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# Tabung Haji: We only bought one plot of land from 1MDB

**KUALA LUMPUR** — Lembaga Tabung Haji (LTH) has refuted reports it had purchased two plots of land from 1Malaysia Development Berhad (1MDB) saying a purchase was made for only one plot at a discount rate of RM188.5 million.

In a statement, its chief executive officer Datuk Johan Abdullah said the investment was in line with LTH's strategic plan to focus on property development.

He denied reports the fund had purchased a second plot of land.

"The purchase of property at RM188.5 million is at a discount rate which was based

on current market value and it is expected to bring about positive," the statement read.

Quoting sources, Reuters reported yesterday 1MDB was set to sell two plots of land from the Tun Razak Exchange project to the pilgrimage fund for about RM700 million.

The speculation first surfaced in a blog called The Benchmark which showed purported documents of the transaction.

Johan, however, denied LTH had bought the Signature Tower which is to be developed in the second phase of the TRX project as reported by the blog.

"The leakage of information as seen on

the proposal papers cannot be made proof of the final decision in the investment," he said.

In a statement released by 1MDB in May 2014, the Export-Import Bank of China (China Eximbank) and 1MDB will jointly develop the Signature Tower and drive strategic investment opportunities.

Johan said the land purchased by LTH would be used to build a residential building to be developed by its subsidiary, TH Properties Sdn Bhd, and was expected to yield "positive returns" to the TH Group.

He said LTH would continue to hunt for similar investments in

the local market as outlined by Putrajaya's Strategic Asset Allocation framework.

The sale of the land to LTH would be the first since 1MDB announced in February it would dispose of assets to help cut its debt — a US\$11.6 billion (RM41.658 billion) burden that has weighed on the ringgit and the country's sovereign credit rating.

1MDB, whose advisory board is chaired by Prime Minister Datuk Seri Najib Razak, has been dogged by years of controversy over its management of funds and its huge debt.  
— *Malay Mail Online*