

OCBC AL-AMIN REGISTERS 131% PRE-TAX PROFIT GROWTH FOR 2013

Bank records more than four-fold growth over five years of operations

Kuala Lumpur, 14 April 2014 – OCBC Al-Amin Bank Berhad (OCBC Al-Amin), the wholly-owned Islamic banking subsidiary of OCBC Bank (Malaysia) Berhad, has registered a 131% increase in pre-tax profit, from RM59 million in 2012 to RM136 million last year, its fifth full year of operation.

The Bank registered a net profit of RM107 million for the financial year, representing a 133% increase compared to the RM46 million achieved the previous year. Total income rose 47%.

With this the Bank has sustained more than a four-fold growth in pre-tax profit since its first full year of existence in 2009 when it registered a pre-tax profit of RM24 million.

According to its Director & CEO Syed Abdull Aziz Syed Kechik, the strong growth in 2013, as with previous years, was largely due to higher financing income from gross financing and advances, which grew 57% to RM6.9 billion and also a significant increase in customer deposits which grew 49% to RM6.7 billion.

“Our growth in 2013 was underpinned by intensive efforts to market Islamic financing and cash management solutions to corporates, SMEs and consumers. Our pioneering unsecured term financing product *Business Cash-i*, large corporate deals and consumer mortgage product contributed significantly to the gains,” he said.



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

He added that Business Cash-i, which was introduced in the fourth quarter 2012, continued to make significant inroads with SMEs and small businesses, serving the capital needs of over 5,000 companies. The Bank also expanded its foreign currency financing efforts in support of the country's global Islamic banking positioning under MIFC. Alongside this, it also expanded its capability in Islamic Treasury with hedging and structured investment solutions for its wholesale customers.

With the opening of two new OCBC Al-Amin Xpres branches in 2013, the Bank now has 10 standalone Islamic banking branches.

As at 31 December 2013, the quality of the Bank's financing and advances remained strong with a net impaired financing ratio of 0.91% while total assets grew 45% to RM10 billion.

Shareholders' funds strengthened to RM595 million and the Bank is well capitalised with a core capital ratio and risk weighted capital ratio respectively of 10.549% and 14.125%.

Moving forward, Syed Abdull Aziz said the Bank will continue to build its capacity in the Islamic Banking wholesale and retail segments, and reinforce its existing strong network of distribution channels to acquire new customers and offer innovative solutions to existing and potential customers.

“The expansion of OCBC Al-Amin’s distribution footprint is a key strategy for us to engage with and be more relevant to our target segments, particularly the urban young and Bumiputra segments. Through our corporate programmes, we will seek to penetrate the private sector employee market to become a financier of choice. We will, of course, leverage on the infrastructure within the OCBC Group and the strong OCBC brand name to broaden our customer base and retain our position among foreign Islamic banks as a leading provider of innovative product solutions,” he added.

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. It was ranked by Bloomberg Markets as the world's strongest bank in 2011 and 2012.

OCBC Bank and its subsidiaries offer a broad array of specialist financial and wealth management 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 450 branches and representative offices in 17 countries and territories, including more than 330 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 continued to gain industry recognition in 2011 including being voted "Outstanding Private Bank in Asia Pacific" in 2013 by Private Banker International.

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