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Press Release

Maybank to officially open fourth branch in Greater China *Only Malaysian bank in Kunming, Yunnan province*

Maybank will mark another milestone with the official opening of a new branch in Kunming this week, making it the first Malaysian bank and one of only two South East Asian banks to have a presence in Yunnan Province in Southwest China.

The Kunming Branch is Maybank's fourth branch in the Greater China region, after Hong Kong, Shanghai and Beijing and is poised to leverage on the growing trade and investment links between Southwest China and ASEAN.

Maybank Chairman, Tan Sri Megat Zaharuddin Megat Mohd Nor Zaharuddin said the opening of Kunming branch was a strategic move for Maybank not only because of the potential that exists in China, but also because the Yunnan province alone is well positioned as a gateway to South Asia as well as ASEAN, bordering Myanmar, Laos and Vietnam.

"Having been in this region for decades, we have acquired experiences and developed a unique understanding and appreciation of the importance of China within the regional and global economies, as well as the role that we can play here as one of ASEAN's top 5 banks," he said. "Given that Maybank has a presence in all 10 ASEAN countries, our footprint gives us an edge in supporting trade and investments that are expected to surge in this CLMV (Cambodia, Laos, Myanmar and Vietnam) sub-region."

Tan Sri Megat Zaharuddin added, "Our customers can benefit from Maybank and our affiliates' wide networks not just in ASEAN but also in Pakistan and India to the West. I would assure the central government of China and the provincial government of Yunnan that Maybank takes our role in the banking community very seriously and will enhance trade flows with this region through our wide range of financial services," he said.

Tan Sri Megat highlighted that China was a key driver of continuing global prosperity with huge importance to ASEAN economies, the next fastest growth region in the world. "Over a five year period until 2013, bilateral trade between ASEAN and China grew five-fold from just US\$78 billion to US\$444 billion," he said. "More significantly, Malaysia has over the last 6 years been China's largest ASEAN trading partner."

Maybank Kunming branch, which has a staff strength of 15, offers a wide range of wholesale banking services to both local and foreign clients, focused primarily on trade related transactions. These include foreign currency loans (short, medium and long term loans), bill acceptance and discount, letter of credit services and guarantees credit & collection, foreign currency deposits and project financing.

“Coupled with our global capabilities in transaction banking and treasury, as well as our position as market makers for CNY/SGD and CNY/RM, we are confident that Maybank can add value to our clients in this region,” continued Tan Sri Megat Zaharuddin.

Maybank’s foray into Greater China started in 1962 with the opening of its Hong Kong branch, just two years after the Group’s incorporation and commencement of business. In 1994, it opened a representative office in Beijing, followed by a branch in Shanghai in 2000. The Bank was allowed to convert the Beijing representative office into a branch in 2012.

Maybank Shanghai was granted a Renminbi banking licence in 2003 enabling it to undertake all forms of banking services in the local currency apart from foreign currencies. The Shanghai operations also involves cross-border Renminbi trade settlement with special approval acquired from the central bank of China, Peoples' Bank of China (PBOC) in June 2011.

It currently serves as the centre for the Group's Greater China treasury operations. In 2011, the Shanghai branch secured the Ringgit Malaysia (MYR) market maker status approval from PBOC, and today, it is the most influential MYR market maker in the China foreign exchange market. In June 2012, Bank Negara Malaysia (BNM) granted approval to Maybank Shanghai to open MYR accounts for its corporate clients to further promote cross-border trade using MYR as the settlement currency. Maybank Shanghai is the first and only institution outside Malaysia allowed by BNM to open offshore MYR accounts for corporate clients.

In FY2014, Maybank Greater China recorded a profit before tax of RM300 million, almost 30% higher than the RM231 million achieved in FY2013. Gross loans surged 33.9% to RM15.97 billion in FY2014 on the back of strong syndication deals, while deposits expanded 20.9% to RM9.41 billion.