

**OCBC MALAYSIA REGISTERS 6% GROWTH
IN OPERATING PROFIT TO RM998 MILLION**

Kuala Lumpur, 3 March 2010 – OCBC Bank (Malaysia) Berhad (“OCBC Malaysia”) reported an operating profit of RM998 million for the financial year ended 31 December 2009, up 6% from RM942 million a year ago. Net profit for 2009 posted a marginal decline of 1% to RM608 million due to higher net loan provisions, as the previous year had the benefit of larger one-off loan recoveries. Commenting on OCBC Malaysia’s performance, Director & CEO Mr Jeffrey Chew, said: “Despite 2009 being a difficult year due to the effects of the global financial crisis, we are pleased to turn in a strong performance, underscored by a well-balanced credit underwriting framework. We are particularly pleased with the broad-based growth in net interest income arising from higher loans growth across various industries. We made good strides in consumer banking and deepened our market penetration in the SME segment by participating actively in the Government assistance schemes.”

Total income for the year rose 4% to RM1.6 billion, driven by 4% growth in net interest income to RM1.0 billion and 27% jump in Islamic Banking income to RM144 million. Compared to a year ago, non-interest income fell by 4% due to lower income from trading activities. Operating expenses were managed tightly, remaining largely unchanged at RM597 million.

Allowances and Asset Quality

Total loans grew 5% to RM32.6 billion as at year end, due to increased lending to SME and large corporate customers and higher mortgage loans. Total assets grew 11% to RM53 billion.

Allowances for loans and other assets were RM185 million for the year, up from RM103 million a year ago. Specific allowances for loans, net of recoveries and writebacks, were RM185 million, up from RM115 million in 2008.



OCBC Bank (Malaysia) Berhad’s Director & CEO, Mr Jeffrey Chew

Non-performing loans (“NPLs”) rose 17% from the previous year to RM1.2 billion, and the NPL ratio increased from 1.99% to 2.42%. The increase in NPLs for the year was mainly from business loans. The inflow of new NPLs slowed in the later part of 2009 as economic conditions improved.

Islamic Banking

OCBC Al-Amin Bank Berhad (“OCBC Al-Amin”), OCBC Malaysia’s wholly-owned Islamic banking subsidiary, achieved operating profit of RM43 million and net profit of RM17 million in its first full year of operation. As at 31 December 2009, total assets grew 30% to RM4.9 billion and customer deposits grew 38% to RM3.7 billion. OCBC Al-Amin’s NPLs and NPL ratio remained low at RM54 million and 0.67% respectively. OCBC Al-Amin has a core capital ratio of 7.7% and a risk weighted capital ratio of 13.1%.

Capital Position

OCBC Malaysia continues to maintain a strong capital position, with shareholders’ funds of RM3.7 billion and risk weighted capital ratio of 15.4% as at the end of the year.

CEO’s concluding comments

Mr Jeffrey Chew added, “In line with OCBC Group’s New Horizons II strategy, we will continue to focus on deepening our market presence in Malaysia by positioning ourselves as a leading provider of innovative financial products and services that meet the needs of our customers. During 2009, we invested prudently in product innovation and service improvements, and worked closely together with our customers to help them emerge from the economic crisis as much stronger players. We are committed to investing more in our franchise in Malaysia and to support our customers during the current period of economic recovery.”

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 more than 500 branches and representative offices in

15 countries and territories, including 382 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.my