



PUBLIC BANK
ПУБЛИК БАНК

Investor Presentation

2nd Annual Deutsche Bank Access

Asia Conference 2011

Singapore

23 – 26 May 2011

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Quick Facts

- Top-tier bank in Malaysia
- Top 5 largest listed^ corporation by market capitalisation
- Most award-winning bank in Malaysia*
- Highly experienced management
- Unbroken profit track record since incorporation in 1966
- Strong financial ratings & corporate governance
- Valuable PB Brand & retail franchise

^ Reference to listing on Bursa Malaysia

* Certified by the Malaysia Book of Records



Our Strategy remains unchanged

“The Public Bank Group continues to pursue strong growth in its lending and deposit-taking businesses, expedite and diversify its growth in fee-based revenue, and further enhance its cost efficiency and return on equity.

The Group will continue to maintain its strong asset quality and leverage on its wide branch network, superior PB Brand and service excellence. The Group also remains committed to its tradition of prudence and practice of strong corporate governance.

The Group is confident that it is well placed to meet any challenges ahead and will continue to strive to maintain its solid profit performance in 2011.”

Tan Sri Dato’ Sri Dr. Teh Hong Piow
Chairman



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MARKET CAPITALISATION AND ANALYSTS' POLL

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SUMMARY

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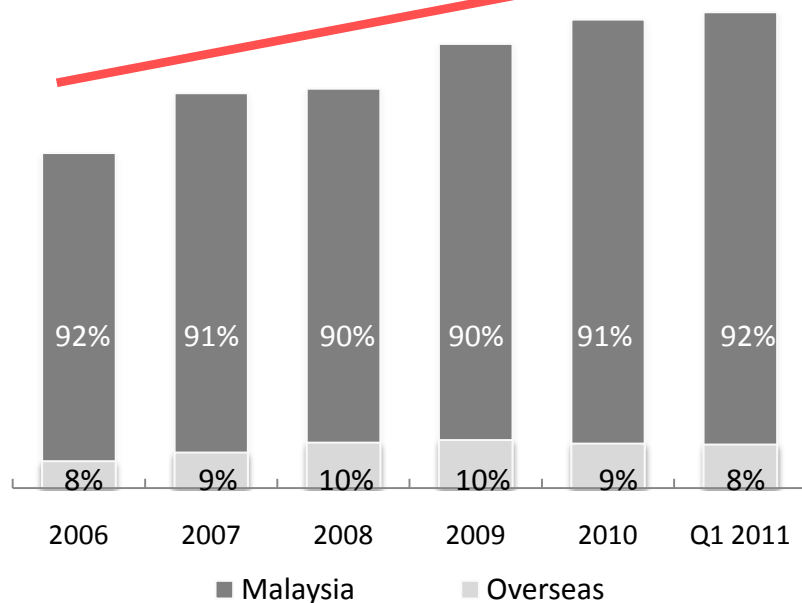


Introduction to Public Bank Group

- Commenced operations in 1966 with one branch
- Listed in April 1967 on Bursa Malaysia Securities Berhad (*then known as Kuala Lumpur Stock Exchange*)
- Geographical Contribution

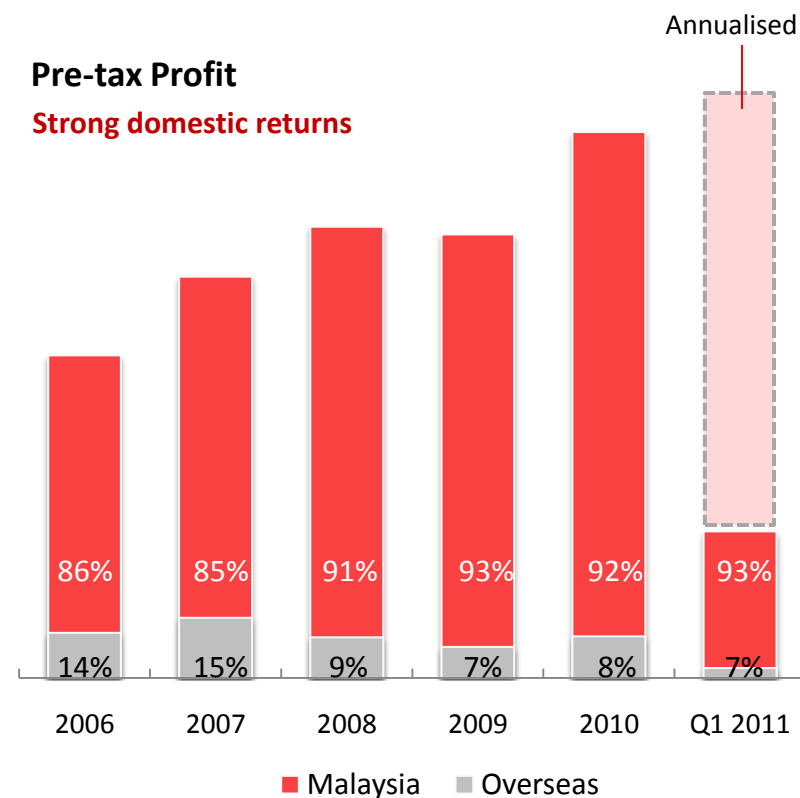
Total Assets

Consistent & stable investment strategy



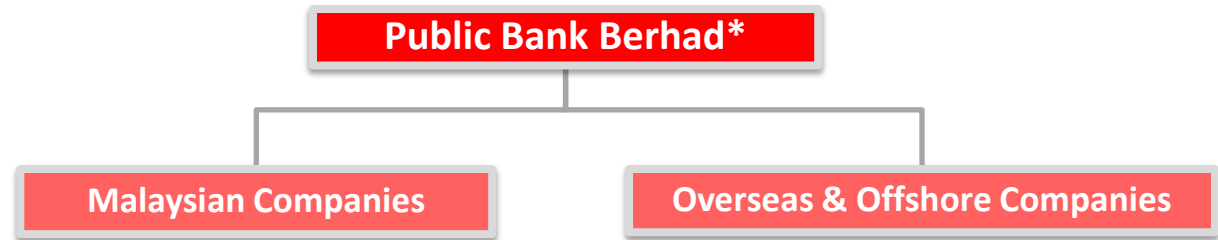
Pre-tax Profit

Strong domestic returns



Group Corporate Structure

Key Subsidiaries & Associates



Banking, financing and related financial services	<ul style="list-style-type: none"> • Public Islamic Bank Berhad [PIBB] (100%) 	<ul style="list-style-type: none"> • Public Bank (Hong Kong) Limited (73.2%) • Public Finance Limited (73.2%) • Winton Financial Ltd (73.2%) • Cambodian Public Bank Plc (100%) • VID Public Bank (50%) • Public Bank (L) Ltd (100%)
Wealth management	<ul style="list-style-type: none"> • Public Mutual Berhad (100%) • ING PUBLIC Takaful Ehsan Bhd (40% jointly owned by PIBB) 	
Investment Banking	<ul style="list-style-type: none"> • Public Investment Bank Berhad (100%) 	
Property holding	<ul style="list-style-type: none"> • Public Holdings Sdn. Bhd. (100%) 	
General insurance		<ul style="list-style-type: none"> • CampuBank Lonpac Insurance Plc (55%)

* Holding company principally engaged in all aspects of banking and finance company businesses and the provision of related services.



Growth Strategy and Retail Business Focus

- **Growth strategy**
 - Sustainable Organic Growth
- **Retail business focus**

➤ **Lending:**

- Consumer Financing: home mortgages, vehicle financing, credit cards, personal financing
- Lending to SMEs: working capital, purchase of business premises, trade finance & microfinance

➤ **Deposits:**

- Retail deposits: Fixed, savings and demand deposits
- Wholesale deposits
- Foreign currency deposits
- Structured deposit products

➤ **Fee Based Business:**

Unit trusts, bancassurance and structured investment products



Expansion in Business Delivery Channel

Branch Network - Group

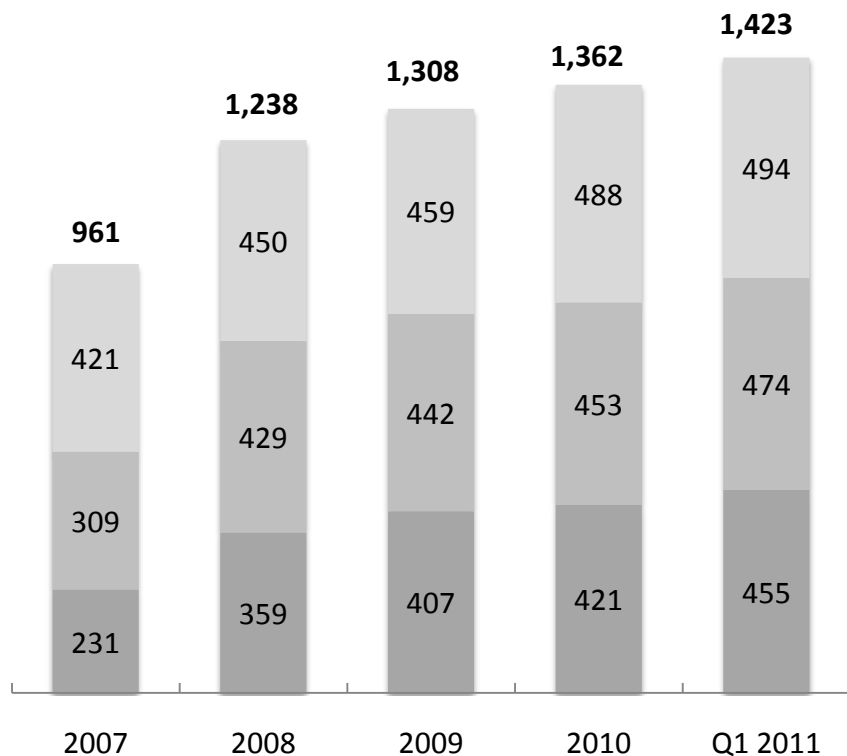
	Mar 2011	Dec 2010	Dec 2006
Malaysian Operations			
Public Bank - Domestic	251	249	240
- Overseas	4	4	3
Public Islamic Bank	1	1	-
Public Mutual	28	26	25
Public Investment Bank	1	1	1
Hong Kong & China Operations			
Public Finance Ltd	42	42	40
Public Bank (HK) Ltd - Hong Kong	32	30	15
- China	3	3	1
Winton (B.V.I) Ltd Group	9	9	2
Indo-China Operations			
Cambodia Public Bank	21	21	5
VID Public Bank (Vietnam)	7	7	6



Expansion in Business Delivery Channel

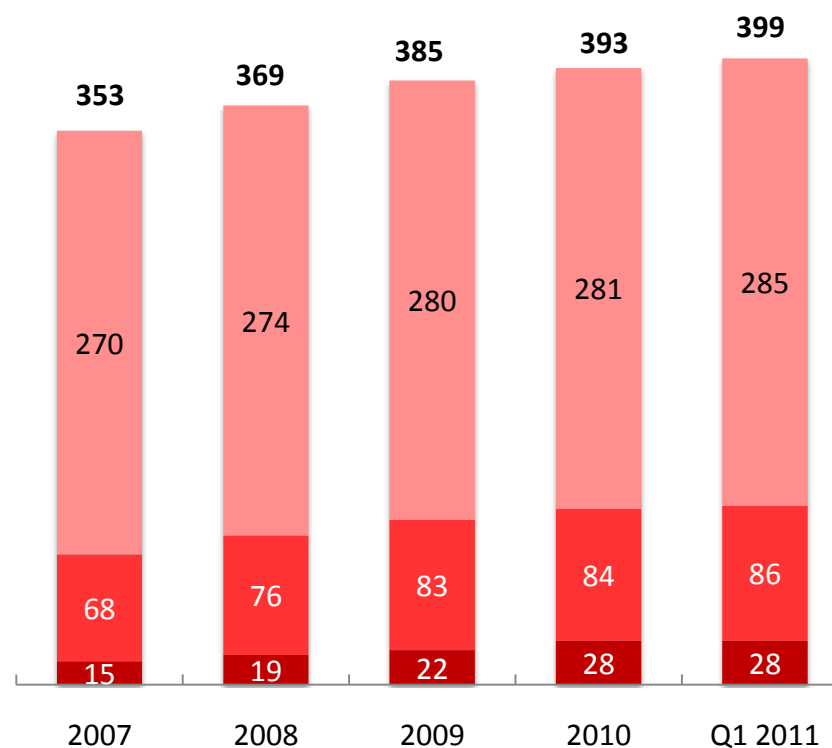
Business Delivery Channel

Continuous investments in domestic self service terminals



■ Cash Deposit Terminals
 ■ Cheque Deposit Machines
 ■ ATMs

Continuous investments in branch networks



■ Indo-China Operations
 ■ HK & China Operations
 ■ Msia Operations



Reaffirmed High Credit Ratings

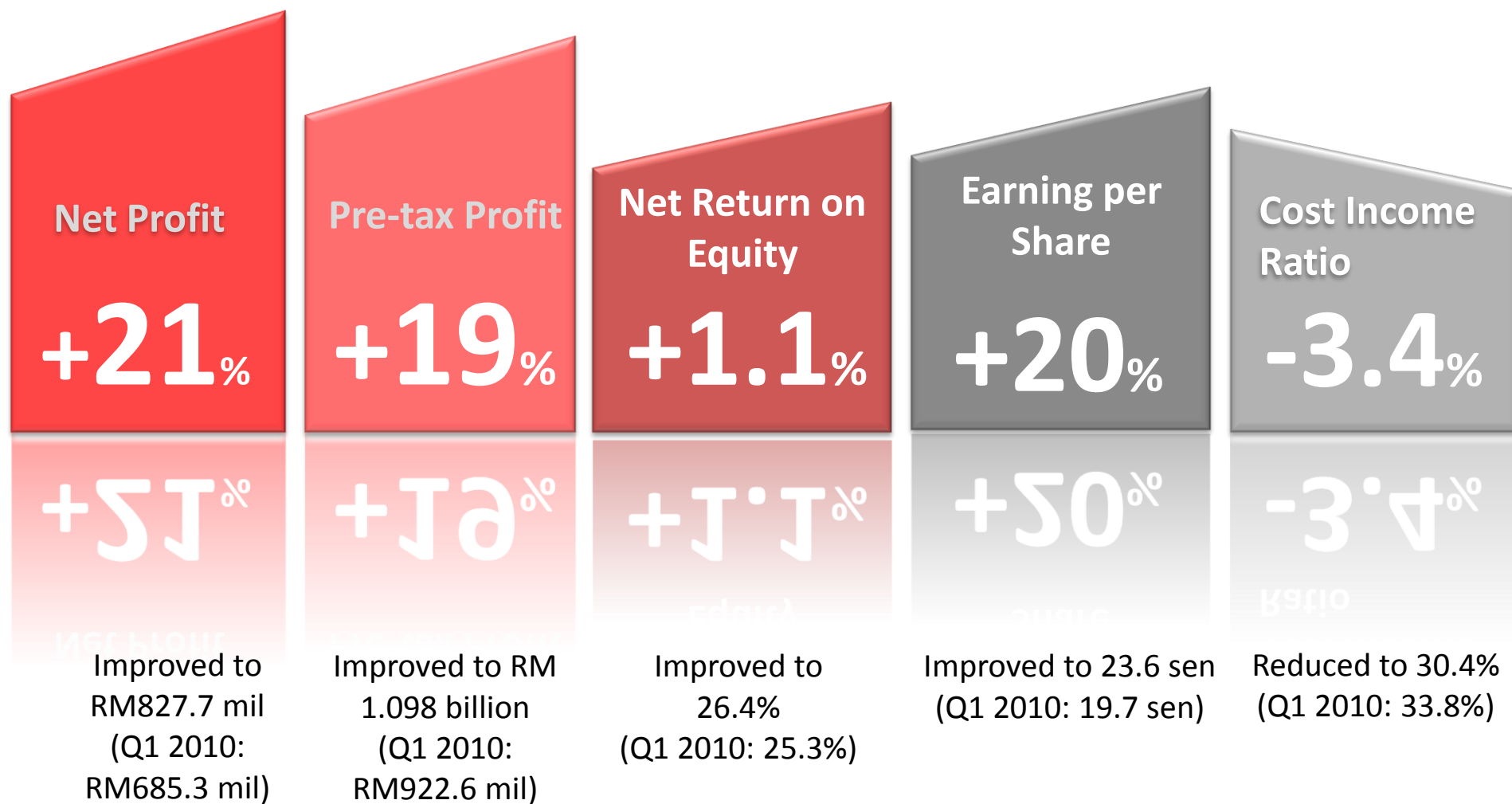
	Long term	Short term	Latest update
RAM	AAA	P1	June 2010
Moody's	A3	P-1	April 2011
Standard & Poor's	A-	A-2	December 2010
Standard & Poor's ASEAN Scale Rating	axAA	axA-1	December 2010

RAM rating on Subordinated Notes and Capital Securities

	Long term	Latest update
Subordinated Medium Term Notes Programme of up to RM5.0 billion	AA1	June 2010
RM1.2 billion Innovative Tier 1 capital Securities	AA2	June 2010
Non-Cumulative Perpetual Capital Securities Programme of up to RM5.0 billion	AA2	June 2010

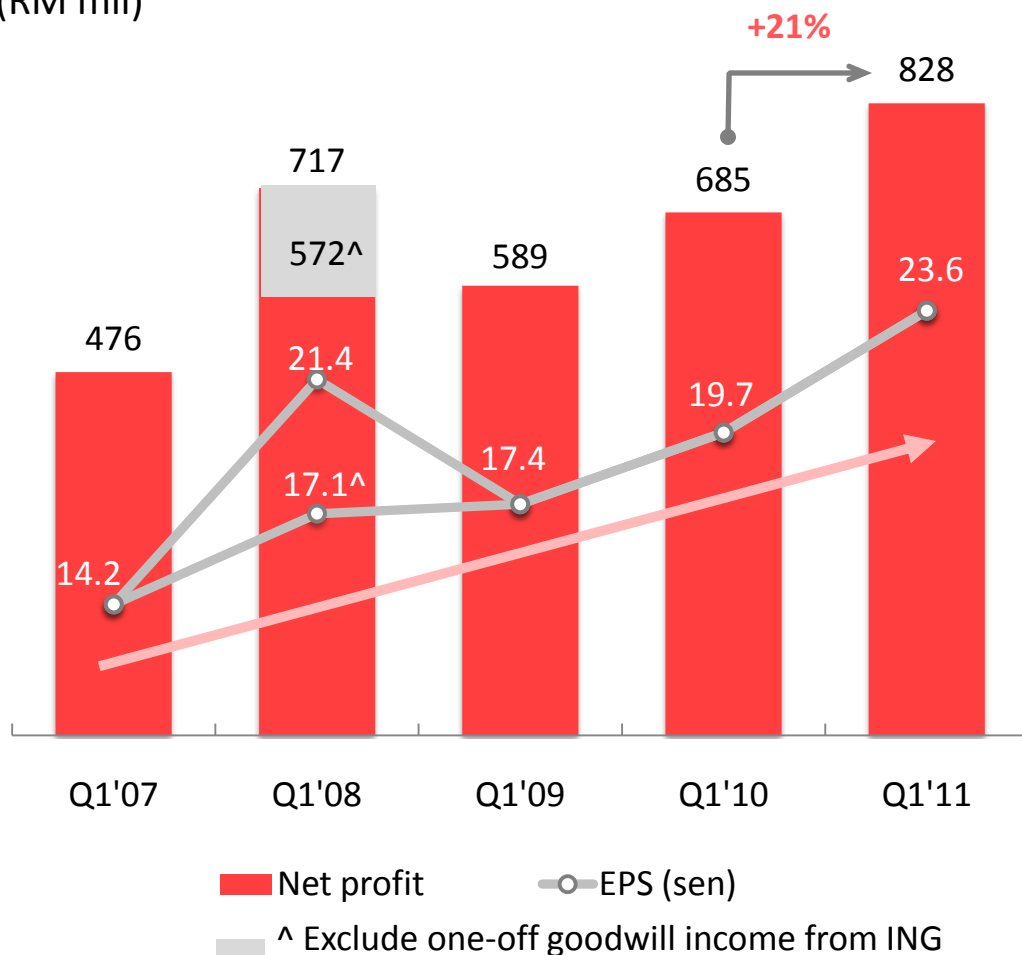


Performance overview – Sustainable profit growth



Performance overview – Strong quarterly net profit growth

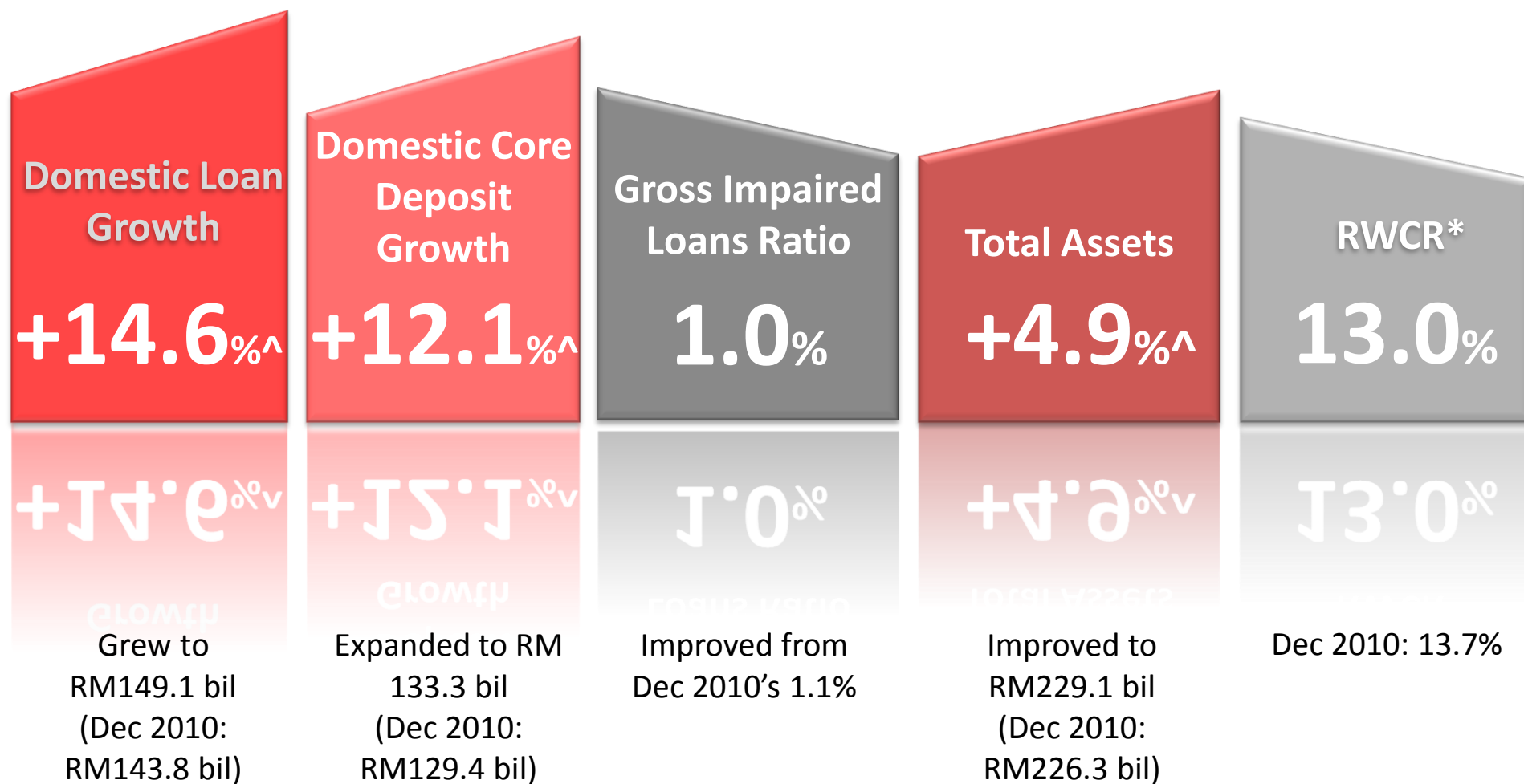
Quarterly net profit growth
(RM'mil)



- Net profit average annual growth 17.5%
- EPS average annual growth 16.3%



Performance overview – From a position of strength



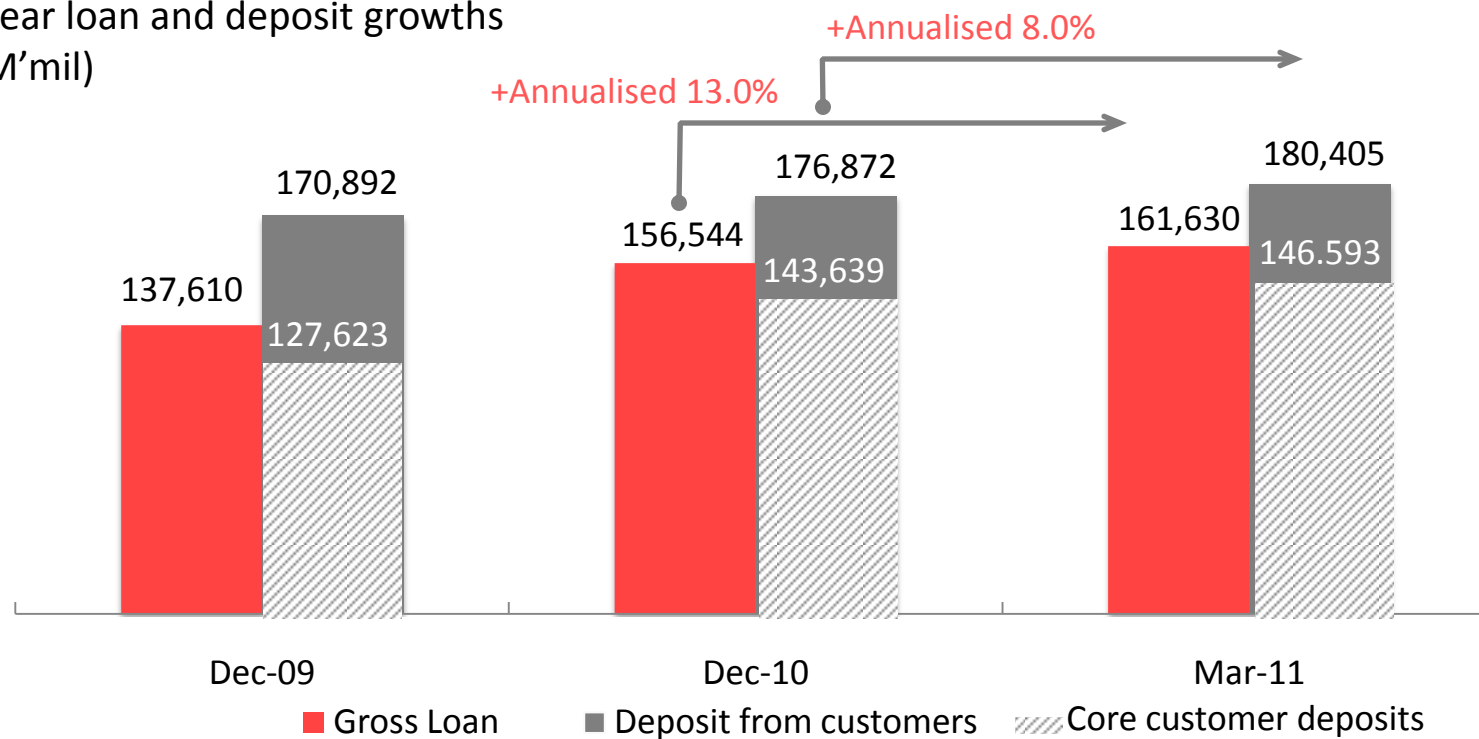
[^] Annualised growth

* Q1 2011's unaudited earnings have yet to be included in the March 2011's RWCR. Dec 2010's RWCR is stated after deducting second interim dividends



Performance overview – Sustainable loan and deposit growths

3-year loan and deposit growths
(RM'mil)



	Dec-2009	Dec-2010	Mar-2011
Gross loan growth	14.4%	13.8%	13.0%[^]
Customer deposit growth	13.0%	3.5%	8.0%[^]
Core customer deposit growth	14.8%	12.5%	8.2%[^]

[^] Annualised growth

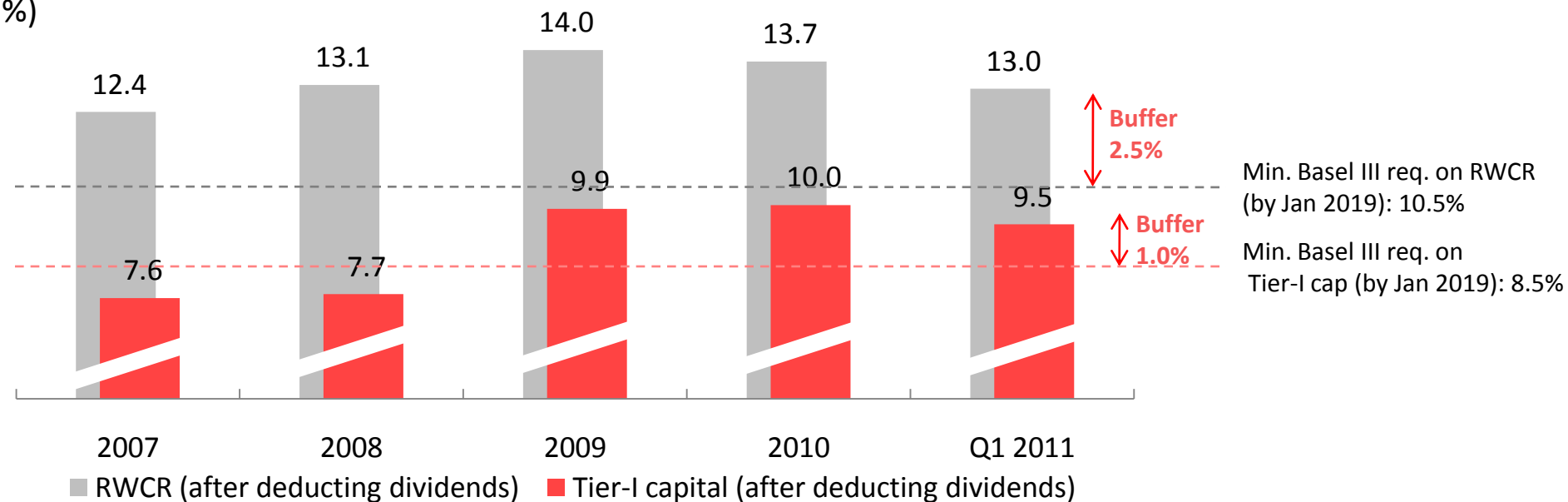
Investor Presentation



Performance overview – Healthy capital > Basel III requirements

Above Basel III requirements# (even up to 2019 minimum ratios)

(%)



	Dec-2010*	Mar-2011	Change
Risk weighted capital ratio (RWCR)	13.7%	13.0%	↓ -0.7%
Tier I capital ratio	10.0%	9.5%	↓ -0.5%
Core equity capital ratio	7.2%	6.9%	↓ -0.3%

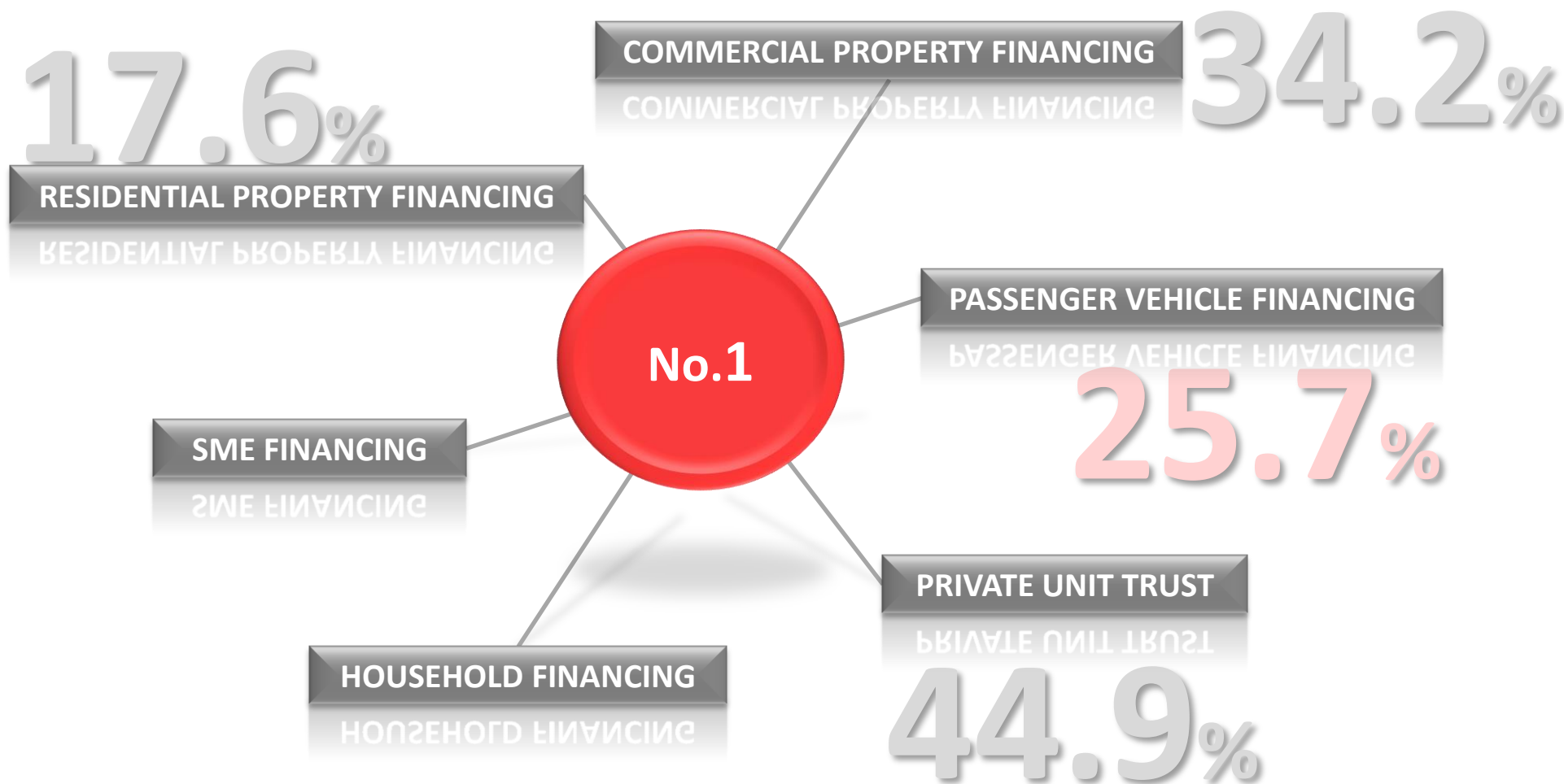
Inclusive of 2.5% capital conservation buffer but exclude counter-cyclical buffer which is subject to regulator's discretion

* After deducting second interim dividends



Taking the lead in what we do – Clear market leadership

We continue to maintain **market leadership** in our domestic core businesses



Taking the lead in what we do – High performance bank

We continue to maintain **leadership** as a high performance bank in Malaysia



Key performance indicator	Public Bank Group	Latest industry average
Pre-tax return on average equity (%)	33.3	16.5
Pre-tax return on average assets (%)	1.9	1.5
Cost to income ratio (%)	30.4	46.7
Pre-tax profit per employee (RM'000)	254	189
Gross loans per employee (RM'mil)	9.3	7.3
Deposits per employee (RM'mil)	10.4	9.5
Gross impaired loans ratio (%)	1.0	3.3
Loan loss coverage (%)	155.4	89.6



Earnings Performance

RM'mil	Q1 2011	Q1 2010	Change
Net interest & Islamic Banking income	1,401.2	1,264.7	↑ 10.8%
Non-interest income	371.6	339.6	↑ 9.4%
Operating expenses	538.6	542.7	↓ -0.8%
Operating profit	1,234.1	1,061.5	↑ 16.3%
Loan impairment allowances	140.2	139.8	↑ 0.3%
Pre-tax profit	1,097.9	922.6	↑ 19.0%
Net profit	827.7	685.3	↑ 20.8%

Income:

- Strong growth in net interest and Islamic Banking income and non-interest income

Expenses:








- Lower operating expenses in Q1 2011 vs Q1 2010 were due to absence of certain non-recurring expenses

Allowance:

- Loan impairment allowances remained fairly stable despite strong loan growth



Key Earnings Indicators

	Q1 2011	Q1 2010	Change
Earnings per share (sen)	23.6	19.7	 19.8%
Net return on equity*	26.4%	25.3%	 1.1%
Pre-tax return on average assets	1.9%	1.7%	 0.2%
Net interest margin on yielding assets**	3.2%	3.4%	 -0.2%
Non interest income/Total net income	21.0%	21.2%	 -0.2%
Cost to income ratio	30.4%	33.8%	 -3.4%
Overheads over average assets	0.9%	1.0%	 -0.1%

* Based on average equity after deducting proposed dividend, if any.

** Excluding Negotiable Instrument of Deposits and Money Market Deposits which are on-lent to banks.

Note: Q1 key earning indicators, excluding EPS, have been annualised for comparison purposes.



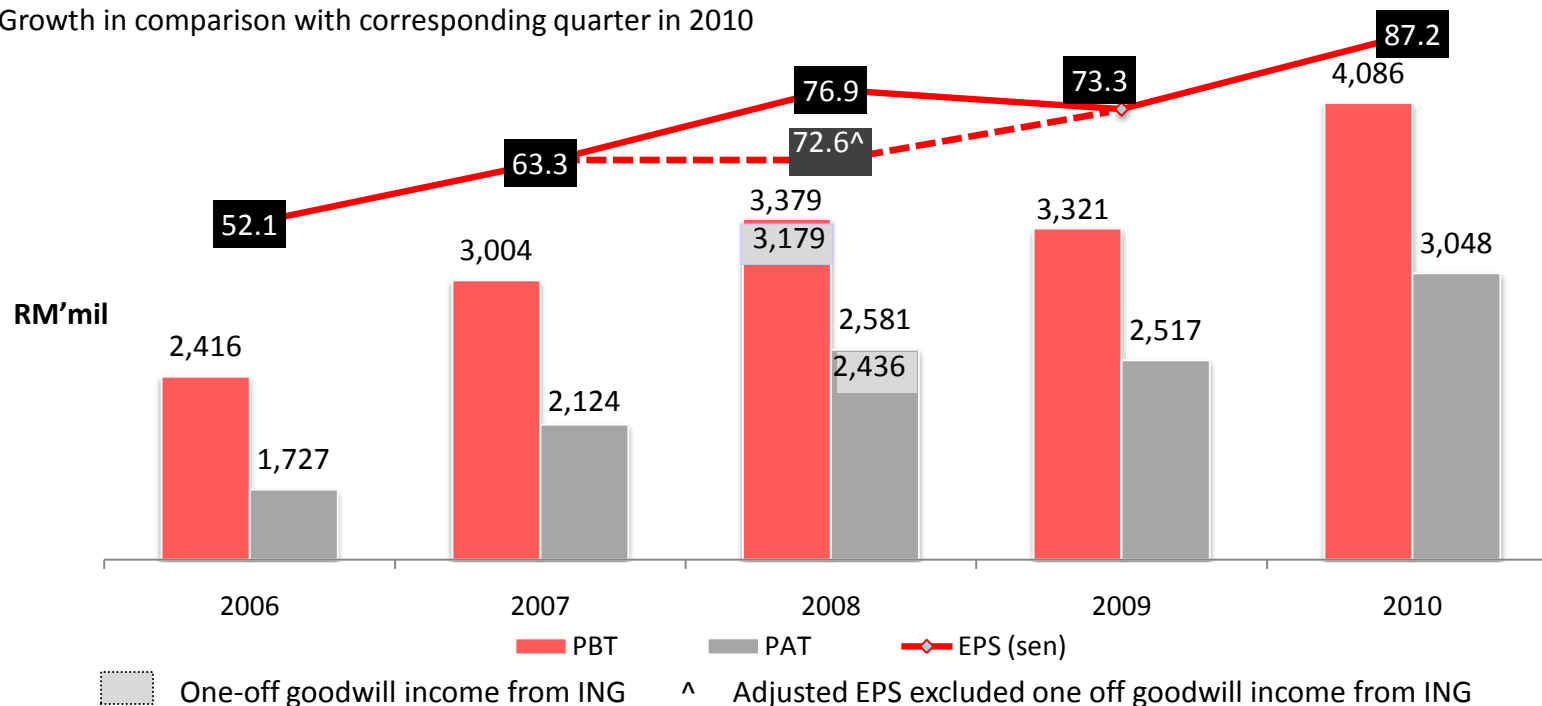
Unbroken Profit Track Record

- 44 years of unbroken profitability
- Strong profit growth in past 5 years

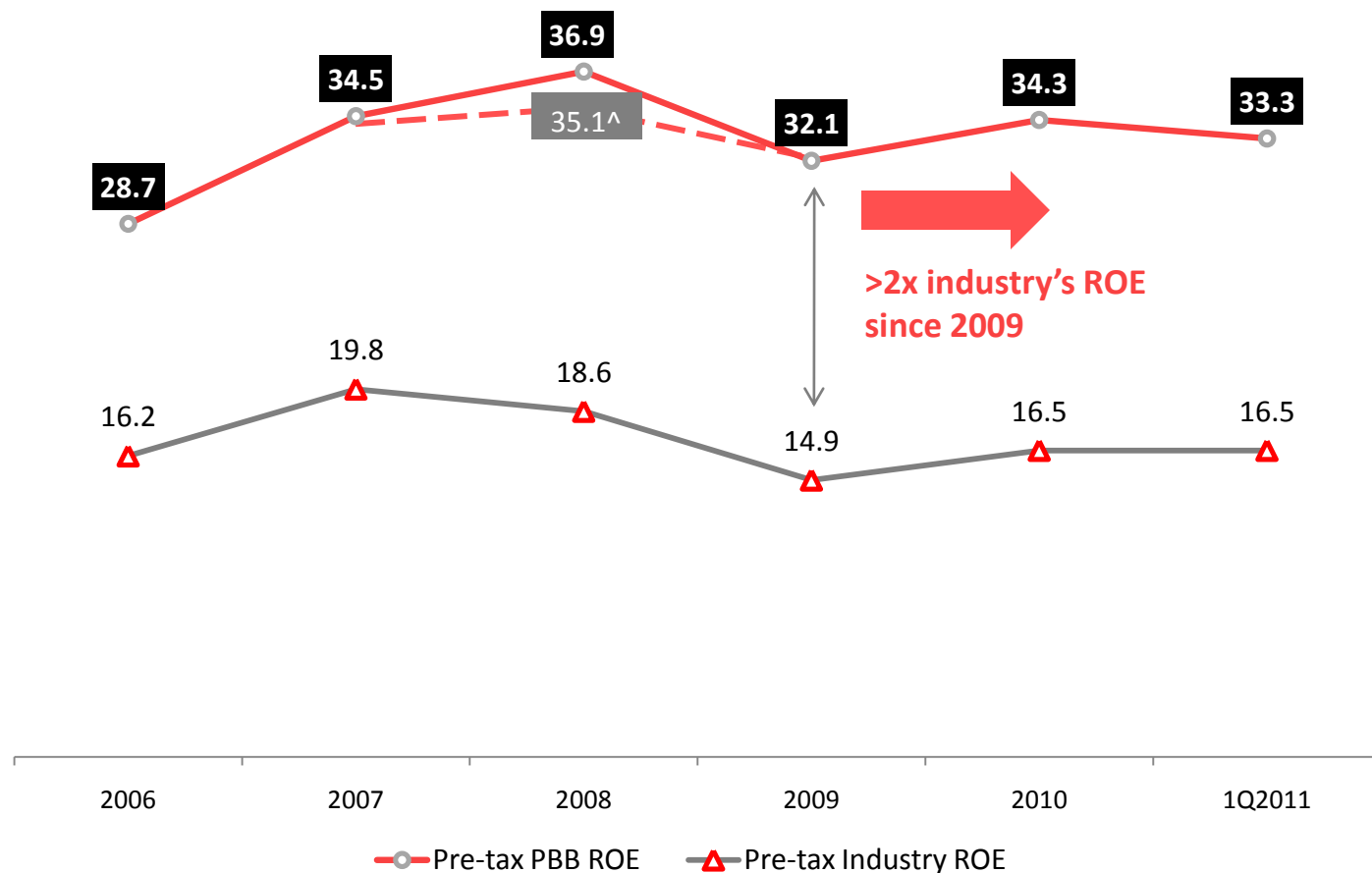
	RM'million							y-o-y growth (%)					
	2005	2006	2007	2008*	2009	2010	1Q2011	2006	2007	2008*	2009	2010	1Q2011**
Pre-tax profit	2,059	2,416	3,004	3,179	3,321	4,086	1,098	17.3	24.3	5.8	4.5	23.0	19.0%
Net profit	1,459	1,727	2,124	2,436	2,517	3,048	828	18.4	23.0	14.7	3.3	21.1	20.8%

* Figures for 2008 exclude RM200 million one-off goodwill income from ING

** Growth in comparison with corresponding quarter in 2010



Above-industry Return on Equity (ROE)

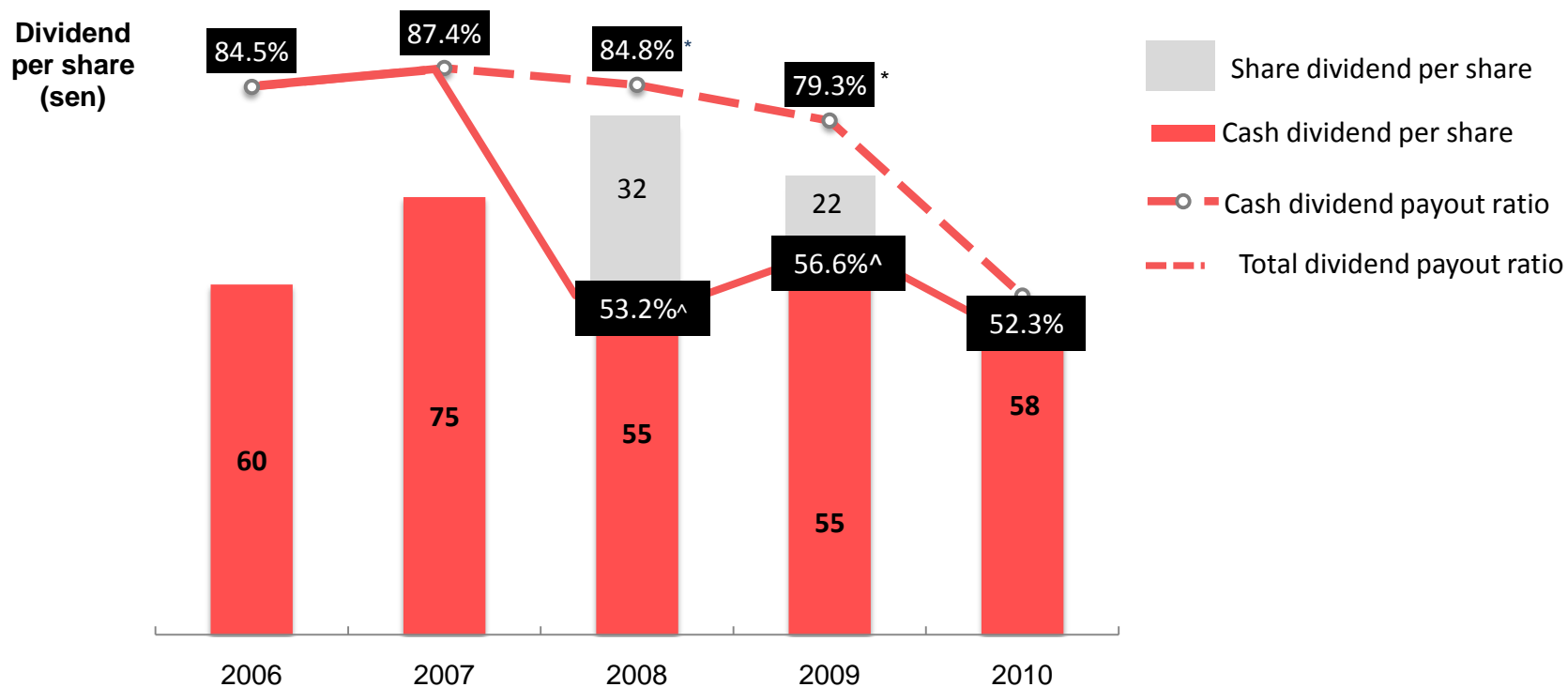


^ Excluding one-off goodwill income from ING



Dividend Track Record

- Paid dividends annually since 1970










Dividend yield	7.7%	6.8%	10.0%*	6.8%*	4.5%
- Cash Dividend	7.7%	6.8%	6.2%	4.9%	4.5%
- Share Dividend	-	-	3.8%	1.9%	-

^ Dividend payout based on cash dividends

* Including share dividend



Pre-tax Profit by Entities

RM'mil	Q1 2011	Q1 2010	Change
Public Bank & Public Islamic Bank	906.3	716.1	 26.6%
Public Mutual	77.7	63.2	 22.9%
Public Investment Bank	13.8	12.4	 11.1%
Public Bank (L)	23.7	28.7	 -17.5%
Overseas entities <i>(mainly Public Financial Holdings Group (in Hong Kong) and Cambodian Public Bank Plc)</i>	71.2	80.0	 -11.0%
Others	5.2	22.2	 -76.6%
Total	1,097.9	922.6	 19.0%

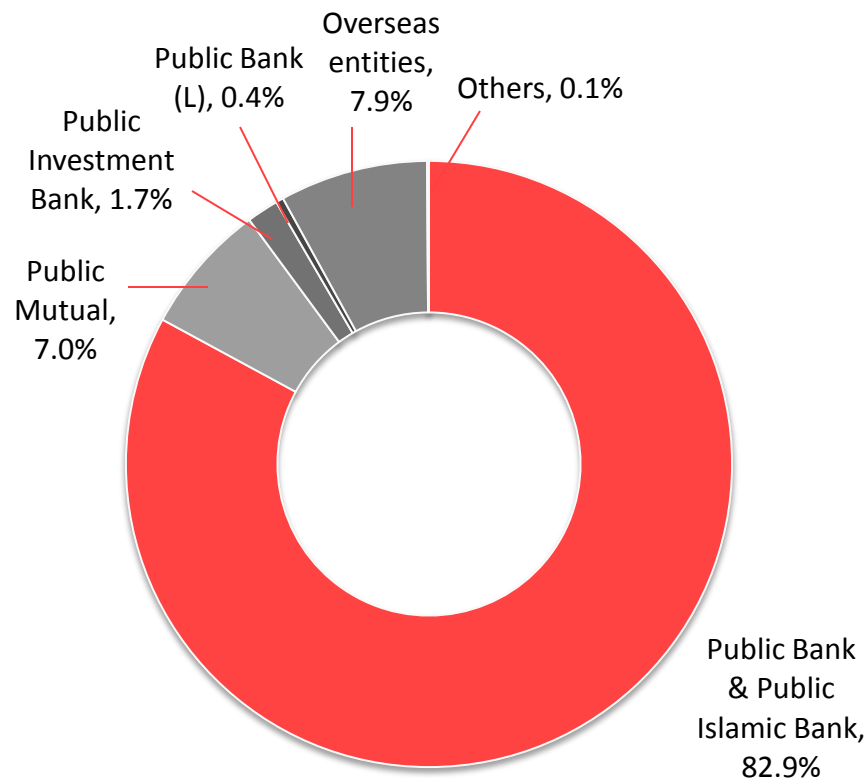
- Higher interest and finance income and non-interest income coupled with stable credit charge largely contributed to the increase in Public Bank's and Public Islamic Bank's profits
- Public Mutual's improved earnings was due to higher management fee income in tandem with the higher net asset value of funds under management
- Higher brokerage income earned contributed to improved results of Public Investment Bank
- Pre-tax profit of overseas entities weighed down due to pressure from interest margin squeeze and foreign exchange impact due to strengthening of RM against USD

Note: Pre-tax profit contribution by entities were taken excluding intercompany dividend and all other inter-company profit/loss which are eliminated at Group level.

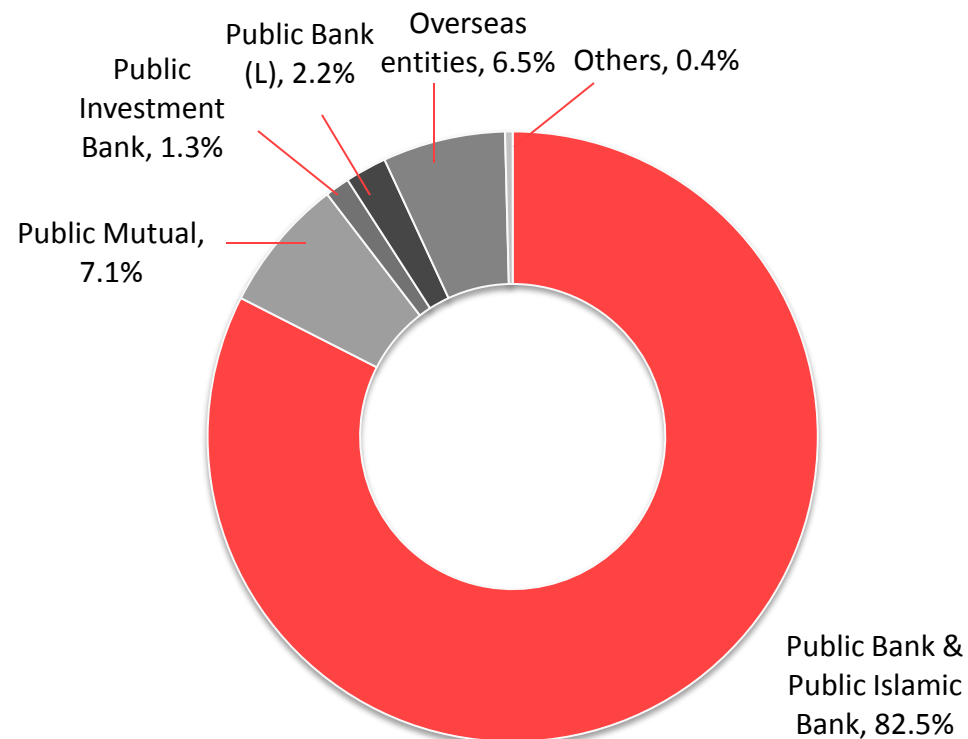


Contribution to Revenue & Pre-tax Profit – by Entities

Revenue Contribution



Pre-tax Profit Contribution












Based on financial results as of 31 March 2011

- Public Bank and Public Islamic Bank continue to be the major contributor to revenue and profits of the Group



Pre-tax Profit by Business Segment

RM'mil	Q1 2011	Q1 2010	Change
Retail operations	619.0	452.6	 36.8%
Hire purchase	161.2	166.9	 -3.4%
Corporate lending	55.1	61.5	 -10.5%
Treasury & capital market operations	41.9	55.5	 -24.5%
Fund management	77.7	63.2	 22.9%
Overseas operations	75.4	81.3	 -7.3%
Investment banking	13.9	12.4	 11.4%
Others*	53.7	29.2	 85.2%
Total	1,097.9	922.6	 19.0%

- Strong double digit growth in retail operations, contributing >56% of the Group's pre-tax profit
- Supported by favourable 10.8% rise in total net income earned and 9.4% improvement in non-interest income for the year, coupled with stable credit charge

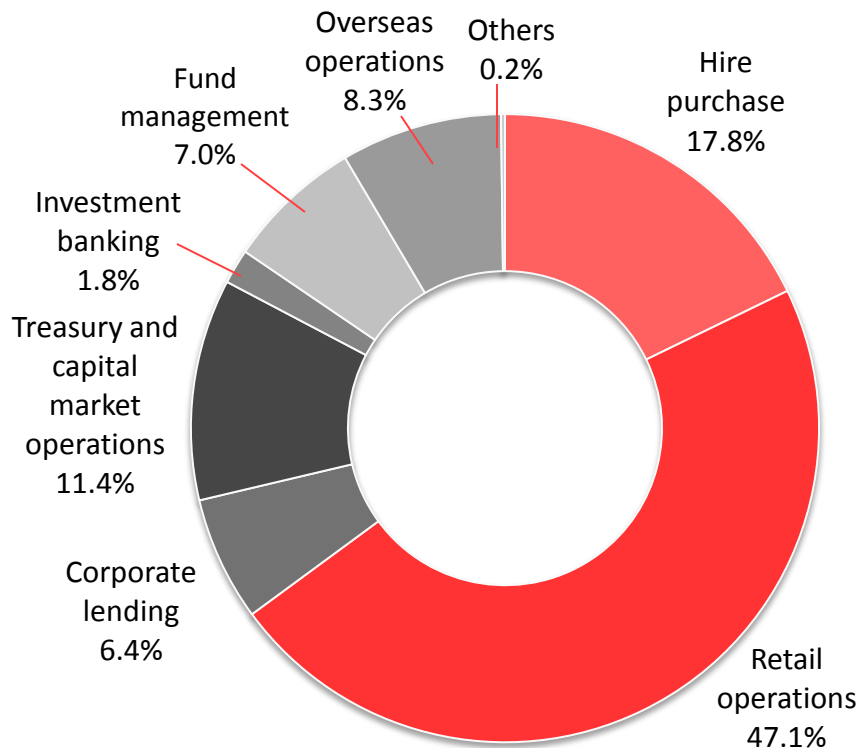
* Others comprise mainly of domestic head office, other miscellaneous domestic segment and domestic share of profit after tax of equity accounted associated companies.

Note: Profit contribution by segments are based on pre-tax profit including share of results of associated companies.

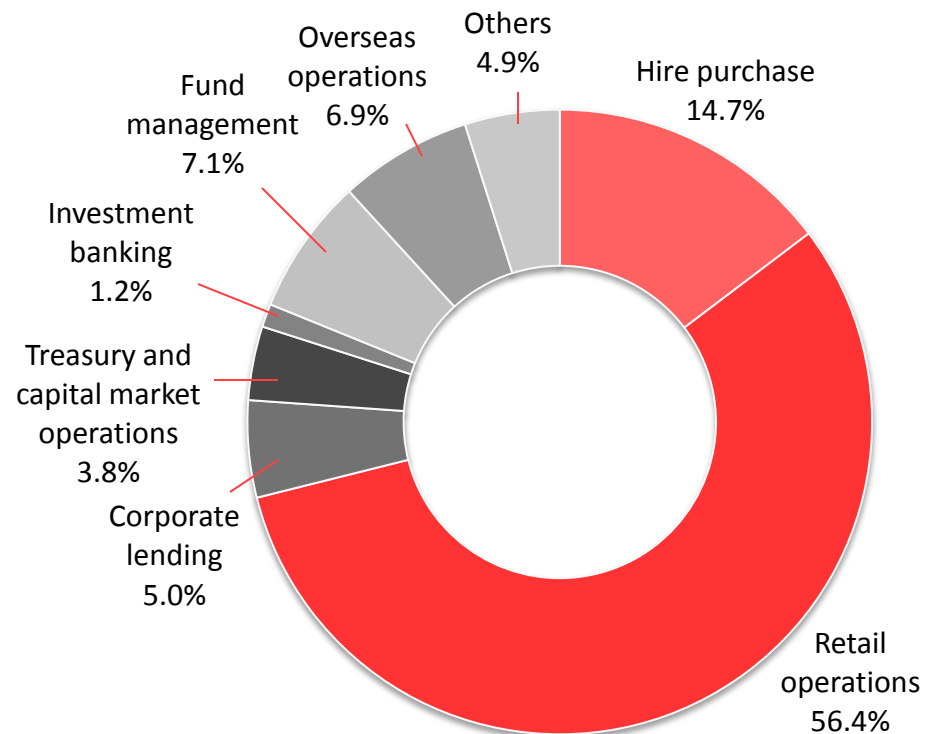


Contribution to Revenue & Pre-tax Profit – by Business

Revenue Contribution



Pre-tax Profit Contribution



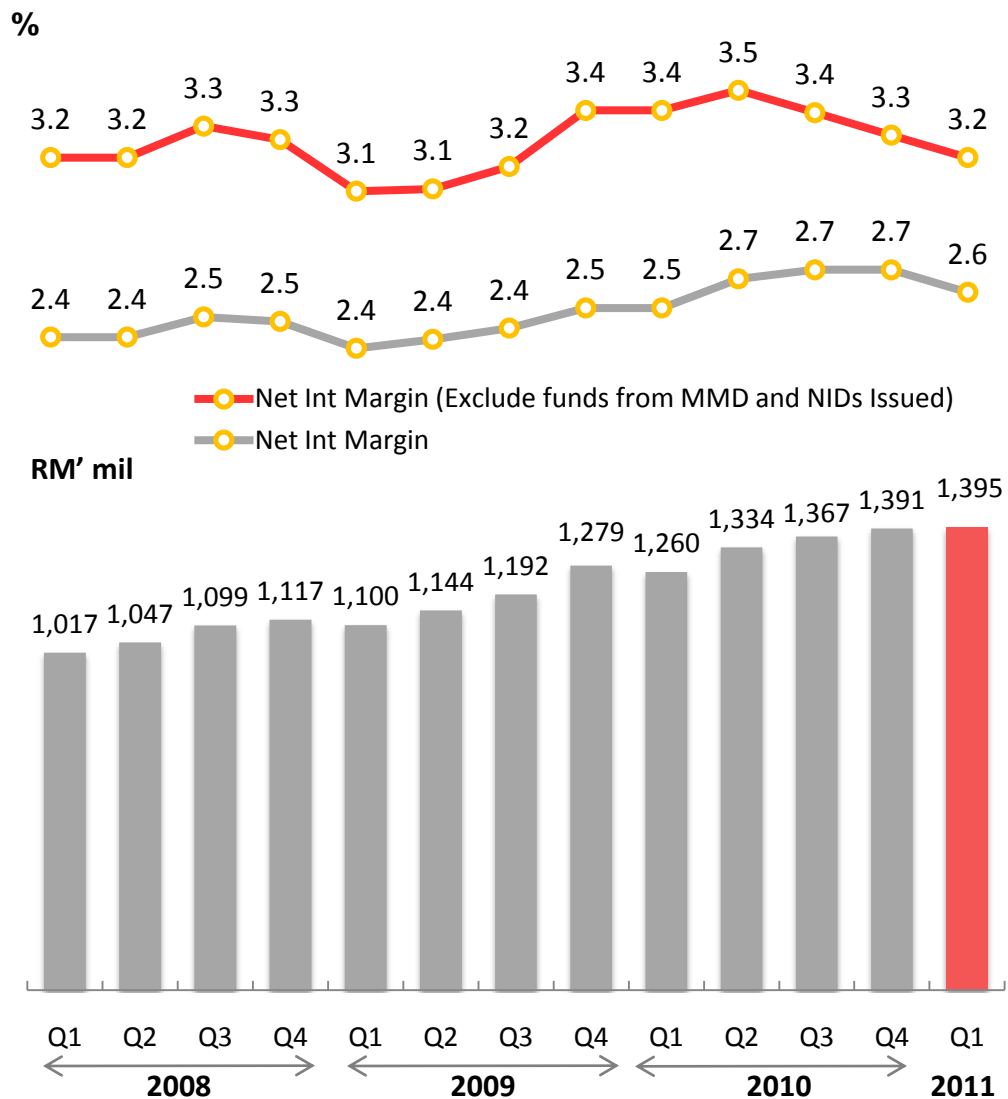
Based on financial results as of 31 March 2011

- Retail operations and hire purchase segment continue to be the major contributor to revenue and profits of the Group



Interest Income & Margins - Stable and sustainable growth

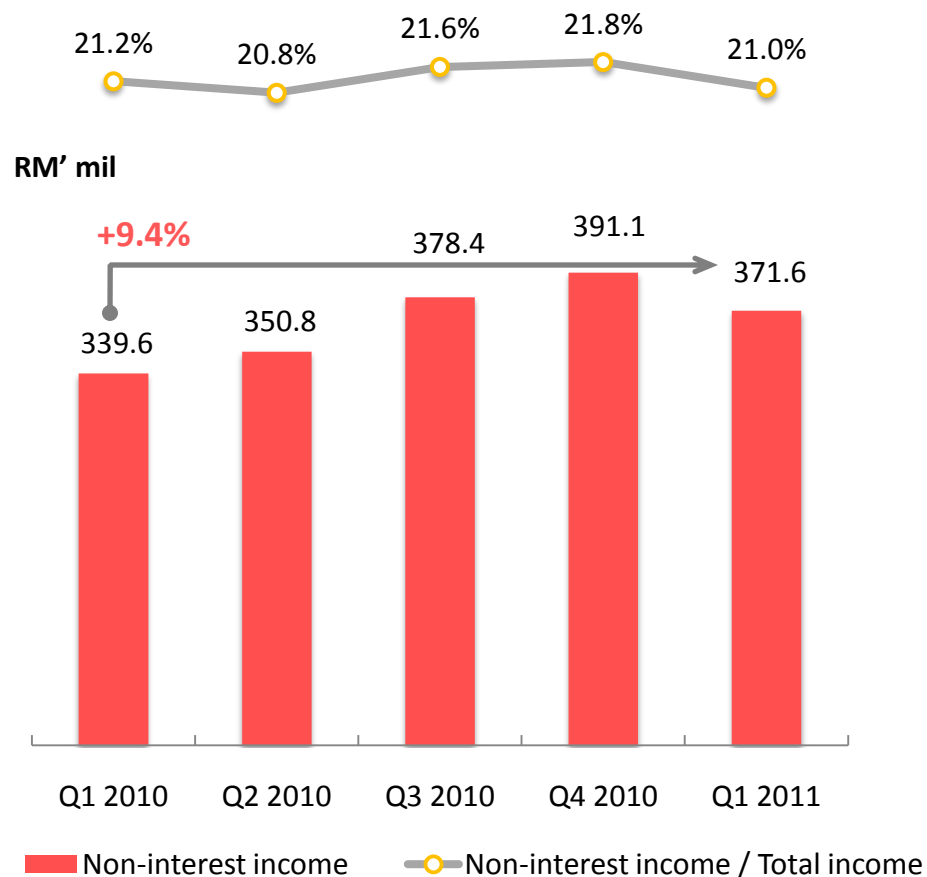
Net Interest Income and margin



- Overall NIM for Q1 2011 has marginally declined from earlier quarters due to competitive pressure on interest margins and escalating funding costs
- Despite the interest margin squeeze, sterling growth in net interest and finance income due to strong loan and deposit growths and healthy liquidity position of the Group. This is predominantly driven by the Group's strong fundamentals and commitment in expanding its loan and deposit base



Non-Interest Income – Steady build up

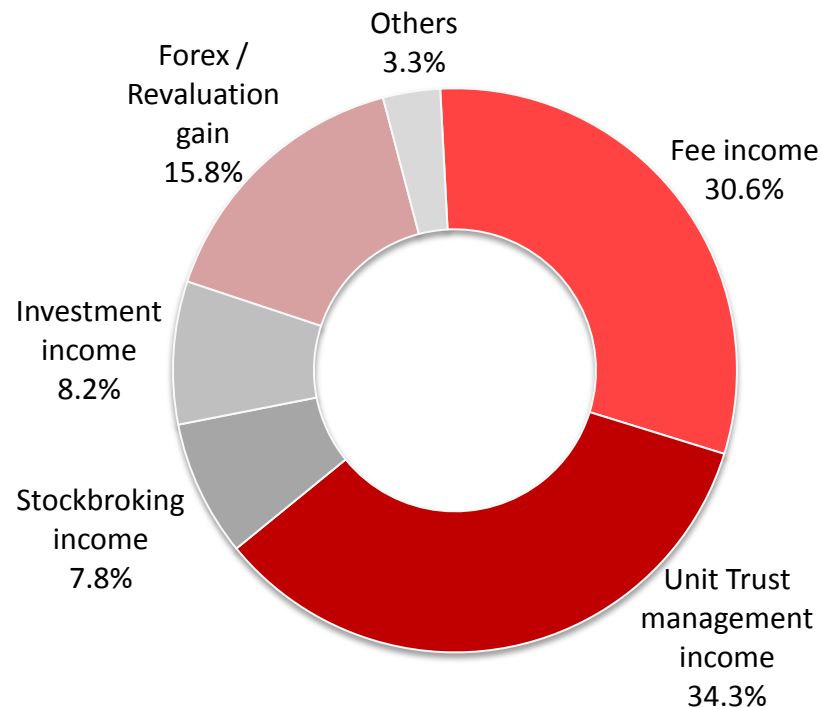


- The Group's non-interest income in Q1 2011 see an increase from Q1 2010, with a quarter-on-quarter increase of 9.4%
- The drop in non-interest income in Q1 2011 from Q4 2010 by RM19.5 million is due to a non-recurring goodwill income of RM19 million from ING recognised in Q4 2010

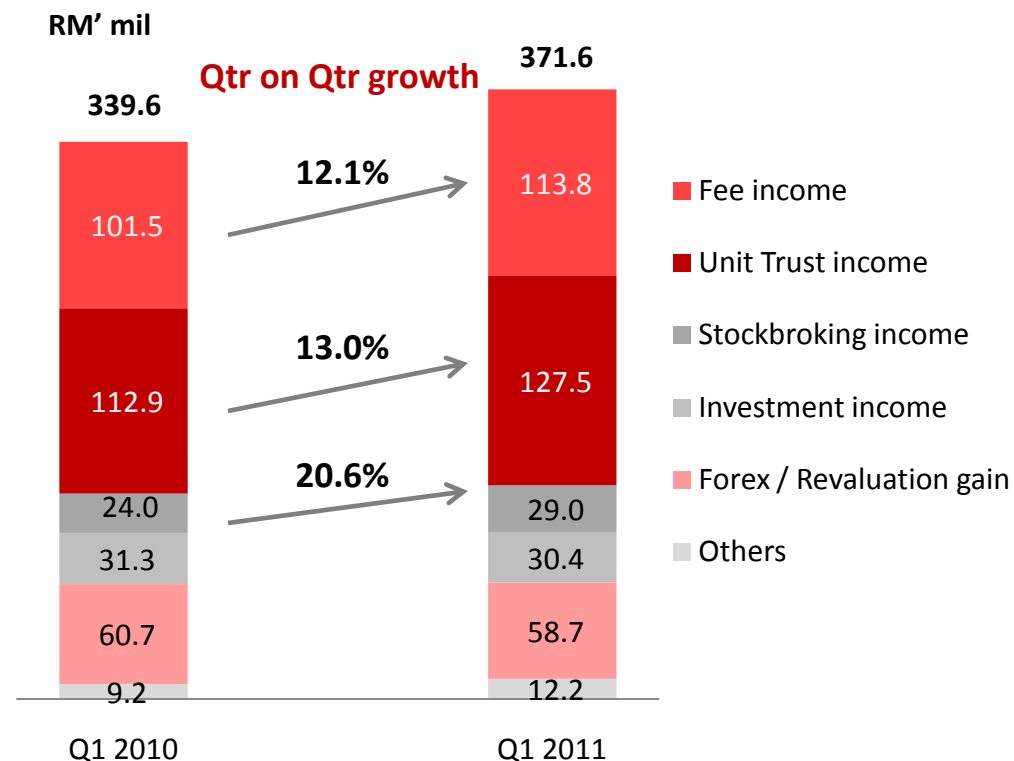


Non-Interest Income Contribution & Growth Traction

Non-Interest Income Contribution



Based on financial results as of 31 March 2011

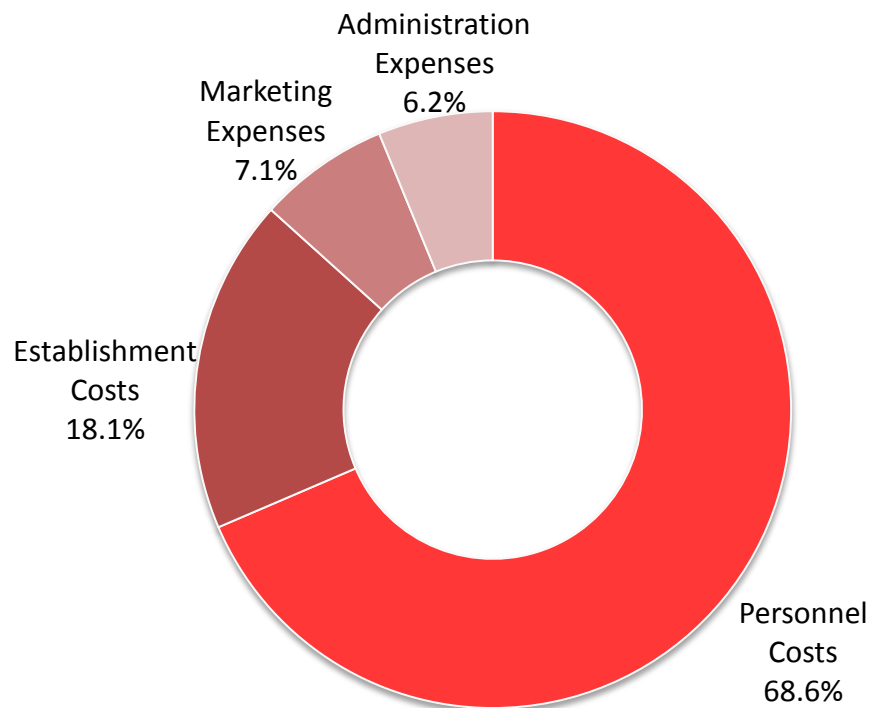


- Strong contribution of non-interest income in Q1 2011 was mainly contributed by the Group's fee income, unit trust and foreign exchange businesses



Prudent Operating Overheads

Operating Costs Contribution



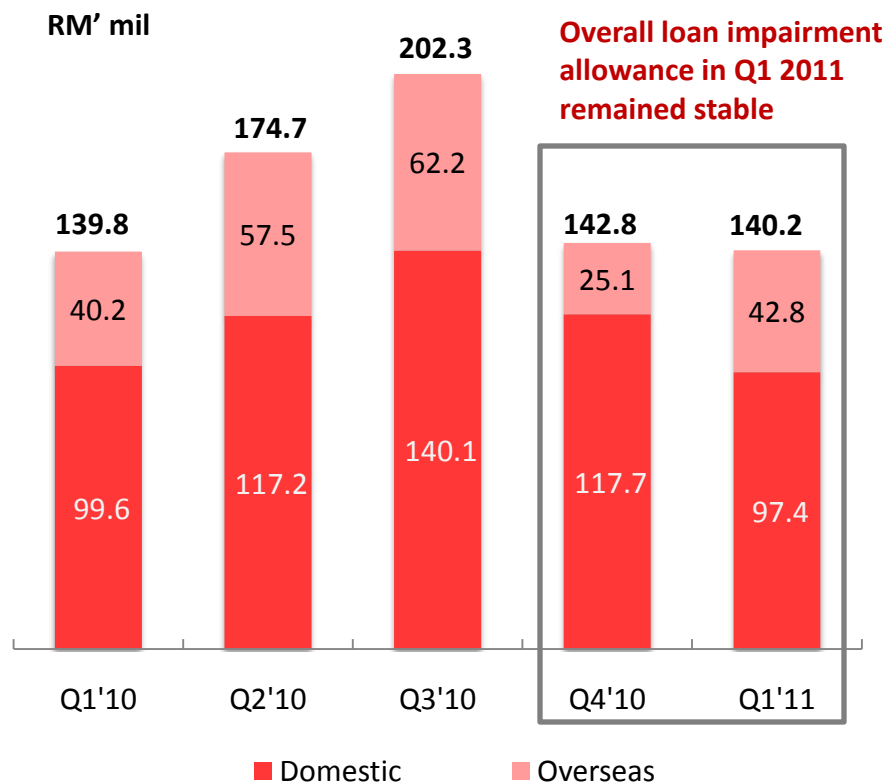
RM'mil	Q1 2011	Q1 2010	Change
Personnel Costs	369.2	356.4	↑ 3.6%
Establishment Costs	97.6	97.2	↑ 0.5%
Marketing Expenses	38.3	42.0	↓ -8.9%
Administration Expenses	33.5	47.1	↓ -29.1%
Total	538.6	542.7	↓ -0.8%

- Personnel costs remain the main operating cost as the Group continue to invest in its people
- Overall decline in operating expenses was due to the absence of certain non-recurring expenses as well as prudent cost management



Improving Loan Loss Allowances

Quarterly Loan Impairment Allowances (including collective allowance)












Quarter-on-quarter comparison

- Lower Q1 2011 loan impairment allowances compared to Q4 2010 due to further improved asset quality



Robust Financial Position

RM' bil	Mar 2011	Dec 2010	Change
Total assets	229.1	226.3	 1.2%
Gross loans and advances	161.6	156.5	 3.2%
<i>Of which:</i>			
Domestic loans and advances	149.0	143.8	 3.6%
Overseas loans and advances	12.6	12.7	 -1.2%
Deposits from customers	180.4	176.9	 2.0%
<i>Of which:</i>			
Domestic core customer deposits	133.3	129.4	 3.0%
Shareholders' funds	12.9	13.0	 -0.7%
Net assets per share (RM)	3.70	3.72	 -0.5%
Net loans to deposits (LD) ratio (%)	88.1	87.1	 1.0%

Assets:

- Assets expansion driven by strong loan and core deposit growth

Loan:

- Domestic loan growth is stronger at 3.6% (annualised 14.6%) for Q1 2011
- The contraction of overseas loan growth continue to be affected by forex i.e. strengthening of RM against USD by 2% during the quarter

Deposit:

- Deposit growth of 2.0% (annualised 8%), supported by the stronger domestic core customer deposit growth of 3.0% (annualised 12.1%), partially offset by the negative impact of the forex translation of overseas deposits

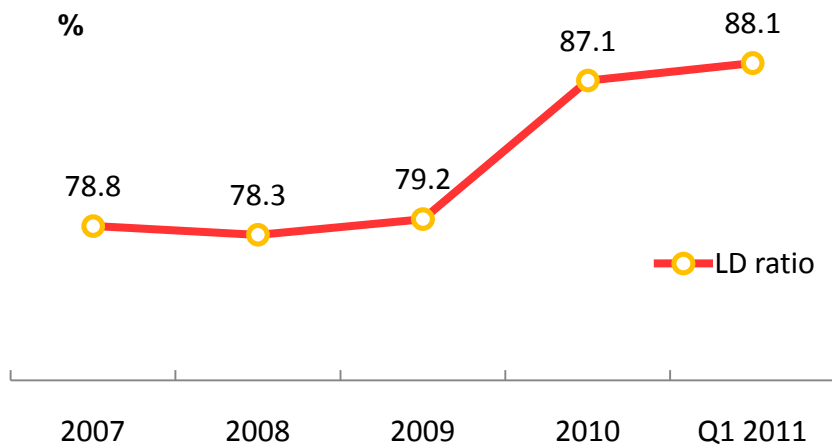
Equity:

- Shareholders' fund remained stable even after the dividend payment during the quarter



Strong Liquidity With Healthy Loan/Deposit Ratio

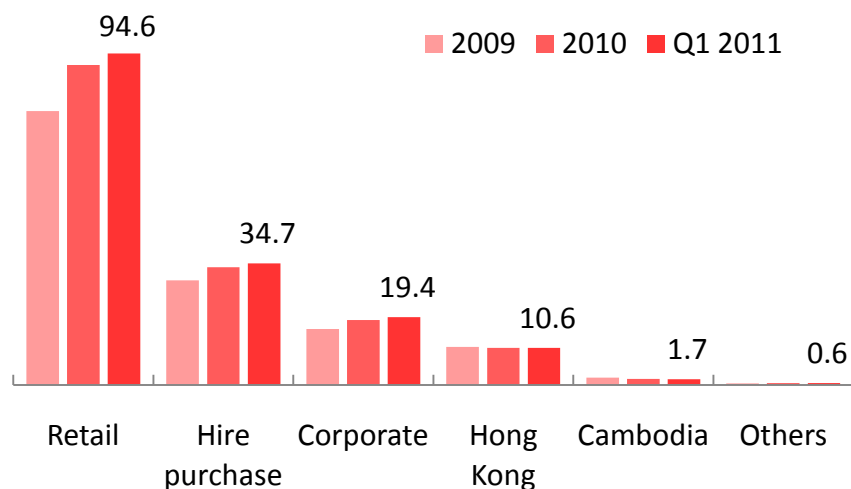
Net Loan Deposit Ratio



- Net loan deposit ratio increased during Q1 2011 but remained healthy
- Increase in the net LD ratio was due to lower growth in wholesale deposits, in line with the Group's strategy to focus on the growth of core deposits
- Loan growth continues to be supported through the Group's retail and hire purchase segment whilst retail deposits remain the main contributor to the deposit growth of the Group with >65% contribution

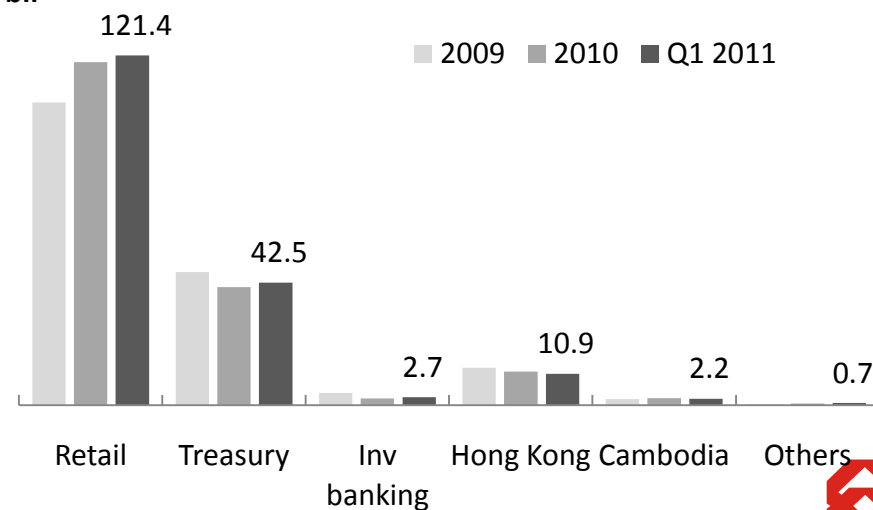
Gross Loan Composition by Segment

RM' bil



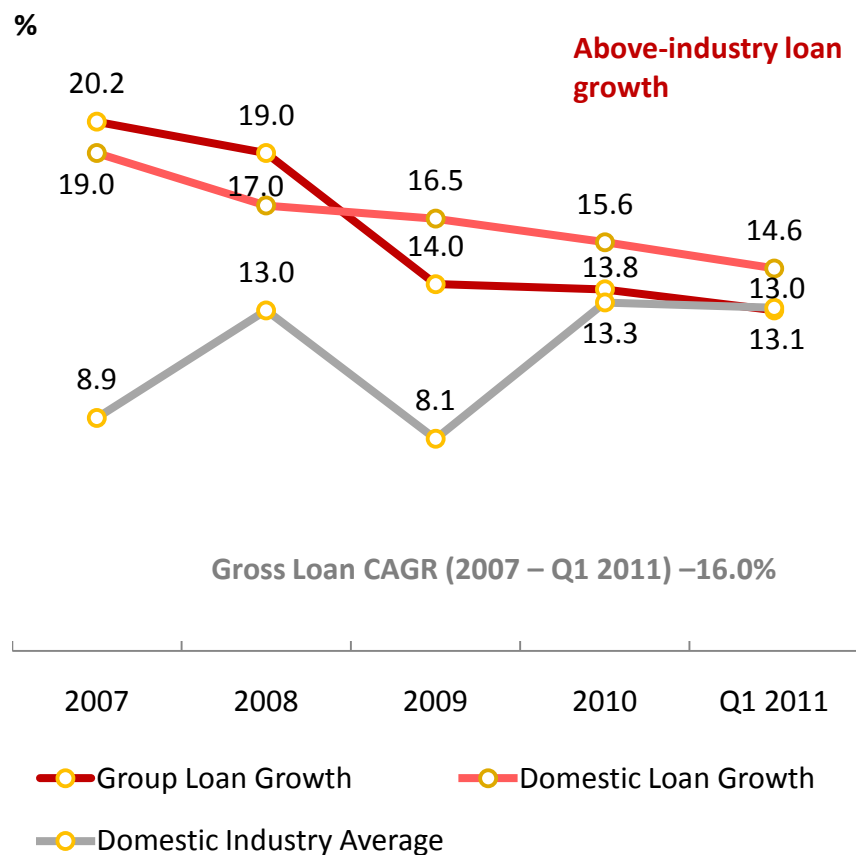
Deposit Composition by Segment

RM' bil

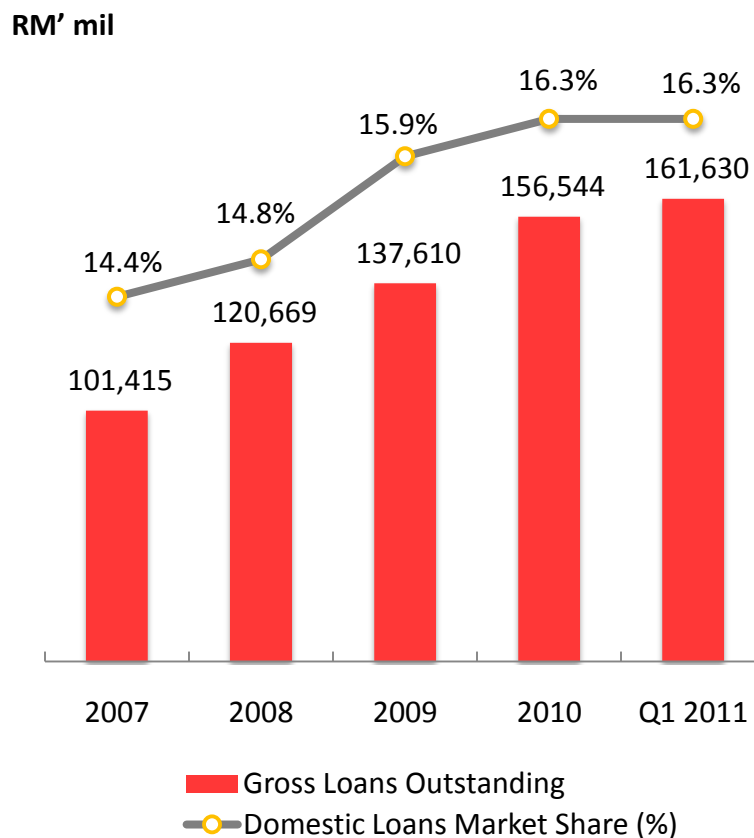


Consistently Above-industry Loan Growth

Loan Growth vs Industry



Gross Loans and Domestic Loan Market Share



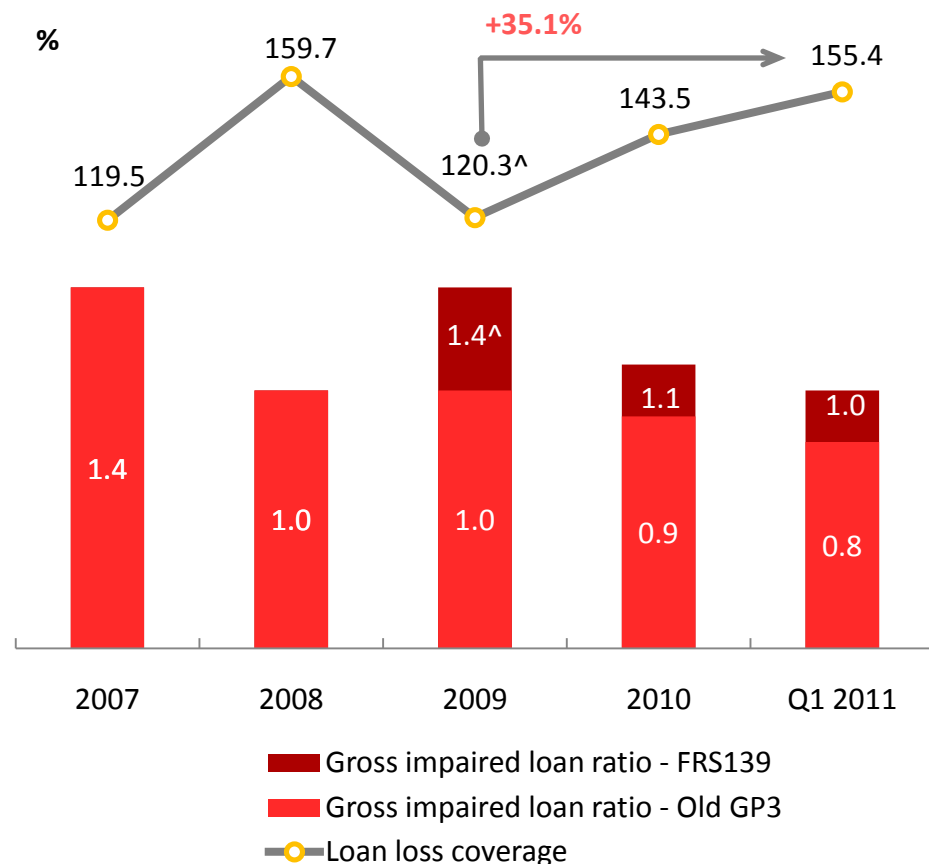
Note: Industry average growth is based on annualised loan growth as of March 2011

Growth rate for Q1 2011 represent annualised growth for the quarter



Asset Quality Remained Strong

Improving gross impaired loans ratios with high loan loss reserves



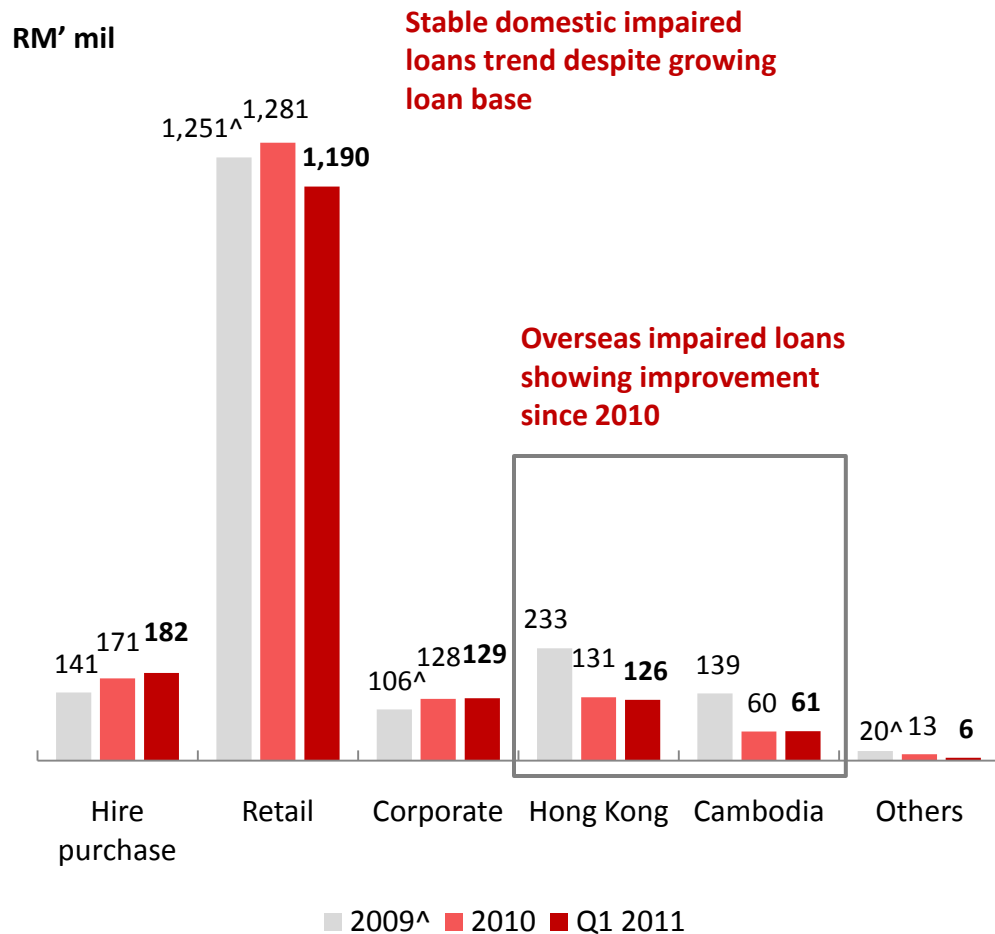
[^] Restated due to the adoption of FRS 139

- Despite more stringent criteria on classification of impaired loans due to FRS 139 adoption with effect from 2010, the gross impaired loans ratio remained low at 1.0% with an increased loan loss reserve of 155.4%
- Based on old GP3 classification of 3 months NPL, NPL ratio would have improved further to 0.8% from 0.9% as at December 2010

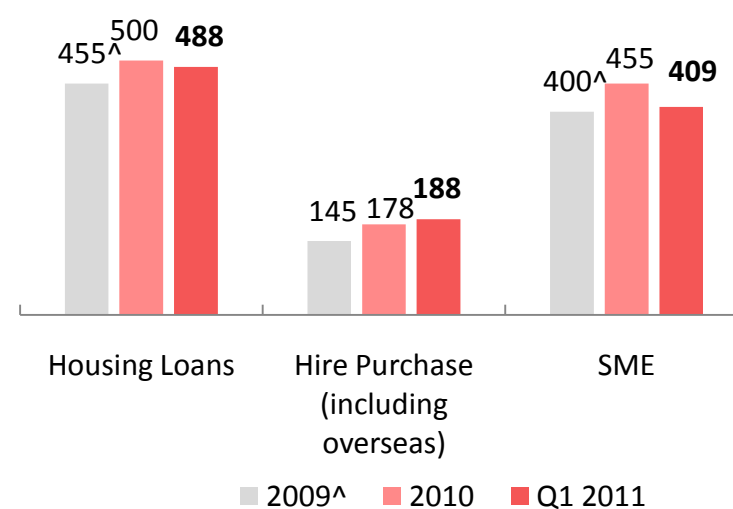
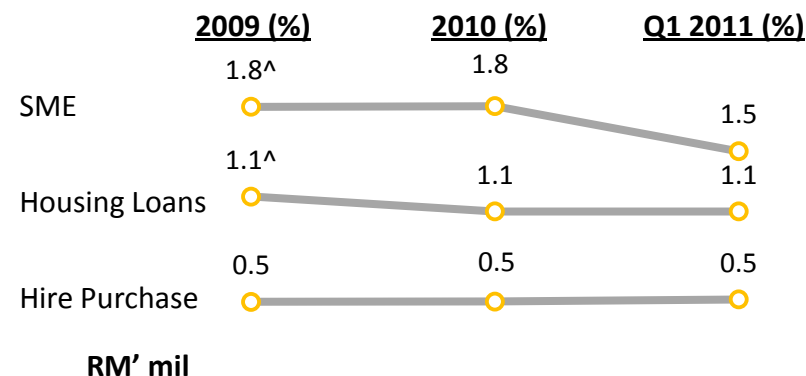


Asset Quality Remained Strong

Gross Impaired Loans by Segment



Gross Impaired Loans & Gross Impaired Loans Ratio by Key Sectors



[^] Restated due to the adoption of FRS 139



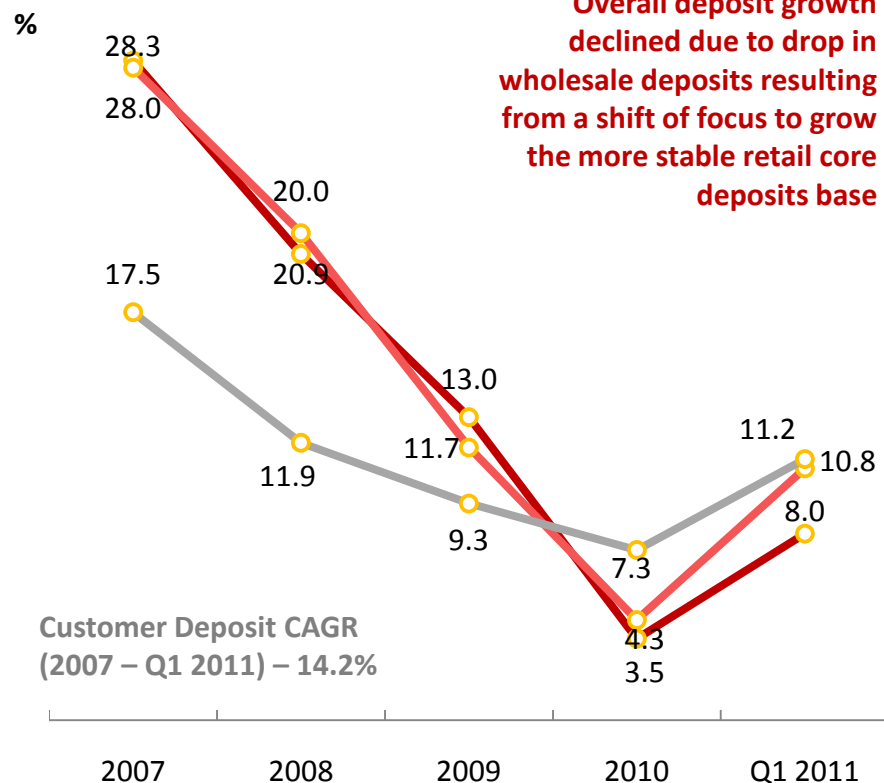
Sustaining Strong Asset Quality

- Focus on lower risk customer segments
 - Traditional urban/ suburban mortgages
 - Passenger vehicle hire purchase
 - Middle market business enterprises
- Sound credit appraisal and approval process
- Strong credit risk culture
- Proactive loan restructuring and rescheduling



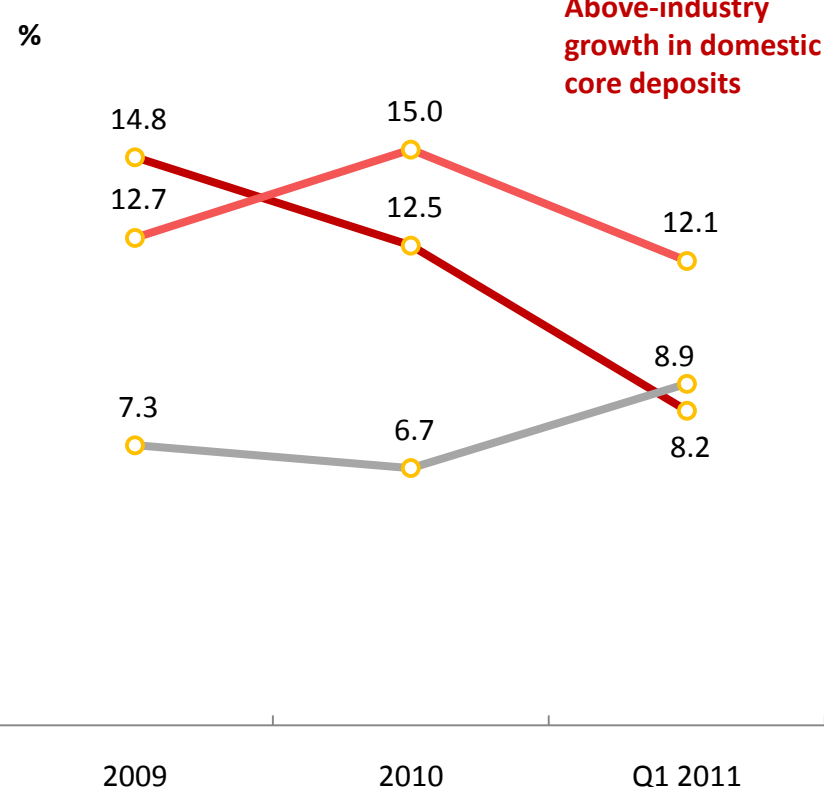
Healthy Core Deposit Growth in Support of Liquidity

Deposit Growth vs Industry



- Group Deposit Growth
- Domestic Deposit Growth
- Domestic Industry Average

Core Deposit Growth



- Group Core Deposit Growth
- Domestic Core Deposit Growth
- Domestic Industry Average

Note: Industry average growth is based on annualised loan growth as of March 2011

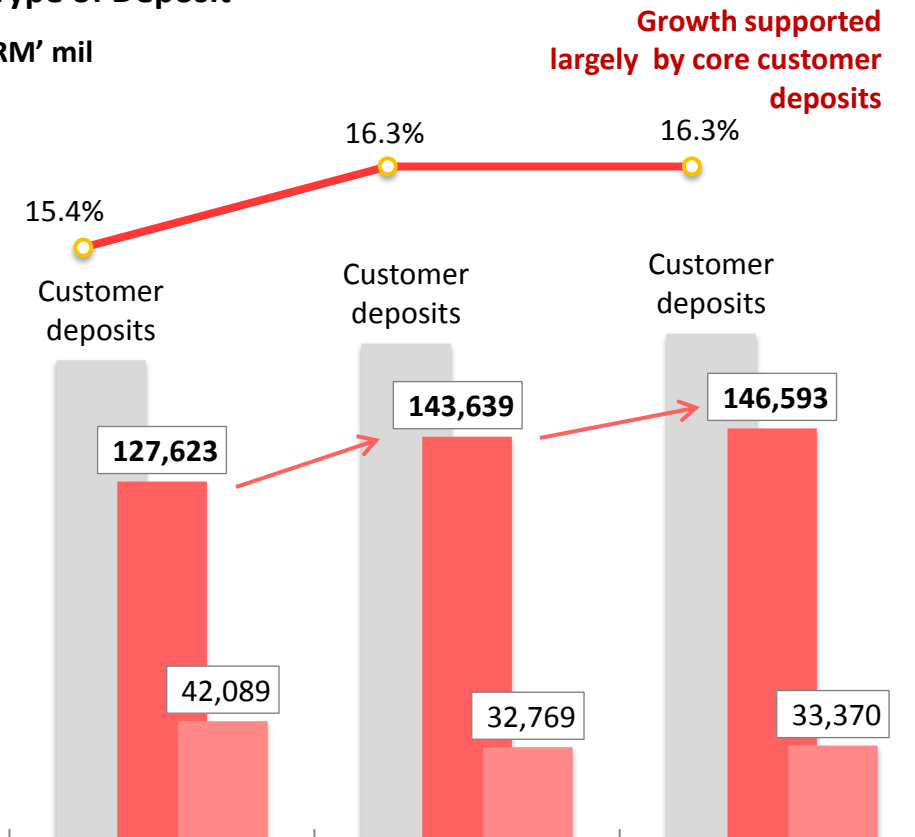
Growth rate for Q1 2011 represent annualised growth for the quarter



Diversified Source of Customer Deposit

Type of Deposit

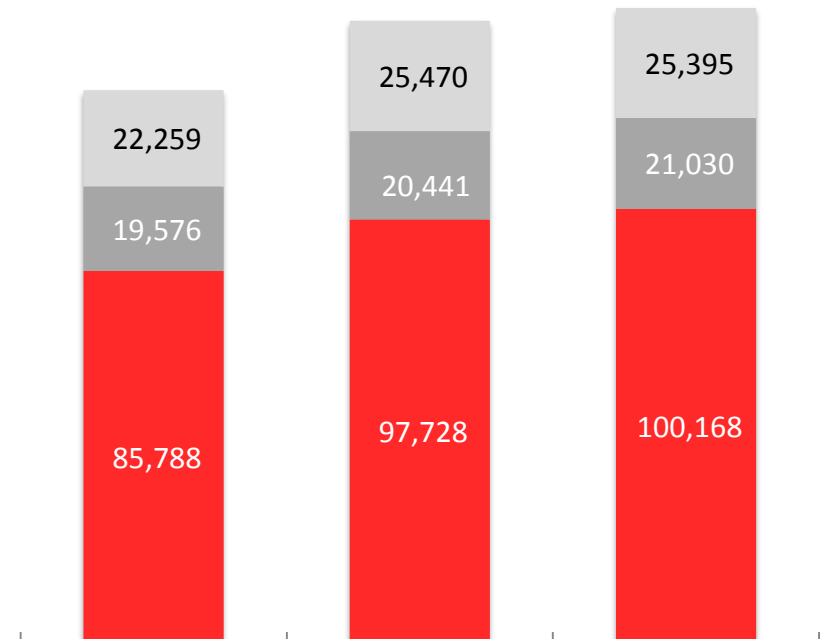
RM' mil



Source of Core Deposit

RM' mil

Core deposit mainly comprise of fixed deposits, with steady improved contributions from saving and current accounts



2009

2010

Q1 2011

■ Core deposit

■ Wholesale deposit (NID & MMD)

●— Domestic core deposits market share

2009

2010

Q1 2011

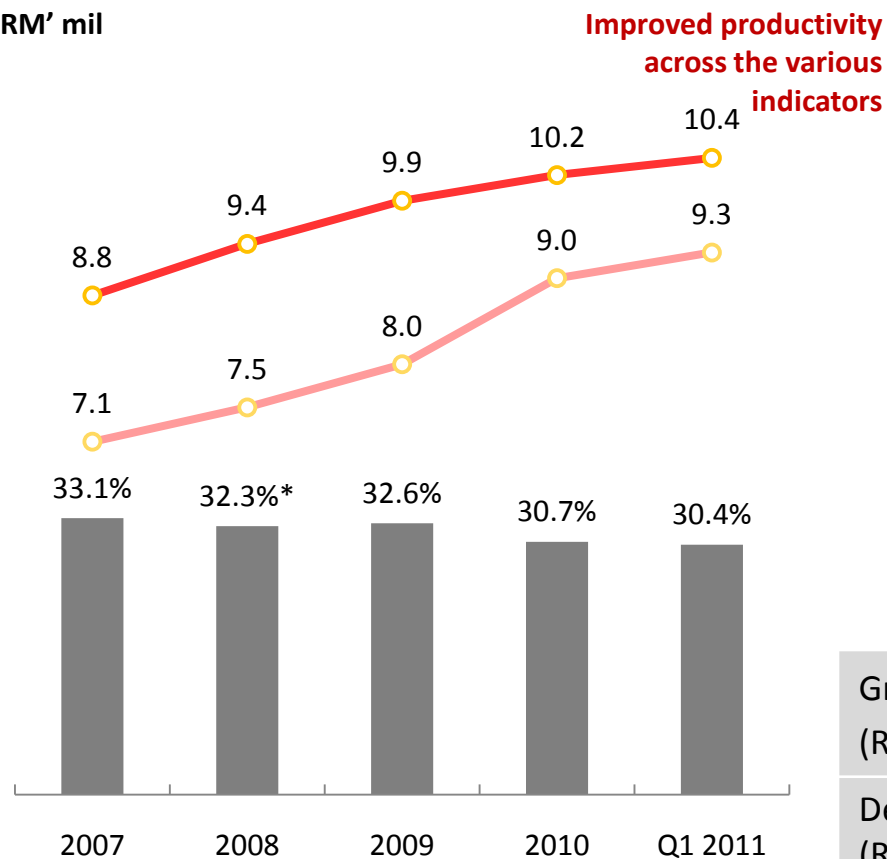
■ Fixed deposit ■ Saving accounts ■ Current accounts



Continued High Productivity & Cost Efficiency

Productivity and Cost Efficiency

RM' mil



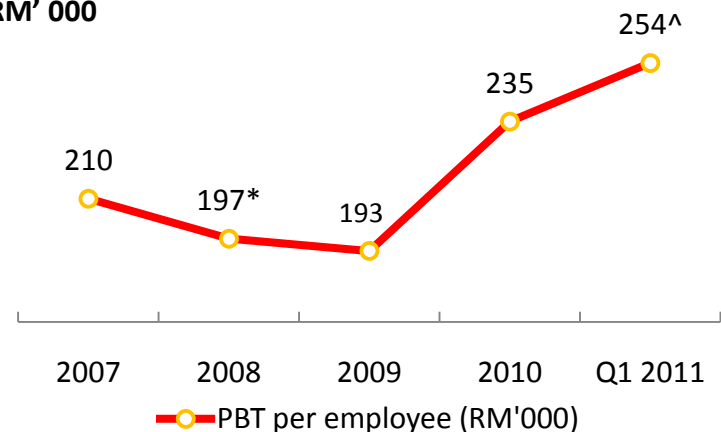
33.1% 32.3%* 32.6% 30.7% 30.4%

- Cost income ratio (%)
- Gross loan per employee
- Deposit per employee

* Exclude one-off goodwill income from ING

PBT per employee

RM' 000



* Exclude one-off goodwill income from ING

	Q1 2011	2010	Industry Average
Gross loan per employee (RM mil)	9.3	9.0	7.3
Deposit per employee (RM mil)	10.4	10.2	9.5
PBT per employee (RM'000)	254^	235	189
Cost Income Ratio (%)	30.4	30.7	46.7

^ Annualised



Retail Operations

RM'mil	Q1 2011	Q1 2010	Change
Net Income	984.5	833.8	18.1%
Operating Expenses	(314.7)	(318.1)	-1.1%
Allowances for impairment of loans and other assets	(50.8)	(63.1)	-19.4%
Profit by segment	619.0	452.6	36.8%

	Mar 2011	Dec 2010	Change
Gross Loans and Advances (RM' bil)	94.6	91.3	3.6%
Customer Deposits (RM' bil)	121.4	119.1	1.9%
Gross Impaired Loans (RM' bil)	1.2	1.3	-7.2%
Gross Impaired Loans Ratio	1.3%	1.4%	-0.1%

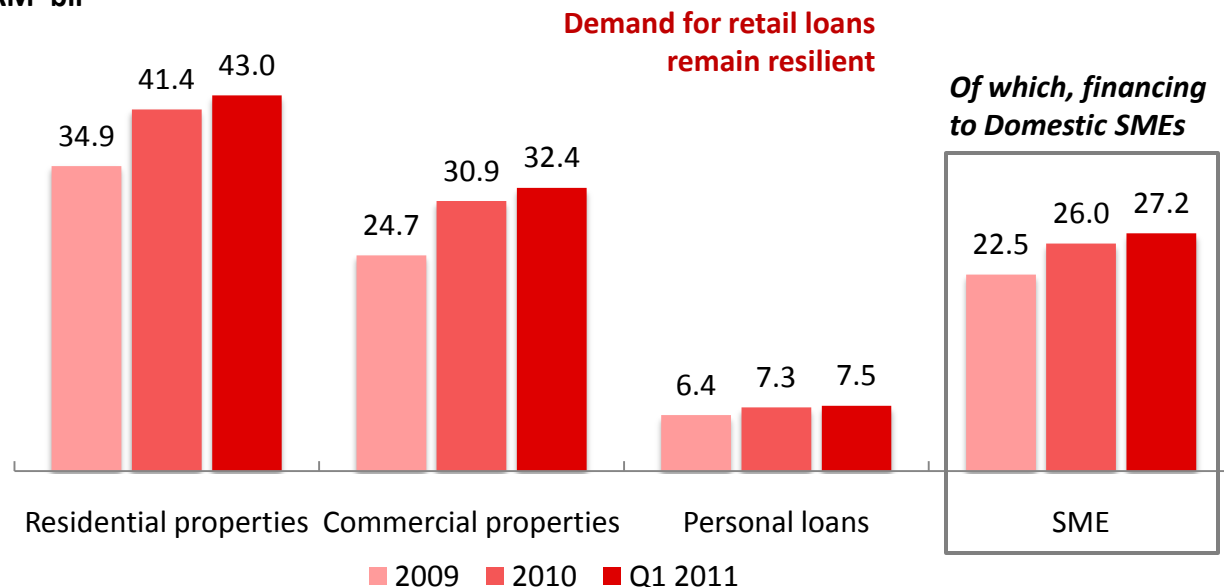
- Improved profit and business performance of the retail operations segment were mainly driven by strong growth in the lending and deposit-taking businesses coupled with higher sales volume from the retail financial services
- Asset quality further improved with gross impaired loans ratio declining to 1.3%



Retail Operations

Gross loan & financing in Domestic Operations

RM' bil



Key Drivers in Domestic Retail Banking & Financing Operations

Residential properties financing:

- Attractive loan package under the HOME and MORE plans
- Strong sales force and marketing network

SME:

- Comprehensive SWIFT loan plans and full range of trade financing facilities offered
- Support government initiated financing schemes

Personal loans:

- Mainly driven by Public Islamic Bank with its Bai'-Al-Einah (BAE) Personal Financing-i offered to staff of government agencies, quasi government corporations, institutions of higher learning and GLCs



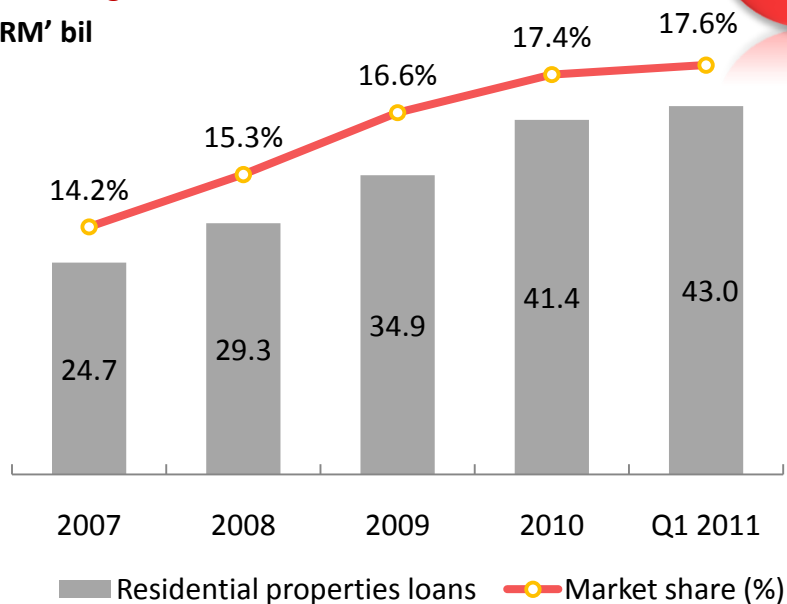
Retail Operations

Market Share in Residential Properties

Remained market leader in the residential property financing

No.1

RM' bil

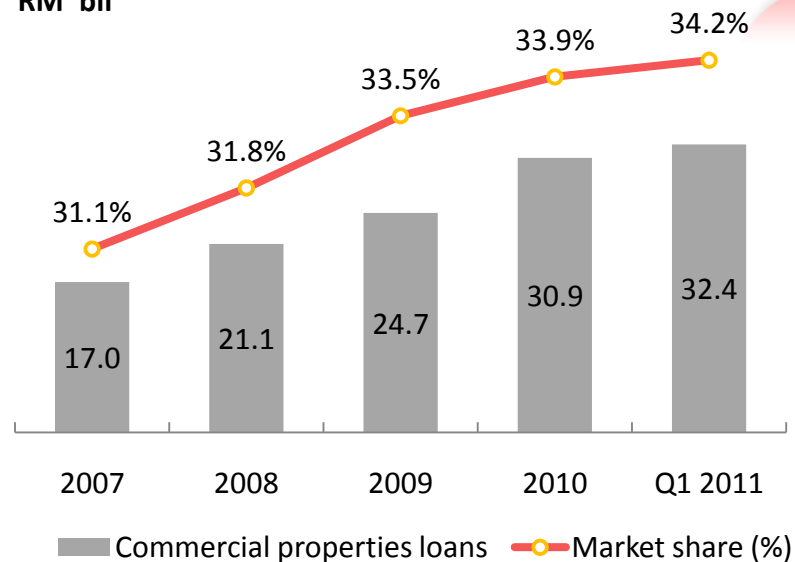


Market Share in Commercial Properties








Remained market leader in the commercial property financing

No.1

RM' bil



Hire Purchase

RM'mil	Q1 2011	Q1 2010	Change
Net Income	234.6	231.2	 1.5%
Operating Expenses	(39.4)	(36.2)	 8.9%
Allowances for impairment of loans and other assets	(34.0)	(28.1)	 21.2%
Profit by segment	161.2	166.9	 -3.4%
	Mar 2011	Dec 2010	Change
Gross Loans and Advances (RM' bil)	34.7	33.6	 3.4%
Gross Impaired Loans (RM' bil)	0.2	0.2	 6.5%
Gross Impaired Loans Ratio	0.5%	0.5%	 -

- Despite escalated funding costs due to earlier OPR hikes, net income from hire purchase continues to register growth due to strong new business generation
- Asset quality remained stable as reflected by the stable impaired loan ratio
- However, credit charge to P&L increased mainly due to higher collective allowance (1.5%) set aside in line with the higher loan growth during the quarter

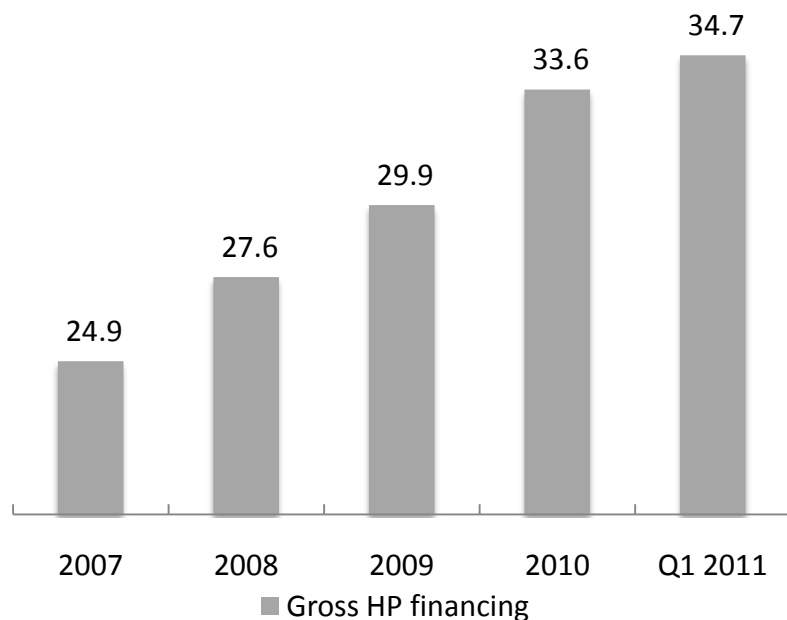


Hire Purchase

HP Financing in Domestic Operations

RM' bil

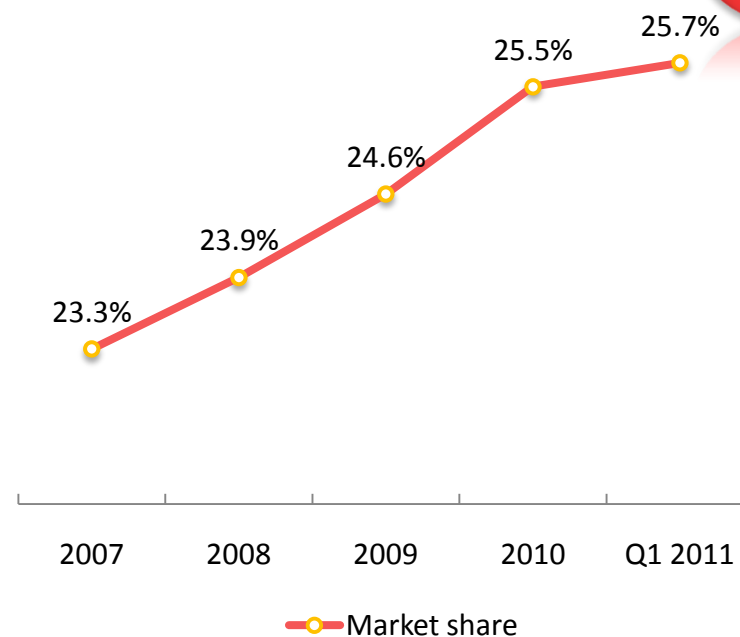
Steady growth in HP financing



Market Share in Passenger Vehicle Financing

Remained market leader in the passenger vehicle financing

No.1



Key Drivers in Domestic Hire Purchase Financing

- Improvement in overall vehicle sales
- Better customer service delivery through the 27 Hire Purchase centres in key locations nationwide and continuous improvement in credit processing turnaround time
- Experienced and dedicated HP centre staff force

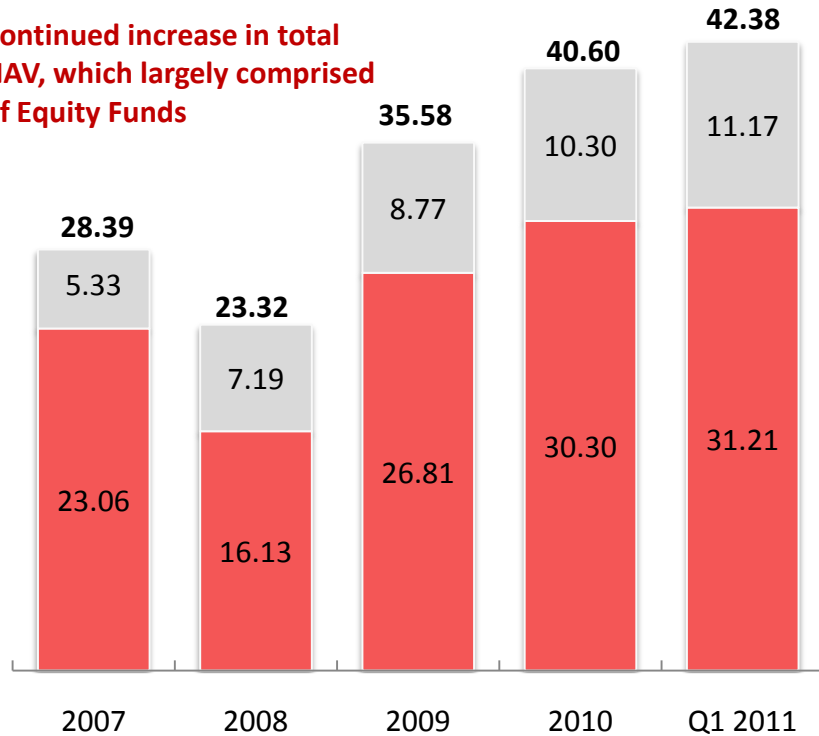


Wealth Management

Net Asset Value of Funds under management

RM' bil

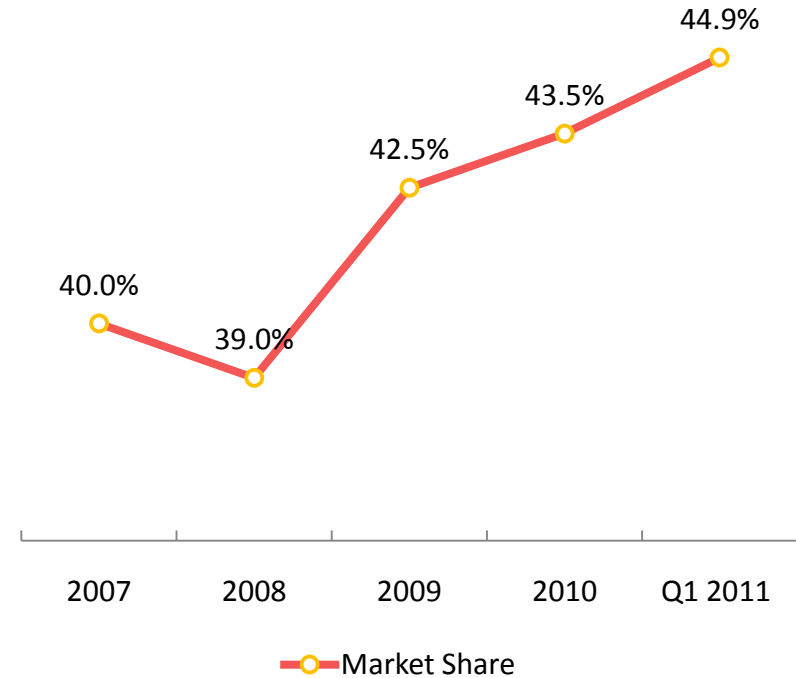
Continued increase in total NAV, which largely comprised of Equity Funds



- Net Asset Value - Equity Funds
- Net Asset Value - Other Funds

Market Share in Private Unit Trust Industry

Public Mutual continues to maintain its market leadership



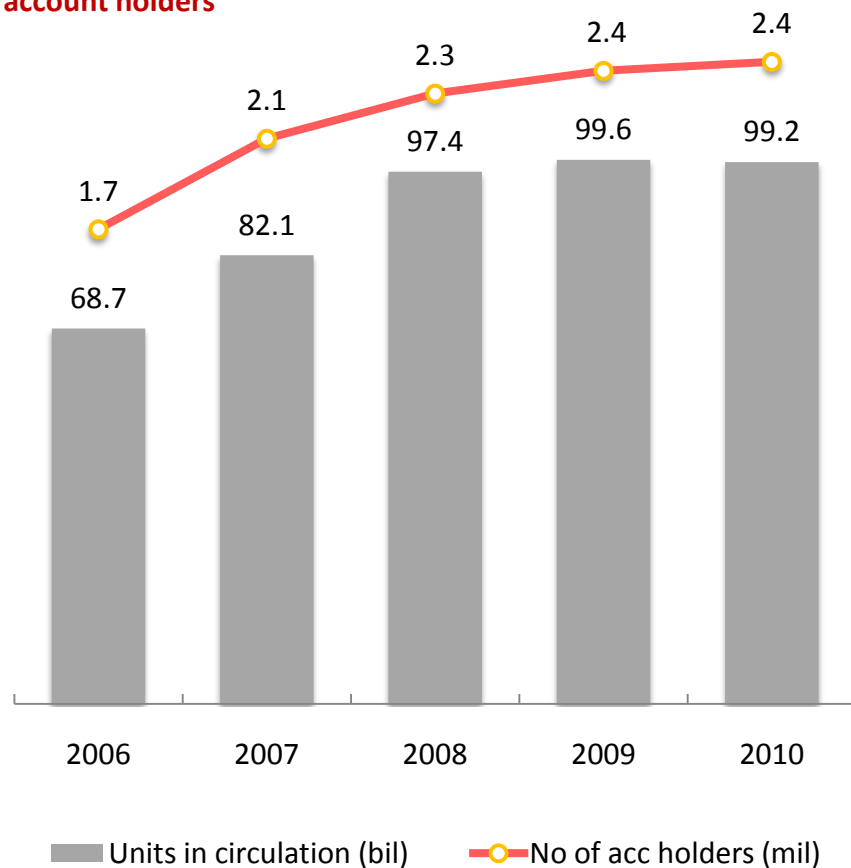
○ Market Share



Wealth Management

Number of Units in Circulation and Account Holders

Expansion in units in circulation and account holders



- Outstanding fund performance with robust returns with numerous funds outperforming benchmarked indices
- Innovative range of funds under management with a total of 85 funds being offered.
- Large agency force with value-added financial planning services
- Public Mutual online e-commerce portal with full-fledged transactions and customer service platform



Capital Management

RM'mil	Group*			Bank*		
	Mar 2011	Dec 2010	Change	Mar 2010	Dec 2010	Change
Tier I Capital	14,115.9	14,118.5	-0.0%	14,374.0	14,385.2	-0.1%
Tier II Capital	5,316.4	5,266.8	0.9%	4,974.5	4,921.3	1.1%
Deduct: Inv in subs/asso and other deductions	(48.9)	(48.4)	1.0%	(3,835.2)	(3,834.7)	0.0%
Total Capital Base	19,383.4	19,336.9	0.2%	15,513.3	15,471.8	0.3%
Risk-Weighted Assets	148,922.3	141,096.5	5.5%	123,591.7	116,319.3	6.3%
RWCR (%)	13.0	13.7	-0.7%	12.6	13.3	-0.7%
Tier-I Capital Ratio (%)	9.5	10.0	-0.5%	11.6	12.4	-0.8%

* After deducting second interim dividends

Enhancement to Group's Core Equity Capital to be achieved by:

- Strong profit generation capacity
- Strong asset quality
- Continuous enhancement of efficient capital usage, in particular emphasis on less capital-intensive fee based and non-interest income business



Promising Prospect for 2011

Continue in Achieving Organic Growth While Sustaining Our Premier Status in the Local Banking Industry

Core business focus: Consumer Lending & Lending to SMEs

Lending Business

- Consumer lending to focus on purchases of properties and passenger vehicles
- Penetrate mid-market SMEs & micro enterprises in encourage sectors
- Expanding credit card financing & corporate lending

Deposit-Taking Business

- Securing higher retail and low cost deposits
- Sustaining existing pool of deposits

Maintain earning growth momentum

- Continued quality loans growth at above industry growth rate
- Further expand depositor base
- Further improve productivity and operational efficiency
- Continued organic expansion of overseas business

Build on existing strength

- Strong brand & market position
- Healthy capital and asset quality
- Proactive capital management to ensure healthy level of capital while maintaining high returns to shareholders

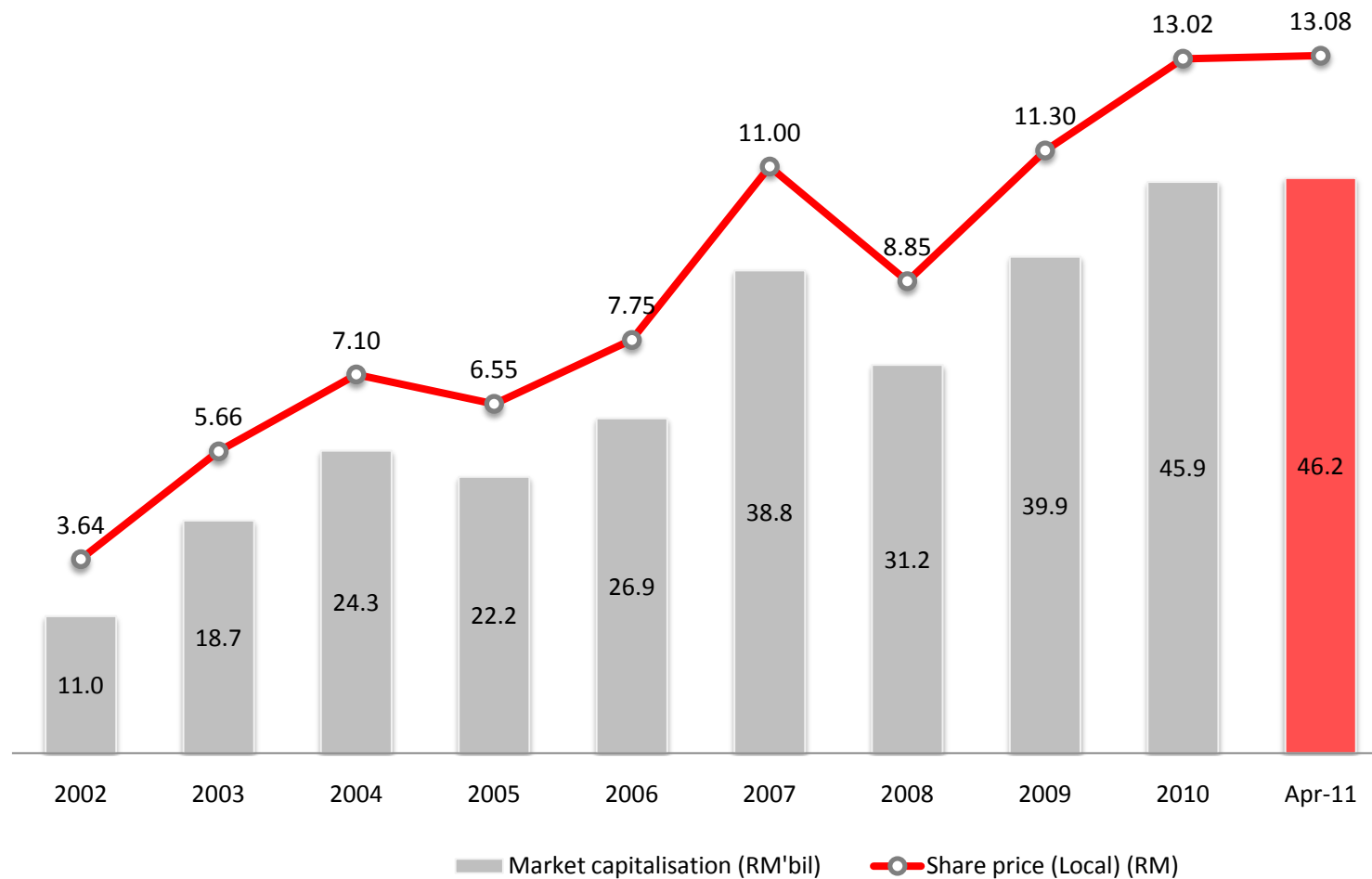
Prudence

- Continue to remain prudent and uphold its strong corporate governance and risk management policies
- Sustainable low impaired loans leveraging on PBB's prudent lending policy
- Maintain strong liquidity



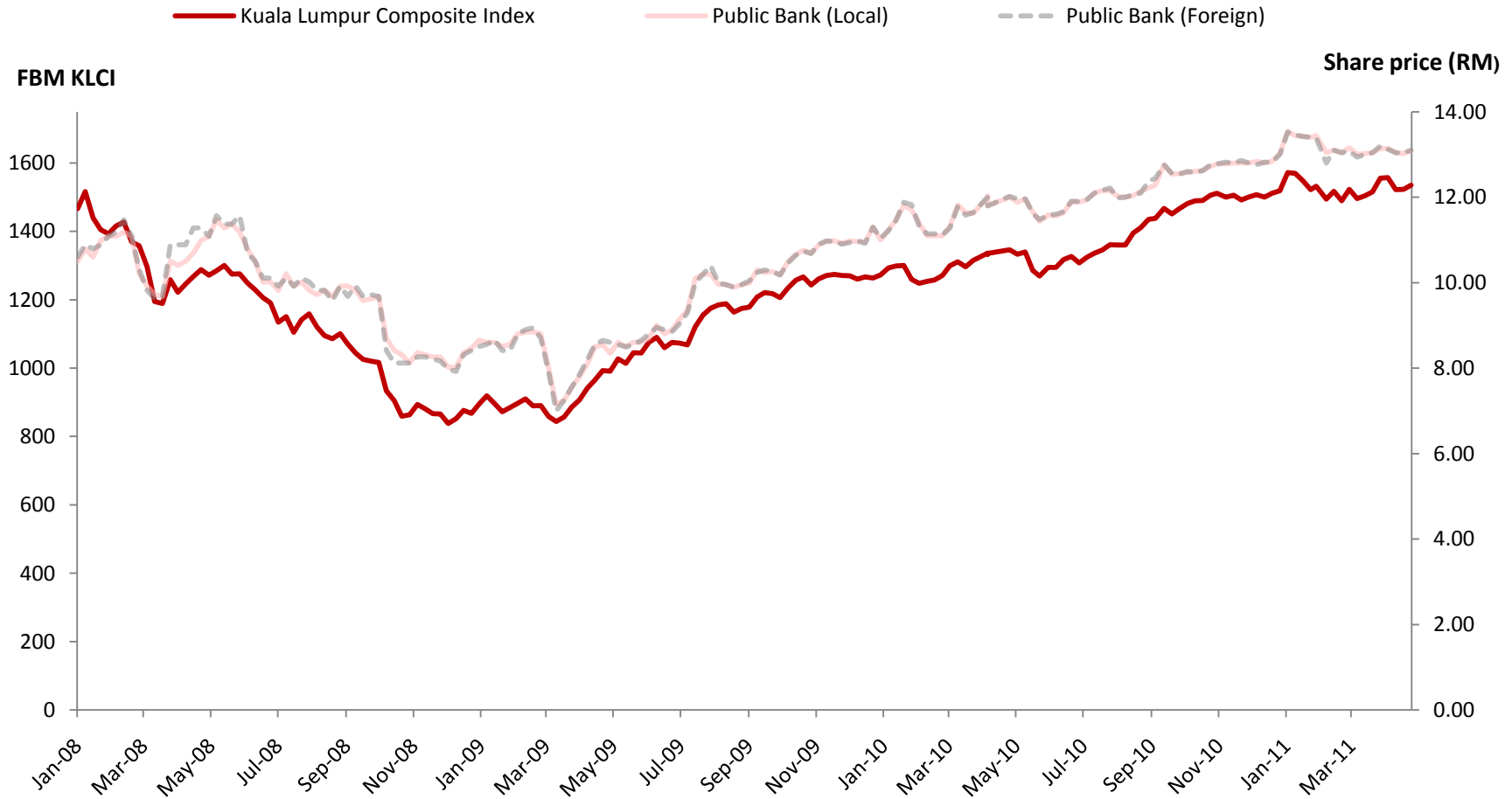
Market Capitalisation and Analysts' Poll

Strong market capitalisation



Market Capitalisation and Analysts' Poll

Resilient share price performance



Market Capitalisation and Analysts' Poll

- Superior investment returns

Illustration on investment returns – assume held until 31 December 2010

	Shares acquired since	Total returns (capital appreciation [^] + dividends)	Compounded annual rate of return
Short term - 1 year	1 January 2010	+21.3%	+21.3%
Medium term - 5 years	1 January 2006	+159.5%	+24.3%
Long term - since listing	1967	+4,973.9%	+19.7%

[^] Capital appreciation is calculated based on the PBB local share value at closing price as of 31/12/2010 less initial investment cost at the illustrated acquisition dates, assuming shareholders had subscribed for all rights issues to date and had not sold any Public Bank shares.

- Other share information

	2006	2007	2008	2009	2010
Price to earnings multiple (times)	14.9	17.4	11.5	15.4	14.9
Price to book multiple (times)	2.9	3.9	3.1	3.5	3.5



Market Capitalisation and Analysts' Poll

- Average daily volume/ value traded:

	Average Daily Volume (million)	Average Daily Value (RM'million)
2010	4.3	52.0
YTD 30 April 2011	4.6	60.9

- Consensus net profit estimates (RM'mil):

2011	2012	2013
3,422.2	3,883.0	4,406.1

- Poll of analysts Buy/ Hold/ Sell recommendations on PBB Shares as at 30 April 2011

	<u>Buy</u>	<u>Hold</u>	<u>Sell</u>	<u>No. of Analysts</u>
PBB	13	17	1	31

Source: Bloomberg, Reuters and Analyst Reports



Summary

- **Profitable retail franchise**
 - Domestic and Indo-China markets
 - Growing market share
 - Affluent and quality retail customer base for lending and wealth management business
- **Unbroken profit track record and sustained strong asset quality**
- **Strong brand**
- **Proactive capital management**
- **Large market capitalisation**
 - High liquidity and high free-float
- **Proven management record** in execution
- **Strong working commitment** and **excellent career environment**





Investor Relations

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