

First Quarter 2012 Results

Presentation

11 May 2012



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Results Overview

Performance Trends

Appendix: Financial Highlights of
Malaysia and Indonesia Subsidiaries

Notes: Amounts less than S\$0.5 million are shown as "0";
NM denotes not meaningful;
Figures may not sum to stated totals because of rounding



1Q12 Highlights

Strong QoQ performance, underpinned by

- Robust customer-related businesses
- Strong trading and investment performance
- Significantly increased contribution from Great Eastern Holdings (“GEH”)

Operating expenses were well-managed

Asset quality remained sound; net allowances increased as a result of higher portfolio allowances

1Q12 core net profit of \$790m, up 33% YoY and 33% QoQ

OCBC Group	1Q12 S\$m	1Q11 S\$m	YoY +/(-)%	4Q11 S\$m	QoQ +/(-)%
Net interest income	951	784	21	925	3
Non-interest income	790	618	28	572	38
Total income	1,741	1,402	24	1,497	16
Operating expenses	(625)	(581)	8	(620)	1
Operating profit	1,116	821	36	877	27
Amortisation of intangibles	(15)	(15)	(3)	(16)	(3)
Allowances	(96)	(49)	98	(78)	23
Associates & JVs	6	12	(47)	(26)	124
Tax & non-controlling interests	(221)	(173)	28	(163)	36
Core net profit	790	596	33	594	33
Divestment gain, net of tax	42 ^{1/}	32 ^{2/}	30	-	-
Reported net profit	832	628	32	594	40

1/ Gain from divestment of property at Bourke Street, Melbourne, Australia

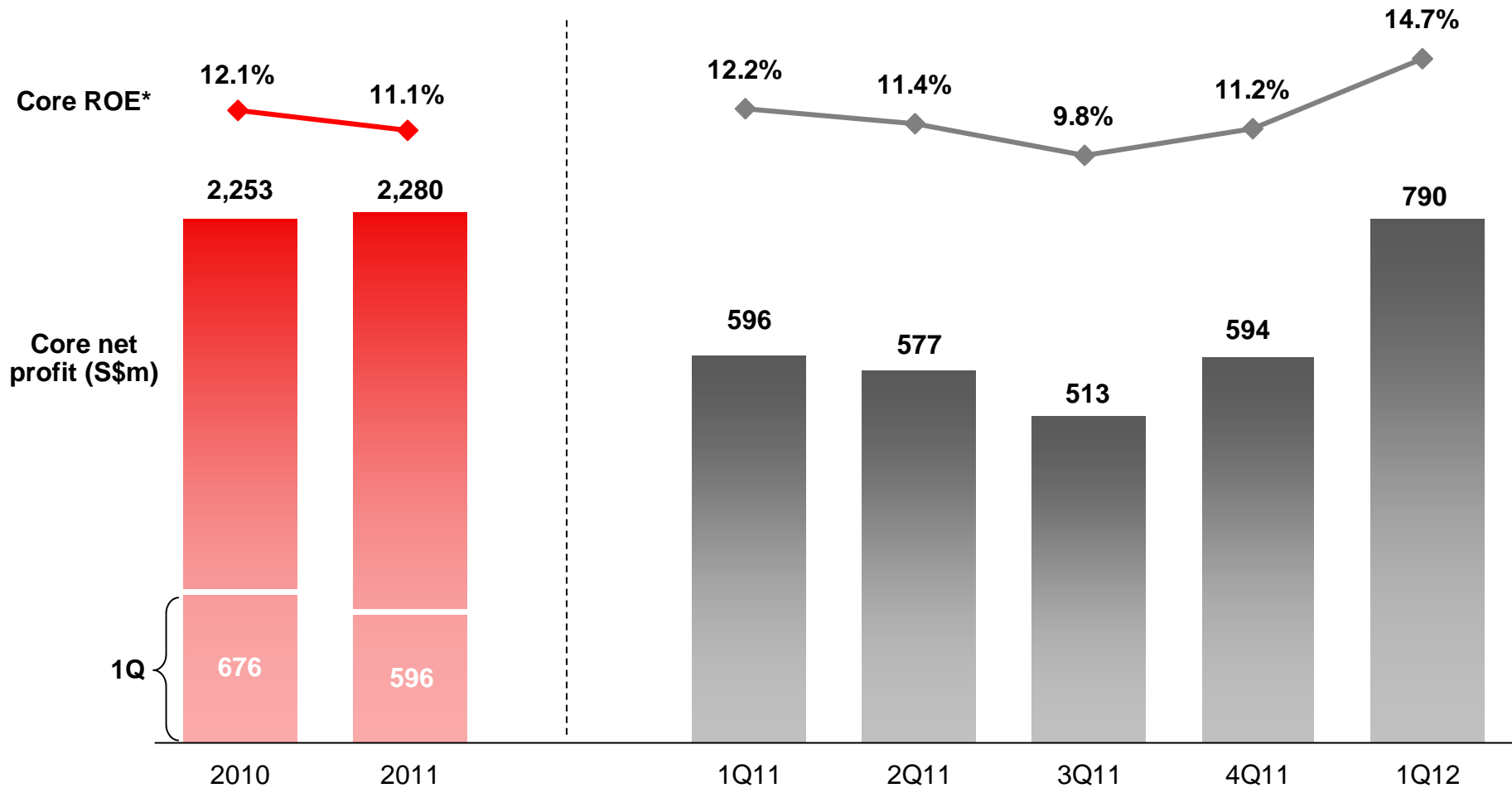
2/ Gain from divestment of property at Bassein Road, Singapore



Key ratios

Based on core earnings	1Q12 %	1Q11 %	4Q11 %
Net interest margin	1.86	1.90	1.85
Non-interest income / Total income	45.4	44.1	38.2
Costs / Income	35.9	41.5	41.4
Loans / Deposits	84.4	86.8	86.4
NPL Ratio	1.0	0.9	0.9
Allowances / NPAs	106.0	123.2	106.6
ROE	14.7	12.2	11.2
Cash ROE	15.0	12.5	11.5

ROE improved to 14.7%

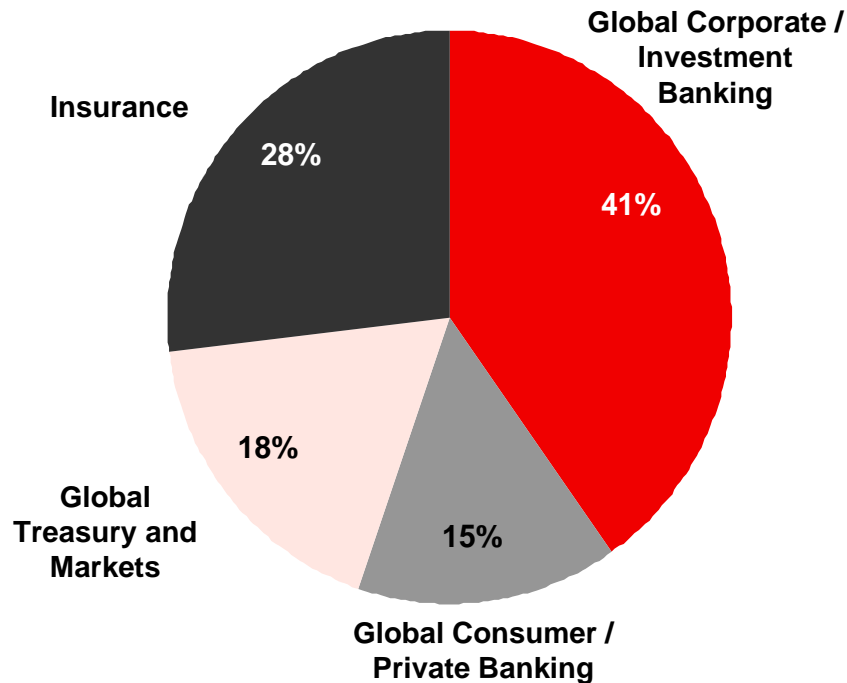


* Quarterly figures annualised

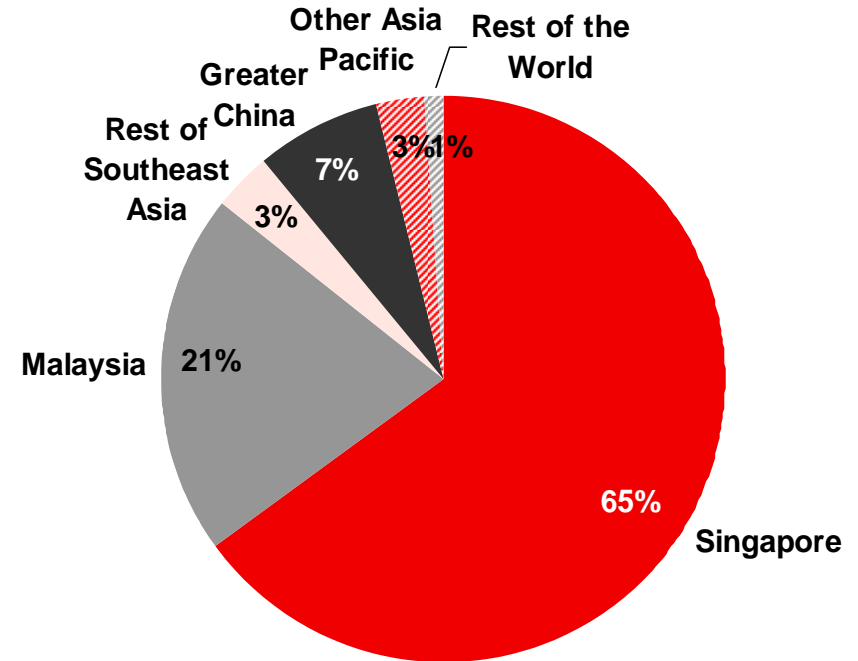


Profit contribution by business and geography

1Q12 PBT
by Business*



1Q12 PBT
by Geography



* Operating profit after allowances and amortisation. Segmental information has been revised in 2012. Global Consumer/Private Banking includes consumer banking, private banking and retail brokerage services; Global Corporate/Investment Banking includes corporate banking, corporate finance and capital markets solutions; Global Treasury and Markets reflects the management of the Group's asset and liability positions as well as trading activities. The Others segment comprises mainly property holding, investment holding and items not attributable to the business segments described above

GEH: 1Q12 net profit contribution up 70% YoY

GEH Contribution	1Q12 S\$m	1Q11 S\$m	YoY +/(-)%	4Q11 S\$m	QoQ +/(-)%
Total income	335	221	52	143	134
Operating expenses	(44)	(40)	9	(43)	1
Operating profit	291	180	62	100	191
Amortisation of intangibles	(12)	(12)	-	(12)	-
Allowances	(1)	(0)	123	(3)	(83)
Associates & JVs	1	1	59	(4)	125
Tax & non-controlling interests	(61)	(40)	53	(32)	93
Net profit contribution	219	129	70	49	344

Results excluding GEH: Banking business grew strongly, 1Q12 core net profit up 22% YoY and 5% QoQ

OCBC excluding GEH	1Q12 S\$m	1Q11 S\$m	YoY +/(-)%	4Q11 S\$m	QoQ +/(-)%
Net interest income	936	773	21	911	3
Non-interest income	470	409	15	443	6
Total income	1,406	1,182	19	1,354	4
Operating expenses	(581)	(541)	7	(577)	1
Operating profit	825	640	29	777	6
Amortisation of intangibles	(3)	(4)	(10)	(4)	(11)
Allowances	(96)	(49)	98	(75)	28
Associates & JVs	5	11	(53)	(22)	124
Tax & non-controlling interests	(160)	(133)	20	(132)	21
Core net profit	571	467	22	544	5
Divestment gain, net of tax	42 ^{1/}	32 ^{2/}	30	-	-
Reported net profit	613	499	23	544	13

1/ Gain from divestment of property at Bourke Street, Melbourne, Australia

2/ Gain from divestment of property at Bassein Road, Singapore



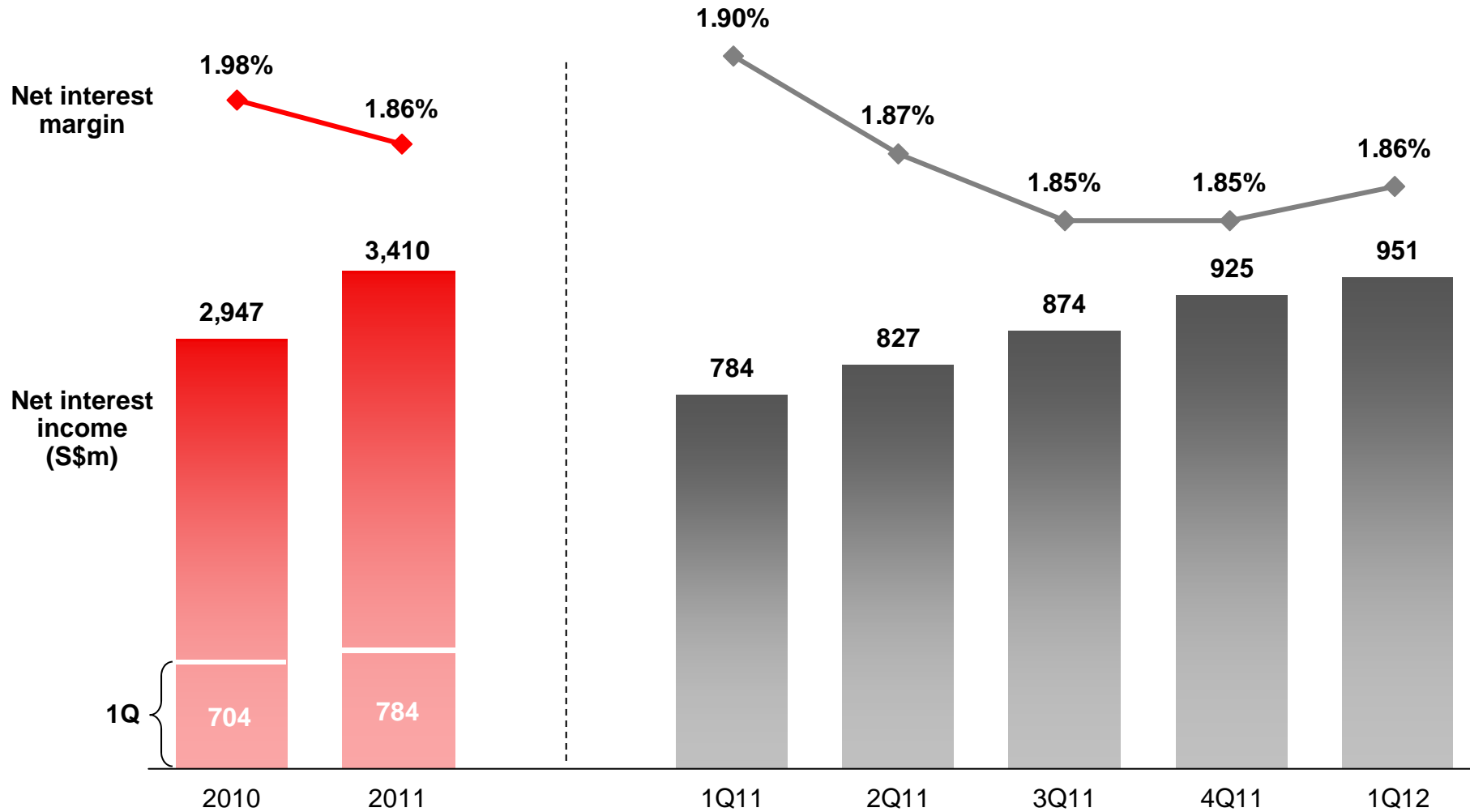
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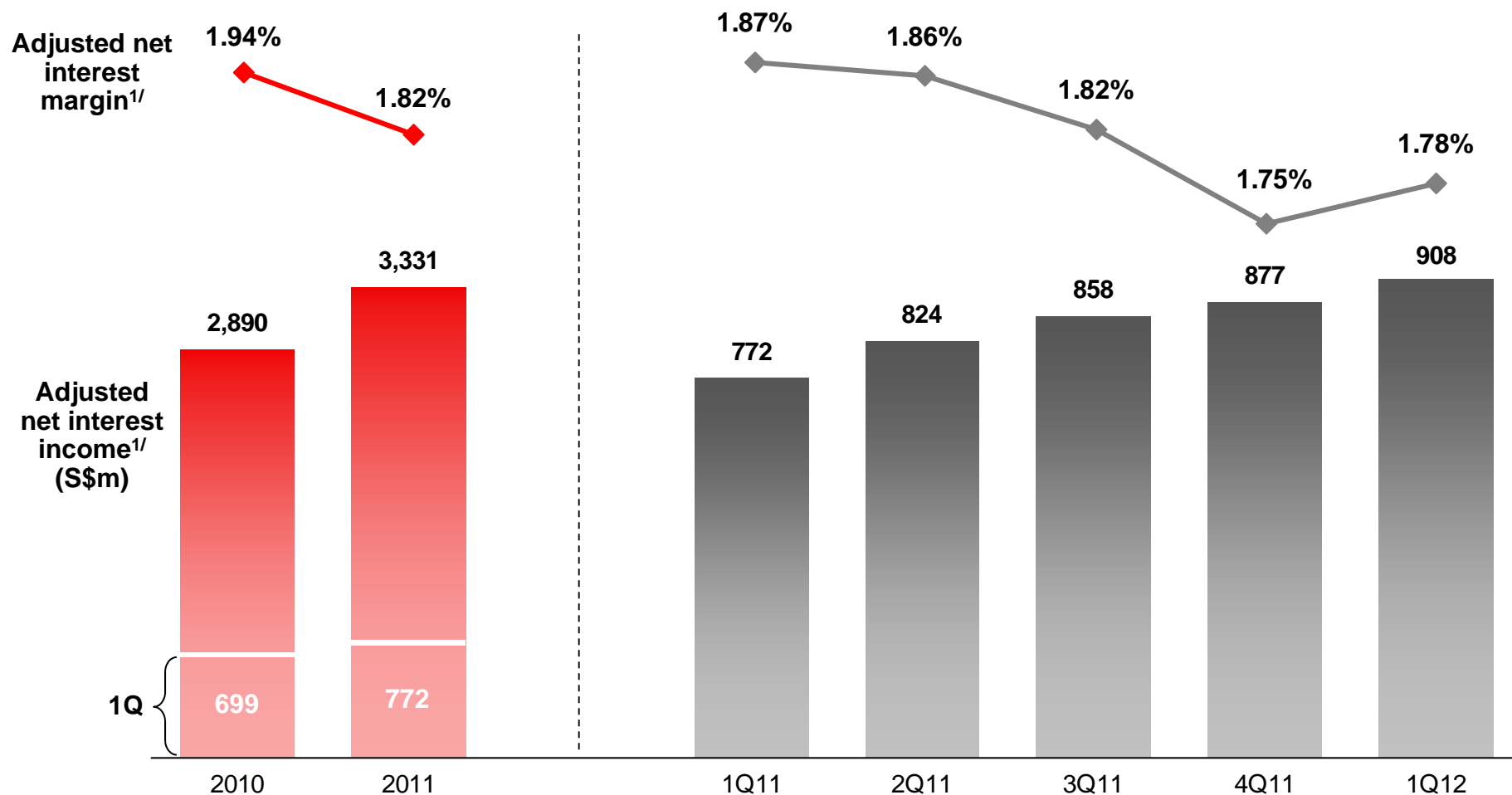
Performance Trends

Appendix: Financial Highlights of
Malaysia and Indonesia Subsidiaries

Net interest income up 21% YoY; NIM up 1bp QoQ

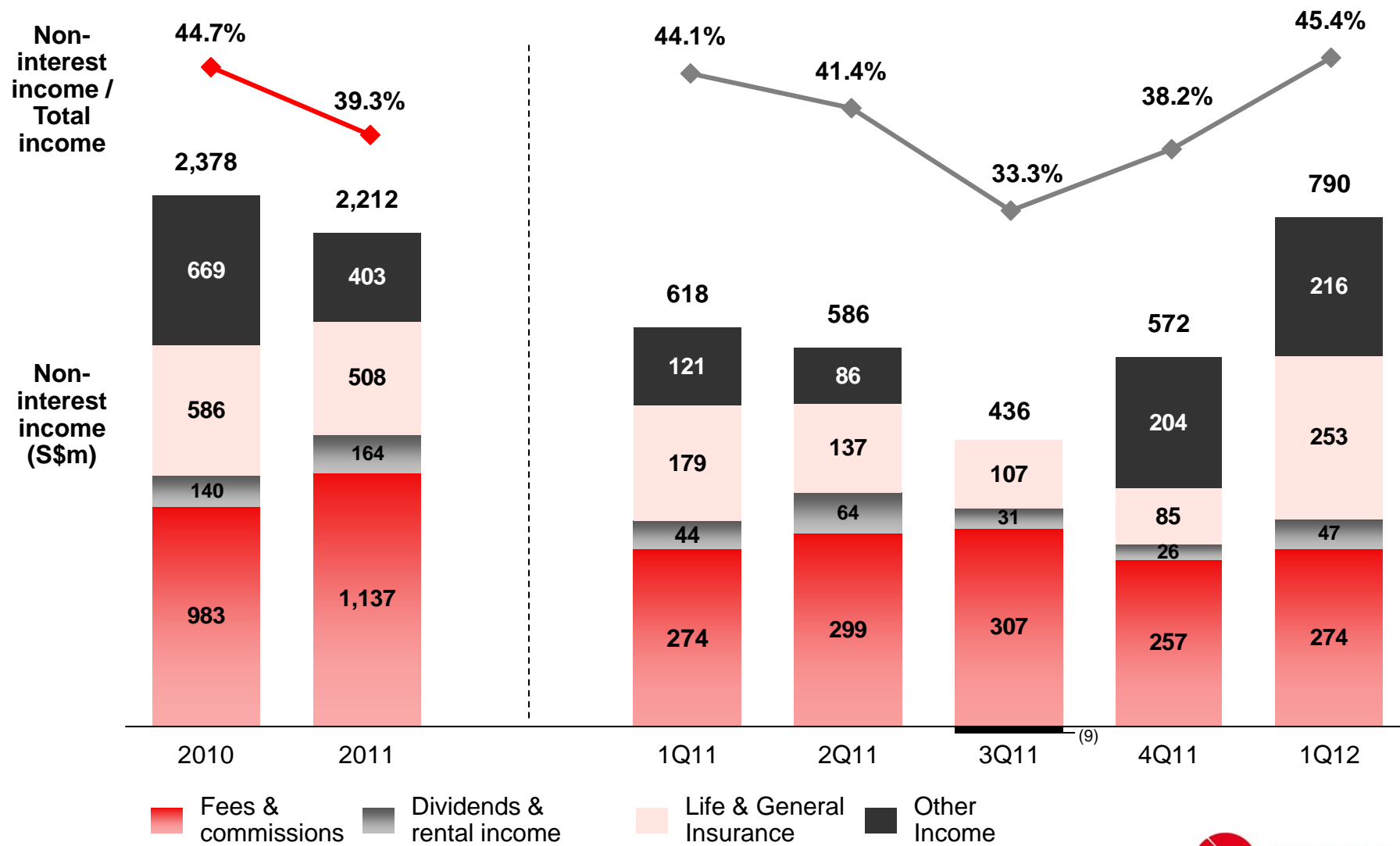


Net interest income less specific allowances up 18% YoY



^{1/} Net interest income adjusted for specific allowances for loans

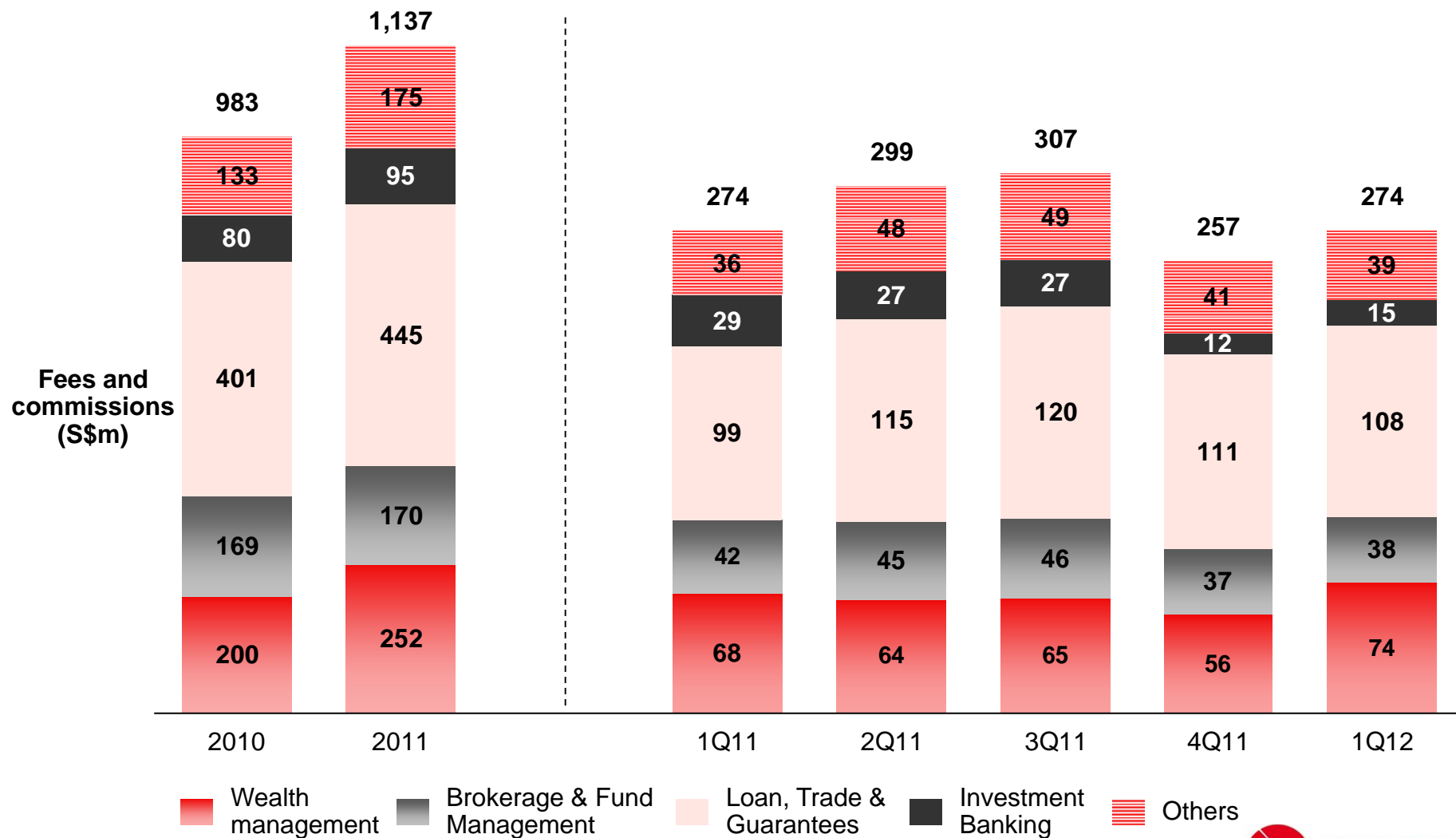
Non-interest income (ex. divestment gains) up 28% YoY, driven by strong increases in life assurance profits and trading income



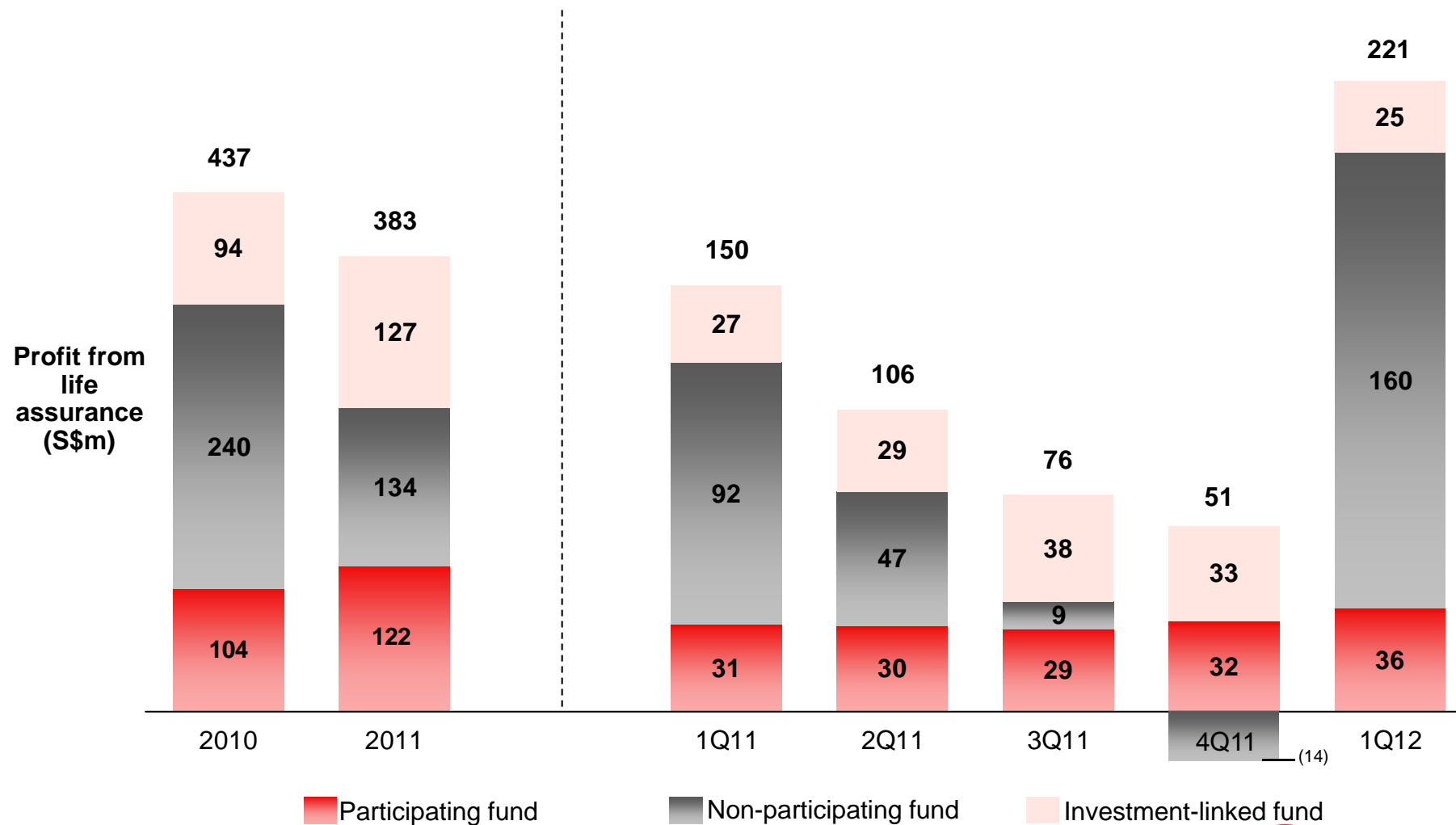
Note: Excludes gains from divestment of non-core assets



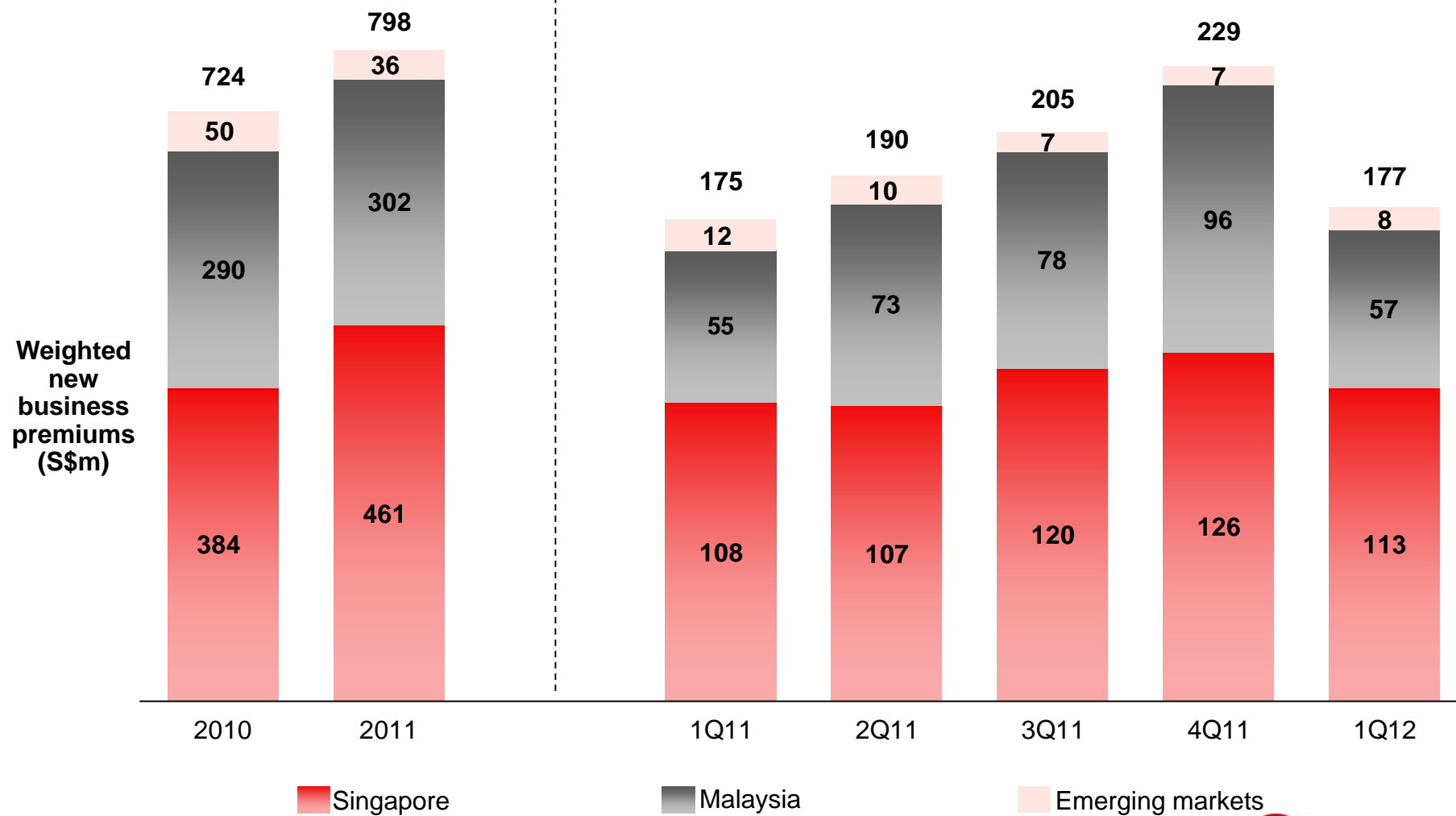
Fee income flat YoY and up 7% QoQ, led by growth in wealth management fees



GEH: Profit from life assurance increased 47% YoY on improved investment performance



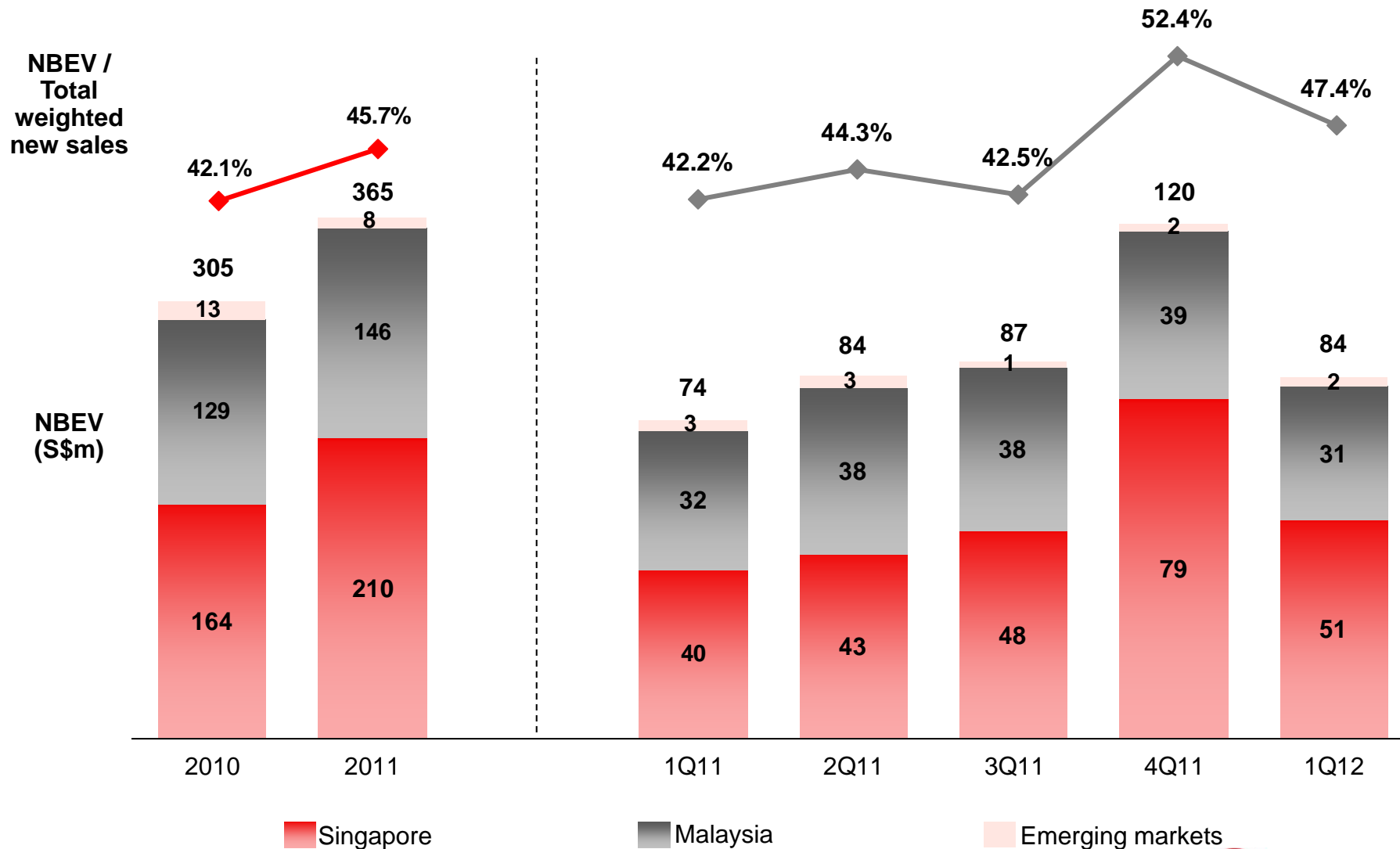
GEH: Underlying insurance business remained healthy, total weighted new sales up 4% YoY in key markets



Note: QoQ comparison not relevant given seasonality of insurance sales



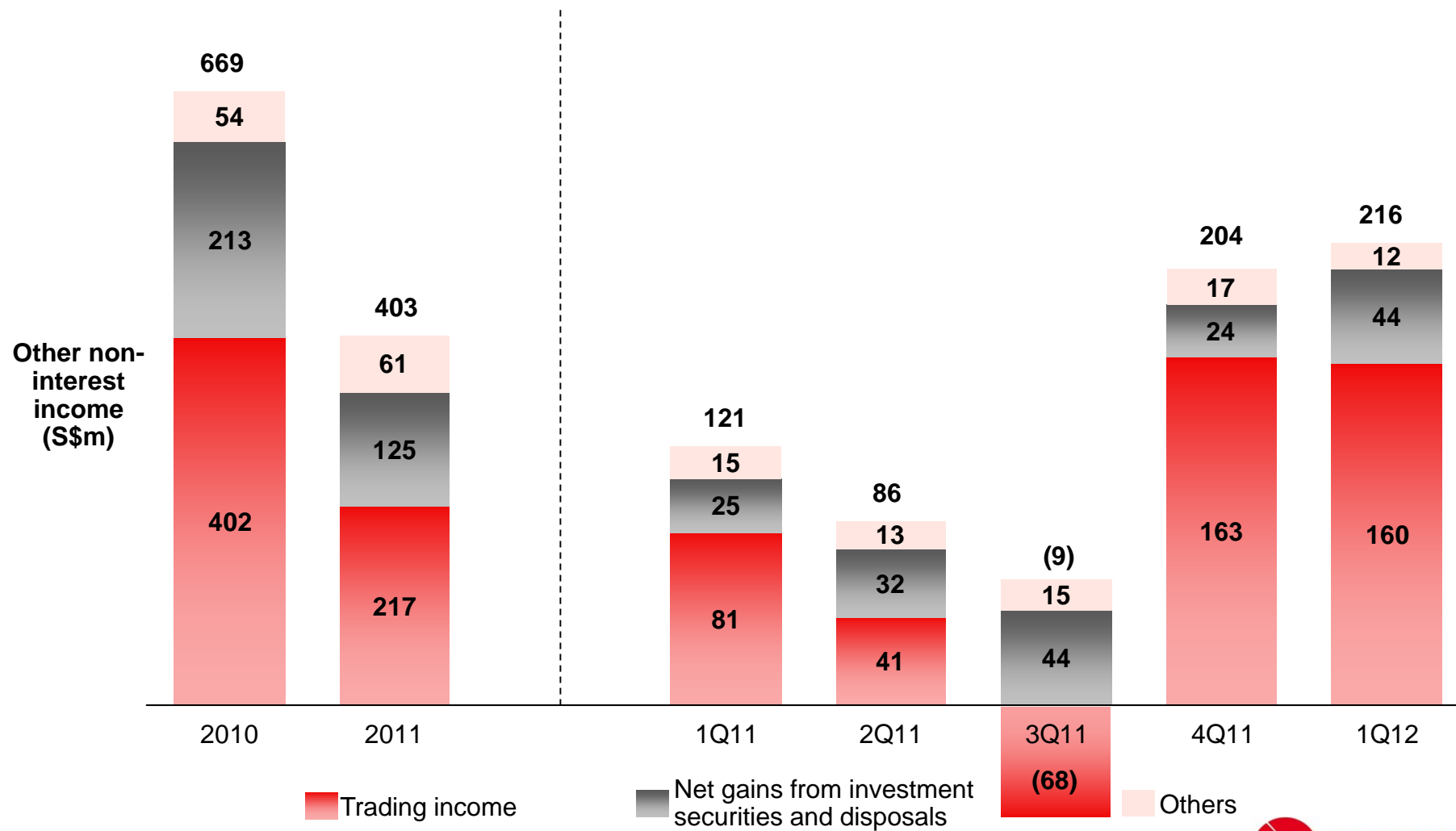
GEH: NBEV up 14% YoY, resulting from the improvement in product mix towards regular premium and protection-based products



Note: QoQ comparison not relevant given seasonality of insurance sales



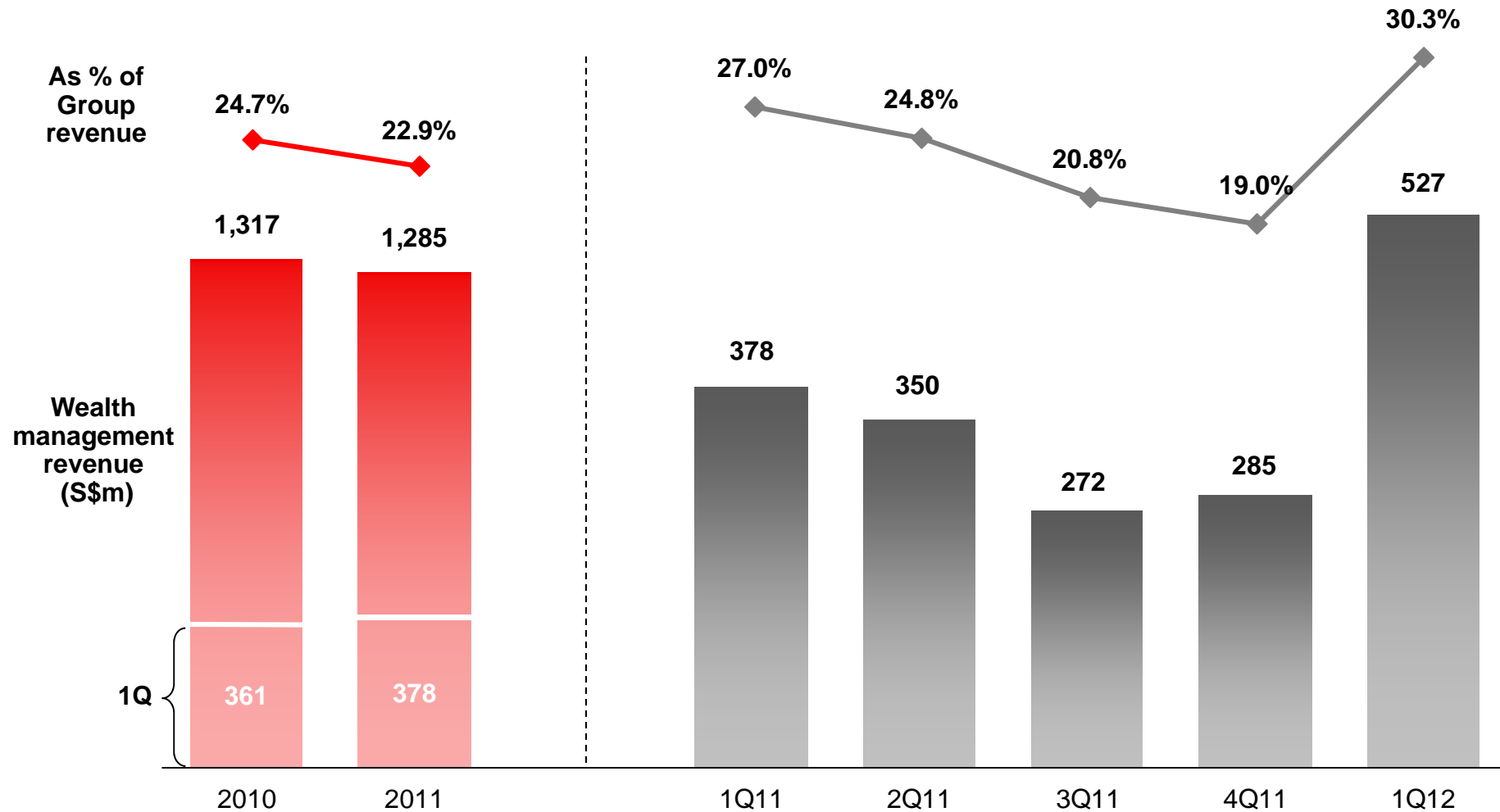
Other non-interest income up 79% YoY, driven by higher trading income and investment gains from securities



Note: Excludes gains from divestment of non-core assets



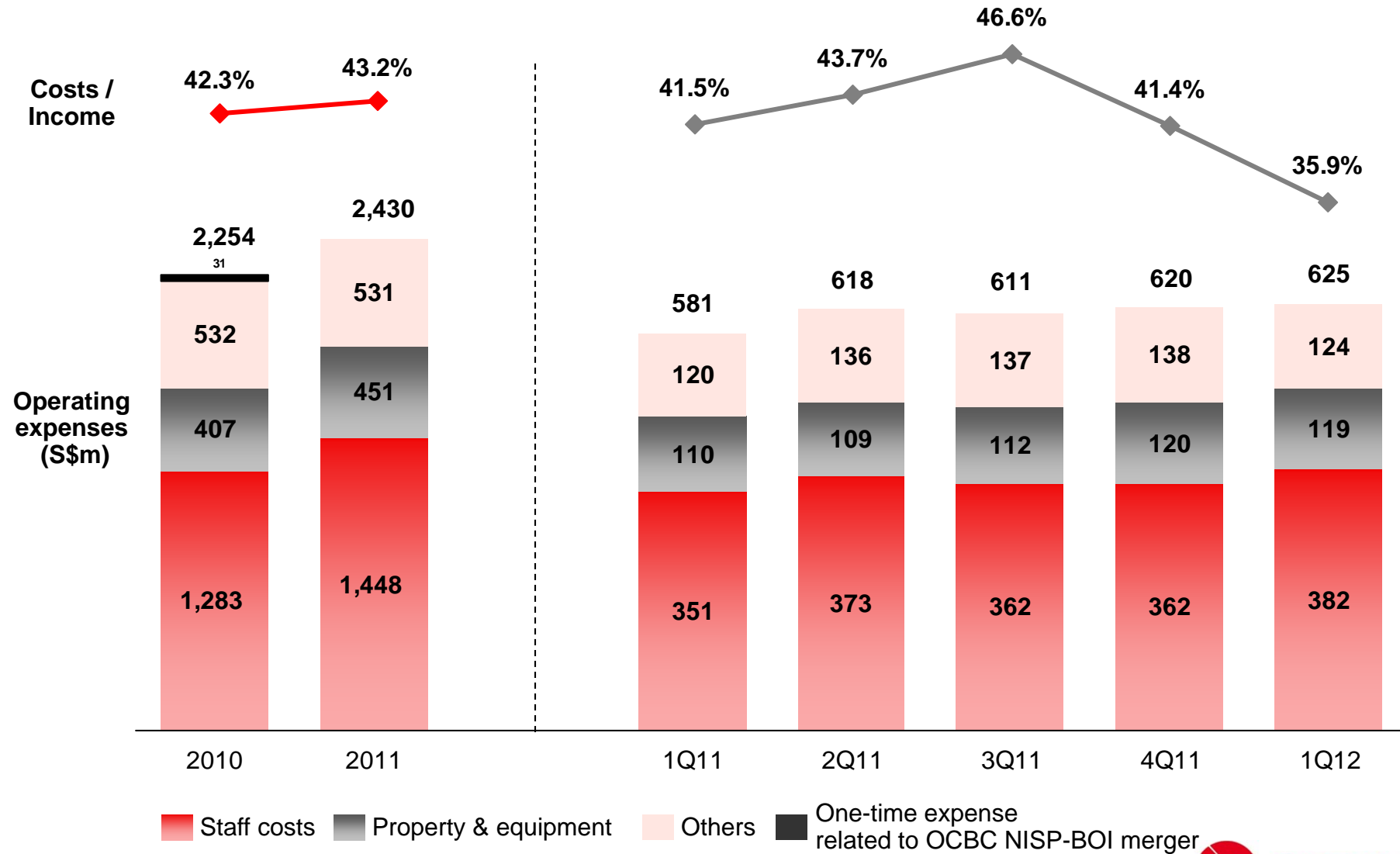
Wealth management revenue up 39% YoY, contributing 30% of Group revenue



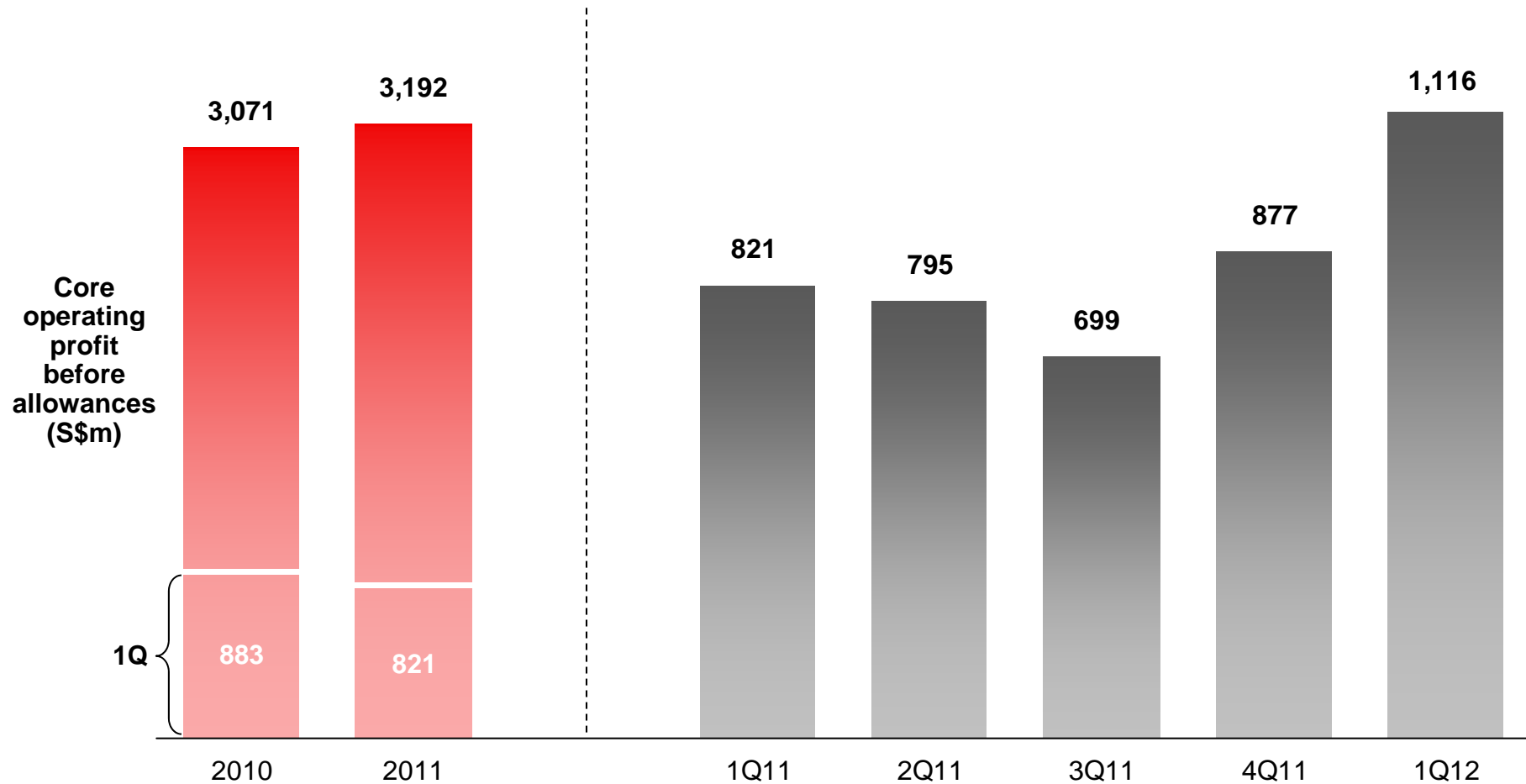
Note: Comprises the consolidated revenue from insurance, asset management, stockbroking and private banking subsidiaries, plus the Group's revenue from the sales of unit trusts, bancassurance products, structured deposits and other treasury products to consumer customers



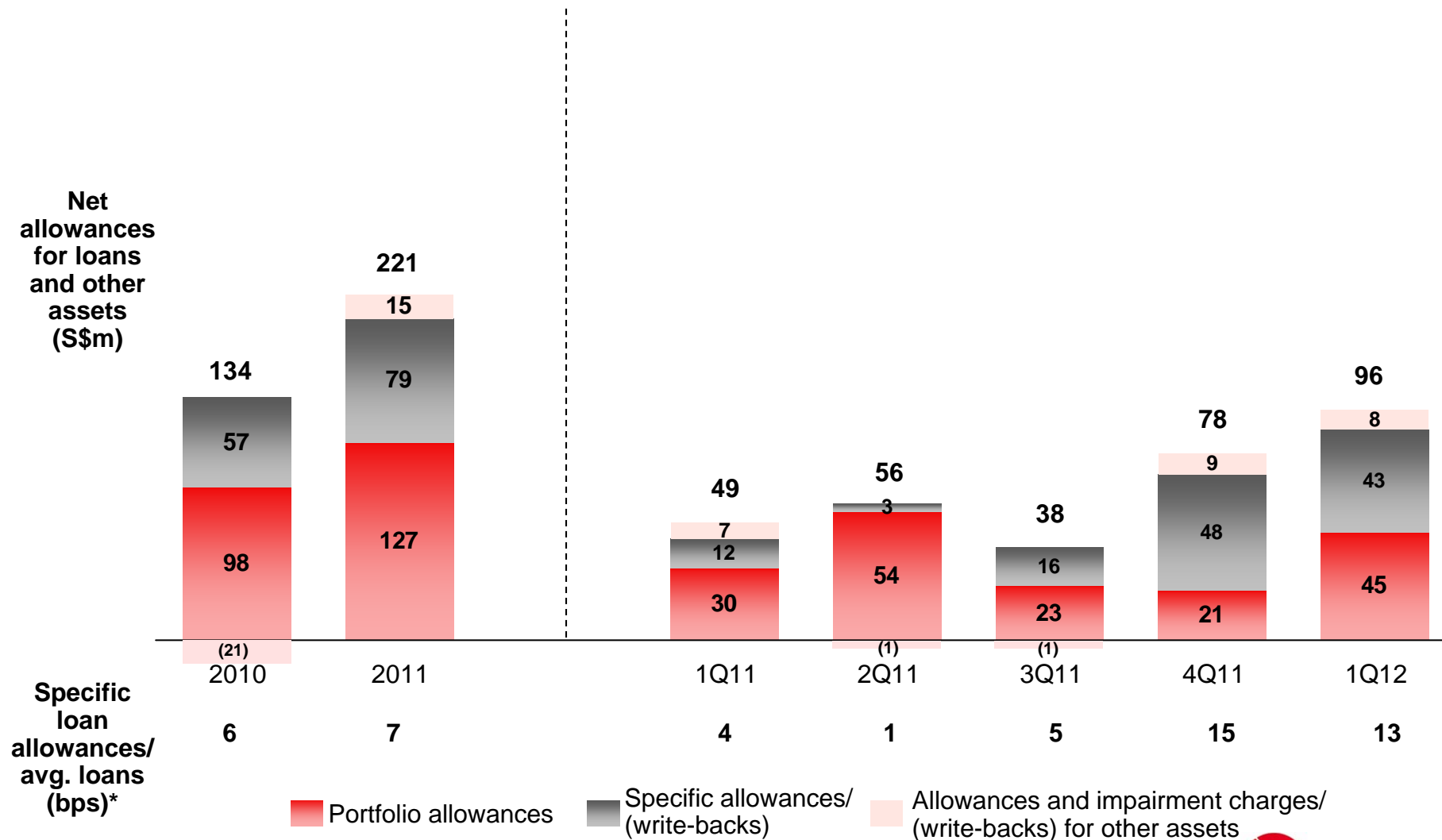
Expenses remained well managed and were largely flat QoQ



Core operating profit up 36% YoY



Net allowances increased QoQ as a result of higher portfolio allowances



* Quarterly figures annualised



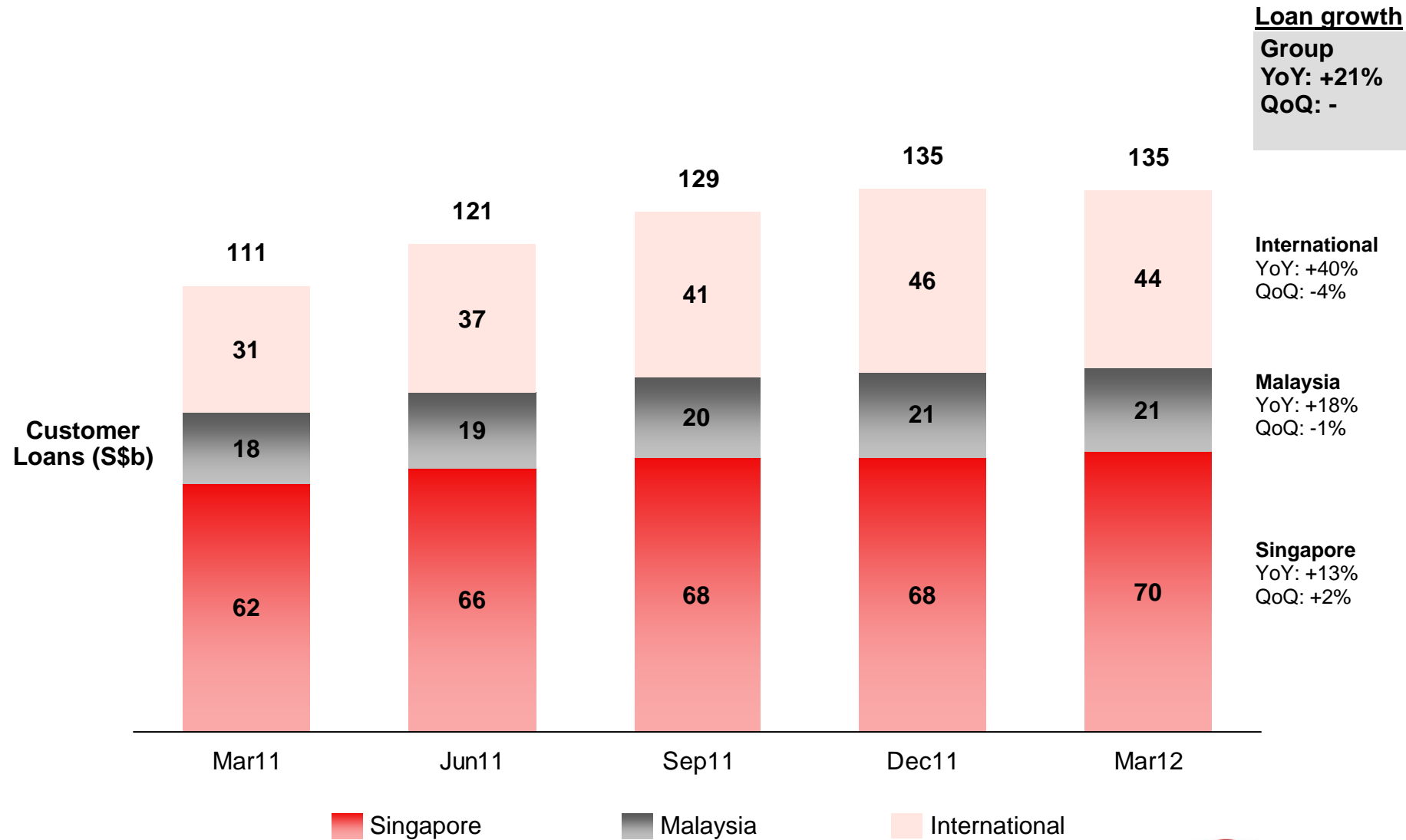
Net specific allowances declined 10% QoQ

	1Q12 S\$m	1Q11 S\$m	4Q11 S\$m
Allowances for new and existing NPLs	79	54	85
Write-backs ^{1/}	(25)	(29)	(27)
Recoveries ^{2/}	(11)	(13)	(10)
Net specific allowances	43	12	48

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

2/ Recoveries of allowances for loans that had been written off

Loans grew 21% YoY and were flat QoQ

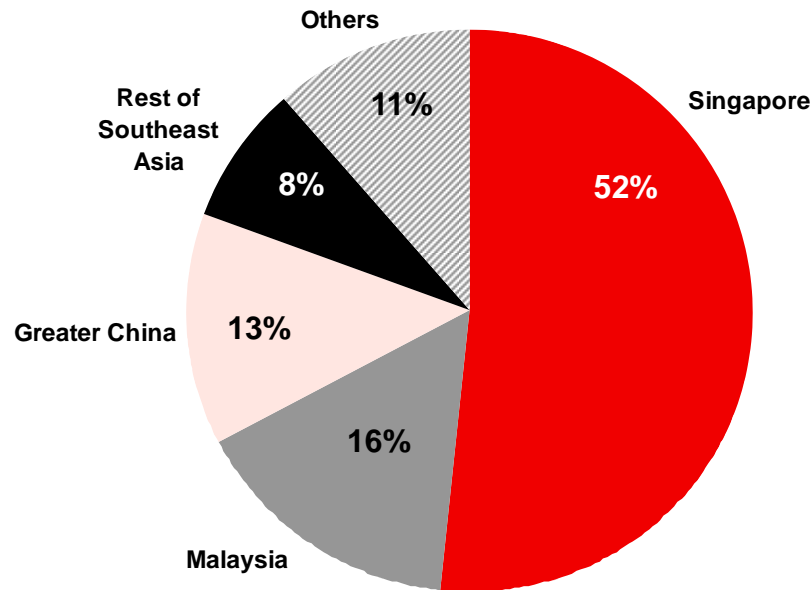


Note: Loans by Geography based on where the credit risks reside, which may be different from the borrower's country of residence or the booking location of the loans

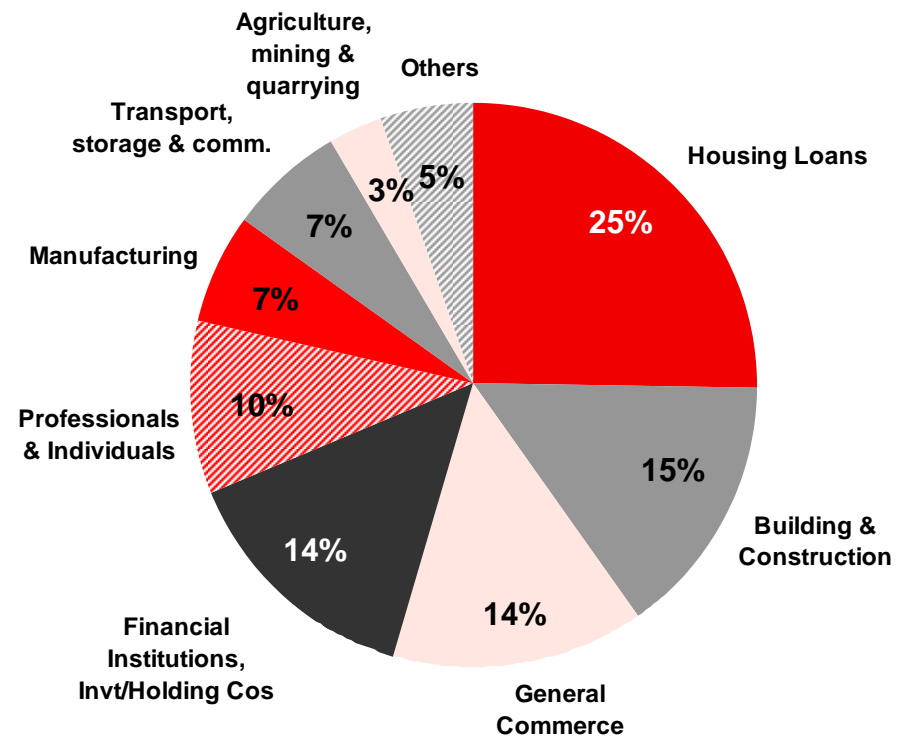


Loan book remained diversified across geographies and sectors

Customer Loans by Geography
As of 31 March 2012



Customer Loans by Industry
As of 31 March 2012

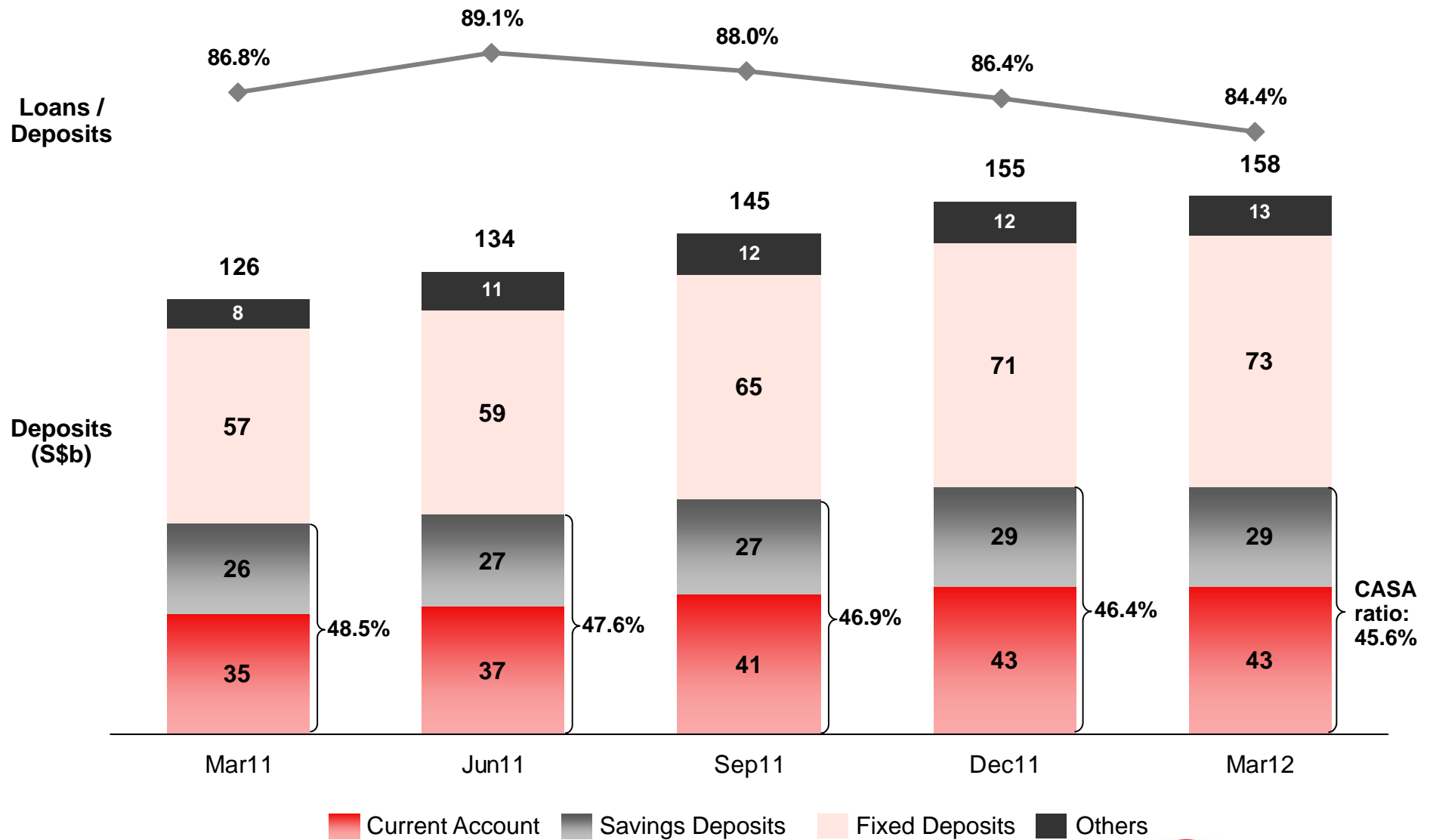


Total: S\$135b

Note: Loans by Geography 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



Deposits grew 25% YoY and 2% QoQ; Loan-to-deposit ratio improved to 84%

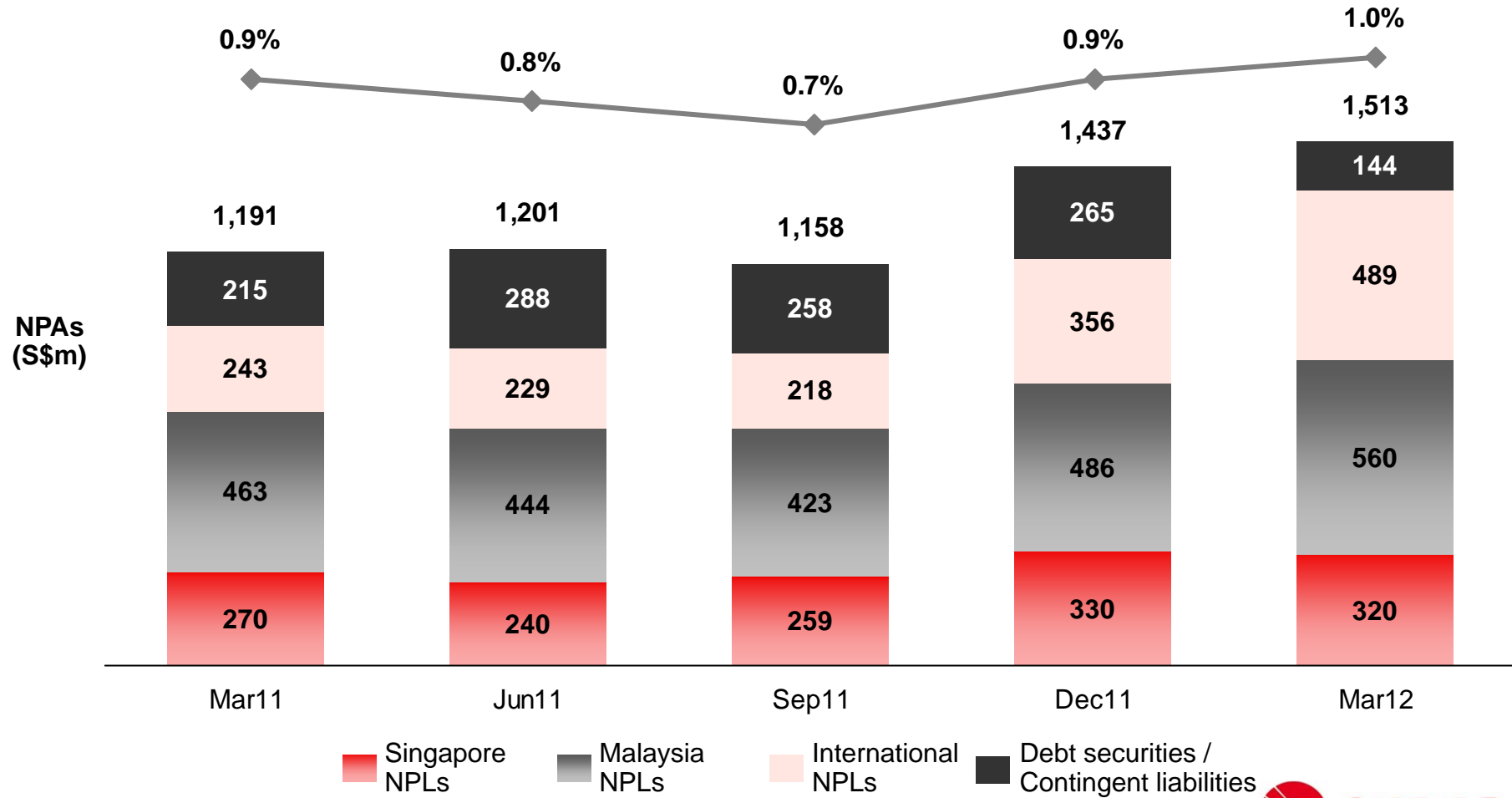


Note: CASA ratio refers to the ratio of current and savings deposits to total deposits



NPL ratio up marginally to 1.0%

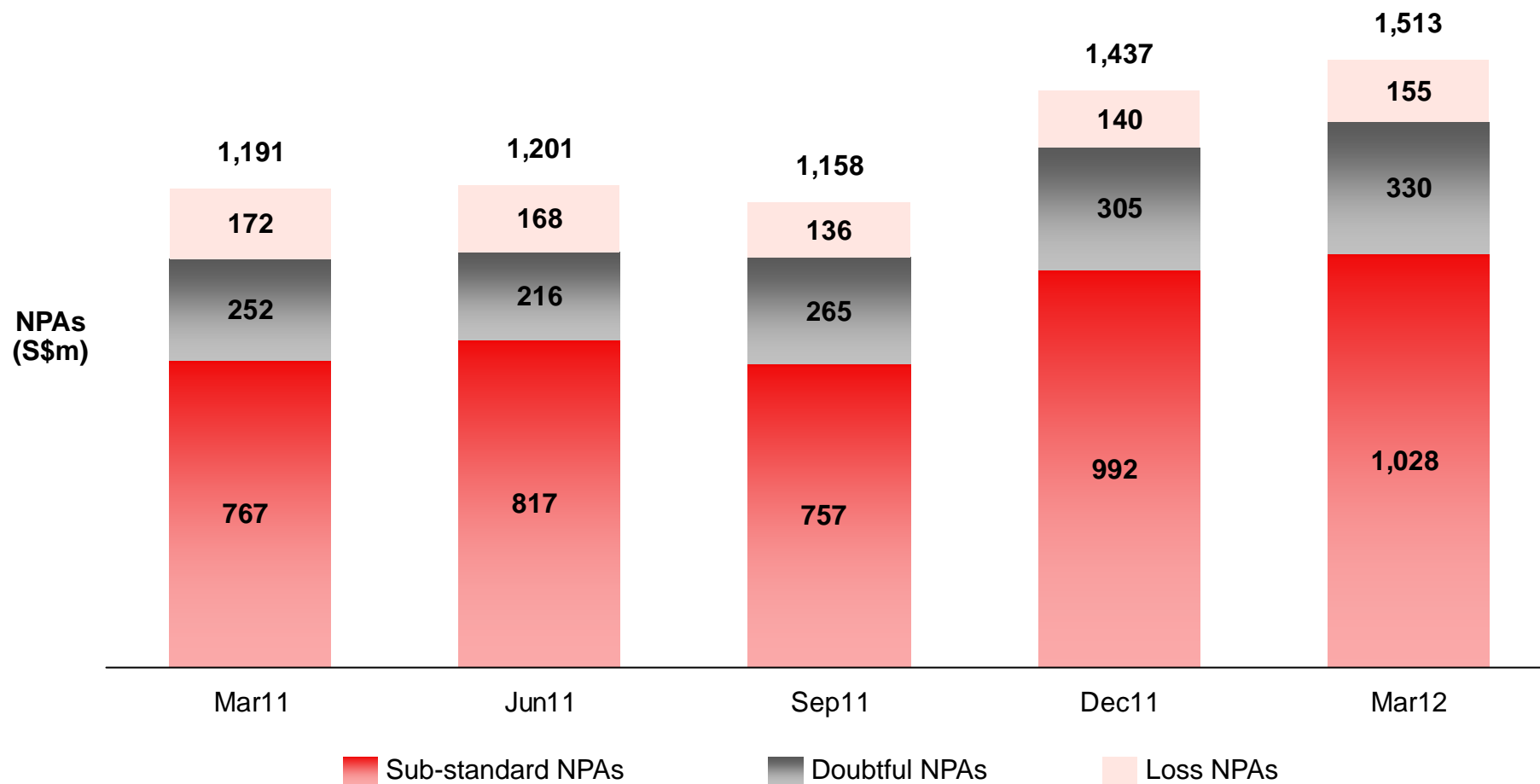
NPL ratio



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



68% of NPAs in the “substandard” category – largely well-collateralised



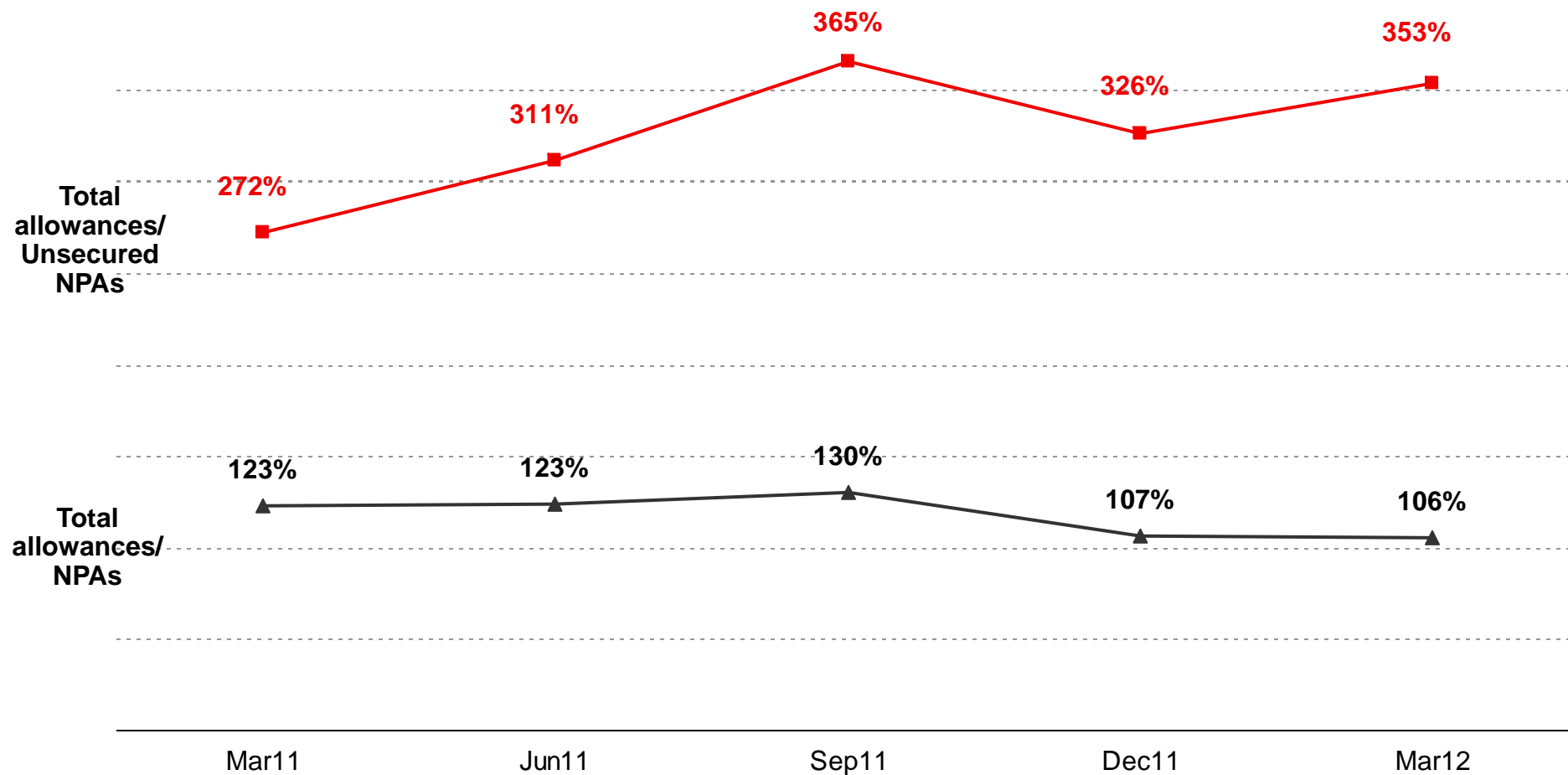
Note: NPAs comprise NPLs and classified debt securities/contingent liabilities



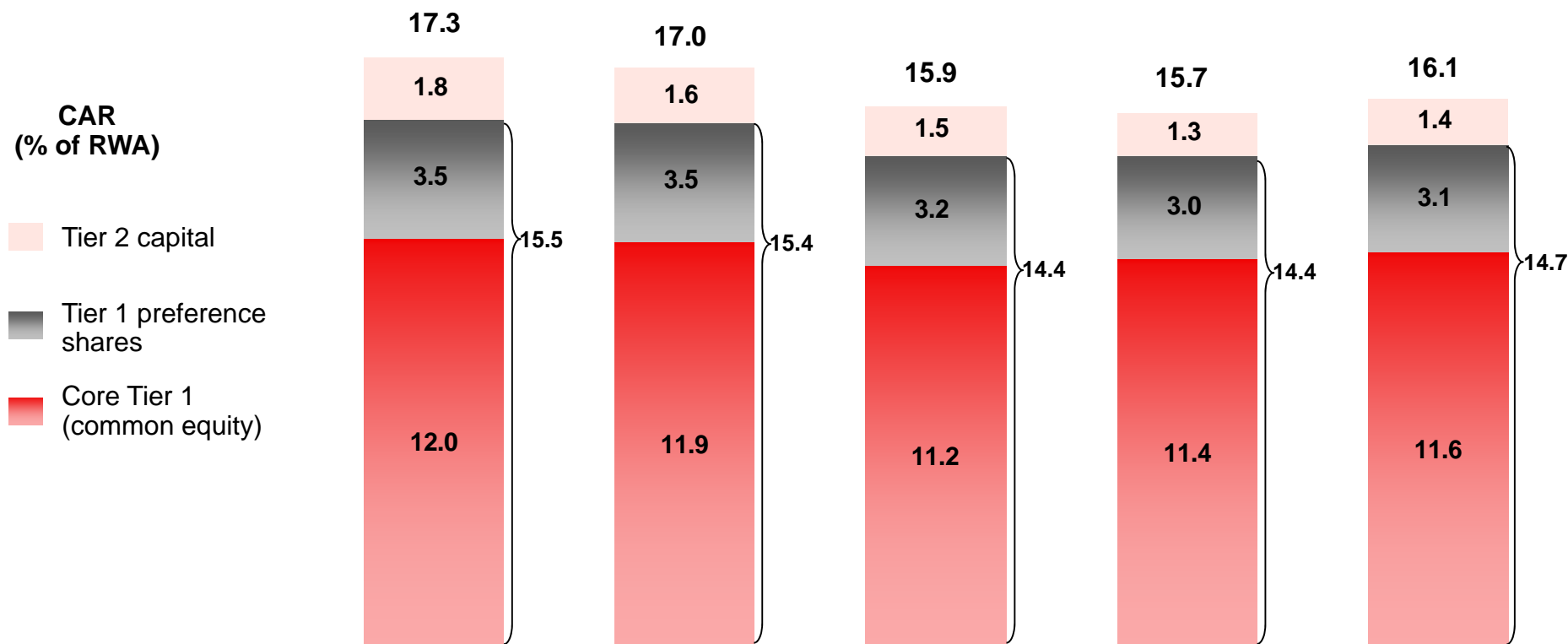
Movement in NPAs

	1Q12 S\$m	1Q11 S\$m	4Q11 S\$m
NPAs – Opening balance	1,437	1,208	1,158
New NPAs	303	135	475
New recoveries/upgrades	(203)	(129)	(145)
Write-offs	(24)	(23)	(51)
NPAs – Closing balance	1,513	1,191	1,437

Healthy allowance coverage ratios of 106% of total NPAs and 353% of unsecured NPAs



Capital adequacy ratios remained strong: Tier 1 ratio of 14.7% and Core Tier 1 of 11.6%



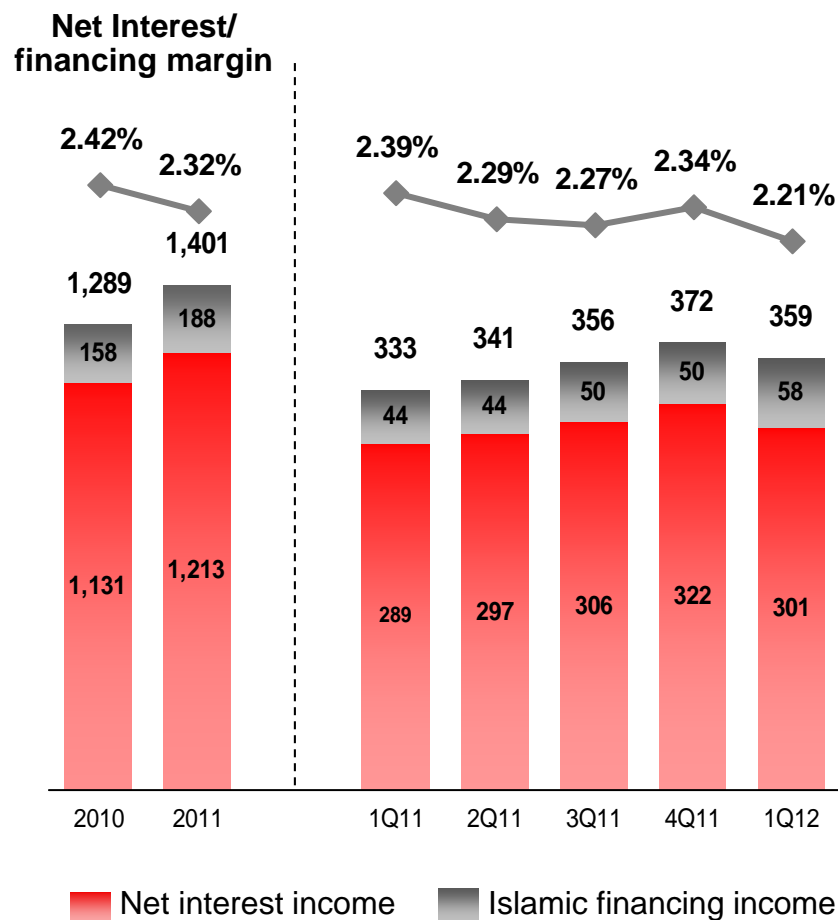
	Mar11	Jun11	Sep11	Dec11	Mar12
Tier 1 capital (S\$m)	17,469	17,764	17,654	18,612	19,024
Tier 1 prefs. (S\$m)	3,961	3,957	3,957	3,958	3,958
RWA (S\$m)	112,558	115,318	121,997	128,507	129,183

Note: Capital ratios are computed based on Basel II framework and in accordance with revised MAS Notice 637

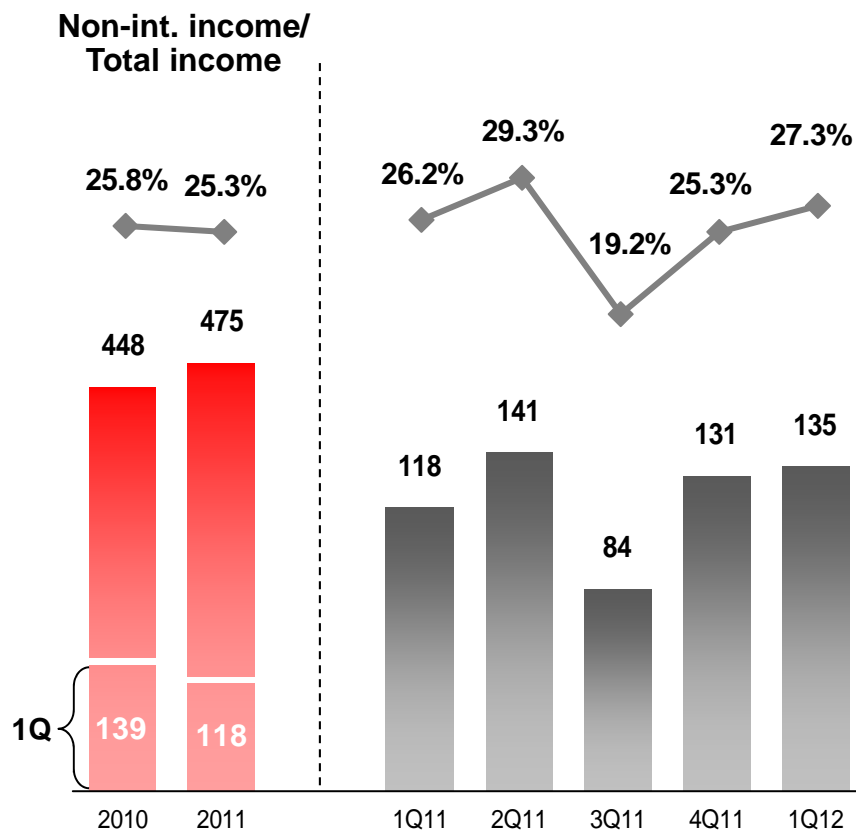


OCBC Malaysia: Total net interest income and Islamic financing income up 8% YoY

Net interest income and Islamic financing Income (RM m)



Non-interest income (RM m)

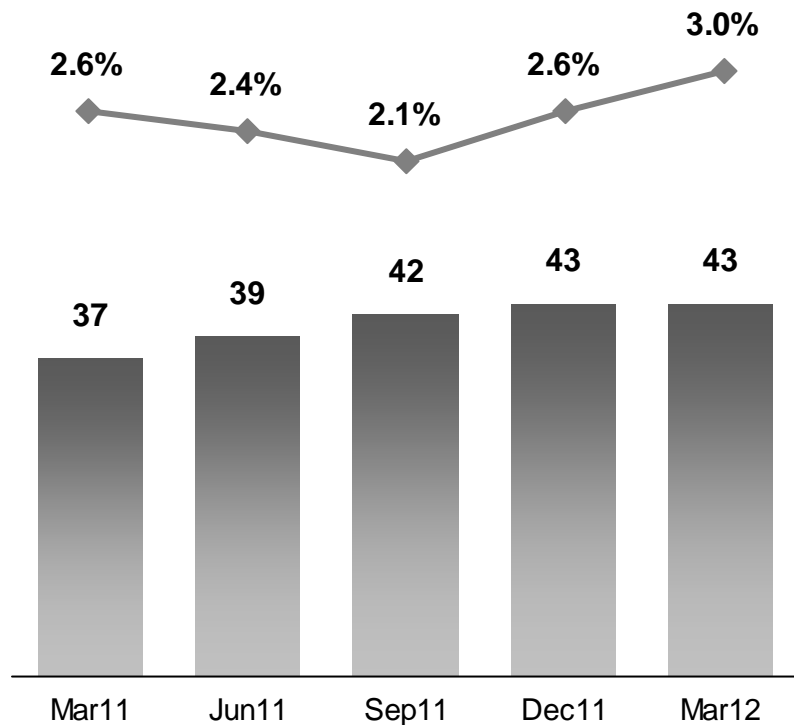


Note: Based on Bank Negara Malaysia's guidelines and Malaysia accounting standards

OCBC Malaysia: Loan growth of 17% YoY and flat QoQ; NPL ratio of 3.0%

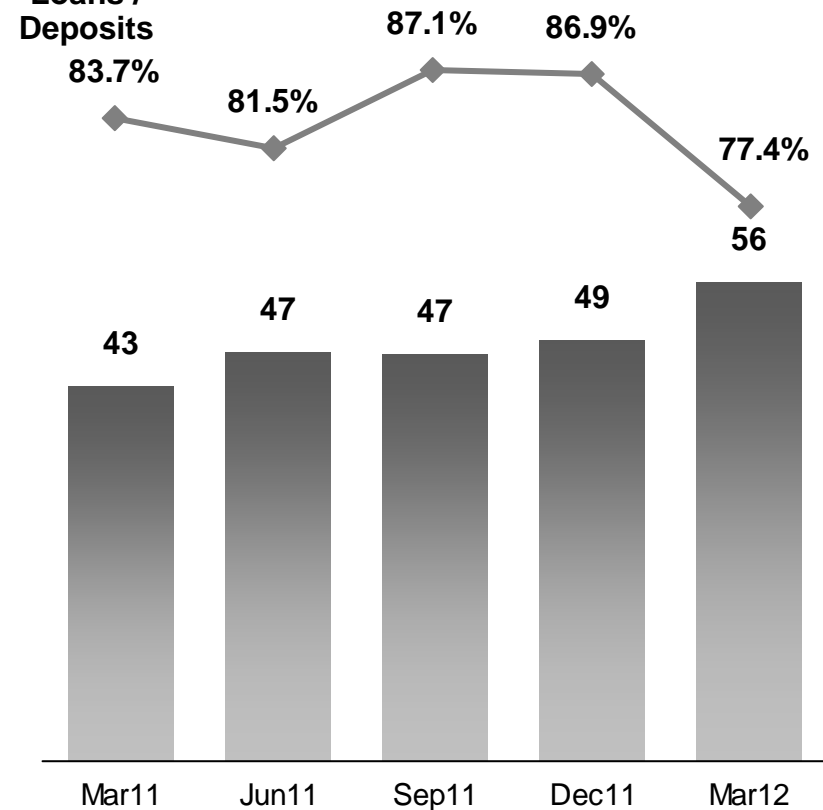
Gross Loans (RM b)

NPL Ratio



Deposits (RM b)

Loans / Deposits

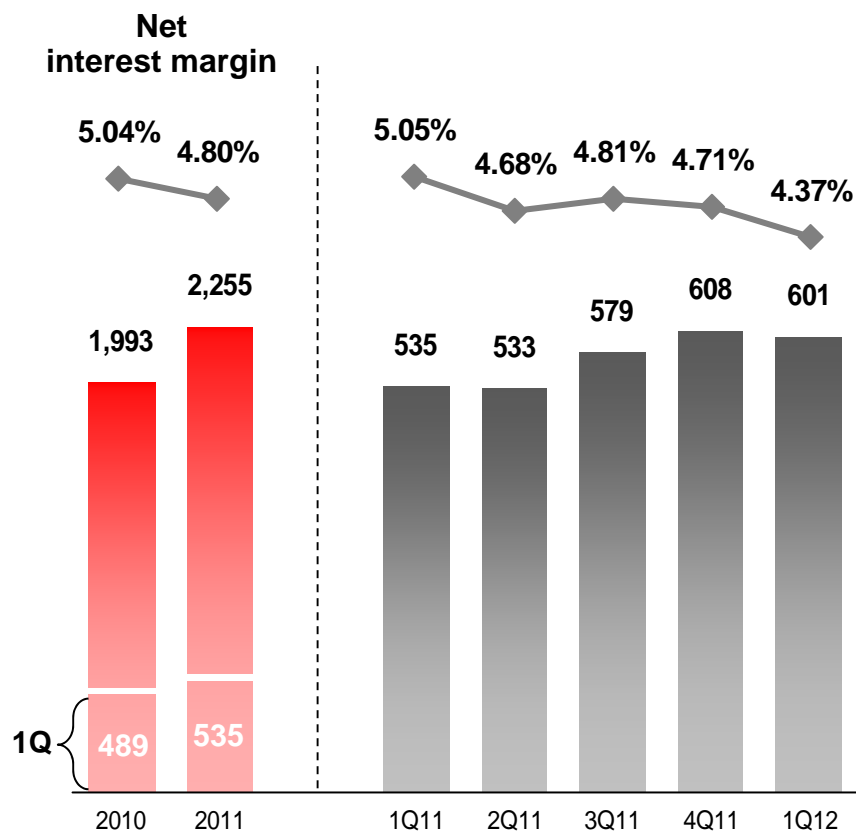


Note: Based on Bank Negara Malaysia's guidelines and Malaysia accounting standards

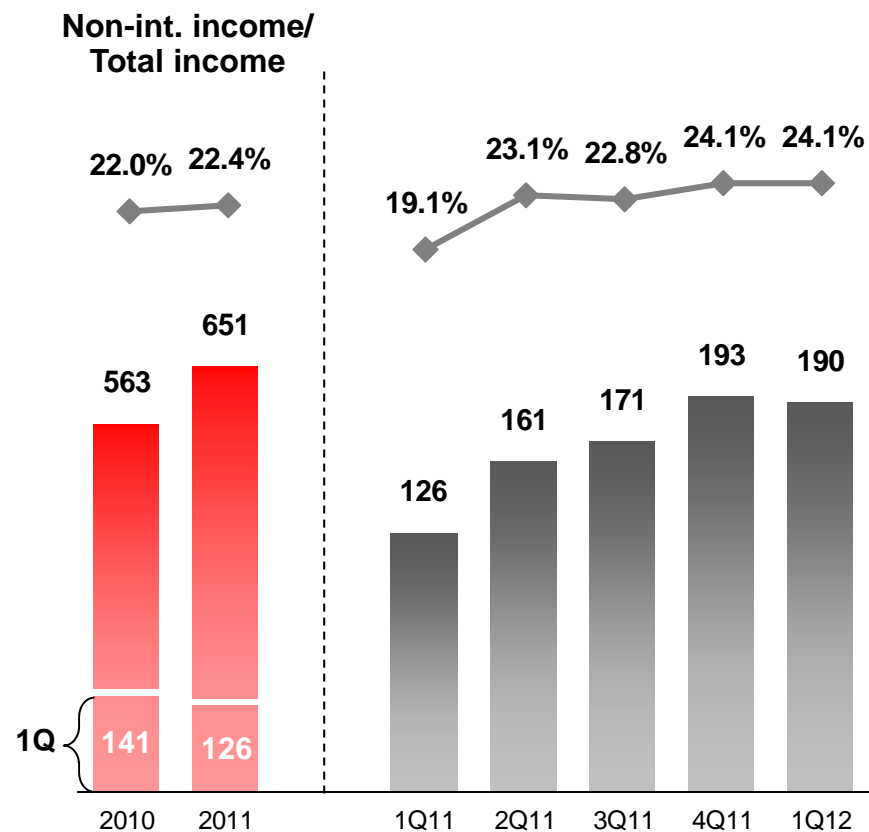


OCBC NISP: Net interest income up 12% YoY

Net interest income (Rp b)



Non-interest income (Rp b)



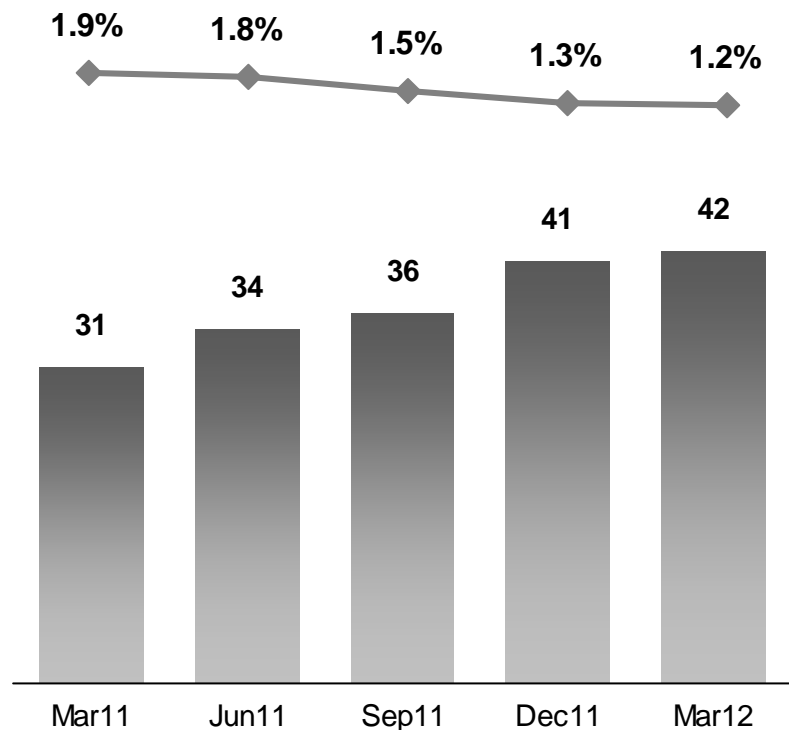
Note: 2010 figures restated to include former Bank OCBC Indonesia



OCBC NISP: Loan growth of 38% YoY; NPL ratio improved to 1.2%

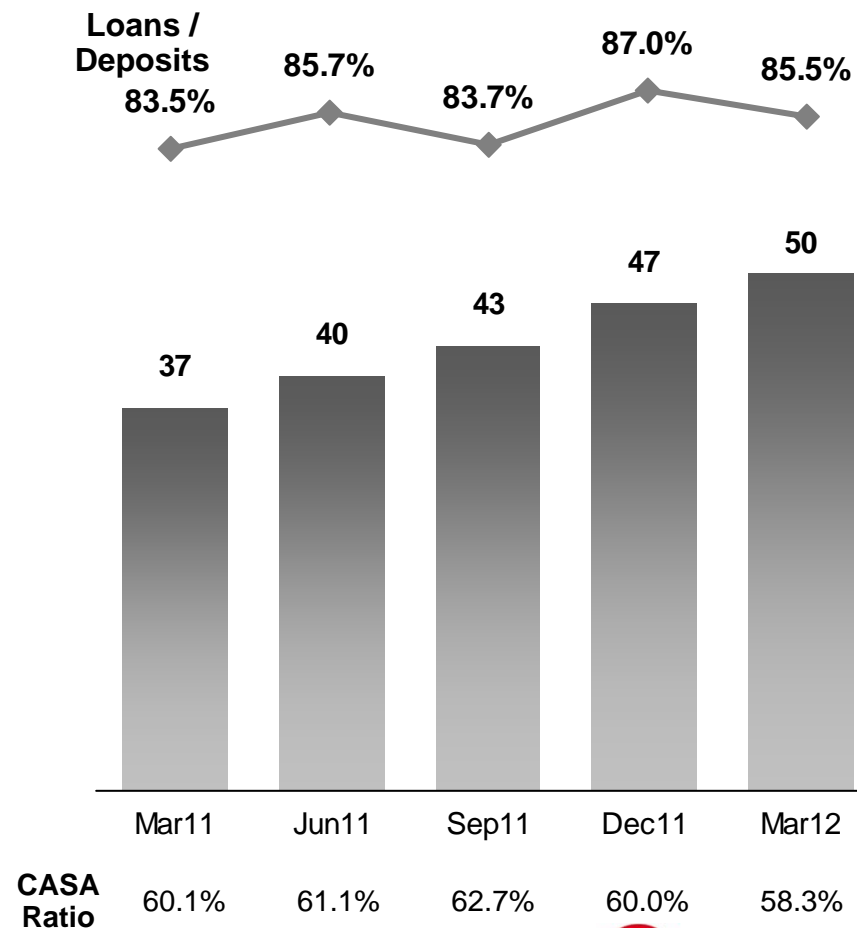
Gross Loans (Rp t)

NPL Ratio



Deposits (Rp t)

Loans / Deposits



CASA Ratio

60.1% 61.1% 62.7% 60.0% 58.3%

Note: 2010 figures restated to include former Bank OCBC Indonesia



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Malaysia and Indonesia Subsidiaries

OCBC Malaysia: 1Q12 net profit up 17% YoY

OCBC Malaysia	1Q12 RM m	1Q11 RM m	YoY +/(-)%	4Q11 RM m	QoQ +/(-)%
Net interest income	301	289	4	322	(7)
Islamic Financing Income	58	44	31	50	17
Non-interest income	135	118	14	131	3
Total income	494	452	9	503	(2)
Operating expenses	(192)	(169)	13	(201)	(5)
Operating profit	302	283	7	302	-
Allowances	(4)	(29)	(86)	(11)	(64)
Tax	(75)	(64)	17	(79)	(5)
Reported net profit	223	190	17	212	5
Key ratios					
Costs / Income	38.8	37.4		40.0	
ROE	18.4	17.4		18.2	



OCBC NISP: 1Q12 net profit up 38% YoY

OCBC NISP	1Q12 RP b	1Q11 RP b	YoY +/(-)%	4Q11 RP b	QoQ +/(-)%
Net interest income	601	535	12	608	(1)
Non-interest income	190	126	51	193	(2)
Total income	791	661	20	801	(1)
Operating expenses	(471)	(419)	12	(427)	10
Operating profit	320	242	32	374	(14)
Allowances	(59)	(58)	2	(64)	(8)
Non Op Income / (Expenses)	7	11	(36)	(2)	567
Tax	(67)	(49)	(37)	(78)	(14)
Reported net profit	201	146	38	230	(13)

Key ratios

Costs / Income	59.5	63.5		53.3	
ROE	12.4	10.3		15.4	



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Thank You



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