

Goldman Sachs

Tun M hopeful of 1MDB settlement with Goldman soon

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KUALA LUMPUR: Prime Minister Tun Dr Mahathir Mohamad is hopeful of reaching an out-of-court settlement with Goldman Sachs over the 1MDB scandal soon, but the compensation of "one point something billion" dollars offered by the bank is too small.

Malaysia has charged Goldman and 17 current and former directors of its units for allegedly misleading investors over bond sales totalling US\$6.5 billion that the US bank helped

raise for 1MDB.

Mahathir said they had demanded US\$7.5 billion from Goldman and negotiations were ongoing.

"We would like to avoid having to go to the courts, but if they come up with a reasonable sum I think we will agree," Mahathir said in an interview with Reuters yesterday.

"But at the moment, their offer is too small. We're continuing to talk with them to explain why they should pay what we demand. Of

course, it's not the full amount that they may be able to bring down, but we think that we can reach some agreement at a later stage."

A spokesman for Goldman declined comment.

Mahathir said he hoped an agreement with Goldman would be reached "soon".

"Yes, I want to achieve a settlement. We are progressing, if we fail then we'll go to the courts," he said. "We cannot preempt by going to the courts."

Goldman said in October it was in discussions with authorities on a possible resolution of investigations relating to 1MDB.

The bank could separately end up paying less than US\$2 billion to US authorities to resolve criminal and regulatory probes connected to the scandal, Bloomberg reported last week.

US authorities say about US\$4.5 billion was siphoned from 1MDB, founded in 2009 by then prime minister Datuk Seri Najib Razak. - Reuters

