

OCBC MALAYSIA REGISTERS 23% INCREASE IN OPERATING PROFIT

Kuala Lumpur, 18 February 2009 – OCBC Bank (Malaysia) Berhad and its subsidiaries (“OCBC Malaysia”) today reported an operating profit of RM941 million for the financial year ended 31 December 2008, representing a 23% increase over 2007. OCBC Malaysia also achieved a 20% increase in net profit to close the year at RM617 million.

The gains were due primarily to stronger growth in total income which more than offset higher operating costs and provisions.

Total income rose by 18% to RM1.5 billion, contributed by a 15% increase in net interest income to RM996 million and a 21% rise in non-interest income to RM432 million. Islamic Banking income also increased significantly by 39% to RM113 million. Overhead expenses rose at a slower pace, by 10%, to RM599 million.

Allowances for loans and other assets increased to RM103 million from RM45 million the previous year. These included general allowances of RM58 million for loans, similar to the level in 2007. The net NPL ratio improved to 1.99% from 2.55% as at 31 December 2007.

OCBC Malaysia’s gross loans outstanding as at 31 December 2008 grew by 13% to RM31.1 billion, with the increase coming from both business banking and consumer activities. Consequently, total assets grew by 13% to RM47.9 billion.

Shareholders’ funds strengthened to RM3.1 billion, while the Group’s risk weighted capital ratio (RWCR) as at 31 Dec 2008 stood at 11.58%.

OCBC Malaysia's wholly-owned Islamic banking subsidiary, OCBC Al-Amin Bank Berhad, which commenced operations on 1 December 2008, achieved RM9.5 million in total income for the month. As at 31 December 2008, total assets were RM3.7 billion, total outstanding financing stood at RM2.2 billion and customer deposits were RM2.7 billion. OCBC Al-Amin's non-performing financing and advances remained low at RM44 million with a net non-performing financing ratio of 0.39%. The subsidiary's core capital ratio stood at 6.56% with a risk weighted capital ratio of 11.07%.

Commenting on OCBC Malaysia Group's performance, Director and CEO, Mr Jeffrey Chew, said: "2008 was another good year for OCBC Bank in Malaysia despite the global financial tsunami hitting our economic shores in the last quarter. I am pleased with the broad-based growth in interest income and non-interest income arising from higher loans growth, stable interest margins and growth in our fee-based and treasury businesses. We made good strides in consumer banking and deepened our market penetration in the SME segment.

"In line with OCBC Group's New Horizons II strategy, we will continue to focus on expanding our market presence in Malaysia with the opening of new OCBC Al-Amin branches and by positioning it as a leading provider of innovative products that meet the needs of our customers. While we continue to invest prudently in product innovation and service improvements in 2009, we will work together with our customers through this downturn and help them emerge as stronger players."

About OCBC Bank

OCBC Bank is Singapore's longest established local bank. It has assets of S\$184 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.