

1MDB servicing interests of up to RM2.7 billion per year, says Finance Ministry
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Debt-ridden 1Malaysia Development Bhd (1MDB) is paying up to RM2.7 billion a year in interest payments alone to its bankers for the RM42 billion debt it had accumulated over six years, the Finance Ministry said today.

Finance Minister II Datuk Seri Ahmad Husni Hanadzlah told the Dewan Rakyat today that 1MDB pays between RM2.4 billion and RM2.7 billion a year in interest payments.

"If the debt is RM42 billion, the interest payment is between RM2.4 billion and RM2.7 billion a year," he said in response to a question from Mohamed Hanipa Maidin (PAS-Sepang).

Hanipa had asked for the government to state the amount of interest 1MDB services on a monthly basis.

"But when the debt reduces, the interest will also reduce."

Husni added that 1MDB's debt status has "changed", though he did not specify the amount.

"The amount is different now, but we will wait until the Auditor-General (A-G) report is out before we reveal it."

The A-G is conducting an independent audit on 1MDB which is expected by the end of the month.

The Public Accounts Committee is also investigating the state owned investment arm, which is a brainchild of Prime Minister Datuk Seri Najib Razak.

The ministry previously had admitted to 1MDB facing cash flow problems due to its large debts. – June 15, 2015.

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