



PUBLIC BANK

**Group Unaudited Financial
Results for the Period Ended
31 March 2007**



Financial Performance – Net profit up 23% to RM476.2m

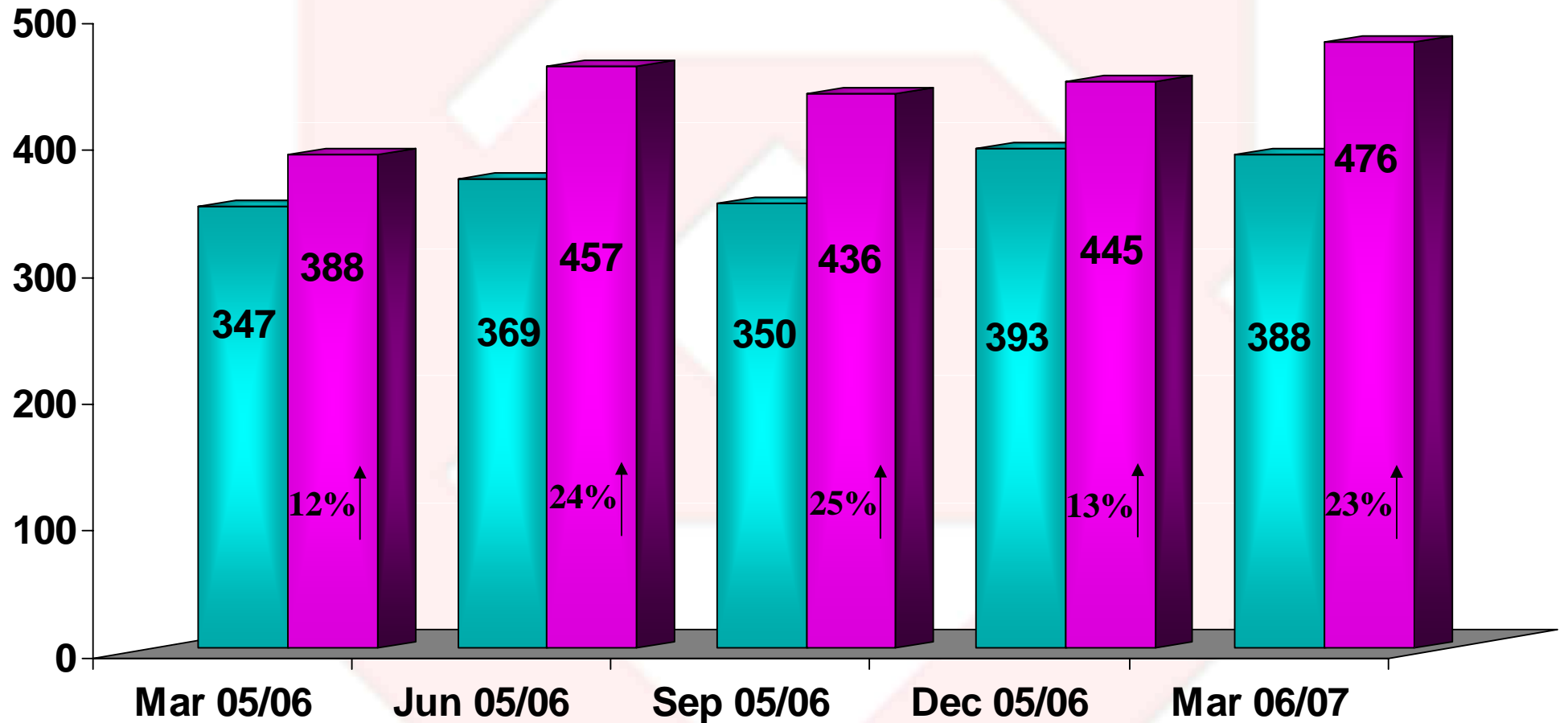


	1Q07 RM million	4Q06 RM million	% q-o-q	YTD Mar 2007 RM million	YTD Mar 2006 RM million	% y-o-y
Net interest income	762.6	751.3	2	762.6	661.5	15
Islamic banking income	105.5	112.0	(6)	105.5	100.9	5
Other operating income	352.6	313.2	13	352.6	230.0	53
Other operating expenses	451.0	421.5	7	451.0	350.6	29
Operating profit	769.7	755.1	2	769.7	641.8	20
Loan loss allowances	91.7	111.8	(18)	91.7	97.0	(5)
Pre-tax profit	675.3	649.2	4	675.3	545.8	24
Net profit	476.2	445.1	7	476.2	388.4	23
EPS (sen)	14.2	13.4	6	14.2	11.8	20



Quarterly Net Profit

RM million





Quarterly Growth vs Preceding Quarter

%	1Q07 q-o-q	4Q06 q-o-q	3Q06 q-o-q	2Q06 q-o-q	1Q06 q-o-q
Net interest income (include IB income)	1	2	3	8	4
Other operating income	13	14	(5)	26	(7)
Other operating expenses	7	10	2	7	2
Operating profit	2	2	1	15	2
Loan loss allowances	(18)	(17)	11	26	4
Pre-tax profit	4	7	(1)	13	(1)
Net profit	7	2	(5)	18	(1)



Key Financial Ratios

	Mar 2007	Mar 2006	% y-o-y	1Q07	4Q06	% q-o-q
Cost income ratio (%)	36.9	35.3	5	36.9	35.8	3
Return on assets (%)	1.8	1.9	(7)	1.8	1.8	(2)
Net return on equity* (%)	22.9	19.5	17	22.9	21.5	7
Overheads / avg. assets (%)	1.2	1.2	(1)	1.2	1.2	(1)
Net interest margin on yielding assets** (%)	3.3	3.4	(4)	3.3	3.4	(4)

* Based on average equity after deducting proposed dividend

** Excluding NIDs



Profit Contribution By Segments

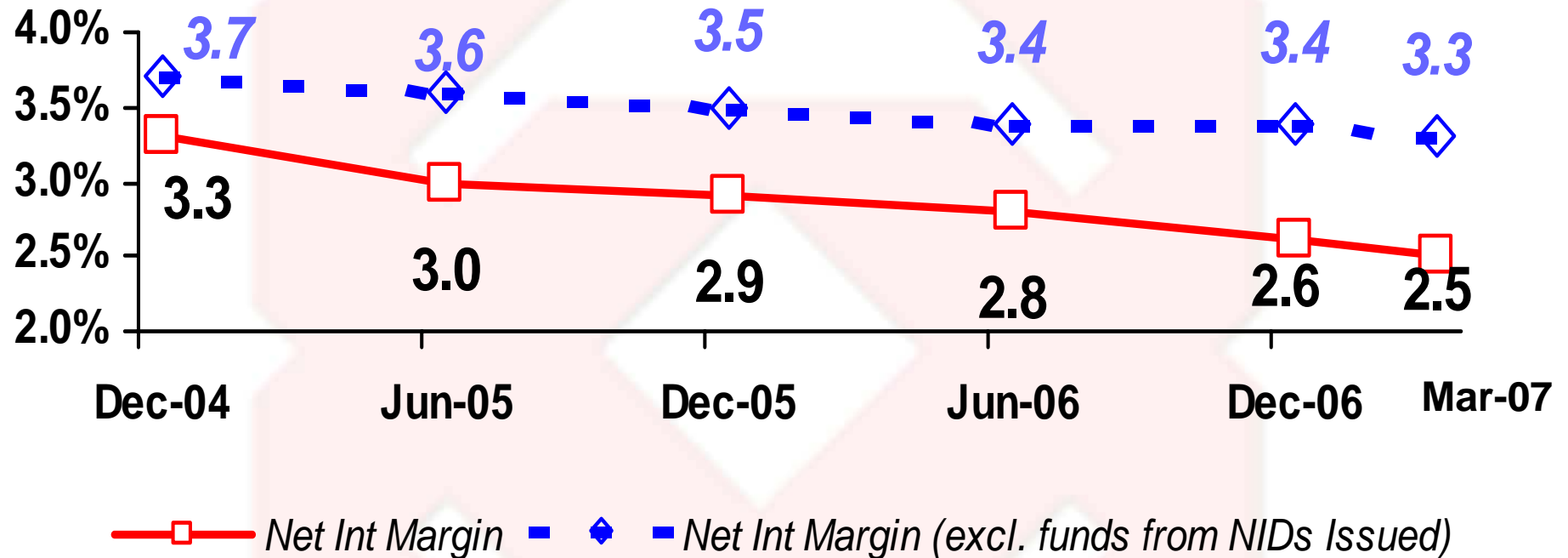
	Mar 2007		Mar 2006		Variance
	RM million	%	RM million	%	%
Retail operations	518.2	72	395.9	72	31
Treasury & capital market operations	96.1	13	114.5	21	(16)
Fund management	32.9	5	18.8	4	75
Investment banking	24.8	3	7.1	1	(#)
Corporate lending	41.4	6	10.6	2	(#)
Others	1.7	(*)	2.3	(*)	(26)
	715.1	100	549.2	100	30
Unallocated expenses	(41.0)	-	(4.4)	-	
Share of results of associates	1.2	-	1.0	-	
Profit before tax	675.3	-	545.8	-	24

*Less than 0.5%

More than 100%



Net Interest Margin



- ◆ Net interest income and financing income grew by RM106m or 14% compared to last corresponding period. This is mainly due to :
 - strong loan growth (17.6% - annualised)
 - strong deposit growth (17.2% - annualised)
- ◆ Net interest margin will continue to be under pressure



Other Operating Income

	Mar 2007 RM million	Mar 2006 RM million	% y-o-y	1Q07 RM million	4Q06 RM million	% q-o-q
Fee Income	181.1	138.9	30	181.1	167.9	8
Non-Fee Income	171.5	91.1	88	171.5	145.3	18
Total	352.6	230.0	53	352.6	313.2	13



Other Operating Expenses

	Mar 2007 RM million	Mar 2006 RM million	% y-o-y	1Q07 RM million	4Q06 RM million	% q-o-q
Personnel Costs	214.4	188.6	14	214.4	213.4	(*)
Establishment Costs	77.5	69.3	12	77.5	70.7	10
Marketing Expenses	126.7	55.1	(#)	126.7	98.3	29
Administration Expenses	32.4	37.6	(14)	32.4	39.1	(17)
Total	451.0	350.6	29	451.0	421.5	7

* Less than 0.5%

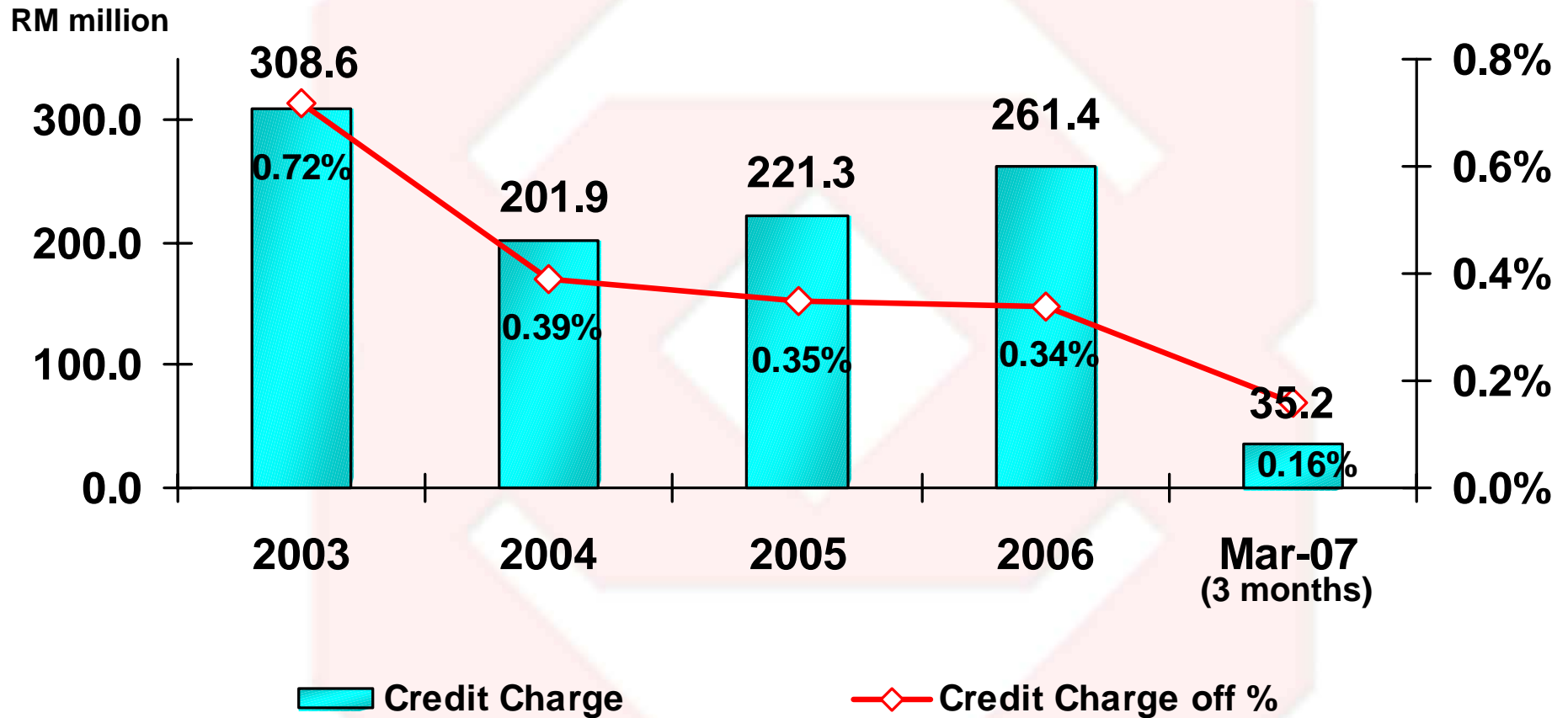
More than 100% - mainly due to sales commission incurred resulting from higher sales volume of the unit trust fund business which had resulted in an increase in other operating income correspondingly.



PBT of Major Group Companies

(excluding dividend from subsidiaries)	Mar 2007 RM million	Mar 2006 RM million	Variance	
			RM million	%
Public Bank	547.6	436.6	111.0	25
Overseas Operations	84.6	69.6	15.0	22
Public Mutual	32.9	18.8	14.1	75
Public Investment Bank	22.8	6.2	16.6	(>100)
Public Bank (L)	4.6	4.9	(0.3)	(6)

Loan Loss Allowances





Financial Summary: Balance Sheet

	Mar 2007	Dec 2006	Variance	
	RM billion	RM billion	RM billion	y-o-y
Total assets	157.3	147.8	9.5	6
Gross loans and advances	88.1	84.4	3.7	4
Domestic gross loans and advances	79.2	76.7	2.5	3
Deposits from customers	116.6	111.8	4.8	4
Shareholders' funds	8.6	9.0	(0.4)	(5)
Net assets per share (RM)	2.56	2.71		
Net Loans to Deposits ratio (%)	74.2	74.1		



**LOAN GROWTH,
LOAN MIX
&
ASSET QUALITY**

Loans Growth



	Mar 2007 (%)
PBB	17.6
Industry Average*	6.0

*extrapolated based on first 2 months loan growth in 2007

Market Share:

Mar- 07	-	13.6%
2006	-	13.2%
2005	-	12.0%
2004	-	11.1%

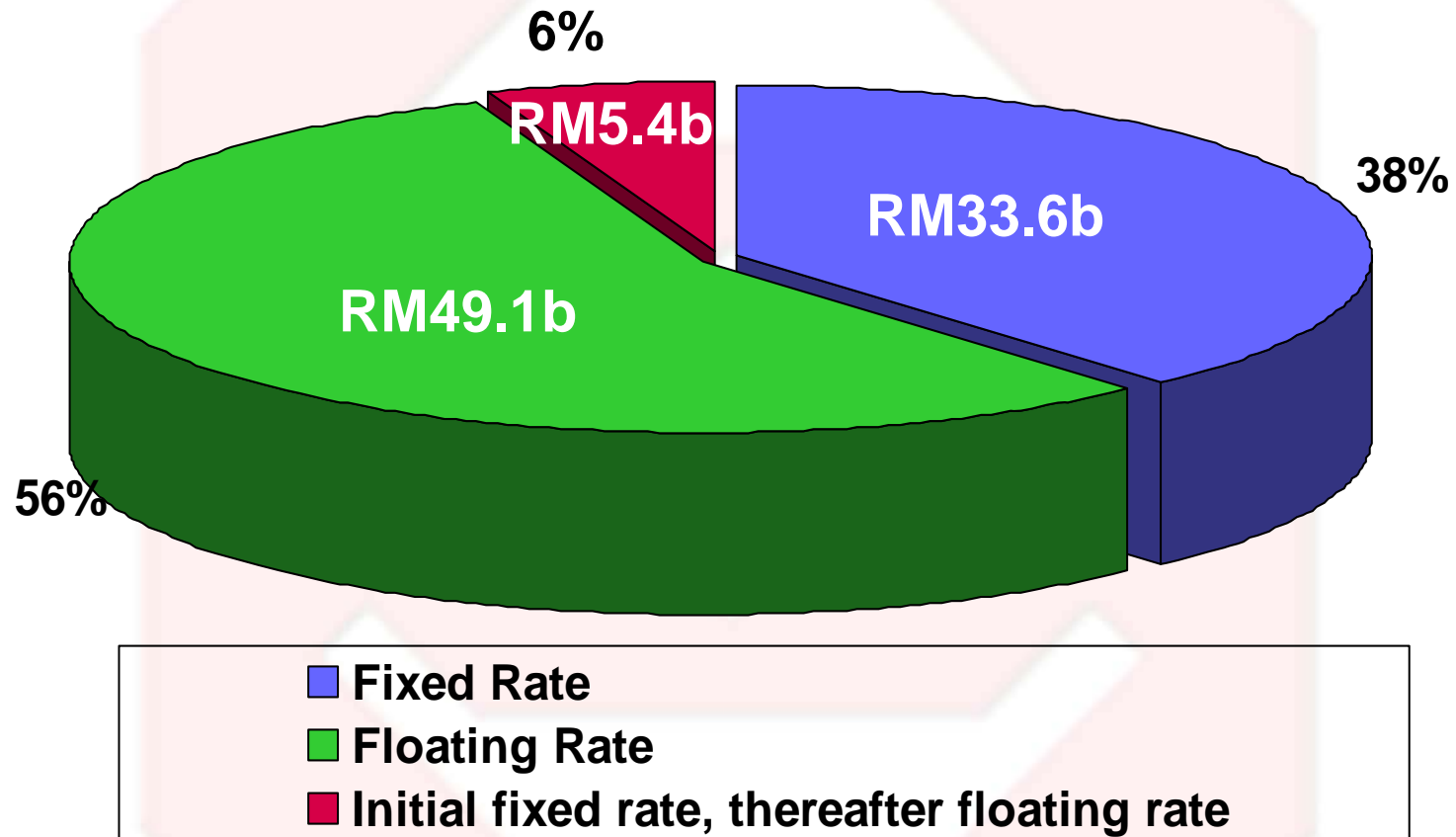


Loan by Purpose

	Mar 2007 RM billion	% of total loans	Dec 2006 RM billion	% of total loans	Growth (%)
Purchase of landed properties	38.9	44	37.3	44	4
- Residential	23.7	27	23.0	27	3
- Non-residential	15.2	17	14.3	17	6
Purchase of transport vehicles	23.9	27	23.3	28	3
Working capital	14.5	17	13.5	16	7
Personal use	5.5	6	5.5	6	-
Others	5.3	6	4.8	6	10
	88.1	100	84.4	100	4



Fixed Rate & Floating Rate Loans

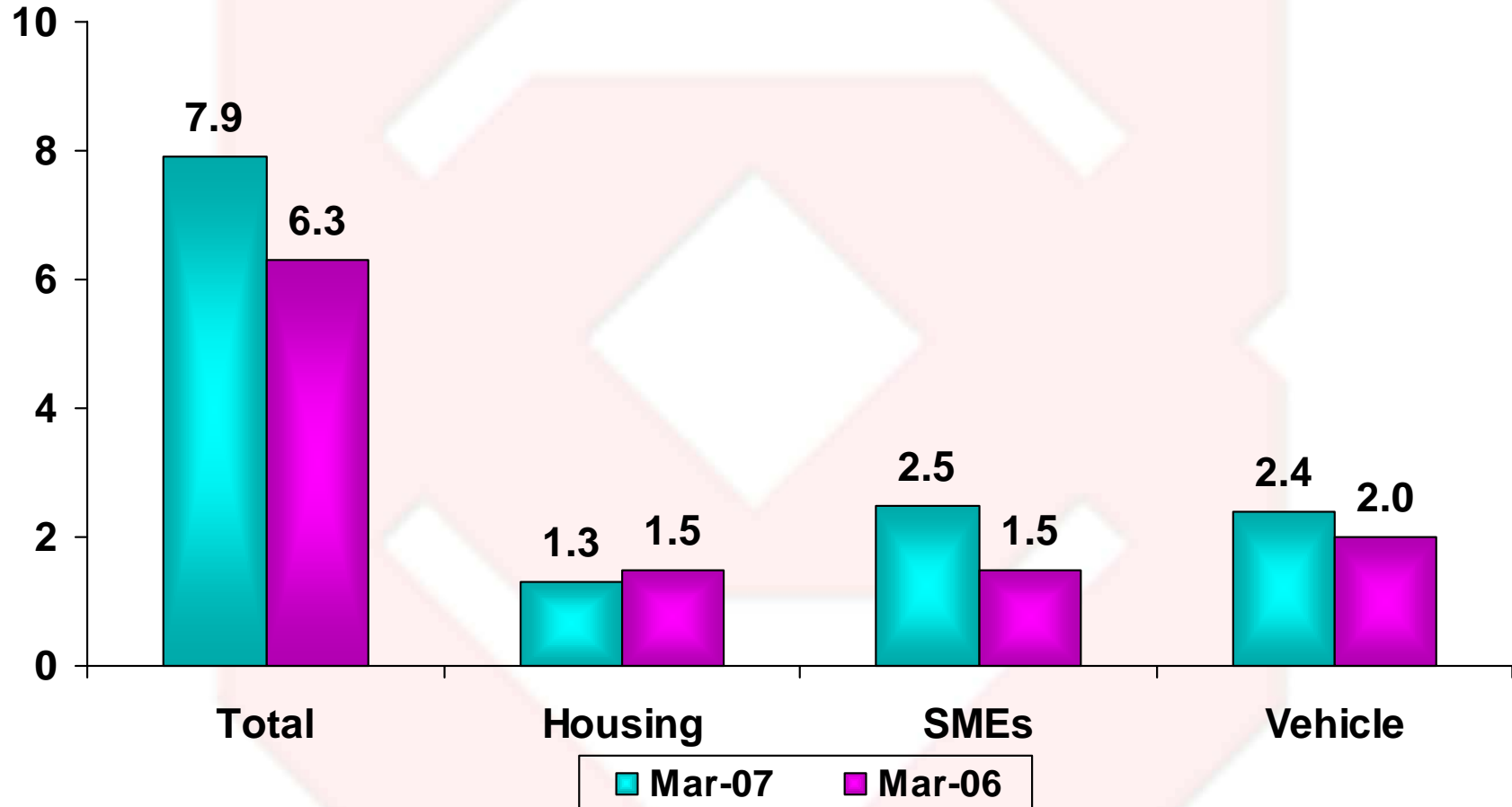


- ◆ Interest rate Impact : 1% hike in interest rate would result in a RM99m increase in the Group's net interest income.
- ◆ Duration : Modified duration is 1.6 years.

Loans Approved



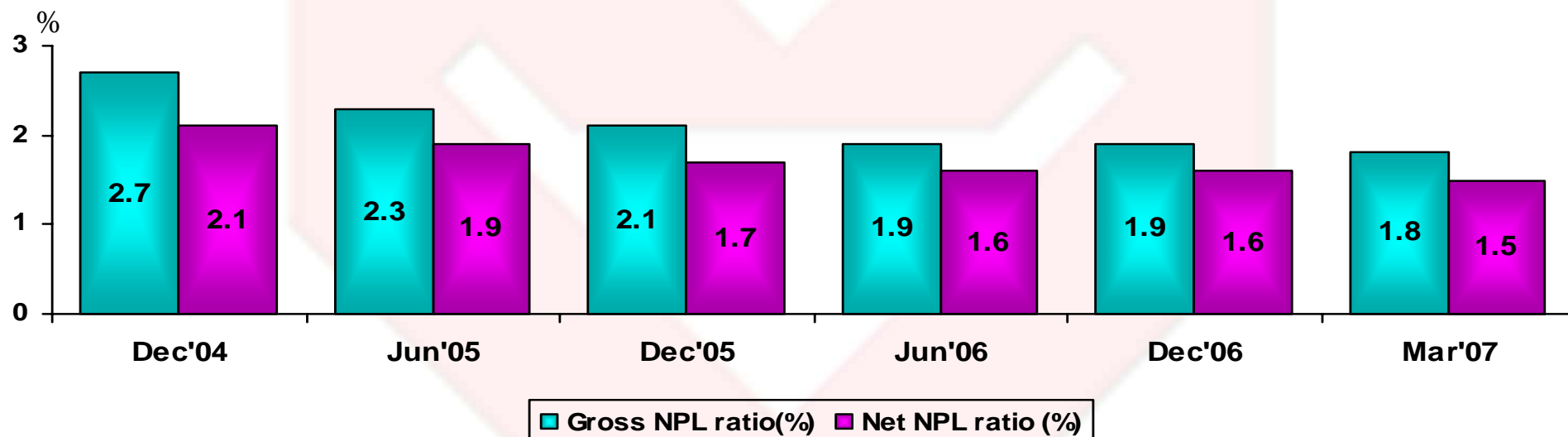
RM billion





Asset Quality

3-month classification	Mar 2007	Dec 2006
Gross NPL (RM million)	1,583	1,578
Net NPL ratio (%)	1.5	1.6
Loan loss coverage (%)	102.1	99.9
GP ratio (%)	1.6	1.6
GP/Net NPL (%)	102.5	99.9



NPL Ratio for Key Lending Sectors



Key Lending Sectors	Mar 2007 RM million	Gross NPL %	Dec 2006 RM million	Gross NPL %
Housing Loans	708	3.0	706	3.1
SME	325	1.8	318	1.8
Hire Purchase	251	1.0	248	1.1
Total key lending sectors	1,284	2.0	1,272	2.0



**CONTINUED GROWTH IN
CORE & WHOLESALE DEPOSITS**



Total Deposits Grew By 4%

	Mar 2007	Dec 2006	Growth	
	RM billion	RM billion	RM billion	(%)
Demand deposits	11.9	11.3	0.6	5
Savings deposits	15.6	14.8	0.8	5
Fixed deposits	56.1	53.4	2.7	5
Others	0.4	0.4	-	-
	84.0	79.9	4.1	5
NIDs	32.6	31.9	0.7	2
Total	116.6	111.8	4.8	4

Mar 2007

Dec 2006

◆ Cost of deposits
(exclude NIDs Issued)

2.38%

2.37%



Capital Adequacy Ratio

	Mar 2007 RM mil	2006* RM mil	2005* RM mil
Total Tier 1 Capital	7,352	7,266	7,055
Total Tier 2 Capital	4,737	4,759	3,873
Total Capital Base	12,089	12,025	10,928
Risk-Weighted Assets	86,907	82,425	68,009

	Mar 2007 RM mil	2006 RM mil	2005 RM mil
Risk-Weighted Capital Ratio	13.9	14.6	16.1
Core Capital Ratio	8.5	8.8	10.4

* After deducting proposed dividend



Prospects for Year of 2007

- ◆ To maintain earning growth momentum leveraging on:
 - continued strong loans & deposits growth
 - continued growth in net interest income
 - stable NPL
- ◆ 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
- ◆ Looking into improving other operating income, e.g fund management, more strategic tie up for bankassurance business.
- ◆ Further improve the productivity and operational efficiency
- ◆ Growing the business in Hong Kong & Greater China and to achieve the expected synergies from the acquisition of PB(HK)



The End

