

**We have assets overseas, debt repayment not affected by weak ringgit, says 1MDB**  
**The Malaysian Insider**  
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1Malaysia Development Berhad's (1MDB) debt rationalisation plan will not be affected by the depreciation of the ringgit as it owns US dollar assets, its president and executive director, Arul Kanda Kandasamy said.

He said this would enable the company to pay its external debts denominated in US dollars.

"We have power companies in foreign countries such as Bangladesh and Egypt. 1MDB is the largest independent power producer in both countries.

"We also have assets in Abu Dhabi and Pakistan. All these assets are funds in the form of US dollars," he said in an interview on TV3's "Soal-Jawab" programme last night.

This means 1MDB has natural hedge for which cash flow is accepted in US dollars to pay off debts, he said, adding 1MDB also have many other assets that could be pledged against the US dollar.

A calm and eloquent Arul Kanda also said 1MDB was on the right track to meet its strategic development objectives.

"Alhamdulillah (thank God), for 1MDB, there is no problem in wooing investors, the problems are (dealing with) political accusations and allegations."

Investors are confident of 1MDB's assets as they have strong fundamentals, for example Edra Energy which earned a revenue of about RM5 billion annually, he said.

He said many investors were interested in purchasing 1MDB assets at market price and some 40 companies had also shown interest in Bandar Malaysia development, amongst others.

Arul Kanda said the main challenge now was to stabilise 1MDB's financial situation in order to settle the debts.

He hopes the plan would generate income and profits from 1MDB's operations in future.

"We are on track to meet our strategic development objectives."

Arul Kanda said 1MDB was always open to investigation and acknowledged that it had become the most widely investigated company from the likes of Bank Negara Malaysia, police, the Malaysian Anti-Corruption Commission and the Public Accounts Committee (PAC), as well as others.

"The investigation conducted by various agencies would reveal all 1MDB's financial operations."

Earlier, Arul Kanda, who had a stint in the financial sector in the Middle East, said the 1MDB's debt rationalisation plan was a challenge to his professional banking experience.

Asked if 1MDB business model is needed in Malaysia which seems playing the same role as Khazanah Nasional's, he said: "Originally Khazanah and 1MDB have a complimentary role... it means supporting each other."

A calm and composed Arul said 1MDB was now focusing on "greenfield" projects such as the TRX land development.

Meanwhile, Khazanah was able to manage government assets such as Telekom Malaysia, Tenaga Nasional Bhd and implement new projects such as Iskandar Malaysia, he said.

Khazanah is an investment arm of the government, while 1MDB is a wholly-owned government strategic development company.

It implements market-driven initiatives to help transform Malaysia into a rapidly growing economy, highly competitive, inclusive and established. – Bernama, August 13, 2015.

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