

**Government Never Guaranteed 1MDB's RM38 Billion Bonds And Loans, Says Najib Bernama
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KUALA LUMPUR, Oct 2 (Bernama) -- The government has never guaranteed 1Malaysia Development Bhd (1MDB)'s bonds and loans amounting to RM38 billion, says Prime Minister Datuk Seri Najib Tun Razak.

He said the government only guaranteed RM5 billion of its loans.

"Besides this, 1MDB has not received any government guarantee for the rest of its loans," said Najib, who is also Finance Minister, in a written reply to Lim Guan Eng (DAP-Bagan) in Parliament Wednesday.

Lim had asked the Finance Minister if the government stood guarantor for 1MDB's bonds and loans and if it exceeded RM38 billion.

Najib said the government had injected RM1 million in 1MDB, a wholly-owned strategic company, when it was incorporated.

Najib said 1MDB's investments were generally strategic and done on a government to government basis.

One project undertaken by the 1MDB Group is the RM26 billion Tun Razak Exchange visioned to create a global financial district of international standing.

He said the project was now in its second phase of construction and marketing.

"Power assets like Powertek Bhd and Kuala Langat Power Plant Sdn Bhd are also expected to contribute to the nation's economic growth," said Najib.

He said 1MDB's investments were also channelled directly to corporate social responsibility initiatives, via the 1MDB Foundation, with focus placed on education, capacity building and skills development to upgrade the economic status of the people.

"1MDB will continue to carry out the government's mandate to undertake strategic economic initiatives which would result in long-term advancement including social projects with emphasis on human capital development," he said.

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