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# IMDB

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made no mention of the \$7 billion estimate when it published its report on IMDB in April and said only that an unspecified amount of money was unaccounted for.

“The issues are of such public importance that there cannot be any excuse for making the auditor general’s report an official secret,” said Razaleigh Hamzah, a senior politician with the United Malays National Organization, Mr. Najib’s ruling party.

Hasan Arifin, a ruling-party politician who heads the committee, didn’t call Mr. Najib to testify even though Mr. Najib was chairman of IMDB’s board of advisers and also is Malaysia’s finance minister, giving him ultimate oversight over the fund. Other participants in the inquiry repeatedly asked him to seek Mr. Najib’s testimony, said Mr. Pua and two current and former ruling-party politicians on the committee.

The auditor general didn’t respond to requests to comment.

When asked by Malaysian journalists why Mr. Najib hadn’t been called as a witness, Mr. Hasan said, “I have to earn a living.” He later said the remark was a joke. Mr. Hasan didn’t respond to requests to comment for this article.

Mr. Hasan also didn’t inform the parliamentary committee of evidence from a se-



Malaysian Prime Minister Najib Razak, center, in Kuala Lumpur on Wednesday.

nior central bank official—transmitted in an April 6 letter to Mr. Hasan—that \$1 billion in IMDB funds had been transferred to an offshore company owned by a close associate of Mr. Najib, said Mr. Pua and the current ruling-party member. They said Mr. Hasan never shared with the committee any of the contents of the letter, a copy of which was reviewed by the Journal.

Investigators and other people familiar with the matter say that Mr. Najib and his family used hundreds of millions of dollars originating with the IMDB fund to bolster an election campaign, buy real estate, indulge in foreign clothing- and jewelry-shopping sprees and to help finance a Hollywood film.

Mr. Najib didn’t respond to requests to comment but has

denied those allegations and said he has done nothing wrong in regard to IMDB. He has said he cooperated with probes into the fund.

“There is no proof in the [Public Accounts Committee] report that shows wrongdoing by the prime minister in the administration of IMDB,” Mr. Najib told Parliament this week. IMDB denies wrongdoing and says it is cooperating with probes at home and abroad.

The investigation Mr. Najib ordered began after opposition politicians began to question the fund’s management. “If any wrongdoing is proven, the law will be enforced without exception,” Mr. Najib said last year.

But from the outset, important elements of the IMDB scandal were off limits during

the inquiries.

The IMDB fund’s managers failed to provide bank-account information to investigators, including financial statements for its overseas accounts in the British Virgin Islands, that might have helped show where the fund’s money flowed. IMDB management told the committee the only copies were taken in a police raid, according to transcripts of the parliamentary proceedings.

The Public Accounts Committee report named members of IMDB’s senior management that it said should face a criminal investigation. It didn’t name Mr. Najib. A police spokesman declined to comment because IMDB is under investigation. No one has been charged in Malaysia in connection with IMDB.

Mr. Najib had set the Ma-

laysian probe in motion before The Wall Street Journal reported last summer that \$681 million linked to the fund had landed in his personal bank accounts in 2013.

Soon after those articles were published, political pressure mounted on the probe, committee members said. Mr. Najib “wanted to shut all discussions down,” said Mr. Pua, the opposition politician. The prime minister removed the committee’s head without explanation and promoted him into his cabinet, stalling the work for months.

Malaysia’s attorney general, Mohamed Apandi Ali, cleared Mr. Najib of wrongdoing in January, saying that the funds in his account were a legal political donation from Saudi Arabia and that most had been returned. He gave no details.

The Journal, citing people familiar with investigations in two countries and bank-transfer documents, has reported that the money entered Mr. Najib’s accounts via a complex web of transactions involving offshore companies that trace back to the fund.

The Public Accounts Committee’s report doesn’t mention any of those transactions.

After the parliamentary committee’s report was released, Mr. Najib said in a statement that it showed large amounts of money were “not missing” and that IMDB’s management said its funds “have been fully accounted for.”

Last summer, Malaysia’s then-attorney general, Abdul

Gani Patail, was about to file criminal charges against Mr. Najib related to IMDB, according to a person familiar with the matter.

But the government suddenly announced he would be replaced before his term was up due to health reasons. Mr. Abdul Gani couldn’t be reached to comment and hasn’t spoken publicly about the situation.

The new attorney general, Mr. Apandi, found no charges were warranted, and shut down a separate investigation into IMDB headed by Malaysia’s anticorruption agency, which had earlier called for Mr. Najib’s arrest. Neither Mr. Apandi nor the anticorruption agency returned calls seeking comment.

A separate probe by Bank Negara Malaysia, the country’s central bank, ended after it asked Mr. Apandi to file criminal charges against IMDB’s management on allegations of illegally moving money out of the country. He refused, saying there was insufficient evidence of a criminal act.

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