

OCBC AL-AMIN ROLLS OUT FOUR NEW TRADE FINANCE OFFERINGS

Becomes first foreign Islamic Bank to offer full suite of trade finance products and services

Kuala Lumpur, 13 April 2009 – OCBC Al-Amin Bank Berhad (OCBC Al-Amin), the wholly-owned subsidiary of OCBC Bank (Malaysia) Berhad (OCBC Bank), has rolled out four new Shariah-compliant trade finance products to meet the increasing demand for Islamic banking products in the country.



Director & CEO of OCBC Al-Amin, Syed Abdullah Aziz Syed Kechik

With this, the Bank has increased the number of its Shariah-compliant trade finance offerings to fifteen, becoming the first foreign Islamic bank to offer the full-suite of Islamic trade finance products.

The four new products and services – *Export Bill Purchase-i (EBP-i)*, *Outward Bill for Collection-i (OBC-i)*, *Letter of Credit Advising-i (LCA-i)* and *Letter of Credit Confirmation-i (LCC-i)* – are designed to provide exporters with the necessary framework to establish mutual trust between their trade partners, facilitate control of international trade payments, and establish the guarantee that covers both financial and sovereign risk.

EBP-i offers Shariah-compliant short-term trade financing based on the *Bai Al-Dayn* (Debt Trading) principle, which allows exporters to receive immediate value for goods shipped; hence optimising their cash flow. *OBC-i* is a collection service that the Bank extends based on the Shariah principle of *Wakalah* (Agency). This service provides exporters with a relatively easy, flexible and cost-effective way to manage collections while allowing them to exercise certain controls over the release of documents.

LCA-i is an LC advisory service extended to exporters who export on LC terms. The Bank receives, authenticates and advises on export LC within 24 hours. To further mitigate sovereign and counter-party risks, exporters may opt for *LCC-i* where the Bank undertakes to honour payment against presentation of compliant documents. Both products are based on the Shariah principle of *Ujr* (Fee).

According to Director & CEO of OCBC Al-Amin, Syed Abdull Aziz Syed Kechik, the Bank would continue to focus on innovation when rolling out products and services to meet the growing appetite in the local market for Shariah-compliant products.

“We hope that with the launch of these new trade finance products and services, our Islamic trade finance business will become further entrenched among businesses operating in the country. Currently, Islamic trade finance accounts for about 7% of the total trade finance business of OCBC Bank, and we are looking to grow this to double digits next year,” Syed Abdull Aziz said.

OCBC Al-Amin was launched on 1 December 2008 with the opening of its first branch at Jaya One, Petaling Jaya and in Wangsa Maju last month. The Bank hopes to open three more branches during the course of 2009 as part of its plan to participate in the country’s development as an Islamic banking hub.

As at 31 December 2008, OCBC Al-Amin’s total asset size stood at RM3.7 billion, while customer deposits and outstanding financing were RM2.7 billion and RM2.2 billion respectively.

About OCBC Bank

OCBC Bank is Singapore’s longest established local bank. It has assets of S\$181 billion and a network of more than 480 branches and representative offices in 15 countries and territories including Singapore, Malaysia, Indonesia, China, Hong Kong SAR, Brunei, Japan, Australia, UK and USA. This network includes more than 370 branches and offices in Indonesia operated by OCBC Bank’s subsidiary, Bank OCBC NISP. OCBC Bank and its banking subsidiaries offer a wide range of specialist financial services, from consumer, corporate, investment, private and transaction banking to treasury and stock-broking 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 Global Investors is one of the largest asset management companies in Southeast Asia. Additional information may be found at www.ocbc.com.