



PUBLIC BANK

**Group Unaudited Financial Results
for the Period Ended
30 Sept 2007**

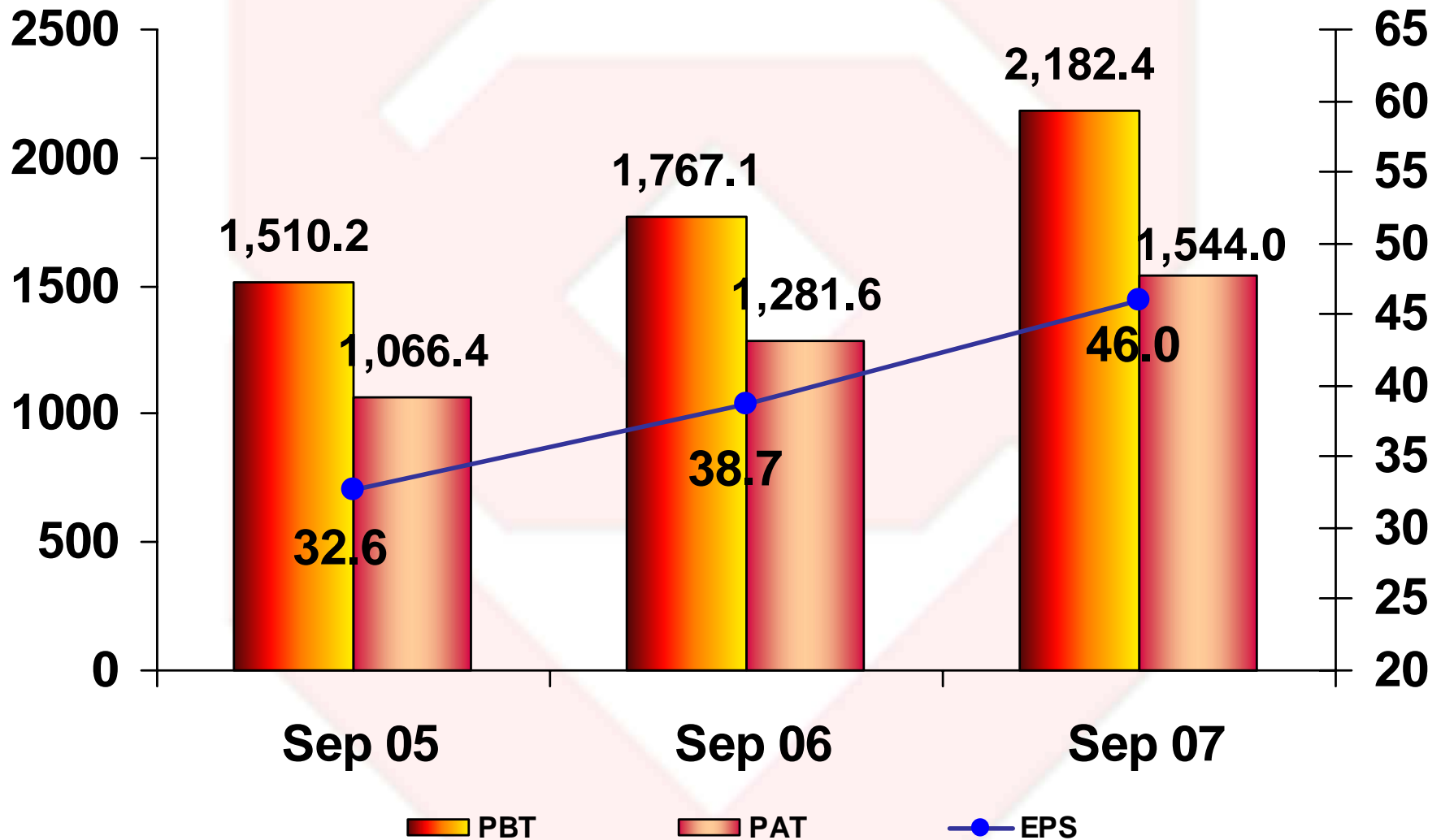


24% Growth in Pre-Tax Profit to **RM2.18 billion**



RM million

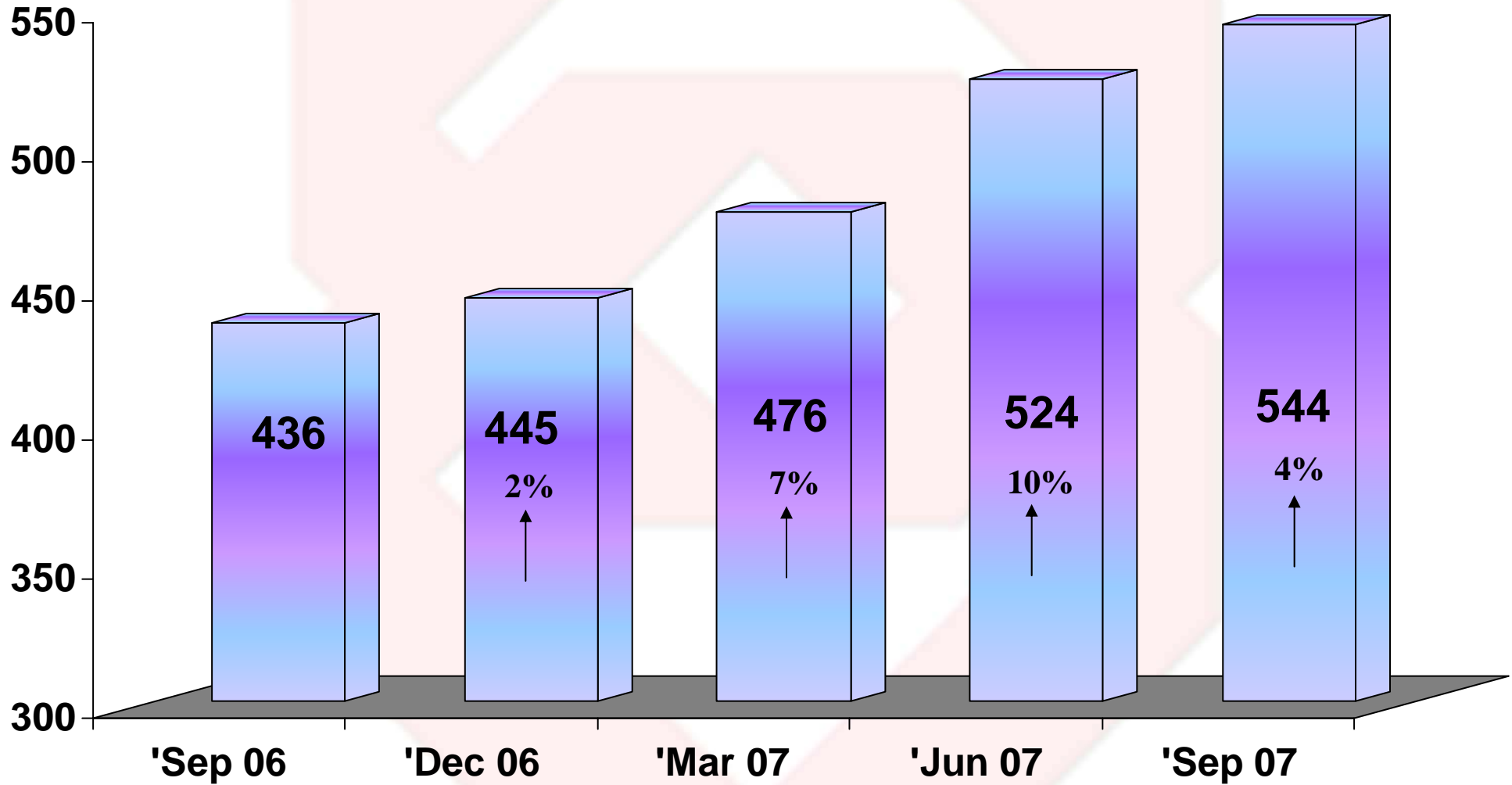
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Quarterly Net Profit

RM million



Financial Performance – Net profit up 20% to RM1.5b



	3Q07 RM mil	2Q07 RM mil	% q-o-q	YTD Sep 07 RM mil	YTD Sep 06 RM mil	% y-o-y
Net Interest Income	825.8	783.8	5	2,372.2	2,118.8	12
Islamic Banking Income	126.2	119.3	6	351.0	316.0	11
Other Operating Income	361.1	349.4	3	999.8	708.6	41
Other Operating Expenses	422.4	425.5	(1)	1,235.5	1,025.6	20
Operating Profit	890.7	827.0	8	2,487.5	2,117.8	17
Loan Loss Allowances	117.3	94.4	24	303.4	354.2	(14)
Pre-Tax Profit	774.4	732.7	6	2,182.4	1,767.1	24
Net Profit	543.6	524.1	4	1,544.0	1,281.6	20
EPS (sen)	16.2	15.6	4	46.0	38.7	19



Quarterly Growth vs Preceding Quarter

%	3Q07 q-o-q	2Q07 q-o-q	1Q07 q-o-q	4Q06 q-o-q
Net Interest Income (include IB income)	5	4	1	2
Other Operating Income	3	21	9	8
Other Operating Expenses	(1)	10	4	5
Operating Profit	8	7	2	2
Loan Loss Allowances	24	3	(18)	(17)
Pre-Tax Profit	6	8	4	7
Net Profit	4	10	7	2



Key Financial Ratios

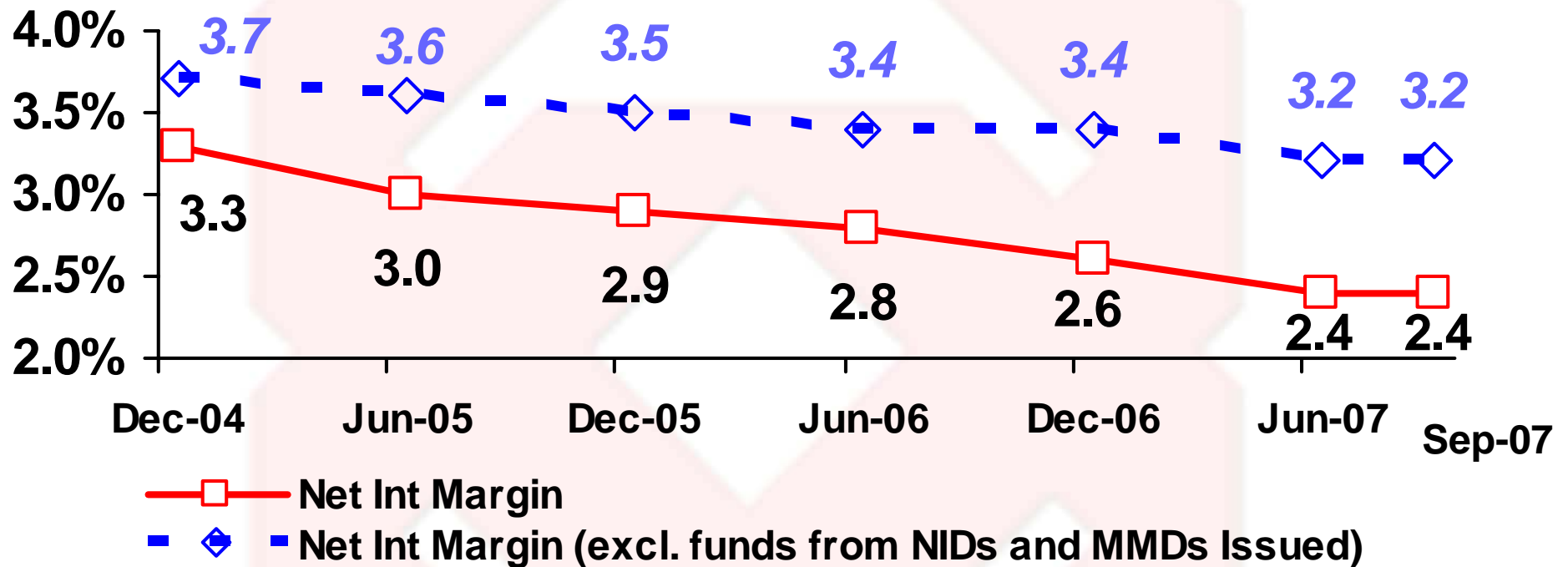
	Sep 2007	Sep 2006	% y-o-y	3Q07	2Q07	% q-o-q
Cost Income Ratio (%)	33.2	32.6	2	32.2	34.0	(5)
Return on Assets (%)	1.9	1.9	0	1.9	1.8	3
Net Return on Equity* (%)	24.4	21.0	16	25.2	24.6	2
Overheads / Avg. Assets (%)	1.1	1.1	(3)	1.0	1.1	(3)
Net Interest Margin on Yielding Assets** (%)	3.2	3.4	(5)	3.2	3.1	3

* Based on average equity after deducting proposed dividend

** Excluding NIDs and MMDs



Net Interest Margin



- ◆ Net interest income and financing income grew by RM288 m or 12% due to :
 - *strong loan growth (18.7% annualised)*
 - *Strong deposit growth (22.5% annualised)*
- ◆ Net interest margin will continue to be under pressure



PBT of Major Group Companies

(excluding dividend from subsidiaries)	Sep 2007 RM mil	Sep 2006 RM mil	Variance	
			RM mil	%
Public Bank	1,742.9	1,422.6	320.3	23
Overseas Operations	278.1	240.7	37.4	16
Public Mutual	115.1	67.1	48.0	72
Public Investment Bank	57.3	21.6	35.7	165
Public Bank (L)	21.2	10.0	11.2	112



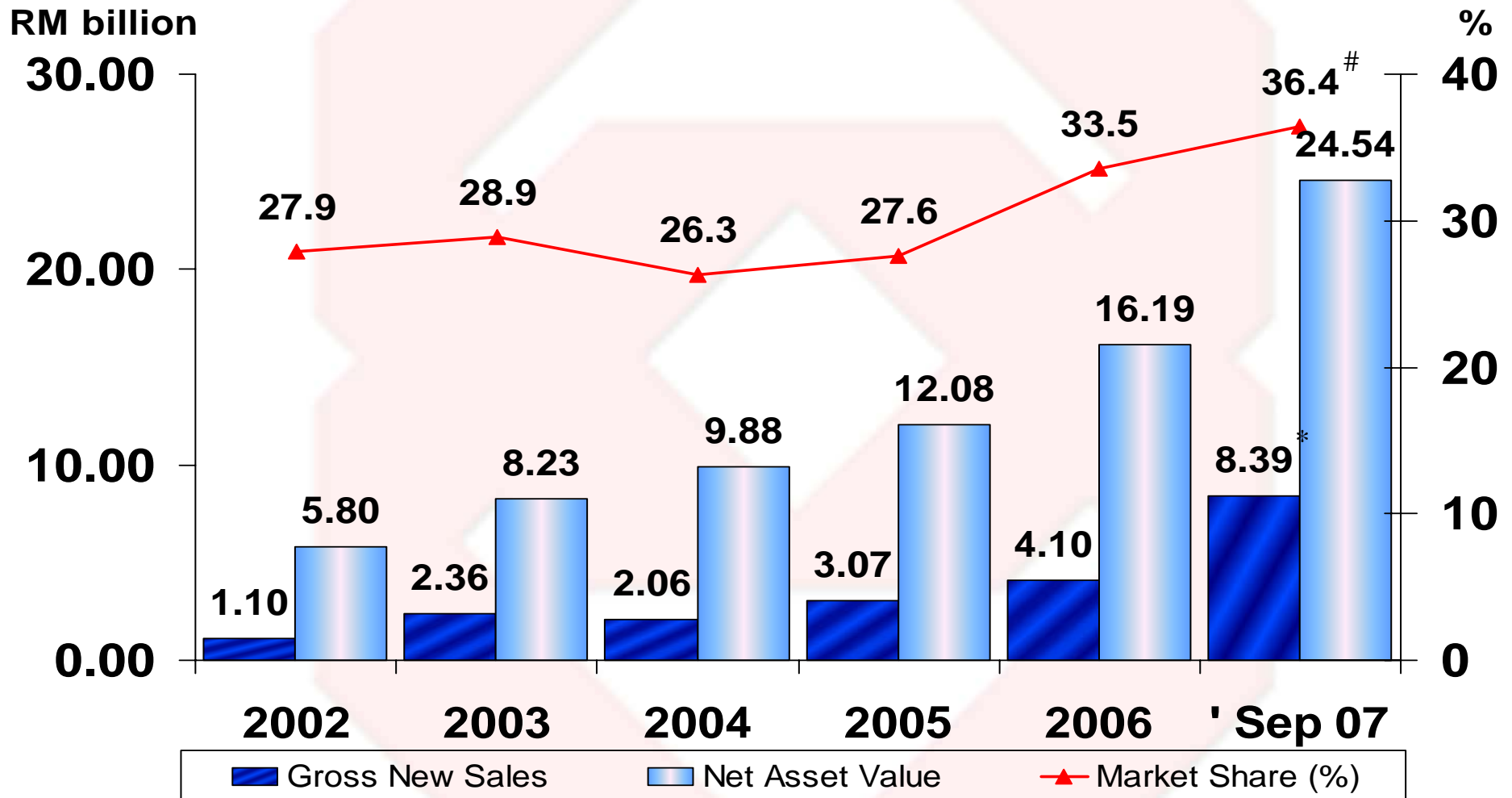
Profit Contribution By Segments

	Sep 2007		Sep 2006		Variance
	RM mil	%	RM mil	%	%
Retail Operations	1,688.5	73	1,327.2	72	27
Treasury & Capital Market Operations	311.6	14	383.7	21	(19)
Fund Management	115.1	5	67.1	4	72
Investment Banking	92.9	4	23.5	1	295
Corporate Lending	84.2	4	27.2	2	210
Others	11.2	(*)	6.2	(*)	81
	2,303.5	100	1,834.9	100	26
Unallocated Expenses	(125.1)	-	(71.4)	-	
Share of Results of Associates	4.0	-	3.6	-	
Profit Before Tax	2,182.4	-	1,767.1	-	24

* Less than 0.5%



Fund Management Business



as at August 2007

* 9 months



Other Operating Income

	Sep 2007 RM mil	Sep 2006 RM mil	% y-o-y	3Q07 RM mil	2Q07 RM mil	% q-o-q
Fee Income	723.5	489.9	48	258.4	242.5	7
Non Fee Income	276.3	218.7	26	102.7	106.9	(4)
Total	999.8	708.6	41	361.1	349.4	3

Included in fee income are:

Fund Management Income	Sep 2007 RM mil	Sep 2006 RM mil	% y-o-y	3Q07 RM mil	2Q07 RM mil	% q-o-q
Unit Trust Management Fees	196.1	124.8	57	76.0	64.9	17
Fee on Sale of Trust Units	132.6	42.2	214	46.4	44.7	4
Total	328.7	167.0	97	122.4	109.6	12

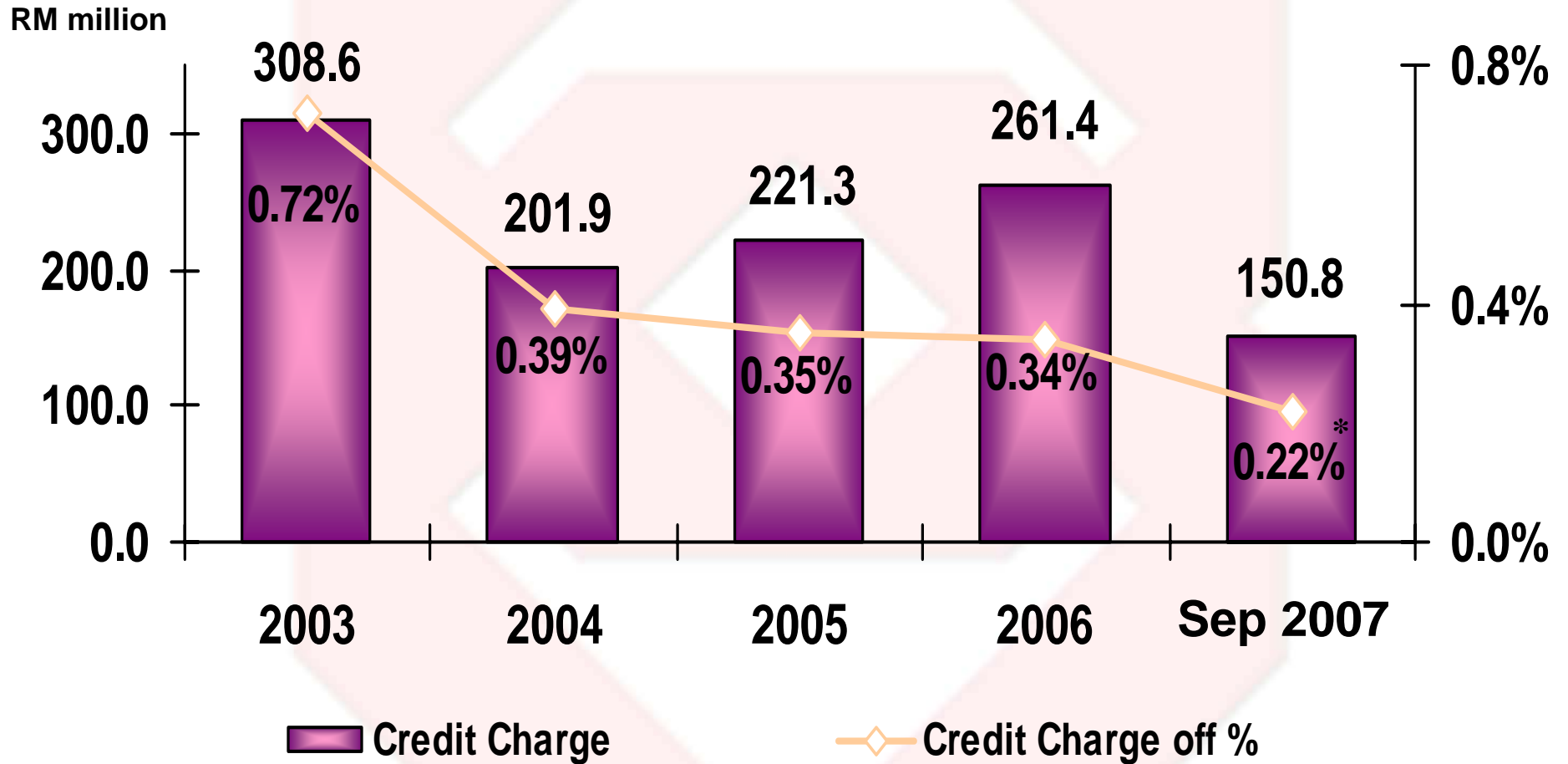


Other Operating Expenses

	Sep 2007 RM mil	Sep 2006 RM mil	% y-o-y	3Q07 RM mil	2Q07 RM mil	% q-o-q
Personnel Costs	702.5	598.1	17	238.5	249.6	(4)
Establishment Costs	234.6	216.3	8	78.3	78.8	(1)
Marketing Expenses	194.4	97.4	100	71.7	59.4	21
Administration Expenses	104.0	113.8	(9)	33.9	37.7	(10)
Total	1,235.5	1,025.6	20	422.4	425.5	(1)



Loan Loss Allowances



* annualised



Summary of Balance Sheet

	Sep 2007	Dec 2006	Variance	
	RM bil	RM bil	RM bil	%
Total Assets	165.6	147.8	17.8	12.1
Gross Loans and Advances:				
- <i>excluding Islamic financing sold to Cagamas</i>	96.2	84.4	11.8	14.0
- <i>including Islamic financing sold to Cagamas</i>	96.4	84.4	12.0	14.3
Domestic Gross Loans and Advances	85.7	76.3	9.4	12.3
Deposits from Customers	130.7	111.8	18.9	16.9
Shareholders' Funds	8.8	9.0	(0.2)	(2.6)
Net Assets per Share (RM)	2.63	2.71		
Net Loans to Deposits Ratio (%)	72.3	74.1		



LOAN GROWTH, LOAN MIX
&
ASSET QUALITY



Annualised Loans Growth of 19%

	Sep 2007 (%) (Annualised)
PBB	
- excluding Islamic financing sold to Cagamas (14.0% in 9 months)	18.7
- including Islamic financing sold to Cagamas (14.3% in 9 months)	19.0
Industry Average*	11.5

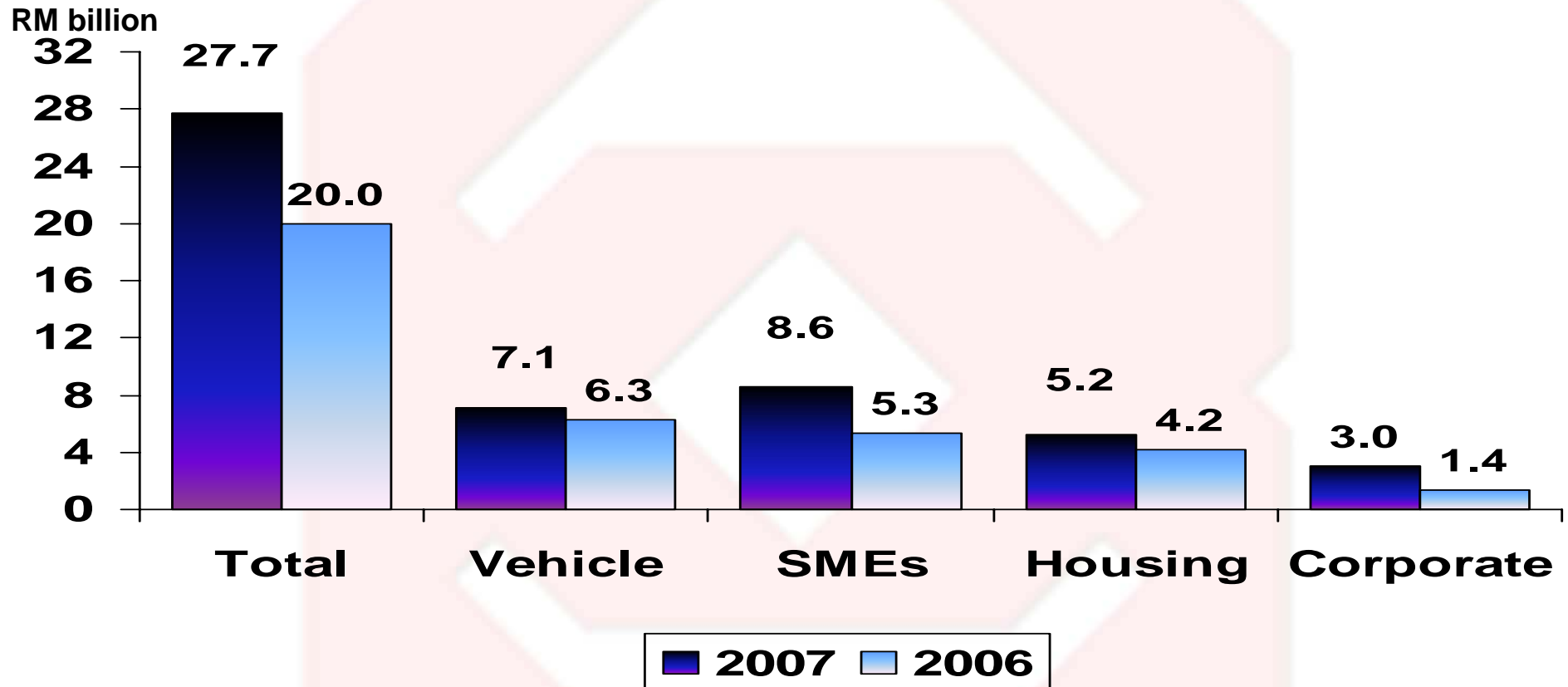
*extrapolated based on 8 months loan growth in 2007

Market Share:

Sep 2007	-	13.7%
2006	-	13.2%
2005	-	12.0%



Loans Approved



- Vehicle financing - RM0.8 b or 13% increase
- SMEs loans - RM3.3 b or 62% increase
- Housing loans - RM1.0 b or 24% increase
- Corporate loans - RM1.6 b or 114% increase

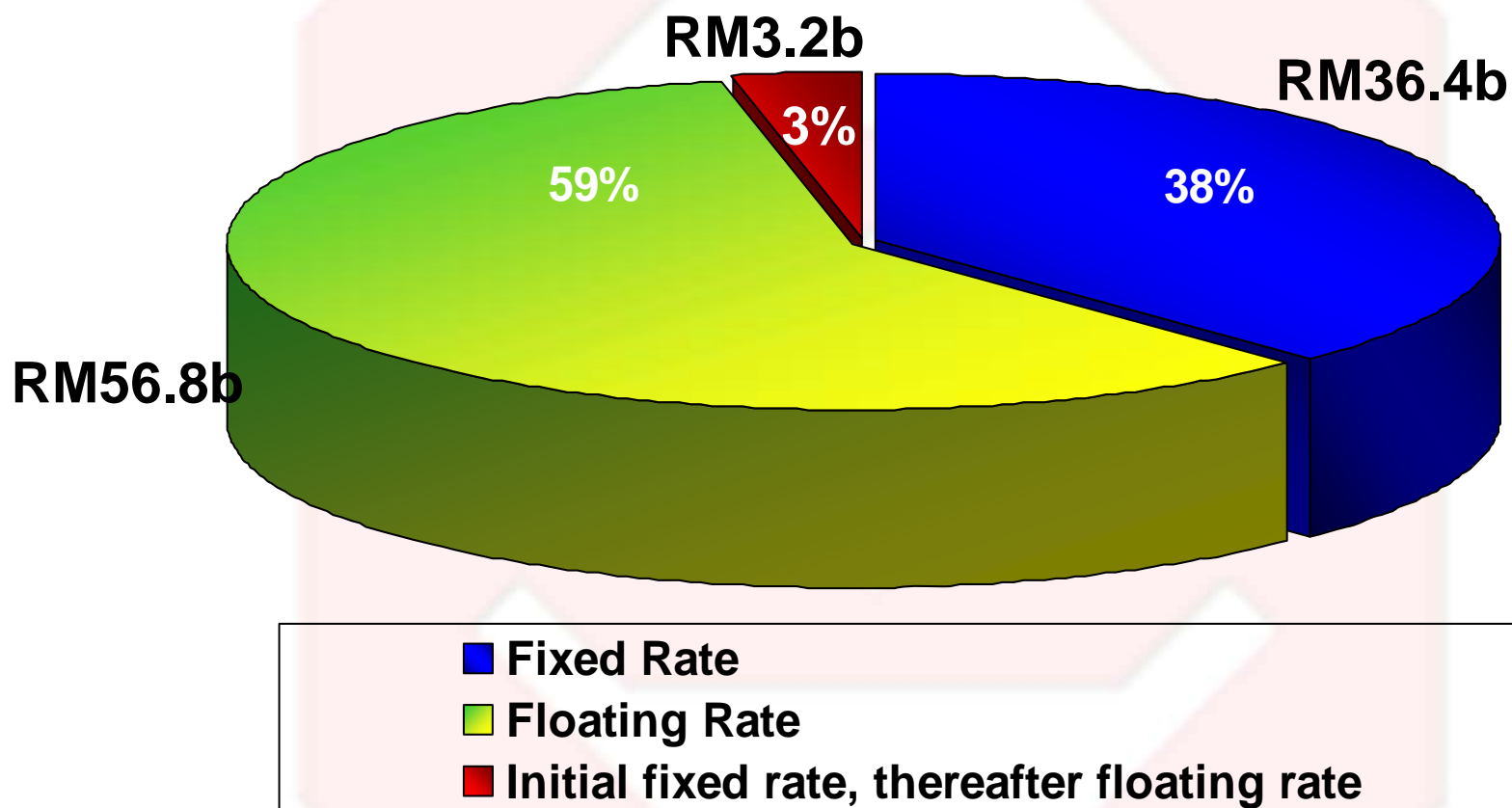


Loan by Purpose

	Sep 2007 RM bil	% of total loans	Dec 2006 RM bil	% of total loans	Growth (%)
Purchase of Landed Properties	43.0	45	37.3	44	15
- Residential	25.6	27	23.0	27	11
- Non-residential	17.4	18	14.3	17	22
Purchase of Transport Vehicles	25.5	27	23.3	28	9
Working Capital	16.2	17	13.5	16	20
Personal Use	6.0	6	5.5	6	9
Others	5.7	5	4.8	6	18
	96.4	100	84.4	100	14
<i>Islamic financing sold to Cagamas</i>	(0.2)		-		
	96.2		84.4		



Fixed Rate & Floating Rate Loans

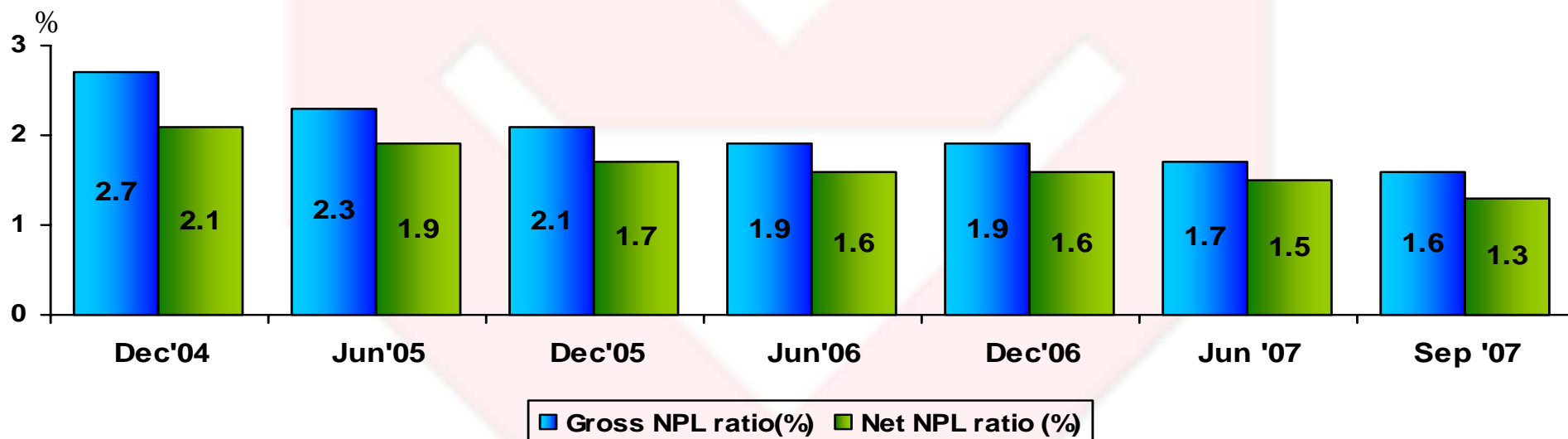


- ◆ Interest rate Impact: 1% hike in interest rate would result in a RM129m increase in the Group's net interest income.
- ◆ Duration : Modified duration is 1.6 years.



Asset Quality

3-months classification	Sep 2007	Dec 2006
Gross NPL (RM mil)	1,516	1,578
Net NPL ratio (%)	1.3	1.6
Loan loss coverage (%)	111.8	99.9
GP ratio (%)	1.5	1.6
GP/Net NPL (%)	113.8	99.9





NPL Ratio for Key Lending Sectors

Key Lending Sectors	Sep 2007	Gross NPL	Dec 2006	Gross NPL
	RM mil	%	RM mil	%
Housing Loans	668	2.6	706	3.1
SME	314	1.7	318	1.8
Hire Purchase	243	1.0	248	1.1



**CONTINUED GROWTH IN CORE
&
WHOLESALE DEPOSITS**



Annualised Deposits Growth of 22.5%

	Sep 2007 (%) (Annualised)
PBB (16.9% in 9 months)	22.5
Industry Average*	18.8

*extrapolated based on 8 months deposit growth in 2007

Market Share:

Sep 2007	-	14.3%
2006	-	14.2%
2005	-	13.2%
2004	-	12.4%



Total Deposits Grew By 17%

	Sep 2007	Dec 2006	Growth	
	RM bil	RM bil	RM bil	(%)
Demand Deposits	13.2	11.3	1.9	17
Savings Deposits	16.0	14.8	1.2	8
Fixed Deposits	63.0	53.4	9.6	18
Others	0.5	0.4	0.1	25
	92.7	79.9	12.8	16
NIDs	17.7	31.9	(14.2)	(45)
Money Market Deposits	20.3	-	20.3	N/A
Total	130.7	111.8	18.9	17

♦ **Cost of deposits** (exclude NIDs & MMDs Issued)

<u>Sep 2007</u>	<u>2006</u>
2.39%	2.37%

* Less than 0.05 bil



Capital Adequacy Ratio

	Sep 2007	Dec 2006	Variance	
	RM mil	RM mil	RM mil	%
- Equity Capital	6,374.7	6,176.2	198.5	3
- Hybrid Capital	1,124.9	1,089.9	35.0	3
<i>Total Tier 1 Capital</i>	<i>7,499.6</i>	<i>7,266.1</i>	<i>233.5</i>	<i>3</i>
- General Allowance	1,468.2	1,318.5	149.7	11
- Subordinated Notes	2,548.8	2,627.8	(79.0)	(3)
- Hybrid Capital Securities	754.5	812.8	(58.3)	(7)
<i>Total Tier 2 Capital</i>	<i>4,771.5</i>	<i>4,759.1</i>	<i>12.4</i>	<i>*</i>
Total Capital Base	12,271.1	12,025.2	245.9	2
Risk-Weighted Assets	94,967.9	82,425.4	12,542.5	15

Capital Adequacy Ratio	SEP 2007	Dec 2006
	(%)	(%)
Risk-Weighted Capital Ratio	12.9	14.6
Core Capital Ratio	7.9	8.8

* Less than 0.5%



Prospects for the 4th Quarter 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.
- ◆ To grow other operating income, particularly on fund management and strategic tie up for bank assurance business.
- ◆ Further improve the productivity and operational efficiency.
- ◆ Enhance Red Carpet Business from transaction base to wealth management services.
- ◆ Expansion of overseas business particularly in Hong Kong & Indo-China.

Prospects for the 4th Quarter of 2007 (cont.)



Overseas Operations: Expansion of Branch Network

	Number of Branches as at			
	May 06*	Dec 06	Sep 07	Dec 07
Hong Kong/China:	53	56	65	71
<i>Public Finance - Hong Kong</i>	40	40	41	41
<i>PB(HK) - Hong Kong</i>	12	15	22	27
<i>- China</i>	1	1	2	3
Cambodia	5	5	8	10
Laos	1	1	1	3

* Date of acquisition of Public Bank (Hong Kong)

Prospects for the 4th Quarter of 2007 (cont.)



Overseas Operations: Loan Growth

Loan Growth	Sep 2007 HKD/USD mil	Dec 2006 HKD/USD mil	Variance	
			HKD/USD mil	%
Public Bank (Hong Kong) (HKD)	15,038	10,226	4,812	47
Cambodian Public Bank (USD)	265	158	107	68



Thank you