

OCBC BANK ISSUES RM500 MILLION REDEEMABLE SUBORDINATED BONDS

Kuala Lumpur, 4 November 2010 – OCBC Bank (Malaysia) Berhad (OCBC Bank) today announced the issuance of RM500 million Redeemable Subordinated Bonds.

The Subordinated Bonds are rated AA1 with stable outlook by RAM Rating Services Berhad (RAM). RAM has also reaffirmed OCBC Bank's long and short term financial institution rating at AAA and P1 respectively, with a stable outlook.

According to OCBC Bank's Director & CEO, Mr Jeffrey Chew, the Bank is pleased with the strong response to the offering from a diverse spectrum of investors, ranging from top local fund managers to major insurance companies.



OCBC Bank's Director & CEO,
Mr Jeffrey Chew

"I am pleased to say the order book exceeded the issue size by almost four times. This is testament of investors' confidence in not just OCBC Bank but the national economy as well. The capital raising exercise will further strengthen our capital base and also further diversify our capital structure," he said.

According to the OCBC Bank's Head of Investment Banking, Ms Tan Ai Chin, the Subordinated Bonds are based on a 10 non-call 5-year structure which has a final maturity of 10 years but with a call option by OCBC Bank to redeem at the end of fifth year.

The Subordinated Bonds carry a coupon rate of 4.20% per annum throughout its tenure and qualify as Tier 2 capital of OCBC Bank.

OCBC Bank is the sole Principal Adviser/Lead Arranger/Lead Manager for the issuance.

OCBC Group, which adheres to a proactive capital management strategy, has been actively involved in issuing bank capital instruments in the domestic debt capital market.



OCBC Bank's Head of Investment Banking,
Ms Tan Ai Chin

In 2005, the Bank issued RM400 million non-cumulative non-convertible perpetual preference shares. Then, in 2006, it issued RM200 million Islamic Redeemable Subordinated Bonds, followed by RM400 million Redeemable Subordinated Bonds in 2007 and RM400 million Innovative Tier 1 Capital Securities in 2009.

In 2008, Oversea-Chinese Banking Corporation Limited, the parent company of OCBC Bank, tapped into the local debt capital market with its maiden issuance of RM1.6 billion Redeemable Subordinated Bonds.

About OCBC Bank

OCBC Bank, established in 1912, is the second largest financial services group in Southeast Asia by assets. It is among the world's highest rated banks, with a long term credit rating of Aa1 from Moody's. OCBC Bank and its subsidiaries offer a broad array of specialist financial 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 a network of 530 branches and representative offices in 15 countries and territories, including 411 branches and offices in Indonesia operated by its subsidiary, Bank OCBC NISP.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the largest insurance group in Singapore and Malaysia by assets, and 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