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1MDB to continue responding to Dr Mahathir's 'stale allegations'

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KUALA LUMPUR: Malaysia Development Bhd (1MDB) yesterday said it was committed to providing responses to Tun Dr Mahathir Mohamad, despite the latter's habit of repeating "stale and unproven allegations" against the company.

1MDB said it would continue to provide answers in order to help Dr Mahathir "remember (its) fact-based answers".

The statement was released in response to Friday's blog post by Dr Mahathir, in which the former prime minister claimed that "over RM20 billion (of 1MDB's borrowed finances) cannot be traced or accounted for".

Dr Mahathir had also claimed that the company had purchased government land at RM60 per square foot when the actual price was over RM3,000 per square foot.

"Revaluing the land by 50 times, (1MDB) claims its asset is bigger than its debts.

"This is like selling Approved Permits obtained free from the government," he had written.

In response, 1MDB said a comprehensive breakdown on how it

utilised its RM42 billion of debt, based on the company's audited financial statements, could be found on its official website.

"In relation to 1MDB land, Tun Mahathir conveniently forgets that 1MDB is 100 per cent owned by the Malaysian government and therefore, any land value increase directly and solely benefits the government.

"Apart from now quoting a much lower land value of RM 3,000 per square foot (as opposed to RM7,000 per square foot in a previous allegation by him), Tun Mahathir forgets to acknowledge that 1MDB has committed RM3 billion on infrastructure development in Tun Razak Exchange.

"This equates to approximately RM1,500 of infrastructure expenditure per square foot, paid for by 1MDB, and subsequently recovered through land sales," said 1MDB.

The company also refuted Dr Mahathir's claim that 1MDB had transferred funds into the private accounts of Prime Minister Datuk Seri Najib Razak, citing the finding by the Malaysian Anti-Corruption Commission (MACC) on Aug 3 that the funds were from a private donor and not from 1MDB.

"1MDB regrets that Dr Mahathir keeps forgetting the facts, not just from 1MDB, but from independent and respected agencies, such as the MACC," it said.

In his blog post, Dr Mahathir had reiterated suspicions that investigations into 1MDB's finances were being interfered with, claiming that MACC chief commissioner Tan Sri Abu Kassim Mohamed and Bank Negara governor Tan Sri Dr Zeti Akhtar Aziz were being silenced from speaking out on the issue.

Abu Kassim and Zeti, however, could not be reached for comment.

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