

## OCBC MALAYSIA REGISTERS RM1 BILLION IN PRE-TAX PROFIT

Kuala Lumpur, 18 April 2012 – OCBC Bank (Malaysia) Berhad and its subsidiaries (OCBC Malaysia) registered slightly over RM1 billion in pre-tax profit for the financial year ended 31 December 2011, up 5% from the previous year. Net profit grew 6% to RM749 million owing to strong growth in operating profit, and also due to a slight reduction in provisions.

Commenting on OCBC Malaysia's performance, Director & CEO Mr Jeffrey Chew, said: "Our performance was in line with expectations, given the uncertainties surrounding global market conditions, especially the US Sovereign rating downgrade earlier in the financial year and the ongoing Euro debt crisis. Nevertheless both our business banking and consumer financial services divisions recorded robust asset and profit growth.

"Our non-interest income performance was mixed, especially in trading income due to the global market conditions. Our robust loans growth also had an unavoidable effect on PBT levels, whereby collective impairment (general provision) increased by over 100% compared to the previous year. On the other hand our specific impairment (actual credit losses) remains low and better than 2010," he said.

Total income for the year rose 9% to RM1.9 billion, driven by a 7% increase in net interest income to RM1.2 billion and 19% jump in Islamic Banking income to RM188 million. Compared to a year ago, non-interest income grew by 6% to RM475 million while overhead expenses expanded 14% to RM746 million as the OCBC Malaysia continued to build its capabilities and systems alongside the opening of new branches.



Jeffrey Chew, Director & CEO of OCBC Bank (Malaysia) Berhad

Total gross loans, advances and financing grew 20% to RM43 billion as at year end due mainly to additional consumer and business loans of RM3 billion and RM4 billion respectively. Total assets grew 16% to RM64 billion.

Meanwhile, OCBC Al-Amin Bank Berhad (OCBC Al-Amin), OCBC Malaysia's wholly-owned Islamic banking subsidiary, achieved operating profit of RM51 million in its third full year of operation, an increase of 51% over the previous year. As at 31 December 2011, total assets grew 33% to RM5.7 billion and customer deposits grew 52% to RM4.4 billion.

OCBC Malaysia continues to maintain a strong capital position, with shareholders' funds of RM4.7 billion and risk weighted capital ratio of 15.95% (before dividends) as at the end of the year.

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## **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 is also ranked by Bloomberg Markets as the world's strongest bank.

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 continued to gain industry recognition in 2011 including being voted the "Outstanding Private Bank in Asia Pacific" by Private Banker International.

OCBC Bank offers Islamic banking products and services in Malaysia through its wholly-owned subsidiary, OCBC Al-Amin Bank Berhad.

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