



The bank's sound financial results for 2011 are a validation of our effective organic growth strategies and sustainable business model.

— TAN SRI TEH HONG PIOW

Public Bank Berhad (PBK:Kuala Lumpur)

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Open	13.70	Previous Close	13.68
Day High	13.72	Day Low	13.68
52 Week High	14.04	52 Week Low	11.68
02/8/12		09/26/11	
Market Cap	48.3B	Average Volume 10 Days	2.9M
EPS TTM	0.99	Shares Outstanding	3.5B
EX-Date	02/15/12	P/E TM	13.8x
Dividend	0.48	Dividend Yield	3.51%

[PBK:MK Historical Stock Quote](#)
[PBK:MK Advanced Stock Chart](#)

Recent Change of Share Holdings Announcements

Announcement Date	Date of Change	Shrs Acquired/ (Disposed)	Director/Substantial Shareholder	Shrs Held After Change
28-Mar-12	23-Mar-12	(408,500) 2,642,900	Employees Provident Fund Board	426,433,281
23-Mar-12	20-Mar-12	2,100,000	Employees Provident Fund Board	418,746,781
22-Mar-12	19-Mar-12	1,053,000	Employees Provident Fund Board	416,646,781
21-Mar-12	16-Mar-12	(295,900) 40,000	Employees Provident Fund Board	415,593,781
20-Mar-12	15-Mar-12	(869,700) 2,786,000	Employees Provident Fund Board	415,849,681
19-Mar-12	14-Mar-12	(300,000) 2,223,500	Employees Provident Fund Board	413,933,381



Share Price Performance		
	High	Low
Prices 1 Month	13.880(05-Mar-12)	13.560(22-Mar-12)
Prices 3 Months	14.040(08-Feb-12)	13.040(28-Dec-11)
Prices 12 Months	14.040(08-Feb-12)	11.680(26-Sep-11)
Volume 12 Months	82,912(09-Aug-11)	1,345(22-Apr-11)



Tuesday, 20 March 2012

Public Bank: To maintain 50% dividend payout

Public Bank Bhd (PBK MK, Hold, TP: RM13.00) is confident of retaining its leadership position in domestic lending and will continue to pay about half of its earnings as dividends while retaining the rest for its capital requirement. "The bank will continue to sustain its market leadership position in domestic lending for residential mortgages, commercial property financing and passenger vehicle financing," Chairman Tan Sri Teh Hong Piow said, adding that the group will stay focused on its organic growth strategies in Malaysia to grow retail loans and consumer deposits. (Financial Daily)

Check out the overall Public Bank Performances in the webpages below:
<http://markets.ft.com/Research/Markets/Tearsheets/Financials?s=PBBANK:KLS>

Public Bank 4Q Net Profit Rises 3.6% To MYR877 Million

Q4 net profit up 3.6% on improved performance from Islamic banking

PETALING JAYA: Public Bank Bhd posted a 3.6% year-on-year increase in net profit to RM877mil for its fourth quarter ended Dec 31, 2011, and cited the improved performance as mainly due to higher net interest and net income from its Islamic banking business. However, the bank told Bursa Malaysia that this was partially offset by higher other operating expenses and higher loan impairment allowance on higher loan growth achieved.

Revenue for the quarter under review grew 11.8% year-on-year to RM3.3bil. For its full financial year (FY11), the bank posted a 14.3% increase in net profit to a record RM3.48bil. Revenue grew 15.6% to RM12.76bil in FY11. The bank said during FY11, it recorded improved earnings mainly due to higher net interest and net income from Islamic banking business by RM464.6mil (8.6%) and higher net fee and commission income by RM87.1mil (8.4%). This was driven by continued strong loans and customer deposits growth. Gross loans grew by 13.5% to RM177.7bil as at Dec 31, 2011 compared with RM156.5bil a year earlier, mainly arising from property financing, financing of passenger vehicles and lending to small and medium-sized enterprises.

Total deposits from customers also grew by 13.3% (or RM23.5bil) from a year earlier, which partly contributed to the higher net interest income for FY11. The bank's impaired loan ratio improved to 0.9% from 1.1% a year earlier.

Impairment allowance on loans had dropped RM65.5mil (9.9%) despite the 1.5% collective impairment allowance set aside for the strong loan growth. "These were partially offset by higher other operating expenses by RM108.4mil (5.2%) which was mainly due to the increase in personnel costs resulting from higher business volume," stated the bank.

On its prospects this year, the bank said that while global economic conditions were expected to remain challenging, resilient domestic demand would continue to support the growth momentum in Asia and other emerging and developing economies, including Malaysia.

According to Public Bank, the new pre-emptive regulatory measures which include the loan-to-value ratio cap on financing of the third residential property and guidelines on responsible financing were not expected to materially impact the bank's growth in the domestic retail operations segment as its existing stringent lending policies and practices had incorporated most of such measures.

This year, its corporate lending unit is expected to grow moderately, supported by the continuing demand for credit by business corporations.

The bank also projects its fund management business to grow steadily in 2012.

Public Bank said it had hedged its foreign currency exposure in respect of its investments in overseas operations, and therefore was not expected to be susceptible to foreign exchange fluctuations.

Public Bank's founder and chairman Tan Sri Teh Hong Piow said the bank had the highest net return on equity of 26.8% amongst Malaysian banking groups.

"The bank's sound financial results for 2011 are a validation of our effective organic growth strategies and sustainable business model," he said in a statement. The bank has declared a second interim single-tier dividend of 28 sen.

"Together with the first interim single-tier dividend of 20 sen which was paid in August 2011, the total dividend for 2011 is 48 sen," said Teh. The total dividend paid and payable for 2011 amounted to RM1.68bil, which represented a total payout of 48% of the bank's net profit in FY11.

Meanwhile, HwangDBS Vickers Research said Public Bank's future earnings would show improvements with the full adoption of FRS 139 guidelines with effect from Jan 1, 2012.

The research unit said there would be cost savings under FRS 139, and Public Bank might book lower provision charges as FRS 139 no longer required banks to set aside 1.5% minimum collective impairments reserves (previously known as general provisions reserves) for loans.

"With this, Public Bank's earnings could improve by 0.6% to 4.9% in FY12 depending on how much it sets aside for collective impairments we believe it will be much lower than 1.5%."

However, it noted that the bank's net interest margin would remain under pressure.

Meanwhile, RHB Research Institute also concurred that Public Bank would be one of the major beneficiaries from the full adoption of FRS 139 for loan impairment allowances.

"Also, with respect to requirements under the new global regulatory framework Basel III, we do not expect a capital-raising exercise in the near term, which should help ease concerns regarding the need to raise capital when market conditions are weak," said RHB Research.

OSK Research said Public Bank's FY11 results were largely in line with consensus and the research unit's full-year estimates.

Hwang DBS Vickers Research upgraded its call on Public Bank's to "buy" from "hold" previously, and raised the target price to RM14.90 per share.

RHB Research maintained its "outperform" call on Public Bank's stock, and a fair value of RM14 per share.

OSK Research maintained its "neutral" call on Public Bank's stock, and a fair value of RM14 per share.

Public Bank's share price closed 8 sen higher at RM13.52 yesterday.