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Media Release
YB Dato' Hasan bin Arifin,
Chairman of the Public Accounts Committee (PAC) of Parliament

- 1) Today, the PAC presented the Public Accounts Committee (PAC) report on the Governance Management Control of 1Malaysia Development Berhad (1MDB) after the report was approved unanimously and consensus during the report preparation meeting on Monday.
- 2) The PAC comprising 14 Members of Parliament, nine members from the Barisan Nasional (BN) and five from the Opposition in preparing this report collectively by presenting the summary and recommendations to the Government on the Governance Management Control of 1MDB owned by the Minister of Finance Incorporated (MOF (Inc.)).
- 3) The PAC began the proceedings report of the Governance Management Control of 1MDB on 19 May 2015 and ended these proceedings on 11 February 2016 by calling all the parties responsible to the 1MDB company including the Ministry of Finance (MoF), Economic Planning Unit (EPU), 1MDB Board of Directors, 1MDB top management and 1MDB Auditors.
- 4) The PAC would like to thank the National Audit Department (NAD) for presenting the 1MDB Audit Report to the PAC on 4 and 7 March.
- 5) This Committee functions according to the information from NAD report as per the Cabinet's decision that the 1MDB Audit Report is to be presented to the PAC for further investigation, to complete and to come up with the PAC Report on the Governance Management Control of 1MDB.
- 6) The PAC acknowledged that 1MDB has a weak capital structure with weaknesses on the governance as described in detail in this report.
- 7) The PAC also found that the capital structure of 1MDB is too dependent on the debt.
- 8) The PAC is also satisfied with the Governance Management Control Report of 1MDB, the rationalisation plan of 1MDB and the short term measures taken by the government to restore this company.

- 9) For that reason, the PAC recommends that the authorities need to study the report in detail and conduct further investigations. If there is any offence, legal action should be taken.

Dato' Hasan bin Arifin

Chairman of the Public Accounts Committee (PAC) of Parliament

Cum Member of Parliament for Rompin