

Newspaper	MALAYSIAN RESERVE
Date	5 APRIL 2016

1MDB does not have debt arrears, Najib tells Dewan

Malaysian Reserve - 5/4/2016

'1MDB has never failed to clear all its debts including payment of loan interest'

by P PREM KUMAR

FINANCE Minister Datuk Seri Mohd Najib Razak yesterday said that 1Malaysia Development Bhd (1MDB) presently does not have any debt arrears and is fully committed to repay all its loan and interest obligations.

"At this time, 1MDB does not have any debt arrears. 1MDB has never failed to clear all its debts including payment of loan interest," said Najib who is also the prime minister.

Najib in a written reply in Dewan Rakyat also revealed 1MDB's debt that is guaranteed by the government as of March 31 was RM5.8 billion.

He was responding to



Pic by Ismail Che Rus

1MDB, the brainchild of Najib, was hit with controversies revolving the wealth fund's RM42b debts since its inception in 2009

Sepang MP Mohamed Hanipa Maidin who wanted the government to reveal the state wealth fund's current outstanding debt. He also wanted the government to list the firm's lenders and the amount owed to each of the lenders.

Mohamed Hanipa had also queried on the amount of

1MDB's debt that is guaranteed by the government.

1MDB, the brainchild of Najib, was hit with controversies revolving the wealth fund's RM42 billion debts since its inception in 2009.

1MDB had embarked on a rationalisation plan. The first was a debt-for-assets swap

with International Petroleum Investment Co. The deal had reduced 1MDB's debt by RM16 billion.

Last November, 1MDB agreed to sell its entire interest in Edra Global Energy Bhd for RM9.83 billion (US\$2.3 billion) to China's state-owned company, China General Nuclear Power Corp.

The company had also inked an agreement to sell its 60% interest in Bandar Malaysia to the consortium of China Railway Group Ltd and Iskandar Waterfront Holdings Sdn Bhd for RM7.41 billion.

Recently, 1MDB announced it had settled another RM700 million syndicated term loan.

1MDB president and CEO Arul Kanda Kandasamy was reported as saying that the company will repay an outstanding RM6 billion in the next three weeks, leaving it free of short-term debt and bank loans and with at least RM2.3 billion in the bank.