

OCBC MALAYSIA OPERATING PROFIT RISES 7% TO RM1.5 BILLION FOR 2015

Kuala Lumpur, 29 April 2016 – OCBC Bank (Malaysia) Berhad and its subsidiaries (OCBC Malaysia) have reported an operating profit of RM1.5 billion for the financial year ended 31 December 2015, up 7% from RM1.4 billion a year ago. Net profit for 2015 increased 6% to RM883 million as total income rose 7%.

Despite the global economic conditions during 2015, total gross loans, advances and financing grew 9% year-on-year to RM68 billion mainly from housing loans/financing and non-SME business loans/financing activities. The non-performing loans, advances and financing (NPL) ratio remained steady at 2%.

Commenting on OCBC Malaysia's performance, Chief Executive Officer Mr Ong Eng Bin said he was pleased that despite 2015 being a difficult year due to the effects of the global financial crisis, the Bank turned in a strong performance, underscored by a well-balanced credit underwriting framework.



Mr Ong Eng Bin, Chief Executive Officer of OCBC Bank

“Both the business banking and consumer financial services units of OCBC Bank continued to record robust growth and we are particularly pleased with the broad-based growth in net interest/finance income arising from higher loans/financing growth across various industries and stable net interest/finance margins. We made good strides in consumer banking, wealth management, treasury and investment banking, and also deepened our market penetration in the commercial and corporate banking business. Our Islamic banking business continued to perform well with record profit growth.

“Among the highlights of the year was the introduction of our OCBC Premier Voyage Card, the OCBC Earn & Learn study loan and the innovative OCBC 360 Account that offers fixed deposits-comparable rates for a savings account. On the business banking front, we increased our wholesale guarantee scheme with Credit Guarantee Corporation Malaysia to almost RM1 billion for our unsecured business financing offering, whilst securing several important investment banking deals that led to our being ranked second in the Bloomberg 2015 Mandated Lead Arranger League Table for Malaysian Borrower Loans. It was also a good year for us in terms of entrenching OCBC in key markets by raising our overall number of branches nationwide to 45,” he said.

Total income for the year rose 7% to RM2.48 billion, driven by higher fee income and Islamic Banking income. Operating expenses increased by 8% to RM1 billion, attributable to the Bank’s commitment towards investment for growth and capability building.

OCBC Malaysia continued to maintain a strong capital position, with shareholders’ funds sustained at RM6 billion and the Common Equity Tier 1 capital ratio and Total Capital ratio standing at 11.96% and 17.05% (before dividend) respectively.

About OCBC Bank

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world’s most highly-rated banks, with an Aa1 rating from Moody’s. Recognised for its financial strength and stability, OCBC Bank has been ranked Asean’s strongest bank and among the world’s five strongest banks by Bloomberg Markets for five consecutive years since the ranking’s inception in 2011.

OCBC Bank and its subsidiaries offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank’s key markets are Singapore, Malaysia, Indonesia and Greater China. It has over 620 branches and representative offices in 18 countries and regions. These include the more than 330 branches and offices in Indonesia

under subsidiary Bank OCBC NISP, and more than 90 branches and offices in Hong Kong, China and Macau under OCBC Wing Hang.

OCBC Bank's private banking services are provided by its wholly-owned subsidiary Bank of Singapore, which operates on a unique open-architecture product platform to source for the best-in-class products to meet its clients' goals.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the oldest and most established life insurance group in Singapore and Malaysia. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia.

OCBC Bank offers Islamic banking products and services in Malaysia through its wholly-owned subsidiary, OCBC Al-Amin Bank Berhad.

For more information, please visit www.ocbc.com.my