

OCBC BANK INTRODUCES *RINGGIT* LOAN FACILITY FOR LONDON RESIDENTIAL PROPERTIES

Newly-launched OCBC Overseas Property Financing scheme set to meet heightened demand for London properties

Kuala Lumpur, 25 April 2011 – OCBC Bank (Malaysia) Berhad (OCBC Bank) is now offering its customers a new mortgage loan facility to finance the purchase of residential properties in prime sections of Central London, United Kingdom.

According to Mr Charles Sik, Head of Consumer Financial Services, OCBC Bank, the introduction of the *OCBC Overseas Property Financing* facility is timely as customers will be able to take advantage of the *Ringgit*-based loan, hence mitigating the effects of fluctuating foreign exchange risks.



Mr Charles Sik, Head of Consumer Financial Services, OCBC Bank (Malaysia) Berhad

“Our goal for financing products is to offer as many bespoke loans as possible to our customers. With the introduction of our new *OCBC Overseas Property Financing* scheme, customers will now be able to invest in London properties with peace of mind, knowing that their loan facility is fixed in *Ringgit*, mitigating Forex risks. London property prices are certainly on the upward trend and we think it’s a really good time now to capitalise on this,” he said.

According to OCBC Bank Currency Economist Mr Emmanuel Ng foreign exchange rate fluctuations are key to determining the purchase of an overseas property and the MYR is expected to remain supported against the GBP on a structural basis.

“The MYR sits comfortably within the Asian growth sphere and is also underpinned by net positive foreign capital inflows into the region, as well as a favourable balance of payments environment. Meanwhile the GBP, although seen as supported against the dollar by expectations of an eventual tightening

of monetary policy by the Bank of England, is expected to be a laggard relative to the MYR,” he said.

Properties prices have also witnessed some form of stability in recent times and according to the Knight Frank Prime Central London Index prices for prime property in London increased by 1% in February 2011, contributing to an annual growth of 8%. This translates to a 24% increase from their recent post-credit crunch low in March 2009. Still, prices remain 2% lower than during peak levels in March 2008.

“It really seems like this is the perfect time to invest in London’s property market. Besides property prices we note that London remains one of the most popular markets for foreign investors.

“The British newspaper *The Telegraph* recently reported that about 60 countries had invested in high-end real estate in London. It goes to show that if you link up with the correct parties, there should be no shortage of buyers when you are ready to sell,” said Mr Sik.

Many first time investors are not familiar with UK laws and regulations, particularly the tax rules. To help ease the process of obtaining the property smoothly, OCBC Bank has tied up with property brokers, letting agents, UK lawyers and valuers to provide relevant advisory services to the customers.

The *OCBC Overseas Property Financing* facility offers a margin of financing of up to 75% and a loan tenure of up to 30 years or up to the time a person turns 65, whichever is earlier.

For more information, the public may call 1300-88-5000 or log on to www.ocbc.com.my

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.

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 over 500 branches and representative offices in 15

countries and territories, including more than 400 branches and offices in Indonesia that are 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. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia. Private banking services are provided by subsidiary Bank of Singapore, which has been ranked among the top five global private banks in 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