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OPPOSITION'S LIE

'EPF not in financial difficulty'

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KUALA LUMPUR: The Employees Provident Fund (EPF) is not in any financial difficulty as has been claimed by the opposition.

Minister in the Prime Minister's Department Datuk Seri Abdul Rahman Dahlan said if the EPF was in financial difficulties or was making losses, it would not be paying a dividend of 5.7 per cent for 2016.

Parti Amanah Negara's former member of parliament (MP) Dr Dzulkefly Ahmad, PKR MP Wong Chen and Democratic Action Party's Seputeh MP Teresa Kok had claimed that EPF was facing financial troubles, thus declaring a lower dividend rate of 5.7 per cent for 2016, compared with 6.4 per cent the previous year.

The three also claimed this was also caused by EPF's investment in Malaysia Development Bhd (IMDB), which they alleged was worth RM1.72 billion.

Rahman, who is also Barisan Nasional's strategic communications director, said EPF's exposure to IMDB was only RM200 million, which was in the 30-year *sukuk* issued in 2009

and was fully guaranteed by the government and not RM1.72 billion as claimed.

In clarifying, he said EPF also had exposure of RM1.5 billion in bonds for two independent power producers (IPPs) — Panglima Power Sdn Bhd and Jimah Energy Ventures Sdn Bhd.

"These bonds were subscribed by EPF in 2003 and 2005, respectively, before IMDB was founded, and are backed by a healthy cash flow."

Rahman said the two IPPs were previously acquired by IMDB, but had since been sold in a deal completed in March last year, which was part of IMDB's rationalisation exercise. Hence, these two bonds were no longer associated with IMDB, he added.

"All three bonds are fixed-income bonds that pay fixed coupons and have never been in default. The EPF has not lost a single sen in them."

Additionally, the EPF's remaining RM200 million exposure to IMDB's government guaranteed *sukuk* was just 0.027 per cent of its total assets of RM731 billion, he said. **Bernama**



Datuk Seri Abdul Rahman Dahlan