

## **Mahathir thanks Japan for RM7.4 bln bond guarantee**

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**From Kamarul Ariffin Md Yassin**

TOKYO, Nov 6 (Bernama) -- Tun Dr Mahathir Mohamad has expressed his gratitude to his Japanese counterpart, Shinzo Abe and government's for their help in easing Malaysia's financial woes.

The Malaysian Prime Minister said Abe and his government has adopted a very positive attitude towards Malaysia's financial pressures and the actions it had taken.

"Prime Minister Abe also assured us that if in future there is a need to seek Japanese support in solving our financial problems, he is ready and the Japanese government is ready to consider," he said during a joint press conference with Abe here Tuesday.

The Malaysian government has extended its appreciation to the Japanese government for the offer to guarantee 200 billion yen (RM7.4 billion) Samurai bonds with a 10-year tenure.

In the 2019 Budget presented last Friday, Finance Minister Lim Guan Eng said the offer was made due to the Japanese government's confidence in the administration and leadership of Dr Mahathir.

The yen-denominated bonds, to be guaranteed by Japan Bank of International Cooperation at an indicative coupon rate of 0.65 per cent, are expected to be issued before March next year.

In his immediate reaction after the tabling of the 2019 Budget, Dr Mahathir said the bonds would be used to retire some of the costly loans taken by the previous government

Dr Mahathir is on the second day of a three-day working visit to Japan.

This is Dr Mahathir's third visit to Japan after becoming Malaysia's prime minister for the second time following the country's 14th General Election on May 9. The first was in June and the second in August.

Meanwhile, Abe said the yen credit was feasible with the focus on transportation, education and human resource development.

He said a team of experts from Japan's railway companies would be dispatched to Malaysia at the end of this month as part of a study towards the objective.

He said comprehensive transport links were needed, especially for commuters and cargo transport.

"I told Dr Mahathir that Japan will study, with Malaysia, the possibility of extending yen loan with a primary focus on transportation, education and human resource development. I hope this study will lead to concrete cooperation in future," he added.

Malaysia had asked for yen loan during Dr Mahathir's first meeting with Abe in June to help resolve the Malaysian government's debt.

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