



OCBC MALAYSIA TO RAISE RM 400 MILLION WITH MAIDEN OFFERING OF TIER-1 PREFERENCE SHARES

First Bank in Malaysia to Offer Rated Preference Shares

Kuala Lumpur, 3 August 2005 – OCBC Bank (Malaysia) Berhad (“OCBC Malaysia”), a subsidiary of OCBC Bank, announces today the successful placement of its maiden offering (“Offering”) of 4 million non-cumulative non-convertible preference shares of RM1.00 each (“Preference Shares”). OCBC Malaysia rated Preference Shares will be issued at a subscription price of RM100 per share, raising RM 400 million in total proceeds. The Preference Shares, offered by way of private placement to investors, qualifies as Tier-1 capital of OCBC Malaysia.

Dato’ Albert Yeoh, Director & CEO of OCBC Malaysia, said, “We are pleased with the positive response to our inaugural issue of Preference Shares. Though we are not in need of capital currently, raising Tier-1 capital will strengthen OCBC Malaysia’s capital base in preparation for future expansion and growth. It is also a significant step forward in our commitment to manage our capital structure more efficiently.”

OCBC Malaysia Preference Shares was assigned a rating of AA3 by Rating Agency Malaysia Berhad. This makes OCBC Malaysia the first bank in Malaysia to offer rated preference shares.

Dato’ Albert Yeoh added, “Being the pioneering Bank to offer rated preference shares to investors such as insurance companies, fund managers and private banking clients, we are happy to have paved the way for greater development in Malaysia’s capital market for bank capital instruments.”

With the close of the placement exercise, OCBC Malaysia will have raised its Tier-1 capital from approximately RM1.227 billion as at 31 March 2005 to RM1.627 billion. Accordingly, the total capital base will increase to RM2.5 billion. With the increase in capital, OCBC Malaysia’s core capital ratio and risk-weighted capital ratio will also strengthen from 5.91% and 10.12% to 7.84% and 12.05% respectively.

OCBC Malaysia is the Principal Adviser/Lead Arranger/Joint Lead Manager for the Offering. Commerce International Merchant Bankers Berhad has been appointed Joint Lead Manager and Secondary Market Maker.

Approval has been obtained from the Securities Commission for the Offering and Bank Negara Malaysia for the Offering and inclusion of the Preference Shares as Tier-1 capital of OCBC Malaysia.

About OCBC Bank

OCBC Bank is Singapore's longest established local bank. It has assets of S\$128 billion and a network of 113 branches and representative offices in 15 countries and territories including Singapore, Malaysia, Indonesia, Brunei, China, Hong Kong SAR, Japan, Australia, UK and USA. OCBC Bank offers a range of specialist financial services including consumer, corporate, investment, private and transaction banking, global treasury, asset management and stockbroking services to meet the needs of its customers across communities. Its subsidiary, Great Eastern Holdings, is the largest insurance group in both Singapore and Malaysia in terms of assets and market share.

In 2004, OCBC Bank was named Lafferty Group's Retail Bank of the Year in Asia-Pacific and South East Asia and *Global Finance* magazine's Best Bank in Singapore. Additional information may be found at www.ocbc.com.

In Malaysia, OCBC Bank offers a full range of financial services through its 25 branches and is today one of the largest foreign banks in the country with assets of about RM30 billion.