

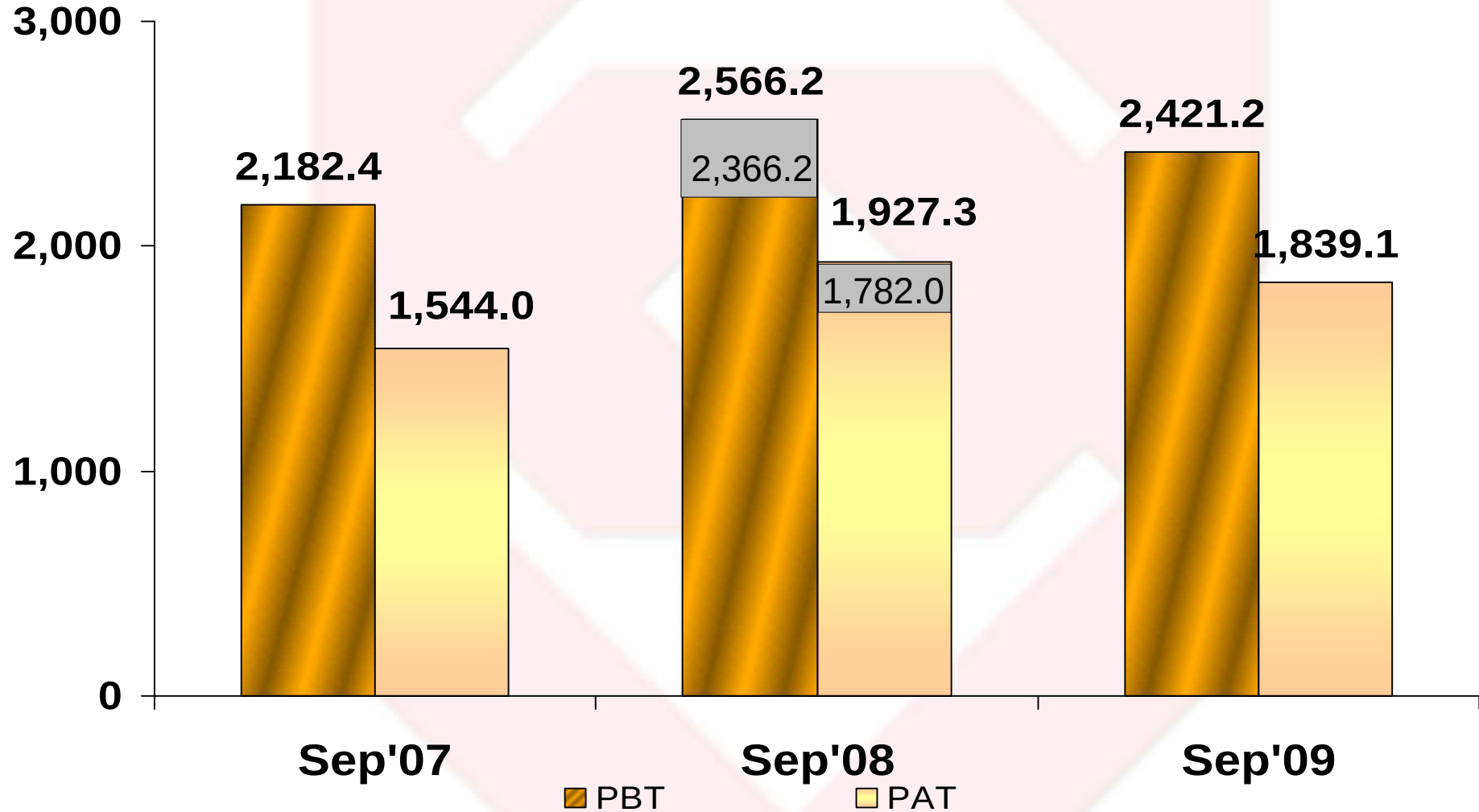
PUBLIC BANK

**Group Unaudited Financial Results
for the Third Quarter Ended
30 September 2009**



3% Growth in Underlying Operating Net Profit

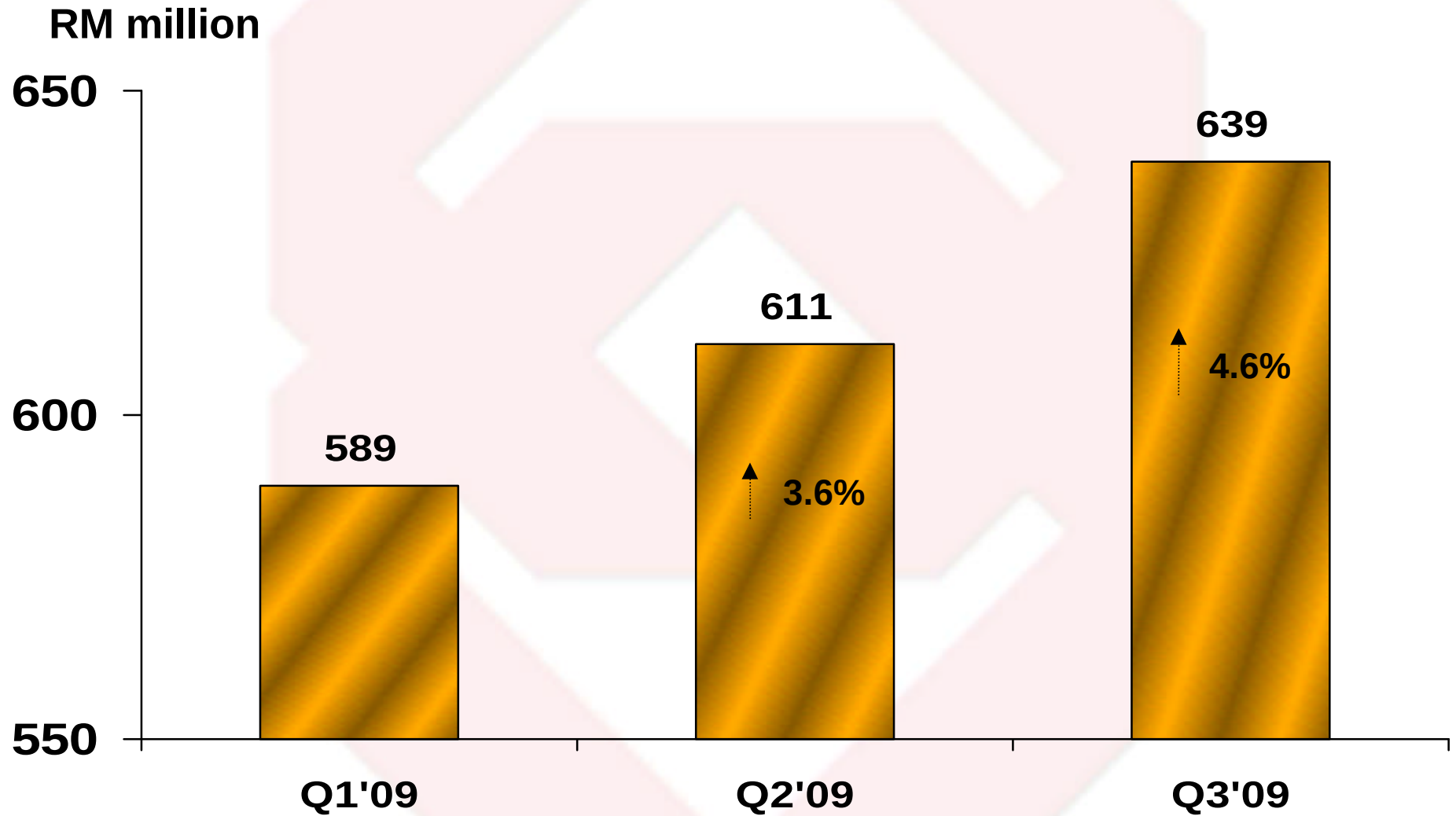
RM million



One-off goodwill payment from ING



Quarterly Net Profit





Financial Performance

	Q3'09 RM mil	Q2'09 RM mil	% q-o-q	YTD Sep'09 RM mil	YTD Sep'08 RM mil	% y-o-y
Net Interest & Islamic Banking Income	1,194.9	1,147.7	4	3,446.3	3,168.4	9
Other Operating Income *	371.6	367.1	1	1,033.0	940.3	10
Other Operating Expenses	535.1	515.9	4	1,548.2	1,322.9	17
Operating Profit *	1,031.4	998.9	3	2,931.1	2,785.8	5
Loan Loss Allowances	176.4	180.3	(2)	513.1	398.4	29
-of which General allowances	78.7	88.7	(11)	235.4	193.5	22
ING Goodwill	-	-	-	-	200.0	(100)
Pre-Tax Profit – incl ING goodwill	856.5	819.8	4	2,421.2	2,566.2	(6)
– excl ING goodwill	856.5	819.8	4	2,421.2	2,366.2	2
Net Profit – incl ING goodwill	639.0	610.7	5	1,839.1	1,927.3	(5)
– excl ING goodwill	639.0	610.7	5	1,839.1	1,782.0	3
EPS (sen) – incl ING goodwill	18.5	17.7	5	53.7	57.4	(6)
– excl ING goodwill	18.5	17.7	5	53.7	53.1	1

* Figures for Sep'08 were excluding RM200 million one-off goodwill payment from ING



Key Financial Ratios

	Q3'09	Q2'09	YTD Sep'09	Year 2008
Net Return on Equity* (%)	25.8	25.5	25.5	28.4 [#]
Return on Assets (%)	1.7	1.6	1.6	1.7 [#]
Cost Income Ratio (%)	34.2	34.1	34.6	32.3 [#]
Overheads / Avg. Assets (%)	1.0	1.0	1.0	1.0
Net Interest Margin on Yielding Assets** (%)	3.2	3.1	3.1	3.2

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

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

Excluding one-off goodwill payment from ING of RM200 million



PBT of Major Group Companies

	Sep'09 RM mil	Sep'08 RM mil	Variance	
			RM mil	%
Public Bank & Public Islamic Bank	1,988.1*	1,884.4*	103.7	6
Public Mutual	152.9	137.5	15.4	11
Public Investment Bank	34.6	27.1	7.5	28
Public Bank (L)	70.2	9.7	60.5	>100
Overseas Operations	186.8	271.4 [#]	(84.6)	(31)

* Underlying operating profit contribution to the Group, excluding ING goodwill and income/expenses eliminated at group level. The Islamic banking business of Public Bank had been vested to Public Islamic Bank on 1 November 2008.

Excluding one-off goodwill payment from ING of RM20 mil to PFHL.



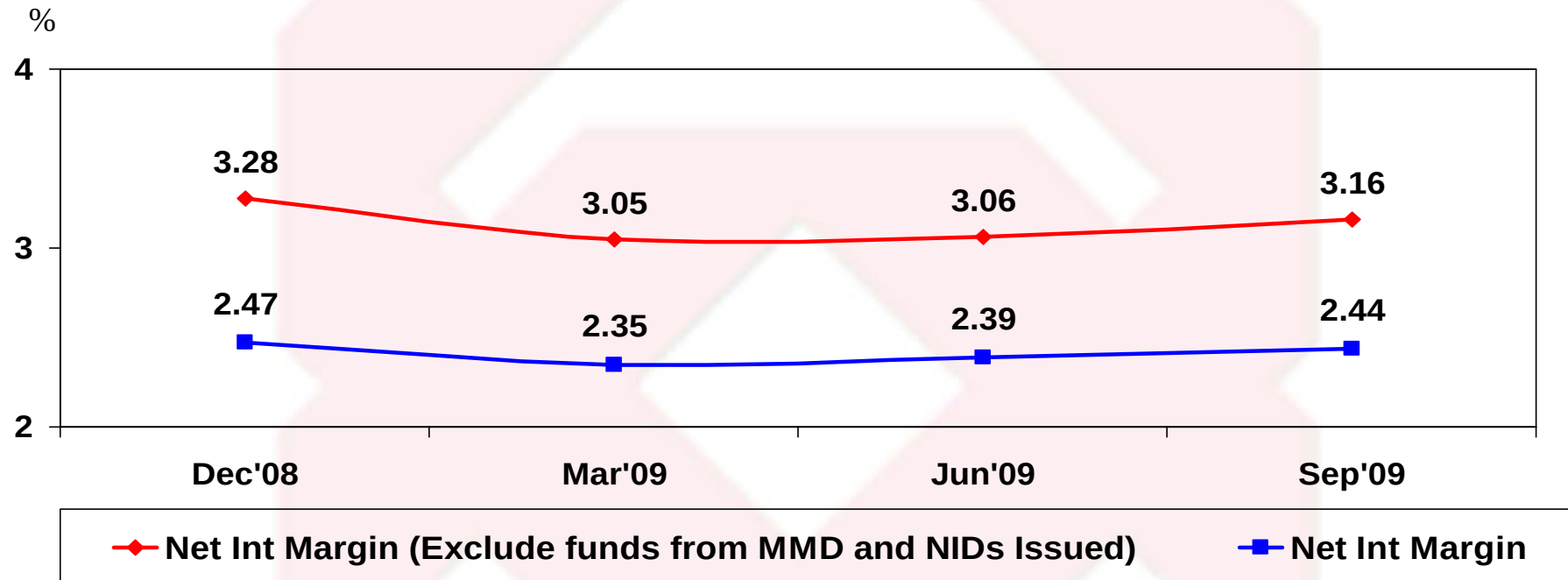
Profit Contribution By Segments

	Sep'09		Sep'08		Variance
	RM mil	%	RM mil	%	%
Retail Operations	1,552.0	59	1,907.6	75	(19)
Hire Purchase	500.4	19	161.3	6	>100
Treasury & Capital Market Operations	199.2	7	175.8	7	13
Corporate Lending	181.4	7	79.1	3	>100
Fund Management	152.9	6	137.5	5	11
Investment Banking	64.1	2	65.4	3	(2)
Others	(1.6)	*	22.3	1	(>100)
	2,648.4	100	2,549.0	100	4
ING Goodwill	-		200.0		
General Allowances	(235.4)		(193.5)		
Share of Results of Associates	8.2		10.7		
Profit Before Tax	2,421.2		2,566.2		(6)

* Less than 0.5%



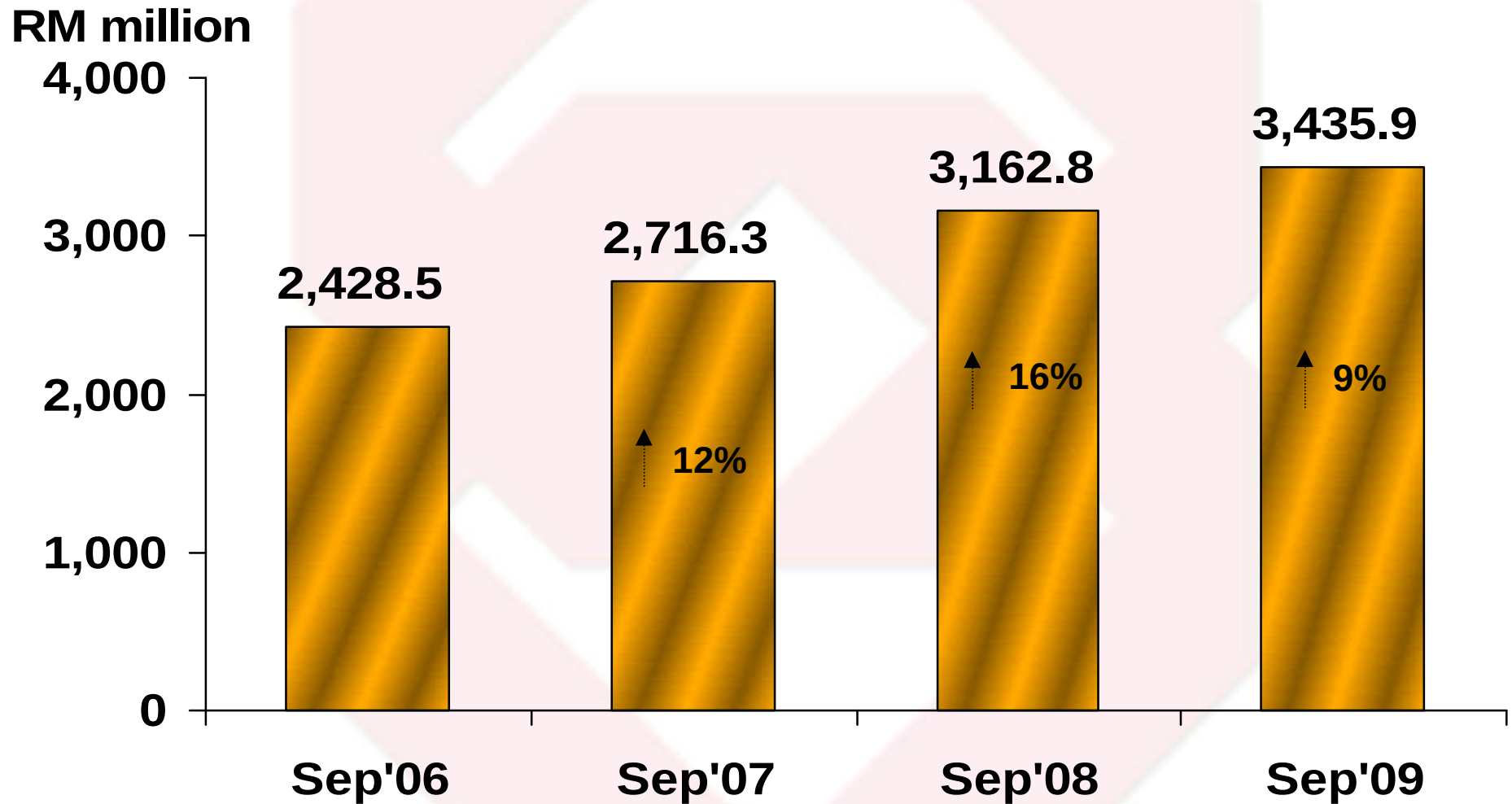
Net Interest Margin



- ◆ Despite the negative impact of OPR reduction on net interest margin, net interest income and financing income for nine months ended 30 September 09 grew by RM273 m or 9% due to :
 - Strong loan growth
 - Strong deposit growth
 - Stable asset quality



Sustaining Growth of Net Interest and Financing Income





Continued High Productivity & Efficiency

	2006	2007	2008	Sep'09	Industry Average
Gross loan per employee (RM mil)	6.3	7.1	7.5	8.0	6.4
Deposit per employee (RM mil)	8.3	9.7	10.0	10.9	8.5
PBT per employee (RM'000)	180	210	197*	192[#]	162
Cost Income Ratio (%)	32.7	33.1	32.3*	34.6	46.4

* Excluding one-off goodwill payment from ING of RM200 million.

Annualised



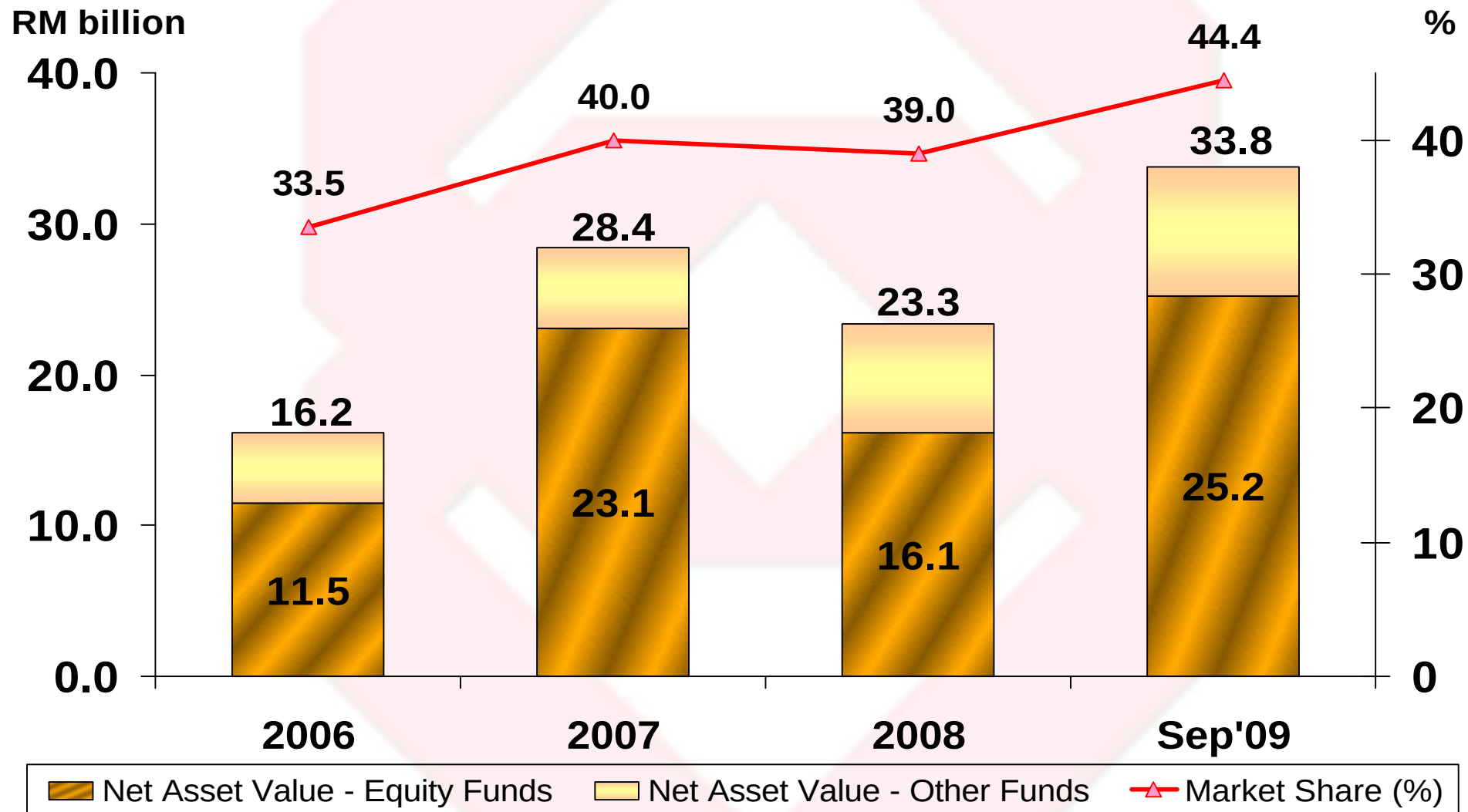
Other Operating Income

	Q3'09 RM mil	Q2'09 RM mil	% q-o-q	YTD Sep'09 RM mil	YTD Sep'08 RM mil	% y-o-y
Fee Income	126.7	132.1	(4)	377.7	382.6	(1)
Unit Trust Income	126.3	100.7	25	313.1	320.8	(2)
<i>Of which Unit Trust Management Fee</i>	104.1	86.3	21	261.3	261.8	*
<i>Fee on Sale of Trust Units</i>	22.2	14.4	54	51.8	59.0	(12)
Stockbroking Income	23.1	27.5	(16)	60.7	56.4	8
Investment Income	35.8	45.0	(20)	110.7	54.5	>100
Forex / Revaluation Gain	49.8	42.7	17	133.8	110.6	21
Others	9.9	19.1	(48)	37.0	15.4	>100
Sub Total	371.6	367.1	1	1,033.0	940.3	10
Goodwill from ING	-	-	-	-	200.0	(100)
Total	371.6	367.1	1	1,033.0	1,140.3	(9)

* Less than 0.5%



Fund Management Business





Wealth Management

A) Bancassurance

◆ Products launched in Year 2009

Type of Product	Sep'09	Target Dec'09
Single Premium	1	2
Regular Premium	3	3
Others	-	2
Total	4	7

B) Structured Deposits & Other Deposits in Year 2009

	Sep'09	Target Dec'09
◆ Principal Protected Investment Products	3	6
◆ Other Deposits	1	2

C) Staff Strength

	2008	Sep'09	Target Dec'09
◆ Bancassurance Sales Executives	229	281	350
◆ Personal Financial Executives (PFEs)	187	193	218
◆ OICs of Sales	22	115	140



Other Operating Expenses

	Q3'09 RM mil	Q2'09 RM mil	% q-o-q	YTD Sep'09 RM mil	YTD Sep'08 RM mil	% y-o-y
Personnel Costs	318.8	308.8	3	936.5	760.9	23
Establishment Costs	94.9	93.7	1	282.2	256.5	10
Marketing Expenses	74.1	64.0	16	188.7	184.9	2
Administration Expenses	47.3	49.4	(4)	140.8	120.6	17
Total	535.1	515.9	4	1,548.2	1,322.9	17



Summary of Balance Sheet

	Sep'09	Dec'08	Variance	
	RM bil	RM bil	RM bil	%
Total Assets	209.0	196.2	12.8	6.6
Gross Loans and Advances:				
<i>- including Islamic Financing Sold to Cagamas</i>	133.6	120.7	12.9	10.7
<i>- excluding Islamic Financing Sold to Cagamas</i>	133.6	120.3	13.3	11.0
Domestic Gross Loans and Advances	119.9	106.1	13.8	13.0
Deposits from Customers	182.7	162.3	20.4	12.6
Shareholders' Funds	10.3	9.5	0.8	8.0
Net Assets per Share (RM)	2.98	2.84		
Net Loans to Deposits Ratio (%)	71.9	73.0		



Annualised Loans Growth of 14.3%

	Sep'09 (%) (Annualised)
PBB (based on actual 10.7% loans growth @ Sep'09)	14.3%
Industry Average*	6.8%

Market Share:

Aug'09	-	15.8%
2008	-	14.8%
2007	-	14.4%

* Industry loans growth is extrapolated based on position as at 31 Aug 2009.

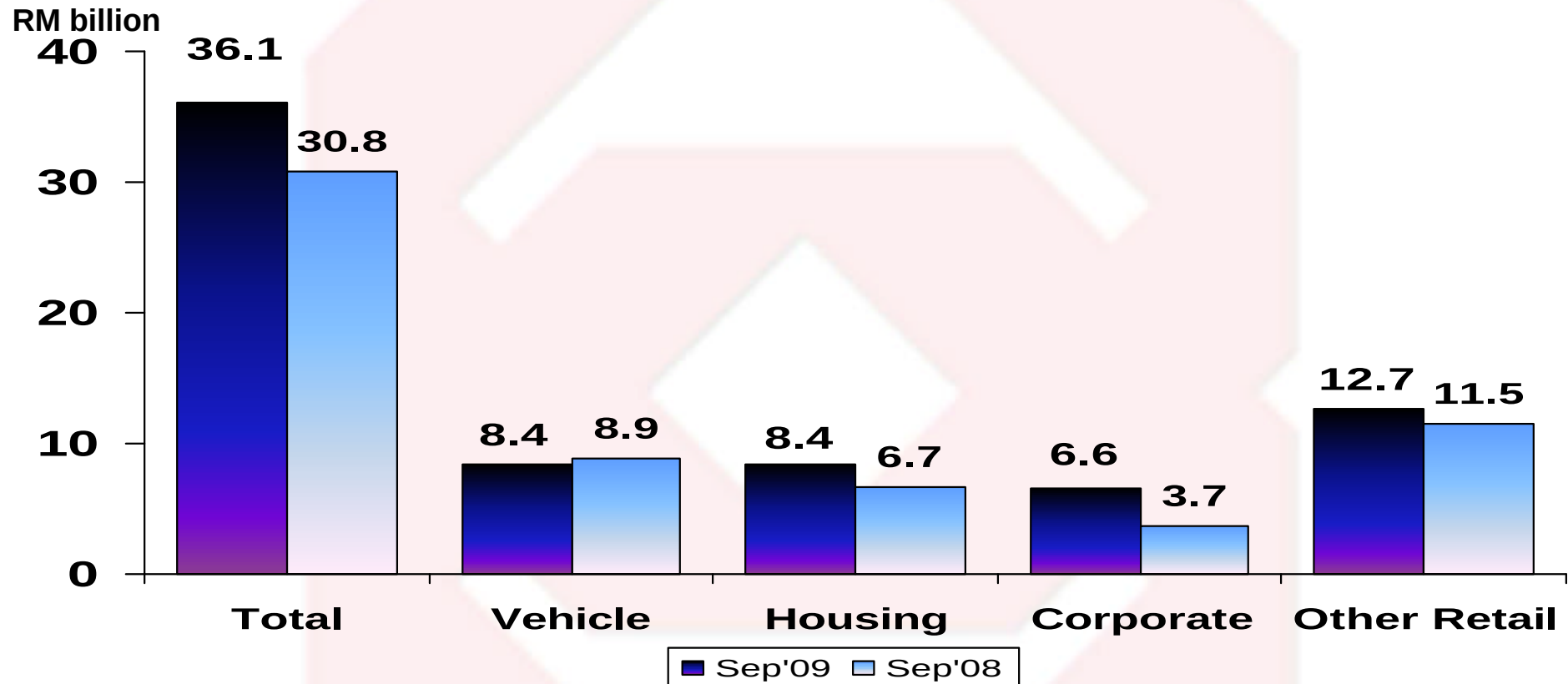


Loans by Purpose

	Sep'09 RM bil	% of total loans	Dec'08 RM bil	% of total loans	Growth (%)
Purchase of Landed Properties	62.6	47	56.0	46	12
- Residential	36.3	27	32.2	26	13
- Non-residential	26.3	20	23.8	20	10
Purchase of Transport Vehicles	31.1	23	29.3	24	6
Working Capital	20.3	15	18.8	16	8
Personal Use	7.9	6	7.3	6	9
Others	11.7	9	9.3	8	27
	133.6	100	120.7	100	11
Islamic financing sold to Cagamas	-		(0.4)		
	133.6		120.3		



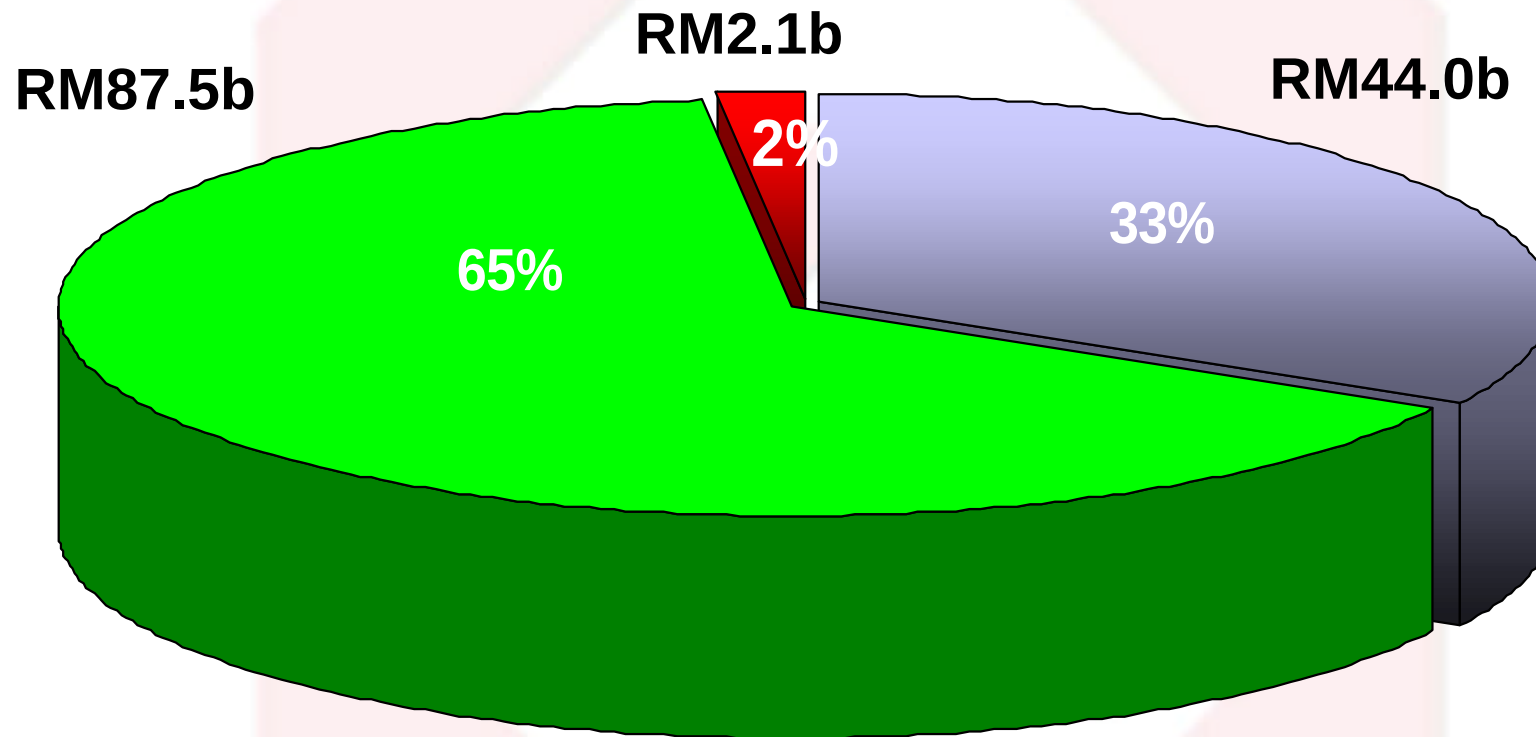
Loans Approval



Vehicle financing	-	RM0.5 b	or	5% decrease
Housing loans	-	RM1.7 b	or	25% increase
Corporate loans	-	RM2.9 b	or	75% increase
Other retail loans	-	RM1.2b	or	10% increase
Total loans	-	RM5.3 b	or	17% increase



Fixed Rate & Floating Rate Loans

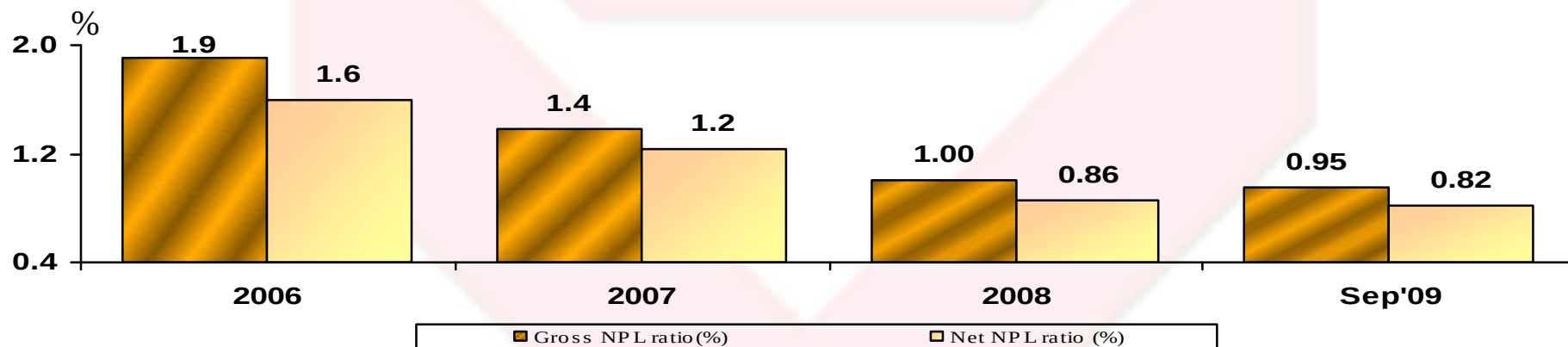


- Fixed Rate
- Floating Rate
- Initial fixed rate, thereafter floating rate



Asset Quality- Net NPL Ratio remained below 1%

	Sep'09	Dec'08
Gross NPL (RM mil)	1,271	1,210
Gross NPL Ratio (%)	0.95	1.00
Net NPL Ratio (%)	0.82	0.86
GP Ratio (%)	1.5	1.5
Loan Loss Coverage (%)	171.3	159.7



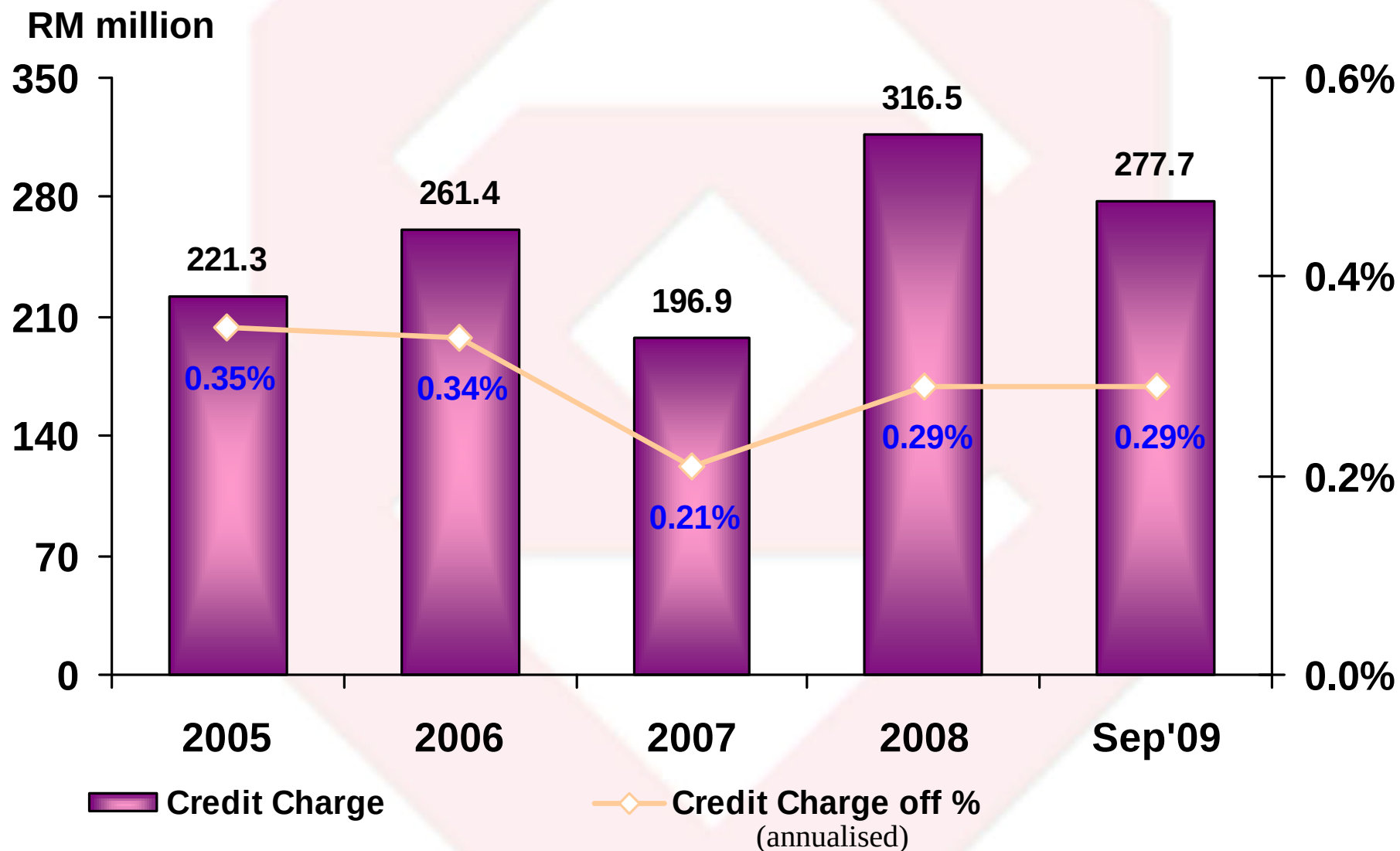


Improving NPL Ratios for Key Lending Sectors

Key Lending Sectors	Sep'09 RM mil	Gross NPL %	Dec'08 RM mil	Gross NPL %
Housing Loans	486	1.3	523	1.6
Hire Purchase	144	0.5	188	0.6
SME	201	0.9	222	1.1



Credit Charge Off Ratio Remains Stable





Annualised Core Deposit Growth of 19.5%

	Sep'09 (%) (Annualised)
PBB	
- Total Deposit	16.8
- Core Deposit	19.5
Industry Average*	
- Total Deposit	5.6
- Core Deposit	6.3

<u>Market Share:</u>		<u>Total Deposit</u>	<u>Core Deposit</u>
Aug'09	-	15.2%	15.6%
2008	-	15.5%	14.7%
2007	-	14.8%	13.7%

* Industry annualised deposit growth is based on position as at 31 August 2009.



Total Deposits

	Sep'09 RM bil	Dec'08 RM bil	Variance	
			RM bil	(%)
Demand Deposits	18.0	15.8	2.2	14.4
Savings Deposits	21.8	19.0	2.8	14.5
Fixed Deposits	89.0	77.6	11.4	14.7
	128.8	112.4	16.4	14.6
Money Market Deposits	34.6	33.5	1.1	3.4
NIDs	18.2	15.1	3.1	20.2
Others	1.1	1.3	(0.2)	(15.9)
Total	182.7	162.3	20.4	12.6

Cost of deposits

Sep'09

1.91%

Dec'08

2.41%

(exclude Negotiable Instrument Deposits & Money Market Deposits Issued)



Capital Adequacy Ratio

Basel II Standardised Approach (After Proposed Dividend)	Group		Bank	
	Sep'09 RM mil	Dec'08 RM mil	Sep'09 RM mil	Dec'08 RM mil
- Equity Capital	7,752.8	7,528.1	8,161.9	8,105.9
- Hybrid Capital	1,578.6	1,328.5	1,650.8	1,430.4
- Stapled Securities	1,192.7	-	1,192.7	-
<i>Total Tier-1 Capital</i>	<i>10,524.1</i>	<i>8,856.6</i>	<i>11,005.4</i>	<i>9,536.3</i>
- General Allowance	1,994.3	1,759.5	1,607.5	1,433.5
- Subordinated Notes	2,759.7	3,968.8	2,780.1	3,988.8
- Hybrid Capital	312.4	561.6	240.2	459.7
<i>Total Tier-2 Capital</i>	<i>5,066.4</i>	<i>6,289.9</i>	<i>4,627.8</i>	<i>5,882.0</i>
Investment in subs./assoc.	(1.0)	(1.0)	(3,518.4)	(3,318.4)
Total Capital Base	15,589.5	15,145.5	12,114.8	12,099.9
Risk-Weighted Assets	122,866.9	115,341.9	100,265.4	94,647.3
Risk Weighted Capital Ratio	12.7	13.1	12.1	12.8
Core Capital Ratio	8.6	7.7	11.0	10.1



Capital Management Initiative (Cont'd)

- PBB Group is closely monitoring its capital position to ensure healthy capital at all times, whilst maintaining high return on equity.
- The Group's overall capital and core capital are expected to be further enhanced in coming years with the following:
 - (i) Adoption of FRS 139 with effect from 1 January 2010
 - (ii) Adoption of Basel II-Internal Rating Based Approach
 - (iii) Remaining 80.4 mil units of treasury shares available for sale or distribution



Prospects for the 4th Quarter of 2009

- ◆ To maintain earnings growth momentum leveraging on:
 - continued quality loans growth at above industry growth rate;
 - to further expand depositor base;
 - sustainable low NPL leveraging on PBB's prudent lending policy and proactive initiatives on loan recoveries & loan restructuring/rescheduling.
- ◆ To build on existing strengths (strong brand, market positions, capital strength and asset quality).
- ◆ Loan growth will continue to focus on SME, mortgage loans and HP financing.
- ◆ To grow other operating income, particularly on fund management, bancassurance business with ING, various other wealth management products and remittances.
- ◆ Further improve the productivity and operational efficiency.
- ◆ Continued expansion of overseas business particularly in Hong Kong & Indo-China.
- ◆ Continue to remain prudent and uphold its strong corporate governance and risk management policies.
- ◆ Continue to maintain strong liquidity at the current level.
- ◆ Proactive capital management to ensure healthy level of capital whilst maintaining high return to shareholders.



Thank you