

**PUBLIC BANK BERHAD
INNOVATIVE TIER 1 CAPITAL SECURITIES
LISTED ON SINGAPORE EXCHANGE**

ANNOUNCEMENT BY PUBLIC BANK BERHAD TO SINGAPORE EXCHANGE

PROPOSED ACQUISITION OF 50% EQUITY CAPITAL IN VID PUBLIC BANK (VPB) HELD BY JOINT STOCK COMMERCIAL BANK FOR INVESTMENT AND DEVELOPMENT OF VIETNAM (BIDV) RESULTING IN VPB BECOMING A WHOLLY-OWNED SUBSIDIARY OF PUBLIC BANK (PBB) (PROPOSED ACQUISITION)

PBB had on 16 July 2014, announced that it had on 15 July 2014 entered into a conditional equity capital transfer agreement with BIDV for PBB's acquisition from BIDV of the remaining 50% equity interest in VPB not held by PBB for a total cash consideration of USD76.6 million (approximately RM245 million equivalent at the exchange rate then), subject to the approval of State Bank of Vietnam (SBV).

PBB has already received the approval of Bank Negara Malaysia to acquire the remaining 50% equity interest in VPB not held by PBB.

PBB wishes to announce that SBV had on 23 March 2015 granted approval in principle for PBB to purchase the whole contributed capital of BIDV in VPB and to implement procedures to transform VPB, the existing joint venture bank, into a 100% foreign-owned bank of PBB in Vietnam.

Upon completion of the Proposed Acquisition, VPB will become a wholly-owned subsidiary of PBB.

The Proposed Acquisition is not expected to have a material effect on the earnings and net assets of PBB and its subsidiaries for the financial year ending 31 December 2015.

None of the directors or substantial shareholders or PBB or persons connected with them has any interest, direct or indirect in the Proposed Acquisition.

This announcement is dated 25 March 2015.