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PUBLIC BANK

(6463-H)

Excellence Is Our Commitment



2001

Financial STATEMENTS



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Directors' Report

for the year ended 31 December 2001

The directors have pleasure in submitting the thirty-sixth annual report to the members together with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2001.

Principal Activities

The Bank is principally engaged in all aspects of banking business and the provision of related financial services.

The principal activities of the subsidiary companies and associated companies are as disclosed in Notes 10 and 11 to the financial statements respectively.

During the financial year, the Bank acquired the entire equity interest in HHB Holdings Berhad (formerly known as Hock Hua Bank Berhad) whose principal activity is disclosed in Note 10 to the financial statements.

There were no significant changes to these principal activities during the financial year.

Results

	Group RM'000	Bank RM'000
Profit before taxation and zakat	1,268,138	570,630
Taxation and zakat	(331,457)	(157,632)
Profit after taxation	936,681	412,998
Minority interests	(219,458)	—
Profit after taxation and minority interests	717,223	412,998

Dividends

Since the end of the previous financial year, the Bank paid a tax exempt final dividend of 15.0% amounting to RM179.508 million, of which RM179.259 million was proposed in the previous financial year's directors' report.

The directors recommend the payment of a proposed final dividend of 18.0%, comprising a tax exempt dividend of 9.0% and a non-tax exempt dividend of 9.0%, less 28% taxation, amounting to RM283.875 million in respect of the current financial year, based on the issued and paid-up capital as at 31 December 2001 of 3,667,637,247 ordinary shares of RM0.50 each.

Share Capital

During the financial year, the issued and paid-up share capital of the Bank was increased from 2,390,119,734 ordinary shares of RM0.50 each to 3,667,637,247 ordinary shares of RM0.50 each by the issue of:

- 3,325,000 and 1,992,775 new ordinary shares of RM0.50 each for cash pursuant to the exercise of options granted under the Public Bank Berhad Employee Share Option Scheme at option exercise prices of RM1.66 and RM1.27 per share respectively;

Share Capital (continued)

- (ii) 426,281,784 new ordinary shares of RM0.50 each at an issue price of RM2.93 per share in exchange for Hock Hua Bank Berhad's shares pursuant to the implementation of the Public Bank Berhad/Hock Hua Bank Berhad Merger as disclosed in Note 40 to the financial statements; and
- (iii) 845,917,954 new ordinary shares of RM0.50 each issued at par pursuant to the bonus issue, as disclosed in Note 40 to the financial statements, by way of capitalisation of RM394,813,295 and RM28,145,682 from the Share Premium Account and from Retained Profit respectively.

All the new shares that were issued rank pari passu in all respects with the existing shares of the Bank.

Employee Share Option Scheme

On 10 April 1998, an offer of options under the Public Bank Berhad Employee Share Option Scheme ("PBB ESOS") to subscribe for ordinary shares of RM0.50 each at an option price of RM1.66 was made to eligible employees.

The main features of the PBB ESOS are:-

- (a) The eligibility for participation in the PBB ESOS is at the discretion of the PBB ESOS Committee. It is open to any eligible employee, with at least three (3) years continuous service, of Public Finance Berhad, HHB Holdings Berhad, PB International Factors Sdn. Bhd. and wholly-owned subsidiary companies of the Bank;
- (b) The total number of shares to be offered under the PBB ESOS and options to be offered under any future schemes, shall not exceed 10% of the total issued and paid-up share capital of the Bank at any point in time during the duration of the scheme;
- (c) No option shall be granted for less than 1,000 shares nor more than 500,000 shares;
- (d) The option exercise price for each ordinary share of RM0.50 each shall be at a discount of not more than ten percent of the weighted average market price of PBB shares quoted as "Local" on the Main Board of the Kuala Lumpur Stock Exchange ("KLSE") and as shown in the daily official list issued by the KLSE for the five (5) trading days preceding the offer date;
- (e) The number of outstanding options to subscribe for shares or the option price or both may be adjusted following any issue of additional shares, by way of rights or capitalisation of profits or reserves, made by the Bank while an option remains unexercised; and
- (f) The options can be exercised four (4) times per annum during such period of time as determined at the discretion of the PBB ESOS Committee but not later than five (5) calendar years from 25 February 1998.

The option exercise price of RM1.66 per share had been adjusted to RM1.27 per share for the effect of the Public Bank Berhad Bonus Issue as disclosed in Note 40 to the financial statements.

The movements in the number of unexercised options to subscribe for new ordinary shares of RM0.50 each of the PBB ESOS are as follows:-

	Number of Options
At 1 January 2001	10,842,250
Exercised during the year	(5,317,775)
Adjustment for bonus issue	2,223,000
Lapsed due to resignation	(168,025)
At 31 December 2001	7,579,450

The options granted do not confer any right to participate in any share issue of any other company.

Reserves and Provisions

There were no material transfers to or from reserves or provisions during the year other than those disclosed in the financial statements.

Bad and Doubtful Debts

Before the income statements and balance sheets of the Group and the Bank were made out, the directors took reasonable steps to ascertain that actions had been taken in relation to the writing off of bad debts and the making of provisions for doubtful debts, and satisfied themselves that all known bad debts had been written off and that adequate provisions had been made for bad and doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts, or the amount of the provision for doubtful debts in the financial statements of the Group and the Bank, inadequate to any substantial extent.

Current Assets

Before the income statements and balance sheets of the Group and the Bank were made out, the directors took reasonable steps to ensure that any current assets, other than debts, which were unlikely to be realised in the ordinary course of business at their value as shown in the accounting records of the Group and the Bank have been written down to an amount which they might be expected to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and the Bank misleading.

Valuation Methods

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets and liabilities in the financial statements of the Group and the Bank misleading or inappropriate.

Contingent and Other Liabilities

At the date of this report, there does not exist:-

- (a) any charge on the assets of the Group or the Bank which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability in respect of the Group or the Bank that has arisen since the end of the financial year other than in the ordinary course of business.

No contingent or other liability of the Group and the Bank has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group or the Bank to meet their obligations as and when they fall due.

Change of Circumstances

At the date of this report, the directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Group and the Bank, which would render any amount stated in the financial statements misleading.

Items of an Unusual Nature

The results of the operations of the Group and the Bank during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and the Bank for the current financial year in which this report is made.

Significant Events

On 8 March 2001, the shareholders of Public Bank Berhad ("PBB") approved the following:

- (i) The merger of the banking businesses of PBB and Hock Hua Bank Berhad ("HHB") by way of a scheme of arrangement and amalgamation of HHB pursuant to Section 176 of the Companies Act, 1965 and Section 50 of the Banking and Financial Institutions Act, 1989 whereupon the banking business of HHB shall be transferred to PBB and PBB shall acquire the entire issued and paid-up share capital of HHB comprising 125,377,000 ordinary shares of RM1.00 each in HHB ("HHB Shares") from the shareholders of HHB for a total consideration of approximately RM1,249.0 million to be satisfied via the issuance of up to 426,281,800 new ordinary shares of RM0.50 each in PBB to be listed and quoted as "Local" on the Main Board of the Kuala Lumpur Stock Exchange ("PBB Local Shares") at an issue price of RM2.93 per share based on the exchange ratio of 3.4 new PBB Local Shares for every one (1) HHB Share held ("PBB/HHB Merger"); and
- (ii) The bonus issue by PBB of up to 848,171,335 new ordinary shares of RM0.50 each in PBB ("PBB Shares") to be credited as fully paid-up on the basis of three (3) new PBB Shares for every ten (10) existing PBB Shares held after the PBB/HHB Merger ("Bonus Issue").

The approvals of the Minister of Finance, Bank Negara Malaysia, the Securities Commission, the Kuala Lumpur Stock Exchange, the Foreign Investment Committee, the shareholders of HHB and the sanction of the High Court of Malaya pursuant to Section 50 of the Banking and Financial Institutions Act, 1989 have also been obtained for the PBB/HHB Merger and the Bonus Issue.

The PBB/HHB Merger was implemented on 31 March 2001 and the Bonus Issue was completed on 23 April 2001.

Directors

The directors who served since the date of the last report are:-

Y.Bhg. Tan Sri Dato' Thong Yaw Hong

Y.Bhg. Tan Sri Dato' Dr. Teh Hong Piow

Y.Bhg. Datuk Tay Ah Lek

Y.Bhg. Dato' Lee Kong Nam @ Lee Kong Lam

(Appointed on 28 November 2001)

Y.Bhg. Dato' Yeoh Chin Kee

Y.A.M. Tengku Abdul Rahman Ibni Sultan Haji Ahmad Shah Al-Mustain Billah

Tuan Haji Abdul Aziz bin Omar

Y.Bhg. Dato' Dr. Haji Mohamed Ishak @ Ishak bin Haji Mohamed Ariff

(Appointed on 28 November 2001)

Mr Lee Chin Guan

(Appointed on 28 November 2001)

In accordance with Article 102 of the Bank's Articles of Association, Y.Bhg. Dato' Yeoh Chin Kee retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-election.

Directors (continued)

In accordance with Article 106 of the Bank's Articles of Association, Y.Bhg. Dato' Lee Kong Nam @ Lee Kong Lam, Y.Bhg. Dato' Dr. Haji Mohamed Ishak @ Ishak bin Haji Mohamed Ariff and Mr Lee Chin Guan retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

Y.Bhg. Tan Sri Dato' Thong Yaw Hong and Y.Bhg. Tan Sri Dato' Dr. Teh Hong Piow retire pursuant to Section 129 of the Companies Act, 1965 at the forthcoming Annual General Meeting and offer themselves for re-appointment in accordance with Section 129 of the Companies Act, 1965 to hold office until the conclusion of the next Annual General Meeting of the Bank.

Directors' Interests

According to the register of directors' shareholdings, the interests of the directors in office at the end of the financial year in shares of the Bank and its subsidiary companies were as follows:-

	Number of Ordinary Shares of RM0.50 each			
	Balance at 1.1.2001	Bought	Sold	Balance at 31.12.2001
Bank				
<i>Direct shareholdings</i>				
Y.Bhg. Tan Sri Dato' Thong Yaw Hong	222,000	66,600*	—	288,600
Y.Bhg. Tan Sri Dato' Dr. Teh Hong Piow	210,000	790,000**	—	1,000,000
Y.Bhg. Datuk Tay Ah Lek	136,000	40,800*	—	176,800
Y.Bhg. Dato' Lee Kong Nam @ Lee Kong Lam	14,300+	—	—	14,300
Y.Bhg. Dato' Yeoh Chin Kee	200,000	22,100***	200,000	22,100

Note: * Bonus Issue
 ** Includes Bonus Issue of 63,000 shares
 *** Includes Bonus Issue of 5,100 shares
 + Balance at date of appointment as a director

	Number of Ordinary Shares of RM0.50 each			
	Balance at 1.1.2001	Bought	Sold	Balance at 31.12.2001
Bank				
<i>Deemed interest</i>				
Y.Bhg. Tan Sri Dato' Thong Yaw Hong	615,000	184,500#	—	799,500
Y.Bhg. Tan Sri Dato' Dr. Teh Hong Piow	786,926,000	297,757,917##	103,449,100	981,234,817
Y.Bhg. Datuk Tay Ah Lek	133,000	39,900#	—	172,900

Note: # Bonus Issue
 ## Includes Bonus Issue of 236,486,517 shares

Directors' Interests (continued)

			Number of Options		
	Option Price	Balance at 1.1.2001	Granted	Exercised	Balance at 31.12.2001
Bank					
PBB ESOS					
Y.Bhg. Tan Sri Dato’ Dr. Teh Hong Piow	RM1.27@	250,000	75,000@	—	325,000
Y.Bhg. Datuk Tay Ah Lek	RM1.27@	175,000	52,500@	—	227,500

Note: @ Adjustment in number of options and the option price from RM1.66 to RM1.27 pursuant to the Bonus Issue.

Number of Ordinary Shares of RM1.00 each				
	Balance at 1.1.2001	Bought	Sold	Balance at 31.12.2001
Public Finance Berhad				
<i>Direct shareholdings</i>				
Y.Bhg. Tan Sri Dato' Thong Yaw Hong	2,580	—	—	2,580
Y.Bhg. Tan Sri Dato' Dr. Teh Hong Piow	16,500	—	—	16,500
Y.Bhg. Datuk Tay Ah Lek	1,650	—	—	1,650
<i>Deemed interest</i>				
<i>(excluding shares held by the Bank)</i>				
Y.Bhg. Tan Sri Dato' Thong Yaw Hong	6,052	—	—	6,052
Y.Bhg. Datuk Tay Ah Lek	2,349	—	—	2,349

Y.Bhg. Tan Sri Dato' Dr. Teh Hong Piow, by virtue of his interest in shares of the Bank, is also deemed interested in shares of all the Bank's subsidiary and associated companies to the extent the Bank has an interest.

Other than as disclosed, none of the directors in office at the end of the financial year had any interest in shares of the Bank and its related corporations during the financial year.

Directors' Benefits

During and at the end of the financial year, no arrangements subsisted to which the Bank or its subsidiary companies is a party with the object of enabling directors of the Bank to acquire benefits by means of the acquisition of shares in or debentures of the Bank or any other body corporate, other than the share options to be granted pursuant to the PBB ESOS.

Since the end of the previous financial year, no director of the Bank has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full time employee of the Bank as disclosed in Note 27 to the financial statements) by reason of a contract made by the Bank or a related corporation with the director or with a firm of which he is a member, or with a company in which he has substantial financial interest.

Directors' Benefits (continued)

Transactions of the Bank and its subsidiary companies with the Directors of the Bank and with companies in which certain Directors are deemed to have interests, arising in the ordinary course of business, are disclosed in Note 26(b) to the financial statements.

Business Review 2001

In 2001, the Bank remain focused on providing retail financial services to consumers and mid-market Small Medium size enterprises ("SMEs") across a broad spectrum of economic sectors. In addition, the Bank also provided banking and other financial services to the corporate sector.

In view of the low interest rate environment, the Bank continued to manage its liquidity by allocating more resources to long-term high yielding assets from short-term interbank lending, guided by the Bank's risk management policies.

As a business strategy, the Bank continued to further leverage on its branch network, Information Technology platform, multiple delivery channels, high value added products and services and high customer service standards as well as harnessing Group synergy in order to further boost its business and competitive advantage as a one-stop financial service provider.

To further provide customer convenience and reduce customer transaction cost, the Bank introduced Internet banking during the year.

During the year, the Bank continued to take measures to increase its net interest income by sustaining its rate of loan growth, promoting the Bank's savings and current account deposits and emphasizing a sales culture for all staff. To increase its fee-based income, the Bank expanded its cash management services both in terms of the range of cash management services products and the number of customers for such services. The Bank continued to take measures to improve productivity and improve cost efficiency.

In view of the economic slowdown and uncertainties in the year, the Bank was vigilant in managing its asset quality.

Business Outlook 2002

In 2002, the Bank will continue to remain focused on its core business of providing retail financial products and services to consumers and mid-market SMEs, complemented by banking services to the corporate sector.

Given the high level of liquidity and the outlook for a low interest rate environment, the Bank will remain active in managing its liquidity.

As competition is expected to increase further, the Bank will continue to position itself as a major retail bank by offering high value added products and services at competitive pricing, accompanied by efficient delivery service.

The Bank will also continue to invest in people, systems, and other infrastructure to further improve work processes and customer service standards in line with its ISO 9001:2000 certified standards for the provision of customer services at all its branches.

In order to generate more fee-based income, the Bank will continue to promote cash management services, trade finance business, and share financing and investment services.

The Bank will remain prudent by adopting best practices, good credit culture and good corporate governance. The Bank will also maintain a liquid balance sheet and a balanced risk-return profile.

Economic Outlook and Prospects for 2002

In 2002, the Malaysian economy is expected to further improve given the Government's accommodative monetary policy, and expansionary fiscal policy, and the improved prospects of recovery in the global economy in the second half of the year.

Efforts to further stimulate and sustain domestic economic activities taken by the Government are expected to further filter through the economy with more positive results in domestic-oriented manufacturing sectors as well as in the services sector. The construction sector is expected to further recover on the back of increased public spending on infrastructure projects and sustained demand for residential properties.

Malaysia's economic fundamentals are expected to remain strong. In particular, inflation and unemployment are expected to remain low. The current account of the Government and international reserves will continue to provide strong support to the RM-US dollar peg. The banking sector will remain strong on the back of high capital base and stable asset quality. These sound fundamentals provide not only greater resilience to the economy, but also the flexibility to the Government to further introduce more measures to stimulate economic activity, should the need arise.

Despite the positive outlook, some downside risks remain for the Malaysian economy. The risks include a low speed of recovery of the global and the US economy, a prolonged downturn in the electronics sector, and a reversal in consumer and investment sentiment. Given the determined efforts of the Government to stimulate economic activity, Malaysia is well-positioned to meet the challenges ahead to achieve higher GDP growth in 2002 than in 2001.

Auditors

The retiring auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

Signed on behalf of the Board in accordance with a resolution of the directors:-

TAN SRI DATO' THONG YAW HONG

Director

TAN SRI DATO' DR. TEH HONG PIOW

Director

Kuala Lumpur,

Dated: 6 February 2002

Statement by Directors

We, TAN SRI DATO' THONG YAW HONG and TAN SRI DATO' DR. TEH HONG PIOW, being two of the directors of PUBLIC BANK BERHAD, do hereby state that, in the opinion of the directors, the financial statements set out on pages 116 to 176 are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Group and the Bank at 31 December 2001 and of their results and cash flows for the year ended on that date.

Signed on behalf of the Board in accordance
with a resolution of the directors:-

TAN SRI DATO' THONG YAW HONG

Director

TAN SRI DATO' DR. TEH HONG PIOW

Director

Kuala Lumpur,

Dated: 6 February 2002

Statutory Declaration

I, WONG JEE SENG, being the officer primarily responsible for the financial management of PUBLIC BANK BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 116 to 176 are, to the best of my knowledge and belief, correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed
WONG JEE SENG at KUALA LUMPUR in
WILAYAH PERSEKUTUAN this 6th day of February 2002.

BEFORE ME:-

NGUI KEE HEONG

Commissioner for Oaths

Kuala Lumpur

Report of the Auditors to the Members

We have audited the financial statements set out on pages 116 to 176. The preparation of the financial statements is the responsibility of the Bank's directors. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with approved Standards on Auditing in Malaysia. These standards require that we plan and perform the audit to obtain all the information and explanations which we consider necessary to provide us with evidence to give reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the directors as well as evaluating the overall adequacy of the presentation of information in the financial statements. We believe our audit provides a reasonable basis for our opinion.

In our opinion:-

- (a) the financial statements are properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable approved accounting standards in Malaysia so as to give a true and fair view of:-
 - i) the state of affairs of the Group and of the Bank at 31 December 2001 and the results of their operations and cash flows for the year ended on that date; and
 - ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Bank;

and

- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Bank and the subsidiary companies of which we have acted as auditors have been properly kept in accordance with the provisions of the said Act.

The subsidiary companies in respect of which we have not acted as auditors are identified in Note 10 to the financial statements and we have considered their financial statements and the auditors' reports thereon.

We are satisfied that the financial statements of the subsidiary companies that have been consolidated with the Bank's financial statements are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

None of the audit reports on the financial statements of the subsidiary companies were subject to any qualification nor included any comment under sub-section (3) of Section 174 of the Act.

KPMG

Firm Number : AF 0758

Chartered Accountants

QUAH POH KEAT

Partner

Approval Number: 949/03/02(J/PH)

Kuala Lumpur,

Dated: 6 February 2002

Balance Sheets

at 31 December 2001

		Group		Bank	
	Note	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
ASSETS					
Cash and short term funds	3	7,484,090	6,847,135	7,832,606	6,593,061
Deposits and placements with financial institutions	4	3,381,609	4,821,967	3,314,989	4,772,371
Dealing securities	5	3,032,043	1,052,846	2,805,367	1,295,067
Investment securities	6	5,743,758	5,463,821	3,343,108	2,163,206
Loans, advances and financing	7	30,712,989	24,393,719	19,653,271	14,583,088
Other assets	8	550,875	844,324	475,859	524,043
Statutory deposits with Central Banks	9	920,267	851,949	561,500	560,235
Investments in subsidiary companies	10	—	—	1,676,244	1,368,946
Investments in associated companies	11	36,382	39,529	18,965	18,965
Investment properties	12	35,868	36,488	—	—
Goodwill	13	434,262	65,659	393,129	25,514
Property and equipment	14	910,185	810,219	503,087	510,168
TOTAL ASSETS		53,242,328	45,227,656	40,578,125	32,414,664
Deposits from customers	15	39,782,304	33,876,812	29,953,328	23,878,333
Deposits and placements of banks and other financial institutions	16	2,390,518	2,956,814	2,979,781	3,559,920
Obligations on securities sold under repurchase agreements		772,832	274,277	800,186	339,077
Bills and acceptances payable		677,329	319,418	677,033	319,372
Other liabilities	17	1,589,647	1,884,575	719,996	572,644
Taxation	18	359,556	271,809	155,321	120,675
Total Liabilities		45,572,186	39,583,705	35,285,645	28,790,021
Share capital	19	1,833,819	1,195,060	1,833,819	1,195,060
Reserves		4,455,297	3,222,049	3,458,661	2,429,583
Shareholders' Funds		6,289,116	4,417,109	5,292,480	3,624,643
Minority interests		1,381,026	1,226,842	—	—
TOTAL LIABILITIES AND SHAREHOLDERS' FUNDS		53,242,328	45,227,656	40,578,125	32,414,664
COMMITMENTS AND CONTINGENCIES	32	12,696,104	9,761,856	10,693,116	8,268,969

The accompanying notes form an integral part of these financial statements.

Income Statements

for the year ended 31 December 2001

		Group		Bank	
	Note	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Operating revenue	2(c)	3,794,249	3,459,334	2,094,831	1,782,536
Interest income	21	3,117,352	2,922,731	1,782,982	1,594,024
Interest expense	22	(1,224,060)	(1,209,097)	(901,988)	(868,248)
Net interest income		1,893,292	1,713,634	880,994	725,776
Islamic banking income	37(j)	132,740	50,593	46,554	19,760
Non-interest income	23	2,026,032 542,443	1,764,227 463,320	927,548 273,895	745,536 254,800
Net income		2,568,475	2,227,547	1,201,443	1,000,336
Overhead expenses	24	(991,264)	(810,329)	(573,780)	(391,045)
Operating profit		1,577,211	1,417,218	627,663	609,291
Loan and financing loss and provision	25	(309,710)	(161,195)	(57,033)	24,826
Share of results of associated companies		1,267,501 637	1,256,023 3,694	570,630 —	634,117 —
Profit before taxation and zakat		1,268,138	1,259,717	570,630	634,117
Taxation and zakat	28	(331,457)	(340,799)	(157,632)	(177,553)
Profit after taxation and zakat		936,681	918,918	412,998	456,564
Minority interests		(219,458)	(202,053)	—	—
Net profit for the year		717,223	716,865	412,998	456,564
Earnings per 50 sen share:-	30				
– basic (sen)		20.3	23.3		
– diluted (sen)		20.3	23.2		
Dividends per share (sen)	29	—	7.5		

The accompanying notes form an integral part of these financial statements.

Statements of Changes in Equity

Group	Note	Issued and fully paid ordinary shares of RM0.50 each		Non-distributable Reserves		Distributable Reserves	Total RM'000
		Number of shares '000	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profit RM'000	
Balance as at 1.1.2001		2,390,120	1,195,060	422,420	1,430,009	1,369,620	4,417,109
Issue of shares							
– exercise of share options		5,318	2,659	5,391	—	—	8,050
– PBB/HHB Merger		426,282	213,141	1,035,865	—	—	1,249,006
– bonus issue		845,918	422,959	(394,813)	—	(28,146)	—
Cost incurred for the issuance of shares		—	—	(1,968)	—	—	(1,968)
Currency translation differences		—	—	—	(100,055)	—	(100,055)
Net profit for the year		—	—	—	—	717,223	717,223
Transfer to/(from) other reserves		—	—	—	153,837	(153,837)	—
Dividends paid	29	—	—	—	—	(249)	(249)
Balance as at 31.12.2001		3,667,638	1,833,819	1,066,895	1,483,791	1,904,611	6,289,116

Note 19

Note 20

	Note	Issued and fully paid ordinary shares of RM0.50 each		Non-distributable Reserves		Distributable Reserves	Total RM'000
		Number of shares '000	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profit RM'000	
Balance as at 1.1.2000		2,366,321	1,183,161	394,814	1,284,970	979,916	3,842,861
Issue of shares							
– exercise of share options		23,799	11,899	27,606	—	—	39,505
Cost incurred for the issuance of shares		—	—	—	(622)	—	(622)
Currency translation differences		—	—	—	(2,241)	—	(2,241)
Net profit for the year		—	—	—	—	716,865	716,865
Transfer to/(from) other reserves		—	—	—	147,902	(147,902)	—
Proposed dividends	29	—	—	—	—	(179,259)	(179,259)
Balance as at 31.12.2000		2,390,120	1,195,060	422,420	1,430,009	1,369,620	4,417,109

Note 19

Note 20

The accompanying notes form an integral part of these financial statements

Bank	Note	Issued and fully paid ordinary shares of RM0.50 each		Non-distributable Reserves		Distributable Reserves	Total RM'000
		Number of shares '000	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profit RM'000	
Balance as at 1.1.2001		2,390,120	1,195,060	422,420	910,643	1,096,520	3,624,643
Issue of shares							
– exercise of share options		5,318	2,659	5,391	—	—	8,050
– PBB/HHB Merger		426,282	213,141	1,035,865	—	—	1,249,006
– bonus issue		845,918	422,959	(394,813)	—	(28,146)	—
Cost incurred for the issuance of shares		—	—	(1,968)	—	—	(1,968)
Net profit for the year		—	—	—	—	412,998	412,998
Transfer to/(from) other reserves		—	—	—	112,216	(112,216)	—
Dividends paid	29	—	—	—	—	(249)	(249)
Balance as at 31.12.2001		3,667,638	1,833,819	1,066,895	1,022,859	1,368,907	5,292,480

Note 19

Note 20

	Note	Issued and fully paid ordinary shares of RM0.50 each		Non-distributable Reserves		Distributable Reserves	Total RM'000
		Number of shares '000	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profit RM'000	
Balance as at 1.1.2000		2,366,321	1,183,161	394,814	796,502	933,356	3,307,833
Issue of shares							
– exercise of share options		23,799	11,899	27,606	—	—	39,505
Net profit for the year		—	—	—	—	456,564	456,564
Transfer to/(from) other reserves		—	—	—	114,141	(114,141)	—
Proposed dividends	29	—	—	—	—	(179,259)	(179,259)
Balance as at 31.12.2000		2,390,120	1,195,060	422,420	910,643	1,096,520	3,624,643

Note 19

Note 20

The accompanying notes form an integral part of these financial statements.

Cash Flow Statements

for the year ended 31 December 2001

Group	2001 RM'000	2000 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and minority interests	1,268,138	1,259,717
Adjustments for:-		
Share of profit in associated companies	(637)	(3,694)
Depreciation	98,526	81,291
(Loss)/Gain on disposal of property and equipment	(1,031)	44
Gain/(Loss) on disposal of foreclosed properties	5,142	(20)
Provision for bad and doubtful debts and financing	475,487	322,058
Write back of provision for bad and doubtful debts and financing	(134,973)	(136,068)
Net interest income suspended	95,556	93,335
Gain on sale of investment securities	(106,296)	(54,257)
Dividends from investment securities	(4,096)	(3,256)
Amortisation of premium less accretion of discount of investment securities	17,395	11,844
(Surplus)/Loss on revaluation of investment properties	(1,782)	877
(Write back of provision)/Provision for diminution in value of investment securities	(1,596)	23,727
(Write back of specific provision)/Provision for investment securities	(2,660)	393
Exchange translation	(63)	984
Operating profit before working capital changes	1,707,110	1,596,975
Decrease/(Increase) in operating assets/liabilities		
Deposits and placements with financial institutions	1,555,158	(2,239,493)
Dealing securities	(1,979,197)	2,059,548
Loans, advances and financing	(3,320,512)	(2,199,772)
Statutory deposits with Central Banks	65,332	(38,326)
Other assets	201,955	160,968
Deposits from customers	1,499,015	488,984
Deposits and placements of banks and other financial institutions	(570,259)	(595,793)
Obligations on securities sold under repurchase agreements	498,555	(290,752)
Bills and acceptances payable	337,706	(320,553)
Other liabilities	(175,532)	338,277
Cash used in operations	(180,669)	(1,039,937)
Income taxes and zakat paid	(269,880)	(178,098)
Net cash used in operating activities	(450,549)	(1,218,035)

	Note	2001 RM'000	2000 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends paid to minority interest		(73,104)	(43,900)
Dividends received from associates		2,884	2,711
Dividends from investment securities		—	3,256
Purchase of property and equipment		(65,964)	(59,050)
Proceeds from disposal of property and equipment		7,319	1,132
Proceeds from disposal of foreclosed properties		4,293	1,594
Proceeds net of purchases from sale of investment securities		208,018	948,027
Acquisition of subsidiary, net of cash acquired	31	1,240,712	11,007
Acquisition of finance company business, net of cash acquired		—	91,186
Additional investment in subsidiary company		(63,348)	—
Funds provided by subscription of rights issue by minority interest		120	—
Net cash generated from investing activities		1,260,930	955,963
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of shares		8,050	39,505
Dividends paid		(179,508)	(94,653)
Share issuance expenses		(1,968)	—
Net cash used in financing activities		(173,426)	(55,148)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		636,955	(317,220)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		6,847,135	7,164,355
CASH AND CASH EQUIVALENTS CARRIED FORWARD		7,484,090	6,847,135
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Cash and short-term funds		7,484,090	6,847,135

The accompanying notes form an integral part of these financial statements.

Cash Flow Statements

for the year ended 31 December 2001

Bank	2001 RM'000	2000 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	570,630	634,117
Adjustments for:-		
Depreciation	71,008	54,373
Gain on disposal of property and equipment	(243)	(2)
Loss/(Gain) on disposal of foreclosed properties	5,142	(20)
Provision for bad and doubtful debts and financing	176,434	83,878
Provision for bad and doubtful debts and financing written back	(107,552)	(95,415)
Net interest income suspended	46,911	45,075
Gain on sale of investment securities	(70,645)	(21,095)
Dividend income from subsidiary and associated companies	(19,090)	(91,029)
Amortisation of premium less accretion of discount of investment securities	5,355	1,208
Provision for diminution in value of investment securities written back	—	(954)
Provision for diminution in value of investment securities	660	—
Operating profit before working capital changes	678,610	610,136
Decrease/(Increase) in operating assets/liabilities		
Deposits and placements with financial institutions	1,572,182	(2,773,972)
Dealing securities	(1,510,300)	1,989,557
Loans, advances and financing	(1,735,929)	(1,263,262)
Other assets	27,823	(36,379)
Statutory deposits with Central Banks	132,385	(59,650)
Deposits from customers	1,668,395	583,692
Deposits and placements of banks and other financial institutions	(584,102)	540,594
Obligations on securities sold under repurchase agreements	461,109	(251,990)
Bills and acceptances payable	337,456	(323,590)
Other liabilities	(36,511)	(57,013)
Cash generated from/(used in) operations	1,011,118	(1,041,877)
Income taxes and zakat paid	(122,986)	(91,230)
Net cash generated from/(used in) operating activities	888,132	(1,133,107)

	Note	2001 RM'000	2000 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		(45,807)	(32,493)
Additional investment in subsidiary companies		(63,348)	(300,000)
Proceeds net of purchases from sale of investment securities		(712,209)	1,014,870
Dividends received from subsidiary and associated companies		94,848	54,188
Proceeds from disposal of property and equipment		6,343	994
Proceeds from disposal of foreclosed properties		4,300	957
Acquisition of banking business/finance company business net of cash acquired	31	1,240,712	91,186
Net cash generated from investing activities		524,839	829,702
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of shares		8,050	39,505
Dividends paid		(179,508)	(94,653)
Share issuance expenses		(1,968)	—
Net cash used in financing activities		(173,426)	(55,148)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,239,545	(358,553)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		6,593,061	6,951,614
CASH AND CASH EQUIVALENTS CARRIED FORWARD		7,832,606	6,593,061
ANALYSIS OF CASH AND CASH EQUIVALENTS			
Cash and short-term funds		7,832,606	6,593,061

The accompanying notes form an integral part of these financial statements.

Notes to The Financial Statements

31 December 2001

1. Principal Activities

The Group is principally engaged in all aspects of banking, merchant banking, financing, stock broking, provision of finance to purchasers of licensed public vehicles, provision of related financial services, management of unit trusts and sale of trust units and investment holding.

The Bank is principally engaged in all aspects of banking business and the provision of related financial services.

During the financial year, the Bank acquired the entire equity interest in HHB Holdings Berhad (formerly known as Hock Hua Bank Berhad) whose principal activity is disclosed in Note 10 to the financial statements.

There have been no significant changes to these principal activities during the financial year.

2. Significant Accounting Policies

The following accounting policies adopted by the Group and Bank are consistent with those adopted in previous years and comply with the applicable approved accounting standards issued by the Malaysian Accounting Standards Board ("MASB"). There were no significant changes to these policies except as disclosed in Note 2(b).

(a) Basis of Accounting

The financial statements have been prepared in accordance with the applicable approved Accounting Standards in Malaysia and Bank Negara Malaysia Guidelines and comply with the provisions of the Companies Act, 1965.

The financial statements incorporate all activities relating to the Islamic Banking business which have been undertaken by the Bank and its finance subsidiary company in Malaysia. Islamic Banking business refers generally to the acceptance of deposits and granting of financing under the principles of Syariah.

(b) Basis of Consolidation

The consolidated financial statements include the financial statements of the Bank and its subsidiary companies made up to the end of the financial year. Subsidiary companies are consolidated using the acquisition method of accounting. All inter company balances and transactions have been eliminated on consolidation. Details of the subsidiary companies are set out in Note 10 to the financial statements.

Goodwill or reserve on consolidation is included in the consolidated balance sheet based on the difference between the purchase price and the value of the net assets of subsidiary companies at the date of acquisition.

Purchased goodwill represents the difference between the purchase price and the value of the net assets acquired at the date of acquisition.

In the current financial year, goodwill arising on consolidation and purchased goodwill are stated at cost and is written down only when the Directors are of the opinion that there is an impairment of the carrying value of the subsidiary companies and/or net assets acquired. The Directors are of the opinion that this policy will better reflect the continuing value of the subsidiary companies and/or net assets acquired. The cumulative amortisation of RM1.2 million which had been charged in previous financial years was not considered material by the Directors for reinstatement.

(c) Operating Revenue

Operating revenue of the Group comprises all types of revenue derived from banking, merchant banking, financing, stock broking, leasing and factoring, management of unit trust and sales of trust units as well as trustee services but excluding all related companies transactions.

Operating revenue of the Bank comprises interest, commission and other income derived from banking operations.

2. Significant Accounting Policies (continued)

(d) Associated Companies

The Group treats associated companies as those companies in which a long term equity interest of between 20 to 50 percent is held and where it exercises significant influence through management participation.

In the consolidated balance sheet, the Group's interests in associated companies are stated at the net asset value of associated companies at the date of acquisition plus the Group's share of post acquisition profits and reserves less provision for diminution in value other than any diminution in value deemed temporary. The difference, if any, between the cost of investment and the underlying net asset value which represents goodwill or reserve is accounted for in accordance with the policy as referred to in Note 2 (b).

(e) Income Recognition

Interest income is recognised on an accrual basis.

Interest income on overdrafts, term loans and housing loans is recognised by reference to rest periods, which are either monthly or daily. Where an account becomes non-performing, interest is suspended until it is realised on a cash basis. Customers' accounts are deemed to be non-performing where repayments are in arrears for more than six (6) months and one (1) month after maturity date for trade bills, bankers' acceptances and trust receipts except for the subsidiary companies operating in Hong Kong which deem customer accounts as non-performing where repayments are in arrears for more than three (3) months. The policy on suspension of interest is in conformity with Bank Negara Malaysia's Guidelines on the suspension of interest on non-performing loans and provision for bad and doubtful debts, BNM/GP3.

Income from the various activities of the Group is accrued using the following bases:-

- (i) Interest income on hire purchase, block discounting and leasing business is recognised on the sum of digits method;
- (ii) Dividends from subsidiary companies are recognised when the right to receive payment is established, while dividend income from investment in Malaysian Government Investment Certificates invested for the purpose of Islamic Banking is recognised on an accrual basis;
- (iii) Factoring commission income is recognised upon acceptance of the factored invoices. Factoring interest is recognised on an accrual basis;
- (iv) Other fees and commissions on services and facilities extended to customers are recognised on inception of such transactions;
- (v) Income from the Islamic Banking business is recognised on an accrual basis in accordance with the principles of Syariah; and
- (vi) Fees from advisory and corporate finance activities are recognised as income on completion of each stage of the assignment.

(f) Property and Equipment and Depreciation

Property and equipment are stated at cost less accumulated depreciation.

Freehold land and construction-in-progress are not depreciated. Depreciation of other property and equipment is provided on a straight line basis calculated to write off the cost of each asset over its estimated useful life.

The principal annual depreciation rates are:-

Long term leasehold land	Over leasehold periods of 25 to 50 years
Buildings	2.0%
Renovations	Over the term of the leases ranging from 2 to 50 years
Office equipment, furniture and fittings	10.0% – 33.3%
Computer equipment and software	20.0% – 33.3%
Motor vehicles	20.0%

2. Significant Accounting Policies (continued)

(g) Investment Properties

Investment properties, which are stated at cost or valuation, are not depreciated. It is the Group's policy to appraise its investment properties annually or such longer period as may be considered appropriate, by independent professional valuers based on open market value. Any surplus arising therefrom will be taken to a capital reserve account. A deficit is charged to the income statement to the extent that it is in excess of the amount outstanding in the capital reserve account.

(h) Currency Conversion and Translation

Transactions in foreign currencies during the financial year are translated into Ringgit Malaysia at the rates of exchange ruling at the transaction dates. Foreign currency assets and liabilities are stated in the balance sheet based on the closing rates of exchange ruling at the balance sheet date. Gains or losses, both realised and unrealised resulting from the financial year's operations have been treated as normal revenue items in the financial year they arise.

The financial statements of foreign branches are translated into Ringgit Malaysia at the rates of exchange ruling at the balance sheet date. The results of these branches for the financial year are accounted for based on closing rates of exchange at balance sheet date. Gains or losses both realised and unrealised, resulting from the financial year's operations have been treated as normal revenue items in the financial year they arise.

The financial statements of foreign subsidiary companies and a subsidiary incorporated in the Federal Territory of Labuan are translated into Ringgit Malaysia at the rates of exchange ruling at the balance sheet date. The results of these entities for the financial year are accounted for based on the closing rate of exchange at the balance sheet date. Gains or losses arising on translation into Ringgit Malaysia are taken to the exchange equalisation reserve. Translation losses in excess of the amount outstanding in the exchange equalisation reserve are taken to the income statement.

The closing rates used in the translation of principal foreign currency amounts applicable to the Group were as follows:-

	2001	2000
USD	RM3.8000	RM3.8000
HKD	RM0.4873	RM0.4872

(i) Bills and acceptances payable

Bills and acceptances payable represent the Group's own bills and acceptances rediscounted and outstanding in the market.

(j) Dealing Securities

Dealing securities are marketable securities that are acquired and held with the intention of resale in the short term, and are stated at the lower of cost and net realisable value.

Transfers, if any, between dealing and investment securities are made at the lower of cost and market value.

(k) Investment Securities

Investment securities are securities that are acquired and held for yield or capital growth or to meet minimum liquidity compliance requirements pursuant to the New Liquidity Framework and are usually held to maturity.

Malaysian Government Securities, Cagamas Bonds and other Government Securities and bank guaranteed private debt securities held for investment are stated at cost adjusted for amortisation of premium and accretion of discount to maturity. Other private debt securities and Malaysian Government Investment Certificates are stated at lower of cost and market value. A provision is made when the directors are of the view that there is a diminution in the value other than any diminution in value deemed as temporary.

Quoted shares are stated at the lower of cost and market value determined on an aggregate basis.

Other investment securities are stated at cost less provision for any diminution in value other than any diminution in value deemed as temporary.

2. Significant Accounting Policies (continued)

(l) Investments in Subsidiary Companies

A subsidiary company is a company in which the Bank controls the composition of its Board of Directors or controls more than half of its voting power, or holds more than half of its issued ordinary share capital.

Investments in subsidiary companies are stated at cost, and provision is made in the event of any diminution in value other than temporary.

(m) Foreclosed Properties

Foreclosed properties are stated at the lower of cost and net realisable value.

(n) Deferred Taxation

Deferred taxation is provided under the liability method in respect of all material timing differences arising from different accounting and taxation treatment of certain income and expenditure items except where the timing differences give rise to net deferred tax benefits, these net tax benefits are not recognised.

(o) Staff Retirement Benefits

The Bank and certain subsidiary companies contribute to the Public Bank Group Officers' Retirement Benefits Fund (the "Fund") in respect of retirement benefits for eligible officers. The Fund is a defined benefit scheme approved by the Inland Revenue Board. Contributions to the Fund are made semi-annually and such contributions may be adjusted based on the actuarial valuation conducted periodically. The last actuarial valuation, using the "Attained Age Method", was as at 31 December 2000. The latest actuarial valuation of the Fund, which is fully funded, indicated that the Fund has sufficient assets to meet its liabilities.

The staff retirement benefits of the former staff of HHB Holdings Berhad (formerly known as Hock Hua Bank Berhad) is made based on the contracted obligations up to the date of the transfer of the banking business of HHB Holdings Berhad (formerly known as Hock Hua Bank Berhad) to the Bank.

JCG Holdings Limited and its subsidiary companies contribute to a separate scheme, which is a defined contribution scheme.

(p) Provision for Bad and Doubtful Debts

Provisions for bad and doubtful debts and financing are made with regard to specific risks and relate to those loans that have been individually reviewed and specifically identified as sub-standard, doubtful or bad.

A general provision based on a percentage of total outstanding loans (including accrued interest), net of interest-in-suspense and specific provision for bad and doubtful debts, is maintained by the Bank and the Group against risks which are not specifically identified.

An uncollectible loan or portion of a loan classified as bad is written off after taking into consideration the realisable value of collateral, if any, when in the opinion of management, there is no prospect of recovery.

(q) Repurchase Agreements

Securities purchased under resale agreements are securities which the Group and the Bank commits to resell at future dates and is reflected as an asset.

Obligation on securities sold under repurchase agreements are obligations which the Group and the Bank commits to repurchase at future dates and is reflected as a liability.

2. Significant Accounting Policies (continued)

(r) Interest Rate Swaps and Forward Contracts

The Bank acts as an intermediary with counter parties who wish to swap their interest obligations. The Bank also uses interest rate swaps to hedge its interest rate risk.

Interest income or interest expense associated with interest rate swaps that qualify as hedges is recognised over the life of the swap agreement as a component of interest income or interest expense.

Gains and losses on interest rate swaps and forward contracts that do not qualify as hedges, if any, are recognised in the current year using the mark-to-market method and are included in the income statement.

(s) Forward Exchange Contracts

Outstanding forward exchange contracts at the balance sheet date are valued based on the applicable spot rates ruling at that date adjusted for the applicable premium or discount to maturity. Gains or losses are recognised in the year they arise.

(t) Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances, and short term funds with original maturity of less than one month.

(u) Operating lease expenses

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

3. Cash and Short Term Funds

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Cash and balances with banks and other financial institutions	572,239	680,294	365,515	480,782
Money at call and deposit placements maturing within one month	6,911,851	6,166,841	7,467,091	6,112,279
	7,484,090	6,847,135	7,832,606	6,593,061

Deposits totaling RM2,437,000 (2000 : RM2,436,000) have been pledged to certain banks by a foreign subsidiary for facilities obtained.

4. Deposits and Placements with Financial Institutions

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Licensed banks	1,331,487	3,868,992	2,049,100	3,513,254
Licensed finance companies	65,260	284,075	265,000	343,665
Other financial institutions	1,984,862	668,900	1,000,889	915,452
	3,381,609	4,821,967	3,314,989	4,772,371

A fixed deposit of RM100,000 (2000 : RM100,000) favouring the Accountant General has been placed by a subsidiary with a licensed bank in accordance with Section 4(2) of the Labuan Trust Companies Act, 1990.

5. Dealing Securities

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Malaysian Government Securities	179,332	—	—	—
Cagamas bonds	25,117	—	—	—
Danaharta bonds	23,035	—	—	—
Danamodal bonds	14,177	—	—	—
Khazanah bonds	8,688	—	—	—
Negotiable instrument of deposits	2,744,839	1,018,066	2,805,367	1,295,066
	2,995,188	1,018,066	2,805,367	1,295,066
Trust units	37,060	34,779	—	—
	3,032,248	1,052,845	2,805,367	1,295,066
Amortisation of premium less accretion of discounts	(205)	1	—	1
	3,032,043	1,052,846	2,805,367	1,295,067
Market value:-				
Malaysian Government Securities	179,807	—	—	—
Cagamas bonds	25,098	—	—	—
Danaharta bonds	23,015	—	—	—
Danamodal bonds	14,203	—	—	—
Khazanah bonds	8,708	—	—	—
Trust units	38,990	35,508	—	—

6. Investment Securities

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Money market instruments:-				
Malaysian Government Treasury Bills	29,681	42,876	29,681	42,876
Malaysian Government Securities	698,411	498,916	425,073	24,614
Malaysian Government Investment Certificates	112,697	204,457	112,697	176,280
Cagamas bonds	535,351	701,762	132,801	224,000
Cagamas notes	9,987	14,400	9,987	14,400
Bankers' acceptances and Islamic accepted bills	309,860	530,465	—	127,128
Danamodal bonds	87,978	516,203	87,698	515,923
Danaharta bonds	85,707	251,130	41,013	171,451
Khazanah bonds	88,070	147,012	56,288	110,733
Negotiable instrument of deposits	1,491,258	1,316,426	619,033	—
Bank Negara Malaysia Bills	708	117,123	708	77,403
Other government bonds	1,297	3,023	1,297	3,023
	3,451,005	4,343,793	1,516,276	1,487,831
Quoted securities:-				
Shares in Malaysia	68,680	65,093	44,444	40,855
Shares outside Malaysia	31,693	34,065	—	—
Convertible securities	28,992	—	—	—
	129,365	99,158	44,444	40,855
Unquoted securities:-				
Shares	112,288	105,095	97,940	90,743
Private debt securities	2,202,698	1,098,451	1,711,664	595,612
	2,314,986	1,203,546	1,809,604	686,355
Amortisation of premium less accretion of discounts	8,313	(11,538)	22,612	(3,459)
Provision for diminution in value of investment securities	(46,481)	(44,625)	(17,338)	(15,886)
Provision for bad and doubtful debts				
– specific provision	(110,056)	(123,139)	(32,490)	(32,490)
– general provision	(3,374)	(3,374)	—	—
	5,743,758	5,463,821	3,343,108	2,163,206

6. Investment Securities (continued)

The maturity structure of money market instruments held are as follows:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Maturity within one year	1,736,639	1,776,779	487,137	436,625
One year to three years	1,569,774	2,041,661	919,262	864,146
Three years to five years	96,009	472,212	74,020	186,551
Over five years	48,583	53,141	35,857	509
	3,451,005	4,343,793	1,516,276	1,487,831
Market value:-				
Malaysian Government Treasury Bills	29,692	42,973	29,692	42,973
Malaysian Government Securities	725,845	506,370	450,748	26,281
Malaysian Government Investment Certificates	112,977	206,539	112,977	177,827
Cagamas bonds	541,907	712,647	133,944	230,818
Cagamas notes	9,987	14,400	9,987	14,400
Danamodal bonds	94,671	531,530	87,882	531,177
Danaharta bonds	83,036	261,815	41,311	178,944
Khazanah bonds	88,966	148,075	56,521	111,415
Bank Negara Malaysia Bills	708	117,118	708	77,398
Other government bonds	161	311	161	311
Shares quoted in Malaysia	37,326	32,717	27,770	25,532
Shares quoted outside Malaysia	9,991	13,736	—	—
Convertible securities	28,992	—	—	—

7. Loans, Advances and Financing

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Overdrafts	5,202,468	3,388,958	5,207,585	3,351,678
Term loans	19,020,999	15,499,618	13,819,610	10,781,266
Credit card receivables	307,785	275,868	303,150	270,208
Bills receivable	53,490	80,054	52,753	76,961
Trust receipts	279,384	222,722	274,110	219,503
Claims on customers under acceptance credits	590,679	414,696	590,679	414,696
Lease, factored and confirming receivables	63,159	65,950	622	—
Hire purchase	8,111,118	7,312,165	132,451	137,915
*Staff loans	551,994	432,964	373,723	272,649
Unearned interest and income	(1,954,786)	(1,920,822)	(306,265)	(265,468)
Gross loans, advances and financing	32,226,290	25,772,173	20,448,418	15,259,408
Provision for bad and doubtful debts and financing				
– general	(579,645)	(477,180)	(319,571)	(238,264)
– specific	(603,922)	(650,824)	(267,103)	(307,049)
Interest-in-suspense/income-in-suspense	(329,734)	(250,450)	(208,473)	(131,007)
Net loans, advances and financing	30,712,989	24,393,719	19,653,271	14,583,088

* Included in staff loans of the Group and the Bank are housing loans to directors amounting to RM2,758,480 (2000 : RM2,627,000) and RM80,682 (2000 : RM131,000), respectively.

The maturity structure of gross loans, advances and financing are as follows:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Maturing within one year	11,920,893	9,798,987	9,796,435	7,662,946
One year to three years	3,807,488	3,181,989	1,498,263	663,634
Three years to five years	3,992,237	3,359,953	975,743	1,052,959
Over five years	12,505,672	9,431,244	8,177,977	5,879,869
	32,226,290	25,772,173	20,448,418	15,259,408

7. Loans, Advances and Financing (continued)

Gross loans, advances and financing analysed by their economic purposes are as follows:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Agriculture	384,725	268,446	293,555	192,915
Mining and quarrying	21,643	15,211	13,537	4,931
Manufacturing	2,022,444	1,698,235	1,569,249	1,352,053
Electricity, gas and water	149,281	311,713	141,784	301,686
Construction	1,804,285	1,461,540	1,204,056	948,820
Real estate	1,372,422	1,000,907	1,290,488	912,738
Purchase of landed property				
– residential	6,561,646	5,289,708	4,771,669	3,600,200
– non-residential	2,516,133	1,498,619	2,233,920	1,376,430
General commerce	4,042,047	2,978,368	2,784,595	1,975,280
Transport, storage and communication	682,039	990,954	470,953	801,142
Finance, insurance and business services	2,216,927	1,441,872	2,007,328	1,308,316
Purchase of securities	874,101	717,961	695,563	492,930
Purchase of transport vehicles	4,972,886	4,452,629	172,527	220,777
Consumption credit	3,032,394	2,444,669	1,648,241	1,028,057
Others	1,573,317	1,201,341	1,150,953	743,133
	32,226,290	25,772,173	20,448,418	15,259,408

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
<i>Non-performing loans ("NPL"):-</i>				
At 1 January	1,417,214	1,475,960	633,577	678,374
Exchange differences	(360)	(879)	(399)	(323)
Non-performing during the year	1,567,635	670,467	1,106,579	296,207
Amount sold to Danaharta	—	(16,269)	—	(16,269)
Recoveries	(698,045)	(418,438)	(554,886)	(277,250)
Amount written off	(562,003)	(308,827)	(252,456)	(62,362)
Amount vested over	388,807	15,200	388,807	15,200
At 31 December	2,113,248	1,417,214	1,321,222	633,577
Net NPL as % of gross loans, advances and financing less specific provision and interest-in-suspense	3.77%	2.07%	4.23%	1.32%

7. Loans, Advances and Financing (continued)

Movements in the provision for bad and doubtful debts, financing and interest-in-suspense accounts are as follows:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
<i>General provision</i>				
At 1 January	477,180	435,872	238,264	207,950
Exchange differences	56	(390)	31	(45)
Provision made during the year	30,704	34,546	9,571	25,799
Amount vested over	71,705	7,152	71,705	4,560
At 31 December	579,645	477,180	319,571	238,264
As % of gross loans, advances and financing less specific provision and interest-in-suspense	1.85%	1.92%	1.60%	1.61%
<i>Specific provision</i>				
At 1 January	650,824	770,399	307,049	384,076
Exchange differences	(116)	(462)	(127)	(196)
Provision made during the year	444,783	272,990	166,863	58,124
Amount written back in respect of recoveries	(134,973)	(136,068)	(107,552)	(95,415)
Amount written off	(440,539)	(244,226)	(183,073)	(27,731)
Amount transferred to provision for diminution in value of investments	(1,787)	(15,845)	(1,787)	(15,845)
Amount sold to Danaharta	—	(1,492)	—	(1,492)
Amount vested over	85,730	5,528	85,730	5,528
At 31 December	603,922	650,824	267,103	307,049
<i>Interest-in-suspense</i>				
At 1 January	250,450	193,222	131,007	101,115
Exchange differences	(40)	(51)	(50)	(49)
Interest suspended during the year	174,848	153,678	111,047	81,877
Amount sold to Danaharta	—	(876)	—	(876)
Amount written back in respect of recoveries	(75,745)	(52,212)	(64,136)	(36,802)
Amount written off	(112,314)	(45,344)	(61,930)	(16,291)
Amount vested over	92,535	2,033	92,535	2,033
At 31 December	329,734	250,450	208,473	131,007

7. Loans, Advances and Financing (continued)

The amount vested over during the financial year represented the balances vested over from HHB Holdings Berhad (formerly known as Hock Hua Bank Berhad) following the completion of the PBB/HHB Merger on 31 March 2001 as disclosed in Note 40 to the financial statements.

The amount vested over for the financial year ended 31 December 2000 represented the balances vested over from Advance Finance Berhad ("AFB") following the acquisition of the finance company business of AFB on 31 December 2000.

8. Other Assets

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Other debtors, deposits and prepayments	359,939	645,798	381,803	325,028
Interest receivable	63,448	127,762	28,807	70,788
*Foreclosed properties	6,788	16,223	4,116	13,558
Dividend receivable	—	—	33,158	108,916
Amount due from subsidiary companies	—	—	27,975	5,753
#Due from clients @	16,073	17,078	—	—
#Outstanding contracts on clients accounts	95,709	25,314	—	—
Taxi licences	8,918	12,149	—	—
	550,875	844,324	475,859	524,043
*Stated net of provision for diminution in value of:	2,486	3,106	1,849	2,469
@Stated net of provision for bad debts of:	81,448	82,358	—	—

Balances are in respect of the stock broking activities of a subsidiary company.

Included in the Group's other debtors, deposits and prepayments balance of the previous financial year is an amount receivable from Danaharta Managers Sdn. Bhd. of RM195,256,000 which represented the amount arising from the disposal of certain non-performing assets, such as non-performing loans and investment and dealing securities to Danaharta Managers Sdn. Bhd. as part of the Group's acquisition of Public Merchant Bank Berhad. This amount had been received in the financial year ended 31 December 2001.

9. Statutory Deposits with Central Banks

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
*Statutory Deposits with Bank Negara Malaysia	902,027	835,799	561,500	560,235
#Statutory Deposits with National Bank of Cambodia	18,240	16,150	—	—
	920,267	851,949	561,500	560,235

* The non-interest bearing statutory deposits are maintained with Bank Negara Malaysia in compliance with Section 37(1)(c) of the Central Bank of Malaysia Act 1958, the amount of which is determined as a percentage of average eligible liabilities.

The non-interest bearing deposits are maintained with the National Bank of Cambodia in compliance with Cambodian banking law and are determined by set percentages of total eligible liabilities and the Bank's issued share capital together with other deposits as required by the National Bank of Cambodia.

10. Investments in Subsidiary Companies

Bank	2001		2000	
	RM'000	RM'000	RM'000	RM'000
	Cost	Market Value	Cost	Market value
Quoted shares				
– in Malaysia	254,300	895,385	254,300	599,421
– in Malaysia	203,069	*	—	—
– in Hong Kong	358,878	991,546	295,530	696,343
	816,247	1,886,931	549,830	1,295,764
Unquoted shares	859,997	—	819,116	—
	1,676,244	1,886,931	1,368,946	1,295,764

* No market value had been disclosed as this relates to the net investment in HHB Holdings Berhad (formerly known as Hock Hua Bank Berhad) as it remained under suspension pursuant to the completion of the merger exercise with the Bank.

10. Investments in Subsidiary Companies (continued)

The subsidiary companies of the Bank are as follows:-

Name	Principal activities	Effective interest		Paid-up Capital	
		2001 %	2000 %	2001	2000
Local subsidiary companies					
Public Finance Berhad#	Financing	56.8	56.8	RM330,000,000	RM330,000,000
Public Nominees (Tempatan) Sdn. Bhd.	Nominees services	100.0	100.0	RM10,000	RM10,000
Public Nominees (Asing) Sdn. Bhd.	Nominees services	100.0	100.0	RM10,000	RM10,000
Public Holdings Sdn. Bhd.	Property holding	100.0	100.0	RM2,500,000	RM2,500,000
Public Leasing & Factoring Sdn. Bhd.	Leasing and factoring	100.0	100.0	RM10,000,000	RM10,000,000
PB International Factors Sdn. Bhd.	Factoring	55.0	55.0	RM10,000,000	RM10,000,000
+Public Consolidated Holdings Sdn. Bhd.	Investment holding	100.0	100.0	RM250,000,000	RM250,000,000
+PB Futures Sdn. Bhd.	Dormant	100.0	100.0	RM9,500,000	RM9,500,000
+PB Securities Sdn. Bhd.	Stock and share broking	100.0	100.0	RM350,000,000	RM350,000,000
+PB Securities Nominees (Tempatan) Sdn. Bhd.	Nominees services	100.0	100.0	RM10,000	RM10,000
+PB Securities Nominees (Asing) Sdn. Bhd.	Nominees services	100.0	100.0	RM10,000	RM10,000
+Kuala Lumpur Mutual Fund Berhad	Management of unit trusts	78.2	78.2	RM6,000,000	RM6,000,000
+Business Premium Sdn. Bhd.	Investment holding	77.3	77.3	RM5,411,504	RM5,411,504
Public Bank (L) Ltd.	Offshore banking	100.0	100.0	USD10,000,000	USD10,000,000
PB Trust Company Sdn. Bhd.	Trustee services	100.0	100.0	RM150,000	RM150,000

10. Investments in Subsidiary Companies (continued)

Name	Principal activities	Effective interest		Paid-up Capital	
		2001 %	2000 %	2001	2000
Local subsidiary companies (continued)					
PB Venture Capital Sdn. Bhd.	Investment holding	100.0	100.0	RM1,010,000	RM1,010,000
+Public Merchant Bank Berhad	Merchant banking	100.0	100.0	RM165,000,000	RM165,000,000
+Public Merchant Nominees (Tempatan) Sdn. Bhd.	Nominees services	100.0	100.0	RM10,000	RM10,000
+Public Merchant Nominees (Asing) Sdn. Bhd.	Dormant	100.0	100.0	RM2	RM2
+HHB Holdings Berhad (formerly known as Hock Hua Bank Berhad)	Dormant	100.0	—	RM125,377,000	RM125,377,000
PB Properties Sdn. Bhd. (formerly known as Hock Hua Property Sdn. Bhd.)	Property holding	100.0	—	RM5,200,000	RM5,200,000
Hock Hua Finance Berhad	Dormant	100.0	—	RM22,500,000	RM22,500,000
Hock Hua Nominees (Tempatan) Sdn. Bhd.	Dormant	100.0	—	RM3	RM3
Hock Hua Finance Nominees (Tempatan) Sdn. Bhd.	Dormant	100.0	—	RM2	RM2
Overseas subsidiary companies					
++Cambodian Public Bank Limited	Banking	100.0	100.0	USD15,000,000	USD15,000,000
+JCG Holdings Limited*	Investment holding	59.3	55.4	HKD70,707,441	HKD70,702,241
+JCG Finance Company, Limited	Deposit taking, granting of loans and issuing of credit cards	59.3	55.4	HKD258,800,000	HKD258,800,000
+Funds Fit Limited	Investment holding	59.3	55.4	HKD10,100,000	HKD10,100,000
+JCG Securities Limited	Securities dealing	59.3	55.4	HKD10,000,000	HKD10,000,000
+JCG Nominees Limited	Nominees services	59.3	55.4	HKD10,000	HKD10,000

10. Investments in Subsidiary Companies (continued)

Name	Principal activities	Effective interest		Paid-up Capital	
		2001 %	2000 %	2001	2000
Overseas subsidiary companies (continued)					
+Winton Holdings (Bermuda) Limited*	Investment holding	44.5	41.5	HKD134,400,000	HKD134,400,000
+Eastwood Overseas Corporation	Dormant	44.5	41.5	USD1	USD1
+Eternal Success Company Limited	Property holding	44.5	41.5	HKD20	HKD20
+Keytop Investment Limited	Dormant	44.5	41.5	HKD2	HKD2
+Winsure Company, Limited	Dormant	43.1	40.2	HKD1,600,000	HKD1,600,000
+Winton (B.V.I.) Limited	Investment and property holding	44.5	41.5	HKD61,773	HKD61,773
+Winton Financial Limited	Provision of financing for licensed public vehicles and provision of personal and short term loans	44.5	41.5	HKD4,000,010	HKD4,000,010
+Winton Financial (Factoring) Limited	Provision of financing for licensed public vehicles	44.5	41.5	HKD1,000,000	HKD1,000,000
+Winton Investment Company (China) Limited	Investment holding	44.5	41.5	HKD1,000,000	HKD1,000,000
+Winton Motors, Limited	Trading of taxi cabs and taxi licences and leasing of taxis	44.5	41.5	HKD78,000	HKD78,000
+Winton Motors Trading Company Limited	Trading of taxi cabs and taxi licences and leasing of taxis	44.5	41.5	HKD2	HKD2
+Winton Restaurant Limited	Dormant	44.5	41.5	HKD20	HKD20

10. Investments in Subsidiary Companies (continued)

Name	Principal activities	Effective interest		Paid-up Capital	
		2001 %	2000 %	2001	2000
Overseas subsidiary companies (continued)					
+Winton Trading Company Limited	Dormant	44.5	41.5	HKD20	HKD20
+Wu Shang Mei Winton (China) Investment Company Limited	Investment holding	40.1	37.4	HKD100	HKD100

Shares are quoted on the Main Board of the Kuala Lumpur Stock Exchange.

* Shares are quoted on the Stock Exchange of Hong Kong Limited.

+ Not audited by KPMG.

++ Audited by KPMG Cambodia.

All the domestic subsidiary companies are incorporated in Malaysia. All the overseas subsidiary companies are incorporated in Hong Kong SAR except for JCG Holdings Limited and Winton Holdings (Bermuda) Limited which are incorporated in Bermuda, Cambodian Public Bank Limited which is incorporated in Cambodia, and Eastwood Overseas Corporation and Winton (B.V.I.) Limited which are incorporated in the British Virgin Islands.

11. Investments in Associated Companies

The carrying values of the investments in associated companies are represented by:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Unquoted shares, at cost	27,544	27,544	18,965	18,965
Share of post acquisition profits	9,098	12,245	—	—
Less: Provision for diminution	(260)	(260)	—	—
	36,382	39,529	18,965	18,965
Represented by:				
Group's share of net assets	36,382	39,529	—	—

11. Investments in Associated Companies (continued)

The following are the associated companies of the Group, all of which are unquoted:-

Name	Principal activities	Place of incorporation	Effective interest		Paid-up Capital	
			2001 %	2000 %	2001 '000	2000 '000
PB Trustee Services Berhad	Trustee services	Malaysia	31.4	31.4	RM525	RM525
VID Public Bank	Banking	Socialist Republic of Vietnam	50.0	50.0	USD15,000	USD15,000
ZKW Enterprise (Group) Co., Ltd., Zhuhai Special Economic Zone	Investment holding, general trading and automobile repairs centre	The People's Republic of China	17.8	16.6	HKD41,400	HKD41,400
Zhangjiagang Rixing Freight & Storage Co., Ltd.	Cargo handling and transportation	The People's Republic of China	20.0	18.7	USD2,528	USD2,528
CPB Properties Company Ltd.	Property holding	Cambodia	49.0	49.0	USD8	USD8

12. Investment Properties

	Group	
	2001 RM'000	2000 RM'000
At valuation		
At 1 January	36,488	39,483
Gain/(Loss) on exchange taken to exchange equalisation reserve	9	(138)
	36,497	39,345
Reclassified from/(to) long term leasehold land	550	(2,928)
Reclassified from/(to) long term leasehold buildings	115	(1,713)
Revaluation (deficit)/surplus	(1,294)	1,784
At 31 December	35,868	36,488
At cost		
At 1 January	—	1,486
Reclassified to long term leasehold buildings	—	(1,486)
At 31 December	—	—
At 31 December	35,868	36,488

12. Investment Properties (continued)

The Group's investment properties stated at market valuation are situated in Hong Kong and are held under long term leases. The leasehold properties which were revalued by independent professional valuers during the current and previous financial years were on the basis of open market value based on existing usage.

Certain of the above leasehold properties were pledged as security for banking facilities granted to certain subsidiary companies.

13. Goodwill

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Cost				
At 1 January	66,852	3,935	25,514	—
Arising during the year	368,603	62,917	367,615	25,514
At 31 December	435,455	66,852	393,129	25,514
Accumulated amortisation				
At 1 January	(1,193)	(800)	—	—
Amortisation during the year	—	(393)	—	—
At 31 December	(1,193)	(1,193)	—	—
	434,262	65,659	393,129	25,514

The amount arising during the financial year represents mainly purchased goodwill resulting from the difference between the purchase price and the value of the net assets acquired from HHB Holdings Berhad (formerly known as Hock Hua Bank) as part of the PBB/HHB Merger which was completed on 31 March 2001 as disclosed in Notes 31 and 40 to the financial statements.

14. Property and Equipment

Group	Balance at 1.1.2001 RM'000	Exchange differences RM'000	Additions RM'000	Transfers RM'000	Assets vested over RM'000	Disposals RM'000	Balance at 31.12.2001 RM'000
Cost							
Freehold land	92,624	—	—	—	20,653	—	113,277
Long term leasehold land	60,774	40,035	5,632	(614)	5,234	—	111,061
Freehold buildings	358,199	—	5	—	25,717	—	383,921
Long term leasehold buildings	94,719	4,071	2,816	(307)	16,207	—	117,506
Renovations	127,428	16,060	11,941	(21,455)	20,076	(6,149)	147,901
Office equipment, furniture and fittings	260,561	12,468	10,025	19,075	20,966	(14,117)	308,978
Computer equipment and software	467,177	3,155	34,072	2,407	42,696	(67,409)	482,098
Motor vehicles	17,955	1,128	1,468	—	290	(2,448)	18,393
Work-in-progress	—	—	—	—	2,711	—	2,711
	1,479,437	76,917	65,959	(894)	154,550	(90,123)	1,685,846

	Balance at 1.1.2001 RM'000	Exchange differences RM'000	Charge for the year RM'000	Transfers RM'000	Accumulated depreciation vested over RM'000	Disposals RM'000	Balance at 31.12.2001 RM'000
Accumulated depreciation							
Long term leasehold land	5,075	1,048	1,750	(64)	166	—	7,975
Freehold buildings	41,843	—	7,547	—	2,448	—	51,838
Long term leasehold buildings	9,567	567	2,509	(192)	2,668	—	15,119
Renovations	56,194	9,658	13,004	(700)	16,837	(4,411)	90,582
Office equipment, furniture and fittings	149,613	8,355	24,557	467	15,059	(13,040)	185,011
Computer equipment and software	391,288	2,699	47,928	259	31,387	(63,986)	409,575
Motor vehicles	15,638	910	1,231	1	179	(2,398)	15,561
	669,218	23,237	98,526	(229)	68,744	(83,835)	775,661

14. Property and Equipment (continued)

	Net Book Value		Depreciation Charge	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Freehold land	113,277	92,624	—	—
Long term leasehold land	103,086	55,699	1,750	1,054
Freehold buildings	332,083	316,356	7,547	7,165
Long term leasehold buildings	102,387	85,152	2,509	2,191
Renovations	57,319	71,234	13,004	7,680
Office equipment, furniture and fittings	123,967	110,948	24,557	20,374
Computer equipment and software	72,523	75,889	47,928	41,057
Motor vehicles	2,832	2,317	1,231	1,770
Work-in-progress	2,711	—	—	—
	910,185	810,219	98,526	81,291

During the financial year, certain long term leasehold land and long term leasehold buildings of certain subsidiary companies with a net carrying value of approximately RM665,000 were transferred from Property and Equipment to Investment Properties.

In 2000, certain long term leasehold land and long term leasehold buildings of certain subsidiary companies with a net carrying value to RM6,127,000 were transferred from Investment Properties to Property and Equipment for purposes of their own use.

Bank	Balance at 1.1.2001 RM'000	Additions RM'000	Transfers RM'000	Assets vested over RM'000	Disposals RM'000	Balance at 31.12.2001 RM'000
Cost						
Freehold land	80,804	—	—	90	—	80,894
Freehold buildings	261,092	—	—	248	—	261,340
Long term leasehold land	—	—	—	306	—	306
Leasehold buildings	—	—	—	1,400	—	1,400
Renovations	103,982	8,058	(19,997)	20,077	(5,134)	106,986
Office equipment, furniture and fittings	148,151	5,923	19,048	18,174	(12,303)	178,993
Computer equipment and software	398,588	31,636	949	42,696	(54,385)	419,484
Motor vehicles	11,862	190	—	290	(750)	11,592
Work-in-progress	—	—	—	2,711	—	2,711
	1,004,479	45,807	—	85,992	(72,572)	1,063,706

14. Property and Equipment (continued)

	Balance at 1.1.2001 RM'000	Charge for the year RM'000	Transfers RM'000	Accumulated depreciation vested over RM'000	Disposals RM'000	Balance at 31.12.2001 RM'000
Accumulated depreciation						
Freehold buildings	26,109	5,222	—	115	—	31,446
Long term leasehold land	—	4	—	40	—	44
Leasehold buildings	—	38	—	940	—	978
Renovations	36,438	9,559	(700)	16,837	(3,399)	58,735
Office equipment, furniture and fittings	87,907	13,563	478	12,275	(11,361)	102,862
Computer equipment and software	333,446	42,026	221	31,387	(50,969)	356,111
Motor vehicles	10,411	596	1	179	(744)	10,443
	494,311	71,008	—	61,773	(66,473)	560,619

	Net Book Value		Depreciation Charge	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Freehold land	80,894	80,804	—	—
Freehold buildings	229,894	234,983	5,222	5,222
Long term leasehold land	262	—	4	—
Leasehold buildings	422	—	38	—
Renovations	48,251	67,544	9,559	4,723
Office equipment, furniture and fittings	76,131	60,244	13,563	9,537
Computer equipment and software	63,373	65,142	42,026	33,783
Motor vehicles	1,149	1,451	596	1,108
Work-in-progress	2,711	—	—	—
	503,087	510,168	71,008	54,373

15. Deposits from Customers

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Current accounts	4,688,269	3,836,454	4,761,868	3,892,320
Savings deposits	6,621,375	5,018,941	5,559,045	4,125,064
Fixed deposits	27,667,927	24,050,885	19,022,625	15,246,241
Negotiable instrument of deposits	460,000	616,351	297,112	308,702
Others	344,733	354,181	312,678	306,006
	39,782,304	33,876,812	29,953,328	23,878,333

Maturity structure of fixed deposits and negotiable instrument of deposits are as follows:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Due within six months	23,291,498	21,731,068	15,608,020	13,510,919
Six months to one year	4,416,676	2,568,310	3,267,865	1,590,611
One year to three years	413,423	357,079	143,904	173,803
Three years to five years	6,330	10,779	299,948	279,610
	28,127,927	24,667,236	19,319,737	15,554,943

The deposits are sourced from the following types of customers:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Federal and state governments	592,318	496,113	322,267	316,024
Local government and statutory authorities	752,258	1,012,993	452,418	755,593
Business enterprises	6,429,677	6,331,407	4,408,398	3,606,224
Individuals	27,349,430	20,350,656	20,752,535	14,379,076
Foreign customers	893,507	604,873	746,290	452,300
Others	3,765,114	5,080,770	3,271,420	4,369,116
	39,782,304	33,876,812	29,953,328	23,878,333

16. Deposits and Placements of Banks and Other Financial Institutions

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Licensed banks	928,941	1,292,984	924,333	625,539
Licensed finance companies	155,000	279,664	50,000	154,664
Other financial institutions	1,306,577	1,384,166	2,005,448	2,779,717
	2,390,518	2,956,814	2,979,781	3,559,920

17. Other Liabilities

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Proposed dividend	—	179,259	—	179,259
Interest payable	241,193	202,601	165,504	136,897
Other liabilities	409,936	486,639	173,824	147,318
Obligation on loans sold to Cagamas	847,769	993,093	116,057	109,167
Amount due to subsidiary companies	—	—	264,611	3
*Outstanding contracts on clients' accounts	90,749	22,983	—	—
	1,589,647	1,884,575	719,996	572,644

* Balance is in respect of stock broking activities of a subsidiary company.

18. Taxation

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Provision for taxation	308,771	217,922	112,338	79,152
Deferred taxation	50,785	53,887	42,983	41,523
	359,556	271,809	155,321	120,675

18. Taxation (continued)

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Movements in deferred taxation account is as follows:-				
At 1 January	53,887	43,445	41,523	34,352
Exchange differences	1	(19)	—	—
Transfer (to)/from income statement	(3,103)	10,461	1,460	7,171
At 31 December	50,785	53,887	42,983	41,523
The deferred taxation is in respect of the following:-				
Timing differences between depreciation and corresponding capital allowances of fixed assets	39,304	30,802	36,224	24,369
Other short-term timing differences	11,481	23,085	6,759	17,154
	50,785	53,887	42,983	41,523

19. Share Capital

	Group and Bank	
	2001 RM'000	2000 RM'000
Authorised:-		
10,000,000,000 (2000 : 10,000,000,000) ordinary shares of RM0.50 each	5,000,000	5,000,000
Issued and fully paid		
At 1 January	1,195,060	1,183,161
Issued under the PBB ESOS	2,659	11,899
Issued pursuant to PBB/HHB Merger	213,141	—
Bonus issue	422,959	—
At 31 December	1,833,819	1,195,060

20. Other Reserves

Group	General Reserves RM'000	Capital Reserves RM'000	Exchange Equalisation Reserves RM'000	Total RM'000
2001				
At 1 January 2001	1,126,239	79,943	223,827	1,430,009
Currency translation differences	—	—	(100,055)	(100,055)
Transfer from income statement	153,837	—	—	153,837
At 31 December 2001	1,280,076	79,943	123,772	1,483,791
2000				
At 1 January 2000	978,337	80,565	226,068	1,284,970
Cost incurred for the issuance of preference shares in a subsidiary company	—	(622)	—	(622)
Currency translation differences	—	—	(2,241)	(2,241)
Transfer from income statement	147,902	—	—	147,902
At 31 December 2000	1,126,239	79,943	223,827	1,430,009
Bank		General Reserves RM'000	Exchange Equalisation Reserves RM'000	Total RM'000
2001				
At 1 January 2001		898,643	12,000	910,643
Transfer from income statement		112,216	—	112,216
At 31 December 2001		1,010,859	12,000	1,022,859
2000				
At 1 January 2000		784,502	12,000	796,502
Transfer from income statement		114,141	—	114,141
At 31 December 2000		898,643	12,000	910,643

20. Other Reserves (continued)

The general reserves are maintained in compliance with Section 36 of the Banking and Financial Institutions Act, 1989 and are not distributable as cash dividends.

The capital reserve of the Group arose mainly from the capitalisation of retained earnings that resulted from bonus issues by subsidiary companies and the restructuring exercise involving certain subsidiary companies undertaken by the Group in previous years.

The Bank's exchange equalisation reserve was set up to cover the Bank's foreign exchange exposure on its investments in foreign subsidiary and associated companies.

21. Interest Income

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Loans, advances and financing	2,591,682	2,260,526	1,313,165	1,075,114
Money at call and deposit placements with financial institutions	302,439	430,436	299,096	365,876
Dealing securities	73,151	69,156	77,760	69,120
Investment securities	250,362	256,890	140,853	123,709
Others	12,669	10,902	4,374	6,488
	3,230,303	3,027,910	1,835,248	1,640,307
Amortisation of premium less accretion of discounts	(17,395)	(11,844)	(5,355)	(1,208)
Net interest income suspended	(95,556)	(93,335)	(46,911)	(45,075)
	3,117,352	2,922,731	1,782,982	1,594,024

22. Interest Expense

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Deposits and placements of banks and other financial institutions	109,139	144,554	156,969	225,692
Deposits from customers	1,053,225	1,004,182	739,248	636,888
Borrowings from financial institutions	3,060	9,595	—	—
Others	58,636	50,766	5,771	5,668
	1,224,060	1,209,097	901,988	868,248

23. Non-Interest Income

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
(a) Fee income:-				
Commissions	54,079	51,189	39,395	33,021
Service charges and fees	132,808	117,417	47,120	29,310
Guarantee fees	22,303	15,275	17,404	11,031
Processing fees	3,315	2,278	357	794
Management fees	62,529	63,366	—	—
Net brokerage and commission from stock broking activities	9,364	30,375	—	—
Other fee income	22,862	21,012	22,678	18,962
	307,260	300,912	126,954	93,118
(b) Investment income:-				
Net profit/(loss) from dealing securities	8,447	(11)	—	(11)
Gains from sale of investment securities	106,296	54,257	70,645	21,105
Gross dividends from:-				
Dealing securities:-				
– quoted in Malaysia	973	1,875	—	—
– quoted outside Malaysia	—	31	—	—
Investment securities:-				
– quoted in Malaysia	728	1,438	672	1,385
– quoted outside Malaysia	255	437	—	—
– unquoted in Malaysia	3,113	1,381	2,046	1,053
Associated companies	—	—	2,874	2,702
Subsidiary companies:-				
– quoted in Malaysia	—	—	—	29,971
– quoted outside Malaysia	—	—	16,216	61,058
	119,812	59,408	92,453	117,263
Write back of provision/(provision) for diminution in value of investment securities	1,596	(23,727)	(660)	954
	121,408	35,681	91,793	118,217

23. Non-Interest Income (continued)

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
(c) Other income:-				
Foreign exchange profit	39,845	31,996	39,865	30,673
Rental income	6,399	5,824	2,371	1,907
Gain/(Loss) on disposal of property and equipment (net)	1,031	(44)	243	2
(Loss)/Gain on disposal of foreclosed properties	(5,142)	20	(5,142)	20
Gain on sale of trust units	45,445	69,468	—	—
Lease income and factoring charges	2,403	2,960	—	—
Others	23,794	16,503	17,811	10,863
	113,775	126,727	55,148	43,465
Total Non-Interest Income	542,443	463,320	273,895	254,800

24. Overhead Expenses

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Personnel costs	519,954	388,437	307,085	188,435
Establishment costs	262,983	210,815	191,157	144,285
Marketing expenses	115,159	130,463	22,389	16,973
Administration and general expenses	93,168	80,614	53,149	41,352
	991,264	810,329	573,780	391,045

24. Overhead Expenses (continued)

(a) The above expenditure includes the following statutory disclosures:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Directors' remuneration (Note 27)	9,349	6,683	4,407	2,827
Rental of premises	48,878	44,260	51,028	42,205
Depreciation	98,526	81,291	71,008	54,373
Auditors' remuneration:-				
– auditors of the Bank	608	584	370	361
– other auditors	1,027	983	—	—
Loss on revaluation of investment properties	3,078	877	—	—
Amortisation of goodwill net of reserve arising on consolidation	—	393	—	—

(b) Employees

The number of persons employed by the Group and the Bank (excluding directors) as at the year end of the financial year was 12,641 (2000: 10,587) and 8,105 (2000: 6,241) respectively.

25. Loan and Financing Loss and Provision

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Provision for bad and doubtful debts and financing:-				
– general provision	30,704	34,546	9,571	25,799
– specific provision	444,783	272,990	166,863	58,124
– specific provision written back	(134,973)	(136,068)	(107,552)	(95,415)
Net (write back)/provisions for stockbroking activities	(279)	10,007	—	—
Bad debts and financing written off	817	831	817	831
Bad debts and financing recovered	(31,342)	(21,111)	(12,666)	(14,165)
	309,710	161,195	57,033	(24,826)

26. Related Party Transactions

Related parties of the Bank are as follows:

- (i) Its subsidiary companies as disclosed in Note 10 to the financial statements; and
- (ii) A director and substantial shareholder of the Bank, Tan Sri Dato' Dr. Teh Hong Piow, and directors of the Bank, Tan Sri Dato' Thong Yaw Hong, Datuk Tay Ah Lek, Dato' Lee Kong Nam @ Lee Kong Lam, Dato' Yeoh Chin Kee and Mr. Lee Chin Guan.

- (a) The significant transactions and outstanding balances of the Bank with its subsidiary companies are as follows:-

	Subsidiary companies	
	2001 RM'000	2000 RM'000
Income:-		
Interest income	86,880	97,273
Expenditure:-		
Interest expense	98,638	107,619
Rental of premises	23,230	18,132
	121,868	125,751
Other transactions:-		
Sale of loans	500,815	—
Purchase of loans	496,936	—
Amount due from:-		
Interbank loans	2,629,252	2,054,967
Revolving credits	180,743	119,175
Rental deposits	35,086	28,209
Current accounts	48,543	3,292
Dividend receivable	33,158	108,916
	2,926,782	2,314,559
Amount due to:-		
Current accounts	123,501	111,731
Short-term deposits	355,920	352,616
Interbank borrowings	1,376,958	1,638,966
Interest payable	3,113	18,820
Others	232,357*	3
	2,091,849	2,122,136

* This amount represent the amount payable to HHB Holdings Berhad (formerly known as Hock Hua Bank Berhad) ("HHB") arising from the transfer of the banking business of HHB to the Bank on 31 March 2001 as disclosed in note 40 to the financial statements.

26. Related Party Transactions (continued)

- (b) The significant transactions of the Bank and its subsidiary companies with the Directors of the Bank or with companies in which certain directors have substantial interest are as follows:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Expenditure:-				
Interest paid on placements and deposits				
– to directors of the Bank	2,794	950	2,622	736
– to a company in which certain directors of the Bank have interest	2,565	1,873	1,758	926

The significant non-banking transactions of the Bank with Lonpac Insurance Berhad, in which Tan Sri Dato' Dr. Teh Hong Piow is deemed to have a substantial interest, are as follows:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Income:-				
Commission income	8,029	7,178	3,870	2,902
Expenditure:-				
Insurance premium	9,890	9,050	7,687	7,175

All related party transactions are conducted at arm's length basis and on normal commercial terms not more favourable to the related party than those generally available to the public.

27. Directors' Remuneration

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Directors of the Bank:-				
Executive directors:-				
Fees	634	293	128	—
Salary and other remuneration, including meeting allowances	2,340	1,539	2,284	1,512
Bonuses	1,289	812	1,289	812
Benefits-in-kind	90	66	90	66
	4,353	2,710	3,791	2,390
Non-executive directors:-				
Fees	694	394	237	153
Salary and other remuneration, including meeting allowances	845	569	469	350
	1,539	963	706	503
Past directors:-				
Benefits-in-kind	15	28	15	28
	15	28	15	28
Directors of subsidiary companies:-				
Executive directors:-				
Fees	312	96	—	—
Salary and other remuneration, including meeting allowances	2,195	1,895	—	—
Bonuses	1,003	768	—	—
Benefits-in-kind	132	124	—	—
	3,642	2,883	—	—
Non-executive directors:				
Fees	37	196	—	—
Salary and other remuneration, including meeting allowances	—	121	—	—
Bonuses	—	—	—	—
Benefits-in-kind	—	18	—	—
	37	335	—	—
Grand Total	9,586	6,919	4,512	2,921
Total (excluding benefits-in-kind)	9,349	6,683	4,407	2,827

27. Directors' Remuneration (continued)

Included in the remuneration of the Executive Directors is the remuneration attributable to the Chief Executive Officer of the Bank, including benefits-in-kind, during the financial year amounting to RM1,706,214 (2000 : RM1,411,138).

The remuneration for the current financial year for Executive Directors of the Bank includes the salary paid to an Executive Director as a full time employee prior to his appointment to the Board.

The number of directors of the Bank whose total remuneration for the financial year which fall within the following bands are as follows:

	Number of Directors	
	2001	2000
Executive directors		
RM800,001 – RM850,000	1	—
RM950,001 – RM1,000,000	—	1
RM1,250,001 – RM1,300,000	1	—
RM1,400,001 – RM1,450,000	—	1
RM1,700,001 – RM1,750,000	1	—
Non-Executive directors		
Below RM50,000	2	—
RM50,001 – RM100,000	—	3
RM100,001 – RM150,000	3	—
RM300,001 – RM350,000	—	1
RM350,001 – RM400,000	1	—

28. Taxation and Zakat

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Malaysian income tax	301,017	288,984	156,928	166,039
Overseas income tax	34,748	45,315	1,319	1,916
Transfer (from)/to deferred taxation	(3,103)	10,461	1,460	7,171
	332,662	344,760	159,707	175,126
(Over)/Underprovision in prior years				
– Malaysian income tax	(2,135)	(5,204)	(2,135)	2,427
– Overseas income tax	(20)	—	—	—
	330,507	339,556	157,572	177,553
Share of taxation of associated companies	884	1,243	—	—
	331,391	340,799	157,572	177,553
Zakat	66	—	60	—
	331,457	340,799	157,632	177,553

28. Taxation and Zakat (continued)

The effective rate of taxation of the Group is lower than the statutory tax rate in Malaysia of 28% because of the effect of lower rates of income tax of overseas subsidiary companies. The lower effective tax rate of the Bank of 27.6% was mainly due to certain income which were not taxable.

As at 31 December 2001, the Bank has tax exempt profits available for distribution of approximately RM323,000,000, subject to agreement with the Inland Revenue Board.

The Bank has sufficient tax credit under Section 108 of the Income Tax Act 1967 and the balance of tax exempt income to frank the payment of dividends out of its entire retained earnings as at 31 December 2001.

29. Dividends

	2001 RM'000	2000 RM'000
Proposed ordinary dividend (2000 : 15.0% tax exempt)	—	179,259
Dividend underprovided in previous year	249	—
	249	179,259

A proposed final dividend in respect of financial year ended 31 December 2001 of 18%, comprising a tax exempt dividend of 9% (4.5 sen per share) and a non tax exempt dividend of 9% (4.5 sen per share less 28% taxation) based on the issued and paid-up capital of 3,667,637,247 ordinary shares of RM0.50 each amounting to a total dividend of approximately RM283,875,000 have been proposed by the Directors for shareholders' approval at the forthcoming Annual General Meeting. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in shareholders' funds as an appropriation of retained earnings in the next financial year ending 31 December 2002.

The dividend underprovided in the previous financial year represented the dividend paid in respect of new ordinary shares issued pursuant to the exercise of the options under the PBB ESOS subsequent to the end of the previous financial year but before book closure for dividend entitlement.

30. Earnings Per Share (EPS)

The calculation of basic earnings per share of the Group is based on the net profit attributable to ordinary shareholders amounting to approximately RM717,223,000 (2000 : RM716,865,000) and the weighted average number of ordinary shares outstanding during the financial year of 3,530,101,000 (2000 : 3,078,247,000). The weighted average number of ordinary shares used in the previous financial year's EPS calculation had been recomputed to take into account the effect of the bonus issue carried out in the current financial year.

30. Earnings Per Share (EPS) (continued)

	2001 '000	2000 '000
Weighted average number of ordinary shares		
Issued ordinary shares at the beginning of the year	2,390,120	2,366,321
Effect of share options exercised during the year	3,030	1,561
Effect of issuance pursuant to PBB/HHB Merger	322,339	—
Effect of the bonus issue	814,612	710,365
Weighted average number of ordinary shares	3,530,101	3,078,247

Diluted earnings per share

The calculation of diluted earnings per share issued is based on the net profit attributable to ordinary shareholders amounting to approximately RM717,223,000 (2000 : RM716,865,000) and the weighted average number of ordinary shares outstanding during the year of 3,534,010,000 (2000 : 3,092,763,000).

	2001 '000	2000 '000
Weighted average number of ordinary shares (diluted)		
Weighted average number of ordinary shares as above	3,530,101	3,078,247
Effect of unexercise of options	3,909	14,516
Weighted average number of ordinary shares (diluted)	3,534,010	3,092,763

31. Summary of Effects of Acquisition of HHB Holdings Berhad (formerly known as Hock Hua Bank Berhad) and its Subsidiary Companies

The value of the assets and liabilities of HHB Holdings Berhad (formerly known as Hock Hua Bank Berhad) and its subsidiary companies acquired on 31 March 2001 are set out below:-

	Group RM'000	Bank RM'000
Net assets acquired:-		
Cash and short term funds	1,242,285	1,242,285
Deposits and placements with financial institutions	114,800	114,800
Investment securities	404,849	404,849
Loans, advances and financing	3,433,040	3,448,260
Statutory deposits with Bank Negara Malaysia	133,650	133,650
Other assets	61,659	64,839
Property and equipment	85,806	24,219
Investment in subsidiary companies	—	79,702
Deposits from customers	(4,406,477)	(4,406,600)
Deposits and placements of banks and financial institutions	(3,963)	(3,963)
Bills and acceptances payable	(20,205)	(20,205)
Other liabilities	(162,480)	(198,872)
Net assets acquired	882,964	882,964
Goodwill	367,615	367,615
Purchase consideration	1,250,579	1,250,579
Satisfied via the issuance of shares	(1,249,006)	(1,249,006)
Costs directly attributable to the acquisition	1,573	1,573
Less : Cash acquired	(1,242,285)	(1,242,285)
Net cash inflow on acquisition	(1,240,712)	(1,240,712)

Effect of the results of HHB Holdings Berhad (formerly known as Hock Hua Bank Berhad) ("HHB") on the financial position of the Group as at 31 December 2001 is not presented as the banking business of HHB was transferred to the Bank subsequent to its acquisition.

32. Commitments and Contingencies

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

The commitments and contingencies as at the end of the financial year are:-

	2001		2000	
	Notional Amount RM'000	Credit Equivalent RM'000	Notional Amount RM'000	Credit Equivalent RM'000
Group				
Direct credit substitutes	1,502,938	1,502,938	1,483,434	1,483,434
Certain transaction-related contingent items	416,518	208,259	323,531	161,766
Short-term self-liquidating trade-related contingencies	342,251	68,450	304,661	60,932
Forward asset purchased	38,785	38,785	—	—
Obligations under underwriting agreements	20,000	10,000	36,000	18,000
Irrevocable commitments to extend credit:-				
– maturity exceeding one year	1,745,465	872,733	1,997,601	998,801
– maturity not exceeding one year	5,818,142	—	4,108,666	—
Forward placements	246,867	—	19,000	—
Forward exchange related contracts				
– less than one year	1,843,607	24,286	1,484,222	21,972
Interest rate related contracts				
– one year to less than five years	323,000	10,260	—	—
– five years and above	396,400	30,737	—	—
Others	2,131	2,131	4,741	4,741
	12,696,104	2,768,579	9,761,856	2,749,646
Bank				
Direct credit substitutes	946,967	946,967	1,160,240	1,160,240
Certain transaction-related contingent items	415,260	207,630	321,760	160,880
Short-term self-liquidating trade-related contingencies	277,263	55,453	257,313	51,463
Forward asset purchased	15,851	15,851	—	—
Obligations under underwriting agreements	20,000	10,000	33,000	16,500
Irrevocable commitments to extend credit:-				
– maturity exceeding one year	923,398	461,699	1,002,136	501,068
– maturity not exceeding one year	5,550,370	—	4,010,298	—
Forward exchange related contracts				
– less than one year	1,843,607	24,286	1,484,222	21,972
Interest rate related contracts				
– one year to less than five years	323,000	10,260	—	—
– five years and above	377,400	29,027	—	—
	10,693,116	1,761,173	8,268,969	1,912,123

32. Commitments and Contingencies (continued)

The Bank has given a continuing guarantee to Bank Negara Malaysia to meet the liabilities and financial obligations and requirements of its subsidiary, Public Bank (L) Ltd., arising from its offshore banking business in the Federal Territory of Labuan.

Foreign exchange related contracts are subject to market risk and credit risk.

Principal amounts of the foreign exchange related contracts and interest rate related contracts are as follows:

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Foreign exchange related contracts				
– Forward contracts	261,868	397,658	261,868	397,658
– Cross currency interest rate swaps	1,581,739	1,086,564	1,581,739	1,086,564
Interest rate related contracts				
– Swaps	719,400	—	700,400	—
	2,563,007	1,484,222	2,544,007	1,484,222

Market Risk

Market risk is the potential change in value caused by movement in market rates or prices. The contractual amounts stated above provide only a measure of involvement in these types of transactions and do not represent the amounts subject to market risk. Exposure to market risk may be reduced through offsetting on and off-balance sheet positions. As at 31 December 2001, the amount of contracts which were not hedged in the Group and in the Bank and, hence, exposed to market risk was RM70,870,000 (2000 : RM56,466,000) and RM70,870,000 (2000 : RM56,466,000) respectively.

Credit Risk

Credit risk arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Group has a gain position. As at 31 December 2001, the amounts of credit risk in the Group and in the Bank, measured in terms of the cost to replace the profitable contracts, was RM3,058,000 (2000 : RM4,804,000) and RM3,058,000 (2000 : RM4,804,000) respectively. This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

33. Lease Commitments

The Group and the Bank have lease commitments in respect of rented premises, all of which are classified as operating leases. The leases typically run for an initial period of three years, with an option to renew the leases. None of the leases include contingent rentals. A summary of the non-cancellable long term commitments, net of sub-leases, are as follows:-

Year	Group RM'000	Bank RM'000
2002	35,819	59,288
2003	21,895	39,003
2004	7,491	20,963
2005	2,029	13,342
2006	1,361	12,627
	68,595	145,223

Included in the Bank's lease commitments is RM94,283,000 (2000 : RM84,713,000) payable to subsidiary companies.

34. Capital and Other Commitments

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Capital expenditure:-				
Contracted but not provided for	12,462	17,111	12,182	15,313
Authorised but not contracted for	14,666	26,055	11,960	23,886
	27,128	43,166	24,142	39,199
Uncalled share capital of:-				
Associated company	60	60	30	30
Subsidiary company	—	—	150	150
	27,188	43,226	24,322	39,379

35. Capital Adequacy

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Components of Tier I and Tier II capital:-				
Tier I capital				
Paid up share capital	1,833,819	1,195,060	1,833,819	1,195,060
Share premium	1,066,895	422,420	1,066,895	422,420
Other reserves	3,388,402	2,799,629	2,462,813	2,059,438
Minority interests	1,381,026	1,226,842	—	—
Less: Goodwill	(434,262)	(65,659)	(393,129)	(25,514)
Total Tier I capital	7,235,880	5,578,292	4,970,398	3,651,404
Tier II capital				
General provision for bad and doubtful debts	583,020	480,554	329,870	256,242
Total Tier II capital	583,020	480,554	329,870	256,242
Total capital	7,818,900	6,058,846	5,300,268	3,907,646
Less: Investments in subsidiary companies	—	—	(1,665,452)	(1,358,154)
Capital base	7,818,900	6,058,846	3,634,816	2,549,492

35. Capital Adequacy (continued)

Breakdown of risk-weighted assets in the various categories of risk-weights:-

Group	2001		2000	
	Notional RM'000	Risk-weighted RM'000	Notional RM'000	Risk-weighted RM'000
0%	9,217,175	—	10,610,486	—
10%	1,581,518	158,152	954,470	95,447
20%	11,284,657	2,256,931	9,911,899	1,982,380
50%	7,365,888	3,682,944	6,326,296	3,163,148
100%	26,706,512	26,706,512	20,651,033	20,651,033
	56,155,750	32,804,539	48,454,184	25,892,008

Bank	2001		2000	
	Notional RM'000	Risk-weighted RM'000	Notional RM'000	Risk-weighted RM'000
0%	7,022,857	—	8,326,395	—
10%	865,105	86,510	411,957	41,195
20%	10,798,443	2,159,689	7,938,160	1,587,632
50%	5,472,286	2,736,143	4,430,764	2,215,383
100%	16,676,945	16,676,945	12,311,563	12,311,563
	40,835,636	21,659,287	33,418,839	16,155,773

The components of the capital base and risk weighted assets of the Bank comprise the balances of the Bank and its offshore banking subsidiary company, Public Bank (L) Ltd.

	Group		Bank	
	2001	2000	2001	2000
Core capital ratio	22.1%	21.5%	16.8%	15.8%
Risk weighted capital ratio	23.8%	23.4%	16.8%	15.8%

The computation of the Core Capital ratio and the Risk Weighted Capital ratio of the Bank for the current financial year excludes dividend income receivable from subsidiary companies and the proposed dividend of the Bank for the financial year ended 31 December 2001.

The Group's Core Capital ratio and the Risk Weighted Capital ratio for the current financial year excludes the proposed dividend of the Bank and the minority interest's share of dividends proposed by the subsidiary companies for the financial year ended 31 December 2001.

36. Segmental Analysis

	Operating revenue RM'000	Profit before taxation RM'000	Assets employed RM'000
By Activity			
2001			
Banking	2,262,821	578,021	44,033,741
Financing	1,599,399	629,826	15,398,505
Share broking and fund management	117,676	45,522	598,778
Other financial services	36,926	18,119	1,150,318
Dividend income	—	19,101	—
	4,016,822	1,290,589	61,181,342
Consolidation adjustments	(222,573)	(23,088)	(7,975,396)
Associated companies	—	637	36,382
	3,794,249	1,268,138	53,242,328
2000			
Banking	1,976,122	557,991	35,384,501
Financing	1,563,189	596,715	15,583,011
Share broking and fund management	163,445	55,657	498,376
Other financial services	30,704	10,980	838,670
Dividend income	—	94,292	—
	3,733,460	1,315,635	52,304,558
Consolidation adjustments	(274,126)	(59,612)	(7,116,431)
Associated companies	—	3,694	39,529
	3,459,334	1,259,717	45,227,656
By Geographical Location			
2001			
Malaysia	3,434,158	1,023,670	58,487,841
Overseas*	582,664	266,919	2,693,501
	4,016,822	1,290,589	61,181,342
Consolidation adjustments	(222,573)	(23,088)	(7,975,396)
Associated companies	—	637	36,382
	3,794,249	1,268,138	53,242,328

36. Segmental Analysis (continued)

	Operating revenue RM'000	Profit before taxation RM'000	Assets employed RM'000
By Geographical Location			
2000			
Malaysia	3,127,558	1,035,259	49,320,589
Overseas*	605,902	280,376	2,983,969
	3,733,460	1,315,635	52,304,558
Consolidation adjustments	(274,126)	(59,612)	(7,116,431)
Associated companies	—	3,694	39,529
	3,459,334	1,259,717	45,227,656

In arriving at the above analysis, all material inter and intra segment items have been eliminated under consolidation adjustments.

* The Group has operations in Hong Kong SAR, Sri Lanka, Socialist Republic of Vietnam, Cambodia, the People's Democratic Republic of Laos and Myanmar.

37. Islamic Banking

The state of affairs at 31 December 2001 and results for the financial year ended on that date under the Islamic Banking business of the Bank and its subsidiary company, Public Finance Berhad, included in the Group financial statements are summarised as follows:-

Balance Sheets at 31 December 2001

		Group		Bank	
	Note	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Assets					
Cash and short term funds	(a)	1,276,760	485,760	1,186,166	454,776
Dealing securities	(b)	8,688	—	—	—
Investment securities	(c)	244,231	515,264	150,173	278,087
Loans, advances and financing	(d)	1,698,577	736,770	455,244	373,586
Other assets	(e)	115,603	287,889	103,430	278,486
Statutory deposits with Bank Negara Malaysia		45,230	19,410	—	1,750
Property and equipment		72	66	63	57
Total Assets		3,389,161	2,045,159	1,895,076	1,386,742

37. Islamic Banking (continued)

Balance Sheets at 31 December 2001 (continued)

		Group		Bank	
	Note	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Liabilities and fund balance					
Deposits from customers	(f)	2,472,858	1,714,237	1,534,855	1,226,963
Deposits and placements of banks and other financial institutions	(g)	615,515	116,285	240,615	6,285
Bills and acceptances payable		6,445	3,908	6,445	3,908
Other liabilities	(h)	58,160	125,028	24,507	97,367
Total Liabilities		3,152,978	1,959,458	1,806,422	1,334,523
Islamic Banking Fund	(i)	236,183	85,701	88,654	52,219
Total Liabilities and Islamic Banking Fund		3,389,161	2,045,159	1,895,076	1,386,742

The accompanying notes form an integral part of the financial statements.

Income Statements for the year ended 31 December 2001

		Group		Bank	
	Note	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Financing income	(j)	132,740	50,593	46,554	19,760
Loans and financing loss and provision	(k)	(19,756)	(6,677)	(1,380)	(2,163)
Net income		112,984	43,916	45,174	17,597
Overhead expenses	(l)	(15,687)	(6,722)	(1,430)	(884)
Profit before taxation and zakat		97,297	37,194	43,744	16,713
Taxation and Zakat		(31,815)	(11,386)	(12,309)	(4,686)
Profit after taxation and zakat		65,482	25,808	31,435	12,027
Retained profits brought forward		56,561	30,753	33,086	21,059
Retained profits carried forward		122,043	56,561	64,521	33,086

The accompanying notes form an integral part of the financial statements.

37. Islamic Banking (continued)

Notes to the Financial Statements for the year ended 31 December 2001

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
(a) Cash and Short Term Funds				
Cash and balances with banks and other financial institutions	22,460	24,376	1,866	12,892
Money at call and deposit placements maturing within one month	1,254,300	461,384	1,184,300	441,884
	1,276,760	485,760	1,186,166	454,776
(b) Dealing Securities				
Money market instruments:-				
Khazanah bonds	8,688	—	—	—
Market value:-				
Khazanah bonds	8,708	—	—	—
(c) Investment Securities				
Money market instruments:-				
Khazanah bonds	60,636	138,086	37,476	101,807
Malaysian Government Investment Certificates	112,697	204,457	112,697	176,280
	173,333	342,543	150,173	278,087
Unquoted securities, at cost				
Private debt securities	72,170	173,246	—	—
	245,503	515,789	—	278,087
Amortisation of premium less accretion of discounts	(1,272)	(525)	—	—
	244,231	515,264	150,173	278,087
Market value:-				
Khazanah bonds	61,430	139,140	37,693	102,480
Malaysian Government Investment Certificates	112,977	208,419	112,977	179,707

37. Islamic Banking (continued)

Notes to the Financial Statements for the year ended 31 December 2001 (continued)

The maturity structure of money market instruments held are as follows:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Maturity within one year	112,697	203,678	112,697	165,727
One year to three years	60,636	138,865	37,476	112,360
	173,333	342,543	150,173	278,087

(d) Loans, Advances and Financing

Al-Qardhassan (overdraft)	783	169	783	169
Al-Istina (purchase order/manufacture)	—	110,113	—	110,113
Al-Bai Bithaman Ajil (deferred payment sale)	800,729	567,803	732,635	481,293
Al-Ijarah Thamma Al-Bai (leasing)	1,567,622	439,627	21,845	29,017
	2,369,134	1,117,712	755,263	620,592
Unearned income	(636,041)	(360,064)	(291,595)	(234,721)
Gross loans, advances and financing	1,733,093	757,648	463,668	385,871
Provision for bad and doubtful debts and financing				
– general	(30,994)	(12,430)	(7,403)	(6,146)
– specific	(2,639)	(2,462)	(621)	(498)
Income-in-suspense	(883)	(5,986)	(400)	(5,641)
Net loans, advances and financing	1,698,577	736,770	455,244	373,586

The maturity structure of loans, advances and financing are as follows:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
(i) Maturity:-				
Maturity within one year	39,408	122,040	32,243	116,768
One year to three years	180,639	74,458	31,333	28,526
Three years to five years	490,192	168,937	36,429	26,075
Over five years	1,022,854	392,213	363,663	214,502
	1,733,093	757,648	463,668	385,871

37. Islamic Banking (continued)

Notes to the Financial Statements for the year ended 31 December 2001 (continued)

(ii) Loans, advances and financing according to economic sectors are as follows:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Agriculture	4,245	2,402	320	514
Mining and quarrying	822	314	—	—
Manufacturing	30,665	10,947	9,032	6,110
Construction	43,527	92,274	1,274	81,108
Real Estate	52,922	5,410	51,586	5,287
Purchase of landed property				
– residential	272,387	217,541	240,304	191,095
– non-residential	55,186	22,154	54,395	21,815
General commerce	108,916	32,340	6,714	2,652
Transport, storage and communication	8,383	2,225	5	—
Finance, insurance and business services	48,096	43,679	24,474	39,343
Purchase of securities	2,562	2,850	1,665	1,928
Purchase of transport vehicles	1,011,727	286,890	2,679	3,752
Others	93,655	38,622	71,220	32,267
	1,733,093	757,648	463,668	385,871

Movements in the non-performing loans, provision for bad and doubtful debts and income-in-suspense are as follows:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
<i>Non-performing loans</i>				
At 1 January	8,294	4,232	3,169	—
Non-performing during the year	171,466	6,834	167,565	3,186
Recoveries	(166,567)	(1,970)	(164,926)	(17)
Amount written off	(1,473)	(802)	—	—
At 31 December	11,720	8,294	5,808	3,169
<i>General provision</i>				
At 1 January	12,430	6,344	6,146	3,349
Provision made during the year	18,564	5,428	1,257	2,139
Amount vested over	—	658	—	658
At 31 December	30,994	12,430	7,403	6,146

37. Islamic Banking (continued)

Notes to the Financial Statements for the year ended 31 December 2001 (continued)

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
<i>Specific provision</i>				
At 1 January	2,462	1,376	498	—
Provision made during the year	1,887	1,465	123	24
Amount written back in respect of recoveries	(398)	(136)	—	—
Amount written off	(1,312)	(717)	—	—
Amount vested over	—	474	—	474
At 31 December	2,639	2,462	621	498
<i>Income-in-suspense</i>				
At 1 January	5,986	224	5,641	1
Suspended during the year	4,619	5,899	4,260	5,640
Amount written back in respect of recoveries	(13,790)	(52)	(13,730)	—
Amount written off	(161)	(85)	—	—
Amount vested over	4,229	—	4,229	—
At 31 December	883	5,986	400	5,641
(e) Other Assets				
Other debtors, deposits and prepayments	2,404	44,349	1,408	34,946
Nostro balances	113,199	243,540	102,022	243,540
	115,603	287,889	103,430	278,486

The amount vested over during the year represented the balances vested over from HHB Holdings Berhad (formerly known as Hock Hua Bank Berhad) following the completion of the PBB/HHB Merger on 31 March 2001 as disclosed in Note 40 to the financial statements.

37. Islamic Banking (continued)

Notes to the Financial Statements for the year ended 31 December 2001 (continued)

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
(f) Deposits from Customers				
Al-Mudharabah General Investment deposits	1,695,301	1,126,941	857,330	711,800
Al-Wadiah savings deposits	417,810	251,851	317,778	179,718
Al-Wadiah current accounts	359,747	335,445	359,747	335,445
	2,472,858	1,714,237	1,534,855	1,226,963

Maturity structure of the Al-Mudharabah General Investment deposits are as follows:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Maturity within six months	1,402,307	1,017,289	597,760	664,964
Six months to one year	275,638	78,401	255,947	45,713
One year to three years	12,805	28,203	1,642	871
Three years to five years	4,551	3,048	1,981	252
	1,695,301	1,126,941	857,330	711,800

The deposits are sourced from the following types of customers:-

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
Federal and state governments	466,008	301,072	263,978	208,481
Local government and statutory authorities	396,468	249,973	214,782	129,631
Business enterprises	436,753	290,381	234,790	190,751
Individuals	607,120	377,897	425,867	251,703
Foreign customers	11,162	6,221	10,522	5,674
Others	555,347	488,693	384,916	440,723
	2,472,858	1,714,237	1,534,855	1,226,963

37. Islamic Banking (continued)

Notes to the Financial Statements for the year ended 31 December 2001 (continued)

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
(g) Deposits and Placements of Banks and Other Financial Institutions				
– with licensed banks	615,515	116,285	240,615	6,285
(h) Other Liabilities				
Other liabilities	29,039	113,642	14,886	92,681
Provision for taxation	29,121	11,386	9,621	4,686
	58,160	125,028	24,507	97,367
(i) Islamic Banking Fund (“IBF”)				
Funds allocated	114,140	29,140	24,133	19,133
Retained profits	122,043	56,561	64,521	33,086
	236,183	85,701	88,654	52,219
(j) Financing Income				
Income derived from investment of depositors’ funds	165,976	91,459	60,512	49,473
Income attributable to depositors:-				
– customers	(54,500)	(37,326)	(30,989)	(24,743)
– bank and financial institutions	(5,766)	(9,742)	(1,377)	(8,158)
Income attributable to the Group/Bank	105,710	44,391	28,146	16,572
Other Islamic Banking income	27,030	6,202	18,408	3,188
	132,740	50,593	46,554	19,760

37. Islamic Banking (continued)

Notes to the Financial Statements for the year ended 31 December 2001 (continued)

The details of the income derived from investment of depositors' funds and funds allocated from Head Office are as follows:-

	Group		Bank	
	Depositors' Funds RM'000	IBF RM'000	Depositors' Funds RM'000	IBF RM'000
2001				
Income from financing	113,034	21,766	37,881	15,622
Income from interbank lending	13,071	664	12,700	634
Investment income:-				
– profit received from investment securities	14,862	1,048	5,278	264
– profit received from dealing securities	17	1	—	—
– gains from sale of investment securities	22,459	1,835	41	2
Gross dividends from investment securities	4,290	214	4,288	214
Amortisation of premium less accretion of discounts	(2,112)	(173)	—	—
	165,621	25,355	60,188	16,736
Fee income:-				
– commission	87	2	64	—
– service charges and fees	4	1,672	—	1,672
– other fee income	264	1	260	—
	355	1,675	324	1,672
	165,976	27,030	60,512	18,408
2000				
Income from financing	67,819	3,858	38,435	1,749
Income from interbank lending	2,340	114	2,044	93
Investment income:-				
– profit received from investment securities	15,231	968	4,786	218
– gains from sale of investment securities	3,396	220	903	41
Gross dividends from investment securities	3,219	146	3,217	146
Amortisation of premium less accretion of discounts	(647)	(46)	—	—
	91,358	5,260	49,385	2,247
Fee income:-				
– commission	83	1	74	—
– service charges and fees	2	941	—	941
– other fee income	16	—	14	—
	101	942	88	941
	91,459	6,202	49,473	3,188

37. Islamic Banking (continued)

Notes to the Financial Statements for the year ended 31 December 2001 (continued)

	Group		Bank	
	2001 RM'000	2000 RM'000	2001 RM'000	2000 RM'000
(k) Loans and financing loss and provision				
Provision for bad and doubtful debts and financing				
– general provision	18,564	5,428	1,257	2,139
– specific provision	1,887	1,465	123	24
– specific provision written back	(398)	(136)	—	—
Bad debts recovered	(297)	(80)	—	—
	19,756	6,677	1,380	2,163
(l) Overhead Expenses				
Personnel costs	9,441	4,256	1,081	747
Establishment costs	2,946	1,215	144	39
Marketing and communication expenses	3,054	1,102	37	25
Administration and general expenses	246	149	168	73
	15,687	6,722	1,430	884

38. Currency

All amounts are in Ringgit Malaysia unless otherwise stated.

39. Rating Statement

As at 31 December 2001, the Bank was accorded the following ratings:-

Agencies	Date accorded/re-affirmed	Ratings
Rating Agency Malaysia Berhad	2 April 2001 (Re-affirmed)	Long Term Rating – AA1 Short Term Rating – P1
Moody's Investors Services	18 October 2000 28 February 2001 (Refined)	Long Term Deposit Rating – Baa3 Short Term Deposit Rating – P-3 Financial Strength – C-
Standard & Poors	12 April 2000	Public Information Rating – BBBpi
Fitch IBCA Limited	27 June 2000	Individual Rating – B/C Support Rating – 2

40. Significant Events

On 8 March 2001, the shareholders of Public Bank Berhad ("PBB") approved the following:-

- (i) The merger of the banking businesses of PBB and Hock Hua Bank Berhad ("HHB") by way of a scheme of arrangement and amalgamation of HHB pursuant to Section 176 of the Companies Act, 1965 and Section 50 of the Banking and Financial Institutions Act, 1989 whereupon the banking business of HHB shall be transferred to PBB and PBB shall acquire the entire issued and paid-up share capital of HHB comprising 125,377,000 ordinary shares of RM1.00 each in HHB ("HHB Shares") from the shareholders of HHB for a total consideration of approximately RM1,249.0 million to be satisfied via the issuance of up to 426,281,800 new ordinary shares of RM0.50 each in PBB to be listed and quoted as "Local" on the Main Board of the Kuala Lumpur Stock Exchange ("PBB Local Shares") at an issue price of RM2.93 per share based on the exchange ratio of 3.4 new PBB Local Shares for every one (1) HHB Share held ("PBB/HHB Merger"); and
- (ii) The bonus issue by PBB of up to 848,171,335 new ordinary shares of RM0.50 each in PBB ("PBB Shares") to be credited as fully paid-up on the basis of three (3) new PBB Shares for every ten (10) existing PBB Shares held after the PBB/HHB Merger ("Bonus Issue").

The approvals of the Minister of Finance, Bank Negara Malaysia, the Securities Commission, the Kuala Lumpur Stock Exchange, the Foreign Investment Committee, the shareholders of HHB and the sanction of the High Court of Malaya pursuant to Section 50 of the Banking and Financial Institutions Act, 1989 have also been obtained for the PBB/HHB Merger and the Bonus Issue.

The PBB/HHB Merger was implemented on 31 March 2001 and the Bonus Issue was completed on 23 April 2001.

41. Comparative Figures

The following balance sheet comparative figures have been reclassified to conform with the change in current year reporting for loans, advances and financing in accordance to the Bank Negara Malaysia requirements, which required the obligations on housing loans sold to Cagamas be reflected as a liability on the balance sheet;

	As restated RM'000	As previously stated RM'000
Group		
Loans, advances and financing	24,393,719	23,400,626
Other liabilities	2,156,384	1,163,291
Commitments and contingencies	9,761,856	10,754,949
The Bank		
Loans, advances and financing	14,583,088	14,473,921
Other liabilities	693,319	584,152
Commitments and contingencies	8,268,969	8,378,136



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Investor Information

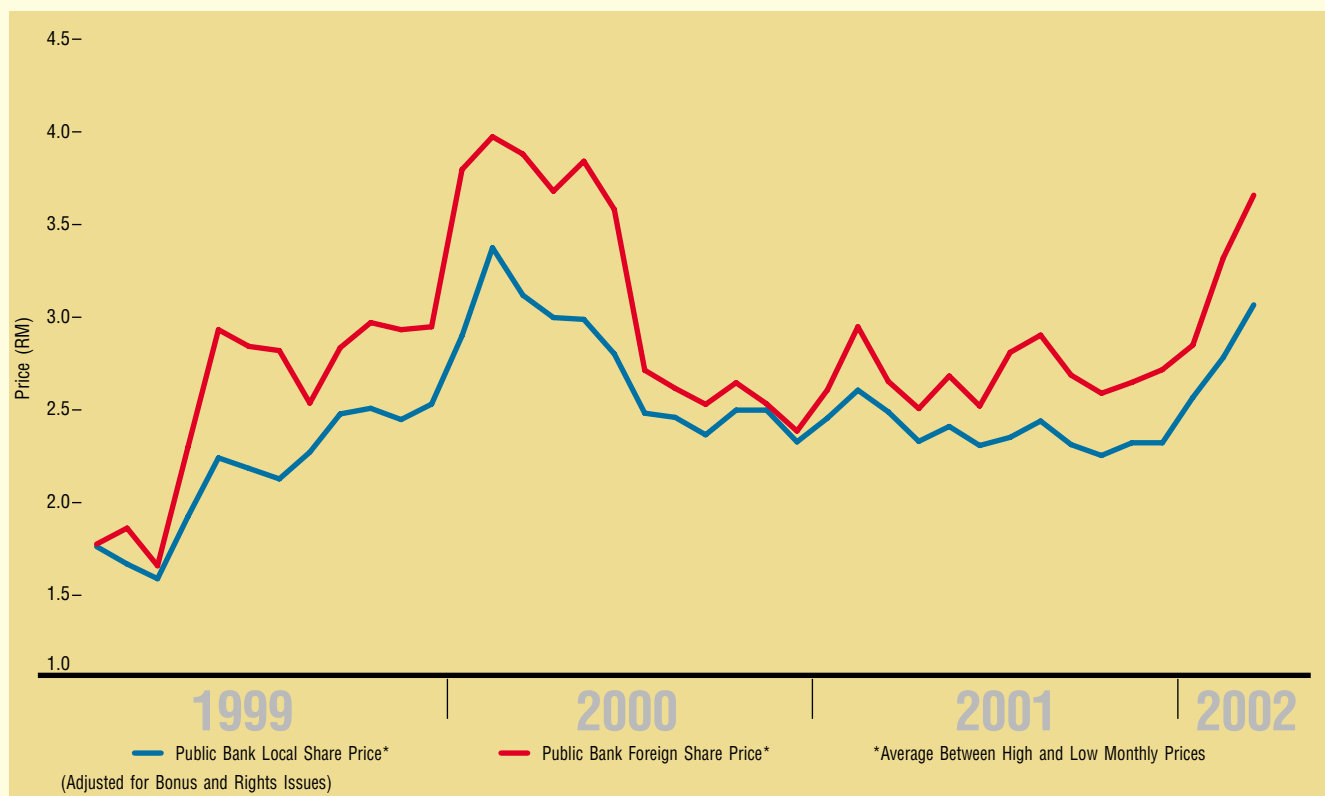


year 2001 began on a positive note, which saw the Kuala Lumpur Composite Index (KLCI) breaching the 700-mark on 22 January 2001, the last trading day before Chinese New Year. The KLCI

reached its highest level for the year on 2 February when it rose to 737.6. It stayed above the 700-level until March when it started to give way and fell to its year-low of 547.7 on 10 April 2001, as heavyweight stocks came under selling pressure. This represented a loss of 189.9 points or 26% from the year-high. The KLCI spent the rest of the second quarter in consolidation below 600, and sentiment was further affected by developments on the political front. The introduction of Morgan Stanley Capital International's (MSCI) new index methodology in May, which would lead to reduce weighting for Malaysia in the MSCI Asia ex-Japan index, also did not help.

The outlook took a turn for the better in July. The spate of Merger and Acquisition announcements, triggered by the proposed privatisation of United Engineers (M) Bhd., lifted sentiment and jolted the market from its slumber. The KLCI rallied to briefly test the 700-level in early September. Just as hopes were running high, the unfortunate catastrophe in the United States on 11 September brought the Malaysian as well as global markets to their knees. The KLCI fell to a low of 589.9 on 18 September, a loss of 100.6 points or 15% from 11 September closing. Although it recovered subsequently, the KLCI consolidated at around the 600-level until the year-end rally which started in late November.

Public Bank Local & Foreign Share Price



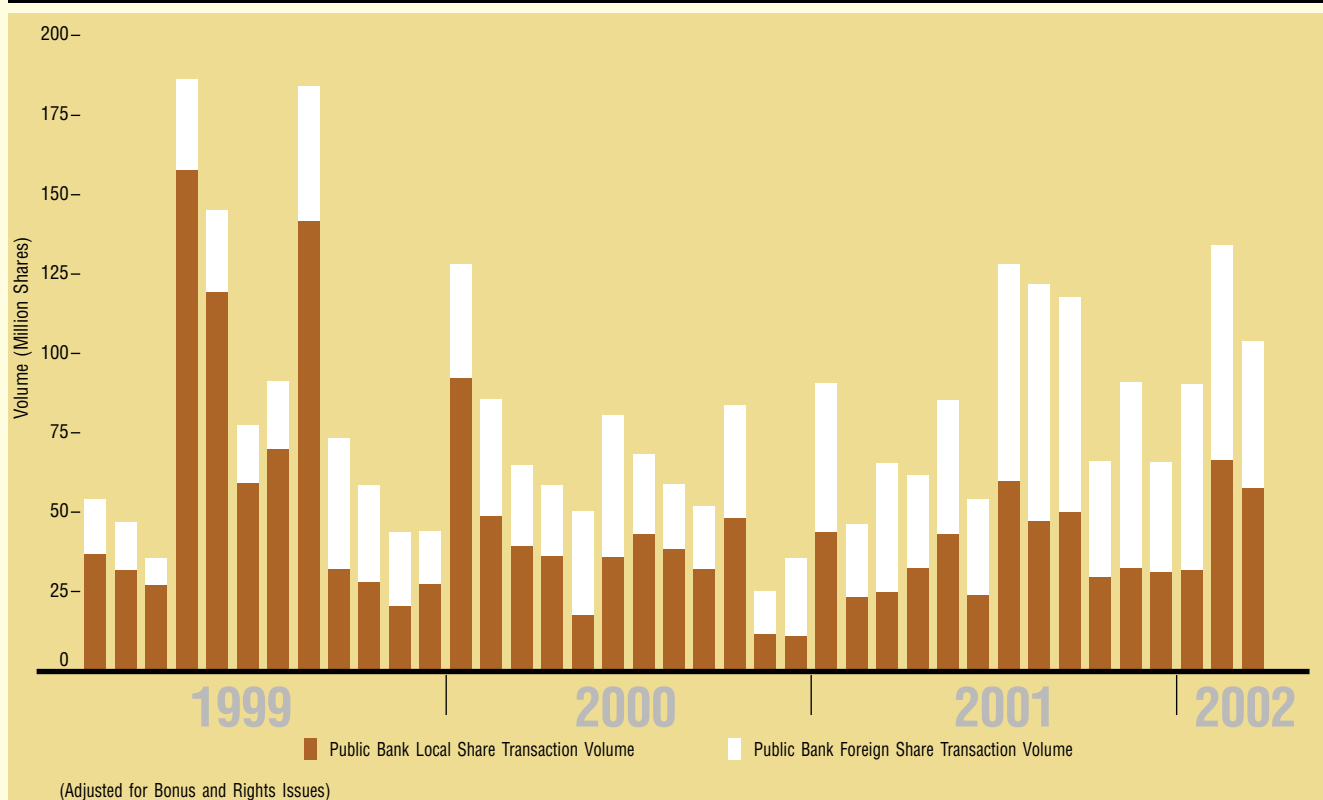
A strong year-end rally boosted the KLCI by 9.1% in the month of December 2001. This helped the KLCI to end the year by 2.4% higher, closing at 696.1, compared to 679.6 at end-2000.

Public Bank Local and Public Bank Foreign Share prices rose 10.5% and 17.3% respectively from end-2000 to close at RM2.50 and RM2.67 on 31 December 2001. Both stocks significantly outperformed the KLCI, which tagged on only 2.4% gain during the year. Public Bank Local Share price fluctuated between a low of RM2.01 in September and a high of RM2.71 in February. The lowest and highest prices for the Public Bank Foreign Shares were RM2.14 in January and RM3.12 in August.

With the completion of the merger with Hock Hua Bank, Public Bank came into focus as investors sought management and asset quality in a generally trying year. While the share prices were not spared from the unfortunate catastrophe of 11 September, they held up relatively better against the severely battered market.

Public Bank's market capitalisation was RM9.4 billion at the end of 2001, up from RM7 billion a year ago. This was in line with the share price appreciation and further reflective of a higher share capital after the merger with Hock Hua Bank. As at end-2001, Public Bank accounted for 2% of Kuala Lumpur Stock Exchange's (KLSE) market capitalisation, making it the eighth largest stock in the KLSE.

Public Bank Local & Foreign Share Transaction Volume



Analysis of Shareholdings

as at 31 March 2002

Authorised Share Capital : RM5,000,000,000.00
 Issued and Paid-up Share Capital : RM1,834,843,986.00 comprising 3,669,687,972 shares of RM0.50 each
 Class of Shares : Ordinary shares of RM0.50 each
 Voting Rights : One vote per ordinary share

Size of Shareholdings

	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
Less than 1,000	7,989	10.24	3,056,945	0.08
1,000 – 10,000	48,646	62.36	188,588,428	5.14
10,001 – 100,000	18,811	24.12	507,702,330	13.84
100,001 – 183,484,397 (less than 5% of issued shares)	2,560	3.28	2,424,576,350	66.07
183,484,398 (5% of issued shares) and above	2	Less than 0.01%	545,763,919	14.87
Total	78,008	100.00	3,669,687,972	100.00

Directors' Direct and Indirect Interest in the Company and Its Related Corporations

Other than as disclosed below, there is no other Director of the Company who has interest, direct or indirect, in the Company and its related corporations.

	Direct		Indirect	
	No. of Shares Held	% of Issued Capital	No. of Shares Held	% of Issued Capital
Shares held in the Company:				
(Ordinary shares of RM0.50 each)				
Tan Sri Dato' Thong Yaw Hong	320,000	0.01	940,000*1	0.03
Tan Sri Dato' Dr. Teh Hong Piow	1,000,000	0.03	986,890,817*2	26.89
Datuk Tay Ah Lek	176,800	*7	172,900*3	*7
Dato' Lee Kong Lam	14,300	*7	—	—
Dato' Yeoh Chin Kee	22,100	*7	—	—
Shares held in Subsidiary Company:				
Public Finance Bhd ("PFB")				
(Ordinary shares of RM1.00 each)				
Tan Sri Dato' Thong Yaw Hong	10,000	*7	20,000*4	0.01
Tan Sri Dato' Dr. Teh Hong Piow	16,500	0.01	208,736,051*5	63.25
Datuk Tay Ah Lek	1,650	*7	2,349*6	*7

Notes:

- *1 Deemed to have interest in Public Bank Bhd ("PBB") shares held by persons connected as defined per Section 122A of the Companies Act, 1965 and by other corporation by virtue of Section 6A(4) of the Companies Act, 1965.
- *2 Deemed to have interest in PBB shares held by other corporations by virtue of Section 6A(4) of the Companies Act, 1965.
- *3 Deemed to have interest in PBB shares held by other corporation by virtue of Section 6A(4) of the Companies Act, 1965.
- *4 Deemed to have interest in PFB shares held by persons connected as defined per Section 122A of the Companies Act, 1965.
- *5 Deemed to have interest in PFB shares held by PBB by virtue of his direct and indirect interest totalling 26.92% in PBB.
- *6 Deemed to have interest in PFB shares held by other corporation by virtue of Section 6A(4) of the Companies Act, 1965.
- *7 Less than 0.01%.

Tan Sri Dato' Dr. Teh Hong Piow, by virtue of his interest in PBB, is also deemed interested in shares in subsidiaries of PBB to the extent that PBB has an interest.

Public Bank Bhd Employees' Share Option Scheme

	No. of Share Options	Option Price RM
Tan Sri Dato' Dr. Teh Hong Piow	325,000	1.27
Datuk Tay Ah Lek	227,500	1.27

Substantial Shareholders as Per Register of Substantial Shareholders

Name	Direct			Indirect			Total		
	No. of Shares Held	% of Issued Capital		No. of Shares Held	% of Issued Capital		No. of Shares Held	% of Issued Capital	
Tan Sri Dato' Dr. Teh Hong Piow	1,000,000	0.03		986,890,817*	26.89		987,890,817	26.92	
Sekuriti Pejal Sdn Bhd	257,785,199	7.02		66,458,698*	1.81		324,243,897	8.83	
Employees Provident Fund Board	302,169,720	8.23		—	—		302,169,720	8.23	
Consolidated Teh Holdings Sdn Bhd	101,734,000	2.77		175,425,900*	4.78		277,159,900	7.55	

* Deemed to have interest in Public Bank Bhd shares held by other corporations by virtue of Section 6A(4) of the Companies Act, 1965.

Top Thirty Securities Account Holders

(Without aggregating the securities from different securities accounts belonging to the same Depositor)

No.	Name	No. of Shares Held	% of Issued Capital
1.	Employees Provident Fund Board	287,978,720	7.85
2.	Sekuriti Pejal Sdn Berhad	132,766,199	3.62
3.	Sekuriti Pejal Sdn Berhad	125,019,000	3.41
4.	Kepunyaan Chintamani Sdn Bhd	93,337,000	2.54
5.	Consolidated Teh Holdings Sdn Berhad	73,226,000	2.00
6.	Selected Securities Sdn Bhd	63,463,000	1.73
7.	Malaysia Nominees (Tempatan) Sendirian Berhad – Great Eastern Life Assurance (Malaysia) Berhad (MLF)	58,002,800	1.58
8.	Selected Holdings Sdn Berhad	48,236,500	1.31
9.	Kepunyaan Perindustrian Sdn Berhad	40,640,899	1.11
10.	Kayakita Corporation Sdn Bhd	40,146,600	1.09
11.	Tong Meng Industries Limited	34,491,700	0.94
12.	Selected Securities Sdn Bhd	33,966,200	0.93
13.	LPI Capital Bhd	32,946,600	0.90
14.	Malaysia Nominees (Asing) Sendirian Berhad – Straits Lion Asset Management Pte Ltd for The Great Eastern Life Assurance Co Ltd (00-10020)	32,430,080	0.89
15.	Selected Holdings Sdn Berhad	31,889,000	0.87
16.	Securities Holdings Sdn Berhad	29,153,800	0.79
17.	Luhur Management Sdn Bhd	24,765,300	0.68
18.	HSBC Nominees (Asing) Sdn Bhd – Abu Dhabi Investment Authority	22,726,787	0.62
19.	Leonard Linggi Anak Jugah	21,359,067	0.58
20.	UOBM Nominees (Asing) Sdn Bhd – Bankers Trust Company for The Genesis Group Trust Employee Benefit Plans	19,975,300	0.54
21.	Mayban Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Hii Kah Tung & Sons Sdn Bhd (514570118964)	19,890,000	0.54
22.	HSBC Nominees (Asing) Sdn Bhd – IBJ Bank & Trust Company for The Schroder Pacific Emerging Markets Fund	18,781,000	0.52
23.	Consolidated Teh Holdings Sdn Berhad	18,140,000	0.49
24.	Lonpac Insurance Bhd	16,084,060	0.44
25.	UOBM Nominees (Asing) Sdn Bhd – Deutsche Bank AG (GCS) London for BP Pension Trustees Limited	15,340,000	0.42
26.	Kepunyaan Chintamani Sdn Bhd	14,800,000	0.40
27.	Securities Holdings Sdn Berhad	13,000,000	0.35
28.	Kayakita Corporation Sdn Bhd	13,000,000	0.35
29.	Syarikat Kepunyaan Khas Sdn Berhad	12,590,299	0.34
30.	Cartaban Nominees (Asing) Sdn Bhd – State Street London Fund XCF5 for Aberdeen Far East Emerging Economies Unit Trust	11,500,000	0.31
Total		1,399,645,911	38.14

Authorised and Issued Share Capital

Authorised Share Capital

The present authorised share capital of Public Bank is RM5,000,000,000 divided into 10,000,000,000 ordinary shares of RM0.50 each. The changes in its authorised share capital are as follows:

Date	Increase in Authorised Share Capital (RM)	Total Authorised Share Capital (RM)
30.12.1965	50,000,000	50,000,000
06.01.1982	250,000,000	300,000,000
30.09.1986	200,000,000	500,000,000
08.06.1987	500,000,000	1,000,000,000
17.06.1997	4,000,000,000	5,000,000,000

Issued and Paid-up Share Capital

Public Bank has an issued and paid-up share capital of RM1,834,843,986.00 comprising 3,669,687,972 shares of RM0.50 each. The changes in its issued and paid-up share capital are as follows:

Date of Allotment	No. of Shares Allotted	Consideration**	Note**	Total Issued and Paid-up Share Capital (RM)
Up to				
30.08.1966	32,000,000*	Cash		16,000,000.00
15.11.1978	8,000,000*	Capitalisation of Reserve	a.	20,000,000.00
22.07.1981	10,000,000*	Capitalisation of Reserve	b.	25,000,000.00
07.01.1982	20,000,000*	Capitalisation of Reserve	c.	35,000,000.00
11.02.1982	70,000,000*	Cash	d.	70,000,000.00
21.06.1983	84,000,000*	Capitalisation of Reserve	e.	112,000,000.00
22.08.1983	112,000,000	Cash	f.	168,000,000.00
28.06.1984	84,000,000	Capitalisation of Reserve	g.	210,000,000.00
05.02.1988	84,000,000	Capitalisation of Reserve	h.	252,000,000.00
03.08.1988	210,000,000	Cash	i.	357,000,000.00
11.10.1989	437,000	Cash	j.	357,218,500.00
02.05.1990	2,475,000	Cash	j.	358,456,000.00
15.06.1990	238,970,667	Capitalisation of Reserve	k.	477,941,333.50
06.08.1990	143,382,400	Cash	l.	549,632,533.50
08.10.1990	277,000	Cash	m.	549,771,033.50
12.04.1991	7,657,700	Cash	m.	553,599,883.50
24.09.1991	668,600	Cash	m.	553,934,183.50
25.03.1992	229,400	Cash	m.	554,048,883.50
15.04.1993	2,077,401	Cash	m.	555,087,584.00
01.10.1993	19,824,675	Cash	m.	564,999,921.50
20.04.1994	6,868,958	Cash	m.	568,434,400.50
05.10.1994	2,226,000	Cash	n.	569,547,400.50
27.12.1994	100,000,000	Cash	o.	619,547,400.50
18.04.1996	51,000	Cash	n.	619,572,900.50
07.08.1996	413,048,600	Capitalisation of Reserve	p.	826,097,200.50
25.10.1996	287,081	Cash	q.	826,240,741.00
12.05.1997	717,700	Cash	q.	826,599,591.00
06.01.1998	330,639,836	Capitalisation of Reserve	r.	991,919,509.00
09.03.1998	330,639,836	Cash	s.	1,157,239,427.00
11.02.1999	16,015,500	Cash	t.	1,165,247,177.00
11.05.1999	71,000	Cash	u.	1,165,282,677.00
19.05.1999	9,473,730	Cash	u.	1,170,019,542.00
07.06.1999	2,155,900	Cash	u.	1,171,097,492.00
02.07.1999	24,126,500	Cash	t.	1,183,160,742.00
08.12.2000	23,798,250	Cash	t.	1,195,059,867.00
15.02.2001	3,325,000	Cash	t.	1,196,722,367.00
31.03.2001	426,281,784	Shares in Hock Hua Bank Bhd	v.	1,409,863,259.00
23.04.2001	845,917,954	Capitalisation of Reserve	w.	1,832,822,236.00
11.12.2001	1,992,775	Cash	x.	1,833,818,623.50
12.03.2002	2,050,725	Cash	x.	1,834,843,986.00

Note:* The number of shares allotted has been adjusted to reflect the sub-division of the shares from RM1.00 par value to RM0.50 par value on 21 June 1983.

****Explanatory Notes on Consideration**

- a. Bonus Issue of 1 for 4 by capitalising RM4,000,000 from the General Reserve Account.
- b. Bonus Issue of 1 for 4 by capitalising RM5,000,000 from the General Reserve Account.
- c. Bonus Issue of 2 for 5 by capitalising RM7,000,000 from the Capital Reserve Account and RM3,000,000 from the General Reserve Account.
- d. Rights Issue of 1 for 1 at RM1.00 per share.
- e. Bonus Issue of 3 for 5 by capitalising RM35,000,000 from the Share Premium Account and RM7,000,000 from the General Reserve Account.
- f. Rights Issue of 1 for 2 at RM1.00 per share.
- g. Bonus Issue of 1 for 4 by capitalising RM26,981,000 from the Share Premium Account and RM15,019,000 from the General Reserve Account.
- h. Bonus Issue of 1 for 5 by capitalising RM29,019,600 from the Share Premium Account and RM12,980,400 from the General Reserve Account. The shares issued under the Bonus Issue were not entitled to the Rights Issue stated in (i) below.
- i. Rights Issue of 1 for 2 at RM0.80 per share.
- j. Exercise of share options under the Public Bank Bhd (“PBB”) Employees’ Share Option Scheme (“ESOS”) by employees at the option price of RM1.90 per share.
- k. Bonus Issue of 1 for 3 by capitalising RM61,716,516 from the Share Premium Account and RM57,768,817 from the General Reserve Account. The shares issued under the Bonus Issue were not entitled to the Rights Issue stated in (l) below.
- l. Rights Issue of 1 for 5 at RM1.10 per share.
- m. Exercise of share options under the PBB ESOS by employees at the option price of RM1.38 per share.
- n. Exercise of share options under the PBB ESOS by employees at the option price of RM3.92 per share.
- o. Issue and private placement of 100,000,000 new shares as follows:
 - 70,000,000 PBB Local shares at RM4.14 per share.
 - 30,000,000 PBB Foreign shares at RM5.31 per share.
- p. Bonus Issue of 1 for 3 by capitalising RM206,524,300 from the Share Premium Account.
- q. Exercise of share options under the PBB ESOS by employees at the option price of RM2.94 per share.
- r. Bonus Issue of 1 for 5 by capitalising RM165,319,918 from the Share Premium Account. The shares issued under the Bonus Issue were not entitled to the Rights Issue stated in (s) below.
- s. Rights Issue of 1 for 5 as follows:
 - 231,447,885 PBB Local shares at RM1.00 per share.
 - 99,191,951 PBB Foreign shares at RM1.14 per share.
- t. Exercise of share options under the PBB ESOS by employees at the option price of RM1.66 per share.
- u. Exercise of share options under the PBB ESOS by employees at the option price of RM2.24 per share.
- v. New PBB shares issued in exchange for 125,377,000 ordinary shares of RM1.00 each in Hock Hua Bank Bhd (“HHB”) pursuant to the terms of the merger of PBB and HHB on 31 March 2001.
- w. Bonus Issue of 3 for 10 by capitalising RM394,813,295 from the Share Premium Account and RM28,145,682 from the Retained Profit Account.
- x. Exercise of share options under the PBB ESOS by employees at the option price of RM1.27 per share.

Malaysian Economy: Review and Outlook

I. THE ECONOMY IN 2001

A. Global Environment

Across the globe, year 2001 was full of challenges. Global growth slowed substantially. The US officially entered recession in March. Europe slowed. Japan entered another recession.

The forecast for the global economy was downgraded from 3.2% in May to 2.6% in October. The weaker global growth was accompanied by a marked decline in world trade and commodity prices as well as deteriorating financing conditions in some emerging markets.

In Asia, the V-shaped recovery in 1999-2000 faded away in 2001 as international trade and industrial activity slowed. The growth rate for Asia-excluding Japan for 2001 was revised down to 5.6% in December. In 2001, Taiwan and Singapore fell into recession. Hong Kong managed to record marginal growth.

The September 11 incident caused longer-term disruption to specific industries such as the global airline industry and tourism and also to consumer and business confidence. As a result, the prospects for a global recovery were delayed.

B. Gross Domestic Product Growth

The weak global economy affected Malaysia's gross domestic product growth in the second half of 2001. The economy contracted by -0.9% in the second half of 2001 compared with an expansion of 1.7% in the first half of 2001.

On a quarterly basis, despite a smaller contraction, real gross domestic product decelerated to -0.5% in the fourth quarter of 2001 from -1.2% in the third quarter (Figure 1). For the whole year, the economy registered a positive growth rate of 0.4%.

Malaysia's growth in 2001 was higher than that of some regional economies such as Singapore, Taiwan and Hong Kong (Table 1).

Malaysia's strength was based on factors such as diversified economic structure, stable ringgit and sound economic fundamentals (i.e. low inflation, low unemployment, high national savings and sound banking sector).

From the supply side, Malaysia's growth in 2001 was supported by the services, agriculture and construction sectors (Table 2). During the year, growth of the services sector sustained at around 4.9% (2000: 4.8%). Growth in the services sector was led by finance, insurance, real estate and business services; transport, storage and communication; electricity, gas and water; and Government services.

The agriculture sector expanded by 2.5% in 2001 supported by higher oil palm production and sustained production of livestock, forestry and fishing. Despite an expansion, the mining and quarrying sector slowed down to 0.2% in 2001 compared with 3.1% in 2000.

The construction sector expanded by 2.3% in 2001 compared with 1% in 2000, helped by the Government's fiscal stimulus. Growth in the sector was led by infrastructure projects such as roads, schools and low- and medium-costs houses. Within the construction sector, growth in the residential property sector was partly sustained by the low interest rate environment.

Figure 1. Malaysia: Quarterly Growth of Real Gross Domestic Product, 1Q2000-4Q2001



Source: Department of Statistics, Malaysia. Quarterly National Product and Expenditure Accounts, Fourth Quarter 2001.

Table 1. Real GDP Growth of Malaysia and Selected Asian Countries in 2001

	2001 (%)
Malaysia	0.4
Singapore	-2.0
Taiwan	-1.9
Hong Kong	0.1

Sources: Official sources.

Table 2. Malaysia: GDP Growth by Economic Activity (at constant 1987 prices)

	% Annual Change	
	2001	2000
Real Gross Domestic Product	0.4	8.3
Agriculture, livestock, forestry and fishing	2.5	0.6
Manufacturing	-5.1	21.0
Mining and quarrying	0.2	3.1
Construction	2.3	1.0
Services	4.9	4.8

Source: Department of Statistics, Malaysia. Quarterly National Product and Expenditure Accounts, Fourth Quarter 2001.

Table 3. Malaysia: GDP Growth by Demand Aggregate (at constant 1987 prices)

	% Annual Change	
	2001	2000
Real Gross Domestic Product	0.4	8.3
Government Final		
Consumption Expenditure	11.9	1.7
Private Final Consumption		
Expenditure	2.8	12.2
Gross Fixed Capital Formation	-2.1	24.1
Exports of Goods and		
Services	-7.6	16.1
Imports of Goods and		
Services	-8.6	24.2

Source: Department of Statistics, Malaysia. Quarterly National Product and Expenditure Accounts, Fourth Quarter 2001.

The weak external demand caused a contraction in the manufacturing sector by -5.1% against a robust turnaround of 21% in the preceding year. Within the manufacturing sector, the export-oriented industries contracted by -10.2% in 2001. In contrast, the domestic-oriented industries expanded by 7.4% in the year.

From the demand side, growth in 2001 was led by the public sector, supported by the Government's expansionary budget (Table 3). During the year, the Government's consumption expenditure increased to 11.9% from 1.7% in 2000.

Growth in private consumption, however, weakened considerably to 2.8% in 2001 from 12.2% in 2000. This was due to lower corporate earnings, low wealth effects from the stock market, and increased job uncertainties.

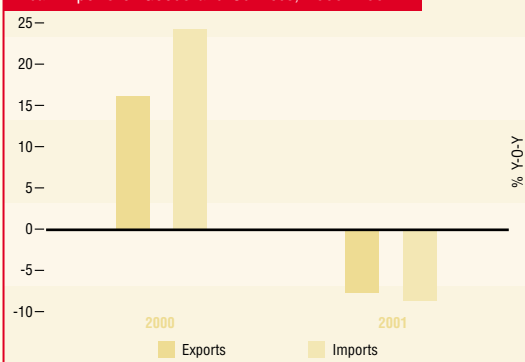
Investment declined in 2001 to -2.1% from 24.1% in 2000 due to excess capacity and lower capacity utilisation in some of the economic sectors, particularly in the export-oriented industries.

In the year, real exports and imports of goods and services contracted sharply after robust growth in 2000. Exports and imports contracted by -7.6% and -8.6%, respectively (Figure 2). Because of the import contraction, the external sector recorded a slightly larger surplus of RM24 billion in 2001 compared with RM23.5 billion in 2000.

C. Economic Fundamentals

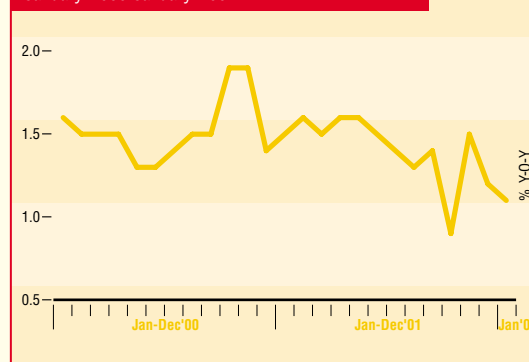
Despite the slower gross domestic product growth, Malaysia's economic fundamentals were sound. Inflation for the year subdued to 1.4% from 1.6% in the preceding year (Figure 3). Unemployment rate remained low at 3.9%, despite increased retrenchments in some of the manufacturing and services sectors in the year. The surplus in the current account of the balance of payments remained large at RM27.4 billion or 8.9% of gross national product in 2001. The large current account surplus reflects a large surplus in the resource gap of the economy.

Figure 2. Malaysia: Growth of Real Exports and Real Imports of Goods and Services, 2000- 2001



Source: Department of Statistics, Malaysia. Quarterly National Product and Expenditure Accounts, Fourth Quarter 2001.

Figure 3. Malaysia: Consumer Price Index, January 2000-January 2002



Sources: Department of Statistics, Malaysia. Consumer Price Index, various issues.

D. Monetary Aggregates

Growth of the monetary aggregates was in line with the growth in the real economy. In 2001, all monetary aggregates continued to expand. As at end-December, M1 grew by 3.2%, M2 by 2.2% and M3 by 2.8% (Figure 4). The expansion in M3 was due to the expansionary impact of the external sector and higher claims on the private sector.

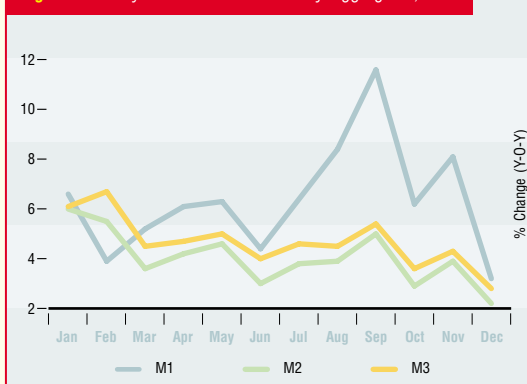
E. Banking Sector

In 2001, the health of the banking system continued to strengthen, despite the economic slowdown. The banking system completed all of the merger proposals to create ten large domestic banking groups in the country which have resulted in improved capacity of the banking sector.

Capital base

During the year, the banking system continued to see a rising capital base. The risk-weighted capital ratio of the banking system increased to 12.8% at end-December from 11.8% at end-January. In the same period, the core capital ratio of the banking system rose from 10.2% to 10.8% (Table 4). In the year, there had been no necessity for Danamodal to inject new capital into the system.

Figure 4. Malaysia: Growth in Monetary Aggregates, 2001



Source: Bank Negara Malaysia. Monthly Statistical Bulletin, January 2002.

Table 4. Banking System: Risk-Weighted Capital Ratio and Core Capital Ratio, 2000 and 2001

	2000	2001				
		Jan	Mar	Jun	Sep	Dec
RWCR (%)	12.5	11.8	12.1	12.6	12.5	12.8
Core Capital Ratio (%)	10.7	10.2	10.2	10.5	10.5	10.8

Source: Bank Negara Malaysia. Monthly Statistical Bulletin, January 2002.

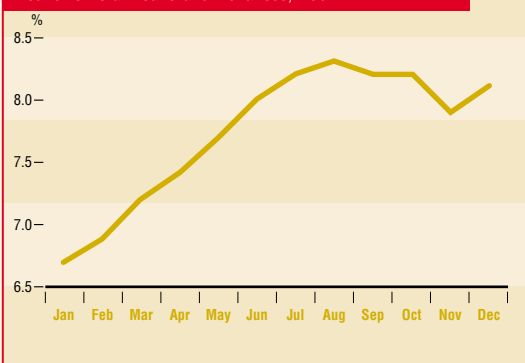
Asset quality

The asset quality of the banking system improved, despite some pressure in the first eight months of the year during which all large loans under the Corporate Debt Restructuring Committee were re-classified as non-performing. However, the ratio of net non-performing loans to total loans and advances of the banking system fell to 8.1% at end-December from 8.3% at end-August as the Corporate Debt Restructuring Committee had successfully restructured some of these large loans (Figure 5). The loan-loss coverage of the banking system measured by the ratio of total provisions to total net non-performing loans remained high at 189.8% as at end-December.

Loan-deposit ratio

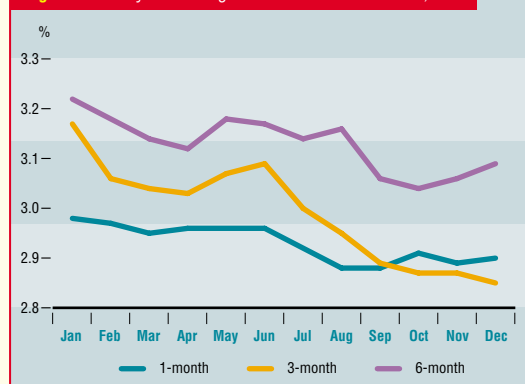
The banking system had ample liquidity to support the economy as reflected by the industry's loan-deposit ratio and the interbank interest rates. As at end-December, the loan-deposit ratio of the banking system (including loans sold to Cagamas and excluding Danaharta) was at 90.2%. In the year, the interbank interest rates were low and stable (Figure 6).

Figure 5. Banking System: Ratio of Net Non-Performing Loans to Total Loans and Advances, 2001



Source: Bank Negara Malaysia. Monthly Statistical Bulletin, January 2002.

Figure 6. Malaysia: Average Interbank Interest Rates, 2001



Source: Bank Negara Malaysia. Monthly Statistical Bulletin, January 2002.

Loan growth

In 2001, the banking system continued to expand its loan base. For the year, annual growth of total loans outstanding extended by the banking system (including loans sold to Cagamas and excluding non-performing loans sold to Danaharta) expanded by 3.8%, contributed by loan growth from the commercial banks and finance companies (Figure 7). The improved loans outstanding during the year was supported by the sustained new loans approved and loans disbursed by the banking system (Figure 8).

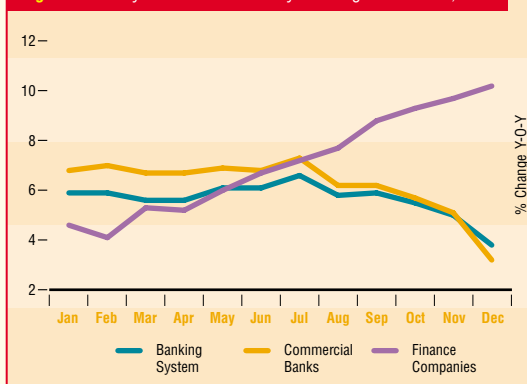
By sector, growth in the loans outstanding of the banking system in the year was contributed by a steady increase in loans to the broad property sector (in particular, residential property), manufacturing sector, and finance, insurance and business services sector as well as loans for consumption purposes.

Deposit growth

Growth in deposits of the banking system was slower at 1.8% in 2001 compared to 3.2% in 2000 mainly due to a slower growth in deposits of the commercial banks (Figure 9). Deposits of the finance companies and the merchant banks registered a small recovery in 2001 against a contraction in 2000.

By type, the growth of deposits of the banking system was contributed by the increase in savings and demand deposits. As at end-December, savings deposits increased by 8.3% and demand deposits by 2.9%. Fixed deposits, however, declined by 4.4% at end-December.

Figure 7. Malaysia: Loan Growth by Banking Institutions, 2001



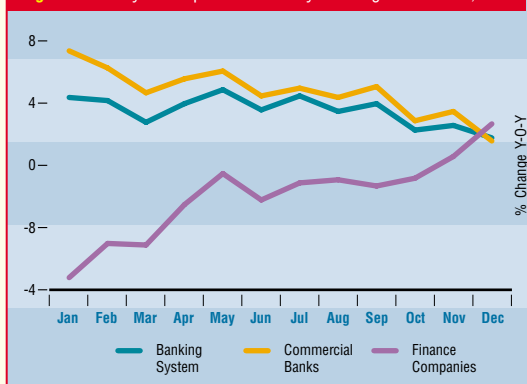
Source: Bank Negara Malaysia. Monthly Statistical Bulletin, January 2002.

Figure 8. Banking System: Total Loans Approved and Disbursed, 2001



Source: Bank Negara Malaysia. Monthly Statistical Bulletin, January 2002.

Figure 9. Malaysia: Deposit Growth by Banking Institutions, 2001



Source: Bank Negara Malaysia. Monthly Statistical Bulletin, January 2002.

F. Policy Environment

The weak external environment in 2001 necessitated Malaysia to maintain expansionary macroeconomic policies to generate domestic economic growth. The Government implemented both an accommodative monetary policy and an expansionary fiscal policy to stimulate economic activity.

Monetary policy

Monetary policy remained easy throughout 2001 to provide a positive environment for the private sector. Bank Negara Malaysia was actively managing liquidity to keep interest rates low and stable to stimulate domestic demand. Low inflation environment, ample liquidity conditions, healthy current account, and easy monetary policies abroad helped Malaysia sustain an easy monetary policy.

Despite the low interest rate environment, depositors continued to enjoy positive real rates of returns on term deposits. Specific measures were taken to increase volume and access to financing by small and medium scale industries.

On 20 September 2001, Bank Negara Malaysia reduced its 3-month intervention rate by 50 basis points to 5% from 5.5%. The reduction was intended to enhance domestic business and consumer sentiment to support domestic economic activity in view of continued deterioration in the external sector after the September 11 incident.

In the foreign exchange market, the ringgit peg was stable, despite brief pressure in the beginning of the year.

In the second half of the year, international reserves were rising again and this had boosted confidence in the peg.

Fiscal policy

In 2001, the Government implemented another expansionary budget with a deficit of RM18.4 billion or 5.5% of gross domestic product. In the 2001 Budget, the Government's total expenditure stood at RM99 billion compared to a revenue of RM80 billion.

Despite the deficit, the Government continued to maintain strong fiscal prudence by maintaining a large surplus in its current account. The deficit was largely financed by domestic borrowing which is a non-inflationary source.

In the 2001 Budget, several measures were introduced to increase consumer demand. These include tax and non-tax measures such as higher tax rebates for individuals, higher allowances and housing loan eligibility for civil servants. In addition to the measures in the 2001 Budget, the Government also removed tax on credit cards and provided an option for employees to reduce their contribution to the Employees Provident Fund by 2%.

In the year, the Government also introduced two pre-emptive fiscal stimulus packages aimed at further stimulating domestic demand: RM3 billion in March and RM4.3 billion in September.

II. PROSPECTS FOR 2002

A. Growth and Inflation

The outlook for the global economy in 2002 has improved. It is generally viewed that the US may recover in the second half of the year, supported by its fiscal stimulus, low interest rate policy and sustained consumer expenditure. Japan is expected to continue to linger with economic difficulties. Europe has shown positive signs of economic recovery.

Bank Negara Malaysia has projected Malaysia to grow by 3.5% in 2002, spearheaded by domestic economic activities. The growth is expected to be supported by expansionary fiscal and monetary policies. Inflation is expected to remain low at 1.8%.

B. Sources of Economic Growth

Aggregate supply

The projected growth is expected to be supported by a broad-based recovery of major economic sectors (Table 5). The manufacturing sector is expected to register a stronger growth rate of 4.2% supported by improved performance of the export-oriented industries.

The services sector is expected to expand by 3.8% well in line with the expected recovery in the manufacturing sector. Output of electricity, gas and water; education, tourism, and transport, storage and telecommunication sub-sectors are expected to expand significantly. Output of the wholesale and retail trade, and hotel and restaurant sub-sectors are expected to increase as well.

The construction sector is expected to sustain a growth of 2.4% in 2002. The mining and quarrying sector is also anticipated to sustain a growth of 3% in 2002 on account of higher production for natural gas to meet increased demand from domestic and export markets. The agriculture sector is expected to slow down to 1% due to lower production of crude palm oil, rubber and saw logs.

Table 5. Malaysia: GDP Forecast by Economic Activity, 2002 (at constant 1987 prices)

% Annual Change	
2002	
Real Gross Domestic Product	3.5
Agriculture, forestry and fishing	1.0
Manufacturing	4.2
Mining and quarrying	3.0
Construction	2.4
Services	3.8

Source: Bank Negara Malaysia. Annual Report 2001.

Table 6. Malaysia: GDP Forecast by Demand
Aggregate, 2002 (at constant 1987 prices)

% Annual Change	
2002	
Real Gross Domestic Product	3.5
Public Consumption Expenditure	4.1
Private Consumption Expenditure	5.0
Public Investment	-3.0
Private Investment	1.2
Exports of Goods and Services	3.7
Imports of Goods and Services	4.2

Source: Bank Negara Malaysia. Annual Report 2001.

Aggregate demand

Aggregate demand is expected to improve. Private investment is expected to expand by 1.2% supported by a low interest rate environment and sustained inflow of foreign direct investment (Table 6). Similarly, private consumption is expected to improve to 5%.

Public consumption and investment are expected to take a back seat in view of the recovery of the private sector demand. Public consumption is expected to slow down to 4.1%, while public investment to drop by -3%.

Exports are expected to improve in line with the expected recovery in the US economy by registering a growth of 3.7%. Imports are also expected to expand by 4.2%. In view of the expected improvement in exports, Malaysia is likely to register a larger trade surplus of RM55 billion. However, on expectation of wider deficits in the services and income accounts, the current account surplus is expected to be lower at 7.9% of gross national product in 2002.

C. Banking Sector

The banking sector is expected to remain strong and stable. The capital base of the banking sector is expected to improve further in anticipation of steady earnings and higher asset quality. The expected completion of major loan restructuring exercise by the Corporate Debt Restructuring Committee will reduce the headline non-performing loans of the banking system further.

D. Policy Environment

The Government has already announced another expansionary budget for 2002. The Budget will incur a deficit of around 5% of gross domestic product. As highlighted in the 2002 Budget, the Government will continue to maintain its fiscal discipline.

On the monetary front, Bank Negara Malaysia is expected to maintain an accommodative monetary policy to complement the fiscal stimulus. The low inflation environment and the easier monetary stance across the globe will allow Bank Negara Malaysia to pursue an accommodative domestic monetary policy without causing any distortionary impact on the economy.

On the foreign exchange market, the ringgit peg is expected to sustain and remain stable, supported by strong external reserves and sound economic fundamentals and macroeconomic policies.

III. DOWNSIDE RISKS

Despite the improved outlook for the domestic and global economy, there are several downside risks facing the Malaysian economy.

First, the global recovery may turn out to be more slowly than anticipated. Because of the continued macroeconomic imbalances such as large current account deficit and high consumer debt in the US, there continues to be a risk of disorderly adjustments in the US economy.

Second, uncertainties in the direction of the Japanese yen may pose a threat to the regional currencies. At end-2001, the yen had weakened considerably against the US dollar.

Finally, recovery in the electronics industry may be slower than expected in 2002. As the electrical and electronics sector accounts for 55-60% of Malaysia's total exports, any delay in the recovery in the electronics sector will delay Malaysia's economic recovery.

List of Properties Owned by Public Bank Group

as at 31 December 2001

Location	Current Use	Tenure	Remaining Lease Period (Expiry Date)	Age of Property	Built-up Area (sq m)	Net Book Value (RM'000)
Public Bank Berhad Menara Public Bank 146 Jalan Ampang 50450 Kuala Lumpur Malaysia	Public Bank's Head Office and Kuala Lumpur City Main Office; business premises of subsidiaries and associated company	Freehold	–	7 Years	46,436	310,565
3 Jalan Central 96000 Sibul, Sarawak, Malaysia	Public Bank's Jalan Central Branch	Leasehold 60 years	15 Years (08-11-2016)	45 Years	1,392	145
28-29 Jalan Tun Haji Openg 93000 Kuching, Sarawak Malaysia	Public Bank's Jalan Tun Haji Openg Branch	Leasehold 847 years	783 Years (04-08-2784)	35 Years	1,308	537
30 Jalan Tun Haji Openg 93000 Kuching, Sarawak Malaysia	Public Bank's Jalan Tun Haji Openg Branch	Leasehold 844 years	780 Years (02-08-2781)	62 Years	198	
150 Jalan Bukit Bintang 55100 Kuala Lumpur, Malaysia	Public Bank's Bintang Walk Branch	Freehold	–	30 Years	680	
Parcels 2.18, 3.18 & 4.18 Merdeka Plaza 93000 Kuching, Sarawak Malaysia	Work-in-progress	–	–	–	1,197	2,711
Public Finance Berhad 7 & 9 Jalan Dato' Maharajalela, 30000 Ipoh Perak Darul Ridzuan, Malaysia	Public Bank's Ipoh Main Office	Freehold	–	30 Years	1,339	328
Public Holdings Sdn. Bhd. 87 Lebuhraya 10200 Pulau Pinang, Malaysia	Public Bank's Penang Branch	Freehold	–	79 Years	2,836	492
60-68 Jalan Laksamana 75000 Melaka, Malaysia	Public Bank's Melaka Branch	Leasehold 99 years	65 years	31 Years	4,128	1,016
Bangunan Public Bank 6 Jalan Sultan Sulaiman 50000 Kuala Lumpur, Malaysia	Public Bank's Jalan Sultan Sulaiman Branch and Head Office Divisions; Public Finance's Head Office and Kuala Lumpur Main Office; PB Securities Sdn. Bhd.'s business premises; office space rented out to third parties	Freehold	–	24 Years	18,277	23,875
40 & 42 Jalan Radin Tengah Bandar Baru Seri Petaling 57000 Kuala Lumpur, Malaysia	Public Bank's Seri Petaling Branch	Leasehold 99 years	77 Years (05-04-2078)	19 Years	1,070	649
3619 & 3620 Jalan Che' Ahmad 14300 Nibong Tebal Seberang Prai Selatan Pulau Pinang, Malaysia	Public Bank's Nibong Tebal Branch	Freehold	–	19 Years	870	607
11 & 13 Jalan Dato' Maharajalela, 30000 Ipoh Perak Darul Ridzuan, Malaysia	Public Bank's Ipoh Main Office; office space rented out to third parties	Freehold	–	30 Years	2,410	3,065
Public Bank Tower 19 Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim, Malaysia	Public Bank's Johor Bahru Branch; office space rented out to third parties	Freehold	–	7 Years	36,222	52,746
1 Jalan Air Hitam Kawasan Institusi Bandar Baru Bangi 43000 Kajang Selangor Darul Ehsan, Malaysia	Public Bank's IT & Training Centre	Leasehold 99 years	95 Years (02-09-2096)	4 Years	31,669	45,993

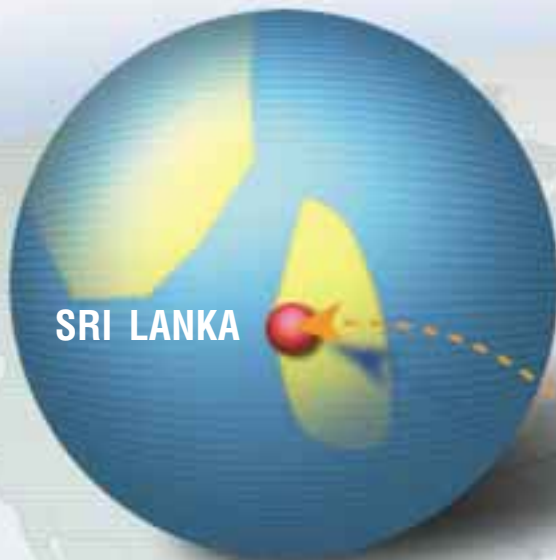
Location	Current Use	Tenure	Remaining Lease Period (Expiry Date)	Age of Property	Built-up Area (sq m)	Net Book Value (RM'000)
Kuala Lumpur Mutual Fund Berhad 2nd Floor, TB 323 Block 38, Fajar Complex 91000 Tawau, Sabah, Malaysia	Kuala Lumpur Mutual Fund's Tawau Branch	Leasehold 999 years	894 Years (31-12-2895)	31 Years	153	95
11 Jalan 3/82B Bangsar Utama Off Jalan Bangsar 59000 Kuala Lumpur, Malaysia	Kuala Lumpur Mutual Fund's Kuala Lumpur Branch	Leasehold 99 years	84 Years (03-12-2085)	13 Years	1,795	1,425
Block B & Block C (Lot B045/C/1-3 to C6-3) Sri Damansara Business Park Persiaran Industri Bandar Sri Damansara 52200 Kuala Lumpur, Malaysia	Kuala Lumpur Mutual Fund's Head Office	Freehold	–	4 Years	3,319	8,726
Location	Current Use	Tenure	Remaining Lease Period (Expiry Date)	Age of Property	Built-up Area (sq m)	Net Book Value (USD'000)
Public Bank (L) Ltd. Block D (02-3, 03-1, 03-3) & Block C (04-01) Kerupang II Apartments Jalan Batu Arang 87000 Federal Territory of Labuan, Malaysia	Apartments rented out to third parties	Leasehold 99 years	56 Years (26-04-2058)	6 Years	303	189
Location	Current Use	Tenure	Remaining Lease Period (Expiry Date)	Age of Property	Built-up Area (sq m)	Net Book Value (HKD'000)
JCG Finance Co., Ltd. Shop 7, Ground Floor Mei Hang Building 15-45 Kai Man Path Tuen Mun, New Territories Hong Kong	JCG Finance Co. Ltd.'s Tuen Mun Branch	Leasehold 149 years	46 Years (30-06-2047)	28 Years	73	4,154
Shop A, Ground Floor Kong Kai Building 184-188, Aberdeen Main Road, Aberdeen, Hong Kong	JCG Finance Co. Ltd.'s Aberdeen Branch	Leasehold 999 years	858 Years (26-12-2859)	12 Years	58	3,720
Ground Floor, Yue Yee Mansion 92 Shung Ling Street San Po Kong, Kowloon Hong Kong	JCG Finance Co. Ltd.'s San Po Kong Branch	Leasehold 149 years	46 Years (30-06-2047)	37 Years	94	2,993
Flat F, 29th Floor, Pine Mansion Harbour View Gardens 26 Taikoo Wan Road Taikoo Shing, Quarry Bay Hong Kong	Residential Quarters for staff of Public Bank, Restricted Licence Bank, Hong Kong	Leasehold 999 years	898 Years (18-04-2899)	18 Years	91	5,221
Room 1003-1005 10th Floor, Fortress Tower 250 King's Road North Point, Hong Kong	JCG Finance Co. Ltd.'s IT Centre	Leasehold 150 years	125 Years (26-08-2126)	18 Years	293	8,458
14th Floor, Regent On The Park 14A, Tower 2 Car Park Nos. 4 & 66 on 4th Floor 9 Kennedy Road, Hong Kong	Residential Quarters for staff of JCG Finance Co. Ltd.	Leasehold 150 years	129 Years (19-10-2130)	16 Years	248	9,644

List of Properties Owned by Public Bank Group

Location	Current Use	Tenure	Remaining Lease Period (Expiry Date)	Age of Property	Built-up Area (sq m)	Net Book Value (HKD'000)
Ground Floor, 751 Nathan Road Kowloon, Hong Kong	JCG Finance Co. Ltd.'s Prince Edward Road Branch	Leasehold 150 years	78 Years (18-08-2079)	31 Years	129	14,698
11th Floor, Wing On House 71 Des Voeux Road Central, Hong Kong	Administrative Centre of JCG Finance Co. Ltd.	Leasehold 999 years	901 Years (14-08-2902)	34 Years	1,464	86,867
Office B, Ground Floor 17th Floor, JCG Building 16 Mongkok Road, Kowloon Hong Kong	JCG Finance Co. Ltd.'s Mongkok Branch and Head Office Departments; office space rented out to third parties	Leasehold 150 years	46 Years (27-05-2050)	14 Years	2,215	103,236
Flat F, 24th Floor Ngan Sing Mansion Sing Fai Terrace Taikoo Shing, Hong Kong	Residential quarters for staff of Winton (B.V.I.) Limited	Leasehold 999 years	898 Years (18-04-2899)	17 Years	79	4,416
Ground Floor, Ruby Commercial Building 480 Nathan Road Kowloon, Hong Kong	JCG Finance Co. Ltd.'s Nathan Road Branch	Leasehold 150 years	66 Years (22-10-2067)	9 Years	125	11,845
Shop No. 51-53 on 1st Floor Harbour Crystal Centre 100 Granville Road Kowloon, Hong Kong	JCG Finance Co. Ltd.'s Tsimshatsui Branch	Leasehold 150 years	127 Years (10-12-2128)	19 Years	131	2,657
G/F, 182 Main Road Yuen Long, New Territories Hong Kong	JCG Finance Co. Ltd.'s Yuen Long Branch	Leasehold 149 years	46 Years (30-06-2047)	44 Years	102	17,067
Workshops A, B and C on Ground Floor and Flat E on 9th Floor Hung Cheong Factory Building 742-748 Cheung Sha Wan Road 3 Kwong Cheung Street Cheung Sha Wan Kowloon, Hong Kong	Winton Group's branch office; store room; office space rented out to third parties	Leasehold 149 years	46 Years (27-06-2047)	36 Years	750	7,728
Workshops E1 and F1 on 10th Floor, Hang Fung Industrial Building Phase 1, 2G Hok Yuen Street Hunghom, Kowloon, Hong Kong	Winton Group's store room and ancillary office; office space rented out to third parties	Leasehold 150 years	46 Years (15-09-2047)	22 Years	962	2,994
Flat 3 on 3rd Floor Block F 2, Pearl Island Villas 17½ Mile, Castle Peak Road Tuen Mun, New Territories Hong Kong	Winton Group's holiday apartment for executives	Leasehold 149 years	46 Years (27-06-2047)	30 Years	32	53
11th Floor, Arglye Centre Phase 1, 688 Nathan Road and 65 Arglye Street Mongkok, Kowloon, Hong Kong	Winton Group's Head Office, office space rented out to third parties	Leasehold 150 years	59 Years (18-02-2060)	19 Years	1,465	73,745
4/F, 581 Nathan Road Mongkok, Kowloon, Hong Kong	Winton Group's store room	Leasehold 150 years	36 Years (25-12-2037)	32 Years	55	203
2/F, 575 A Nathan Road Mongkok, Kowloon, Hong Kong	Winton Group's store room	Leasehold 150 years	36 Years (25-12-2037)	43 Years	65	288
Notes A. All leasehold properties of Hong Kong will expire on 30 June 2047 in accordance with the Basic Laws of Hong Kong. After the expiry date, the government leases of the properties will be subject to further renewal by the Government of HKSAR.						

Location	Current Use	Tenure	Remaining Lease Period (Expiry Date)	Age of Property	Built-up Area (sq m)	Net Book Value (RM'000)
PB Properties Sdn. Bhd.						
33 & 35 Jalan Pantai Jerjak 13 11900 Sungai Nibong Pulau Pinang, Malaysia	Public Bank's Sg. Nibong Branch	Freehold	–	21 Years	483	474
2 Jalan Nakhoda 12 Taman Ungku Tun Aminah 81300 Skudai, Johor Malaysia	Public Bank's Skudai Branch	Freehold	–	21 Years	389	240
Wisma Public Bank 15, Jalan Pulau 96000 Sibul, Sarawak, Malaysia	Public Bank's Sibul Regional Centre and Jalan Pulau Branch	Leasehold 60 years	58 Years (24-02-2059)	7 Years	12,737	12,430
Lot 336 Jalan Chong Ah Peng 35900 Tanjung Malim, Perak Malaysia	Public Bank's Tanjung Malim Branch	Freehold	–	18 Years	353	178
28 China Street 98000 Miri, Sarawak, Malaysia	Public Bank's China Street Branch	Leasehold 60 years	50 Years (07-07-2051)	12 Years	1,159	1,564
160 & 162 Kompleks Munshi Abdullah, Jalan Munshi Abdullah 75100 Melaka, Malaysia	Public Bank's Jalan Munshi Abdullah Branch	Leasehold 92 Years	83 Years (24-02-2084)	11 Years	719	736
Lot 643 Batu Niah Town Extension, 98200 Batu Niah Sarawak, Malaysia	Public Bank's Batu Niah Branch	Freehold	–	6 Years	383	350
76 Jalan Sultan Idris Shah 30000 Ipoh, Perak, Malaysia	Public Bank's Jalan Sultan Idris Shah Branch	Freehold	–	62 Years	815	710
36 Jalan Kampong Nyabor 96000 Sibul Sarawak, Malaysia	Store room of Public Bank's Jalan Central Branch and Sibul Regional Centre	Leasehold 60 years	27 Years (31-12-2028)	33 Years	797	565
Lot 1 Block B-8, Jalan Arusap 89000 Keningau, Sabah Malaysia	Tenanted to Alliance Bank	Leasehold 999 years	923 Years (27-04-2924)	9 Years	558	538
Sublots 110 & 111 Mukah New Township 96400 Mukah, Sarawak Malaysia	Public Bank's Mukah Branch	Leasehold 58 years	50 Years (03-09-2054)	7 Years	632	618
Lot 3 & 4 Block A Hiong Tiong Industrial Centre KM11.2 Jalan Tuaran 88450 Inanam Kota Kinabalu, Sabah, Malaysia	Tenanted to Alliance Bank	Leasehold 998 years	914 Years (31-12-2915)	6 Years	870	1,345
Wisma Public Bank 300 Jalan Raja Laut 50350 Kuala Lumpur, Malaysia	Public Bank's Tiong Nam Branch and partially tenanted to third parties	Freehold	–	14 Years	10,395	34,685
4223 Jalan Bagan Luar 12000 Butterworth Pulau Pinang, Malaysia	Public Bank's Butterworth Branch	Freehold	–	36 Years	542	1,100
20-26 Jalan Hang Lekiu 50714 Kuala Lumpur, Malaysia	Public Bank's Jalan Hang Lekiu Branch	Freehold	–	4 Years	1,551	3,307
9D & 9E Jalan Kampung Baru 08000 Sg. Petani, Kedah Malaysia	Public Bank's Jalan Kampung Baru Branch	Freehold	–	7 Years	866	1,538

Our INTERNATIONAL



KUALA LUMPUR



Network



Group Corporate Directory



PUBLIC BANK

Head Office:

Menara Public Bank, 146 Jalan Ampang, 50450 Kuala Lumpur

Tel: 03-21638888, 03-21638899

Fax: 03-21639917

Telex: MA28290/MA28291

Website: www.publicbank.com.my

FEDERAL TERRITORY

• BANGSAR

39 & 41 Jalan Telawi Tiga
Bangsar Baru
59100 Kuala Lumpur
Tel : 03-22828929, 03-22828930
Fax : 03-22828917

• BINTANG WALK

150 Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : 03-21427833, 03-21427969
Fax : 03-21421241

• BUKIT DAMANSARA

Plaza Damansara
36 – 40 Medan Setia 2
Bukit Damansara
50490 Kuala Lumpur
Tel : 03-2554278, 03-2551757
Fax : 03-2549403

• CHANGKAT THAMBI DOLLAH

85 & 87 Changkat Thambi Dollah
Off Jalan Pudu
55100 Kuala Lumpur
Tel : 03-21454492, 03-21454570
Fax : 03-21454462

• CHOW KIT

Wisma Mepro
29 & 31 Jalan Ipoh
51200 Kuala Lumpur
Tel : 03-40438546, 03-40438544
Fax : 03-40438542

• JALAN BUKIT BINTANG

Sun Complex
Jalan Bukit Bintang
55100 Kuala Lumpur
Tel : 03-21445755, 03-21445759
Fax : 03-21445751

• JALAN HANG LEKIU

20 – 26, Jalan Hang Lekiu
50100 Kuala Lumpur
Tel : 03-20787077, 03-20781115
Fax : 03-20726155

• JALAN IPOH

Wisma Yap Ka
480 Batu 3 Jalan Ipoh
51200 Kuala Lumpur
Tel : 03-40427487, 03-40427488
Fax : 03-40420032

• JALAN KELANG LAMA

3045 – 3051 Batu 4½
Jalan Kelang Lama
58000 Kuala Lumpur
Tel : 03-79811211, 03-79811212
Fax : 03-79816939

• JALAN KUCHAI LAMA

52 & 54 Jalan 6/116B
Kuchai Entrepreneurs' Park
58200 Kuala Lumpur
Tel : 03-79804377, 03-79804575
Fax : 03-79843411

• JALAN RAJA CHULAN

Wisma Lim Foo Yong
86 Jalan Raja Chulan
50200 Kuala Lumpur
Tel : 03-21418255, 03-21418366
Fax : 03-21487721, 03-21422893

• JALAN RAJA LAUT

Lot G1 & G3 Bangunan KWSP
5 Jalan Raja Laut
50350 Kuala Lumpur
Tel : 03-26930722
Fax : 03-26914624

• JALAN SULTAN SULAIMAN

Bangunan Public Bank
6 Jalan Sultan Sulaiman
50000 Kuala Lumpur
Tel : 03-20702711
Fax : 03-22745909, 03-22732101

• JALAN SUNGEI BESI

12 Jalan Sungei Besi
57100 Kuala Lumpur
Tel : 03-92214771, 03-92215655
Fax : 03-92212968

• JALAN TUN H.S. LEE

Lot G.01
Plaza First Nationwide
161 Jalan Tun H.S. Lee
50000 Kuala Lumpur
Tel : 03-20702121, 03-20702234
Fax : 03-20702250

- **JINJANG**
3476 & 3477 Garden Street
Jinjang Utara
52000 Kuala Lumpur
Tel : 03-62523355, 03-62523356
Fax : 03-62522422
- **KAMPUNG BARU**
Wisma Le Proton
134 Jalan Raja Abdullah
Kampung Baru
50300 Kuala Lumpur
Tel : 03-26928749, 03-26927269
Fax : 03-26927188
- **KEPONG**
21 Jalan Ambong Kiri Dua
Kepong Baru
52100 Kuala Lumpur
Tel : 03-62570032, 03-62570040
Fax : 03-62516611
- **KL CITY MAIN OFFICE**
Ground Floor
Menara Public Bank
146 Jalan Ampang
50450 Kuala Lumpur
Tel : 03-21767888, 03-21638866
Fax : 03-21639901
- **MEDAN IDAMAN**
Medan Idaman Business Centre
4 & 6 Jalan 2/21D
Batu 5 Jalan Gombak
53000 Kuala Lumpur
Tel : 03-40234468, 03-40234478
Fax : 03-40234497
- **OVERSEAS UNION GARDEN**
3 & 5 Jalan Hujan Rahmat 2
Overseas Union Garden
58200 Kuala Lumpur
Tel : 03-77856409, 03-77856410
Fax : 03-77856412
- **SEGAMPUT**
75 & 77 Jalan Segambut Pusat
51200 Kuala Lumpur
Tel : 03-62527052, 03-62527054
Fax : 03-62527057

- **SELAYANG**
36 & 38 Jalan 2/3A
Pusat Bandar Utara
Selayang, Batu Caves
68100 Kuala Lumpur
Tel : 03-61368644, 03-61368645
Fax : 03-61368651
- **SENTUL**
36, 38 & 40 Jalan 14/48A
Sentul Raya, Off Jalan Sentul
51000 Kuala Lumpur
Tel : 03-40421502, 03-40421811
Fax : 03-40421822
- **SERI PETALING**
40 – 42 Jalan Radin Tengah
Bandar Baru Seri Petaling
57000 Kuala Lumpur
Tel : 03-90585711, 03-90585712
Fax : 03-90570415
- **SETAPAK**
263 & 265 Jalan Genting Kelang
Setapak
53300 Kuala Lumpur
Tel : 03-40219343, 03-40219341
Fax : 03-40219351
- **TAMAN CHERAS**
1, 3 & 5 Jalan 4/96A
Taman Cheras Makmur
56100 Kuala Lumpur
Tel : 03-91313581, 03-91313466
Fax : 03-91304586
- **TAMAN DESA**
Lot 1A-3A, Business Centre
Taman Desa
Off Jalan Kelang Lama
58100 Kuala Lumpur
Tel : 03-79837811, 03-79837812
Fax : 03-79818069
- **TAMAN MALURI**
59 & 59-1 Jalan Jejaka Lima
Taman Maluri
55100 Kuala Lumpur
Tel : 03-92859994, 03-92859995
Fax : 03-92856811

- **TIONG NAM**
Wisma Public Bank
300 Jalan Raja Laut
50350 Kuala Lumpur
Tel : 03-26939555, 03-26939528
Fax : 03-26914673
- **WANGSA MAJU**
24 – 26 Jalan 1A/27A
Section 1, Wangsa Maju
53300 Kuala Lumpur
Tel : 03-41428577, 03-41428579
Fax : 03-41429281
- **LABUAN**
Lucas Kong Building
5 Jalan Merdeka
87007 Wilayah Persekutuan Labuan
Tel : 087-414201, 087-414278
Fax : 087-412388

JOHOR

- **BANDAR BARU PERMAS JAYA**
11 & 15 Jalan Permas 10/1
Bandar Baru Permas Jaya
81750 Masai, Johor
Tel : 07-3883253, 07-3883254
Fax : 07-3883259
- **BATU PAHAT**
116 – 118 Jalan Chengal
Taman Makmur
83000 Batu Pahat, Johor
Tel : 07-4344941, 07-4344942
Fax : 07-4319120
- **CHAAH**
3 & 5 Jalan Yong Peng
85400 Chaah, Johor
Tel : 07-9262001, 07-9262002
Fax : 07-9262008
- **ENDAU**
812 Jalan Aman
Taman Bahagia
86900 Endau, Johor
Tel : 07-7944051, 07-7944155
Fax : 07-7944086

- **JALAN GREJA**
Johor Tower
15 Jalan Greja
80100 Johor Bahru, Johor
Tel : 07-2236311
Fax : 07-2231931
- **JALAN KUKUP**
521 & 522 Jalan Kukup
82000 Pontian, Johor
Tel : 07-6877861, 07-6877862
Fax : 07-6877844
- **JOHOR BAHRU**
Public Bank Tower
Level 1, 2 & 12
19 Jalan Wong Ah Fook
80000 Johor Bahru, Johor
Tel : 07-2241733
Fax : 07-2241527, 07-2223813
- **KAHANG**
12 Jalan Parang 1
Taman Sri Kahang
86700 Kahang, Johor
Tel : 07-7882294, 07-7882295
Fax : 07-7882297
- **KLUANG**
8D & 8E Jalan Dato' Haji Hassan
86000 Kluang, Johor
Tel : 07-7735112, 07-7735113
Fax : 07-7735117
- **KOTA TINGGI**
8L & 8M Jalan Lombong
81900 Kota Tinggi, Johor
Tel : 07-8834835, 07-8834687
Fax : 07-8834852
- **KULAI**
42-1, 42-2 & 42-3
Jalan Raya, Kulai Besar
81000 Kulai, Johor
Tel : 07-6634166, 07-6634167
Fax : 07-6635761
- **MASAI**
17, 19 & 21 Jalan Ara 2
Taman Rinting
81750 Masai, Johore
Tel : 07-2522498, 07-2522500
Fax : 07-2511795

- **MERSING**
21 & 22 Jalan Sulaiman
86800 Mersing, Johor
Tel : 07-7992695, 07-7992697
Fax : 07-7992530
- **MUAR**
47, 48, 49 & 50 Jalan Sayang
84000 Muar, Johor
Tel : 06-9517505, 06-9517520
Fax : 06-9523033
- **PARIT RAJA**
1 Jalan Raja Satu
Parit Raja
86400 Batu Pahat, Johor
Tel : 07-4542855, 07-4542857
Fax : 07-4542844
- **PASIR GUDANG**
14 & 15 Jalan Mawar Satu
Taman Mawar
81700 Pasir Gudang, Johor
Tel : 07-2522997, 07-2522894
Fax : 07-2523064
- **PEKAN NENAS**
SH9 & SH10
Main Road
81500 Pekan Nenas, Johor
Tel : 07-6995352, 07-6995594
Fax : 07-6995351
- **PONTIAN KECIL**
761 & 762 Jalan Taib
82000 Pontian, Johor
Tel : 07-6879601, 07-6879602
Fax : 07-6876144
- **SEGAMAT**
Wisma Lai Hee Sang
28 Jalan Mentol
85000 Segamat, Johor
Tel : 07-9313930, 07-9313931
Fax : 07-9310854
- **SKUDAI**
2 Jalan Nakhoda 12
Taman Ungku Tun Aminah
81300 Skudai, Johor
Tel : 07-5570007, 07-5570008
Fax : 07-5560303

- **TAMAN CENTURY**
Bangunan Pang & Sons
16 Jalan Harimau
Taman Century
80250 Johor Bahru, Johor
Tel : 07-3342522, 07-3342523
Fax : 07-3342567
- **TAMAN JOHOR JAYA**
31, 33 & 35 Jalan Rosmerah 2/10
Taman Johor Jaya
81100 Johor Bahru, Johor
Tel : 07-3548341, 07-3546755
Fax : 07-3547113
- **TAMAN MUNSİY İBRAHİM**
48 & 50 Jalan Dian 8
Taman Munsyi Ibrahim
81200 Johor Bahru, Johor
Tel : 07-2346820, 07-2346821
Fax : 07-2346790
- **TAMAN PERLING**
51 Jalan Persisiran Perling
Taman Perling
81200 Johor Bahru, Johor
Tel : 07-2344919, 07-2344608
Fax : 07-2345850
- **TAMAN SENTOSA**
Wisma Daiman
64 Jalan Sulam
Taman Sentosa
80150 Johor Bahru, Johor
Tel : 07-3312266
Fax : 07-3312666
- **TAMPOI**
14 & 16 Jalan Sri Bahagia 10
Taman Sri Bahagia
Off Jalan Tampoi
81200 Johor Bahru, Johor
Tel : 07-2377184, 07-2377519
Fax : 07-2378042
- **ULU TIRAM**
8 & 9 Jalan Raya
Taman Tiram Baru
81800 Ulu Tiram, Johor
Tel : 07-8613291, 07-8613292
Fax : 07-8612666

KEDAH

- **ALOR SETAR**
1070 & 1071 Jalan Telok Wanjah
05200 Alor Setar, Kedah
Tel : 04-7315411, 04-7315412
Fax : 04-7315778
- **CHANGLUN**
73 Jalan Sintok
Pekan Baru
06010 Changlun, Kedah
Tel : 04-9241457, 04-9241085
Fax : 04-9241870
- **GURUN**
39 – 41 Jalan Raya
08300 Gurun, Kedah
Tel : 04-4686143, 04-4686325
Fax : 04-4687024
- **JALAN KG. BARU**
9D & 9E Jalan Kampung Baru
08000 Sungai Petani, Kedah
Tel : 04-4236452, 04-4236453
Fax : 04-4210475
- **KUALA KETIL**
45 & 46 Jalan Putra
Taman Tanjung Peteri
09300 Kuala Ketil, Kedah
Tel : 04-4163278, 04-4163318
Fax : 04-4163103
- **KULIM**
173 & 174 Jalan Tunku Putra
09000 Kulim, Kedah
Tel : 04-4901090, 04-4901096
Fax : 04-4907502
- **POKOK SENJA**
8 Taman Sena
Jalan Raya
06400 Pokok Sena, Kedah
Tel : 04-7822000, 04-7822008
Fax : 04-7821019
- **PULAU LANGKAWI**
23, 25 & 27 Jln Pandak Mayah 4
Pusat Bandar Kuah
07000 Langkawi, Kedah
Tel : 04-9667372, 04-9667373
Fax : 04-9667435

- **SIK**
441 Jalan Tunku Ibrahim
08200 Sik, Kedah
Tel : 04-4695764, 04-4695691
Fax : 04-4695664
- **SUNGAI PETANI**
83A-D & 84A-D
Jalan Pengkalan, Susur Kiri
Taman Pekan Baru
08000 Sungai Petani, Kedah
Tel : 04-4217622, 04-4217623
Fax : 04-4211979

KELANTAN

- **KOTA BHARU**
PT 197-199 Jalan Pintu Pong
15000 Kota Bharu, Kelantan
Tel : 09-7442269, 09-7446944
Fax : 09-7482110
- **KUALA KRAI**
91 & 92 Jalan Chin Hua
18000 Kuala Krai, Kelantan
Tel : 09-9664027, 09-9664028
Fax : 09-9664042
- **MACHANG**
Lot 680 Jalan Bakat
18500 Machang, Kelantan
Tel : 09-9752882, 09-9751606
Fax : 09-9752255
- **PASIR MAS**
709 & 710 Jalan Masjid Lama
17000 Pasir Mas, Kelantan
Tel : 09-7900668, 09-7900670
Fax : 09-7900654
- **PASIR PUTEH**
Wisma UMNO
315B & 316B Jalan Madrasah
16800 Pasir Puteh, Kelantan
Tel : 09-7866126, 09-7864364
Fax : 09-7867272
- **RANTAU PANJANG**
191 Jalan Besar
17200 Rantau Panjang, Kelantan
Tel : 09-7950926, 09-7950713
Fax : 09-7950443

- **TANAH MERAH**
443 – 444
Jalan Dato' Nik Mustapha
17500 Tanah Merah, Kelantan
Tel : 09-9556244, 09-9556139
Fax : 09-9556944

MELAKA

- **AIR KEROH**
26 & 27 Lorong Setia Satu
Air Keroh Heights
75450 Melaka
Tel : 06-2327208, 06-2327209
Fax : 06-2327205
- **JALAN MUNSHI ABDULLAH**
Kompleks Munshi Abdullah
160-162 Jalan Munshi Abdullah
75100 Melaka
Tel : 06-2840941, 06-2840952
Fax : 06-2839591
- **MASJID TANAH**
Kompleks Perniagaan
Lot 367 & 368
78300 Masjid Tanah, Melaka
Tel : 06-3847712, 06-3847713
Fax : 06-3847717
- **MELAKA**
60 – 68 Jalan Laksamana
75000 Melaka
Tel : 06-2830233
Fax : 06-2844552
- **TAMAN MALIM JAYA**
6 & 8 Jalan Suria 2
Taman Malim Jaya
75250 Melaka
Tel : 06-3346397, 06-3346404
Fax : 06-3346412
- **TAMAN MELAKA RAYA**
567 & 568 Jalan Merdeka
Taman Melaka Raya
75000 Melaka
Tel : 06-2817527, 06-2817528
Fax : 06-2818806

- **TENGERA**

511 & 513 Jalan Tengera
75200 Melaka
Tel : 06-2832052, 06-2832054
Fax : 06-2832159

- **TAMPIN**

37 Jalan Besar
73000 Tampin, Negeri Sembilan
Tel : 06-4412511, 06-4412512
Fax : 06-4414814

- **TRIANG**

38 & 39 Jalan Temerloh
28300 Triang, Pahang
Tel : 09-2553480, 09-2553481
Fax : 09-2553486

NEGERI SEMBILAN

- **BAHAU**

120 & 121 Jalan Gurney
72100 Bahau, Negeri Sembilan
Tel : 06-4544102, 06-4544103
Fax : 06-4545270

- **GEMAS**

12 Jalan Mahkamah
73400 Gemas, Negeri Sembilan
Tel : 07-9481770, 07-9481780
Fax : 07-9481110

- **KUALA KELAWANG**

128A & 128B Jalan Syed Ali
71600 Kuala Kelawang, Jelebu
Negeri Sembilan
Tel : 06-6136925, 06-6136926
Fax : 06-6137110

- **NILAI**

168 – 170 Jalan Besar
71800 Nilai, Negeri Sembilan
Tel : 06-7991066, 06-7991067
Fax : 06-7991337

- **PORT DICKSON**

866 & 867 Jalan Pantai
71007 Port Dickson
Negeri Sembilan
Tel : 06-6472942, 06-6472943
Fax : 06-6474831

- **RASAH**

1281 – 1283 Jalan Rasah
70300 Seremban
Negeri Sembilan
Tel : 06-7600623, 06-7638855
Fax : 06-7637622

- **SEREMBAN**

46 Jalan Dato' Lee Fong Yee
70000 Seremban
Negeri Sembilan
Tel : 06-7630661, 06-7630662
Fax : 06-7634500

PAHANG

- **BRINCHANG**

MDCH 41 – 43
Bandar Baru Brinchang
39100 Brinchang
Cameron Highlands, Pahang
Tel : 05-4911590, 05-4912682
Fax : 05-4911508

- **GENTING HIGHLANDS**

First World Hotel
Genting Highlands Resort
69000 Genting Highlands
Pahang Darul Makmur
Tel : 03-64360088, 03-64360145
Fax : 03-64360099

- **JERANTUT**

K-20 & K-21 Jalan Tahan
Bandar Baru
27000 Jerantut, Pahang
Tel : 09-2661917, 09-2662351
Fax : 09-2661992

- **KUANTAN**

79 – 85 Jalan Haji Abdul Aziz
25000 Kuantan, Pahang
Tel : 09-5553288, 09-5551216
Fax : 09-5553519

- **MENTAKAB**

16 – 18 Off Jalan Haji Kassim
28400 Mentakab, Pahang
Tel : 09-2775800, 09-2775801
Fax : 09-2773011

- **TEMERLOH**

74 & 75 Jalan Ahmad Shah 1
Lurah Temerloh
28000 Temerloh, Pahang
Tel : 09-2965652, 09-2965662
Fax : 09-2965643

PERAK

- **AYER TAWAR**

139 & 141 Jalan Besar
32400 Ayer Tawar, Perak
Tel : 05-6726399, 05-6726400
Fax : 05-6726402

- **BAGAN SERAI**

244 & 244A Jalan Besar
34300 Bagan Serai, Perak
Tel : 05-7212842, 05-7212843
Fax : 05-7212845

- **BERCHAM NEW VILLAGE**

3 & 5 Persiaran Bercham Timur 1
Taman Bercham Baru
31400 Ipoh, Perak
Tel : 05-5360058, 05-5360632
Fax : 05-5361555

- **CHEMOR**

12 – 16 Laluan Chemor Sinaran
Desa Chemor Sinaran
31200 Chemor, Perak
Tel : 05-2011124, 05-2011125
Fax : 05-2011573

- **IPOH GARDEN**

133B, 133C & 133D
Jalan Dato' Lau Pak Khuan
Ipoh Garden
31400 Ipoh, Perak
Tel : 05-5480951, 05-5480952
Fax : 05-5480958

- **IPOH MAIN OFFICE**

7 – 13 Jalan Dato' Maharajalela
30000 Ipoh, Perak
Tel : 05-2530115, 05-2531034
Fax : 05-2535505

- **JALAN BERCHAM**
225 – 229 Jalan Bercham
Bercham
31400 Ipoh, Perak
Tel : 05-5483888, 05-5468444
Fax : 05-5473888
- **JALAN PASIR PUTIH**
137 & 139 Jalan Pengkalan Barat
Off Jalan Pasir Putih
31650 Ipoh, Perak
Tel : 05-3222453, 05-3219892
Fax : 05-3225714
- **JALAN SULTAN IDRIS SHAH**
76 Jalan Sultan Idris Shah
30000 Ipoh, Perak
Tel : 05-2551068, 05-2551069
Fax : 05-2556555
- **JALAN YANG KALSOM**
46 – 52 Jalan Yang Kalsom
30250 Ipoh, Perak
Tel : 05-2531998, 05-2531514
Fax : 05-2535528
- **JELAPANG**
291 Jalan Silibin
30100 Ipoh, Perak
Tel : 05-5264014, 05-5264015
Fax : 05-5264485
- **KAMUNTING**
27 – 29 Regat Kamunting
Off Jalan Kamunting
34600 Kamunting, Perak
Tel : 05-8081110, 05-8081112
Fax : 05-8079363
- **MENGLEMBU**
67 – 71 Jalan Besar
31450 Menglembu, Perak
Tel : 05-2811014, 05-2814978
Fax : 05-2815015
- **PANTAI REMIS**
66 – 70 Jalan Damar Laut
34900 Pantai Remis, Perak
Tel : 05-6771251, 05-6771252
Fax : 05-6771495

- **PUSING**
293 Jalan Besar
31550 Pusing, Perak
Tel : 05-2884077, 05-2884078
Fax : 05-2883975
- **SERI MANJUNG**
Lot No. 2274 – 2277
Taman Samudera
32040 Seri Manjung, Perak
Tel : 05-6882927, 05-6882987
Fax : 05-6884952
- **SIMPANG PULAI**
39 & 41 Persiaran Sengat Baru 2
Taman Bersatu
31300 Simpang Pulai
Ipoh, Perak
Tel : 05-3575360, 05-3575361
Fax : 05-3575358
- **SITIAWAN**
Lot 166 – 168 Jalan Raja Omar
32000 Sitiawan, Perak
Tel : 05-6913526, 05-6913527
Fax : 05-6917198
- **SUNGAI SIPUT**
161 & 162 Jalan Besar
31100 Sungai Siput, Perak
Tel : 05-5986116, 05-5984114
Fax : 05-5986081
- **TANJONG MALIM**
Lot 336 – 337 Jalan Chong Ah Peng
35900 Tanjong Malim, Perak
Tel : 05-4597602, 05-4597603
Fax : 05-4597605
- **TANJONG PIANDANG**
43 & 45 Jalan Atas
34250 Tanjong Piandang
Perak
Tel : 05-7257941, 05-7257942
Fax : 05-7257943
- **TELUK INTAN**
25 & 27 Jalan Raja
36000 Teluk Intan, Perak
Tel : 05-6223282, 05-6212325
Fax : 05-6215518

PERLIS

- **KANGAR**
9 Jalan Raja Syed Alwi
01700 Kangar, Perlis
Tel : 04-9763311, 04-9763432
Fax : 04-9760503

PULAU PINANG

- **AIR ITAM**
56 & 58 Lintang Angsana
Bandar Baru Air Itam
11500 Pulau Pinang
Tel : 04-8284088, 04-8286088
Fax : 04-8280678
- **BAGAN AJAM**
6862-6864 Jalan Bagan Jermal
Bagan Ajam
13000 Butterworth, Pulau Pinang
Tel : 04-3317822, 04-3317823
Fax : 04-3312248
- **BANDAR BAYAN BARU**
5, 7, 9 & 11
Lorong Kampung Jawa
Bandar Bayan Baru
11900 Bayan Lepas, Pulau Pinang
Tel : 04-6438200, 04-6438390
Fax : 04-6441877
- **BANDAR SEBERANG JAYA**
11 Jalan Todak 2
Pusat Bandar Seberang Jaya
13700 Seberang Jaya, Pulau Pinang
Tel : 04-3971096, 04-3971105
Fax : 04-3971107
- **BUKIT MERTAJAM**
269 Jalan Kulim
14000 Bukit Mertajam, Pulau Pinang
Tel : 04-5392205, 04-5392207
Fax : 04-5392164
- **BUTTERWORTH**
4223 Jalan Bagan Luar
12000 Butterworth
Pulau Pinang
Tel : 04-3329837, 04-3329839
Fax : 04-3329836

- **JALAN MACALISTER**
104, 104A & 104B
Jalan Macalister
10400 Pulau Pinang
Tel : 04-2276842, 04-2276843
Fax : 04-2276850
- **JALAN RAJA UDA**
5031 – 5033 Jalan Raja Uda
12300 Butterworth, Pulau Pinang
Tel : 04-3245297, 04-3245298
Fax : 04-3245301
- **JELUTONG**
407-A Jalan Jelutong
11600 Jelutong, Pulau Pinang
Tel : 04-2813227, 04-2825230
Fax : 04-2825232
- **KEPALA BATAS**
21 & 23 Jalan Bertam
13200 Kepala Batas
Seberang Perai Utara, Pulau Pinang
Tel : 04-5759085, 04-5759086
Fax : 04-5759088
- **LEBUH MACALLUM**
Harbour Trade Centre
2-1-20 & 2-1-30
2 Gat Lebu Macallum
10300 Pulau Pinang
Tel : 04-2628442, 04-2627732
Fax : 04-2630057
- **NIBONG TEBAL**
3619 & 3620 Jalan Che Ahmad
14300 Nibong Tebal
Seberang Prai Selatan
Pulau Pinang
Tel : 04-5932216, 04-5931433
Fax : 04-5931590
- **PRAI**
2684 & 2685 Jalan Chain Ferry
Taman Inderawasih
13600 Prai, Pulau Pinang
Tel : 04-3901241, 04-3901246
Fax : 04-3902394
- **PULAU PINANG**
87 Bishop Street
10200 Pulau Pinang
Tel : 04-2613415, 04-2616755
Fax : 04-2617417

- **PULAU TIKUS**
58 Jalan Cantonment
Pulau Tikus, 10250 Pulau Pinang
Tel : 04-2286017, 04-2286018
Fax : 04-2287075
- **RELAU**
1 & 3 Jalan Relau
11900 Pulau Pinang
Tel : 04-6443112, 04-6443102
Fax : 04-6443128
- **SIMPANG AMPAT**
1364 Jalan Besar
14100 Simpang Ampat
Seberang Prai Selatan, Pulau Pinang
Tel : 04-5887000, 04-5887248
Fax : 04-5888080
- **SUNGAI NIBONG**
33 & 35 Jalan Pantai Jerjak 13
Sungai Nibong, 11900 Pulau Pinang
Tel : 04-6586000
Fax : 04-6576212
- **TAMAN BANDAR RAYA**
15 & 16 Lorong Sepakat 1
Taman Bandar Raya
14000 Bukit Mertajam, Pulau Pinang
Tel : 04-5300288, 04-5306327
Fax : 04-5377288

SABAH

- **BEAUFORT**
Lot 6 & 7 Lo Chung Park
89808 Beaufort, Sabah
Tel : 087-214869, 087-214844
Fax : 087-214839
- **CITY PARADE**
Lot No. 1-0-M48-M51
1 Jalan Centre Point
City Parade, Centre Point Sabah
88000 Kota Kinabalu, Sabah
Tel : 088-251812, 088-251813
Fax : 088-251816
- **DONGGONGON**
Lot A-5 Donggongon New Township
Jalan Tapikong
89500 Penampang
Kota Kinabalu, Sabah
Tel : 088-722780, 088-723780
Fax : 088-727780
- **KENINGAU**
Juta Commercial Centre
Block A3, Lots 2 & 3, Jalan Sodomian
89000 Keningau, Sabah
Tel : 087-335841, 087-335846
Fax : 087-335842
- **KOTA BELUD**
Lot B6 & B7, Kompleks Centenary
Jalan Sabar
89150 Kota Belud, Sabah
Tel : 088-977807, 088-977784
Fax : 088-977798
- **KOTA KINABALU**
Lot G.1 & Lot 1.1 Menara MAA
6 Lorong Api-Api 1
Api-Api Centre
88000 Kota Kinabalu, Sabah
Tel : 088-239611, 088-239612
Fax : 088-236630
- **LAHAD DATU**
MDLD 0088 Jalan Teratai
91100 Lahad Datu, Sabah
Tel : 089-884020, 089-884021
Fax : 089-884087
- **LIDO**
Lot 8 & 9 Block P
Taman Che Mei
KM 5 Jalan Penampang, Lido
88300 Kota Kinabalu, Sabah
Tel : 088-217125, 088-245687
Fax : 088-245496
- **PAPAR**
162 Lot 8023 Jalan Besar
Pekan Papar
89600 Papar, Sabah
Tel : 088-912522, 088-912523
Fax : 088-912211

- **SANDAKAN**
Wisma Sandaraya, Third Avenue,
90000 Sandakan, Sabah
Tel : 089-214257, 089-214258
Fax : 089-272815

- **TAWAU**
TB 304A & 304B, Block 34
Fajar Complex
91000 Tawau, Sabah
Tel : 089-761311, 089-761322
Fax : 089-761355

SARAWAK

- **BATU NIAH**
Lot 643 Batu Niah Town Extension
98200 Batu Niah, Sarawak
Tel : 085-737111
Fax : 085-737110

- **BINTANGOR**
19 Teo Kui Ngo Road
96500 Bintangor, Sarawak
Tel : 084-693622
Fax : 084-693255

- **BINTULU**
29 – 32 Jalan Sommerville
97000 Bintulu, Sarawak
Tel : 086-331433
Fax : 086-336028

- **CHINA STREET**
28 China Street
98000 Miri, Sarawak
Tel : 085-417227, 085-417228
Fax : 085-419855

- **JALAN CENTRAL**
3 Jalan Central
96000 Sibul, Sarawak
Tel : 084-335677
Fax : 084-320052

- **JALAN PENRISSEN**
143A – 145A Kota Sentosa
Batu 7 Jalan Penrissen
93250 Kuching, Sarawak
Tel : 082-613377
Fax : 082-615961

- **JALAN PULAU**
Wisma Public Bank
15 Jalan Pulau
96000 Sibul, Sarawak
Tel : 084-320088
Fax : 084-314088

- **JALAN TUN HJ. OPENG**
28 – 30 Jalan Tun Hj. Openg
93000 Kuching, Sarawak
Tel : 082-417922, 082-417923
Fax : 082-424248

- **JALAN TUN ZAIDI**
Lot 2775 & 2776 Block 10
3rd Mile Jalan Tun Ahmad Zaidi Adruce
93250 Kuching, Sarawak
Tel : 082-245271
Fax : 082-245542

- **KAPIT**
63 – 64 Jalan Wharf
96800 Kapit, Sarawak
Tel : 084-797677, 084-797652
Fax : 084-797628

- **KUCHING**
Wisma Saberka, Lot G.01 & G.02A
Off Jalan Green
Jalan Tun Abang Hj. Openg
93000 Kuching, Sarawak
Tel : 082-419889, 082-428800
Fax : 082-424662

- **LIMBANG**
Lot 1082 – 1083 Jalan Buangsiol
98700 Limbang, Sarawak
Tel : 085-212511, 085-212443,
Fax : 085-212676

- **MARUDI**
59 & 60, Jalan Kapitan Lim Ching Kiat
Marudi
98050 Baram, Sarawak
Tel : 085-755000, 085-755009
Fax : 085-755018

- **MIRI**
Moh Heng Building
14 Jalan Bendahara
98000 Miri, Sarawak
Tel : 085-412944, 085-412955
Fax : 085-417273

- **MUKAH**
41 & 42 Block 68
Mukah New Township
96400 Mukah, Sarawak
Tel : 084-871900
Fax : 084-871319

- **PADUNGAN**
7, 8 & 9 Jalan Chan Bee Kiew
Off Jalan Padungan
93100 Kuching, Sarawak
Tel : 082-489904, 082-489905
Fax : 082-330488

- **PELITA**
Pelita Commercial Centre
Lot 580 – 581 Miri-Pujut Road
98000 Miri, Sarawak
Tel : 085-410800, 085-420173
Fax : 085-419862

- **SARIKEI**
51 – 52 Jalan Masjid
96100 Sarikei, Sarawak
Tel : 084-652490
Fax : 084-653137

- **SIBU**
2, 4 & 6 Lorong 2
Jalan Tuanku Osman
96000 Sibul, Sarawak
Tel : 084-316511
Fax : 084-335739

SELANGOR

- **AMPANG**
Wisma Saudagar
420 Batu 5 Jalan Ampang
68000 Ampang, Selangor
Tel : 03-42562333, 03-42562636
Fax : 03-42578964

- **BANDAR PUCHONG JAYA**
10 Jalan Kenari 1
Bandar Puchong Jaya
47100 Puchong, Selangor
Tel : 03-58821888, 03-58821889
Fax : 03-58821299

- **BANDAR SRI DAMANSARA**
13 & 13A Jalan Tembaga SD 5/2A
Bandar Sri Damansara
52200 Kuala Lumpur
Tel : 03-62725742, 03-62725694
Fax : 03-62725767
- **BANDAR SUNWAY**
48 & 50 Jalan PJS 11/28A
Bandar Sunway
46150 Petaling Jaya, Selangor
Tel : 03-56364138, 03-56362256
Fax : 03-56363556
- **BANTING**
251 Jalan Besar
42700 Banting, Selangor
Tel : 03-31878387, 03-31878586
Fax : 03-31872708
- **BATANG KALI**
4 & 5 Jalan CKC 1
Bandar Baru Batang Kali
44300 Ulu Selangor, Selangor
Tel : 03-60572401, 03-60572402
Fax : 03-60572405
- **BUKIT BERUNTUNG**
23 & 25 Jalan Melati 2B
Section BB11
Bandar Bukit Beruntung
48300 Rawang, Selangor
Tel : 03-60282168, 03-60282169
Fax : 03-60282173
- **DAMANSARA UTAMA**
Plaza Damansara Utama
2 Jalan SS 21/60
Damansara Utama
47400 Petaling Jaya, Selangor
Tel : 03-77289376, 03-77289406
Fax : 03-77271563
- **JALAN KAPAR**
45 & 47 Jalan Kapar
41400 Klang, Selangor
Tel : 03-33419036, 03-33419037
Fax : 03-33417455

- **JALAN SK 10/4**
Bangunan MCA Seri Kembangan
1260 Jalan SK 10/4
43300 Seri Kembangan, Selangor
Tel : 03-89488700
Fax : 03-89485700
- **KAJANG**
10 & 11 Jalan Raja Haroun
43000 Kajang, Selangor
Tel : 03-87368891, 03-87368894
Fax : 03-87365369
- **KAMPUNG BARU SUBANG**
34 – 36 Jalan Lebuah Besar
Kampung Baru Subang
40150 Shah Alam, Selangor
Tel : 03-78468986, 03-78468012
Fax : 03-78463351
- **KELANA JAYA**
19 Jalan SS 6/12
Kelana Jaya
47301 Petaling Jaya, Selangor
Tel : 03-78031267, 03-78034928
Fax : 03-78032478
- **KLANG**
28 – 32 Persiaran Sultan Ibrahim
41300 Klang, Selangor
Tel : 03-33423567, 03-33423569
Fax : 03-33423566
- **KUALA SELANGOR**
54 Jalan Station
45000 Kuala Selangor, Selangor
Tel : 03-32894193, 03-32894194
Fax : 03-32894133
- **PANDAMARAN**
306 Jalan Besar
Pandamaran
42000 Port Klang, Selangor
Tel : 03-31672830, 03-31672831
Fax : 03-31675440
- **PANDAN INDAH**
1 & 3 Jalan Pandan Indah 1/23
Pandan Indah
55100 Kuala Lumpur
Tel : 03-9642495, 03-9647494
Fax : 03-9646497

- **PANDAN JAYA**
44, Jalan Pandan 2/2
Pandan Jaya
55100 Kuala Lumpur
Tel : 03-92812199, 03-92863149
Fax : 03-92812206
- **PETALING JAYA NEW TOWN**
1, 3 & 5 Jalan 52/2
46200 Petaling Jaya, Selangor
Tel : 03-79570007, 03-79570211
Fax : 03-79579601
- **PETALING JAYA OLD TOWN**
N19 & O19 Jalan Pasar
Off Jalan Othman
46000 Petaling Jaya, Selangor
Tel : 03-77836566, 03-77835785
Fax : 03-77836562
- **PORT KLANG**
82 Lebuah Beringin
Off Jalan Berangan
42000 Port Klang, Selangor
Tel : 03-31674668, 03-31674550
Fax : 03-31685510
- **RAWANG**
20 Jalan Bersatu 10
Taman Bersatu
48000 Rawang, Selangor
Tel : 03-60924936, 03-60924937
Fax : 03-60924935
- **SEA PARK**
8 & 10 Jalan 21/12
Sea Park
46300 Petaling Jaya, Selangor
Tel : 03-78738931, 03-78738932
Fax : 03-78744798
- **SECTION 14**
31 Jalan 14/20
46100 Petaling Jaya, Selangor
Tel : 03-79582585, 03-79582586
Fax : 03-79582593
- 16 Jalan 14/14
46100 Petaling Jaya, Selangor
Tel : 03-79544090, 03-79544091
Fax : 03-79544128

- **SEKINCHAN**
102 Jalan Sabak Bernam
45400 Sekinchan, Selangor
Tel : 03-32411263, 03-32411264
Fax : 03-32411644
- **SEMENYIH**
22B & 23 Jalan Besar
43500 Semenyih, Selangor
Tel : 03-87238811, 03-87238812
Fax : 03-87237455
- **SERI GOMBAK**
21 & 23 Jalan SG1/6
Taman Seri Gombak
68100 Batu Caves, Selangor
Tel : 03-61886712, 03-61889611
Fax : 03-61886236
- **SERI KEMBANGAN**
Lot 255 Jalan Kolej
43300 Seri Kembangan, Selangor
Tel : 03-89421096, 03-89422671
Fax : 03-89422537
- **SERI SETIA**
601 & 602 Jalan SS 9A/13
Seri Setia
47300 Petaling Jaya, Selangor
Tel : 03-78741944, 03-78741966
Fax : 03-78769411
- **SHAH ALAM**
Lot 31 – 35 Jalan Utas B
Section 15/B
40000 Shah Alam, Selangor
Tel : 03-55100567, 03-55101313
Fax : 03-55101288
- **SS2**
61-8 & 61-9 Jalan SS 2/75
47300 Petaling Jaya, Selangor
Tel : 03-78741911
Fax : 03-78741491
- **SUBANG JAYA**
B2 – B4 Jalan SS 15/4D
Subang Jaya
47500 Petaling Jaya, Selangor
Tel : 03-56332420, 03-56332421
Fax : 03-56347713

- **SUNGAI BULOH**
Lot 403 Jalan 1A/1
Bandar Baru Sungai Buloh
47000 Sungai Buloh, Selangor
Tel : 03-61562083, 03-61562056
Fax : 03-61562138
- **SUNGAI CHUA**
1 Jalan M/J1
Taman Majlis Jaya
Jalan Sungai Chua
43000 Kajang, Selangor
Tel : 03-87370228
Fax : 03-87345570
- **SUNGAI JAROM**
S11-12 Jalan Rajawali
42600 Sungai Jarom, Selangor
Tel : 03-31912031, 03-31912032
Fax : 03-31912080
- **SUNGAI PELEK**
24-C Jalan Besar
43950 Sungai Pelek, Selangor
Tel : 03-31411236, 03-31411237
Fax : 03-31411233
- **TAMAN CHI LIUNG**
24, 26 & 28 Lintang Menalu
Taman Chi Liung
41200 Klang, Selangor
Tel : 03-33718899, 03-33718482
Fax : 03-33720319
- **TAMAN MAYANG**
21 & 23 Jalan SS 25/23
Taman Plaza
47301 Petaling Jaya, Selangor
Tel : 03-78030124, 03-78039247
Fax : 03-78039447
- **TAMAN MELAWATI**
262 – 265 Jalan Bandar 12
Taman Melawati
53100 Kuala Lumpur
Tel : 03-41052003, 03-41052004
Fax : 03-41052009

- **TAMAN SRI MUDA**
2 Jalan Sepadu B 25/B
Taman Perindustrian Axis
Section 25
40400 Shah Alam, Selangor
Tel : 03-5216394, 03-5216395
Fax : 03-5216372
- **TAMAN TAMING JAYA**
1 & 1-1 Medan Taming Satu
Taman Taming Jaya
43300 Balakong, Selangor
Tel : 03-89614980, 03-89614984
Fax : 03-89614985
- **USJ**
3 & 5 Jalan USJ 10/1F
47620 UEP Subang Jaya
Selangor
Tel : 03-56350617, 03-56310776
Fax : 03-56329196

TERENGGANU

- **CHUKAI**
K-156A Jalan Sulaiman
Chukai
24000 Kemaman, Terengganu
Tel : 09-8595962, 09-8594069
Fax : 09-8594943
- **KUALA TERENGGANU**
1, 1A & 1B Jalan Batas Baru
20300 Kuala Terengganu
Terengganu
Tel : 09-6226998
Fax : 09-6233409

OVERSEAS BRANCHES/OFFICES

- RESTRICTED LICENCE BANK HONG KONG**
 Room 1101-1103
 Wing On House
 71 Des Voeux Road
 Central Hong Kong
 Tel : 852-2525-9351
 Fax : 852-2868-9803
 Telex : 65279 PBB HX
- SRI LANKA BRANCH**
 324 Galle Road
 Colombo 03, Sri Lanka
 Tel : 941-576289, 941-576290,
 941-576291, 941-576292
 Fax : 941-573958
 Telex : 23171 PUBLIC CE
 23507 PBBTRY CE
 E-mail : pbbanka@diamond.lanka.net
 Switch No: PBBELKLX
- VIENTIANE BRANCH**
 100/1-4 Talat Sao Road
 P.O. Box 6614
 Vientiane, Lao PDR
 Tel : 856-21-216614,
 856-21-223394
 856-21-223395
 Fax : 856-21-222743
 Telex : 4310 PBBVTE LS
 E-mail : pbbvte@laotel.com

SUBSIDIARIES

- PUBLIC FINANCE BHD.**
 Bangunan Public Bank
 6 Jalan Sultan Sulaiman
 50000 Kuala Lumpur
 Tel : 03-22741788, 22741766
 03-22733333, 22733000
 Fax : 03-20704266
 Website: www.publicfinance.com.my
 (168 branches nationwide)
- PUBLIC MERCHANT BANK BHD.**
 25th Floor, Menara Public Bank
 146 Jalan Ampang
 50450 Kuala Lumpur
 Tel : 03-21669382
 Fax : 03-21669362

- PUBLIC CONSOLIDATED HOLDINGS SDN. BHD.**
 Registered Office
 27th Floor, Menara Public Bank
 146 Jalan Ampang
 50450 Kuala Lumpur
 Tel : 03-21638888
 Fax : 03-21639917
- PB SECURITIES SDN. BHD.**
 27th Floor, Bangunan Public Bank
 6 Jalan Sultan Sulaiman
 50000 Kuala Lumpur
 Tel : 03-20313011 (General)
 03-20313733 (Dealing)
 Fax : 03-20312533 (General)
 03-20312530 (Dealing)
- KUALA LUMPUR MUTUAL FUND BHD.**
 Block B, Sri Damansara Business Park
 Persiaran Industri
 Bandar Sri Damansara
 52200 Kuala Lumpur
 Tel : 03-62776800
 Fax : 03-62779800
 (21 branches and 6 agency offices nationwide)
- PB FUTURES SDN. BHD.**
 27th Floor, Bangunan Public Bank
 6 Jalan Sultan Sulaiman
 50000 Kuala Lumpur
 Tel : 03-20313011
 Fax : 03-20312533
- PB SECURITIES NOMINEES (ASING) SDN. BHD.**
 27th Floor, Bangunan Public Bank
 6 Jalan Sultan Sulaiman
 50000 Kuala Lumpur
 Tel : 03-20313011
 Fax : 03-20312533
- PB SECURITIES NOMINEES (TEMPATAN) SDN. BHD.**
 27th Floor, Bangunan Public Bank
 6 Jalan Sultan Sulaiman
 50000 Kuala Lumpur
 Tel : 03-20313011
 Fax : 03-20312533

- PUBLIC NOMINEES (ASING) SDN. BHD.**
 17th Floor, Menara Public Bank
 146 Jalan Ampang
 50450 Kuala Lumpur
 Tel : 03-21626077
 Fax : 03-21626078
- PUBLIC NOMINEES (TEMPATAN) SDN. BHD.**
 17th Floor, Menara Public Bank
 146 Jalan Ampang
 50450 Kuala Lumpur
 Tel : 03-21626077
 Fax : 03-21626078
- PUBLIC LEASING & FACTORING SDN. BHD.**
 18th Floor, Menara Public Bank
 146 Jalan Ampang
 50450 Kuala Lumpur
 Tel : 03-21633833, 21630933
 Fax : 03-21632822
 (4 branches – Klang, Johor Bahru, Pulau Pinang, Kota Kinabalu)
- PB INTERNATIONAL FACTORS SDN. BHD.**
 18th Floor, Menara Public Bank
 146 Jalan Ampang
 50450 Kuala Lumpur
 Tel : 03-21622955
 Fax : 03-21622962
 (2 branches – Johor Bahru, Pulau Pinang)
- PB TRUST COMPANY SDN. BHD.**
 Level 8(B), Main Office Tower
 Financial Park Labuan
 Jalan Merdeka
 87000 Federal Territory Labuan
 Tel : 6087-412336, 6087-411898
 Fax : 6087-451193
 Telex : MA 85038
- PUBLIC HOLDINGS SDN. BHD.**
 8th Floor, Menara Public Bank
 146 Jalan Ampang
 50450 Kuala Lumpur
 Tel : 03-21766000, 21766666
 Fax : 03-21639903

- **PB PROPERTIES SDN. BHD.**
8th Floor, Menara Public Bank
146 Jalan Ampang
50450 Kuala Lumpur
Tel : 03-21766000, 03-21766666
Fax : 03-21639903

- **PB VENTURE CAPITAL SDN. BHD.**
Registered Office
27th Floor, Menara Public Bank
146 Jalan Ampang
50450 Kuala Lumpur
Tel : 03-21638899
Fax : 03-21639917

- **PUBLIC BANK (L) LTD.**
Level 8(A) & (B), Main Office Tower
Financial Park Labuan
Jalan Merdeka
87000 Federal Territory Labuan
Tel : 6087-411898
Fax : 6087-413220
Telex : MA 87012

- **JCG HOLDINGS LTD.**
Room 1105-07, Wing On House
71 Des Voeux Road
Central Hong Kong
Tel : 852-2525-9351
Fax : 852-2845-0681
Telex : 65279 PBB HX
Cable : JCGFIN

- **JCG FINANCE COMPANY, LTD.**
Room 1105-07, Wing On House
71 Des Voeux Road
Central Hong Kong
Tel : 852-2525-9351
Fax : 852-2845-0681
Telex : 65279 PBB HX
Cable : JCGFIN
(39 branches in Hong Kong)

- **WINTON HOLDINGS (BERMUDA) LTD.**
Room 1101-1110, 11th Floor
Phase 1, Argyle Centre
688 Nathan Road
Mongkok, Kowloon, Hong Kong
Tel : 852-2391-9388
Fax : 852-2391-5366
(1 branch in Kowloon)

- **FUNDS FIT LTD.**
Room 1105-07, Wing On House
71 Des Voeux Road
Central Hong Kong
Tel : 852-2525-9351
Fax : 852-2845-0681
Telex : 65279 PBB HX
Cable : JCGFIN

- **JCG NOMINEES LTD.**
Room 1108, Wing On House
71 Des Voeux Road
Central Hong Kong
Tel : 852-2877-8622
Fax : 852-2845-5240
Telex : 65279 PBB HX
Cable : JCGFIN

- **JCG SECURITIES LTD.**
Room 1108, Wing On House
71 Des Voeux Road
Central Hong Kong
Tel : 852-2877-8622
Fax : 852-2845-5240
Telex : 65279 PBB HX

- **CAMBODIAN PUBLIC BANK LTD.**
Villa No. 23 RV Kramounsar
Phsar Thmey II
Daun Penh District
Phnom Penh, Cambodia
Tel : 855-23-214111
Fax : 855-23-217655
Telex : (51) 94079463 – CPBB G
E-mail : campu@bigpond.com.kh

ASSOCIATED COMPANIES

- **PB TRUSTEE SERVICES BHD.**
17th Floor, Menara Public Bank
146 Jalan Ampang
50450 Kuala Lumpur
Tel : 03-21766651
Fax : 03-21643285
- **VID PUBLIC BANK**
Ground and Mezzanine Floor
Hanoi Tungshing Square
2 Ngo Quyen Street, Hanoi
Vietnam
Tel : 844-8268307
Fax : 844-8268228
Telex : 412241 VPB VT
(4 branches – Hanoi, Ho Chi Minh
City, Hai Phong, Danang)
- **CPB PROPERTIES COMPANY LTD.**
Villa No. 23, RV Kramounsar
Phsar Thmey II
Daun Penh District
Phnom Penh, Cambodia
Tel : 855-23-214111
Fax : 855-23-217655
E-mail : campu@bigpond.com.kh



WE'RE LISTENING TO YOUR CALL FOR ISLAMIC BANKING



You wanted an alternative Islamic option to your banking needs. We listened. That's why we provide an extensive range of Islamic banking services just for you. Choose from our portfolio of savings, unit trust investments or financing products. At Public Bank, we're always "Doing It Right For You". Talk to us today. We've been listening and caring since 1966.

WE LISTEN. WE CARE.



PUBLIC BANK

(6463-H)

Excellence Is Our Commitment

Addendum

Additional Information

Non-audit fees

Non-audit fees amounting to RM492,107 (2000: RM381,650) for the Group and RM193,900 (2000: RM113,650) for the Bank were paid to the external auditors for the financial year ended 31 December 2001.

Share Buy-Back

Public Bank has not purchased any of its own shares during the financial year ended 31 December 2001.

Material Contracts

There was no material contract entered into by the Group and the Bank involving Directors and substantial shareholders of the Group and the Bank, either subsisting as at 31 December 2001 or since the end of the previous financial year ended 31 December 2000.

Date of acquisition/revaluation of properties owned by Public Bank Group

Location	Date of acquisition/ revaluation	Location	Date of acquisition/ revaluation	Location	Date of acquisition/ revaluation
Public Bank Berhad (properties in Malaysia)		Public Bank (L) Ltd. (property in Malaysia)		PB Properties Sdn. Bhd. (properties in Malaysia)	
Menara Public Bank 146 Jalan Ampang 50450 Kuala Lumpur	2.1.1995	Block D (02-3, 03-1, 03-3) & Block C (04-01) Kerupang II Apartments Jalan Batu Arang 87000 Federal Territory of Labuan	6.7.1996	33 & 35 Jalan Pantai Jerjak 13 11900 Sungai Nibong Pulau Pinang	15.12.1986
3 Jalan Central 96000 Sibul, Sarawak	31.3.2001	JCG Finance Co., Ltd. (properties in Hong Kong)		2 Jalan Nakhoda 12 Taman Ungku Tun Aminah 81300 Skudai, Johor	10.12.1987
28 – 29 Jalan Tun Haji Openg 93000 Kuching, Sarawak	31.3.2001	Shop 7, Ground Floor Mei Hang Building 15-45 Kai Man Path Tuen Mun, New Territories	30.6.1980	Wisma Public Bank 15, Jalan Pulau 96000 Sibul, Sarawak	29.8.1988
30 Jalan Tun Haji Openg 93000 Kuching, Sarawak	31.3.2001	Shop A, Ground Floor Kong Kai Building 184-188, Aberdeen Main Road Aberdeen	9.3.1990	Lot 336 Jalan Chong Ah Peng 35900 Tanjung Malim, Perak	23.6.1989
150 Jalan Bukit Bintang 55100 Kuala Lumpur	31.3.2001	Ground Floor, Yue Yee Mansion 92 Shung Ling Street San Po Kong, Kowloon	9.6.1990	28 China Street 98000 Miri, Sarawak	10.8.1989
Parcels 2.18, 3.18 & 4.18 Merdeka Plaza 93000 Kuching, Sarawak	31.3.2001	Flat F, 29th Floor, Pine Mansion Harbour View Gardens 26 Taikoo Wan Road Taikoo Shing, Quarry Bay	3.10.1990	160 & 162 Kompleks Munshi Abdullah, Jalan Munshi Abdullah 75100 Melaka	2.5.1991
Public Finance Berhad (property in Malaysia)		Room 1003-1005 10th Floor, Fortress Tower 250 King's Road, North Point	18.3.1992	Lot 643 Batu Niah Town Extension, 98200 Batu Niah Sarawak	4.10.1996
7 & 9 Jalan Dato' Maharajalela 30000 Ipoh Perak Darul Ridzuan	4.1.1967	14th Floor, Regent On The Park 14A, Tower 2 Car Park Nos. 4 & 66 on 4th Floor 9 Kennedy Road	5.3.1993	76 Jalan Sultan Idris Shah 30000 Ipoh, Perak	15.7.1991
		Ground Floor, 751 Nathan Road Kowloon	24.5.1992	36 Jalan Kampong Nyabor 96000 Sibul, Sarawak	20.4.1992

Location	Date of acquisition/ revaluation	Location	Date of acquisition/ revaluation	Location	Date of acquisition/ revaluation
Public Holdings Sdn. Bhd. (properties in Malaysia)		11th Floor, Wing On House 71 Des Voeux Road Central	11.6.1993	Lot 1 Block B-8, Jalan Arusap 89000 Keningau, Sabah	8.1.1993
87 Lebuhr Bishop 10200 Pulau Pinang	20.5.1994	Office B, Ground Floor 17th Floor, JCG Building 16 Mongkok Road, Kowloon	30.6.1994 (R)	Sublots 110 & 111 Mukah New Township 96400 Mukah, Sarawak	21.11.1995
60-68 Jalan Laksamana 75000 Melaka	20.5.1994	Flat F, 24th Floor Ngan Sing Mansion Sing Fai Terrace, Taikoo Shing	1.8.1995	Lot 3 & 4 Block A Hiong Tiong Industrial Centre KM11.2 Jalan Tuaran 88450 Inanam Kota Kinabalu, Sabah	26.12.1996
Bangunan Public Bank 6 Jalan Sultan Sulaiman 50000 Kuala Lumpur	9.12.1997	Ground Floor, Ruby Commercial Building 480 Nathan Road, Kowloon	14.1.2000	Wisma Public Bank 300 Jalan Raja Laut 50350 Kuala Lumpur	3.10.1996
40 & 42 Jalan Radin Tengah Bandar Baru Seri Petaling 57000 Kuala Lumpur	10.11.1992	Shop No. 51-53 on 1st Floor Harbour Crystal Centre 100 Granville Road, Kowloon	1.11.2000	4223 Jalan Bagan Luar 12000 Butterworth Pulau Pinang	6.10.1997
3619 & 3620 Jalan Che' Ahmad 14300 Nibong Tebal Seberang Prai Selatan Pulau Pinang	10.4.1986	G/F, 182 Main Road Yuen Long, New Territories	23.4.2001	20-26 Jalan Hang Lekiu 50714 Kuala Lumpur	4.10.1988
11 & 13 Jalan Dato' Maharajalela, 30000 Ipoh Perak Darul Ridzuan	1.8.1990	Workshops A, B and C on Ground Floor and Flat E on 9th Floor Hung Cheong Factory Building 742-748 Cheung Sha Wan Road 3 Kwong Cheung Street Cheung Sha Wan Kowloon	24.7.1992 (R)	9D & 9E Jalan Kampung Baru 08000 Sg. Petani Kedah Darul Aman	26.9.1998
Public Bank Tower 19 Jalan Wong Ah Fook 80000 Johor Bahru Johor Darul Takzim	12.8.1991	Workshops E1 and F1 on 10th Floor, Hang Fung Industrial Building Phase 1, 2G Hok Yuen Street Hunghom, Kowloon	24.7.1992 (R)		
1 Jalan Air Hitam Kawasan Institusi Bandar Baru Bangi 43000 Kajang Selangor Darul Ehsan	3.9.1997	Flat 3 on 3rd Floor Block F 2, Pearl Island Villas 17½ Mile, Castle Peak Road Tuen Mun, New Territories	24.7.1992		
Kuala Lumpur Mutual Fund Berhad (properties in Malaysia)		11th Floor, Arglye Centre Phase 1, 688 Nathan Road and 65 Arglye Street Mongkok, Kowloon	2.5.1994 (R)		
2nd Floor, TB 323 Block 38, Fajar Complex 91000 Tawau, Sabah	19.3.1992	4/F, 581 Nathan Road Mongkok, Kowloon	14.6.1984		
11 Jalan 3/82B, Bangsar Utama Off Jalan Bangsar 59000 Kuala Lumpur	2.2.1990	2/F, 575 A Nathan Road Mongkok, Kowloon	9.1.1987		
Block B & Block C (Lot B045/C/1-3 to C6-3) Sri Damansara Business Park Persiaran Industri Bandar Sri Damansara 52200 Kuala Lumpur	12.6.1995				

(R) – Last revaluation was performed on 31 December 2001

Proxy

PUBLIC BANK BERHAD
(6463-H)

I/We _____ NRIC No./Co. No.: _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

being a Member of the abovenamed Company, hereby appoint _____
(FULL NAME IN BLOCK LETTERS)

_____ NRIC No.: _____

of _____
(ADDRESS)

or failing him, _____ NRIC No.: _____
(FULL NAME IN BLOCK LETTERS)

of _____
(ADDRESS)

as my/our proxy to vote for me/us on my/our behalf at the Thirty-Sixth Annual General Meeting of the Company to be held on Monday, 20 May 2002 at 11.00 a.m. and at any adjournment thereof in respect of my/our holding of shares in the manner as indicated below:

No.	Resolutions	For	Against
1.	Receive the Audited Financial Statements for the financial year ended 31 December 2001 and the Reports of the Directors and Auditors thereon.		
2.	Declaration of final dividend.		
3.	Re-election of Y.Bhg. Dato' Yeoh Chin Kee as Director pursuant to Article 102 of the Company's Articles of Association.		
4.	Re-election of Y.Bhg. Dato' Lee Kong Lam as Director pursuant to Article 106 of the Company's Articles of Association.		
5.	Re-election of Y.Bhg. Dato' Dr. Haji Mohamed Ishak bin Haji Mohamed Ariff as Director pursuant to Article 106 of the Company's Articles of Association.		
6.	Re-election of Mr. Lee Chin Guan as Director pursuant to Article 106 of the Company's Articles of Association.		
7.	Re-appointment of Y.Bhg. Tan Sri Dato' Thong Yaw Hong as Director of the Company pursuant to Section 129 of the Companies Act, 1965.		
8.	Re-appointment of Y.Bhg. Tan Sri Dato' Dr. Teh Hong Piow as Director of the Company pursuant to Section 129 of the Companies Act, 1965.		
9.	Approval of payment of Directors' fees.		
10.	Re-appointment of Messrs KPMG as Auditors and to authorise the Directors to fix the Auditors' remuneration.		
11.	Authority under Section 132D of the Companies Act, 1965 for the Directors to issue shares.		

(Please indicate with a cross (x) in the spaces provided whether you wish your vote to be cast for or against the Resolutions. In the absence of specific directions, your proxy will vote or abstain as he thinks fit.)

Dated this _____ day of _____ 2002

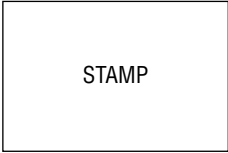
Signature/Common Seal

Notes:

1. The right of Foreigners to vote in respect of their deposited securities is subject to Section 41(1)(e) and Section 41(2) of the Securities Industry (Central Depositories) Act, 1991 and the Securities Industry (Central Depositories) (Foreign Ownership) Regulations, 1996. The position of such Depositors in this regard will be determined based on the General Meeting Record of Depositors. Such Depositors whose shares exceed the Company's foreign shareholding limit of 30% as at the date of the General Meeting Record of Depositors may attend the above Meeting but are not entitled to vote. Consequently, a proxy appointed by such Depositors who is not entitled to vote will also not be entitled to vote at the above Meeting.
2. A Member entitled to attend and vote at a meeting of the Company is entitled to appoint a proxy (who need not be a Member of the Company) to attend and vote in his stead. The instrument appointing a proxy must be deposited at the Registered Office of the Company, at 27th Floor, Menara Public Bank, 146 Jalan Ampang, 50450 Kuala Lumpur, not less than 48 hours before the time set for the meeting or any adjournment thereof.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if such appointor is a corporation, under its Common Seal or the hand of its attorney.

Please fold here to seal

Please fold here to seal



The Company Secretary
PUBLIC BANK BERHAD
27th Floor Menara Public Bank
146 Jalan Ampang
50450 Kuala Lumpur
Malaysia

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Past 25 Years Public Bank Annual Report Covers



1976



1977



1978



1979



1980



1981



1982



1983

- MACRA Award
- Silver Award



1984



1985

- MACRA Commendation Award
- Graphic Presentation
- Corporate Information



1986

- MACRA Award
- Best Corporate Information



1987

- MACRA Award
- Best Corporate Information
- NARA Award
- Best Annual Report Finance Sector



1988

- MACRA Award
- Best Overall Annual Report
- Best Corporate Information
- NARA Award
- Best Annual Report Finance Sector



1989

- NACRA Award
- Most Outstanding Annual Report
- Best Annual Report Finance Sector
- NACRA Commendation Award
- Corporate Information
- Accounting Information
- Annual Report in Bahasa Malaysia



1990

- NACRA Award
- Best Accounting Information



1991

- NACRA Award
- Best Accounting Information
- NACRA Commendation Award
- Corporate Information



1992



1993



1994

- NACRA Commendation Award
- Accounting Information
- Corporate Information
- Annual Report in Bahasa Malaysia



1995

- NACRA Commendation Award
- Accounting Information
- Annual Report in Bahasa Malaysia



1996

- NACRA Award
- Most Outstanding Annual Report
- Industry Excellence Award Finance Sector



1997

- NACRA Award
- Best Annual Report in Bahasa Malaysia
- Industry Excellence Award Finance Sector



1998

- NACRA Award
- Industry Excellence Award Finance Sector



1999

- NACRA Award
- Industry Excellence Award Finance Sector
- CITRA Award 2000
- Main Award



2000

- NACRA Award
- Industry Excellence Award Finance Sector
- CITRA Award 2001
- Special Jury Award