

First Quarter 2007 Results

Presentation

9 May 2007



- **Results Overview**
- **Performance Trends**
- **Results of Key Subsidiaries**
- **Conclusion**

Core Net Profit Up 60% YoY

	1Q07	1Q06	YoY	4Q06	QoQ
	S\$m	S\$m	+/(-)%	S\$m	+/(-)%
Net Interest Income	508	395	29	491	4
Non-Interest Income	506	348	45	412	23
Total Income	1,014	743	36	903	12
Operating Expenses	(352)	(308)	14	(342)	3
Operating Profit	662	435	52	561	18
Amortisation of Intangibles	(12)	(10)	12	(12)	-
Allowances	(0.3)	7	104	(12)	(97)
Associates & JVs	16	4	321	5	249
Tax & Minority Interests	(156)	(117)	33	(110)	42
Core Net Profit	510	318	60	432	18
Add: Divestment Gains ¹	90	-	n.m.	77	16
Add: Tax Refund ²	47	-	n.m.	-	n.m.
Reported Net Profit	647	318	103	510	27

^{1/} 1Q07: from divestment of office property in Singapore; 4Q06: from divestment of Raffles Holdings

^{2/} Tax refund pertaining to loan allowances previously made by Keppel Capital Holdings

Key Financial Ratios

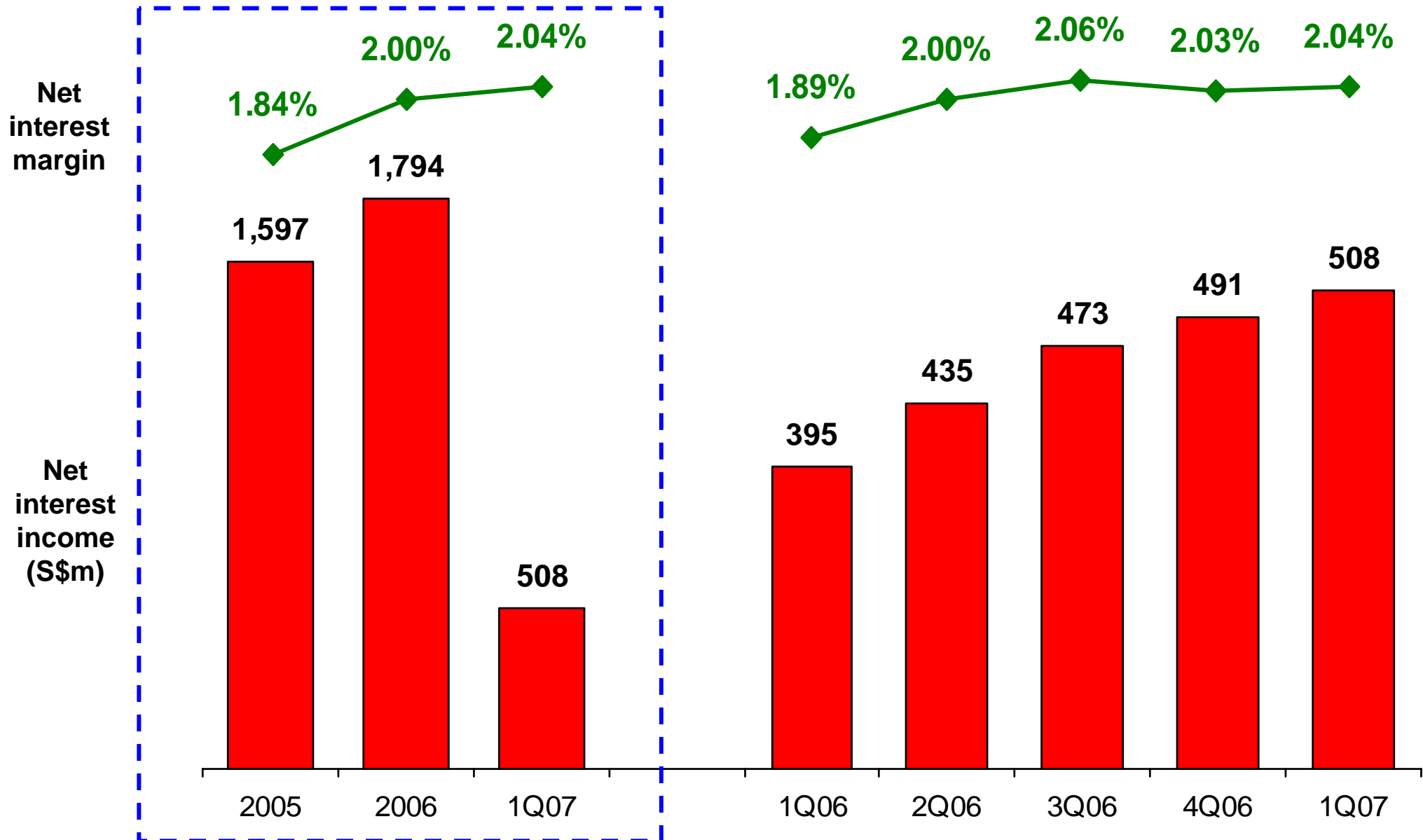
– Excluding Divestment Gains, Tax Refund



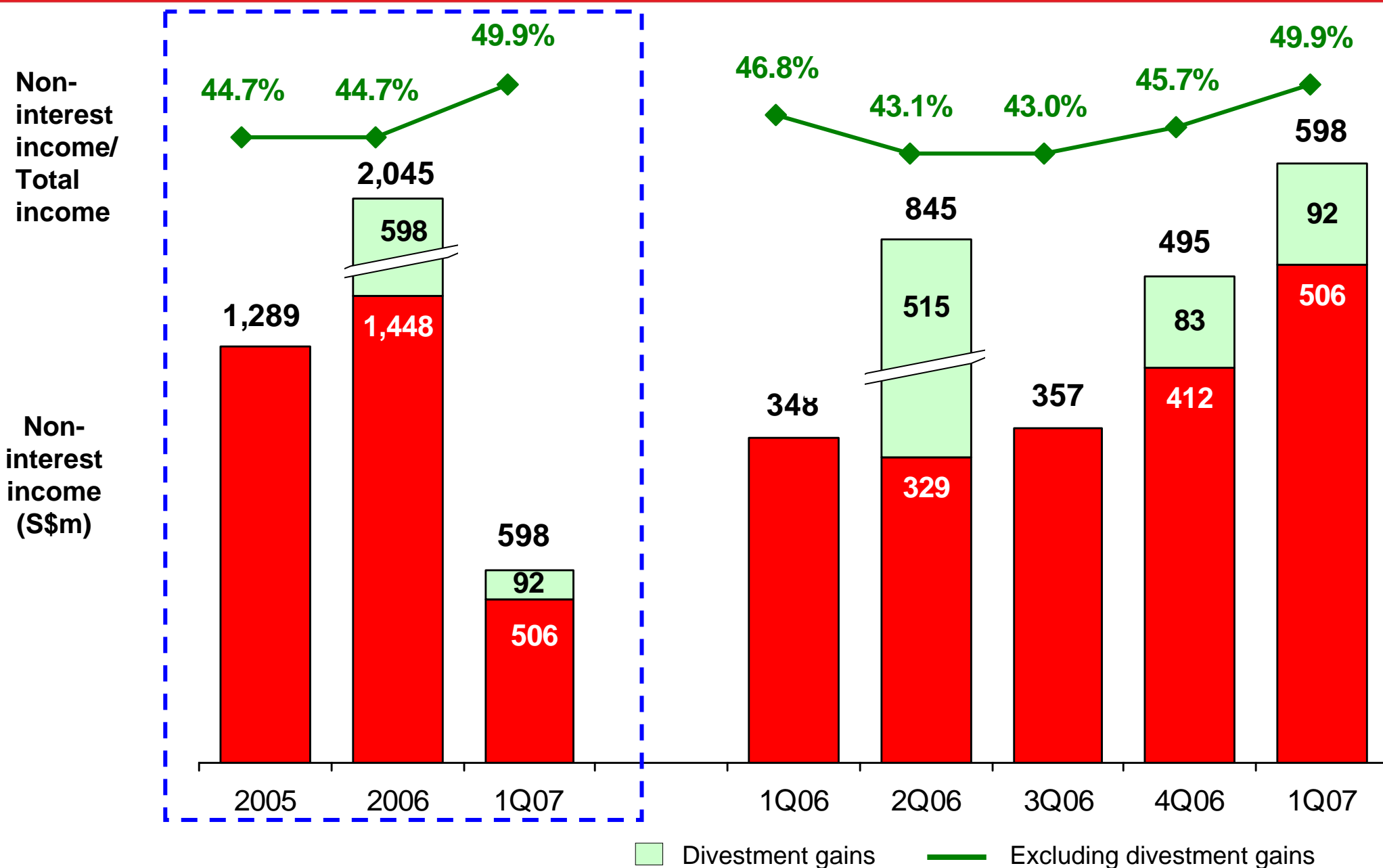
	1Q07	4Q06	1Q06
	%	%	%
Net Interest Margin	2.04	2.03	1.89
Non-Interest Income/ Total Income	49.9	45.7	46.8
Cost-to-Income Ratio	34.7	37.9	41.5
Loans-to-Deposits Ratio	78.9	79.0	84.6
NPL Ratio	2.7	3.0	4.1
Cumulative Allowances/ NPLs	101.6	100.9	87.6
ROE	15.9	13.8	10.8
Cash ROE	16.3	14.2	11.2

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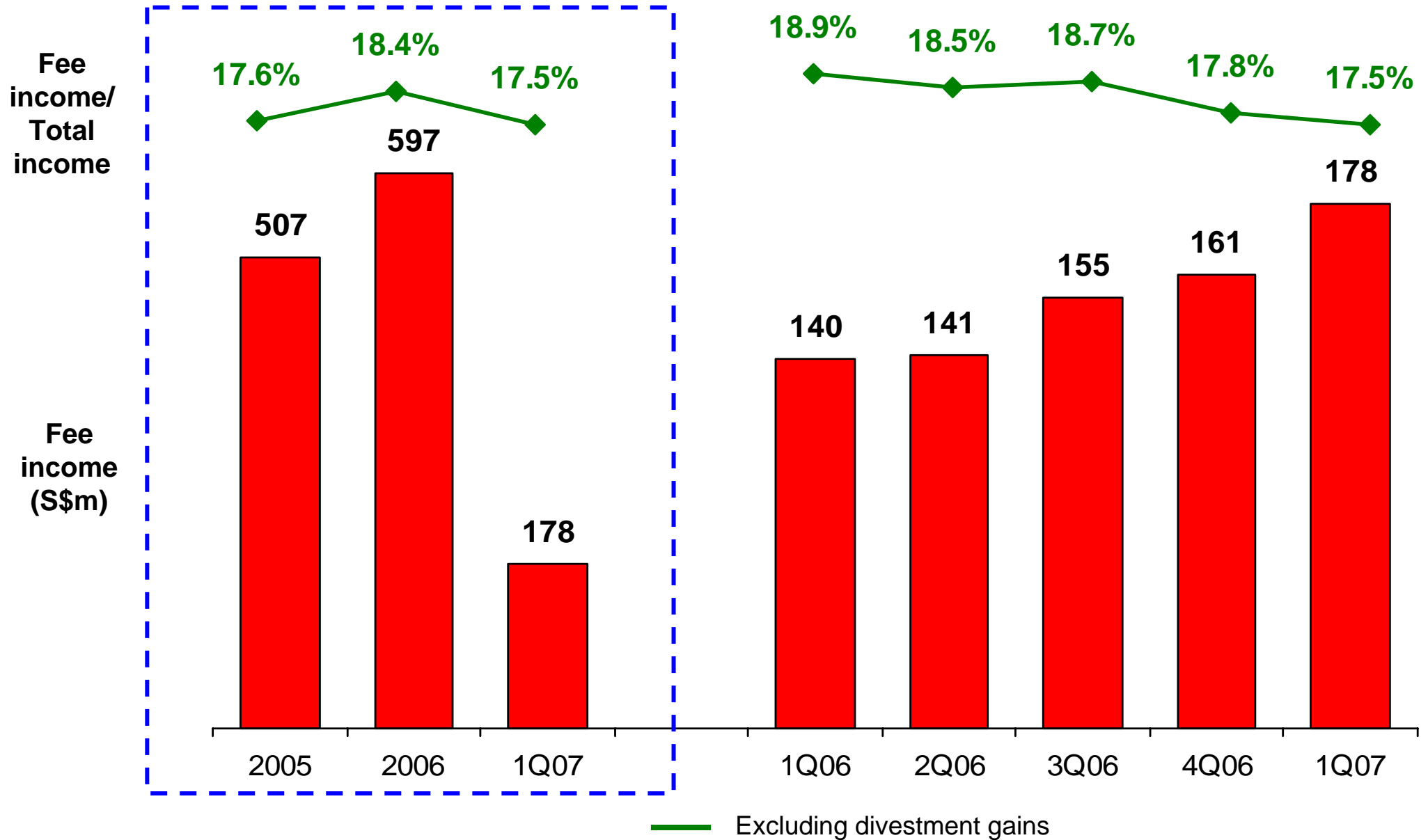
Continued Growth in Net Interest Income, Stable Interest Margins



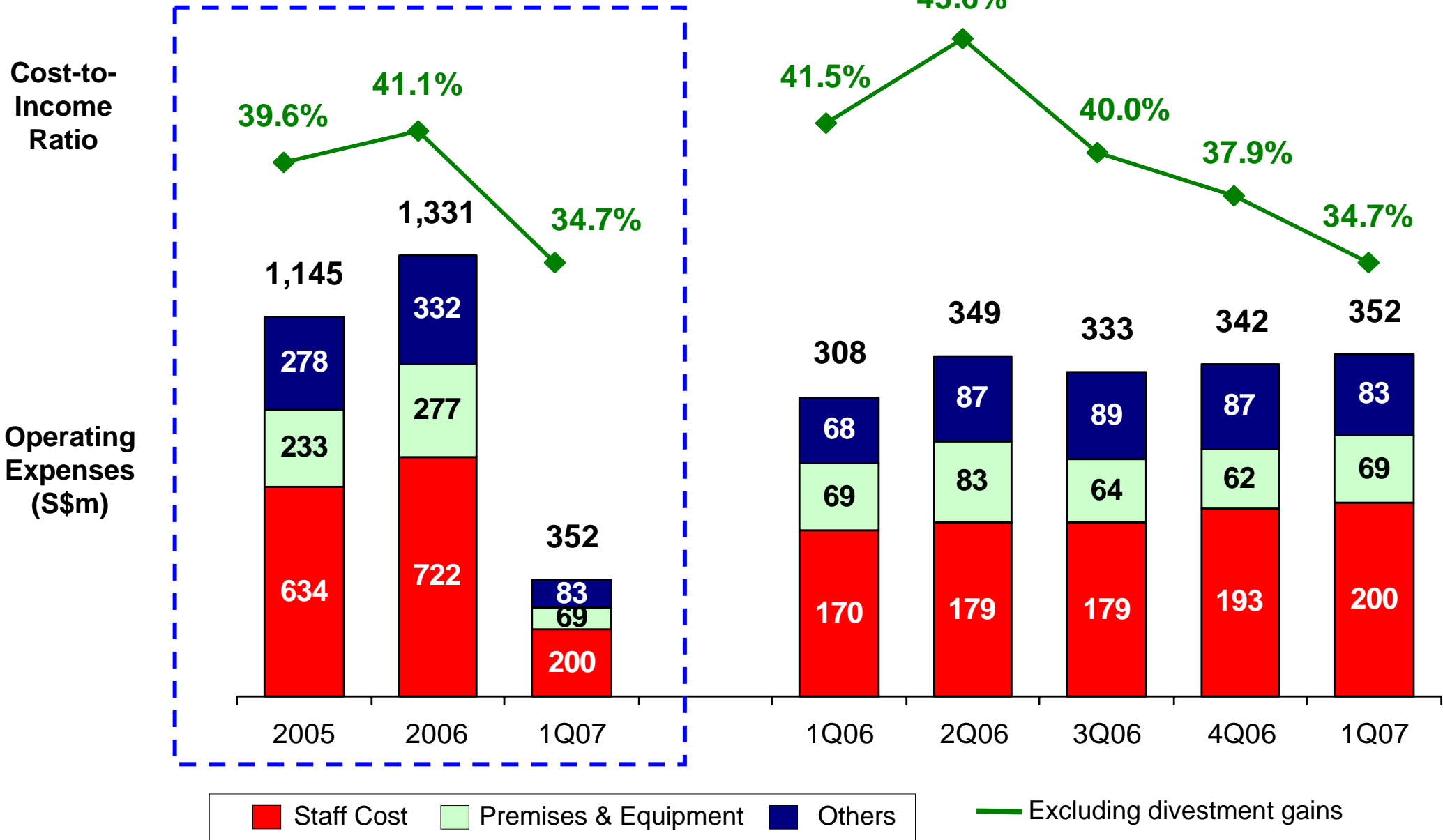
Non-Interest Income Boosted by Favourable Market Conditions



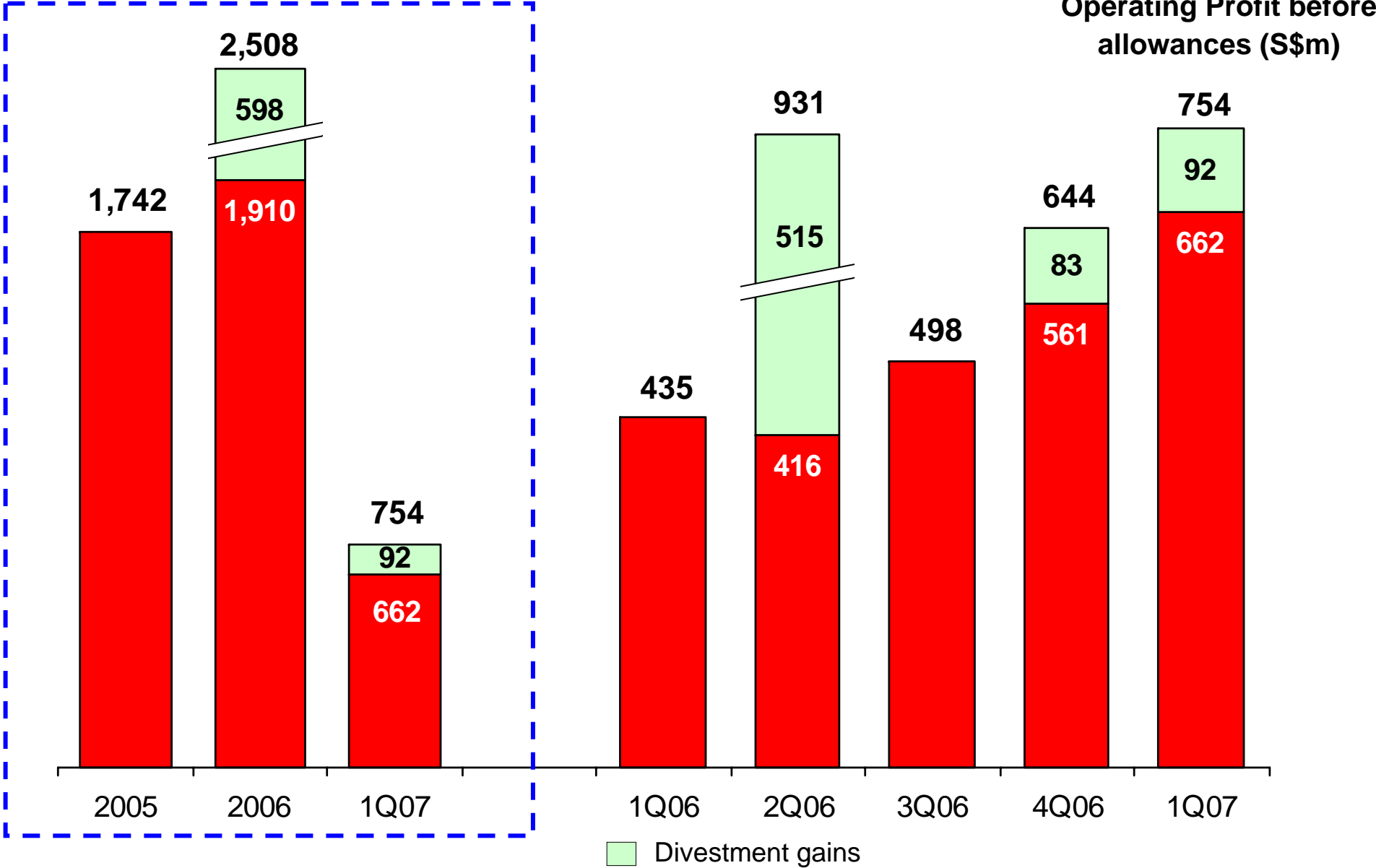
Fee Income up 27% YoY



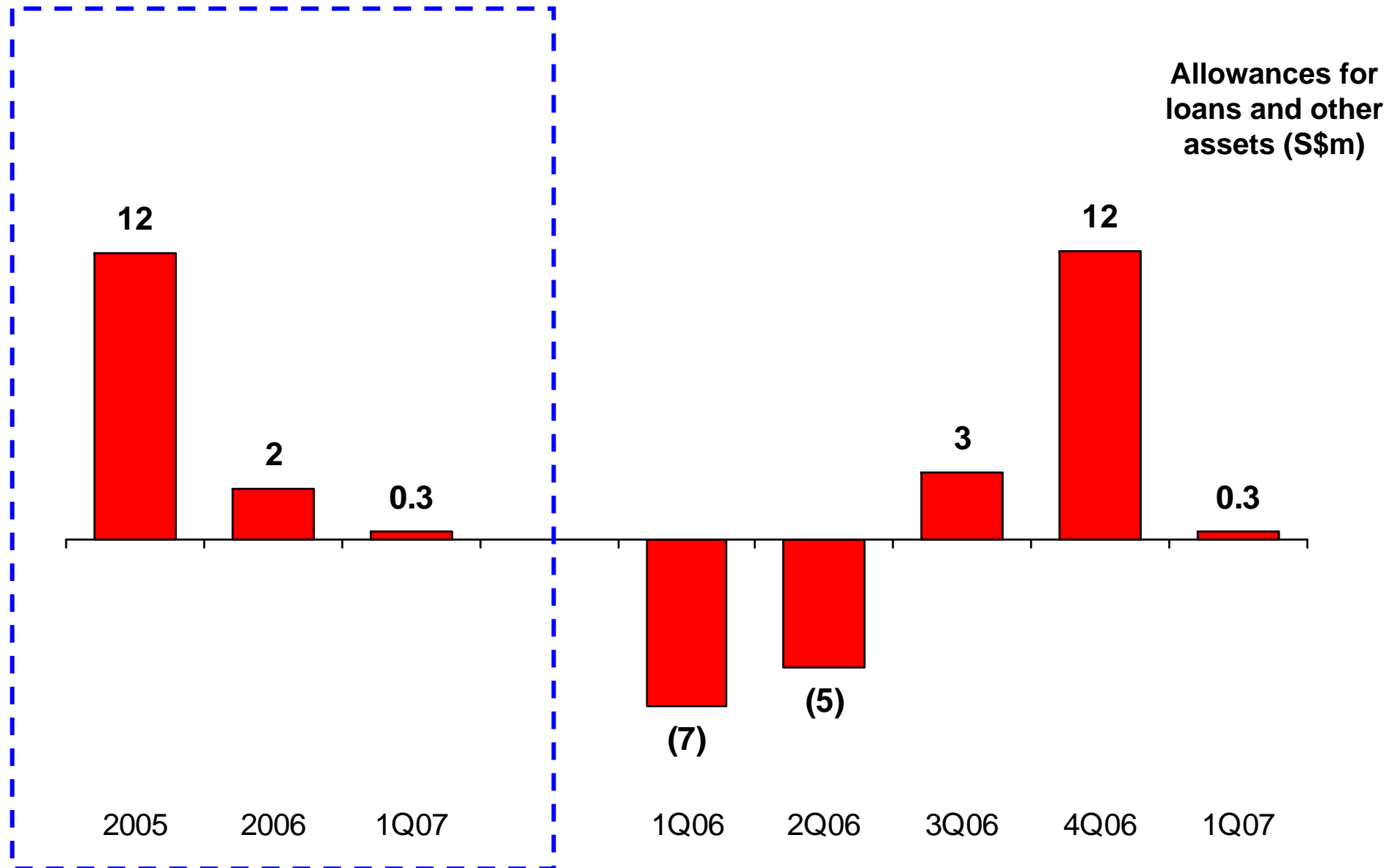
Expenses Under Control



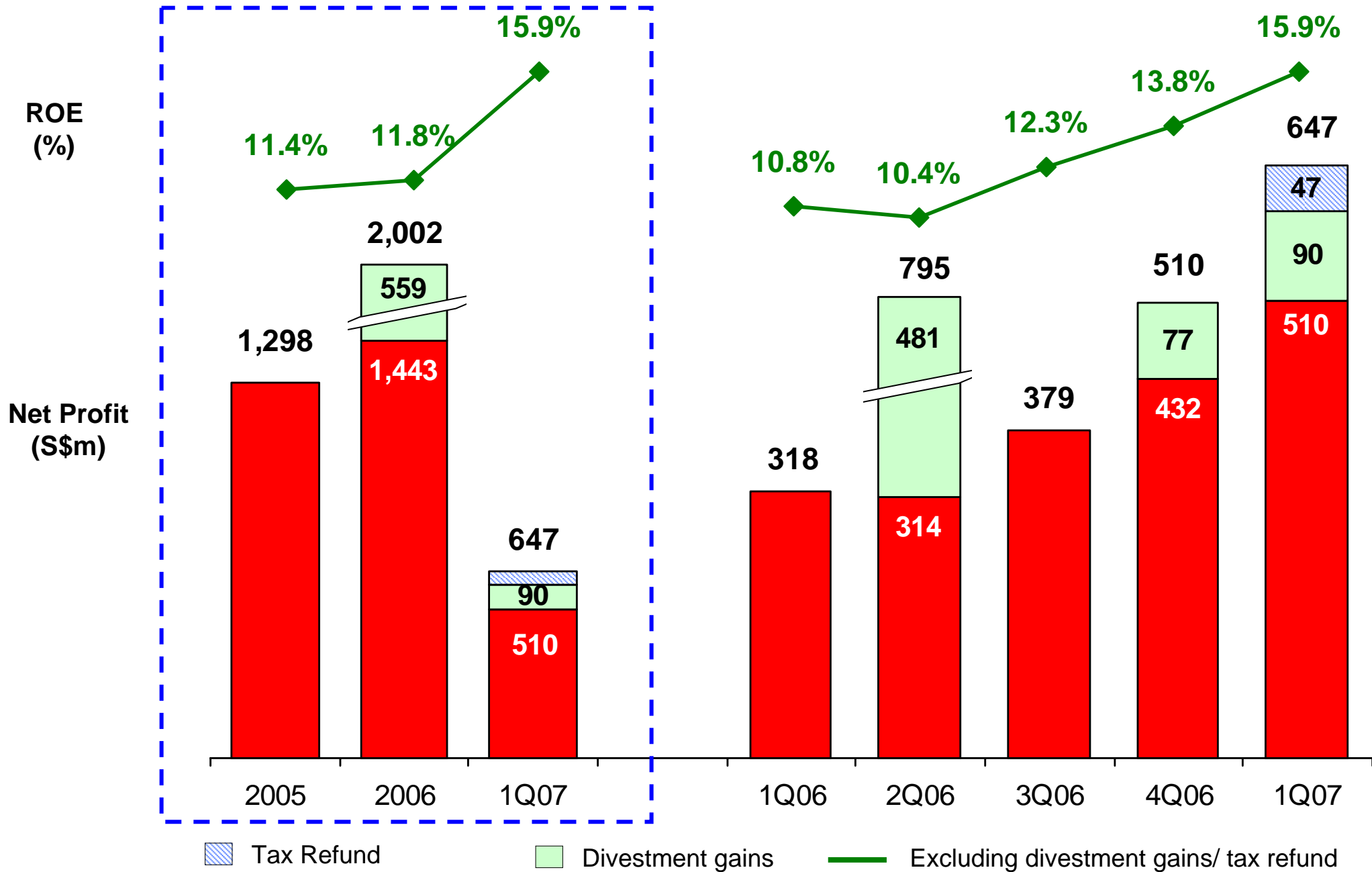
Core Operating Profit at a New Quarterly Record



Allowances Remain Low as Loan Recoveries Continue

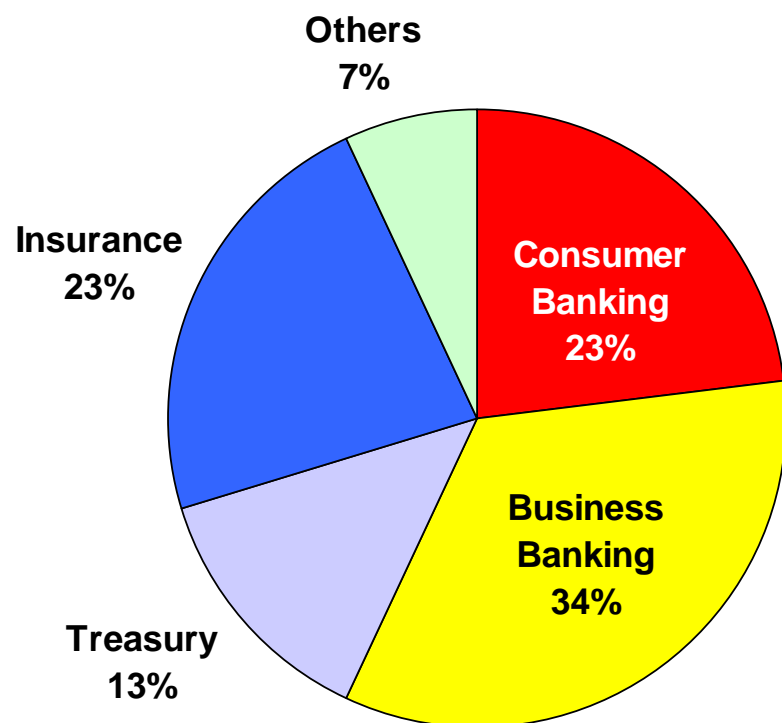


ROE Hits New High



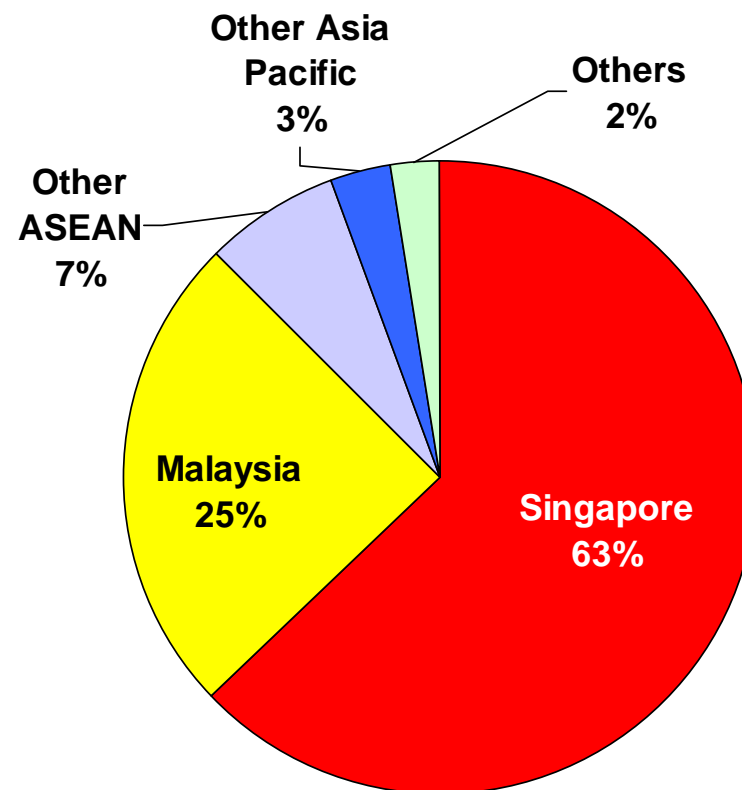
Earnings Contribution by Segments

PBT by Business Segment



1Q07 Profit before Tax: S\$666m
(excluding divestment gains)

PBT by Geography

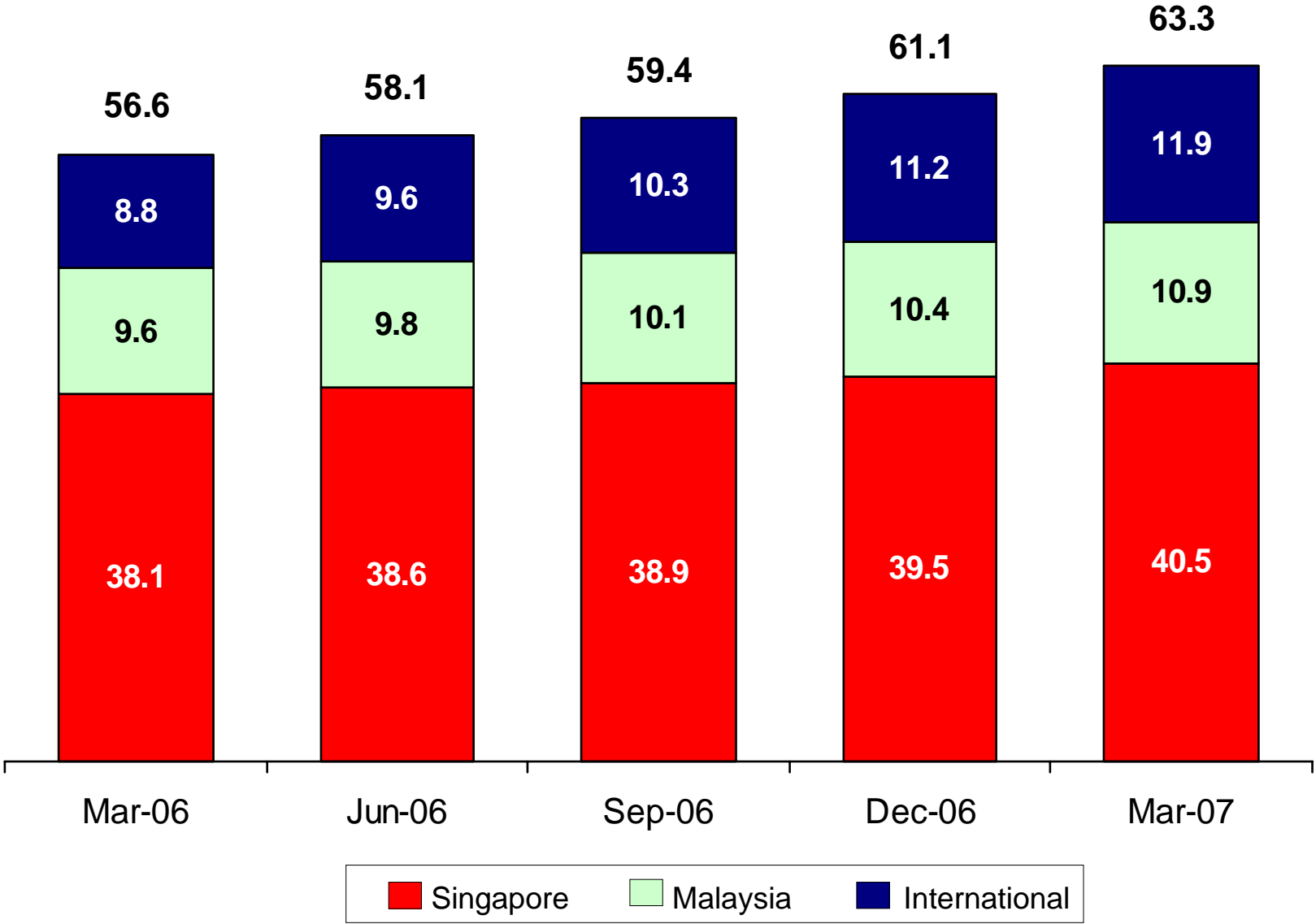


1Q07 Profit before Tax: S\$666m
(excluding divestment gains)

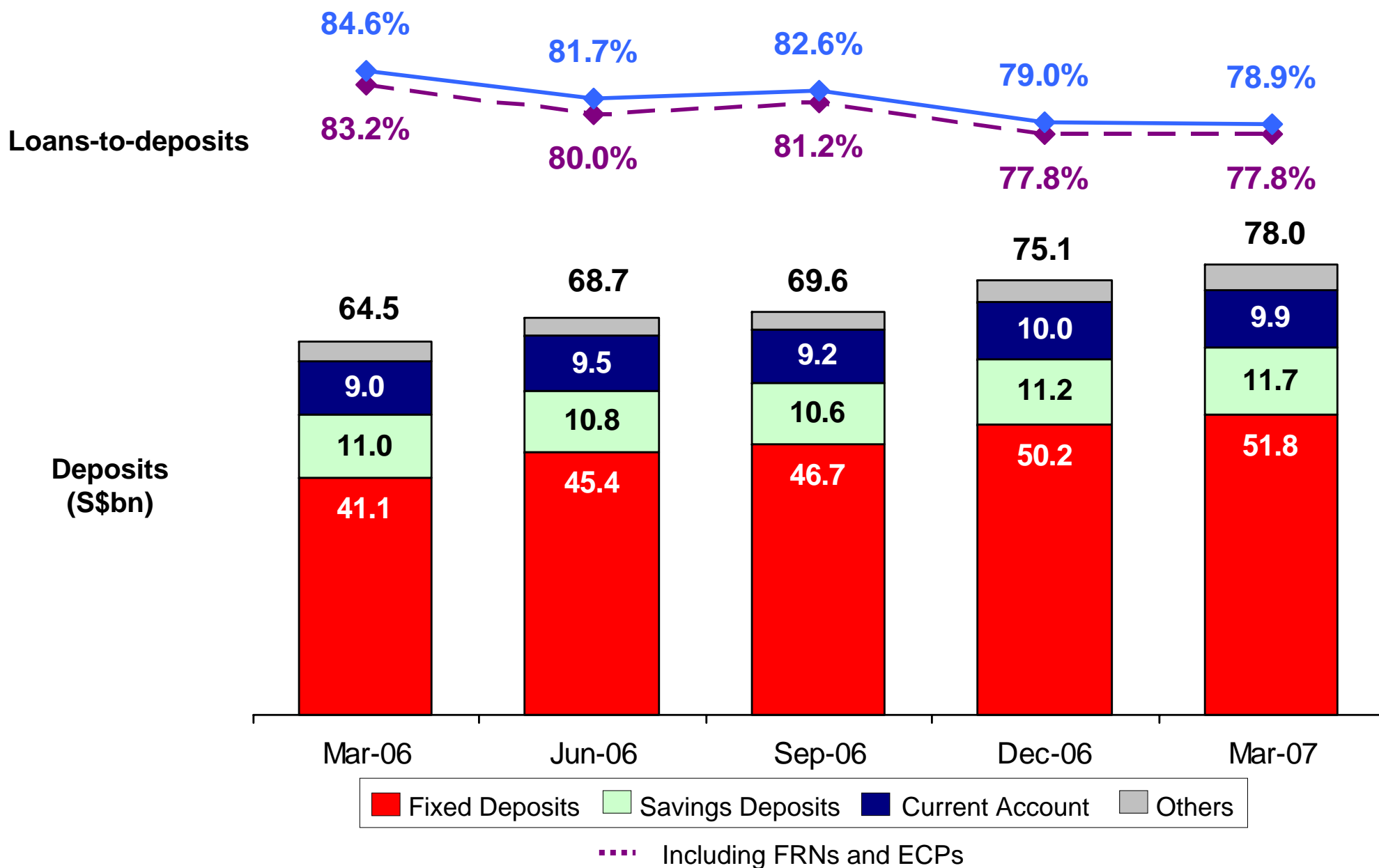
Loans Growth of 12% YoY, 4% QoQ



Loans
(S\$bn)



Deposits Up 21% YoY, 4% QoQ



NPL Ratio Improved Further to 2.7%

NPL Ratio

4.1%

3.6%

3.3%

3.0%

2.7%

NPLs
(S\$m)

2,346

2,096

1,966

1,829

1,766

258

290

262

226

239

701

683

673

652

658

1,387

1,123

1,031

951

869

Mar-06

Jun-06

Sep-06

Dec-06

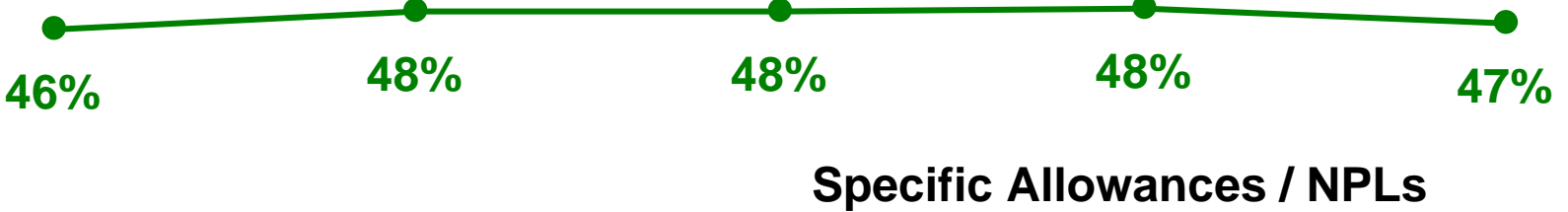
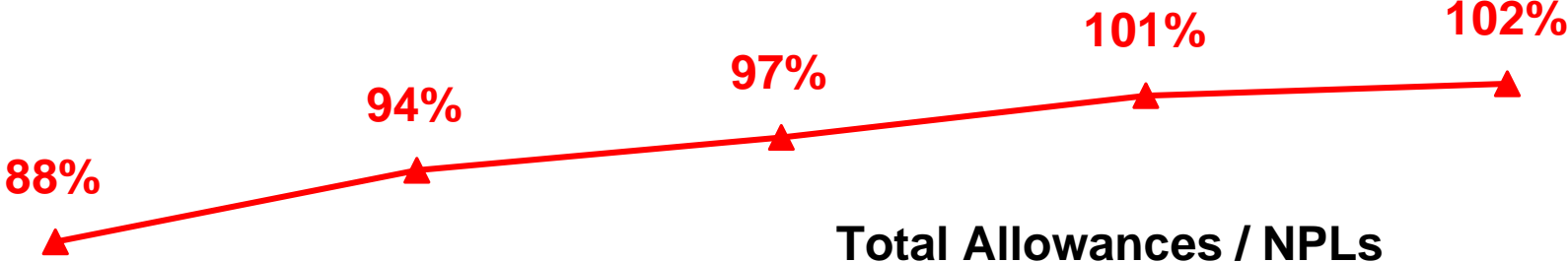
Mar-07

 Singapore

 Malaysia

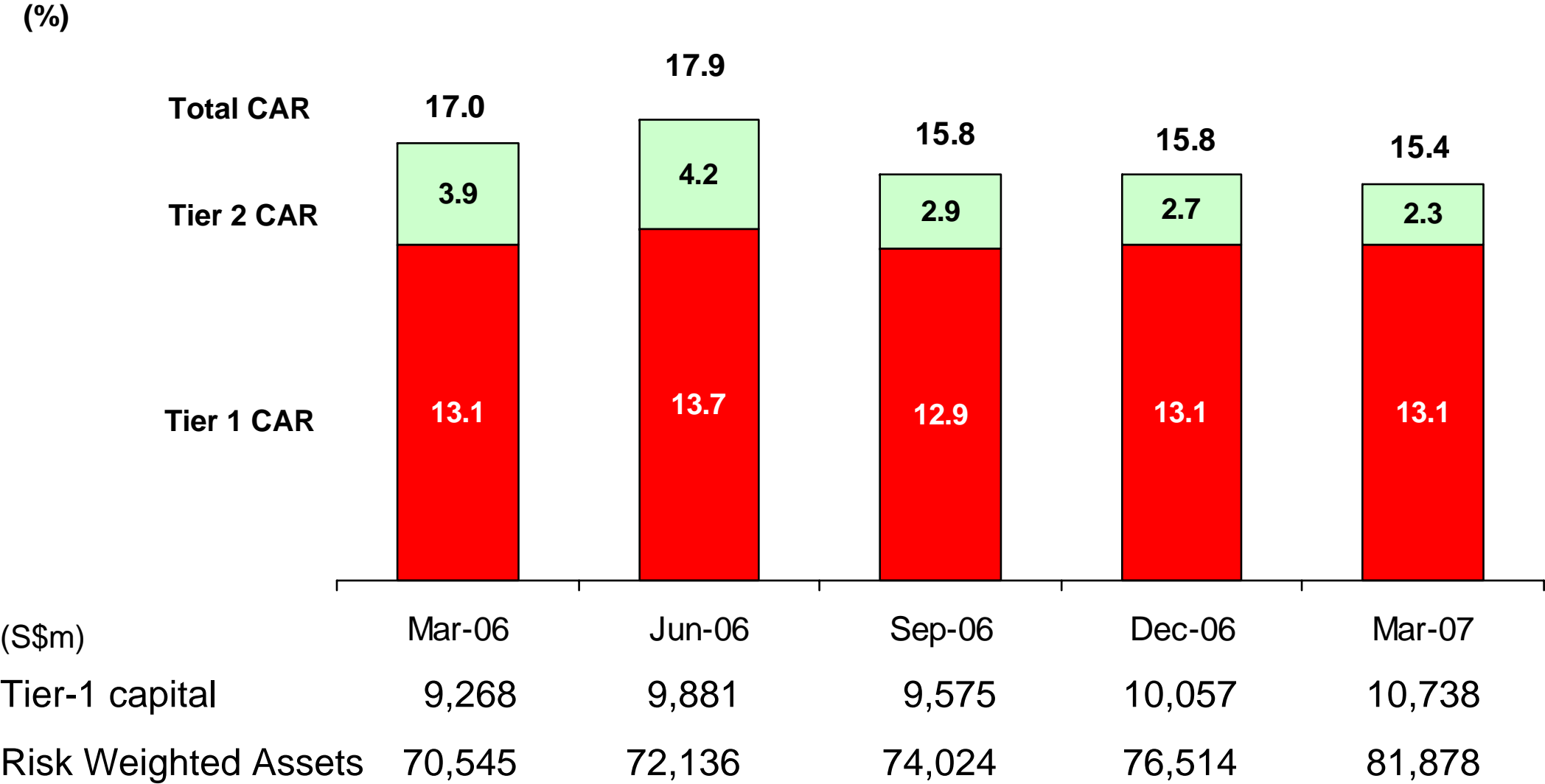
 International

Allowances Coverage Exceeds 100%



Mar-06 Jun-06 Sep-06 Dec-06 Mar-07

Strong Capital Position



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OCBC Malaysia: Operating Profit Up 29% YoY



	1Q07	1Q06	YoY	4Q06	QoQ
<u>Unaudited Results*</u>	RM m	RM m	+/(-)%	RM m	+/(-)%
Net Interest Income	202	166	22	198	2
Islamic Banking Income	18	13	45	15	25
Non Interest Income	96	73	31	82	18
Total Income	316	252	26	294	8
Operating Expenses	(109)	(91)	20	(114)	(5)
Operating Profit	207	161	29	180	15
Allowances	(24)	7	n.m.	(21)	13
Tax	(55)	(48)	14	(45)	23
Net Profit	128	119	8	114	13

* Based on Bank Negara Malaysia's guidelines and Malaysia accounting standards.

	1Q07	4Q06	1Q06
<u>Unaudited Results*</u>	%	%	%
Net Interest Margin	2.56	2.60	2.52
Non-Interest Income / Total Income	30.4	27.7	29.0
Cost-to-Income Ratio	34.5	38.9	36.0
RM Loans-to-Deposits Ratio	78.1	80.5	83.2
Gross NPL Ratio	5.3	5.5	6.3
Loans Growth (YTD)	3.4	9.6	1.7
ROE	23.1	21.1	23.4

* Based on Bank Negara Malaysia's guidelines and Malaysia accounting standards.

GEH Contributed 23% of Core Net Profit

	1Q07	4Q06 [^]	1Q06
<u>GEH's Contribution to OCBC's Results</u>	S\$m	S\$m	S\$m
Total Income	192	209	141
Operating Expenses	(29)	(18)	(26)
Operating Profit	164	192	114
Amortisation of Intangibles	(12)	(12)	(10)
Associates & JVs	11	-	-
Tax	(27)	(23)	(19)
Minority Interests	(19)	(23)	(16)
Net Profit contribution of GEH	117	134	68

[^] 4Q06 include S\$29m gain (S\$23m net of tax) from Raffles Holdings.

Bank NISP: 1Q07 Financials



	1Q07	1Q06	YoY	4Q06	QoQ
<u>Unaudited Results*</u>	RP bn	RP bn	+/(-)%	RP bn	+/(-)%
Net Interest Income	263	200	32	266	(1)
Non Interest Income	96	37	161	82	17
Expenses	(221)	(159)	39	(232)	(5)
Operating Profit	138	78	76	116	19
Allowances	(23)	4	NM	(31)	(26)
Net Profit	82	54	51	66	24
Gross Loans	16,226	11,789	38	15,633	4
NPL Ratio (%)	2.84	3.15	-31bps	2.49	+35bps
Net Interest Margin (%)	4.40	4.49	-9bps	5.11	-71bps
ROE (%)	13.9	10.3	+3.6 ppt	11.9	+2 ppt

* Bank NISP's contribution to Group net profit was S\$11m in 1Q07, S\$6m in 1Q06 and S\$8m in 4Q06.

- **Strong revenue momentum, especially in Singapore**
- **Good results across key geographies and business segments**
- **Well placed to capitalise on regional growth opportunities**

First Quarter 2007 Results

Thank You

