global investigators believe it was from Tanore that US\$681 million was transferred to Malaysian Prime Minister Najib's accounts in AmBank in March 2013, according to people familiar with the investigations," the WSJ report says.

Najib has claimed that the US\$681 million, often referred to as RM2.6 billion based on the exchange rate in July last year when it was first revealed, was a political donation from a Saudi royalty.

Last month, the Australian Broadcasting Corporation also published a letter from a Saudi prince stating that US\$375 million was given to Najib to do as he pleased, in recognition of his Islamic-based governance.

'681 American pies'

Meanwhile, the WSJ report also highlighted how the US\$681 million transfer was purportedly arranged by Penang-born billionaire Jho Low, a close associate of the prime minister, who referred to the sum as "681 American pies".

"In March 2013, a young Malaysian financier sent a heads-up to an employee at a Kuala

Lumpur bank that '681 American pies' would soon be arriving from overseas.

"The sender, Jho Low, emphasised the need for secrecy, according to a transcript of BlackBerry instant messages reviewed by The Wall Street Journal.

"The employee, he wrote, should tell the bank's chief executive that 'PM' didn't want his name, address or identity card number to appear on the transaction.

"Within days, \$681 million arrived in two transfers at AmBank Bhd to be deposited in the personal account of Malaysian Prime Minister Najib Razak, according to documents seen by the Journal," the WSJ report says.

WSJ claimed that based on the instant messages transcript, Low was also in contact with an employee at AmBank in Kuala Lumpur.

Low, it said, had allegedly asked the employee to ensure that Najib's account was restricted and tracked so that if someone accessed it, they would know.

"He and the bank employee discussed moving the money in several transfers to lessen the impact such a large inflow of dollars might have on Malaysia's currency, the ringgit," it said.

WSJ said AmBank and the employee did not respond to requests for comment.

In clearing the prime minister of any wrongdoing, attorney-general Mohamed Apandi Ali claimed the remaining US\$620 million of the "donation" was returned to the donor.

Najib has also repeatedly denied abusing public funds for personal gains, and blamed such allegations on those conspiring to topple him.

Jho Low had also consistently denied any wrongdoing or having benefited from 1MDB.

Malaysiakini has sent an email to the Prime Minister's Department seeking a response on the WSJ report.