



PERDANA  
LEADERSHIP  
FOUNDATION  
YAYASAN  
KEPIMPINAN  
PERDANA

PERDANA LIBRARY  
PERDANA LEADERSHIP FOUNDATION  
NEWSPAPER CLIPPING

Newspaper	Financial Times
Date	23 September 2015

# Pressure intensifies on Najib as US probes property deals

*Financial Times - 23/9/2015*

Fallout from the IMDB scandal is hounding the prime minister

GINA CHON — WASHINGTON  
MICHAEL PEEL — SINGAPORE

US anti-corruption investigators are to investigate New York luxury property sales and almost \$700m of payments suspected of being linked to a financial scandal around Malaysia's prime minister.

The justice department is examining transfers to Najib Razak's bank account and real estate deals involving his stepson and a high-profile businessman connected to the family, people familiar with the matter said.

The action, part of a US effort over claims of international graft, opens a new frontier in investigations related to alleged misappropriation at the debt-laden Malaysia Development Berhad state investment fund. The affair has triggered a political crisis in the Southeast Asian country and sparked investigations in Switzerland, Hong Kong and Malaysia itself. Mr Najib, IMDB and the two men embroiled in the US property transactions deny wrongdoing.

The US inquiry, first reported in the New York Times, is looking at more than \$675m paid from a bank in Singapore into a Malaysian account in Mr Najib's name in March 2013, people familiar with the matter said. Because the remittance was in dollars, it would have touched the US banking system. Mr Najib says the money was from an unnamed Middle Eastern donor and was not for his personal gain.

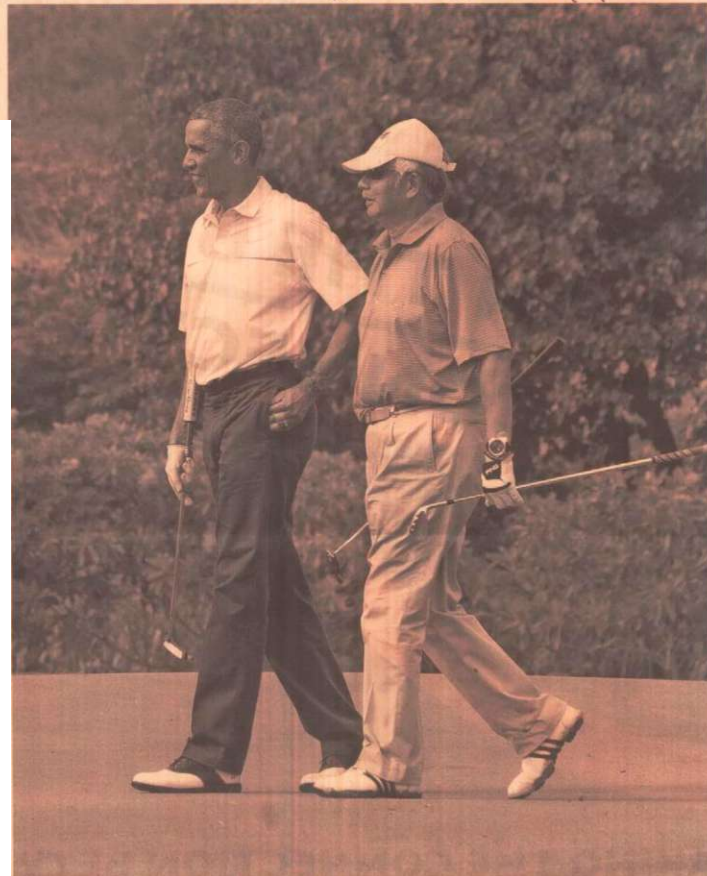
The US real estate probe is driven partly by reports, notably in the NYT, of property deals allegedly linked to Riza Aziz, Mr Najib's stepson, and Jho Low, a businessman embroiled in the IMDB case. Both men have previously denied wrongdoing.

In response to a question from the Financial Times, Red Granite Pictures, the US film production company Mr Aziz co-founded, said neither it nor Mr Aziz was involved in any investigation. It added that there had not been anything inappropriate about any of their business activities.

The US investigation has pulled in officials from a newly expanded law enforcement division dealing with kleptocracy, although the work is in its early stages and it is not yet clear if it will lead to an international corruption case, people familiar with the matter said. The property probe is part of wider official action on US real estate purchased by shell companies and is not solely focused on assets suspected of being connected to Malaysia, they said.

The justice department declined to comment. The Malaysian government, Mr Aziz and Mr Low could not immediately be reached for comment.

The US investigation is politically sensitive because Washington has wooed Mr Najib and his government in areas ranging from counter-terrorism to the pro-



On course: Najib Razak plays golf with Barack Obama in Hawaii last December  
*Michael Moran/AP*

posed Trans-Pacific Partnership trade deal. President Barack Obama last year played golf with Mr Najib in Hawaii.

Mr Najib was due to travel to the US this week to attend the UN General Assembly.

Malaysian authorities have been battling to contain the IMDB scandal even as it spreads internationally. Khairuddin Abu Hassan, a regional politician who was expelled from Mr Najib's ruling United Malays National Organisation, was arrested last Friday over a campaign he had launched to urge foreign law enforcement authorities to investigate. He had already sought and secured inquiries in Switzerland and Hong Kong, and was about to go to the US and the UK when he was first banned from travelling and later detained, according to his lawyer.

The public wants answers to questions and they deserve to get the answers'  
*Zeti Akhtar Aziz, central bank*

Pressure is also growing for a resolution of the multiple IMDB-related investigations under way in Malaysia. Zeti Akhtar Aziz, central bank governor, added to the calls for disclosure this week, declaring: "The public wants answers to these questions, and they deserve to get the answers."

Ms Zeti, an internationally respected figure, had been criticised for not being more vocal about the IMDB affair. She broke her silence at a panel event on the economy, where she said international money laundering rules meant "there is no place on this planet that anyone can hide". Mr Najib has faced calls to resign from both the opposition and Mahathir Mohamad, the influential former prime minister who was once his patron.

The premier's supporters say he is the victim of a political plot to oust him.