

1MDB pays interest on Islamic debt notes
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1Malaysia Development Bhd (1MDB) today undertook a scheduled coupon payment amounting to RM143.75 million on its RM5 billion 5.75 percent Islamic Medium Term Notes (IMTNs), due 2039.

The payment has been made in line with the IMTN coupon payment schedule.

“1MDB has ample liquidity to make interest payments and service its current debt obligations. The strong progress achieved on the rationalisation plan further supports 1MDB’s stable financial position,” president and group executive director Arul Kanda said in a statement today.

He said the payment comes after 1MDB stated that it was in dispute with International Petroleum Investment Company (IPIC) over interest payments due on the US\$1.75 billion fixed rate 5.75 percent notes, due 2022, that were issued by 1MDB (Langat) Ltd (Langat Notes), and the US\$1.75 billion fixed rate 5.99 percent notes, due 2022, that were issued by 1MDB Energy Ltd (Energy Notes).

He reiterated that, notwithstanding the dispute with IPIC, it would continue to honour current debt obligations.

“1MDB remains focused on resolving the dispute with IPIC, and is committed to a continued process of dialogue and working toward a solution that is in the best interest of all stakeholders,” he added.

- *Bernama*