

“OCBC LAUNCHES SHARIAH-COMPLIANT EQUITY-LINKED STRUCTURED INVESTMENT

Kuala Lumpur, 8 February 2007 – OCBC Bank (Malaysia) Berhad (OCBC Bank) today launched its first Shariah-compliant equity-linked structured investment product. The product ties its investments to Islamic money markets such as fixed income instruments and foreign - derivative options trading activities linked to an underlying equity asset.

Speaking at the launch of *Equity-Linked RM Structured Investment* today, OCBC Bank’s Director & CEO Dato’ Albert Yeoh said the minimum investment amount for the product is RM250,000 (per the Securities Commission’s guidelines), which is 100% principal-protected when held to maturity.

“After pioneering structured investment products more than two years ago, establishing a leadership position in the field, and rising to become among the top two foreign banks for Islamic Banking, OCBC’s introduction of the *Equity-Linked RM Structured Investment* today represents another significant milestone for the Bank.

“For us at OCBC, the introduction of this innovation represents a statement about our commitment to stop at nothing in our quest to bring to our customers the kind of products that allow them the freedom to live according to their chosen lifestyles and investment preferences,” Dato’ Yeoh said.

Equity-Linked RM Structured Investment is a three year, close-ended, medium-risk Shariah-compliant structured investment product based on the Islamic contract of *Wakalah fi al-Istithmar*. It is an “investment agency” contract where the investor (the principal) appoints the bank (the agent) to undertake investment activities on behalf of the principal for a fee. The bank acts in two capacities – as agent in accepting deposits from the participant who plans to invest, and as investment manager in carrying out Shariah-compliant investment activities once the investment deposits have attained the required amounts.

According to OCBC Bank's Senior Vice President & Head of Treasury, Mr Gan Kok Kim the product allows the investor to potentially earn better returns than a traditional fixed income product, for example, when the necessary conditions are fulfilled.

"By introducing *Equity-Linked RM Structured Investment*, we are really responding to the latent demand from individual Islamic Banking customers for more variety when tapping into investment opportunities. Beyond that, we are also recognising and anticipating the increasing sophistication among our Islamic Banking customers."

The Bank has, over the past two and a half years, established itself as a pioneer and innovator in structured investments with the introduction of such products as the recent *Basket of Global Water Stocks FRNID*, *Nikkei 225 Up & Lock Linked Structured Investment*, *FTSE/Xinhua China 25 Structured Investment*, *Ringgit Callable Range Accrual Investment* and other FX-linked investments, which have all received favourable response from investors.

According to OCBC Bank's Head of Islamic Banking, Tuan Haji Mahmud Buntat, the move to introduce Shariah-compliant structured investment products epitomises the Bank's ongoing quest to bring to the table Islamic Banking in its truest sense while offering creative products that generate the best possible returns for its customers.

"Adherence to each Shariah principle governing our business is of supreme importance to us. So, when we realised that there is great demand out there for structured investments, we immediately got down to work – to develop products that are faithful to the tenets of Islam and which also generate attractive returns.

"Our customers can rest assured that *Equity-Linked RM Structured Investment* adheres strictly to all relevant Shariah laws, and that they may place their investments with us without having to worry about how their money is being invested.

"In sum, the investor would now be in a position to create for himself the potential to gain better returns than from his other Shariah-compliant products such as General Investment Account-i or Wadiah Savings Account-i, but without the risks normally associated with equity-related investments," he said.

Among the popular investment products that OCBC Bank's Islamic Banking division currently offers are Short Term Investment-i and General Investment Account-i.

About OCBC Bank

Singapore's longest established local bank, OCBC Bank, currently has assets of S\$144 billion and a network of over 370 branches and representative offices in 15 countries and territories including Singapore, Malaysia, Indonesia, Vietnam, China, Hong Kong SAR, Brunei, Japan, Australia, UK and USA. This network includes more than 250 branches and offices in Indonesia operated by OCBC Bank's subsidiary, PT Bank NISP. OCBC Bank and its banking subsidiaries offer a wide range of specialist financial services, from consumer, corporate, investment, private and transaction banking to global treasury and stockbroking services to meet the needs of its customers across communities.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the largest insurance group in Singapore and Malaysia, in terms of assets and market share, and its asset management subsidiary, Lion Capital Management, is one of the largest asset management companies in Southeast Asia. Additional information may be found at www.ocbc.com.