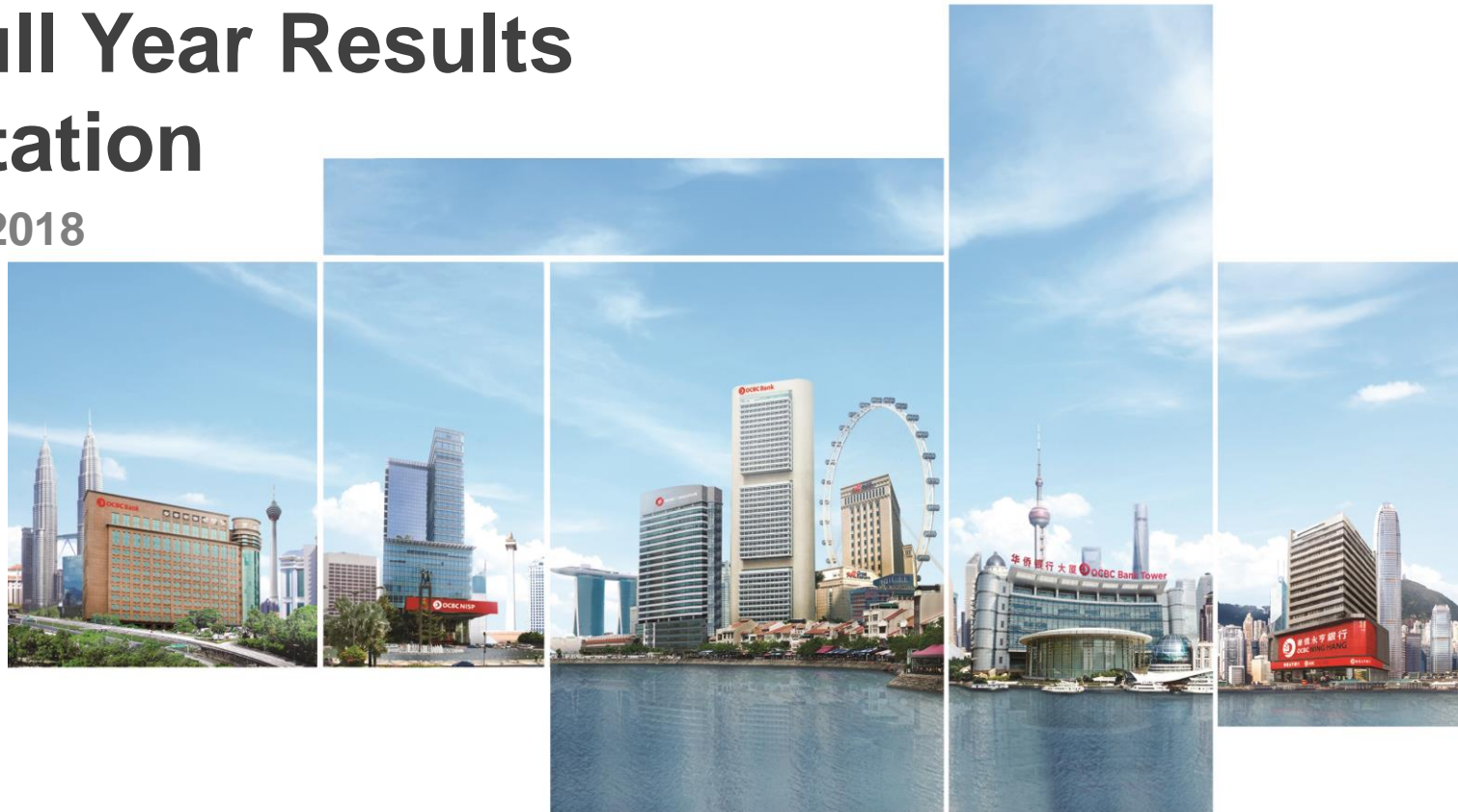


# 2017 Full Year Results Presentation

14 February 2018



Disclaimer: This material should be read as an overview of OCBC's current business activities and operating environment. It should not be solely relied upon by investors or potential investors when making an investment decision. OCBC Bank accepts no liability whatsoever with respect to the use of this document or its content.

# Agenda

## Results Overview

## FY17 & 4Q17 Group Performance Trends

## Appendix: Performance of Major Subsidiaries

- Great Eastern Holdings
- OCBC Wing Hang
- OCBC Malaysia
- OCBC NISP

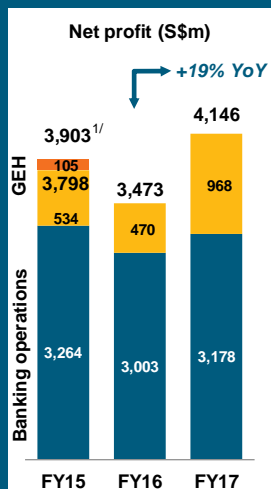


Note: - Certain comparative figures have been restated to conform with the current period's presentation.  
- Amounts less than S\$0.5m are shown as "0";  
- "nm" denotes not meaningful;  
- "na" denotes not applicable;  
- Figures may not sum to stated totals because of rounding.

# FY17 Highlights

Net profit rose 19% to a new high of S\$4.15b; final dividend of 19 cents per share

## Earnings



**Net Interest Income: S\$5.42b**  
(FY16 : S\$5.05b; +7%)

**Non-interest Income: S\$4.21b**  
(FY16 : S\$3.44b; +23%)

**Operating Expenses: S\$4.03b**  
(FY16 : S\$3.79b; +6%)

**Allowances: S\$0.67b**  
(FY16 : S\$0.73b; -7%)

**Net Profit: S\$4.15b**  
(FY16 : S\$3.47b; +19%)

**ROE: 11.2%**  
(FY16 : 10.0%)

➤ Strong momentum across the Group's key businesses and markets

- NII up 7%; NIM improved over each successive quarter in 2017
- Wealth management income up 43%
- GEH's TWNS and NBEV rose 23% and 17% respectively
- Private banking AUM grew 25% YoY and 4% QoQ to US\$99b
- All major subsidiaries reported higher local earnings
- Costs remained well-managed, with cost-to-income lowered to 41.9%
- Sufficient portfolio allowances to meet existing and new requirements

## Assets and liabilities

**Customer Loans: S\$237b**  
(Dec 16 : S\$220b; +8%)

**Customer Deposits: S\$284b**  
(Dec 16 : S\$261b; +8%)

- Customer loans and deposits both up 8% YoY; LDR at 82.5%
- Stable funding base, 78% derived from customer deposits
- Overall credit quality healthy; NPL ratio at 1.5%

## Capital and liquidity

**CET1 ratio: 13.9%**  
(Dec 16 : 14.7%)

**Leverage ratio: 7.3%**  
(Dec 16 : 8.2%)

**All-currency LCR: 159%**  
(4Q16 : 145%)

- Fully-loaded CET1 ratio improved YoY and QoQ
- Liquidity and funding position remained strong
- Proposed final dividend increased to 19 cents per share

# FY17 Group Performance

Full year net profit grew 19% YoY to S\$4.15b

OCBC Group	FY17 S\$m	FY16 S\$m	YoY +/(-)%
Net interest income	5,423	5,052	7
Non-interest income	4,213	3,437	23
Total income	9,636	8,489	14
Operating expenses	(4,034)	(3,788)	6
<b>Operating profit</b>	<b>5,602</b>	<b>4,701</b>	<b>19</b>
Amortisation of intangibles	(104)	(96)	8
Allowances	(671)	(726)	(7)
Associates	389	396	(2)
Tax & non-controlling interests ("NCI")	(1,070)	(802)	33
<b>Net profit</b>	<b>4,146</b>	<b>3,473</b>	<b>19</b>

# 4Q17 Group Performance

4Q17 net profit rose 31% YoY to S\$1.03b

OCBC Group	4Q17 S\$m	3Q17 S\$m	QoQ +/(-)%	4Q16 S\$m	YoY +/(-)%
Net interest income	1,424	1,382	3	1,251	14
Non-interest income	1,205	978	23	926	30
Total income	2,629	2,360	11	2,177	21
Operating expenses	(1,067)	(1,001)	7	(981)	9
<b>Operating profit</b>	<b>1,562</b>	<b>1,359</b>	<b>15</b>	<b>1,196</b>	<b>31</b>
Amortisation of intangibles	(26)	(26)	–	(24)	5
Allowances	(178)	(156)	15	(305)	(41)
Associates	28	127	(78)	82	(66)
Tax & NCI	(353)	(247)	43	(160)	120
<b>Net profit</b>	<b>1,033</b>	<b>1,057</b>	<b>(2)</b>	<b>789</b>	<b>31</b>

# FY17 Banking Operations Performance

Net profit *before GEH* contribution (“Banking Operations”) increased 6% YoY to S\$3.18b

Banking Operations	FY17 S\$m	FY16 S\$m	YoY +/(-)%
Net interest income	5,333	4,955	8
Non-interest income	2,712	2,590	5
<b>Total income</b>	<b>8,045</b>	<b>7,545</b>	<b>7</b>
Operating expenses	(3,771)	(3,570)	6
<b>Operating profit</b>	<b>4,274</b>	<b>3,975</b>	<b>8</b>
Allowances	(655)	(710)	(8)
Associates	402	410	(2)
Amortisation, tax & NCI	(843)	(673)	25
<b>Net profit from banking operations</b>	<b>3,178</b>	<b>3,003</b>	<b>6</b>
<b>GEH net profit contribution</b>	<b>968</b>	<b>470</b>	<b>106</b>
<b>OCBC Group net profit</b>	<b>4,146</b>	<b>3,473</b>	<b>19</b>

# 4Q17 Banking Operations Performance

4Q17 net profit for Banking Operations up 7% YoY to S\$673m

Banking Operations	4Q17 S\$m	3Q17 S\$m	QoQ +/(-)%	4Q16 S\$m	YoY +/(-)%
Net interest income	1,403	1,360	3	1,227	14
Non-interest income	650	674	(4)	660	(1)
Total income	2,053	2,034	1	1,887	9
Operating expenses	(985)	(946)	4	(927)	6
<b>Operating profit</b>	<b>1,069</b>	<b>1,088</b>	<b>(2)</b>	<b>959</b>	<b>11</b>
Allowances	(176)	(149)	18	(301)	(41)
Associates	31	131	(76)	86	(63)
Amortisation, tax & NCI	(251)	(207)	21	(115)	118
<b>Net profit from banking operations</b>	<b>673</b>	<b>863</b>	<b>(22)</b>	<b>630</b>	<b>7</b>
<b>GEH net profit contribution</b>	<b>361</b>	<b>194</b>	<b>86</b>	<b>160</b>	<b>126</b>
<b>OCBC Group net profit</b>	<b>1,033</b>	<b>1,057</b>	<b>(2)</b>	<b>789</b>	<b>31</b>

# Agenda

Results Overview

**FY17 & 4Q17 Group Performance Trends**

**Appendix: Performance of Major Subsidiaries**

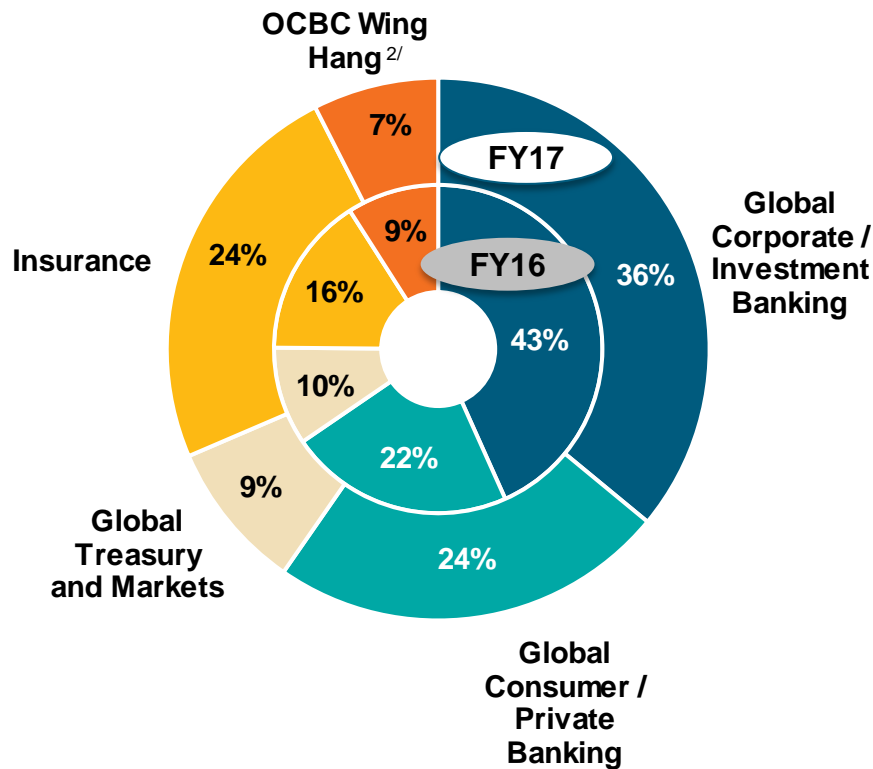
- Great Eastern Holdings
- OCBC Wing Hang
- OCBC Malaysia
- OCBC NISP



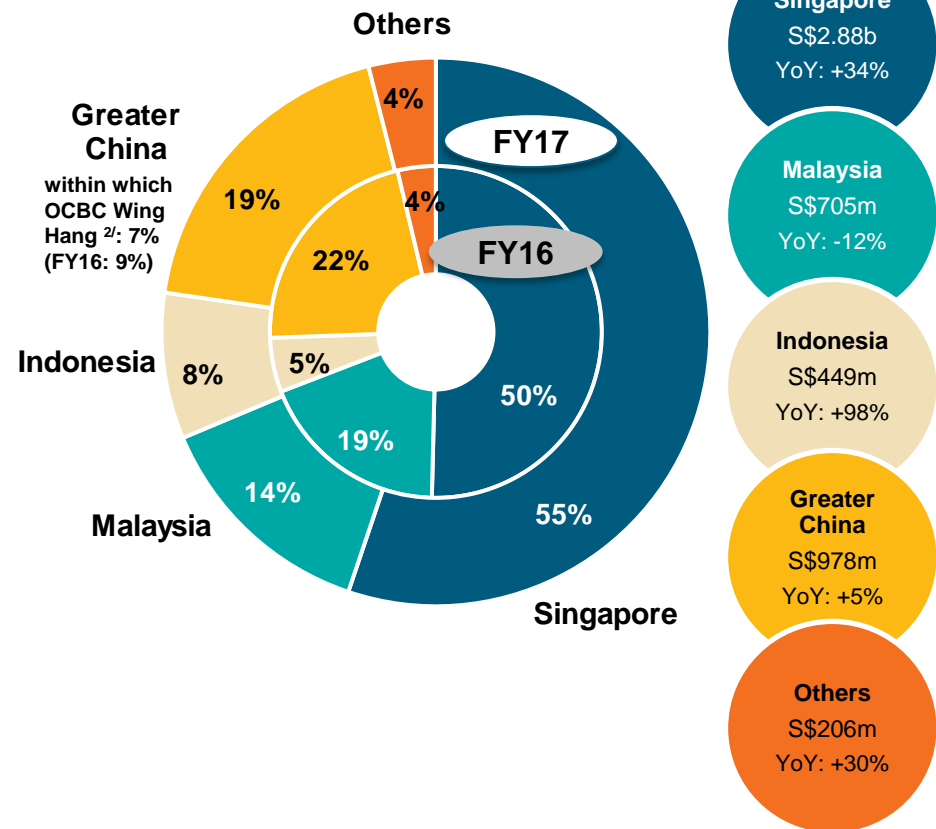
# Performance by geography and business

Earnings well-diversified across key geographical and business segments

**FY17 Operating Profit by Business<sup>1/</sup>**



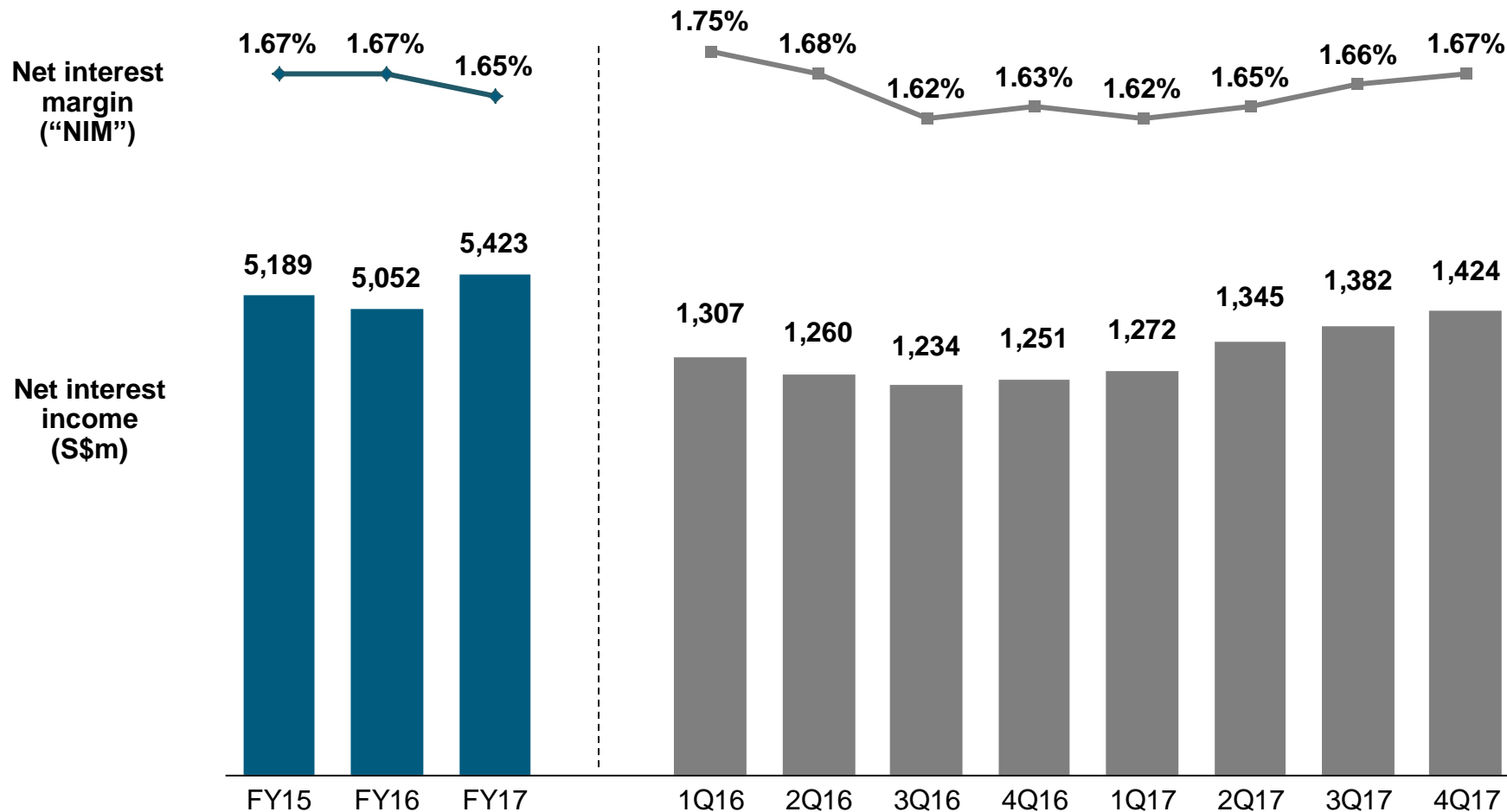
**FY17 PBT by Geography**



1/ Operating profit before allowances and amortisation. Excludes the Others segment, which comprises mainly property holding, investment holding, items not attributable to the business segments, as well as the offset of China operations which is reported in both the business segments and OCBC Wing Hang.  
 2/ This included OCBC Bank (China) from mid July 2016.

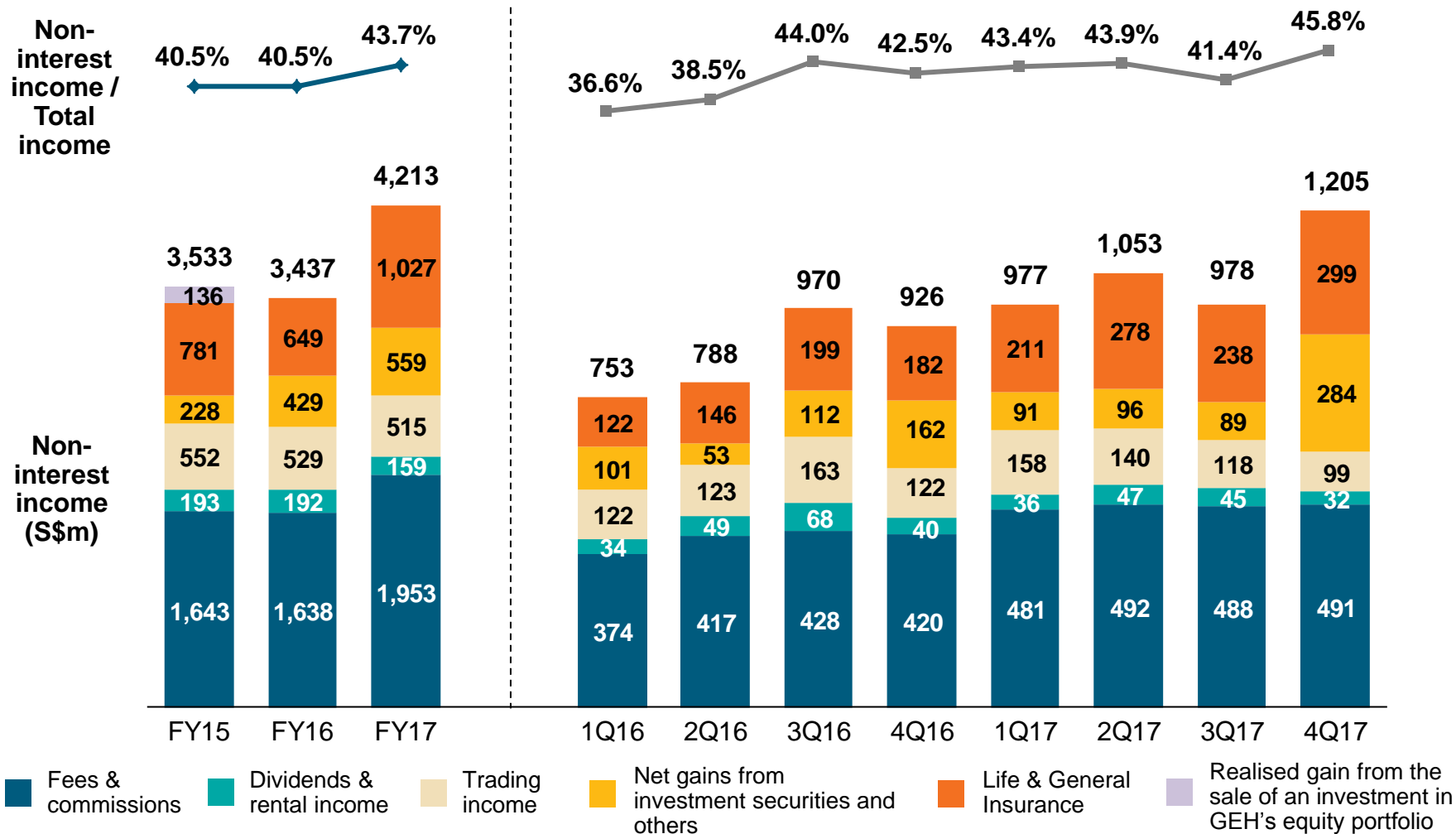
# Net interest income

FY17 NII rose 7% YoY, driven by robust asset growth;  
 NIM steadily improved over each successive quarter in FY17



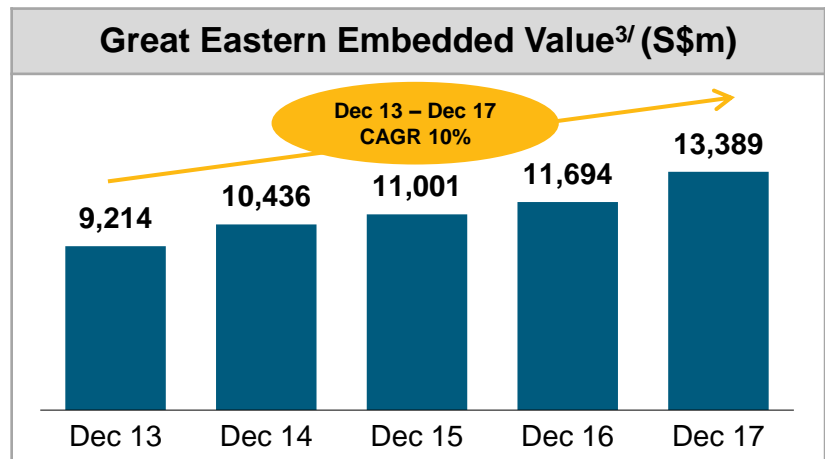
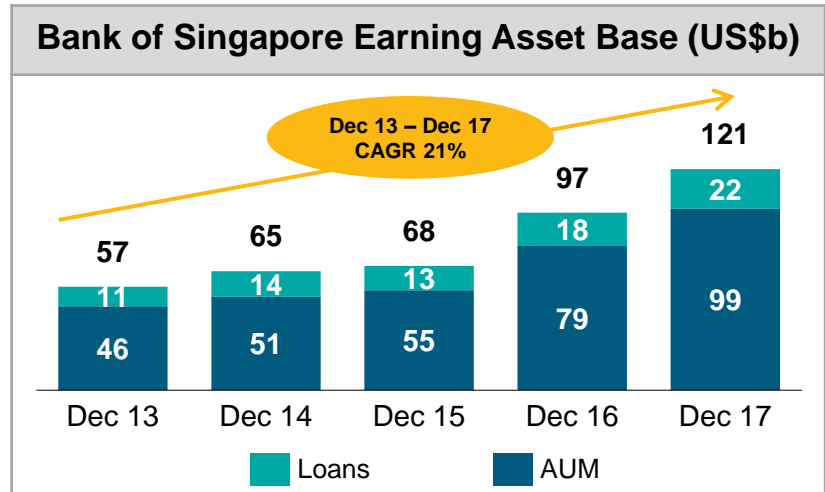
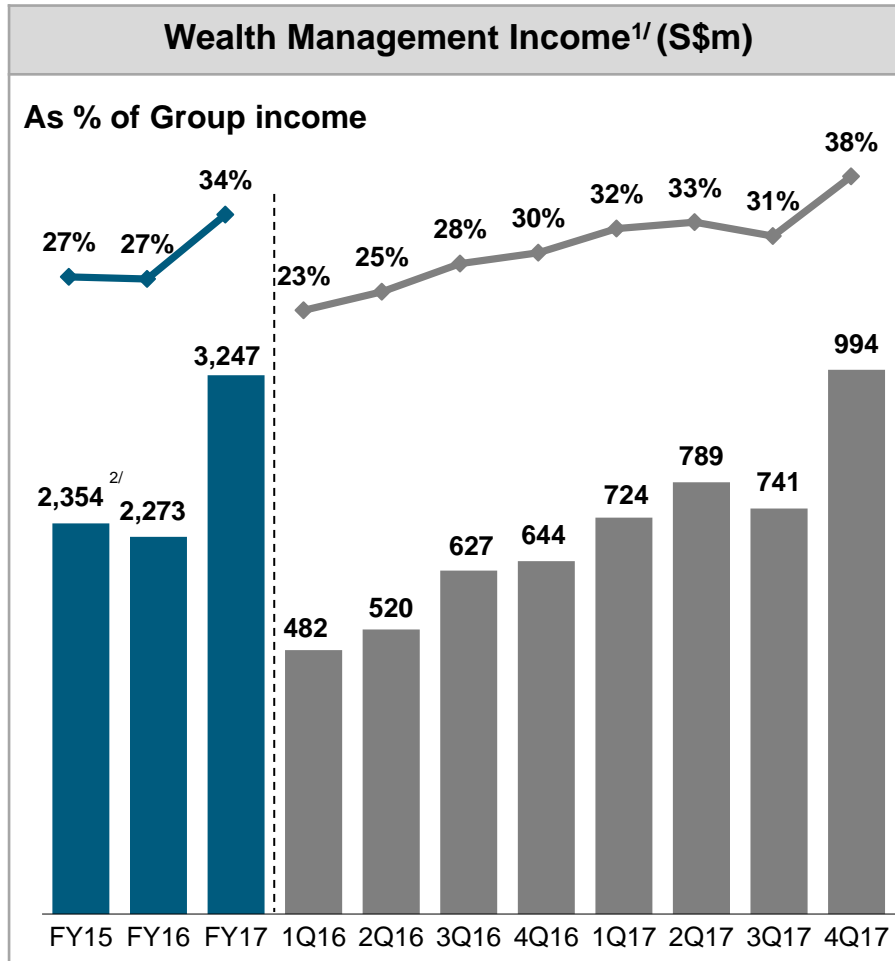
# Non-interest income

FY17 non-interest income increased 23% YoY from broad-based growth, led by higher fee and insurance income



# Wealth Management

FY17 wealth management income rose 43% from robust growth across key customer segments; BOS' AUM rose 25% YoY to US\$99b



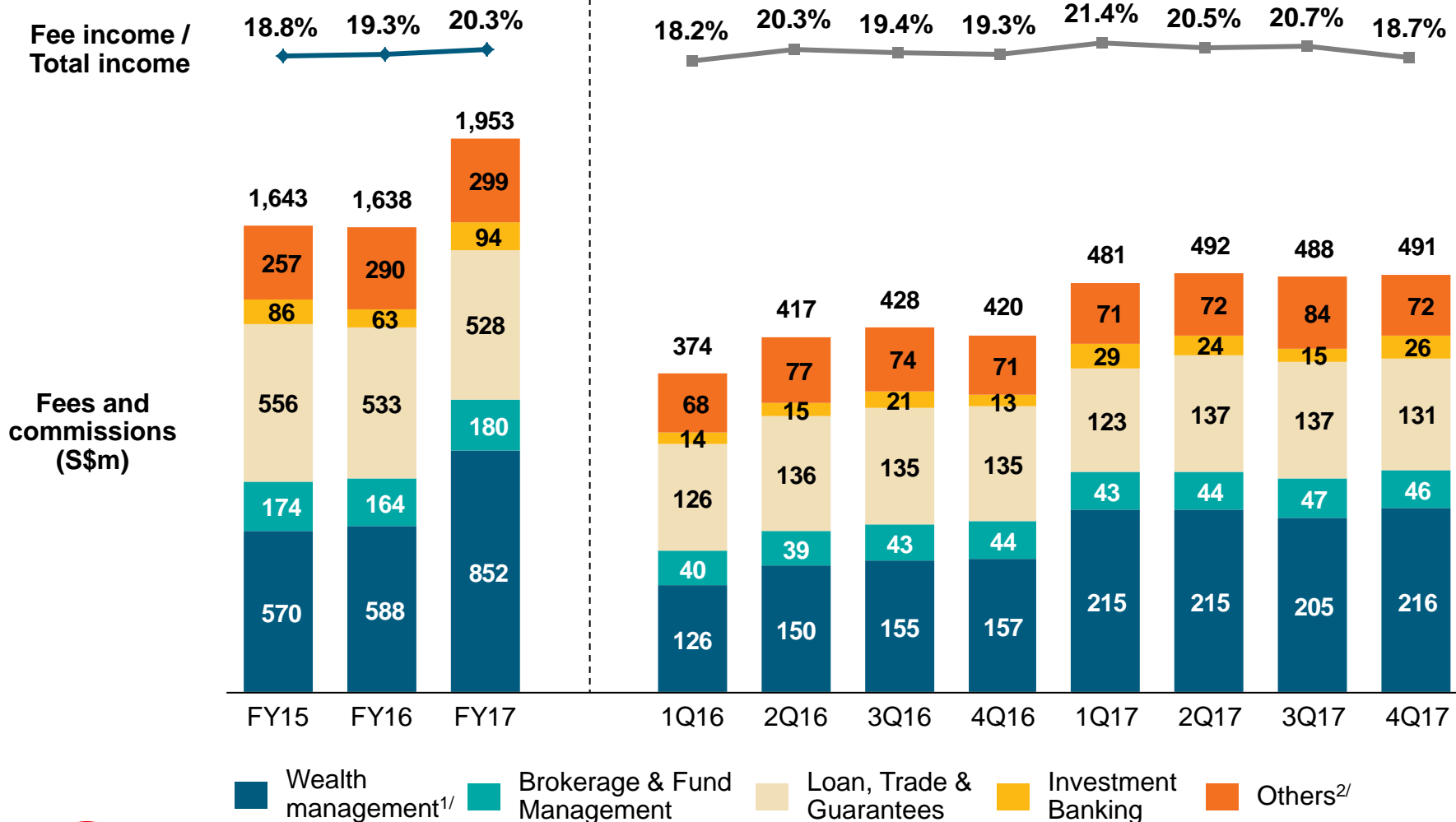
<sup>1/</sup> Wealth management income comprises the consolidated income from insurance, asset management, stockbroking and private banking subsidiaries, plus the Group's income from the sales of unit trusts, bancassurance products, structured deposits and other treasury products to consumer customers.

<sup>2/</sup> FY15 included a realised gain of S\$136m from the sale of an investment in GEH's equity portfolio.

<sup>3/</sup> An actuarial embedded value is a commonly used technique to estimate the economic value of the existing business of a life insurance company.

# Fees & Commissions

FY17 fee income grew 19%, underpinned by a 45% rise in wealth management fees

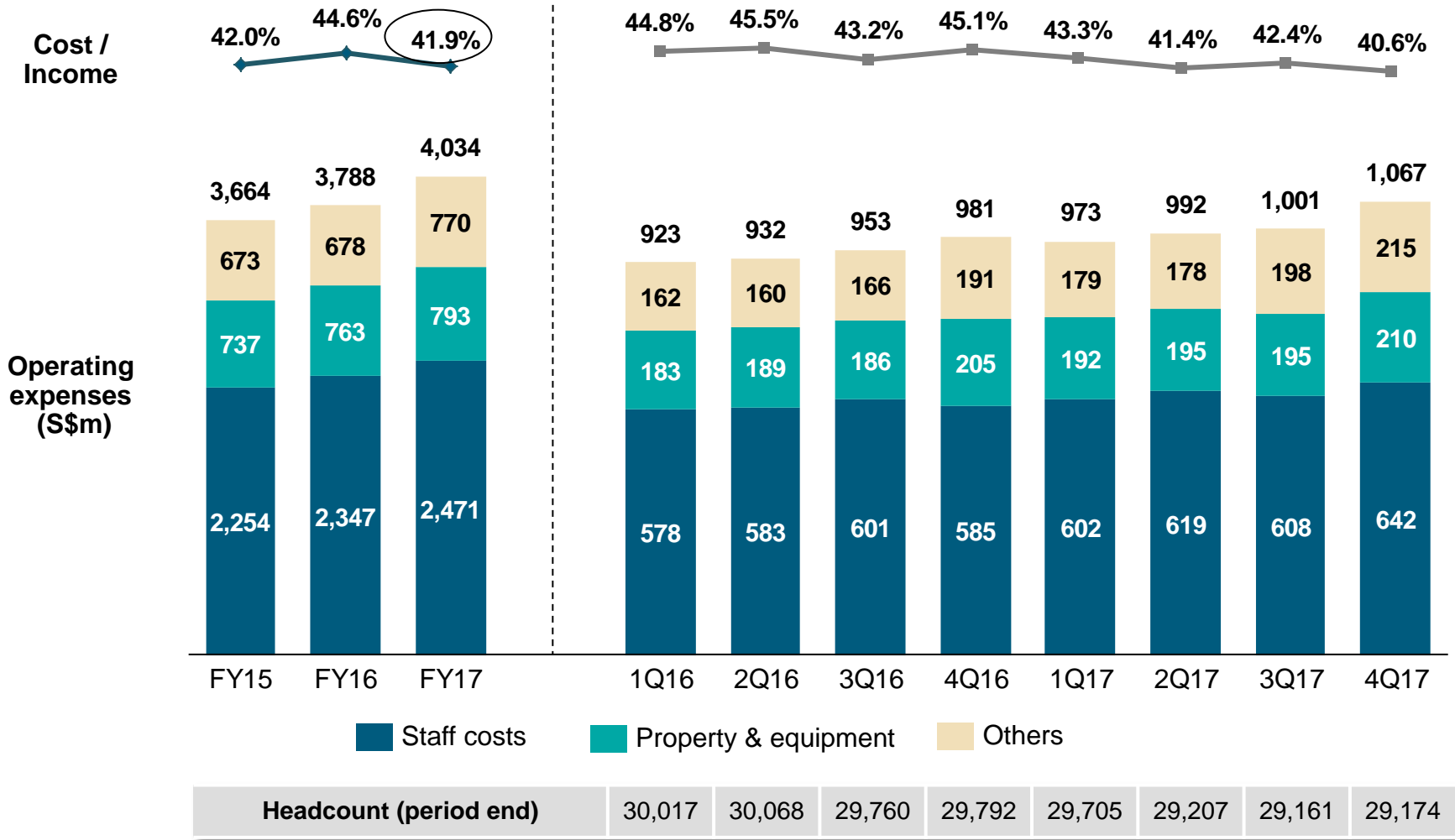


1/ Mainly comprising income from private banking, and sales of unit trusts, bancassurance products, structured deposits and other treasury products to consumer customers.

2/ "Others" includes credit card fees, service charges and other fee and commission income.

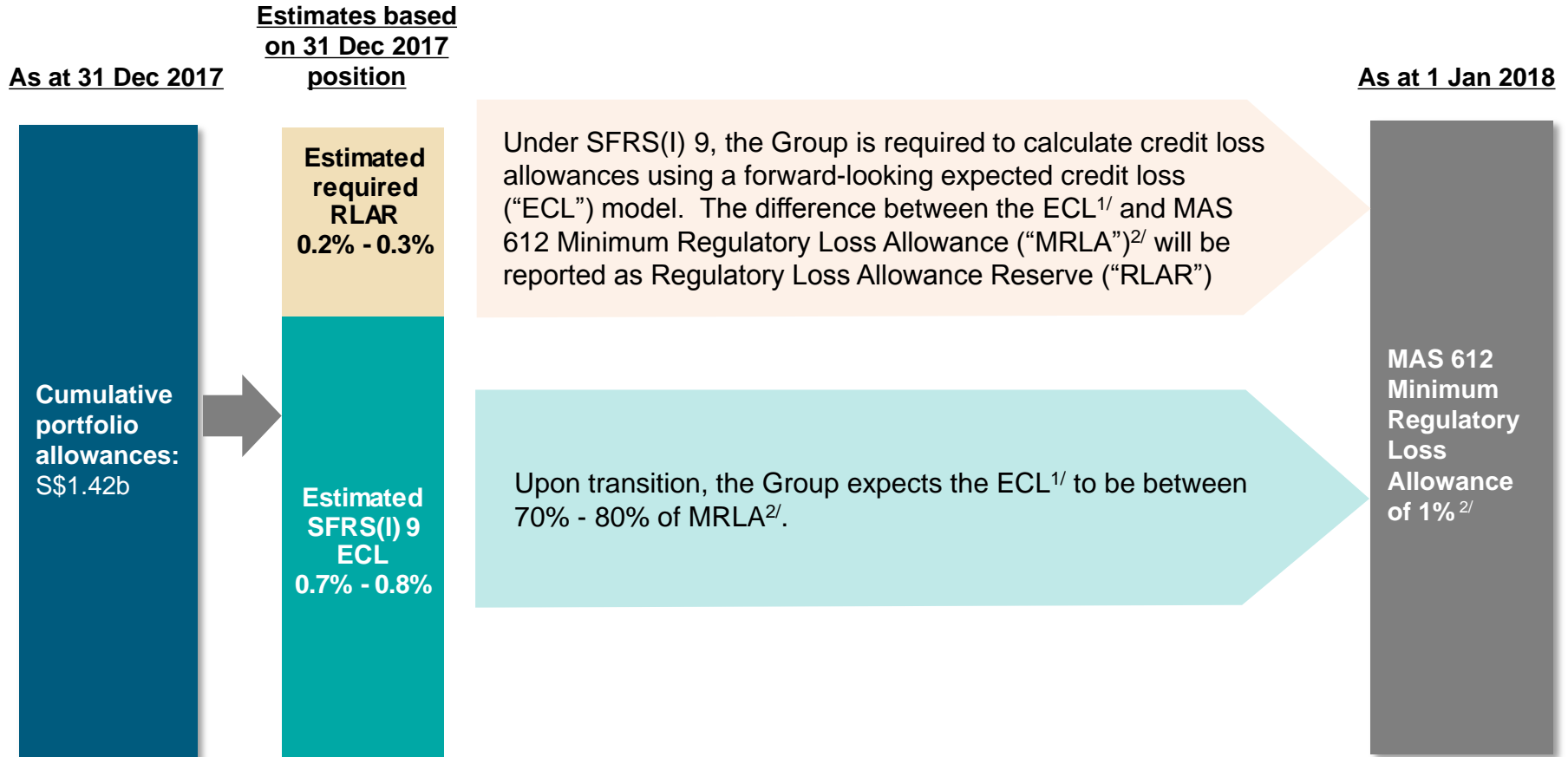
# Operating expenses

FY17 expenses up 6% YoY, largely driven by an increase in staff costs and expenditure associated with expanded business growth; CIR improved to 41.9%



# Allowances under SFRS(I) 9 and new MAS 612

Group well-positioned to comply with SFRS(I) 9 and new MAS 612 requirements upon transition on 1 Jan 2018

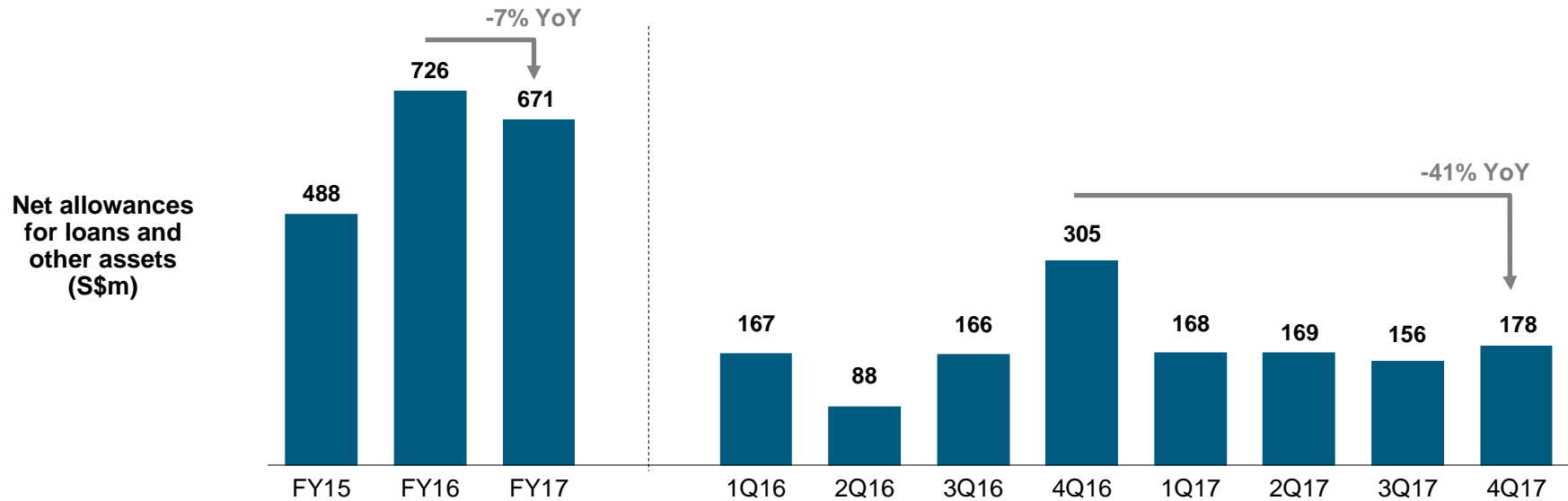


1/ The Group is currently finalising its testing of the ECL model and the opening transition adjustments on 1 January 2018 may be different.

2/ Minimum regulatory loss allowance of 1% on non-credit impaired non-bank exposures net of eligible collaterals.

# Allowances

Excess portfolio allowances of S\$887m released in 4Q17; OSV exposures drove the increase in specific allowances



## Net allowances for loans and other assets (S\$m)

Net specific loan allowances	232	484	1,407
- Allowances for new & existing loans	418	666	1,632
- Write-backs <sup>1/</sup>	(133)	(126)	(161)
- Recoveries <sup>2/</sup>	(53)	(56)	(64)
Portfolio allowances	177	172	(786)
Allowances and impairment charges for other assets	79	70	50

	99	52	99	235	108	105	138	1,055
	136	90	154	286	149	173	192	1,117
	(26)	(26)	(36)	(38)	(31)	(53)	(32)	(45)
	(11)	(12)	(19)	(13)	(10)	(15)	(22)	(17)
	56	8	64	43	39	59	3	(887)
	12	28	3	27	21	5	15	10

## As a % of avg. loans (bps) <sup>3/</sup>

Net specific loan allowances	11	23	62
Total loan allowances <sup>4/</sup>	19	31	27

	19	10	19	44	20	19	24	178
	30	12	31	52	27	29	24	28

1/ Write-backs of specific allowances for existing NPLs due to settlements and repayments.

2/ Recoveries of loans that had been written off.

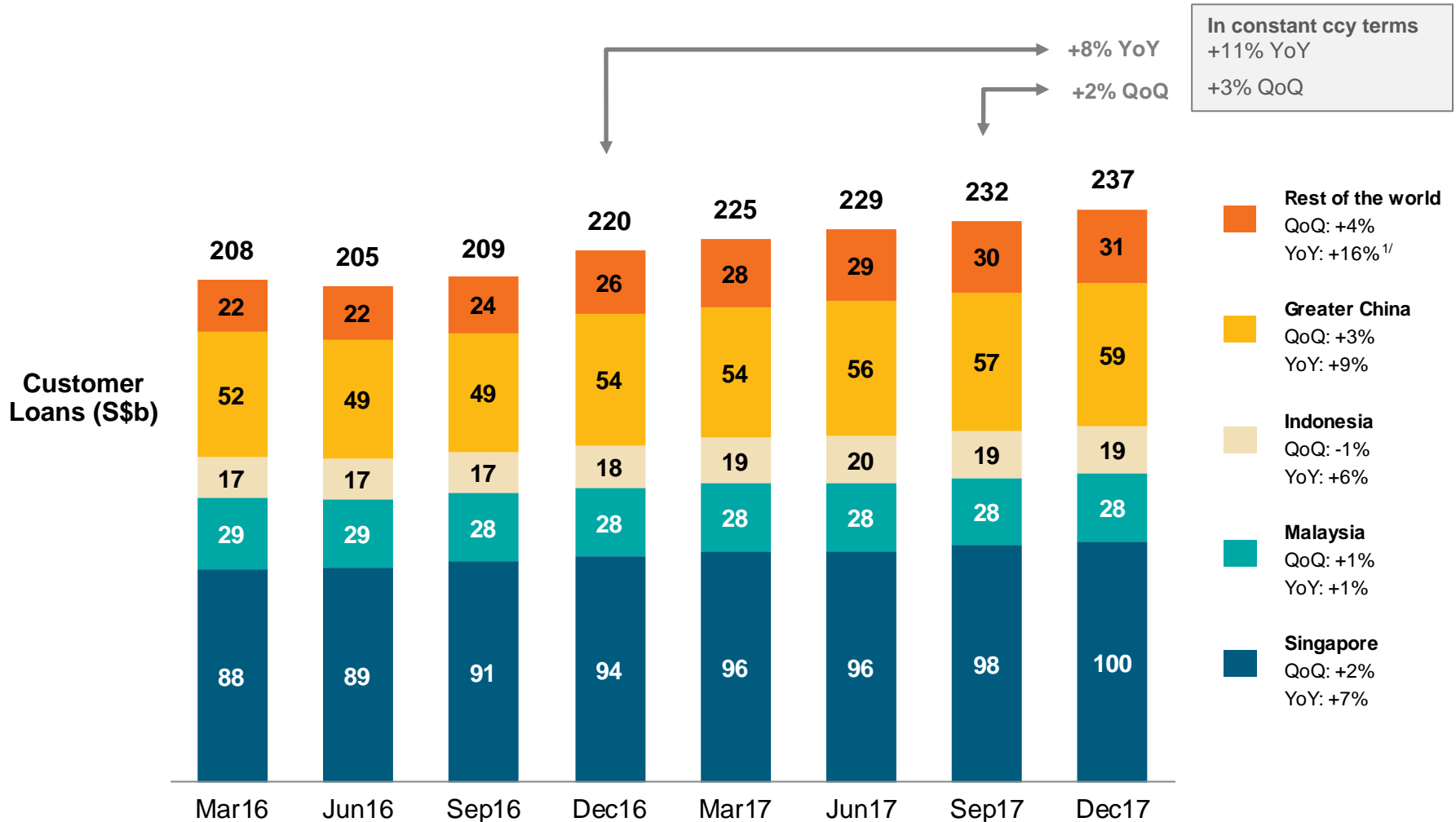
3/ Figures are computed on an annualised basis.

4/ Total loan allowances include net specific allowances and portfolio allowances.



# Customer loans

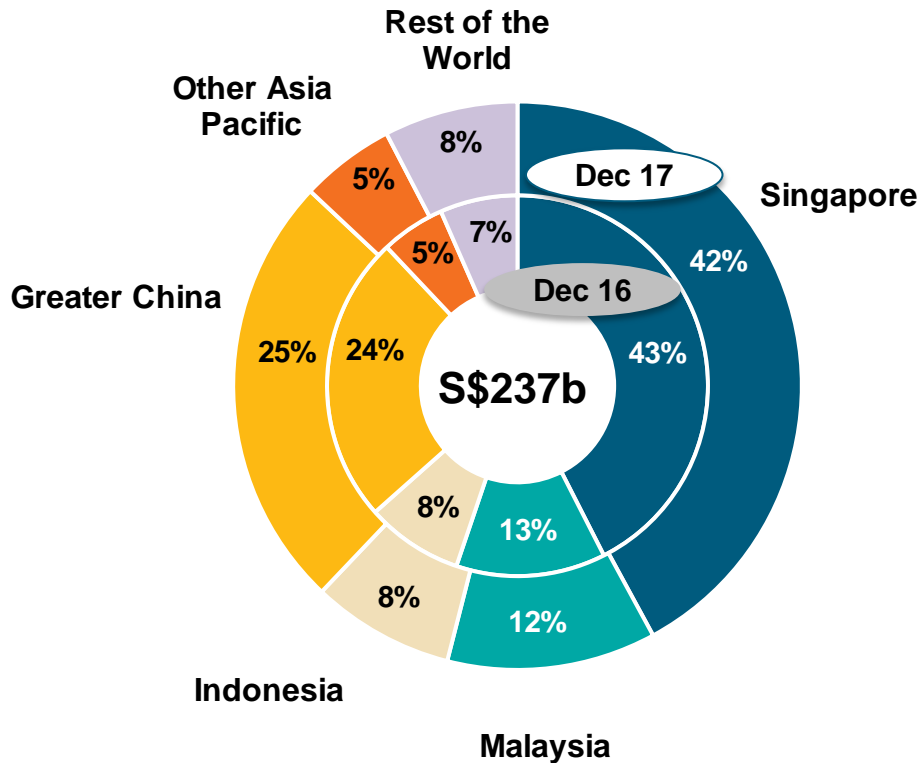
Loans up 8% YoY and 2% QoQ to S\$237b



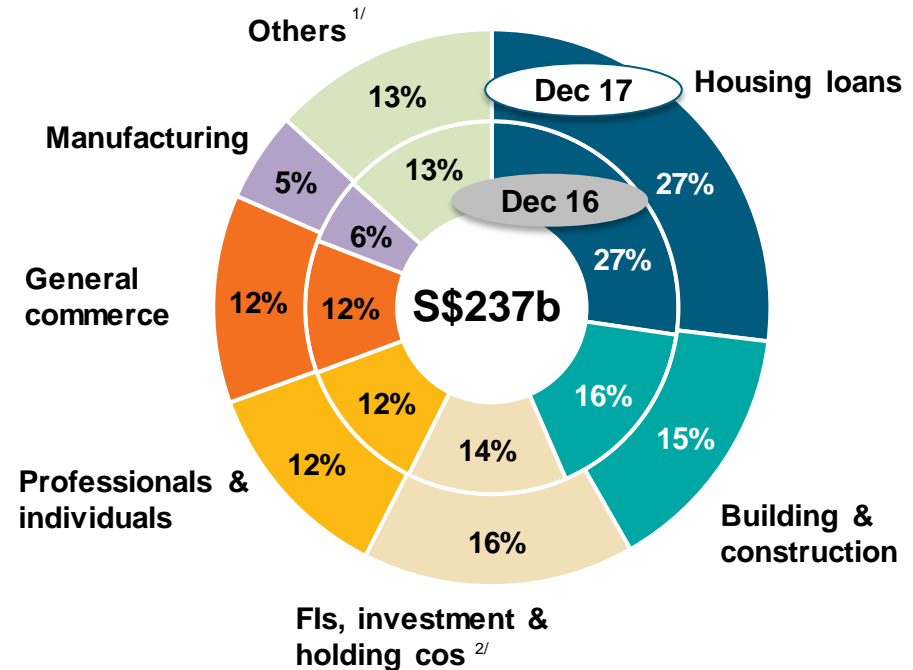
# Customer loans

Loans portfolio well-diversified across geographies and industries

## Customer Loans by Geography

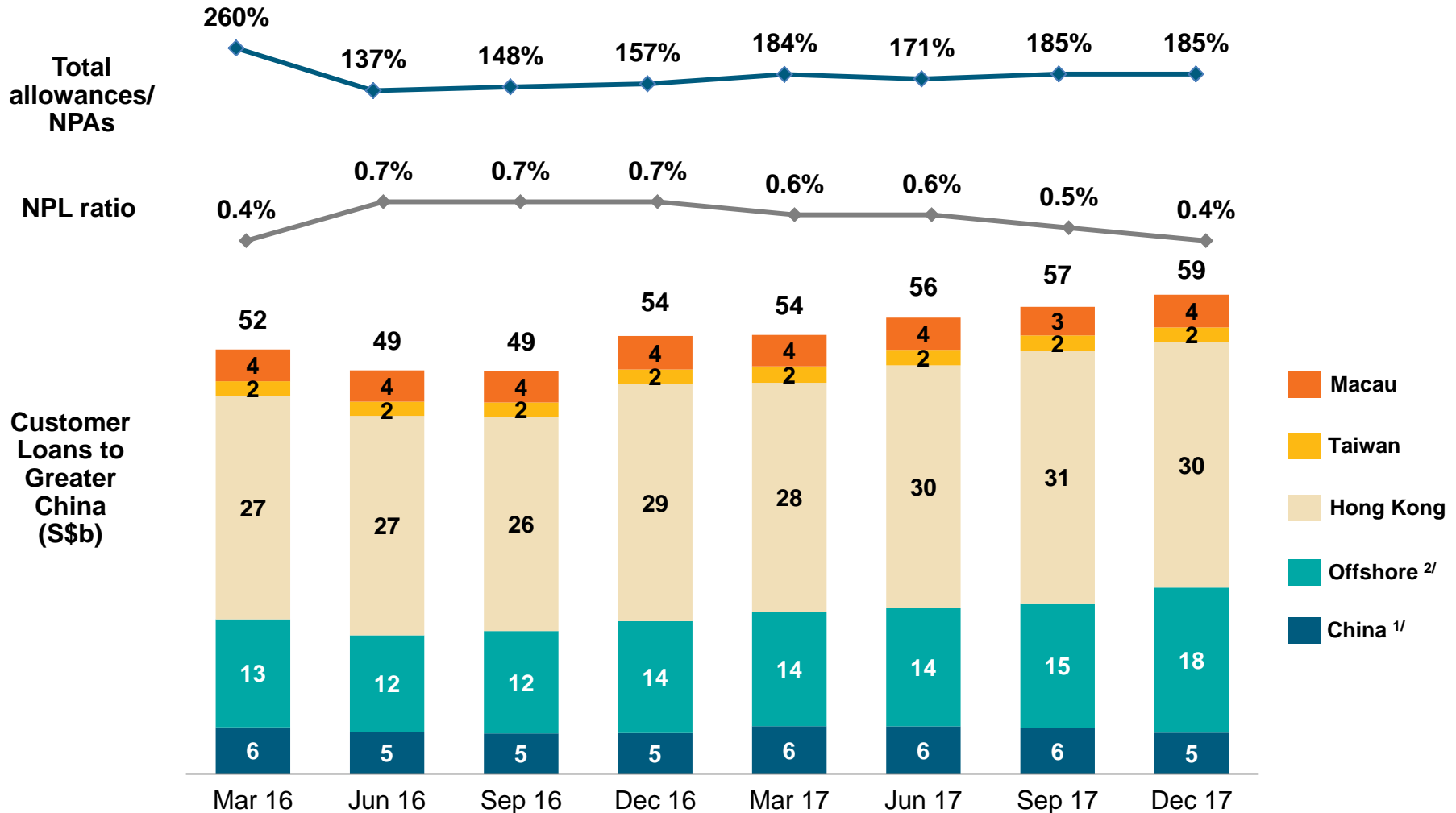


## Customer Loans by Industry



# Greater China Customer Loans

Loans up QoQ and YoY; NPL ratio lower at 0.4% and coverage ratios maintained

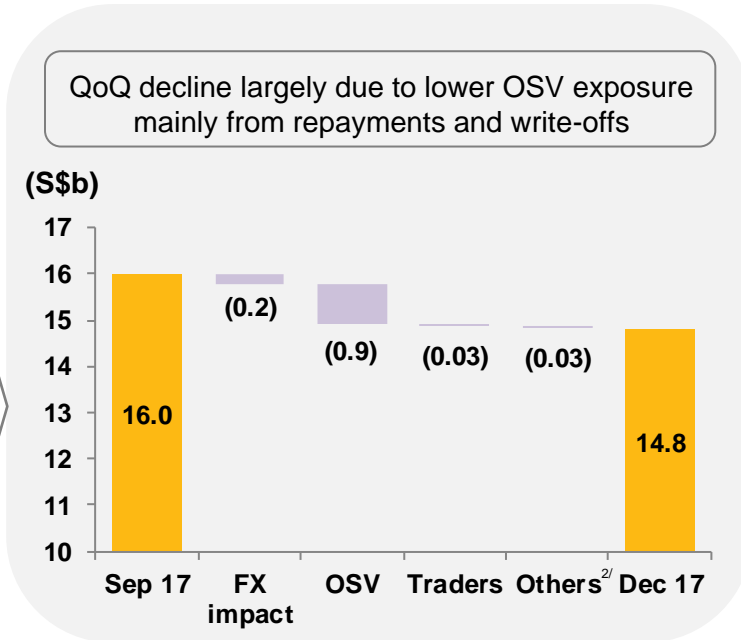
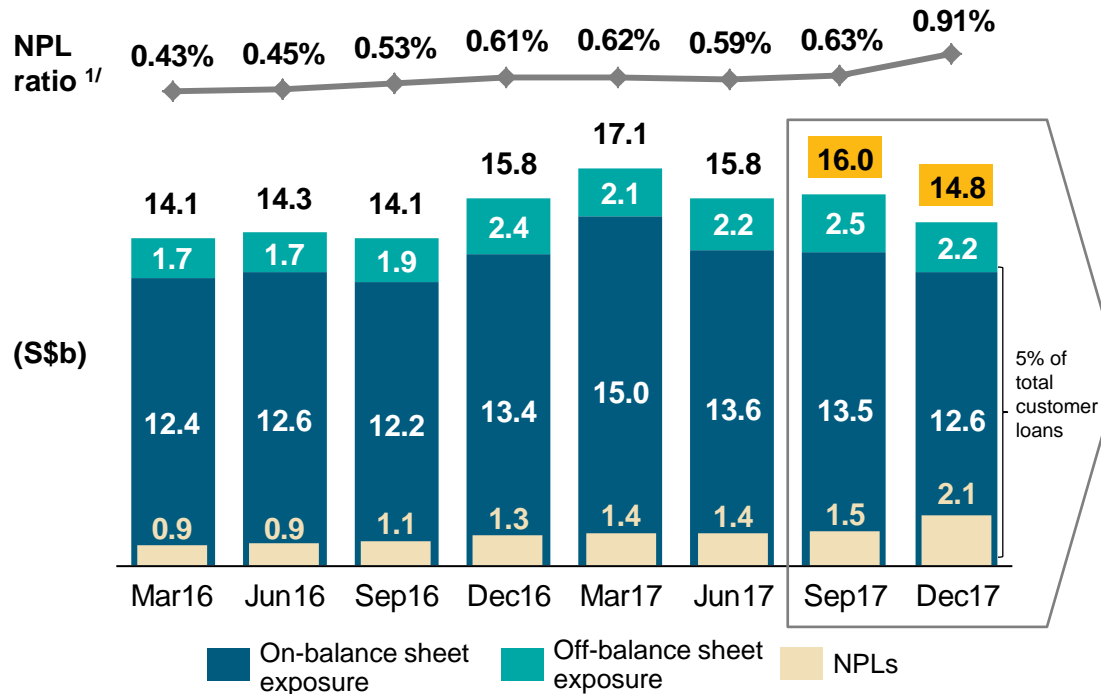


Note: Customer loans to Greater China is based on where the credit risks reside, which may be different from the borrower's country of residence or the booking location of the loans.

1/ Relates to loans that are booked in China, where credit risks reside.

2/ Relates to loans that are booked outside of China, but with credit risks traced to China.

# Oil & Gas exposure

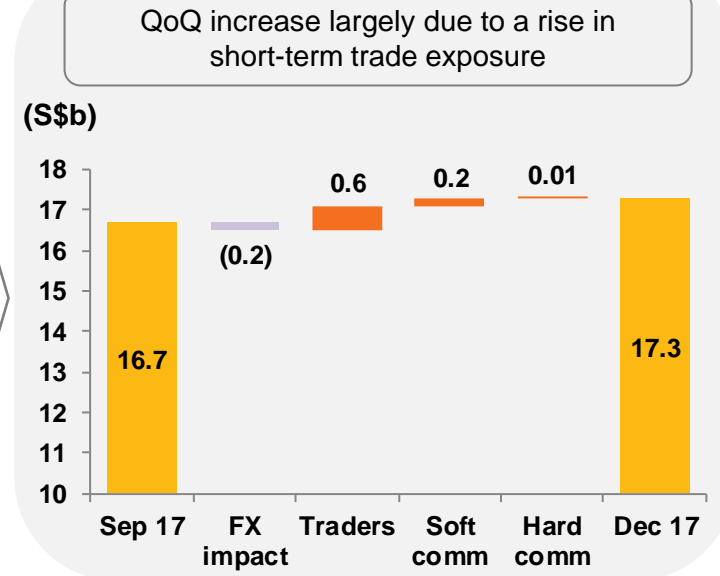
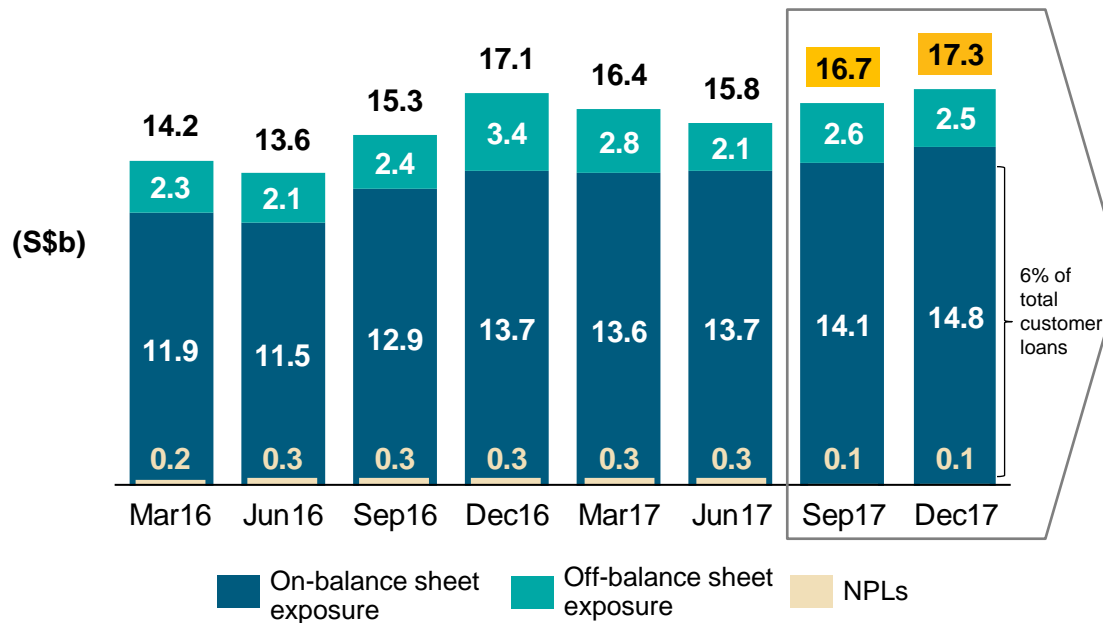


- Approximately 70% of oil & gas NPLs are being serviced; pro-active steps taken to restructure loans based on stress-test results
- Oil & gas offshore support services and vessels (“OSV”) sector made up S\$4.8b or 38% of oil & gas on-balance sheet exposure as at 31 December 2017, of which:
  - 43% are made to large conglomerates and national oil companies
  - 57% are made to other OSV companies, with 71% or S\$1.9b classified as NPLs. Of these NPLs:
    - 75% are paying principal and/or interest
    - 84% are secured by collateral

# Commodities exposure

NPL ratio <sup>1/</sup>

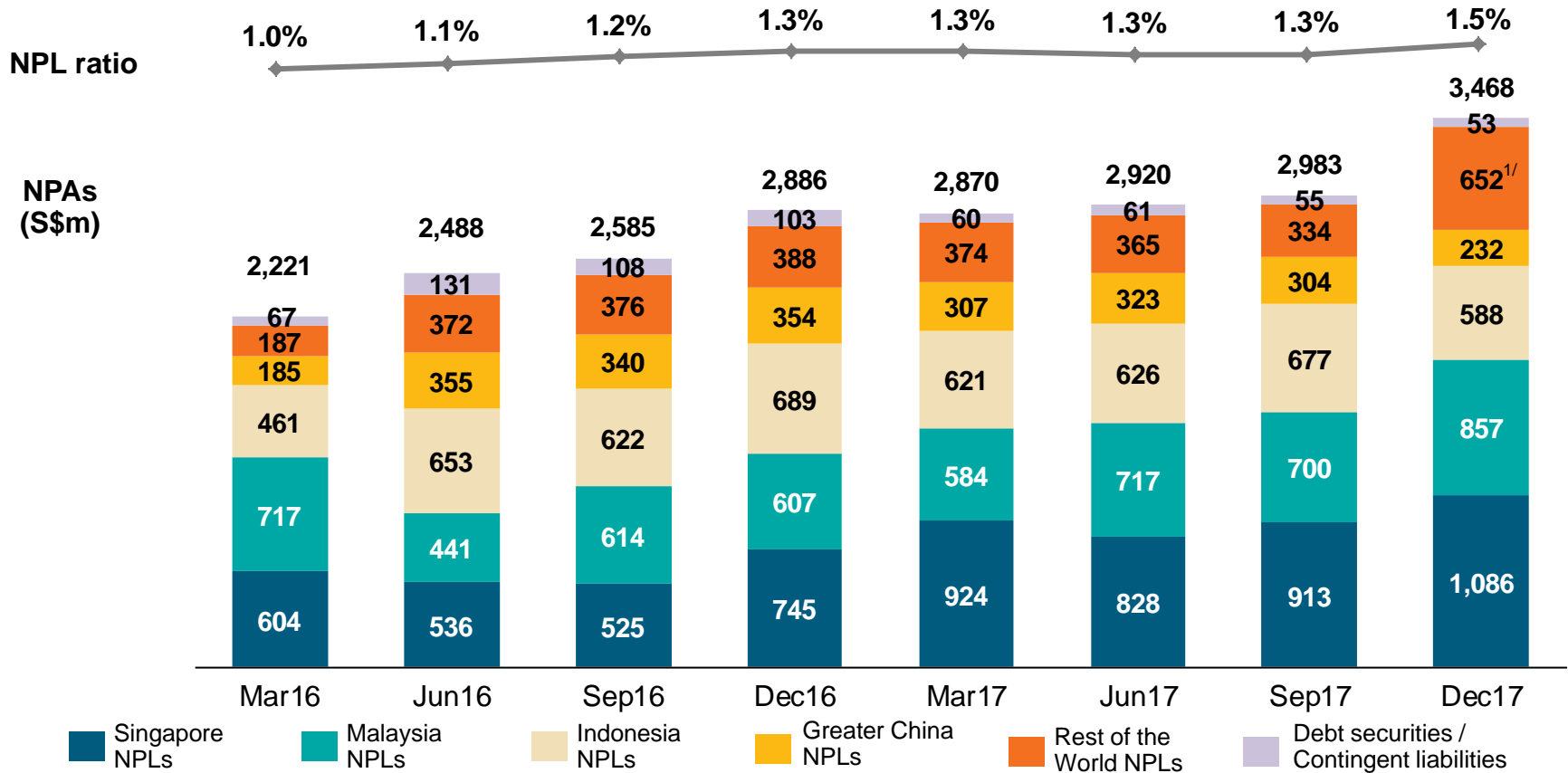
0.10% 0.16% 0.13% 0.13% 0.12% 0.11% 0.05% 0.03%



- Commodity on-balance sheet exposure comprises soft commodities (e.g. CPO) 44%, trading 28%, and hard commodities (e.g. metals) 28%
- NPL ratio as at 31 December 2017 remained low; overall portfolio asset quality resilient

# Asset quality

NPL ratio at 1.5%; NPA increased to S\$3.47b mainly from downgrade of OSV exposures



<b>Total allow./ NPAs</b>	113%	100%	101%	100%	101%	101%	101%	77%
<b>Total allow./ unsecured NPAs</b>	384%	271%	308%	303%	297%	304%	309%	313%
<b>Secured NPAs/ Total NPAs</b>	71%	63%	67%	67%	66%	67%	67%	76%

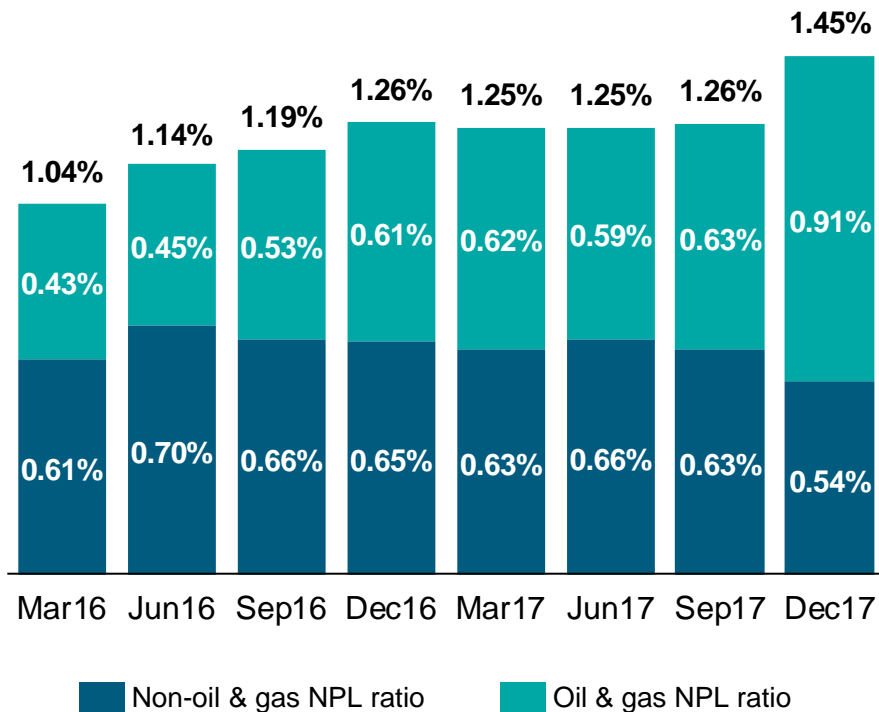
Note: NPAs comprise NPLs and classified debt securities/contingent liabilities.

<sup>1/</sup> Increase largely due to OSV-related exposures linked to Singapore-held groups.

# NPL Ratio & Non-Performing Assets

Non-oil and gas related NPLs continued to be low

## NPL ratio

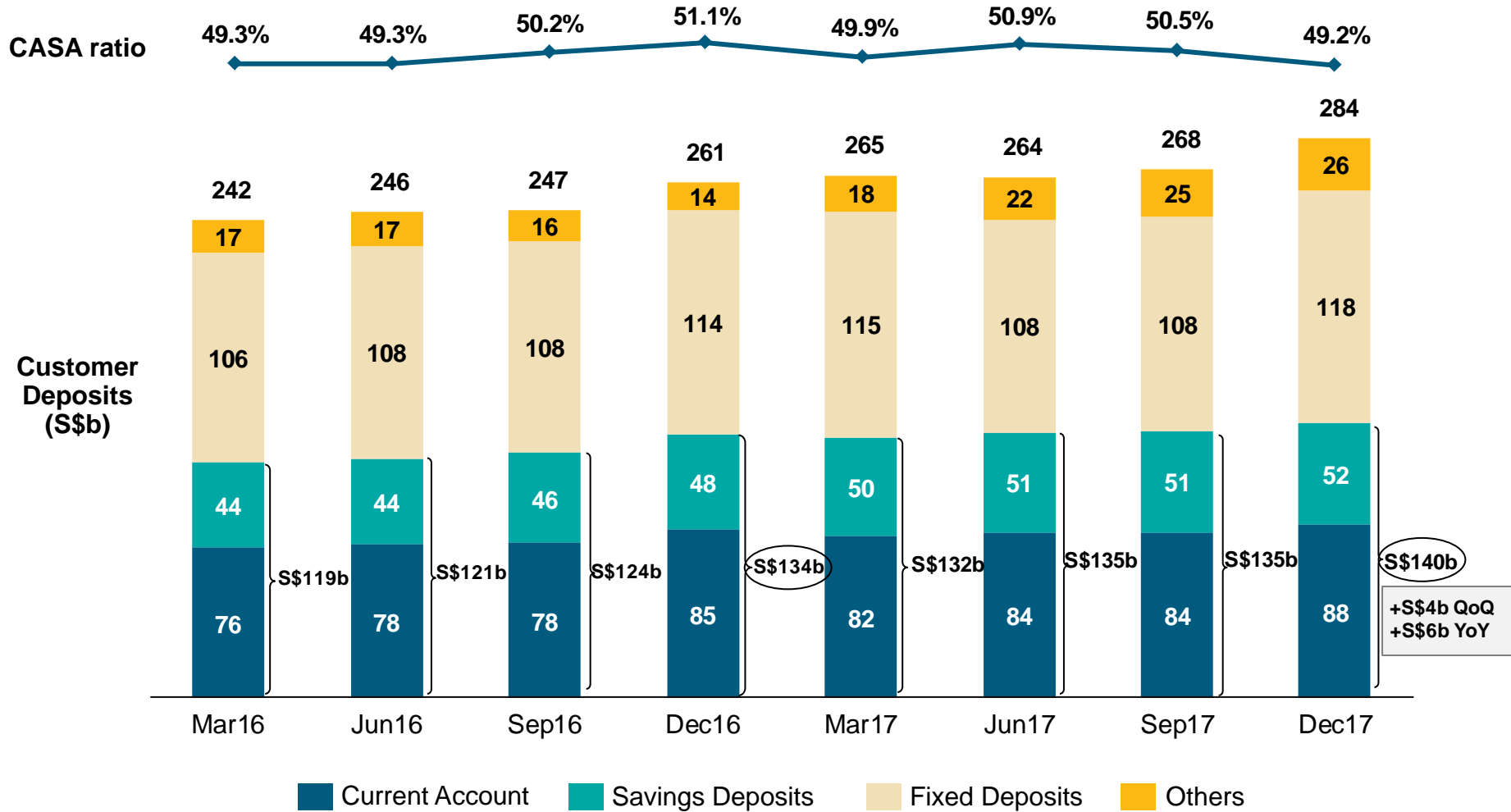


## NPAs

	FY17 S\$m	FY16 S\$m	4Q17 S\$m	3Q17 S\$m	4Q16 S\$m
Opening balance	2,886	2,039	2,983	2,920	2,585
New NPAs	2,438	2,287	1,355	409	510
Net recoveries/ upgrades	(1,054)	(1,161)	(334)	(243)	(129)
Write-offs	(802)	(279)	(536)	(103)	(80)
<b>Closing balance</b>	<b>3,468</b>	<b>2,886</b>	<b>3,468</b>	<b>2,983</b>	<b>2,886</b>

# Customer deposits

Growth in customer deposits underpinned by 4% YoY increase in CASA balances; CASA ratio at 49.2% of total deposits

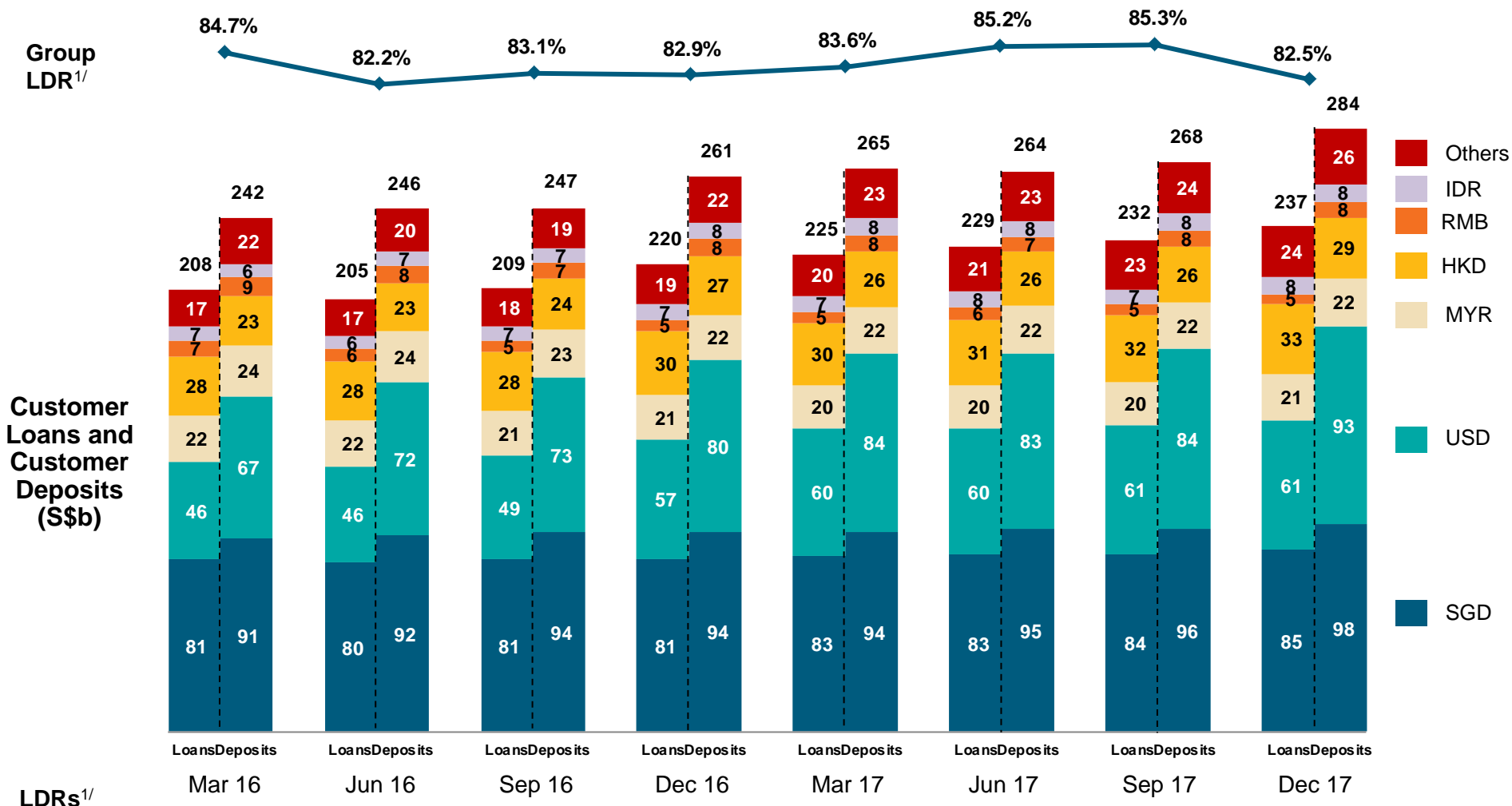


Note: CASA ratio refers to the ratio of current account and savings deposits to total customer deposits.



# Loans-to-Deposits Ratio

Group LDR at 82.5%



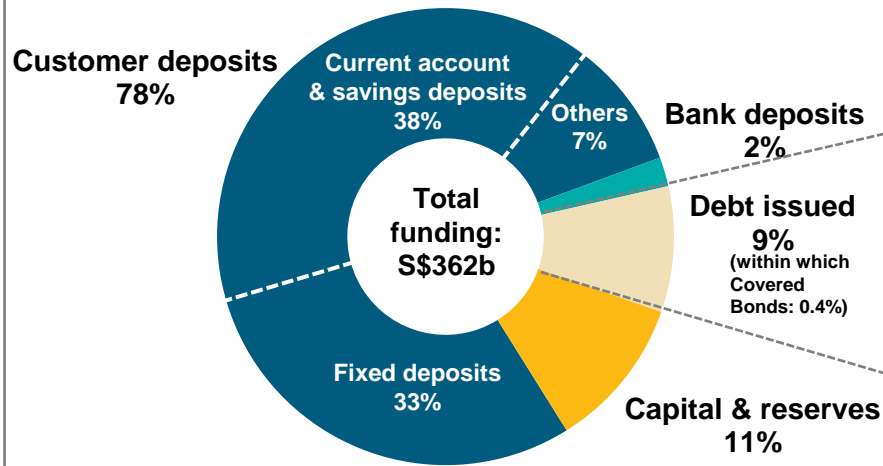
LDRs <sup>1/</sup>	Mar 16	Jun 16	Sep 16	Dec 16	Mar 17	Jun 17	Sep 17	Dec 17
SGD	89.5%	87.3%	86.8%	86.1%	88.2%	87.4%	87.7%	87.5%
USD	67.7%	63.1%	66.7%	70.4%	71.0%	72.0%	72.0%	65.8%
RMB	83.1%	71.3%	75.8%	64.7%	65.8%	73.2%	69.0%	61.3%

<sup>1/</sup> Group LDRs based on net customer loans / customer deposits; LDRs by currency based on gross customer loans / customer deposits.

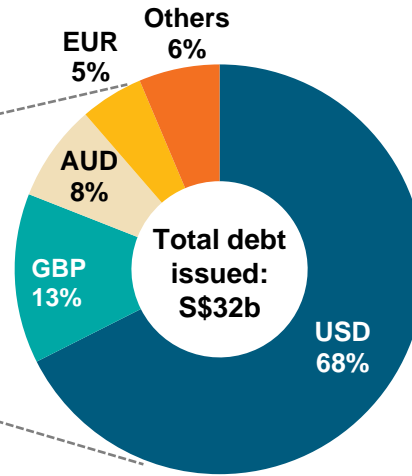
# Funding & Liquidity

Well-diversified funding mix; customer deposits formed majority of the funding base; LCR comfortably above regulatory guidelines

Funding Composition as of 31 Dec 2017



Wholesale Funding by Currency as of 31 Dec 2017



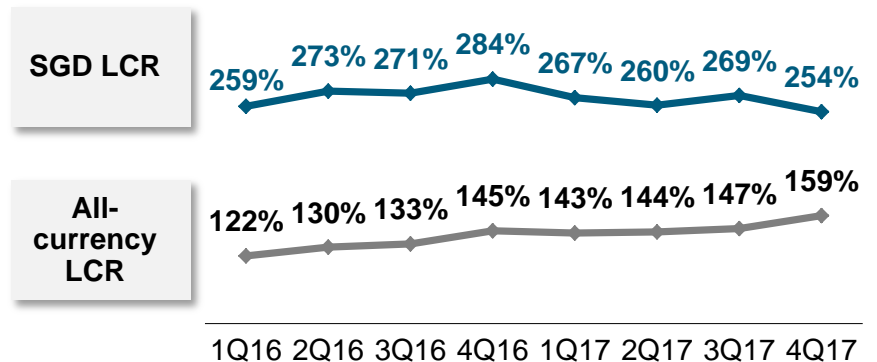
By Maturity:

≤ 1 year	76%
> 1 year	24%

CASA by Major Currencies

S\$b	Dec 16	Sep 17	Dec 17
SGD	65	67	69
USD	38	38	38
MYR	6	6	6
HKD	10	11	11
IDR	3	3	3

Average Liquidity Coverage Ratio

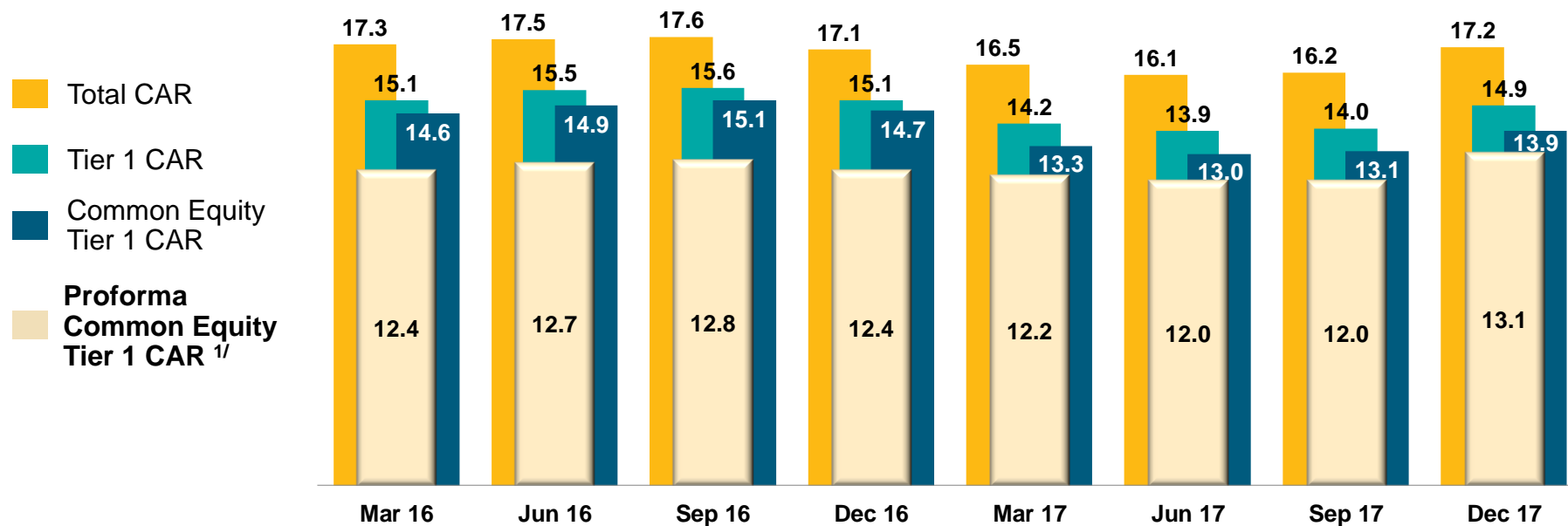


Note: Both Singapore dollar and all-currency LCRs were higher as compared to the regulatory requirements effective at each reporting date.

# Capital

Capital position remained robust and well above regulatory requirements

## Capital Adequacy Ratios (%)



CET1 capital (S\$m)	27,846	28,417	28,728	29,143	27,688	27,800	27,807	26,907
Tier 1 capital (S\$m)	28,856	29,434	29,736	29,968	29,558	29,684	29,694	28,960
RWA (S\$m)	189,940	189,862	189,775	197,763	207,224	212,527	211,372	193,082

Leverage ratio <sup>2/</sup> (%)	8.2	8.2	8.4	8.2	7.7	7.8	7.6	7.3
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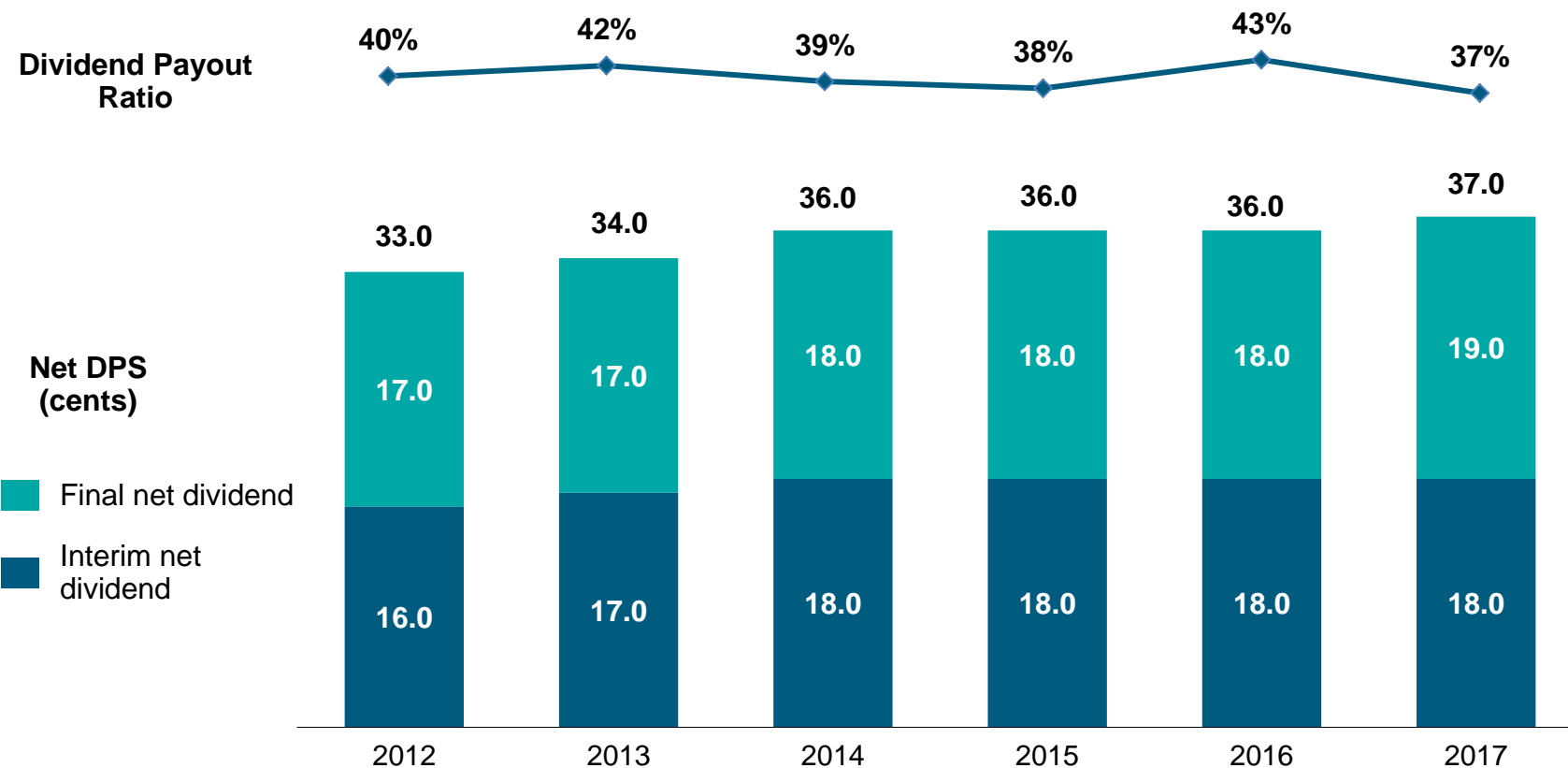
Note: Capital ratios are computed based on Basel III transitional arrangements.

1/ Based on Basel III rules which will be effective from 1 January 2018.

2/ Leverage ratio of 7.3% as at 31 December 2017 was well above the 3% minimum regulatory requirement.

# Dividends

Proposed final dividend increased from 18 cents to 19 cents per share



<b>Net Dividends (S\$m)</b>	1,133	1,168	1,347	1,470	1,507	1,550
<b>Core Net Profit (S\$m)</b>	2,825	2,768	3,451	3,903	3,473	4,146

# Agenda

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FY17 & 4Q17 Group Performance Trends

## **Appendix: Performance of Major Subsidiaries**

- Great Eastern Holdings
- OCBC Wing Hang
- OCBC Malaysia
- OCBC NISP

# Subsidiaries' Performance

Major subsidiaries' full year earnings all up and contributed 46% to the Group's net profit

	Key Metrics		YoY	
	FY17	FY16		
Great Eastern Holdings	Net profit	S\$589m	S\$1,156m	+96%
	NBEV	S\$470m	S\$548m	+17%
	NBEV margin	43.6%	41.5%	-2.1ppt
	TWNS	S\$1,078m	S\$1,321m	+23%
OCBC Wing Hang	Net profit	HKD2,047m	HKD2,408m	+18%
	Loans	HKD162b	HKD180b	+11%
	Deposits	HKD193b	HKD222b	+15%
OCBC Malaysia	Net profit	RM808m	RM949m	+17%
	Loans	RM69b	RM68b	flat
	Deposits	RM71b	RM74b	+4%
OCBC NISP	Net profit	IDR1,790b	IDR2,176b	+22%
	Loans	IDR93t	IDR106t	+14%
	Deposits	IDR104t	IDR113t	+10%

Note: Further details on the subsidiaries are set out in the Appendix.  
"ppt" denotes percentage points.

# FY17 Great Eastern Holdings' performance

Full year earnings contribution increased to S\$968m from S\$470m a year ago

GEH	FY17 S\$m	FY16 S\$m	YoY +/(-)%
Profit from insurance business	907	533	70
- Operating profit <sup>1/</sup>	599	502	19
- Non-operating profit / (loss) <sup>2/</sup>	224	(46)	583
- Others	84	77	10
Profit from Shareholders' Fund	422	193	119
<b>Profit from operations</b>	<b>1,329</b>	<b>725</b>	<b>83</b>
Allowances	(17)	(17)	-
Associates	(0)	(1)	(98)
Tax & NCI	(156)	(118)	31
<b>Net profit</b>	<b>1,156</b>	<b>589</b>	<b>96</b>
Group adjustments <sup>3/</sup>	(188)	(119)	58
<b>Net profit contribution to Group</b>	<b>968</b>	<b>470</b>	<b>106</b>

Note: For comparative reasons, Operating and Non-Operating Profit figures for periods prior to FY17 have been restated using exchange rates as at 31 December 2017. The differences between the restated and previously reported Operating Profit figures were included in the Non-Operating Profit.



- 1/ Operating Profit (net of tax) is defined as premiums less claims, surrenders, commissions, expenses and changes in reserves, plus investment income (dividends, coupons, etc).  
 2/ Non-operating profit / loss (net of tax) mainly comprises changes in the fair value of assets and liabilities, realised gains / losses on sale of investments, changes in liability discount rates and other non-recurring items.  
 3/ Primarily from adjustments made to amortisation for intangibles and non-controlling interests.

# 4Q17 Great Eastern Holdings' performance

4Q17 net profit contribution to the Group higher QoQ and YoY at S\$361m

GEH	4Q17 S\$m	3Q17 S\$m	QoQ +/(-)%	4Q16 S\$m	YoY +/(-)%
Profit from insurance business	<b>267</b>	212	26	151	77
- Operating profit <sup>1/</sup>	<b>156</b>	160	(3)	114	37
- Non-operating profit / (loss) <sup>2/</sup>	<b>80</b>	30	168	12	590
- Others	<b>31</b>	22	41	25	21
Profit from Shareholders' Fund	<b>227</b>	59	282	86	163
<b>Profit from operations</b>	<b>493</b>	<b>271</b>	<b>82</b>	<b>237</b>	<b>108</b>
Allowances	<b>(3)</b>	(7)	(58)	(4)	(34)
Associates	—	—	—	—	—
Tax & NCI	<b>(67)</b>	(29)	129	(38)	79
<b>Net profit</b>	<b>424</b>	<b>236</b>	<b>80</b>	<b>195</b>	<b>117</b>
Group adjustments <sup>3/</sup>	<b>(63)</b>	(42)	53	(35)	77
<b>Net profit contribution to Group</b>	<b>361</b>	<b>194</b>	<b>86</b>	<b>160</b>	<b>126</b>

Note: For comparative reasons, Operating and Non-Operating Profit figures for periods prior to 4Q17 have been restated using exchange rates as at 31 December 2017. The differences between the restated and previously reported Operating Profit figures were included in the Non-Operating Profit.

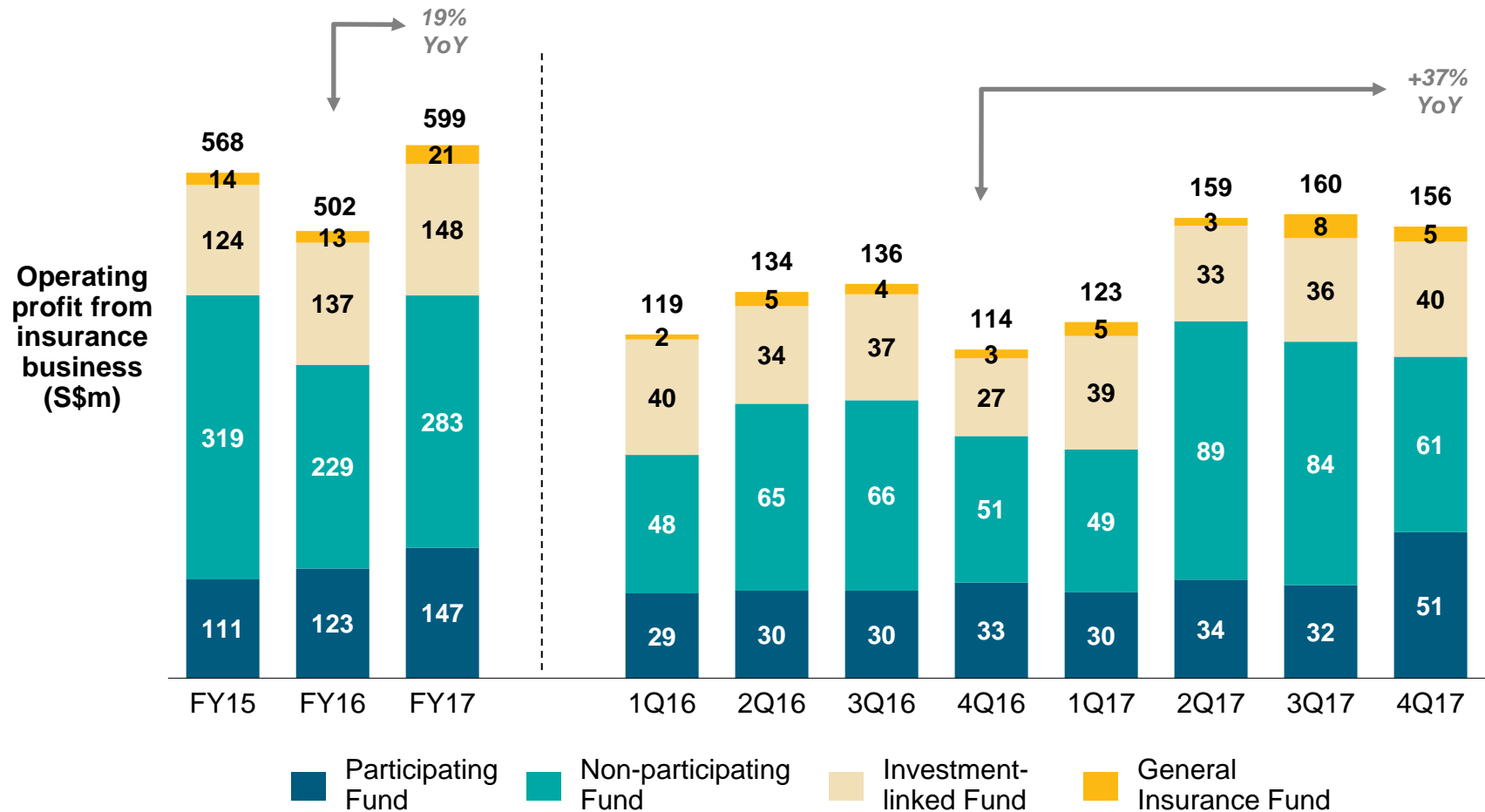


- 1/ Operating Profit (net of tax) is defined as premiums less claims, surrenders, commissions, expenses and changes in reserves, plus investment income (dividends, coupons, etc).  
 2/ Non-operating profit / loss (net of tax) mainly comprises changes in the fair value of assets and liabilities, realised gains / losses on sale of investments, changes in liability discount rates and other non-recurring items.  
 3/ Primarily from adjustments made to amortisation for intangibles and non-controlling interests.



# GEH: Operating Profit

Full year operating profit up 19% from broad-based insurance business growth

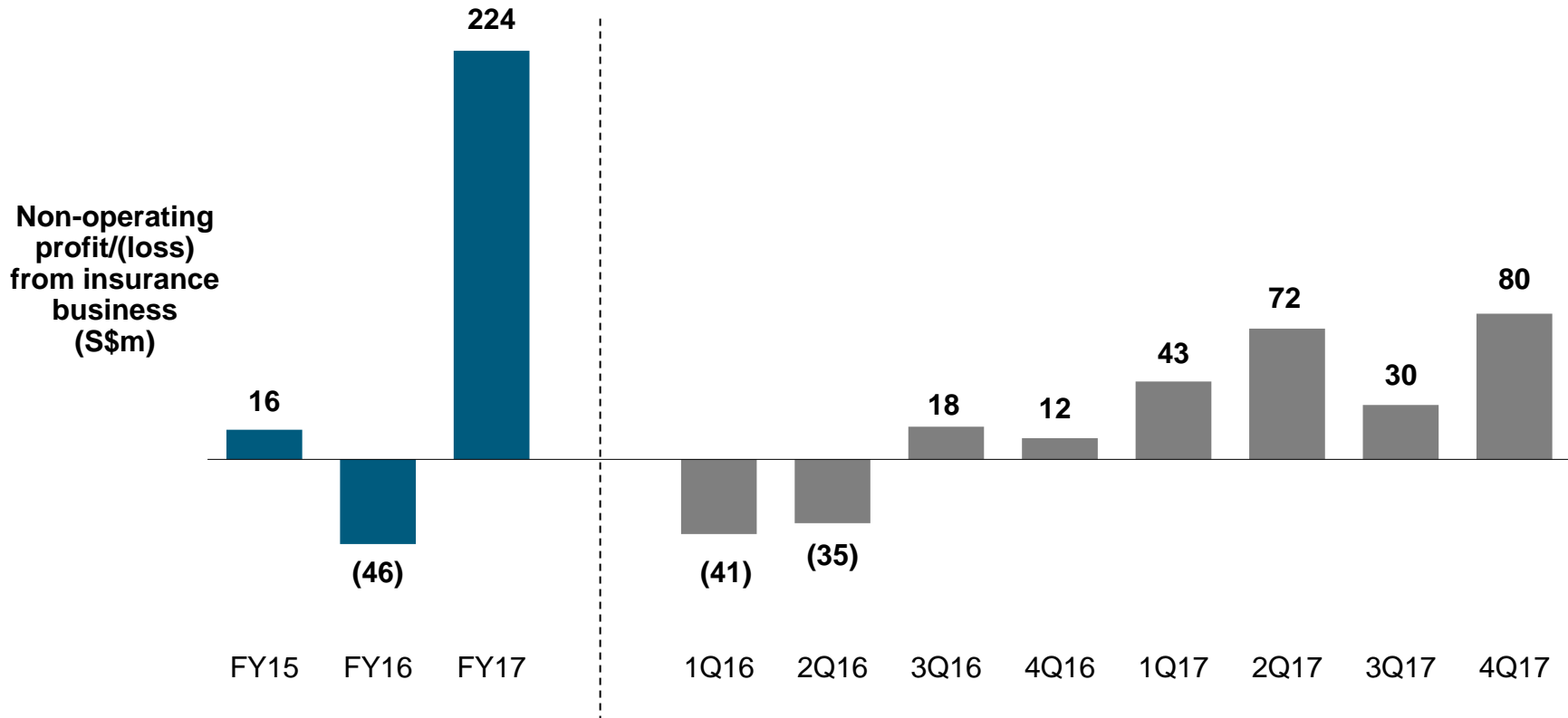


Note:

- Operating Profit (net of tax) is defined as premiums less claims, surrenders, commissions, expenses and changes in reserves, plus investment income (dividends, coupons, etc).
- For comparative reasons, Operating and Non-Operating Profit figures for periods prior to 4Q17 have been restated using exchange rates as at 31 December 2017. The differences between the restated and previously reported Operating Profit figures were included in the Non-Operating Profit.

# GEH: Non-operating profit

FY17 non-operating profit of S\$224m driven by realised investment gains, favourable equity markets and narrowing of credit spreads

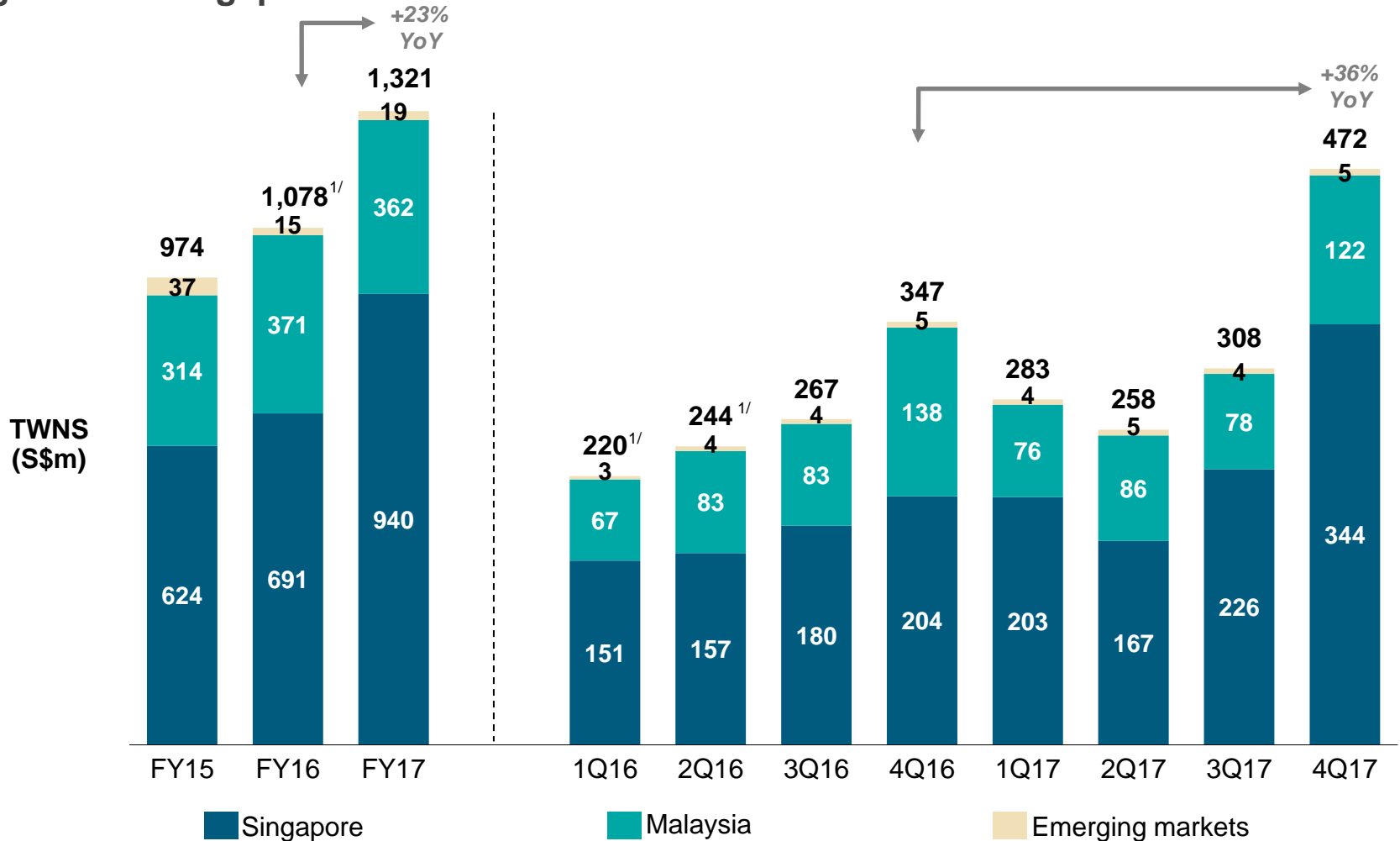


Note:

- Non-operating profit / loss (net of tax) mainly comprises changes in the fair value of assets and liabilities, realised gains / losses on sale of investments, changes in liability discount rates and other non-recurring items.
- For comparative reasons, Operating and Non-Operating Profit figures for periods prior to 4Q17 have been restated using exchange rates as at 31 December 2017. The differences between the restated and previously reported Operating Profit figures were included in the Non-Operating Profit.

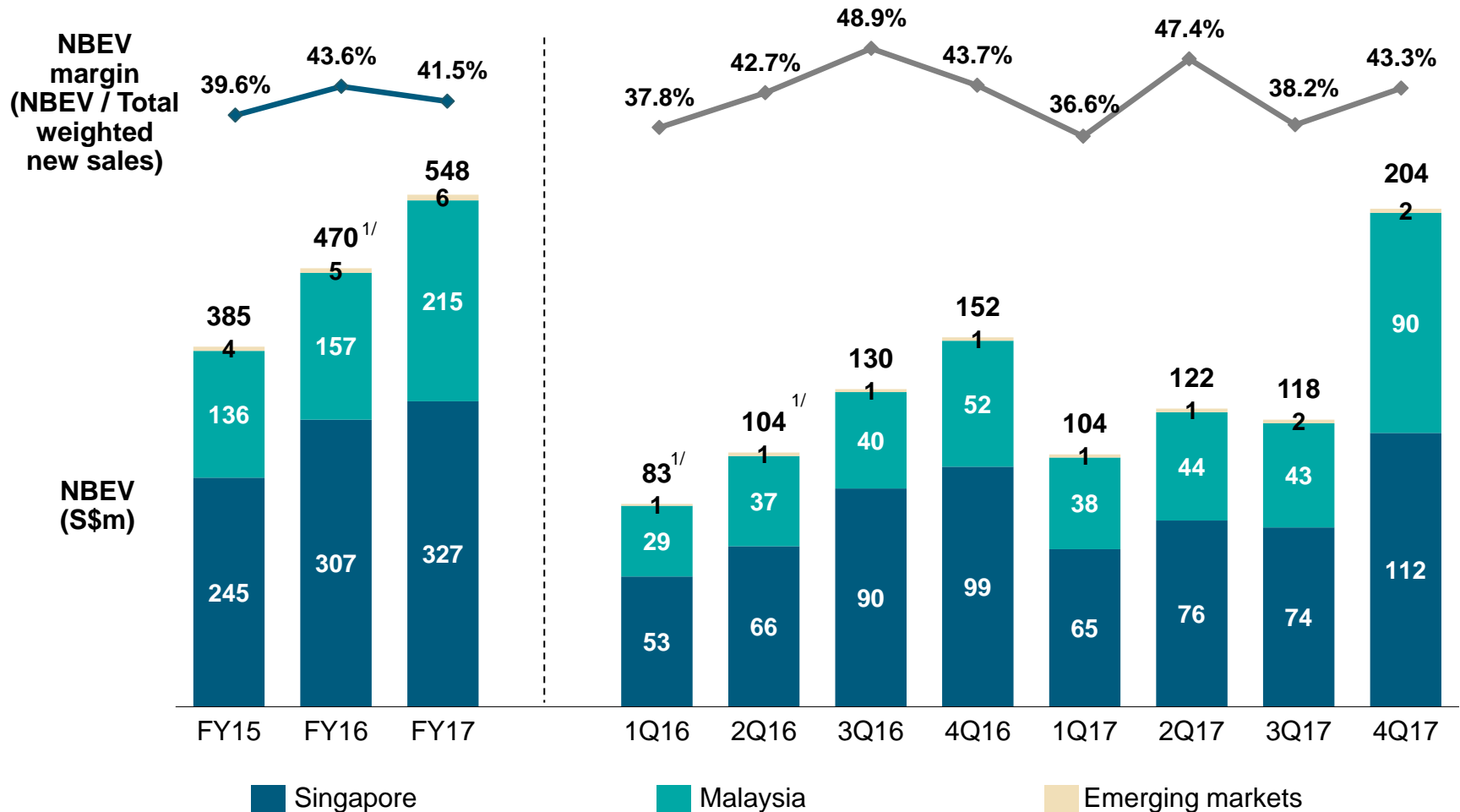
# GEH: Total weighted new sales

TWNS rose 23% YoY to S\$1.32b, led by strong agency and bancassurance sales growth in Singapore



# GEH: New business embedded value

NBEV grew 17% to S\$548m driven by higher sales in Singapore and margin growth in Malaysia; NBEV margin at 41.5%



# FY17 OCBC Wing Hang's performance

Net profit up 18% YoY to HKD2.41b

OCBC Wing Hang	FY17 HKD m	FY16 HKD m	YoY +/(-)%
Net interest income	4,254	3,794	12
Non-interest income	1,403 <sup>1/</sup>	1,228	14 <sup>1/</sup>
Total income	5,657	5,022	13
Operating expenses	(2,963)	(2,673)	11
<b>Operating profit</b>	<b>2,693</b>	<b>2,349</b>	<b>15</b>
Allowances	28	(99)	(128)
Associates & gains on subordinated liabilities	109	135	(19)
<b>Profit before tax</b>	<b>2,830</b>	<b>2,385</b>	<b>19</b>
Tax	(423)	(338)	25
<b>Net profit – local reporting (HKD m)</b>	<b>2,408</b>	<b>2,047</b>	<b>18</b>

## Key ratios (%)

Cost / Income	52.4	53.2
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Note: Results of OCBC Bank (China) were included from mid July 2016.

1/ FY17 included higher net gains from sale of investment securities.

# 4Q17 OCBC Wing Hang's performance

4Q17 net profit of HKD582m

OCBC Wing Hang	4Q17 HKD m	3Q17 HKD m	QoQ +/(-)%	4Q16 HKD m	YoY +/(-)%
Net interest income	1,160	1,103	5	1,015	14
Non-interest income	248	566 <sup>1/</sup>	(56) <sup>1/</sup>	360	(31)
<b>Total income</b>	<b>1,408</b>	<b>1,669</b>	<b>(16)</b>	<b>1,375</b>	<b>2</b>
Operating expenses	(779)	(762)	2	(743)	5
<b>Operating profit</b>	<b>629</b>	<b>907</b>	<b>(31)</b>	<b>632</b>	<b>(1)</b>
Allowances	43	44	(3)	11	288
Associates & gains on subordinated liabilities	17	16	8	55	(68)
<b>Profit before tax</b>	<b>689</b>	<b>966</b>	<b>(29)</b>	<b>698</b>	<b>(1)</b>
Tax	(107)	(119)	(10)	(104)	3
<b>Net profit – local reporting (HKD m)</b>	<b>582</b>	<b>847</b>	<b>(31)</b>	<b>594</b>	<b>(2)</b>

## Key ratios (%)

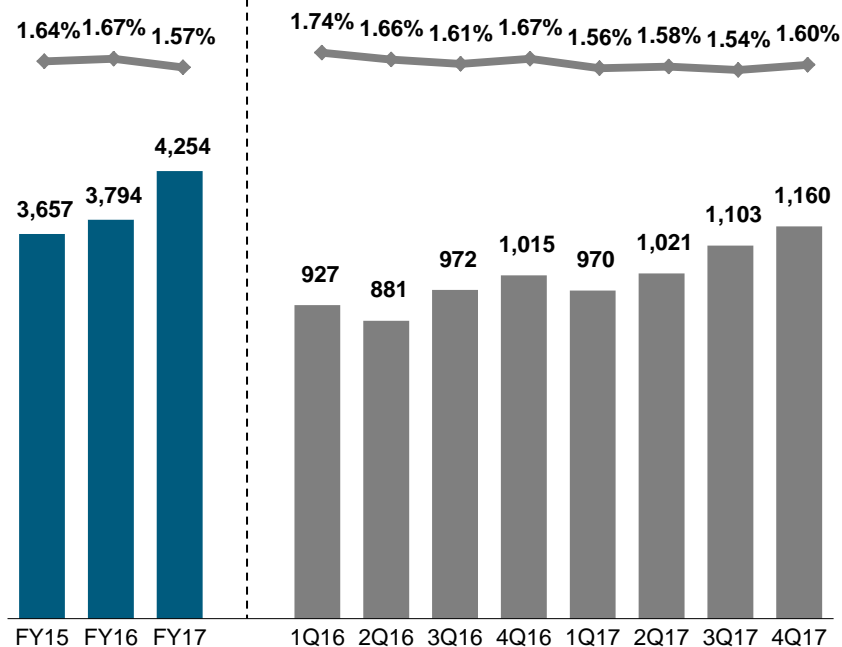
Cost / Income	55.3	45.7	54.0
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# OCBC Wing Hang: Revenue

FY17 net interest income rose 12%; 4Q17 NIM rose 6 bps over the previous quarter; non-interest income grew 14%

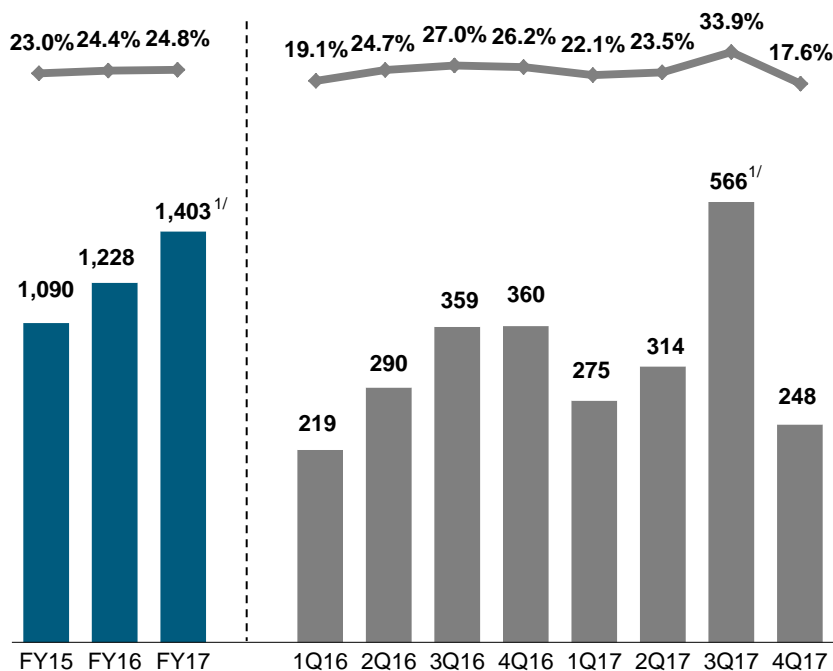
## Net interest income (HKD m)

Net interest margin



## Non-interest income (HKD m)

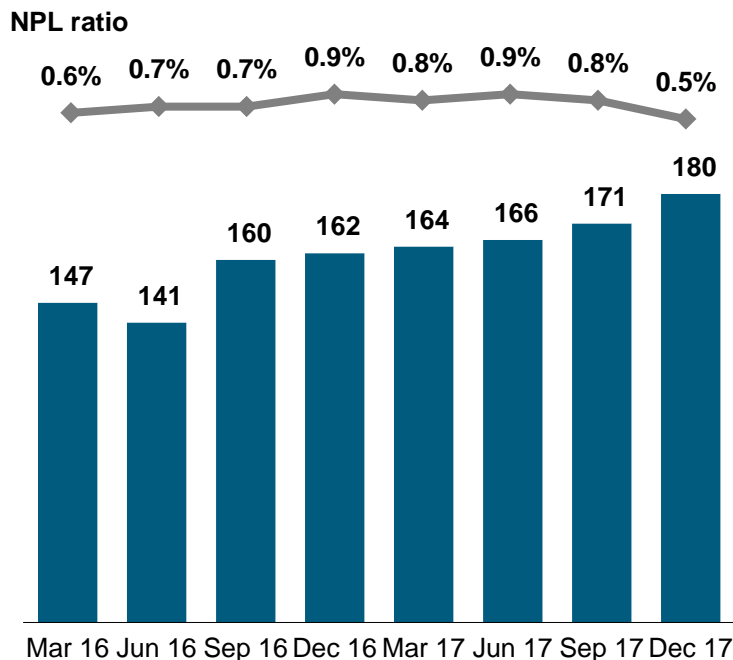
Non-int. income/ Total income



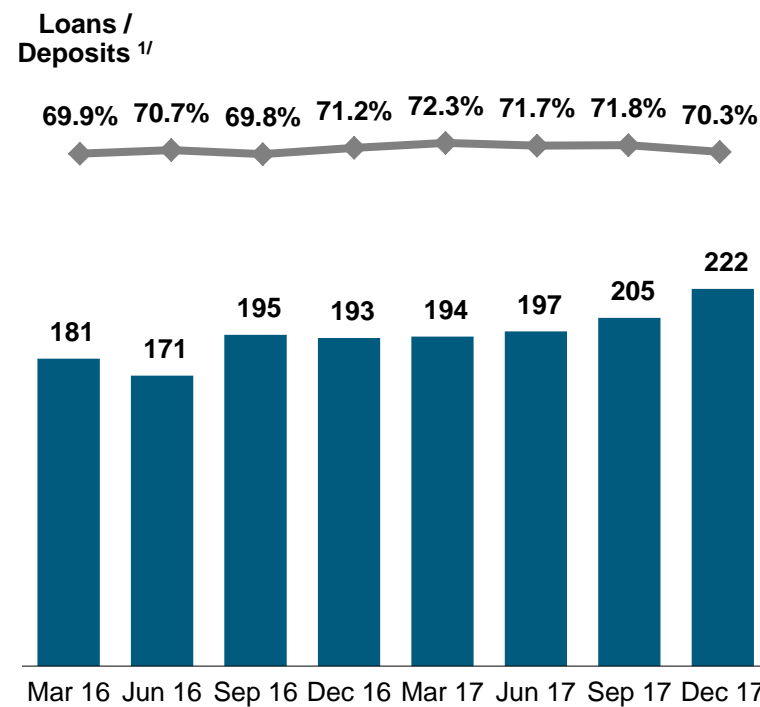
# OCBC Wing Hang: Loans & Deposits

Loans and deposits increased 11% and 15% YoY respectively; NPL ratio of 0.5% lower YoY and QoQ

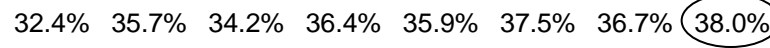
## Gross Loans (HKD b)



## Deposits (HKD b)



### CASA Ratio



Note: Results of OCBC Bank (China) were included from mid July 2016.

<sup>1/</sup> Loans-to-deposits ratio calculation based on Hong Kong Monetary Authority's guidelines



# FY17 OCBC Malaysia's Performance

Net profit rose 17% to RM949m

OCBC Malaysia	FY17 RM m	FY16 RM m	YoY +/(-)%
Net interest income	1,405	1,309	7
Islamic banking income <sup>1/</sup>	450	470	(4)
Non-interest / finance income	607	560	8
<b>Total income</b>	<b>2,462</b>	<b>2,339</b>	<b>5</b>
Operating expenses	(1,094)	(1,066)	3
<b>Operating profit</b>	<b>1,368</b>	<b>1,273</b>	<b>7</b>
Allowances	(94)	(204)	(54)
<b>Profit before tax</b>	<b>1,274</b>	<b>1,069</b>	<b>19</b>
Tax	(325)	(261)	25
<b>Net profit – local reporting (RM m)</b>	<b>949</b>	<b>808</b>	<b>17</b>

## Key ratios (%)

**Cost / Income**

44.4

45.6

**CAR <sup>2/</sup>**

- **Common Equity Tier 1**

13.4

11.9

- **Tier 1**

15.2

13.9

- **Total CAR**

18.0

16.9



1/ Islamic banking income comprises net finance income and other income contributed by Islamic banking subsidiary OCBC Al-Amin.

2/ Capital ratios for OCBC Malaysia Group are computed in accordance with the Capital Adequacy Framework issued by Bank Negara Malaysia.

# 4Q17 OCBC Malaysia's Performance

4Q17 net profit up 50% YoY to RM241m

OCBC Malaysia	4Q17 RM m	3Q17 RM m	QoQ +/(-)%	4Q16 RM m	YoY +/(-)%
Net interest income	359	355	1	329	9
Islamic banking income <sup>1/</sup>	116	108	7	109	6
Non-interest / finance income	187	128	46	157	19
<b>Total income</b>	<b>662</b>	<b>591</b>	<b>12</b>	<b>595</b>	<b>11</b>
Operating expenses	(274)	(280)	(2)	(262)	5
<b>Operating profit</b>	<b>388</b>	<b>311</b>	<b>25</b>	<b>333</b>	<b>17</b>
Allowances	(62)	24	(358)	(121)	(49)
<b>Profit before tax</b>	<b>326</b>	<b>335</b>	<b>(3)</b>	<b>212</b>	<b>54</b>
Tax	(85)	(90)	(5)	(51)	67
<b>Net profit – local reporting (RM m)</b>	<b>241</b>	<b>245</b>	<b>(2)</b>	<b>161</b>	<b>50</b>

## Key ratios (%)

<b>Cost / Income</b>	<b>41.3</b>	<b>47.4</b>		<b>44.0</b>
<b>CAR <sup>2/</sup></b>				
- CET 1	13.4	12.7		11.9
- Tier 1	15.2	14.6		13.9
- Total CAR	18.0	17.4		16.9



1/ Islamic banking income comprises net finance income and other income contributed by Islamic banking subsidiary OCBC Al-Amin.

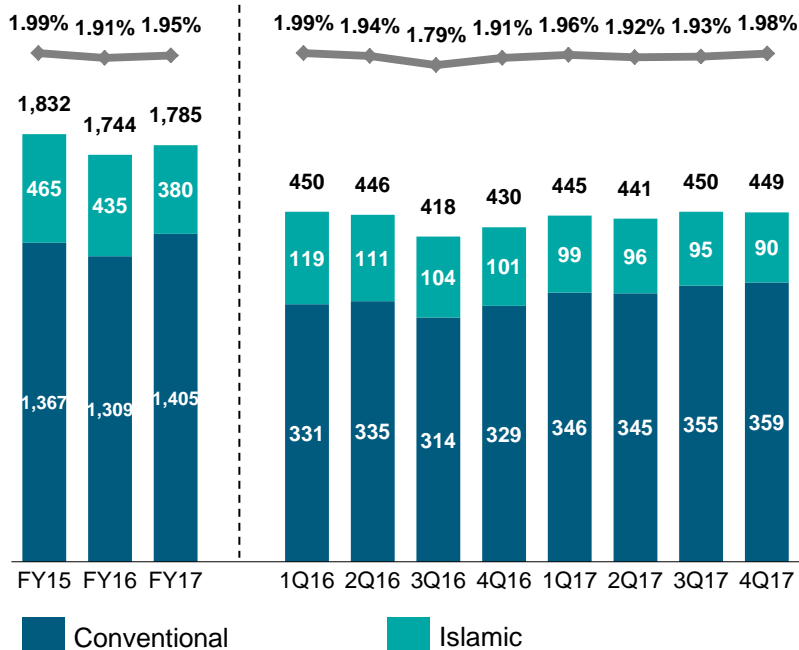
2/ Capital ratios for OCBC Malaysia Group are computed in accordance with the Capital Adequacy Framework issued by Bank Negara Malaysia.

# OCBC Malaysia: Revenue

FY17 net interest/finance income up 2% YoY; NIM increased 4bps to 1.95%; non-interest/finance income rose 14%

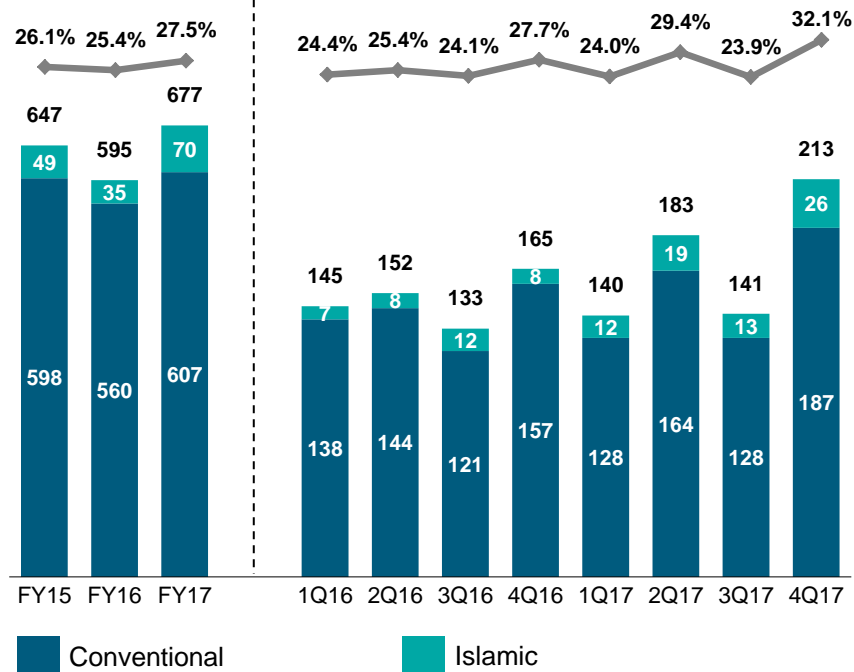
## Net interest/finance income (RM m)

Net interest/finance margin



## Non-interest/finance income<sup>1/</sup> (RM m)

Non-interest/finance income/ Total income



1/ Non-interest/finance income comprises net fee and commission income, net trading income and other operating income.

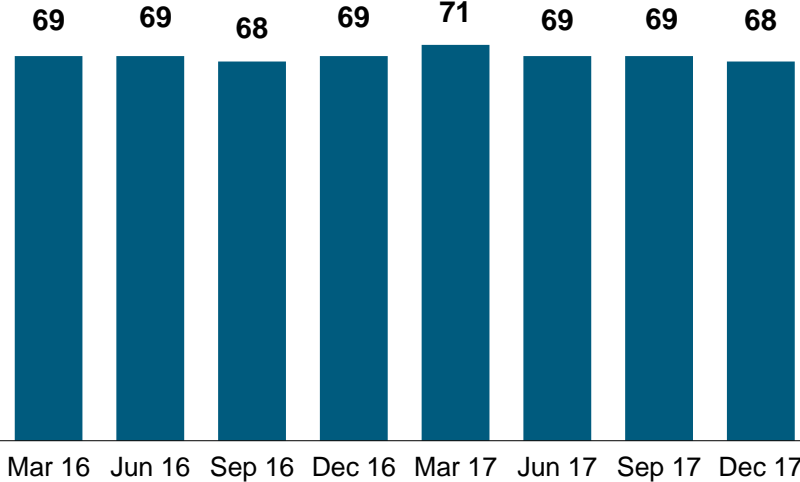
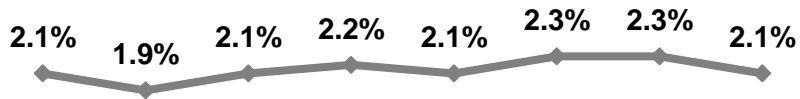
Note: Based on Bank Negara Malaysia's guidelines and Malaysian Financial Reporting Standards.

# OCBC Malaysia: Loans & Deposits

Customer loans at RM68b, NPL ratio improved to 2.1%; deposits up 4% YoY at RM74b with CASA ratio at 30.4%

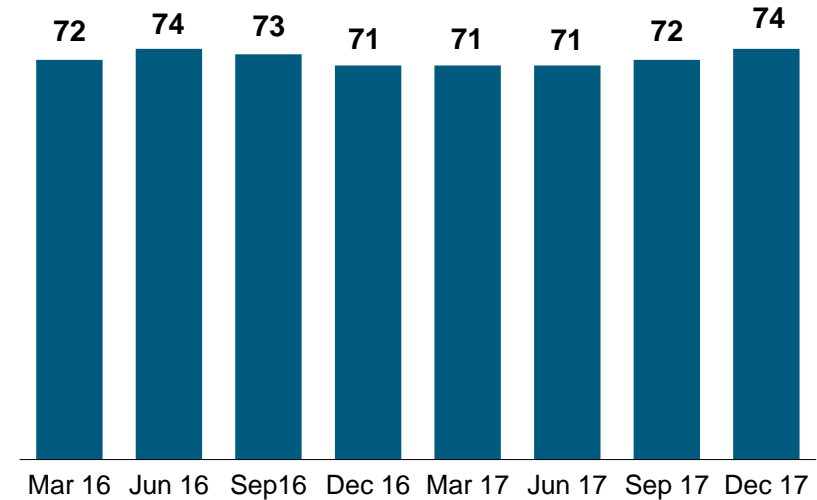
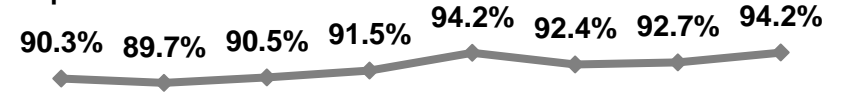
## Gross Loans (RM b)

NPL Ratio

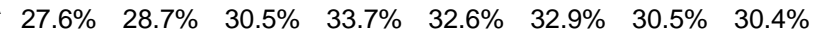


## Deposits (RM b)

Loans / Deposits



CASA Ratio



Note: Based on Bank Negara Malaysia's guidelines and Malaysian Financial Reporting Standards.

# FY17 OCBC NISP's performance

Net profit increased 22% YoY to IDR2.18t

OCBC NISP	FY17 IDR b	FY16 IDR b	YoY +/(-)%
Net interest income	6,039	5,393	12
Non-interest income	1,513	1,416	7
Total income	7,552	6,809	11
Operating expenses	(3,363)	(3,151)	7
<b>Operating profit</b>	<b>4,189</b>	<b>3,658</b>	<b>15</b>
Allowances	(1,311)	(1,316)	-
Non Operating Income	0	9	nm
<b>Profit before tax</b>	<b>2,878</b>	<b>2,351</b>	<b>22</b>
Tax	(702)	(561)	25
<b>Net profit – local reporting (IDR b)</b>	<b>2,176</b>	<b>1,790</b>	<b>22</b>

## Key ratios (%)

Cost / Income

44.5

46.3

CAR

- CET 1

16.6

17.2

- Tier 1

16.6

17.2

- Total CAR

17.5

18.3



Note: Capital ratios are computed based on the Financial Services Authority Regulation in Indonesia.

# 4Q17 OCBC NISP's performance

4Q17 net profit rose 17% YoY to IDR507b

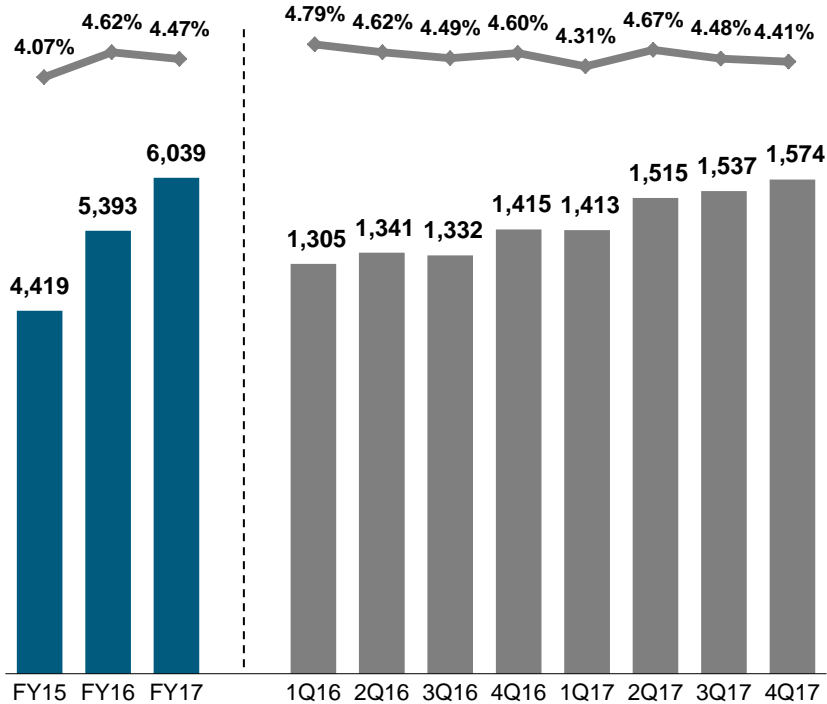
OCBC NISP	4Q17 IDR b	3Q17 IDR b	QoQ +/(-)%	4Q16 IDR b	YoY +/(-)%
Net interest income	1,574	1,537	2	1,415	11
Non-interest income	367	383	(4)	316	16
<b>Total income</b>	<b>1,941</b>	<b>1,920</b>	<b>1</b>	<b>1,731</b>	<b>12</b>
Operating expenses	(886)	(826)	7	(788)	12
<b>Operating profit</b>	<b>1,055</b>	<b>1,094</b>	<b>(4)</b>	<b>943</b>	<b>12</b>
Allowances	(387)	(377)	3	(400)	(3)
Non Operating Income	0	(0)	nm	(0)	nm
<b>Profit before tax</b>	<b>668</b>	<b>717</b>	<b>(7)</b>	<b>543</b>	<b>23</b>
Tax	(161)	(178)	(9)	(111)	45
<b>Net profit – local reporting (IDR b)</b>	<b>507</b>	<b>539</b>	<b>(6)</b>	<b>432</b>	<b>17</b>
<b>Key ratios (%)</b>					
<b>Cost / Income</b>	<b>45.6</b>	<b>43.0</b>		<b>45.5</b>	
<b>CAR</b>					
- CET 1	16.6	16.8		17.2	
- Tier 1	16.6	16.8		17.2	
- Total CAR	17.5	17.7		18.3	

# OCBC NISP: Revenue

FY17 net interest income up 12%; non-interest income 7% higher

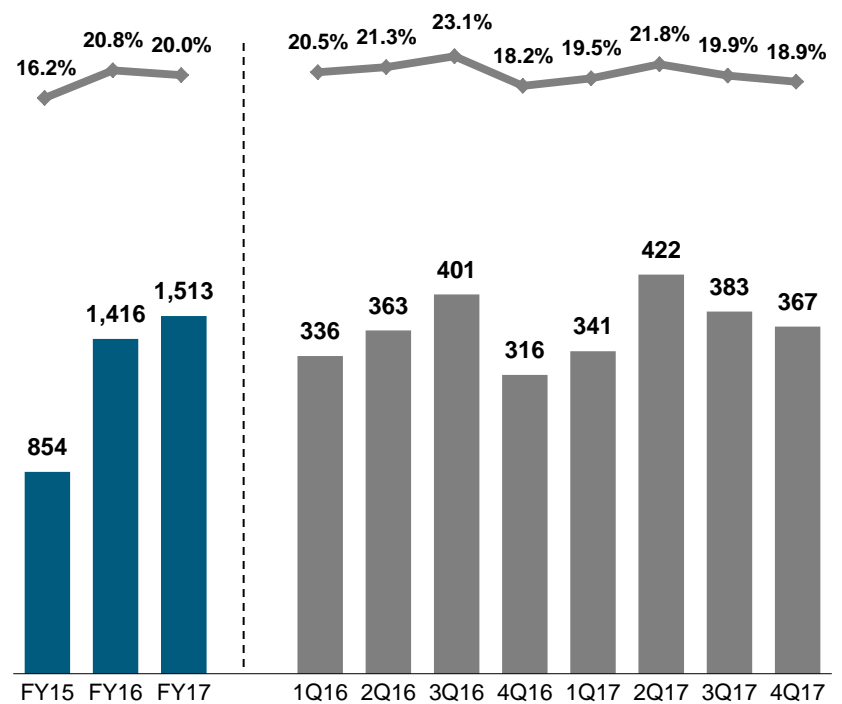
## Net interest income (IDR b)

Net interest margin



## Non-interest income (IDR b)

Non-int. income/ Total income

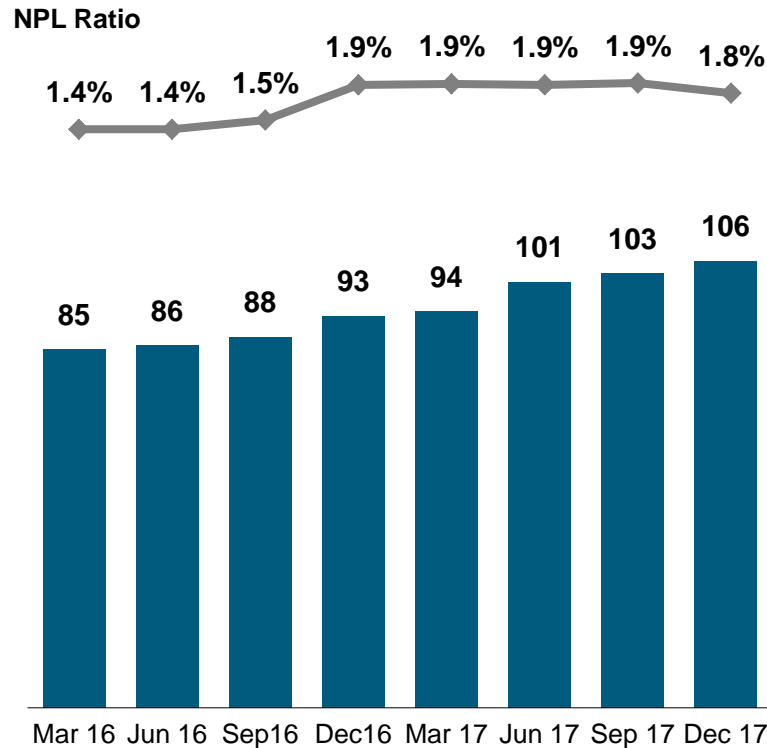


Note: NIM and Non-interest Income/Total Income ratio calculation based on Bank Indonesia's guidelines.

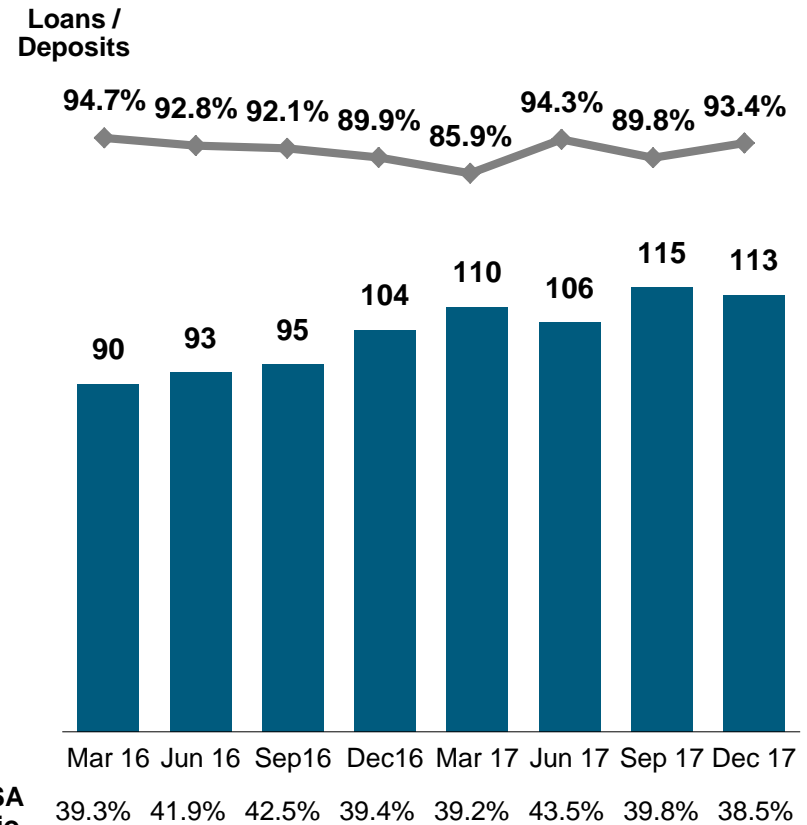
# OCBC NISP: Loans & Deposits

Loans grew 14% YoY, NPL ratio lower at 1.8%; deposits up 10%

## Gross Loans (IDR t)



## Deposits (IDR t)



**CASA Ratio**

39.3% 41.9% 42.5% 39.4% 39.2% 43.5% 39.8% 38.5%



Note: Gross loans-to-deposits ratio calculation based on Bank Indonesia's guidelines.





# **2017 Full Year Results Thank You**