

**OFFER INFORMATION STATEMENT DATED 2 JUNE 2008**  
(Lodged with the Monetary Authority of Singapore on 2 June 2008)

**THIS OFFER INFORMATION STATEMENT IS IMPORTANT. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR LEGAL, FINANCIAL, TAX OR OTHER PROFESSIONAL ADVISERS IMMEDIATELY.**

A copy of this Offer Information Statement has been lodged with the Monetary Authority of Singapore (the "Authority"). The Authority assumes no responsibility for the contents of this Offer Information Statement. Lodgment of this Offer Information Statement with the Authority does not imply that the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or any other legal or regulatory requirements, have been complied with. The Authority has not, in any way, considered the merits of the Preference Shares (as defined herein) being offered, or in respect of which an invitation is made, for investment.

Approval in-principle has been obtained from the Singapore Exchange Securities Trading Limited ("SGX-ST") for the listing of and quotation for the Preference Shares on the Main Board of the SGX-ST. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and opinions expressed in this Offer Information Statement. Approval in-principle granted by the SGX-ST for the listing of and quotation for the Preference Shares on the Main Board of the SGX-ST is not to be taken as an indication of the merits of Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), its subsidiaries, the Preference Shares, or the Offering (as defined herein).

The Preference Shares have been rated Aa3 by Moody's Investors Services, Inc ("Moody's"), A- by Standard & Poor's Rating Services ("Standard & Poor's") and A+ by Fitch Ratings Ltd ("Fitch"). Neither Moody's, Standard & Poor's nor Fitch has consented for the purposes of Section 249 of the SFA to the inclusion of the credit ratings quoted above which are publicly available and is thereby not liable for such information under Sections 253 and 254 of the SFA. OCBC Bank has included the above credit ratings in their proper form and context and has not verified the accuracy of such information.

Investors who are members of the Central Provident Fund ("CPF") in Singapore may use their CPF Funds (as defined herein) to purchase, or subscribe under the ATM Offer (as defined herein) for, Preference Shares as an investment included under the CPF Investment Scheme - Ordinary Account. CPF members are allowed to invest up to 35.0% of the Investible Savings (as defined herein) in their CPF Ordinary Accounts to purchase, or subscribe under the ATM Offer for, Preference Shares.

The Preference Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state of the United States, and may not be offered, sold or delivered in the United States or to, or for the account or benefit of, any U.S. person, except in certain transactions exempt from the registration requirements of the Securities Act. The Preference Shares are being offered and sold in offshore transactions (as defined in Regulation S under the Securities Act ("Regulation S")) outside the United States in reliance on Regulation S.

No Preference Shares shall be allotted on the basis of this Offer Information Statement later than six (6) months after the date of lodgment of this Offer Information Statement.

**Investing in the Preference Shares involves risks that are described on pages 44 to 47 of this Offer Information Statement.**



## OVERSEA-CHINESE BANKING CORPORATION LIMITED

(Incorporated in Singapore on 31 October 1932)  
(Company Registration No. 193200032W)

**OFFER AND PLACEMENT OF UP TO 10,000,000 CLASS B NON-CUMULATIVE, NON-CONVERTIBLE PREFERENCE SHARES AT A FIXED DIVIDEND RATE OF 5.1% PER ANNUM BY WAY OF:**

- (A) AN OFFERING OF 9,500,000 PREFERENCE SHARES AT THE ISSUE PRICE OF S\$100 PER PREFERENCE SHARE TO INSTITUTIONAL AND OTHER INVESTORS (THE "PLACEMENT"); AND
- (B) AN OFFERING OF 500,000 PREFERENCE SHARES AT THE ISSUE PRICE OF S\$100 PER PREFERENCE SHARE TO THE PUBLIC IN SINGAPORE THROUGH THE ATMS OF THE PARTICIPATING BANKS (THE "ATM OFFER").

The Offering opens at 12.00 noon on 2 June 2008 and closes at 12.00 noon on 28 July 2008 (or such other time(s) and date(s) as OCBC Bank may decide). Applications under the Placement and the ATM Offer may only be submitted during the time periods described below (or such other time periods as OCBC Bank may decide).

	Opening Date and Time for the Submission of Applications	Last Date and Time for the Submission of Applications
Placement via Application Forms	12.00 noon, 2 June 2008	12.00 noon, 15 July 2008
ATM Offer via ATMs of Participating Banks	9.00 a.m., 16 July 2008	12.00 noon, 28 July 2008

Sole Bookrunner, Lead Issue Manager and Placement Agent for the Offering



## OVERSEA-CHINESE BANKING CORPORATION LIMITED

Co-Issue Managers for the Offering



CIMB-GK SECURITIES PTE. LTD.



CITICORP INVESTMENT BANK (SINGAPORE) LIMITED

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## NOTICE TO INVESTORS

Capitalised terms used below which are not otherwise defined herein shall have the same meanings as ascribed to them under the section “Definitions”.

Persons wishing to subscribe for the Preference Shares offered by this Offer Information Statement should, before deciding whether to so subscribe, carefully read this Offer Information Statement in its entirety in order to make an informed assessment of the assets and liabilities, profits and losses, financial position, performance and prospects of OCBC Bank and the Group and the rights and liabilities attaching to the Preference Shares. They should also make their own independent enquiries and investigations of any bases and assumptions upon which financial projections, if any, are made or based, and carefully consider this Offer Information Statement in the light of their personal circumstances (including financial and taxation affairs). It is recommended that such persons seek professional advice from their legal, financial, tax or other professional advisers before deciding whether to subscribe for the Preference Shares.

No person has been authorised to give any information or to make any representations, other than those contained in this Offer Information Statement, in connection with the Offering or the issue of the Preference Shares and, if given or made, such information or representations must not be relied upon as having been authorised by OCBC Bank or the Co-Managers. Save as expressly stated in this Offer Information Statement, nothing contained herein is, or may be relied upon as, a promise or representation as to the future performance or policies of OCBC Bank or the Group. Neither the delivery of this Offer Information Statement nor the issue of the Preference Shares shall, under any circumstances, constitute a continuing representation, or give rise to any implication, that there has been no change in the affairs of OCBC Bank or the Group, or any of the information contained herein since the date hereof. Where such changes occur after the date hereof but prior to the issue of the Preference Shares and are material, or are required to be disclosed by law and/or the SGX-ST, OCBC Bank may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority. Investors should take note of any such announcement, or supplementary or replacement document and, upon the release of such announcement or lodgment of such supplementary or replacement document, as the case may be, shall be deemed to have notice of such changes. Investors should note that applications for the Preference Shares received by OCBC Bank prior to the release of such announcement will remain valid and irrevocable notwithstanding the release of such announcement. If a supplementary or replacement document is lodged, such supplementary or replacement document will set out the additional terms and conditions relating to applications for the Preference Shares and applications received by OCBC Bank prior to the lodgment of such supplementary or replacement document will be subject to such terms and conditions.

OCBC Bank and the Co-Managers are not making any representation to any person regarding the legality of an investment in the Preference Shares by such person under any investment or any other laws or regulations. No information in this Offer Information Statement should be considered to be business, financial, legal or tax advice. Each prospective investor should consult his own professional or other advisers for business, financial, legal or tax advice regarding an investment in the Preference Shares.

Nothing in this Offer Information Statement shall be construed as a recommendation to subscribe for the Preference Shares. Prospective subscribers of the Preference Shares should rely on their own investigation of the financial condition and affairs, appraisal and determination of the merits of investing in OCBC Bank and the Group and shall be deemed to have done so.

This Offer Information Statement has been prepared solely for the purpose of the subscription of the Preference Shares under the Offering, and may not be relied upon for any other purposes.

This Offer Information Statement, may not be used for the purpose of, and does not constitute, an offer, invitation to, or solicitation by, anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation.

**The distribution of this Offer Information Statement may be prohibited or restricted (either absolutely or subject to various relevant securities requirements, whether legal or administrative, being complied with) in certain jurisdictions. Investors or any other person having possession of this Offer Information Statement are required by OCBC Bank and the Co-Managers to keep themselves informed of and observe such prohibitions and restrictions.**

## DOCUMENTS INCORPORATED BY REFERENCE

This Offer Information Statement should be read and construed in conjunction with any announcements published subsequent to the First Quarter 2008 Group Financial Report for the quarter ended 31 March 2008 set out herein, which are published prior to this Offer Information Statement and which have been released on the SGXNET. Such documents shall be deemed to be incorporated in, and form part of, this Offer Information Statement, save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superceded for the purpose of this Offer Information Statement to the extent that a statement contained herein modifies or supercedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superceded shall not be deemed, except as so modified or superceded, to constitute a part of this Offer Information Statement.

Where new circumstances arise, or changes in the affairs of OCBC Bank or the Group occur after the date hereof but prior to the issue of the Preference Shares, and are material, or are required to be disclosed by law and/or the SGX-ST, OCBC Bank may make an announcement of the same to the SGX-ST. Such announcements shall be deemed to be incorporated in, and form part of, this Offer Information Statement, save that any statement contained in such announcement which is deemed to be incorporated by reference herein shall be deemed to have modified this Offer Information Statement to the extent that a statement contained in that announcement modifies or supercedes such earlier statement in this Offer Information Statement (whether expressly, by implication or otherwise). Any statement in this Offer Information Statement so modified or superceded by the statement in the announcement shall not be deemed, except as so modified or superceded, to constitute a part of this Offer Information Statement.

Copies of documents deemed to be incorporated by reference in this Offer Information Statement may be obtained from the website of the SGX-ST <http://www.sgx.com>. Prospective investors are advised to obtain and read the documents incorporated by reference herein.

## CAUTIONARY NOTE ON FORWARD-LOOKING STATEMENTS

All statements contained in this Offer Information Statement, statements made in press releases and oral statements that may be made by OCBC Bank or its officers, Directors or employees acting on its behalf, that are not statements of historical fact, constitute “forward-looking statements”. Some of these statements can be identified by words such as, without limitation, “anticipate”, “believe”, “could”, “estimate”, “expect”, “forecast”, “if”, “intend”, “may”, “plan”, “possible”, “probable”, “project”, “should”, “will” and “would” or other similar words. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group’s expected financial position, operating results, business strategies, plans and prospects are forward-looking statements. These forward-looking statements, including but not limited to statements as to the Group’s revenue and profitability, prospects, future plans and other matters discussed in this Offer Information Statement regarding matters that are not historical facts, are only predictions. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group’s actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by such forward-looking statements.

Given the risks, uncertainties and other factors that may cause the Group’s actual future results, performance or achievements to be materially different from that expected, expressed or implied by the forward-looking statements in this Offer Information Statement, undue reliance must not be placed on these statements. The Group’s actual results, performance or achievements may differ materially from those anticipated in these forward-looking statements. None of OCBC Bank, the Co-Managers or any other person represents or warrants that the Group’s actual future results, performance or achievements will be as discussed in those statements.

Further, each of OCBC Bank and the Co-Managers disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future. Where such developments, events or circumstances occur after the date hereof but prior to the issue of the Preference Shares, and are material, or are required to be disclosed by law and/or the SGX-ST, OCBC Bank may make an announcement of the same to the SGX-ST and, if required, lodge a supplementary or replacement document with the Authority.

## DEFINITIONS

For the purpose of this Offer Information Statement, the following definitions apply throughout unless the context otherwise requires or unless otherwise stated:

<b>“Application Forms”</b>	:	The “Placement Preference Shares Application Forms” to be used for applications for the Preference Shares under the Placement and which form part of this Offer Information Statement
<b>“ATM”</b>	:	Automated teller machine
<b>“ATM Offer”</b>	:	The offering to the public in Singapore of Preference Shares through the ATMs of the Participating Banks pursuant to the Offering
<b>“Authority” or “MAS”</b>	:	Monetary Authority of Singapore
<b>“Bank NISP”</b>	:	P.T. Bank NISP Tbk
<b>“Banking Act”</b>	:	The Banking Act, Chapter 19 of Singapore, as amended or modified from time to time
<b>“Board”</b>	:	The Board of Directors of OCBC Bank
<b>“Business Day”</b>	:	A day, other than a Saturday or Sunday, on which commercial banks are open for business in Singapore
<b>“CDP”</b>	:	The Central Depository (Pte) Limited
<b>“Closing Date”</b>	:	The closing date of the Offering, which is expected to be 12.00 noon on 28 July 2008. Applications for the Preference Shares under the Placement and the ATM Offer must be submitted during the time periods described in the section “Expected Timetable of Key Events”
<b>“Co-Managers” or “Co-Issue Manager”</b>	:	CIMB-GK Securities Pte. Ltd. and Citicorp Investment Bank (Singapore) Limited
<b>“Companies Act”</b>	:	Companies Act, Chapter 50 of Singapore, as amended or modified from time to time
<b>“CPF”</b>	:	Central Provident Fund
<b>“CPF Funds”</b>	:	The CPF account savings of CPF members under the CPF Investment Scheme – Ordinary Account
<b>“Directors”</b>	:	The directors of OCBC Bank, as at the date of this Offer Information Statement
<b>“Fitch”</b>	:	Fitch Ratings Ltd
<b>“FY”</b>	:	Financial year ended or, as the case may be, ending 31 December
<b>“GEH”</b>	:	Great Eastern Holdings Limited
<b>“Group” or “OCBC Group”</b>	:	OCBC Bank and its subsidiaries

<b>“Investible Savings”</b>	:	The balance in a CPF Ordinary Account plus the net amounts (if any) withdrawn for education and investment
<b>“Issue Price”</b>	:	The issue price of each Preference Share under the Offering being S\$100
<b>“Latest Practicable Date”</b>	:	27 May 2008, being the latest practicable date prior to the printing of this Offer Information Statement
<b>“Lead Issue Manager”</b>	:	OCBC Bank
<b>“Listing Manual”</b>	:	Listing Manual of the SGX-ST, as amended or modified from time to time
<b>“Market Day”</b>	:	A day on which the SGX-ST is open for trading in securities in Singapore
<b>“Moody’s”</b>	:	Moody’s Investors Services, Inc
<b>“OCBC Bank”</b> or the <b>“Bank”</b> or the <b>“Issuer”</b>	:	Oversea-Chinese Banking Corporation Limited
<b>“OCBC Malaysia”</b>	:	OCBC Bank (Malaysia) Berhad
<b>“Offer Information Statement”</b>	:	This document and all other accompanying documents, including any supplementary or replacement document which may be issued by OCBC Bank in connection with the Offering
<b>“Offering”</b>	:	The offering of up to 10,000,000 Preference Shares by OCBC Bank for subscription at the Issue Price pursuant to the Placement and the ATM Offer
<b>“Participating Banks”</b>	:	OCBC Bank, DBS Bank Ltd. (including POSB) and United Overseas Bank Limited and its subsidiary, Far Eastern Bank Limited
<b>“Placement”</b>	:	The offering of Preference Shares to institutional and other investors, outside the United States in reliance on Regulation S under the Securities Act, pursuant to the Offering
<b>“Placement Agent”</b>	:	Such entity or entities as may be appointed to place the Preference Shares together with OCBC Bank
<b>“Placement Agreement”</b>	:	In the event that OCBC Bank appoints other entities as Placement Agent(s), the placement agreement to be entered into between such Placement Agent(s) and OCBC Bank in relation to the Placement
<b>“Preference Shareholders”</b>	:	Persons who are registered as holders of Preference Shares, except that where such registered holder is CDP, the term <b>“Preference Shareholders”</b> shall, in relation to such Preference Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP and into whose Securities Accounts those Preference Shares are credited. Any reference to Preference Shares held by or shareholdings of Preference Shareholders shall include Preference Shares standing to the credit of their respective Securities Accounts



“Preference Shares” or “Class B Preference Shares”	: Class B non-cumulative, non-convertible preference shares in the capital of OCBC Bank
“Regulation S”	: Regulation S under the Securities Act
“Securities Account”	: Securities account maintained by a Depositor with CDP but does not include a securities sub-account maintained with a Depository Agent
“Securities Act”	: The U.S. Securities Act 1933, as amended
“SFA”	: Securities and Futures Act, Chapter 289 of Singapore, as amended or modified from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Share Incentive Schemes”	: The OCBC Executives’ Share Option Scheme 1994, the OCBC Share Option Scheme 2001, the OCBC Deferred Share Plan and the OCBC Employee Share Purchase Plan
“Share Registrar”	: M & C Services Private Limited
“Shares” or “Ordinary Shares”	: Ordinary shares of OCBC Bank
“Singapore”	: The Republic of Singapore
“Sole Bookrunner”	: OCBC Bank
“Standard & Poor’s”	: Standard & Poor’s Rating Services
“Substantial Shareholders”	: Shareholders who hold directly and/or indirectly five per cent. or more of the total issued and voting Shares of OCBC Bank
“1Q2008”	: The first quarter of 2008, ending 31 March 2008
“IDR”	: Indonesian Rupiah
“RM”	: Malaysian Ringgit
“RMB”	: Chinese Renminbi
“S\$”, “SGD” and “cents”	: Singapore dollars and cents, respectively
“USD”	: United States Dollars
“%” or “per cent.”	: Percentage or per centum

The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the same meanings ascribed to them in Section 130A of the Companies Act.

The term “**subsidiary**” shall have the same meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Any reference in this Offer Information Statement to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA or the Listing Manual, or any modification thereof and used in this Offer Information Statement shall, where applicable, have the meaning assigned to it under the Companies Act, the SFA or the Listing Manual, or such modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day and dates in this Offer Information Statement shall be a reference to Singapore time and dates unless otherwise stated.

Any discrepancies in figures included in this Offer Information Statement between the amounts listed and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Information Statement may not be an arithmetic aggregation of the figures that precede them.

References in this Offer Information Statement to “**we**”, “**our**” and “**us**” refer to OCBC Bank and its subsidiaries.

## SUMMARY OF THE OFFERING

The following is a summary of the principal terms and conditions of the Offering and is derived from, and should be read in conjunction with, the full text of this Offer Information Statement, and is qualified in its entirety by reference to information appearing elsewhere in this Offer Information Statement. Unless otherwise defined, capitalised terms used in this section of the Offer Information Statement shall be read and construed in the context of this section only.

- Issuer** : OCBC Bank.
- Preference Shares** : Class B non-cumulative, non-convertible preference shares qualifying as Tier 1 capital of OCBC Bank redeemable at the option of OCBC Bank (i) five years after the Issue Date (as defined below); and (ii) on each Dividend Date (as defined below) thereafter.
- The rights attached to the Preference Shares are set out in Article 7B of the Articles of Association of OCBC Bank (the “**Articles**”), as described in Appendix B of this Offer Information Statement.
- Offering** : Up to 10,000,000 Preference Shares.
- OCBC Bank reserves the right not to proceed with the Offering if the total number of Preference Shares subscribed for under the Offering is less than 2,000,000 Preference Shares.
- Placement** : 9,500,000 Preference Shares offered at the Issue Price to institutional and other investors, outside the United States in reliance on Regulation S.
- ATM Offer** : 500,000 Preference Shares offered at the Issue Price to the public in Singapore through the ATMs of the Participating Banks.
- Method of Application** : Applications for the Preference Shares must be made through Application Forms under the Placement, through ATMs of the Participating Banks under the ATM Offer, or by such other forms of application as OCBC Bank deems appropriate.
- Applications for the Preference Shares under the Offering must be made in lots of 100 Preference Shares or higher integral multiples thereof. An application for Preference Shares under the Offering is subject to a minimum of 200 Preference Shares per applicant.
- OCBC Bank reserves the right to reject or accept any application in whole or in part, or to scale down or ballot any application, without assigning any reason therefor, and no enquiry and/or correspondence on its decision will be entertained. This right applies to applications made by way of Application Forms and by way of ATMs of the Participating Banks, and by such other forms of application as OCBC Bank deems appropriate.
- Application Forms** : Application Forms and this Offer Information Statement may be obtained on request, subject to availability, during operating hours from:

Oversea-Chinese Banking Corporation Limited  
65 Chulia Street  
OCBC Centre  
Singapore 049513

and from branches of OCBC Bank in Singapore, and where applicable, from members of the Association of Banks in Singapore, members of the SGX-ST and merchant banks in Singapore. A copy of the Application Form and this Offer Information Statement is also available on our website <http://www.ocbc.com>.

Submission of the Application Forms may be made from **12.00 noon on 2 June 2008 to 12.00 noon on 15 July 2008** (or such other time(s) and date(s) as OCBC Bank may decide). Please refer to the section "Expected Timetable of Key Events".

Submission of the Application Forms must be accompanied by the following modes of payment:

- (a) irrevocable instructions (in the form agreed by OCBC Bank) to remit, on the Closing Date, the full amount payable in respect of the number of Preference Shares applied for from a time deposit account (which applicants may open with OCBC Bank in connection with the subscription for the Preference Shares) to the "**OCBC PREFERENCE SHARE ISSUE ACCOUNT**"; or
- (b) instructions (in the form agreed by OCBC Bank) to remit, on the date of the application, the full amount payable in respect of the number of Preference Shares applied for from a bank account maintained with OCBC Bank (other than a time deposit account mentioned in (a) above) to the "**OCBC PREFERENCE SHARE ISSUE ACCOUNT**"; or
- (c) a cheque, cashier's order or banker's draft drawn in Singapore dollars on a bank in Singapore made out in favour of the "**OCBC PREFERENCE SHARE ISSUE ACCOUNT**" crossed "**A/C PAYEE ONLY**",

or such other method of payment agreed by OCBC Bank, but in any event, application moneys for the Preference Shares under the Placement must be paid in full latest by the Closing Date, whereupon the proceeds of the Placement (after deducting any commission and expenses as may be payable under the Placement Agreement to the Placement Agent) shall be paid to the "**OCBC PREFERENCE SHARE ISSUE ACCOUNT**".

Application Forms which are accompanied by the **irrevocable instructions described in paragraph (a) above or the instructions described in paragraph (b) above** must be made **IN PERSON AT A BRANCH OF OCBC BANK IN SINGAPORE**. Details of the location of our branches are set out on our website <http://www.ocbc.com>.

Application Forms which are accompanied by **a cheque, cashier's order or banker's draft described in paragraph (c) above** must be enclosed and sealed in the printed official envelope provided or an envelope provided by the applicant (with the applicant's name and address written clearly on the reverse and "**OCBC Preference Shares**" written clearly on the top left hand corner of the envelope) and must be made **BY HAND AT A BRANCH OF OCBC BANK IN SINGAPORE, OR BY MAIL TO OCBC BANK AT 63 CHULIA STREET, #03-03 OCBC CENTRE EAST, SINGAPORE 049514**.

Applications for the Preference Shares under the Placement may also be submitted in such other manner as agreed with OCBC Bank.

Please refer to Appendix G of this Offer Information Statement for the “Terms, Conditions and Procedures for Application and Acceptance” for more details on the application procedures under the Placement.

**ATMs** : Submission of applications for the Preference Shares via the ATMs of the Participating Banks may be made from **9.00 a.m. on 16 July 2008 to 12.00 noon on 28 July 2008** (or such other time(s) and date(s) as OCBC Bank may decide). Please refer to the section “Expected Timetable of Key Events”.

Submission of applications for the Preference Shares via the ATMs of the Participating Banks must be accompanied by the full amount payable in respect of the number of Preference Shares applied for in Singapore dollars:

- (a) using only cash by authorising the Participating Bank to deduct the full amount payable from an applicant’s bank account(s) with the Participating Bank;
- (b) using only CPF Funds by authorising the Participating Bank to deduct the full amount payable from an applicant’s CPF Investment Account with the Participating Bank; or
- (c) using a combination of cash and CPF Funds, provided that cash must be used for the first 200 Preference Shares applied for and thereafter the amount of cash or CPF Funds used must be for 100 Preference Shares or higher integral multiples thereof. An applicant applying for only 200 Preference Shares can use either cash or CPF Funds, but not both.

Please refer to Appendix G of this Offer Information Statement for the “Terms, Conditions and Procedures for Application and Acceptance” for more details on the application procedures under the ATM Offer and the use of CPF Funds to apply for Preference Shares under the ATM Offer.

**Re-allocation** : The Preference Shares may be re-allocated between the Placement and the ATM Offer at the sole discretion of OCBC Bank.

**Issue Date** : The date of issue of the Preference Shares is expected to be 29 July 2008 (the “**Issue Date**”). Please refer to the section “Expected Timetable of Key Events”.

**Issue Price** : S\$100 for each Preference Share.

**Liquidation Preference** : S\$100 for each Preference Share (“**Liquidation Preference**”).

**Dividends** : Subject to “**Dividends at Board’s Discretion**”, “**Dividend Restrictions**” and “**Dividend Limitation Notice**” below, the Preference Shares shall entitle the Preference Shareholders to receive a non-cumulative preferential cash dividend (“**Dividend**”) based on the Liquidation Preference.

The Dividend shall be payable semi-annually in arrear on 20 June and 20 December in each year (each such date, a “**Dividend Date**”) when, as and if declared by the Board (or an authorised committee thereof).

Based on the Issue Date of 29 July 2008, the first Dividend Date will be 20 December 2008. The first Dividend will be pro-rated from the Issue Date to 20 December 2008.

**Non-cumulative Dividends** : No Preference Shareholder shall have any claim in respect of any Dividend or part thereof not due or payable pursuant to “**Dividends at Board’s Discretion**”, “**Dividend Restrictions**” and “**Dividend Limitation Notice**” below. Accordingly, such amounts shall not accumulate for the benefit of the Preference Shareholders or entitle the Preference Shareholders to any claim in respect thereof against OCBC Bank.

**Fixed Dividend Rate** : When, as and if declared by the Board, Dividends on the Preference Shares for each Dividend Period (as defined below) shall be payable in Singapore dollars at a fixed rate per annum of 5.1 per cent. of the Liquidation Preference thereof, calculated on the basis of the actual number of days in the relevant period divided by 365.

“**Dividend Period**” means the period from, and including, the Issue Date to, but excluding, the first Dividend Date and each successive period thereafter from, and including, a Dividend Date to, but excluding, the next succeeding Dividend Date.

**Dividends at Board’s Discretion** : The Board shall have sole and absolute discretion regarding the declaration or payment of any Dividend on the Preference Shares. Nothing in the Articles shall impose on the Board any requirement or duty to resolve to distribute, declare or pay in respect of any fiscal year or period the whole or any part of the profits of OCBC Bank available for distribution. No Dividend or any part thereof shall become due or payable on any Dividend Date unless the Board has declared or resolved to distribute such Dividend or part thereof with respect to that Dividend Date.

**Dividend Restrictions** : Dividends may only be declared and paid out of Distributable Reserves (as defined below). Notwithstanding that the Board may have declared or resolved to distribute any Dividend on any Dividend Date, OCBC Bank shall not be obliged to pay, and shall not pay, such Dividend on that Dividend Date (and such Dividend shall not be considered to be due or payable) if:

- (1) OCBC Bank is prevented by applicable Singapore banking regulations or other requirements of the MAS from making payment in full of dividends or other distributions when due on Parity Obligations (as defined below); or
- (2) OCBC Bank is unable to make such payment of dividends or other distributions on Parity Obligations without causing a breach of the MAS’ published consolidated or unconsolidated capital adequacy requirements from time to time applicable to OCBC Bank; or

- (3) the aggregate of the amount of such Dividend (if paid in full), together with the sum of any other dividends and other distributions originally scheduled to be paid (whether or not paid in whole or part) during OCBC Bank's then-current fiscal year on the Preference Shares or Parity Obligations, would exceed the Distributable Reserves as of the relevant Dividend Determination Date (as defined below).

**"Dividend Determination Date"** means, with respect to any Dividend Date, the day falling two Business Days prior to that Dividend Date.

**"Distributable Reserves"** means, at any time, the amounts for the time being available to OCBC Bank for distribution as a dividend in compliance with Section 403 of the Companies Act as of the date of OCBC Bank's latest audited balance sheet.

**"Parity Obligations"** means (i) any preference shares or other similar obligations of OCBC Bank that constitute Tier 1 capital of OCBC Bank on an unconsolidated basis or have characteristics similar to securities that could qualify as Tier 1 capital of OCBC Bank on an unconsolidated basis or (ii) any preference shares or other similar obligations of any subsidiary of OCBC Bank that constitute Tier 1 capital of OCBC Bank on an unconsolidated basis or have characteristics similar to securities that could qualify as Tier 1 capital of OCBC Bank on an unconsolidated basis.

**Dividend Limitation Notice** : Without prejudice to **"Dividends at Board's Discretion"** above, if OCBC Bank does not propose or intend to pay and will not pay its next normal dividend (whether interim or final) on its ordinary shares, OCBC Bank shall give, on or before the relevant Dividend Determination Date, a notice (**"Dividend Limitation Notice"**) to its share registrar and the Preference Shareholders that it will pay no dividends or less than full dividends on such Dividend Date, in which case no dividends or less than full dividends as set out in the Dividend Limitation Notice shall become due and payable on such Dividend Date.

**Pro Rata Dividend Payment** : If, whether by reason of **"Dividend Restrictions"** above or the terms of a Parity Obligation, on the relevant Dividend Date, a Dividend which has been declared is not paid in full on the Preference Shares or dividends or other distributions are not paid in full on any Parity Obligations, but on such Dividend Date there are Distributable Reserves, then each Preference Shareholder shall be entitled to receive the Relevant Proportion (as defined below) of any such Dividend if OCBC Bank shall have declared and paid dividends or other distributions on any Parity Obligations during OCBC Bank's then-current fiscal year.

**"Relevant Proportion"** means, in relation to any partial payment of a Dividend, the amount of Distributable Reserves as of the relevant Dividend Determination Date divided by the sum of:

- (1) the full amount originally scheduled to be paid by way of Dividend (whether or not paid in whole or part) during OCBC Bank's then-current fiscal year; and

- (2) the sum of any dividends or other distribution or payments in respect of Parity Obligations originally scheduled to be paid (whether or not paid in whole or part) during OCBC Bank's then-current fiscal year,

converted where necessary into the same currency in which Distributable Reserves are calculated by OCBC Bank.

**Dividend Stopper** : In the event any Dividend is not paid in full for any reason on any Dividend Date, OCBC Bank shall not:

- (1) declare or pay any dividends or other distributions in respect of, or (if permitted) repurchase or redeem, its ordinary shares or any other security of OCBC Bank ranking *pari passu* or junior to the Preference Shares (or contribute any moneys to a sinking fund for the payment of any dividends or other distributions in respect of, or for the redemption of, any such shares or securities); or
- (2) declare or pay, or permit any subsidiary of OCBC Bank (other than a subsidiary of OCBC Bank that carries on banking business) to declare or pay, any dividends or other distributions in respect of any Parity Obligations, or (if permitted) repurchase or redeem any Parity Obligations (or contribute any moneys to a sinking fund for the payment of any dividends or other distributions in respect of, or for the redemption of, any Parity Obligations),

in each case until it has paid Dividends in full in respect of such number of consecutive Dividend Periods as shall be equal to or exceed 12 calendar months (or an amount equivalent to the Dividends to be paid in respect of such number of consecutive Dividend Periods as shall be equal to or exceed 12 calendar months has been paid or irrevocably set aside in a separately designated trust account for payment to the Preference Shareholders).

**No Further Rights to Participate in Profits** : Save as summarised above and set out in the Articles, the Preference Shares shall not confer any right or claim as regards participation in the profits of OCBC Bank.

**Prescription** : Any Dividend unclaimed after a period of six years from the date of declaration of such Dividend shall be forfeited and revert to OCBC Bank. No Dividends or other moneys payable on or in respect of a Preference Share shall bear interest against OCBC Bank.

**Rights Upon Liquidation** : In the event of the commencement of any dissolution or winding-up of OCBC Bank (other than pursuant to a Permitted Reorganisation (as defined below)), before any redemption of the Preference Shares, the Preference Shares shall rank:

- (1) junior to depositors and all other creditors (including the holders of subordinated debt) of OCBC Bank;
- (2) *pari passu* with all Parity Obligations of OCBC Bank; and
- (3) senior to the holders of OCBC Bank's ordinary shares and any other securities or obligations of OCBC Bank that are subordinated to the Preference Shares.



On such a dissolution or winding-up, each Preference Share shall be entitled to receive in Singapore dollars an amount equal to the Liquidation Distribution (as defined below).

**“Liquidation Distribution”** means, upon a dissolution or winding-up of OCBC Bank, the Liquidation Preference together with, subject to **“Dividend Restrictions”** above and unless a Dividend Limitation Notice is in effect, an amount equal to any accrued but unpaid Dividend (whether or not declared) from, and including, the commencement date of the Dividend Period in which the date of the dissolution or winding-up falls to but excluding the date of actual payment.

**“Permitted Reorganisation”** means a solvent reconstruction, amalgamation, reorganisation, merger or consolidation whereby all or substantially all the business, undertaking and assets of OCBC Bank are transferred to a successor entity which assumes all the obligations of OCBC Bank under the Preference Shares.

**Pro Rata Liquidation Distribution** : If, upon any such dissolution or winding-up of OCBC Bank, the amounts available for payment are insufficient to cover the Liquidation Distribution and any liquidation distributions of any Parity Obligation, but there are funds available for payment so as to allow payment of part of the Liquidation Distribution, then each Preference Shareholder shall be entitled to receive the Relevant Proportion (as defined below) of the Liquidation Distribution.

**“Relevant Proportion”** means, in relation to any partial payment of any Liquidation Distribution (as defined above), the total amount available for any such payment and for making any liquidation distribution on any Parity Obligations divided by the sum of:

- (1) the full Liquidation Distribution before any reduction or abatement hereunder; and
- (2) the amount (before any reduction or abatement hereunder) of the full liquidation distribution on any Parity Obligations,

converted where necessary into the same currency in which liquidation payments are made to creditors of OCBC Bank.

**No Further Rights to Participate in Assets** : Save as summarised above and set out in the Articles, the Preference Shares shall not confer any right or claim as regards participation in the assets of OCBC Bank.

**Redemption** : The Preference Shares are perpetual securities with no fixed final date of redemption. The Preference Shares may be redeemed at the option of OCBC Bank (but not the Preference Shareholders) in the circumstances described under **“Optional Redemption”**, **“Tax Event Redemption”** and **“Special Event Redemption”** below.

**Optional Redemption** : OCBC Bank may, subject to approval from the MAS, at its option, redeem in whole, but not in part, the Preference Shares for the time being issued and outstanding:

- (1) on the date falling five years after the Issue Date; and
- (2) on each Dividend Date thereafter,

in each case subject to the satisfaction of the Redemption Conditions (as defined below) and to Singapore law.

**“Redemption Conditions”** means that:

- (a) the prior written consent of the MAS to the redemption, if then required, has been obtained and that any conditions that the MAS may impose at the time of any consent, if then required, have been satisfied; and
- (b) the Distributable Reserves of OCBC Bank and/or Replacement Capital (as defined below) as at the date for redemption equals at least the Liquidation Preference and the full amount of any accrued but unpaid Dividend (whether or not declared) in respect of the Dividend Period in which the relevant redemption falls.

**“Replacement Capital”** means ordinary shares and/or Parity Obligations issued for the purpose of funding the redemption of the Preference Shares.

**Tax Event Redemption** : If at any time a Tax Event (as defined below) has occurred and is continuing, then the Preference Shares may, subject to approval from the MAS, be redeemed, in whole but not in part, at the option of OCBC Bank, subject to:

- (1) the satisfaction of the Redemption Conditions; and
- (2) OCBC Bank attaching to the relevant notice of redemption:
  - (a) a certificate signed by two directors of OCBC Bank stating that OCBC Bank is entitled to effect such redemption; and
  - (b) an opinion of counsel to OCBC Bank experienced in such matters to the effect that a Tax Event has occurred.

The delivery of such opinion shall constitute conclusive evidence of the occurrence of a Tax Event.

**“Tax Event”** means that, as a result of any change after the date of issuance of the Preference Shares in, or amendment to, any law or regulation of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of any law or regulation by any relevant body in Singapore, payments to the Preference Shareholders:

- (i) would be subject to deduction or withholding for or on account of tax; or
- (ii) would give rise to any obligation of OCBC Bank to account for any tax in Singapore at a rate in excess of the rate in effect immediately prior to such issuance,

and such obligation cannot in each case be avoided by OCBC Bank taking reasonable measures available to it.

**Special Event Redemption** : If at any time a Special Event (as defined below) has occurred and is continuing, then the Preference Shares may, subject to approval from the MAS, be redeemed, in whole but not in part, at the option of OCBC Bank, subject to:

- (1) the satisfaction of the Redemption Conditions: and
- (2) OCBC Bank attaching to the relevant notice of redemption:
  - (a) a certificate signed by two directors of OCBC Bank stating that OCBC Bank is entitled to effect such redemption; and
  - (b) an opinion of counsel to OCBC Bank experienced in such matters to the effect that a Special Event has occurred.

The delivery of such opinion shall constitute conclusive evidence of the occurrence of a Special Event.

“**Special Event**” means for any reason there is more than an insubstantial risk that for the purposes of the MAS’ published consolidated or unconsolidated capital adequacy requirements from time to time applicable to OCBC Bank, the Preference Shares may not be included in the Tier 1 capital of OCBC Bank on a consolidated or unconsolidated basis.

**Redemption Amount** : Any redemption of the Preference Shares shall be made in cash. The cash amount (“**Redemption Amount**”) payable on redemption is an amount equal to the Liquidation Preference, together with, subject to “**Dividend Restrictions**” above and unless a Dividend Limitation Notice is in effect, an amount equal to any accrued but unpaid Dividends (whether or not declared) in respect of the period commencing on the first day of the Dividend Period in which the relevant redemption falls to but excluding the date of such redemption. Any such redemption shall not prejudice the rights of the holder of the Preference Shares to be so redeemed to receive any accrued but unpaid Dividend payable on the relevant date of redemption.

**Voting Rights** : Except as provided below, the Preference Shareholders shall not be entitled to attend and vote at general meetings of OCBC Bank.

The Preference Shareholders shall be entitled to attend class meetings of the Preference Shareholders. Every Preference Shareholder who is present in person at such class meetings shall have on a show of hands one vote and on a poll one vote for every Preference Share of which he is the holder.

If Dividends with respect to the Preference Shares in respect of such number of consecutive Dividend Periods as shall be equal to or exceed 12 months have not been paid in full when due, then the Preference Shareholders shall have the right to receive notice of, attend, speak and vote at general meetings of OCBC Bank on all matters, including the winding-up of OCBC Bank, and such right shall continue until after the next following Dividend Date on which a Dividend in respect of the Preference Shares is paid in full (or an amount equivalent to the Dividend to be paid in respect of the next Dividend Period has been paid or irrevocably set aside in a

separately designated trust account for payment to the Preference Shareholders). Every Preference Shareholder who is present in person at such general meetings shall have on a show of hands one vote and on a poll one vote for every Preference Share of which he is the holder.

**Purchases** : OCBC Bank may at any time and from time to time exercise any powers conferred by applicable Singapore law in purchasing the Preference Shares. No repurchase of any Preference Shares shall be made without the prior consent of the MAS (for so long as OCBC Bank is required to obtain such consent).

**Taxation** : All payments in respect of the Preference Shares shall be made after deducting or withholding all amounts for or on account of any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed or levied by or on behalf of Singapore or any authority thereof or therein having power to tax and which are required by applicable law to be deducted or withheld.

OCBC Bank shall not pay any additional amounts in respect of any such deduction or withholding from payments in respect of the Preference Shares for or on account of any such present or future taxes, duties, assessments or governmental charges.

No payment in respect of the Preference Shares shall be made by OCBC Bank to any Preference Shareholder without deduction or withholding for or on account of any such present or future taxes, duties, assessments or governmental charges unless such Preference Shareholder shall have provided a statutory declaration or other evidence satisfactory to OCBC Bank that the beneficial owner of such payment:

- (1) is a resident in Singapore for tax purposes; or
- (2) is otherwise entitled to receive such payment free of any such deduction or withholding.

If requested by a Preference Shareholder, OCBC Bank shall procure that such person shall be furnished with a certificate specifying the gross amount of such payment, the amount of tax deducted or withheld and the net amount of such payment.

**Amendments** : Unless otherwise required by applicable law, any variation or abrogation of the rights, preferences and privileges of the Preference Shares by way of amendment of the Articles or otherwise (including, without limitation, the authorisation or creation of any securities or ownership interests of OCBC Bank ranking, as to participation in the profits or assets of OCBC Bank, senior to the Preference Shares) shall require:

- (1) the consent in writing of the holders of at least 75 per cent. of the outstanding Preference Shares; or
- (2) the sanction of a special resolution passed at a separate class meeting of the Preference Shareholders (the quorum at such class meeting to be such number of Preference Shareholders holding or representing not less than two-thirds of the outstanding Preference Shares),

provided that:

- (a) no such consent or sanction shall be required if the change is solely of a formal, minor or technical nature or is to correct an error or cure an ambiguity (but such change shall not reduce the amounts payable to the Preference Shareholders, impose any material obligation on the Preference Shareholders or materially adversely affect their voting rights);
- (b) no such consent or sanction shall be required for the creation or issue of further shares of OCBC Bank ranking *pari passu* with or junior to the Preference Shares (the creation or issue of such other shares, regardless of the dividends and other amounts payable in respect of such shares and whether and when such dividends and other amounts may be so payable, shall not be deemed to be a variation or abrogation of the rights, preferences and privileges of the Preference Shares);
- (c) no such consent or sanction shall be required for the redemption, purchase or cancellation of the Preference Shares in accordance with the Articles; and
- (d) no provision of the Preference Shares may be amended without the prior written consent of the MAS if such amendment would result in the Preference Shares not being treated as Tier 1 capital of OCBC Bank on a consolidated or unconsolidated basis.

## **Transfers**

: The Preference Shares are in registered form. Any instrument of transfer of a share which is in certificated form must be in writing in any usual form or other form approved by the directors of OCBC Bank and must be executed by or on behalf of the transferor and by or on behalf of the transferee. The transferor shall remain the holder of the shares transferred until the name of the transferee is entered in the register of members of OCBC Bank in respect thereof.

The directors of OCBC Bank may, in the case of transfers of the Preference Shares in certificated form, at their absolute discretion and without assigning any reason therefor, refuse to register:

- (1) any transfer of a Preference Share (not being a fully paid Preference Share); provided that where any Preference Shares are listed on the SGX-ST or any other stock exchange or quotation system, such discretion may not be exercised in such a way as to prevent dealings in the Preference Shares from taking place on an open and proper basis; and
- (2) any transfer of a Preference Share on which OCBC Bank has a lien.

The directors of OCBC Bank may also decline to register a transfer unless the instrument of transfer is duly stamped (if so required). The registration of share transfers may be suspended at such times and for such periods as the directors of OCBC Bank may determine not exceeding 30 days in any year.

- Book Entry; Delivery and Form of Preference Shares** : The Preference Shares will be represented by one global certificate (“**Global Certificate**”). The Preference Shares will be held in book-entry form (by delivery of the Global Certificate to CDP) pursuant to the rules of the SGX-ST and CDP.
- Governing Law** : The Preference Shares will be issued pursuant to, and governed by, the laws of the Republic of Singapore.
- Listing** : Approval in-principle has been obtained from the SGX-ST for the listing of and quotation for the Preference Shares on the Main Board of the SGX-ST. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and opinions expressed in this Offer Information Statement. Approval in-principle granted by the SGX-ST for the listing of and quotation for the Preference Shares on the Main Board of the SGX-ST is not to be taken as an indication of the merits of OCBC Bank, its subsidiaries, the Preference Shares or the Offering.
- Rating** : The Preference Shares have been rated Aa3 by Moody’s, A- by Standard & Poor’s and A+ by Fitch.

A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the assigning rating agency. Neither Moody’s, Standard & Poor’s nor Fitch has consented for the purposes of Section 249 of the SFA to the inclusion of the credit ratings quoted above which are publicly available and is thereby not liable for such information under Sections 253 and 254 of the SFA. We have included the above credit ratings in their proper form and context and have not verified the accuracy of such information.

## EXPECTED TIMETABLE OF KEY EVENTS

Lodgement of Offer Information Statement	:	2 June 2008
Opening date and time for the Offering	:	2 June 2008 at 12.00 noon
<b>Opening date and time for applications for the Preference Shares under the Placement via Application Forms</b>	:	<b>2 June 2008 at 12.00 noon</b>
<b>Last date and time for applications for the Preference Shares under the Placement via Application Forms</b>	:	<b>15 July 2008 at 12.00 noon</b>
<b>Opening date and time for applications for the Preference Shares under the ATM Offer via ATMs of Participating Banks</b>	:	<b>16 July 2008 at 9.00 a.m.</b>
<b>Last date and time for applications for the Preference Shares under the ATM Offer via ATMs of Participating Banks</b>	:	<b>28 July 2008 at 12.00 noon</b>
Closing Date for the Offering	:	28 July 2008 at 12.00 noon
Balloting of applications under the ATM Offer	:	29 July 2008
Date for issuance of the Preference Shares	:	29 July 2008
Date for commencement of trading of the Preference Shares on the SGX-ST	:	30 July 2008

The timetable for the events which are scheduled to take place after the lodgement of this Offer Information Statement is indicative only and is subject to change at OCBC Bank's absolute discretion. OCBC Bank may, at its discretion, and with the approval of the SGX-ST and subject to all applicable laws, extend, shorten or modify the above timetable including the period during which the Offering is open and the periods during which applications under the Placement and/or the ATM Offer may be made. If there are over-subscriptions for the Preference Shares under the Placement, OCBC Bank may shorten the time period for applications under the Placement and open the ATM Offer earlier. In the event that there are any changes to the timetable for the Offering, OCBC Bank will publicly announce the same through a SGXNET announcement to be posted on the Internet at the SGX-ST's website <http://www.sgx.com>.

## TRADING

### **LISTING OF AND QUOTATION FOR THE PREFERENCE SHARES**

Approval in-principle has been obtained from the SGX-ST for the listing of and quotation for the Preference Shares on the Main Board of the SGX-ST. The SGX-ST assumes no responsibility for the accuracy of any of the statements made, reports contained and opinions expressed in this Offer Information Statement. Approval in-principle granted by the SGX-ST for the listing of and quotation for the Preference Shares on the Main Board of the SGX-ST is not to be taken as an indication of the merits of OCBC Bank, its subsidiaries, the Preference Shares or the Offering.

Upon listing and quotation on the Main Board of the SGX-ST, the Preference Shares, when issued, will be traded under the book-entry (scripless) settlement system. All dealings in and transactions (including transfers) of the Preference Shares effected through the SGX-ST and/or CDP shall be made in accordance with the terms and conditions for the operation of Securities Accounts with CDP and any other terms and conditions issued thereunder to provide for or in relation to the Preference Shares, including the terms and conditions for CDP to act as depository for the Preference Shares (as any of them may from time to time be amended, modified or supplemented by CDP).



## CERTAIN TAX CONSIDERATIONS

### Singapore Taxation

*The statements made herein regarding taxation are general in nature and based on certain aspects of the tax laws of Singapore, announced 2008 budget measures and administrative guidelines issued by the relevant authorities in force as of the date of this Offer Information Statement and are subject to the enactment of such budget measures, and any changes in such laws or administrative guidelines, or in the interpretation of these laws or guidelines, occurring after such date, which changes could be made on a retrospective basis. These laws and guidelines are also subject to various interpretations and the Singapore tax authorities or Courts could later disagree with the explanations or conclusions set out below. The statements below are not to be regarded as advice on the tax position of any holder of the Preference Shares or of any person acquiring, selling or otherwise dealing with the Preference Shares or on any tax implications arising from the acquisition, sale or other dealings in respect of the Preference Shares.*

*The statements made herein do not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Preference Shares and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities) may be subject to special rules. Prospective holders of the Preference Shares are advised to consult their own tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposition of the Preference Shares.*

#### **A. Income Tax**

##### **The Preference Shares**

###### Dividend distributions

With effect from 1 January 2008, all Singapore-resident companies are under the one-tier corporate tax system ("**one-tier system**").

Under this new corporate tax system Singapore does not impose withholding or other income tax on dividends paid by a Singapore resident company to Singapore resident or non-Singapore resident shareholder.

Accordingly, under the one-tier system, dividends declared and paid by the Issuer should not be subject to Singapore tax in the hands of Preference Shareholders.

###### Gains on disposal of Preference Shares

Singapore does not impose tax on gains of a capital in nature but imposes tax on income. There are no specific laws or regulations which deal with the characterisation of whether a gain is income or capital in nature. Gains arising from the disposal of the Preference Shares may be construed to be of an income nature and subject to Singapore income tax, especially if they arise from activities which the Inland Revenue Authority of Singapore (the "**IRAS**") regards as the carrying on of a trade or business in Singapore.

In addition, Preference Shareholders who apply, or who are required to apply, the Singapore Financial Reporting Standard 39 Financial Instruments - Recognition and Measurement ("**FRS 39**") for the purposes of Singapore income tax may be required to recognise gains or losses (not being gains or losses in the nature of capital) in accordance with the provisions of FRS 39 (as modified by the applicable provisions of Singapore income tax law) even though no sale or disposal of Preference Shares is made. Preference Shareholders who may be subject to such provisions should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding and disposal of Preference Shares.

## **B. Goods and Service Tax**

A sale of the Preference Shares by an investor belonging in Singapore to another person belonging in Singapore is an exempt sale under the Goods and Services Tax Act, Chapter 117A of Singapore (“GSTA”) and not subject to Goods and Services Tax (“GST”). Any GST (for example, GST on brokerage) incurred by the investor in respect of the Preference Shares sold by him may become an additional cost to the investor. Where the Preference Shares are supplied by an investor who is a taxable person (which generally refers to a person who is registered or liable to be registered under the GSTA) in the course of or furtherance of a business carried on by him contractually to and for the direct benefit of a person belonging outside Singapore, the sale is a taxable supply subject to GST at zero rate. Consequently, any GST (for example, GST on brokerage) incurred by him in respect of the Preference Shares sold by him should, subject to the provisions of the GSTA, be available as a credit against the GST chargeable by him on the supply of any goods or services made by him in the course of or furtherance of his business, and where there is any excess input tax, such excess input tax may be available as a refund from the IRAS. Services such as brokerage and handling services rendered by a taxable person to an investor belonging in Singapore in connection with the investor’s purchase or sale of the Preference Shares will be subject to GST at the prevailing rate (currently 7.0% from 1 July 2007). Similar services rendered by a taxable person contractually to and for the direct benefit of an investor belonging outside Singapore should be subject to GST at zero rate.

## **C. Stamp Duty**

There is no stamp duty payable in respect of the issuance and holding of the Preference Shares. Where an instrument of transfer is executed in respect of Preference Shares which is registered in Singapore, stamp duty is payable on such instrument of transfer at the rate of S\$0.20 for every S\$100 or any part thereof, computed on the consideration for, or market value of the Preference Shares, whichever is higher.

The purchaser is liable for stamp duty, unless there is an agreement to the contrary. No stamp duty is payable if no instrument of transfer is executed. Where the instrument of transfer is executed outside Singapore, stamp duty may be payable within 30 days of receipt of such instrument of transfer in Singapore.

The above stamp duty is not applicable to electronic transfers of the Preference Shares through the CDP system.

## **D. Estate duty**

It was announced in the Singapore Budget Statement 2008 that estate duty is abolished with respect to all deaths occurring on or after 15 February 2008.

## SIXTEENTH SCHEDULE OF THE SECURITIES AND FUTURES (OFFERS OF INVESTMENTS) (SHARES AND DEBENTURES) REGULATIONS 2005

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### PART II – IDENTITY OF DIRECTORS, ADVISERS AND AGENTS

#### Directors

1. Provide the names and addresses of each of the directors or equivalent persons of the relevant entity.

<b>Name of Directors</b>	<b>Address</b>
Dr Cheong Choong Kong	11A Queen Astrid Park Singapore 266802
Mr Chin Yoke Choong	7 Maple Lane Eden Park Singapore 277551
Mr David Philbrick Conner	93 Grange Road #18-07 Grange Residences Singapore 249614
Mr Giam Chin Toon	3 Bishopsgate Singapore 249969
Mr Lee Seng Wee	17 Rochalie Drive Singapore 248248
Dr Lee Tih Shih	17 Rochalie Drive Singapore 248248
Professor Neo Boon Siong	150C Coronation Road West Singapore 269368
Mr Pramukti Surjaudaja	Jalan Lombok No 32 Menteng Jakarta Pusat Indonesia
Dr Tsao Yuan	989 Bukit Timah Road #07-07 Maplewoods Condominium Singapore 589629
Mr David Wong	14 Joan Road Caldecott Hill Estate Singapore 298892
Mr Wong Nang Jang	20 Ewe Boon Road #01-08 Palm Spring Singapore 259344
Mr Patrick Yeoh Khwai Hoh	10 Seletar Close Seletar Hills Estate Singapore 807218

## Advisers

### 2. Provide the names and addresses of —

#### (a) the issue manager to the offer, if any;

OCBC Bank, which is located at 65 Chulia Street, #29-00 OCBC Centre, Singapore 049513, is the Sole Bookrunner, Lead Issue Manager and Placement Agent for the Offering.

CIMB-GK Securities Pte. Ltd., which is located at 50 Raffles Place, #19-00 Singapore Land Tower, Singapore 048623 is the Co-Issue Manager for the Offering.

Citicorp Investment Bank (Singapore) Limited, which is located at 3 Temasek Avenue, #17-00 Centennial Tower, Singapore 039190, is the Co-Issue Manager for the Offering.

#### (b) the underwriter to the offer, if any; and

The Offering is not underwritten.

#### (c) the legal adviser for or in relation to the offer, if any.

Legal Adviser to OCBC Bank : Allen & Gledhill LLP  
One Marina Boulevard #28-00  
Singapore 018989

Legal Adviser to OCBC Bank as  
to United States Federal Law : Linklaters Allen & Gledhill  
One Marina Boulevard #28-00  
Singapore 018989

## Registrars and Agents

### 3. Provide the names and addresses of the relevant entity's registrars, transfer agents and receiving bankers for the securities being offered, where applicable.

Share Registrar and Share  
Transfer Office : M & C Services Private Limited  
138 Robinson Road #17-00  
The Corporate Office  
Singapore 068906

Receiving Banker : OCBC Bank  
65 Chulia Street  
#29-00 OCBC Centre  
Singapore 049513

## PART III – OFFER STATISTICS AND TIMETABLE

### Offer Statistics

#### 1. For each method of offer, state the number of the securities being offered.

OCBC Bank proposes to issue and offer up to 10,000,000 Preference Shares, for subscription by investors at the Issue Price of S\$100 per Preference Share. OCBC Bank reserves the right not to proceed with the Offering if the total number of Preference Shares subscribed for under the Offering is less than 2,000,000 Preference Shares.

The Offering will comprise the Placement and the ATM Offer.

The Placement comprises an offering of 9,500,000 Preference Shares offered at the Issue Price to institutional and other investors, outside the United States in reliance on Regulation S.

The ATM Offer comprises an offering of 500,000 Preference Shares offered at the Issue Price to the public in Singapore through the ATMs of the Participating Banks.

The Preference Shares may be re-allocated between the Placement and the ATM Offer at the sole discretion of OCBC Bank. To the extent that the Preference Shares offered under the Placement are not fully subscribed for, OCBC Bank may, at its sole discretion, apply such unsubscribed Preference Shares to satisfy any excess demand for Preference Shares under the ATM Offer, to the extent there is such excess demand. To the extent that the Preference Shares offered under the ATM Offer are not fully subscribed for, OCBC Bank, may, at its sole discretion, apply such unsubscribed Preference Shares to satisfy any excess demand for Preference Shares under the Placement, to the extent there is such excess demand.

Upon the listing and quotation of the Preference Shares on the SGX-ST, the Preference Shares will be traded on the SGX-ST under the book-entry scripless settlement systems. For the purposes of trading on the SGX-ST, each board lot of Preference Shares will comprise 100 Preference Shares.

#### **Method and Timetable**

2. **Provide the information referred to in paragraphs 3 to 7 of this Part to the extent applicable to —**
  - (a) **the offer procedure; and**
  - (b) **where there is more than one group of targeted potential investors and the offer procedure is different for each group, the offer procedure for each group of targeted potential investors.**

Please see below.

3. **State the time at, date on, and period during which the offer will be kept open, and the name and address of the person to whom the purchase or subscription applications are to be submitted. If the exact time, date or period is not known on the date of lodgment of the offer information statement, describe the arrangements for announcing the definitive time, date or period. State the circumstances under which the offer period may be extended or shortened, and the duration by which the period may be extended or shortened. Describe the manner in which any extension or early closure of the offer period shall be made public.**

Applications for the Preference Shares must be made through Application Forms under the Placement or ATMs of the Participating Banks under the ATM Offer, or by such other forms of application as OCBC Bank deems appropriate.

Application Forms and this Offer Information Statement may be obtained on request, subject to availability, during operating hours from:

Oversea-Chinese Banking Corporation Limited  
65 Chulia Street  
OCBC Centre  
Singapore 049513

and from branches of OCBC Bank in Singapore, and where applicable, from members of the Association of Banks in Singapore, members of the SGX-ST and merchant banks in Singapore.

A copy of the Application Form and this Offer Information Statement is also available on our website <http://www.ocbc.com>.

Applications for the Preference Shares under the Offering must be made in lots of 100 Preference Shares or higher integral multiples thereof. An application for Preference Shares under the Offering is subject to a minimum of 200 Preference Shares per applicant.

#### **Placement**

The Placement will commence at 12.00 noon on 2 June 2008 and is expected to close at 12.00 noon on 28 July 2008.

The opening date and time for the submission of applications for the Preference Shares under the Placement by way of the Application Forms is **12.00 noon on 2 June 2008**.

The last date and time for the submission of applications for the Preference Shares under the Placement by way of the Application Forms is expected to be **12.00 noon on 15 July 2008**.

Please refer to the section "Expected Timetable of Key Events". As at the Latest Practicable Date, OCBC Bank does not expect the timetable under the section "Expected Timetable of Key Events" to be modified. However, OCBC Bank may, at its discretion, and with the approval of the SGX-ST and subject to all applicable laws, extend, shorten or modify the timetable including the period during which the Offering is open and the period during which applications under the Placement may be made. In that event, OCBC Bank will publicly announce the same through a SGXNET announcement to be posted on the Internet at the SGX-ST's website <http://www.sgx.com>.

Submission of the Application Forms must be accompanied by the following modes of payment:

- (a) irrevocable instructions (in the form agreed by OCBC Bank) to remit, on the Closing Date, the full amount payable in respect of the number of Preference Shares applied for from a time deposit account (which applicants may open with OCBC Bank in connection with the subscription for the Preference Shares) to the "**OCBC PREFERENCE SHARE ISSUE ACCOUNT**"; or
- (b) instructions (in the form agreed by OCBC Bank) to remit, on the date of the application, the full amount payable in respect of the number of Preference Shares applied for from a bank account maintained with OCBC Bank (other than a time deposit account mentioned in (a) above) to the "**OCBC PREFERENCE SHARE ISSUE ACCOUNT**"; or
- (c) a cheque, cashier's order or banker's draft drawn in Singapore dollars on a bank in Singapore made out in favour of the "**OCBC PREFERENCE SHARE ISSUE ACCOUNT**" crossed "**A/C PAYEE ONLY**",

or such other method of payment agreed by OCBC Bank, but in any event, application moneys for the Preference Shares under the Placement must be paid in full latest by the Closing Date, whereupon the proceeds of the Placement (after deducting any commission and expenses as may be payable under the Placement Agreement to the Placement Agent) shall be paid to the "**OCBC PREFERENCE SHARE ISSUE ACCOUNT**".

Application Forms which are accompanied by the **irrevocable instructions described in paragraph (a) above or the instructions described in paragraph (b) above** must be made **IN PERSON AT A BRANCH OF OCBC BANK IN SINGAPORE**. Details of the location of our branches are set out on our website <http://www.ocbc.com>.

Application Forms which are accompanied by **a cheque, cashier's order or banker's draft described in paragraph (c) above** must be enclosed and sealed in the printed official envelope provided or an envelope provided by the applicant (with the applicant's name and address written clearly on the reverse and "**OCBC Preference Shares**" written clearly on the top left hand corner of the envelope) and must be made **BY HAND AT A BRANCH OF OCBC BANK IN SINGAPORE, OR BY MAIL TO OCBC BANK AT 63 CHULIA STREET, #03-03 OCBC CENTRE EAST, SINGAPORE 049514**.

Applications for the Preference Shares under the Placement may also be submitted in such other manner as agreed with OCBC Bank.

The procedures for, and terms and conditions applicable to, the applications for subscription of the Preference Shares under the Placement are contained in Appendix G of this Offer Information Statement.

The selling restrictions in relation to the Placement are set out in Appendix H of this Offer Information Statement.

### **ATM Offer**

The ATM Offer is expected to commence at 9.00 a.m. on 16 July 2008 and close at 12.00 noon on 28 July 2008. Please refer to the section "Expected Timetable of Key Events".

The opening date and time for the submission of applications for the Preference Shares under the ATM Offer by way of the ATMs of Participating Banks is expected to be **9.00 a.m. on 16 July 2008**.

The last date and time for the submission of applications for the Preference Shares under the ATM Offer by way of the ATMs of Participating Banks is expected to be **12.00 noon on 28 July 2008**.

Please refer to the section "Expected Timetable of Key Events". As at the Latest Practicable Date, OCBC Bank does not expect the timetable under the section "Expected Timetable of Key Events" to be modified. However, OCBC Bank may, at its discretion, and with the approval of the SGX-ST and subject to all applicable laws, extend, shorten or modify the timetable including the period during which the Offering is open and the period during which applications under the ATM Offer may be made. In that event, OCBC Bank will publicly announce the same through a SGXNET announcement to be posted on the Internet at the SGX-ST's website <http://www.sgx.com>.

An investor will have to pay for the Preference Shares at the Issue Price upon subscription for such Preference Shares at the ATMs of the Participating Banks. An investor can use cash and/or CPF Funds to apply for the Preference Shares under the ATM Offer. When using a combination of cash and CPF Funds, cash must be used for the first 200 Preference Shares applied for and thereafter the amount of cash or CPF Funds used by the investor must be for 100 Preference Shares or higher integral multiples thereof. An applicant applying for only 200 Preference Shares can use either cash or CPF Funds but not both.

Only one application for the Preference Shares under the ATM Offer may be made for the benefit of one person. Multiple applications for the Preference Shares under the ATM Offer will not be accepted.

The procedures for, and the terms and conditions applicable to, the applications for subscription of the Preference Shares under the ATM Offer, are contained in Appendix G of this Offer Information Statement.

4. **State the method and time limit for paying up for the securities and, where payment is to be partial, the manner in which, and dates on which, amounts due are to be paid.**

### **Placement**

Payment by subscribers for the Preference Shares under the Placement shall be made in the manner described in paragraph 3 of Part III - Offer Statistics and Timetable above and in accordance with the "Terms, Conditions and Procedures for Application and Acceptance" in Appendix G of this Offer Information Statement.

### **ATM Offer**

Payment by subscribers for the Preference Shares under the ATM Offer shall be made in the manner described in paragraph 3 of Part III - Offer Statistics and Timetable above and in accordance with the "Terms, Conditions and Procedures for Application and Acceptance" in Appendix G of this Offer Information Statement.

5. **State, where applicable, the methods of and time limits for -**
- (a) **the delivery of the documents evidencing title to the securities being offered (including temporary documents of title, if applicable) to subscribers or purchasers; and**
  - (b) **the book-entry transfers of the securities being offered in favour of subscribers or purchasers.**

Upon the completion of the Offering, OCBC Bank shall issue the relevant number of subscribed Preference Shares to CDP and CDP shall credit the Securities Account of each successful applicant and/or the Securities Account of the relevant CPF approved bank (with whom a successful applicant maintains a CPF Investment Account) with the appropriate number of Preference Shares for which the successful applicant has subscribed and has been allotted. CDP will send to each successful applicant a notification letter stating the number of the Preference Shares credited to his Securities Account. The relevant CPF approved bank will reflect the successful applications in account statements sent to its customers.

6. **In the case of any pre-emptive rights to subscribe for or purchase the securities being offered, state the procedure for the exercise of any right of pre-emption, the negotiability of such rights and the treatment of such rights which are not exercised.**

Not applicable.

7. **Provide a full description of the manner in which results of the allotment or allocation of the securities are to be made public and, where appropriate, the manner for refunding excess amounts paid by applicants (including whether interest will be paid).**

OCBC Bank will announce the results of the ATM Offer and the Placement through a SGXNET announcement to be posted on the Internet at the SGX-ST's website <http://www.sgx.com>.

OCBC Bank reserves the right to reject or accept, in whole or in part, or to scale down, or ballot any application for the Preference Shares, without assigning any reason therefore, and no enquiry or correspondence on OCBC Bank's decision will be entertained.

Where an application for the Preference Shares under the Placement is not successful, the full amount of the application moneys will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicants, at their own risk, within 14 Market Days after the Closing Date, provided that such refunds in relation to applications are made in accordance with the procedures set out in Appendix G of this Offer Information Statement.

Where an application for the Preference Shares under the ATM Offer is not successful, the full amount of the application moneys will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicants, at their own risk, within 24 hours after balloting, provided that such refunds in relation to applications are made in accordance with the procedures set out in Appendix G of this Offer Information Statement.

Where an application for the Preference Shares is accepted or rejected in part only, any balance of the application moneys will be refunded (without interest or any share of revenue or other benefit arising therefrom) to the applicants, at their own risk, within 14 Market Days after the Closing Date, provided that such refunds in relation to applications are made in accordance with the procedures set out in Appendix G of this Offer Information Statement.

Where the Offering does not proceed for any reason, the full amount of application moneys for the Preference Shares (without interest or any share of revenue or other benefit arising therefrom) will, within 14 Market Days after the Offering is discontinued, be returned to the applicants at their own risk, provided that such refund in relation to such applications are made in accordance with the procedures set out in Appendix G of this Offer Information Statement.

## **PART IV – KEY INFORMATION**

### **Use of Proceeds from Offer and Expenses Incurred**

1. **In the same section, provide the information set out in paragraphs 2 to 7 of this Part.**

Please see below.



2. **Disclose the estimated amount of the proceeds from the offer (net of the estimated amount of expenses incurred in connection with the offer) (referred to in this paragraph and paragraph 3 of this Part as the net proceeds). Where only a part of the net proceeds will go to the relevant entity, indicate the amount of the net proceeds that will be raised by the relevant entity. If none of the proceeds will go to the relevant entity, provide a statement of that fact.**

Assuming a total of 10,000,000 Preference Shares are issued at the Issue Price of S\$100 for each Preference Share, the estimated amount of proceeds from the Offering after taking into account the estimated expenses for the Offering of approximately S\$4.6 million, is expected to be approximately S\$995.4 million.

3. **Disclose how the net proceeds raised by the relevant entity from the offer will be allocated to each principal intended use. If the anticipated proceeds will not be sufficient to fund all of the intended uses, disclose the order of priority of such uses, as well as the amount and sources of other funds needed. Disclose also how the proceeds will be used pending their eventual utilisation for the proposed uses. Where specific uses are not known for any portion of the proceeds, disclose the general uses for which the proceeds are proposed to be applied. Where the offer is not fully underwritten on a firm commitment basis, state the minimum amount which, in the reasonable opinion of the directors or equivalent persons of the relevant entity, must be raised by the offer of securities.**

The issue of the Preference Shares will enable OCBC Bank to further strengthen its capital base, and to have a better balance of the different types of capital so as to achieve greater capital efficiency. The net proceeds from such issue will be used for general corporate funding purposes of OCBC Bank.

OCBC Bank reserves the right not to proceed with the Offering if the total number of Preference Shares subscribed for under the Offering is less than 2,000,000 Preference Shares.

There is no minimum amount which, in the reasonable opinion of the Directors, must be raised by the Offering.

4. **For each dollar of the proceeds from the offer that will be raised by the relevant entity, state the estimated amount that will be allocated to each principal intended use and the estimated amount that will be used to pay for expenses incurred in connection with the offer.**

Assuming a total of 10,000,000 Preference Shares are issued at the Issue Price of S\$100 for each Preference Share, for each dollar of the gross proceeds from the Offering, the estimated amount that will be used to pay for expenses incurred in connection with the Offering is approximately S\$4.6 million (representing approximately 0.46% of the gross proceeds).

5. **If any of the proceeds to be raised by the relevant entity will be used, directly or indirectly, to acquire or refinance the acquisition of an asset other than in the ordinary course of business, briefly describe the asset and state its purchase price. If the asset has been or will be acquired from an interested person of the relevant entity, identify the interested person and state how the cost to the relevant entity is or will be determined.**

The net proceeds from the Offering will not be used, directly or indirectly, to acquire or refinance the acquisition of an asset that is not in the ordinary course of business of the Group.

6. **If any of the proceeds to be raised by the relevant entity will be used to finance or refinance the acquisition of another business, briefly describe the business and give information on the status of the acquisition.**

As at the date of this Offer Information Statement, OCBC Bank does not intend to use the proceeds to finance or refinance the acquisition of another business.

7. **If any material part of the proceeds to be raised by the relevant entity will be used to discharge, reduce or retire the indebtedness of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, of the group, describe the maturity of such indebtedness and, for indebtedness incurred within the past year, the uses to which the proceeds giving rise to such indebtedness were put.**

The net proceeds from the Offering are intended to be used in the ordinary course of business of OCBC Bank which involves deposit taking, lending to customers and inter-bank borrowing and lending. The proceeds will become part of the general funding pool which may be used to discharge, reduce or retire the indebtedness of the Group which are of different currencies, maturities, and from different sources.

8. **In the section containing the information referred to in paragraphs 2 to 7 of this Part or in an adjoining section, disclose the amount of discount or commission agreed upon between the underwriters or other placement or selling agents in relation to the offer and the person making the offer. If it is not possible to state the amount of discount or commission, the method by which it is to be determined must be explained.**

The Offering is not underwritten. As at the Latest Practicable Date, OCBC Bank has not agreed to any discounts or commissions to any placement or selling agents in relation to the Offering. If OCBC Bank were to agree to any discounts or commissions to any placement or selling agents in relation with the Offering, these will be in line with market rates.

#### **Information on the Relevant Entity**

9. **Provide the following information:**

- (a) **the address and telephone and facsimile numbers of the relevant entity's registered office and principal place of business (if different from those of its registered office);**

Registered Office and Principal Place of Business : 65 Chulia Street  
#29-00 OCBC Centre  
Singapore 049513

Telephone number : (65) 6318 7222

Facsimile number : (65) 6533 7955

- (b) **the nature of the operations and principal activities of the relevant entity or, if it is the holding company or holding entity of a group, of the group;**

OCBC Bank is a Singapore-based financial services group with total assets of S\$175 billion as at 31 December 2007 and operations in 15 countries and territories including Singapore, Malaysia, Indonesia, China, Hong Kong SAR, Brunei, Japan, Australia, the United Kingdom and the United States. OCBC Bank offers a range of specialist financial services from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services. As at 31 December 2007, OCBC Bank is the third largest banking group in Singapore by assets and market capitalisation, and the fifth largest listed company in Singapore by market capitalisation. As at 31 December 2007, OCBC Bank accounted for 19% and 17% respectively of Singapore dollar-denominated customer loans and customer deposits in Singapore.

OCBC Bank was founded in 1932 through the amalgamation of three banks – Chinese Commercial Bank Limited (incorporated in 1912), Ho Hong Bank (1917) and Oversea-Chinese Bank Limited (1919). Today, OCBC Bank employs more than 18,000 staff globally and has a global network of over 460 branches and offices. This network includes 56 branches in Singapore, 29 branches in Malaysia and more than 350 branches and offices in Indonesia operated by OCBC Bank's subsidiary, Bank NISP.

Historically, OCBC Bank has a strong franchise among the large corporate and middle market enterprises in Singapore. In recent years, OCBC Bank has built up its consumer banking business substantially, particularly in the areas of housing loans and the distribution of wealth management products including unit trusts, bancassurance and structured deposits. Through its bancassurance partnership with its insurance subsidiary, GEH, OCBC Bank is the largest bancassurance distributor in Singapore and has a market share of 41% in 2007. In corporate and investment banking, OCBC Bank is one of the leading arrangers of Singapore dollar syndicated loans and Singapore dollar bonds, and is also an active provider of corporate finance services. OCBC Bank is also one of the leading bankers for small and medium enterprises (“SMEs”) in Singapore.

In Malaysia, OCBC Bank’s wholly-owned subsidiary, OCBC Malaysia, has a long history dating back to 1917 and ranks as one of the largest foreign banks by assets and loans. OCBC Bank’s 86.9%-owned subsidiary, GEH, is the largest insurance group in both Singapore and Malaysia in terms of assets and market share. GEH has a life insurance market share of 22.5% in Singapore and 22.5% in Malaysia in 2007 (based on weighted premiums of new business sales). GEH’s asset management subsidiary, Lion Capital Management Limited, is one of the largest asset management companies in Southeast Asia with S\$34 billion in assets under management as at the end of 2007. In Indonesia, OCBC Bank owns a 72.4% stake in Bank NISP, the 14th largest Indonesian bank by assets as at 31 December 2007.

A list of the principal activities of the significant subsidiaries of the Group and their places of incorporation is set out in Appendix A of this Offer Information Statement.

- (c) **the general development of the business from the beginning of the period comprising the 3 most recent completed financial years to the latest practicable date, indicating any material change in the affairs of the relevant entity or the group, as the case may be, since —**
- (i) **the end of the most recent completed financial year for which financial statements of the relevant entity have been published; or**
  - (ii) **the end of any subsequent period covered by interim financial statements, if interim financial statements have been published;**

#### **General Business Developments in FY2005**

Despite intense competition and a challenging interest rate environment, the Group achieved good results in 2005 in its customer and product segments. Group net profit grew 13% to S\$1,298 million; excluding the one-time divestment gains in 2004, core net profit growth was 24%. Net profit for the Consumer Financial Services division grew 19% to S\$365 million, while Business Banking achieved 10% increase in net profit to S\$540 million. Group Treasury’s net profit fell 35% to S\$136 million as the flattening of the interest rate yield curve had a dampening effect on interest gapping income, but customer-related treasury revenue achieved healthy growth of 21%. OCBC Malaysia’s net profit grew 53% to RM415 million (S\$182 million), derived from higher interest income and non-interest income, as well as lower allowances.

The Bank’s former subsidiary OCBC Asset Management Limited was merged with GEH’s Straits Lion Asset Management Limited, to form Lion Capital Management Limited, one of the largest asset management companies in Singapore and the region with more than S\$31 billion in assets under management as at end-2005. Lion Capital Management Limited is 70% owned by GEH and 30% by OCBC Bank.

In Singapore, OCBC Bank continues to be the leading distributor of bancassurance products with a 37% market share. While sales of single premium products were less buoyant due to the rise in deposit rates and the flat interest rate yield curve, regular premium product sales grew a robust 92%, helped by the launch of new products. Unit trust sales in Singapore rose

by 68% due to improved equity market sentiments and the successful launch of several innovative funds, including a global property investment fund and a global resource fund. Structured deposits also remained popular with the Bank's customers.

The Bank's partnership with NTUC Link to offer financial services to more than 440,000 NTUC union members achieved a major milestone during the year, with the number of NTUC-OCBC credit and debit cards issued exceeding 100,000.

The Bank's personal revolving line of credit, previously known as *Prestige Credit*, was re-branded and re-launched as *EasiCredit*, incorporating new features and enhancements. The re-launch was well received with a significant increase in applications and growth in outstanding balances.

Two new bank branches and two Premier Banking Centres were added in Singapore. OCBC Bank also launched a secured mobile banking service in Singapore based on the *i-mode* platform, becoming the first bank in Southeast Asia to do so.

The Bank's SME lending programmes which were launched in 2004 gained further momentum in 2005, in particular, its *Business Cash Financing* programme in Singapore. This programme provides revolving working capital loans based on accounts receivables, to better meet customers' cash flow needs. More than 20% of new SME customers are using *Business Cash Financing*.

The number of customers using *Velocity@ocbc*, the Bank's award-winning online cash management and trade platform, increased by more than 20% in both Singapore and Malaysia. More than 40 investment banking deals were completed during the year, covering loan syndications, mezzanine financing, debt advisory and initial public offerings ("IPOs") in Singapore and Malaysia. OCBC Bank was ranked number one in the Singapore syndicated loans league table in 2005.

In Malaysia, sales of structured investment products, which were first introduced in 2004, jumped ten-fold to more than RM1 billion. A credit card referral programme through GEH's 20,000 agents was rolled out nationwide, achieving a strong response from GEH's policyholders. This referral programme and other initiatives with GEH contributed around one third of the 64% increase in the Malaysia credit card base in 2005.

Several new SME lending programmes and secured lending products were introduced in Malaysia, including the *SME Plus II* and *Procurement Contract Financing Programme*. Other products introduced included bancassurance for businesses, 24-hour letter of guarantee programme and structured investments. The capital markets team completed three landmark transactions in Malaysia during the year, including Malaysia's first palm oil Islamic securitisation.

In Indonesia, following the acquisition of an initial 22.5% stake in Bank NISP in 2004, OCBC Bank increased its shareholding to 72.3% by the end of 2005, investing a total of approximately S\$531 million. Several milestones were achieved in the collaboration with Bank NISP, including a joint ATM link-up in the two countries, helping Bank NISP launch a local version of the Bank's award winning *Velocity@ocbc* cash management platform, and sales of Great Eastern products through Bank NISP's branch network.

OCBC Bank opened an offshore branch in Brunei in July 2005, after becoming the first foreign bank to be granted an international Islamic Banking Licence in the country. The Brunei branch provides wholesale Islamic Banking products and services to international companies.

## General Business Developments in FY2006

Underpinned by healthy economic conditions in the region, and the investments made over the past years to improve its capabilities and competitiveness, OCBC Group's core net profit excluding one-time divestment gains rose 11% to a record S\$1,443 million in 2006. Consumer Financial Services' net profit grew 11% to S\$380 million, while Business Banking's net profit grew 12% to S\$628 million. Group Treasury achieved a 9% increase in net profit to S\$145 million, despite the continued flattening of the yield curve which depressed its net interest income. OCBC Malaysia's operating profit before allowances increased by 19%; its net profit grew by a slower 4% to RM431 million (S\$187 million) due to the absence of allowance write-backs.

In February 2006, the Group announced its New Horizons II strategy which covers the five year period from 2006 to 2010. The key strategic thrusts are as follows:

- **Focused Overseas Expansion:** In pursuing international growth, the Group will shift its emphasis from adding more countries to focusing on deepening its market penetration in Malaysia, Indonesia and China. It may also explore opportunities to establish strategic partnerships in Indochina.

In Malaysia, OCBC Bank will continue to expand its market share rapidly in the consumer and SME segments. In Indonesia and China, OCBC Bank will grow the consumer and SME businesses by transferring successful business models and product solutions to its branches and alliances in the two countries.

- **Continuation of Balanced Business Scorecard:** OCBC Bank will continue with its balanced business scorecard discipline to further improve its performance in the areas of customers, products, risk management, productivity, people and shareholder value. The key financial objectives are to deliver earnings per share growth of 10% per annum, and to achieve and sustain a return on equity of above 12%.

In June 2006, OCBC Bank became the first Singapore bank to acquire a stake in a Chinese bank, with the purchase of a 12.2% stake in Ningbo Commercial Bank (later renamed Bank of Ningbo, "**BoN**") for RMB570 million (S\$122 million). As part of the agreement, OCBC Bank will work closely with BoN to grow its small and medium enterprise and consumer businesses, by providing a comprehensive training and technical assistance programme aimed at developing the leadership and staff of BoN. Several joint initiatives between OCBC Bank and BoN were launched during the year in trade finance, investment banking, cross-border financing and treasury.

In July 2006, OCBC Bank launched a voluntary cash offer for the remaining GEH shares it did not own. It received acceptances amounting to 3.1% of GEH's issued share capital, and together with cash purchases made during the year, the Bank's stake in GEH increased from 82.3% to 86.9%.

In October 2006, OCBC Bank acquired a 10% stake in Vietnam Joint-Stock Commercial Bank for Private Enterprises ("**VP Bank**"), for VND 250 billion (S\$25 million), becoming the first Southeast Asian bank, and the fourth foreign bank, to acquire a stake in a commercial bank in Vietnam.

In 2006, OCBC Bank remained a market leader in total wealth management sales in the combined Singapore and Malaysia market, achieving sales of S\$8 billion, although these were 21% lower than in 2005. The decline was mainly due to reduced demand for structured deposits as a result of the flat yield curve as well as competition from higher deposit rates. Leveraging on its exclusive partnership with GEH, OCBC Bank continued to be the leading distributor of bancassurance products in Singapore with a 39% market share, up from 37% in 2005. Unit trust sales rose 7% in Singapore and 30% in Malaysia, on the back of buoyant equity market sentiments and investor confidence.

The credit card business fared well in Singapore and Malaysia, with the total number of cards in force growing by 18% and crossing the one million milestone for the first time. In Singapore, OCBC Bank introduced a first-of-its-kind student-led programme at the Singapore Management University, which allowed SMU students to conceptualise, design and market a specifically tailored co-branded card programme. The launch was a resounding success with 40% of the SMU student population signing up for the *SMU-OCBC Debit Card* within two months of the soft launch. In Malaysia, OCBC Bank's card base grew 36%, with half of the increase coming from cross-referrals by GEH insurance agents to their policyholders.

In Singapore, the Bank launched *Express Cash* which allows consumers to draw cash from an unsecured loan within an hour of applying at any OCBC Bank branch island-wide. Full-service Sunday banking was introduced at five of the Bank's Singapore branches following an extensive customer survey which showed demand for such services. OCBC Bank also introduced a cross-border ATM cash withdrawal service with Malaysia, allowing customers from both OCBC Bank Singapore and participating banks in the Malaysian Electronic Payment System to withdraw cash at each other's ATMs. OCBC Bank also became the first bank in Asia to offer an interactive ATM service that recognises and prompts customers to update their contact details.

Following the Malaysian authorities' approval for foreign banks to open four new branches each, OCBC Malaysia added three new branches by year-end, in Penang, Selangor and Sarawak, bringing its Malaysia branch network to 28. It also launched a shared ATM service, *HOUSE*, with three other locally incorporated foreign banks, giving customers access to more than 300 ATMs across the country.

Several new products and services targeted at the SME segment were launched in Singapore and Malaysia, and these were well received by the market. In Singapore, the Bank launched the *Business Term Loan*, which provides up to S\$150,000 in working capital financing to SMEs, with no collateral required and an exceptionally fast approval turnaround time. The *Quick Cheque Deposit* service was introduced at five selected Shell petrol stations in Singapore, allowing business customers to deposit their corporate cheques without having to visit the Bank's branches.

Successful cross-sell efforts resulted in the bank clinching several investment banking mandates in the large corporate segment. In Malaysia, OCBC Bank continued to execute several landmark capital market transactions, including an Islamic securitization of oil palm assets and the issuance of RM200 million *Mudharabah* Islamic bonds.

In Indonesia, Bank NISP achieved 16% growth in net profit to IDR 237 billion (S\$41 million), despite the absence of strong investment gains which boosted the 2005 bottomline. During the year OCBC Bank intensified its business collaboration and capability transfer efforts to further support the expansion of Bank NISP's consumer and SME businesses. About 900 of Bank NISP's branch-based staff were trained in OCBC's customer service programme as they geared up for the rapid expansion of the branch network, with 69 new branches and offices opened during the year, increasing Bank NISP's network to 259. In bancassurance, the collaboration with Great Eastern Life contributed to the 40% jump in Bank NISP's insurance fee income. *Velocity@nisp*, which was first introduced to Bank NISP's SME customers in 2005, achieved encouraging sign-ups. In addition, OCBC Bank continued to actively assist in Bank NISP's ongoing improvements to their risk management, audit, IT and operational platforms and processes.

### **General Business Developments in FY2007**

In spite of the United States sub-prime crisis which erupted in the second half of 2007, OCBC Group managed to achieve record earnings and robust revenue growth for the year, supported by the healthy economic growth in its key markets. Excluding non-recurring gains, the Group's core net profit increased by 30% to S\$1,878 million. Pre-tax profit for Consumer Financial Services grew 32% to S\$631 million, while Business Banking achieved growth of

27% to S\$998 million. Group Treasury's pretax profit rose by 77% to S\$313 million, driven by higher revenues across interest rate, foreign exchange, equity and derivatives products. OCBC Malaysia grew its net profit by 19% to RM512 million, led by growth in net interest income, Islamic Banking income and fees and commissions.

In August 2007, the Group's locally incorporated and wholly-owned subsidiary in China, OCBC Bank (China) Ltd ("**OCBC China**"), officially commenced business. OCBC Bank's existing branches in Shanghai, Chengdu, Tianjin and Xiamen have become branches of OCBC China, and all related customer accounts and dealings have accordingly been transferred to OCBC China. As a locally incorporated bank, OCBC China can now provide a wider suite of products and services to a wider segment of customers, including affluent and mass affluent customers, SMEs, and corporate and institutional customers. Headquartered in Shanghai and capitalized at RMB3.5 billion (S\$698 million), OCBC China plans to introduce new products and services denominated in Renminbi and major foreign currencies in phases, aiming to facilitate more seamless cross-border transactions for both individuals and businesses. A sub-branch in Chengdu was opened in September 2007.

In July 2007, BoN successfully launched its IPO on the Shenzhen Stock Exchange, becoming one of the first two city commercial banks in China to be publicly listed. OCBC Bank remains as its second largest shareholder, with its initial 12.2% stake diluted to 10%, post listing. Operationally, BoN continued to perform strongly in 2007, with its net profit increasing 50% to RMB 948 million (S\$187 million).

In November 2007, OCBC Bank received in-principle approval from Bank Negara Malaysia to establish a wholly owned Islamic Banking subsidiary under section 29 of the Banking & Financial Institutions Act 1989. With the Islamic Banking license, OCBC Bank will be permitted to conduct the full range of Shariah-compliant universal banking business, including Islamic hire-purchase and corporate finance activities.

Throughout the year, several major customer initiatives were introduced for consumer and SME customers, arising from the Bank's focus on deploying customer insights to drive its service innovation and excellence.

In July 2007, OCBC Bank unveiled its new and innovative branch design in Singapore and Malaysia, which is aimed at maximising customer interactions and sales opportunities as well as creating a differentiated customer experience. Six branches in Singapore and Malaysia were re-modelled in 2007, and the target is to complete the transformation of the entire Singapore and Malaysia branch network by 2009. The Bank's Sunday Banking service was extended from five to ten branches in Singapore, following the overwhelmingly positive customer response since the service was first introduced in November 2006.

In April 2007, OCBC Bank launched "supermarket banking" in a collaboration with NTUC FairPrice, the largest supermarket chain operator in Singapore. Under *FairPrice Plus*, OCBC Bank will develop appropriate products and services for shoppers at FairPrice, built on three key attributes - simplicity, transparency and value for money. OCBC Bank will also establish new ATMs at all 81 FairPrice supermarkets and hypermarkets, and eventually at other FairPrice outlets. The maiden product under this initiative, the *FairPrice Plus Super Account*, combines a credit or debit card with a savings account offering attractive interest rates. It received good responses with over 80,000 accounts opened within the first six months after the launch.

For SME customers in Singapore, the Bank launched an easy-to-open business account with minimum documentation and instant cheque book issuance. The popular *Quick Cheque Deposit* facilities in Singapore were increased from 5 to 12 locations at selected Shell and Caltex petrol stations and industrial buildings. In Malaysia, a similar offsite banking facility, called Easi-CheckDrop, was also launched, enabling customers to bank in cheques at five selected Petronas service stations in the Klang Valley. OCBC Malaysia launched Easi-BizCard, a dedicated ATM card for SME customers giving them the convenience of withdrawing cash via its ATM network at 29 branches across East and West Malaysia.

The Group's wealth management business fared well in 2007, with combined sales in Singapore and Malaysia growing by 20%. Unit trust sales were higher in Singapore and Malaysia as a result of new product launches and positive investor sentiments. OCBC Bank also maintained its number one bancassurance position in Singapore with a market share of 41%, up from 39% in 2006.

Bank NISP delivered healthy revenue growth of 35%, but this was partially offset by higher expenses and allowances, resulting in its net profit rising by 5.5% to IDR 250 billion (S\$38 million). Bank NISP continued to make substantial investments during the year, including the replacement of its core banking system and the opening of 93 new branches and offices and 148 ATMs across Indonesia to better serve its growing SME and consumer customer base. Its network increased to 352 branches and offices and 494 ATMs by the end of 2007. During the year, Bank NISP successfully established a consumer wealth management platform, complete with financial planning tools and a comprehensive suite of wealth products. An exclusive partnership was also formed with Great Eastern Indonesia to provide customised bancassurance solutions. These developments contributed to a two-fold increase in its wealth management fee income. OCBC Bank also continued to help improve the service culture at Bank NISP, rolling out its customer engagement training to more than 3,500 Bank NISP staff.

In Vietnam, OCBC Bank worked closely with VP Bank to launch its Platinum EMV MasterCard, the first credit and debit card issued by the bank. OCBC Bank also initiated several training and technical assistance programmes for VP Bank, covering the areas of consumer banking, risk management and technology.

#### **General Business Developments from 31 December 2007 to the Latest Practicable Date, including General Business Developments from 31 March 2008 to the Latest Practicable Date**

(1) Conditional Takeover Offer for Malaysia's PacificMas Berhad

On 4 January 2008, OCBC Bank announced that its wholly-owned subsidiary, OCBC Capital (Malaysia) Sdn Bhd ("**OCM**", formerly known as OSPL Holdings Sdn Bhd), would undertake a conditional cash offer for all the voting shares in Malaysia's PacificMas Berhad ("**PacMas**") not already owned by OCM, at a price of RM4.30 per share. At the close of the offer on 8 April 2008, the Group's shareholding amounted to 114,686,956 PacMas shares, or 67.07% of the issued and paid-up capital of PacMas, an increase from the 28.15% shareholding before the offer. The cost of acquiring the additional stake was approximately RM286 million (S\$124 million), including the amount spent on market purchases.

(2) RM1 Billion Issue of Ringgit-denominated Lower Tier II Subordinated Bonds

In March 2008, OCBC Bank raised RM1 billion from the issue of Ringgit-denominated subordinated bonds. The bonds qualified as Lower Tier II capital with effect from April 2008. The bonds have a 10-year maturity with a call option and coupon step-up after the fifth year. The bonds will bear a fixed coupon of 4.6% per annum from the issue date up to the step-up date on 27 March 2013. If the bonds are not redeemed on the step-up date, the coupon on the bonds will be increased to a fixed rate of 5.6% per annum from the step-up date up to the maturity date on 27 March 2018. The issue represents OCBC Group's fourth issuance in the Malaysian capital market. The issue is part of OCBC Bank's continuing capital management plan to re-balance its capital mix by adding more Tier II capital to improve the cost efficiency of its capital.



(3) Acceptance of The Cairns' Takeover Offer for Straits Trading

On 4 March 2008, OCBC Bank announced that it had accepted the takeover offer for the shares in The Straits Trading Company Limited (“**STC**”) from The Cairns Pte. Ltd, at the revised offer price of S\$6.70 per share, in respect of the Bank’s 6.2% stake or approximately 20.2 million STC shares. The acceptance of the takeover offer resulted in a gain of approximately S\$127.5 million for OCBC Bank.

(4) Acceptance of Cash Offer for Robinson and Company

On 3 April 2008, the Group accepted the cash offer of ALF Global Pte Ltd for, and divested its remaining 6.05% shareholding in, Robinson and Company, Limited (“**Robinson**”). Following the divestment, the Group ceased to be a shareholder of Robinson.

Please also refer to page F-3 of Appendix F to this Offer Information Statement.

(d) **the equity capital and the loan capital of the relevant entity as at the latest practicable date, showing —**

(i) **in the case of the equity capital, the issued capital; or**

(ii) **in the case of the loan capital, the total amount of the debentures issued and outstanding, together with the rate of interest payable thereon;**

Issued share capital (as at the Latest Practicable Date) : S\$4,678,540,430.58 divided into 3,094,579,314 Shares (disregarding 31,986,198 Shares held in treasury)

S\$895,830,884 divided into 400,830,884 preference shares of OCBC Bank

Loan capital (as at the Latest Practicable Date) : Nil

(e) **where —**

(i) **the relevant entity is a corporation, the number of shares of the relevant entity owned by each substantial shareholder as at the latest practicable date; or**

(ii) **the relevant entity is not a corporation, the amount of equity interests in the relevant entity owned by each substantial interest-holder as at the latest practicable date;**

The interest of the Substantial Shareholders, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date is set out below:

Substantial Shareholder	Direct Interest (including Shares registered in the name of nominees)		Deemed Interest		Total Interest	
	No. of Shares	%	No. of Shares	% <sup>(1)</sup>	No. of Shares	% <sup>(1)</sup>
Lee Foundation	110,784,042	3.58	482,883,510 <sup>(2)</sup>	15.60	593,667,552	19.18
Selat (Pte) Limited	348,957,470	11.28	15,511,614 <sup>(3)</sup>	0.50	364,469,084	11.78
Aberdeen Asset <sup>(4)</sup> Management PLC and subsidiaries	—	—	156,638,050	5.06	156,638,050	5.06

**Notes:**

- (1) Based on 3,094,579,314 issued Shares as of the Latest Practicable Date (this is based on 3,126,565,512 Shares in issue as at the Latest Practicable Date and disregarding 31,986,198 Shares held in treasury as at the Latest Practicable Date).
  - (2) This represents Lee Foundation's deemed interest in (a) the 20,000,000 Shares held by Lee Pineapple Company (Pte) Limited, (b) the 348,957,470 Shares held by Selat (Pte) Limited, (c) the 112,134,760 Shares held by Singapore Investments (Pte) Limited and (d) the 1,791,280 Shares held by Peninsula Plantations Sendirian Berhad.
  - (3) This represents Selat (Pte) Limited's deemed interest in (a) the 1,146,354 Shares held by South Asia Shipping Company Private Limited and (b) the 14,365,260 Shares held by Island Investment Company (Private) Limited.
  - (4) This represents the deemed interest in 156,638,050 Shares held by Aberdeen Asset Management PLC and its subsidiaries, Aberdeen Asset Management Asia Limited, Aberdeen Asset Management Inc., Aberdeen Asset Management Limited, Aberdeen Asset Managers Limited, Aberdeen Asset Management Sdn Bhd, Aberdeen International Fund Managers Limited, Aberdeen Private Wealth Management Limited, Aberdeen Unit Trust Managers Limited and Edinburgh Fund Managers plc (together, the "AAM Group"), through various custodians, on behalf of the accounts managed by the AAM Group.
- (f) any legal or arbitration proceedings, including those which are pending or known to be contemplated, which may have, or which have had in the 12 months immediately preceding the date of lodgment of the offer information statement, a material effect on the financial position or profitability of the relevant entity or, where the relevant entity is a holding company or holding entity of a group, of the group;**

As at the date of this Offer Information Statement, the Directors are not aware of any litigation or arbitration proceedings to which the Group is a party or which is pending or known to be contemplated that may have or would have had in the 12 months immediately preceding the date of lodgment of this Offer Information Statement, a material effect on the financial position or profitability of the Group.

- (g) where any securities or equity interests of the relevant entity have been issued within the 12 months immediately preceding the latest practicable date -**
- (i) if the securities or equity interests have been issued for cash, state the prices at which the securities have been issued and the number of securities or equity interests issued at each price; or**

During the 12 months immediately preceding the Latest Practicable Date, OCBC Bank delivered the following Shares by way of transfer of treasury shares upon the exercise of options pursuant to OCBC Share Option Schemes 1994 and 2001:

<b>No. of Shares</b>	<b>Acquisition Price (S\$)</b>
487,594	2.675
337,882	3.139
925,841	4.067
380,907	4.542
834,591	5.142
795,002	5.367
1,161,733	5.742
573,304	5.767
360,692	5.784
162,566	6.580
267,777	6.820
29,493	8.590

OCBC Bank also delivered 2,848,621 Shares at \$6.45 per Share by way of transfer of treasury shares upon the exercise of acquisition rights pursuant to the OCBC Employee Share Purchase Plan. In addition, OCBC Bank delivered 3,888,838 Shares at \$7.5650 per Share and 202,469 Shares at \$8.5037 per Share by way of transfer of treasury shares pursuant to the OCBC Deferred Share Plan.

In November 2007, OCBC Bank issued, at par, S\$225 million 3.78% Lower Tier II Subordinated Notes due 2017 callable with a step-up in 2012.

In March 2008, OCBC Bank issued, at par, RM1 billion 4.6% Ringgit-denominated subordinated bonds due 2018 callable with a step-up in 2013. These bonds qualified as Lower Tier II capital with effect from April 2008.

Under the SGD2 billion Programme for Issuance of Debt Instruments, which OCBC Bank established in 2003, S\$18,481,100 in aggregate principal amount of notes was outstanding as at the Latest Practicable Date. Within the 12 months immediately preceding the Latest Practicable Date, S\$31,259,536.10 in aggregate principal amount of notes were issued at between 97.38% and 100%, which will mature between 6 July 2007 and 11 April 2015, and which have interest rates of between 0% and 3-month USD Libor plus 4%.

Under the USD2 billion zero coupon Euro Commercial Papers program, which OCBC Bank established in 2004, US\$765,271,389.52 in aggregate principal amount of notes was outstanding as at the Latest Practicable Date. Within the 12 months immediately preceding the Latest Practicable Date, US\$5,912,663,783.51 in aggregate principal amount of notes were issued at between 97.31% and 99.86%, which will mature between 29 June 2007 and 8 September 2008, and which do not pay interest.

**(ii) if the securities or equity interests have been issued for services, state the nature and value of the services and give the name and address of the person who received the securities or equity interests; and**

52,800 Shares were issued to non-executive Directors in April 2008, the details of which are as follows:

<b>Director</b>	<b>Number of Shares</b>
Mr Michael Wong Pakshong <sup>(1)</sup>	4,800 Shares
Mr Chin Yoke Choong	4,800 Shares
Mr Giam Chin Toon	4,800 Shares
Mr Lee Seng Wee	4,800 Shares
Dr Lee Tih Shih	4,800 Shares
Tan Sri Dato Nasruddin Bin Bahari <sup>(1)</sup>	4,800 Shares
Professor Neo Boon Siong	4,800 Shares
Dr Tsao Yuan	4,800 Shares
Mr David Wong	4,800 Shares
Mr Wong Nang Jang	4,800 Shares
Mr Patrick Yeoh Khwai Hoh	4,800 Shares

**Note:**

- (1) Mr Michael Wong Pakshong of 12 Swiss Club Road, Swiss Club Park, Singapore 288105 and Tan Sri Dato Nasruddin Bin Bahari of 5 Lorong Limau Manis Dua, Bangsar Park 59000 Kuala Lumpur, Malaysia stepped down from the Board on 17 April 2008. These Shares were issued to them in recognition of their contribution in the past year.

The addresses of the abovementioned Directors are set out in paragraph 1 of Part II - Identity of Directors, Advisers and Agents above.

- (h) a summary of each material contract, other than a contract entered into in the ordinary course of business, to which the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any member of the group is a party, for the period of 2 years immediately preceding the date of lodgment of the offer information statement, including the parties to the contract, the date and general nature of the contract, and the amount of any consideration passing to or from the relevant entity or any other member of the group, as the case may be.

As at the date of this Offer Information Statement, we are not aware of any material contract which has been entered into outside the ordinary course of our business, for the period of two years immediately preceding the date of lodgment of this Offer Information Statement.

## **PART V – OPERATING AND FINANCIAL REVIEW AND PROSPECTS**

### **Operating Results**

#### **1. Provide selected data from -**

- (a) the audited income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, the audited consolidated income statement of the relevant entity or the audited combined income statement of the group, for each financial year (being one of the 3 most recent completed financial years) for which that statement has been published; and
- (b) any interim income statement of the relevant entity or, if the relevant entity is the holding company or holding entity of a group, any interim consolidated income statement of the relevant entity or interim combined income statement of the group, for any subsequent period for which that statement has been published.

Please refer to Appendices C and F to this Offer Information Statement.

#### **2. The data referred to in paragraph 1 of this Part shall include the line items in the audited income statement, audited consolidated income statement, audited combined income statement, interim income statement, interim consolidated income statement or interim combined income statement, as the case may be, and shall in addition include the following items:**

- (a) dividends declared per share in both the currency of the financial statements and the Singapore currency, including the formula used for any adjustment to dividends declared;
- (b) earnings or loss per share; and
- (c) earnings or loss per share, after any adjustment to reflect the sale of new securities.

Please refer to Appendices C and F to this Offer Information Statement.

	FY2005	FY2006	FY2007	1Q2008
Basic earnings per Ordinary Share (cents)	40.1	63.4	65.9	20.1
Dividends per Ordinary Share (cents)	60.1 <sup>(1)</sup>	23.0	28.0	nil
Adjusted earnings per Ordinary Share (cents)		not applicable		

**Note:**

- (1) This includes the FY2005 bonus dividend which was announced on 11 May 2005, with an option to elect for the subscription of a renounceable 1-for-5 rights issue of S\$5 for each rights share in the capital of the Bank.

**3. In respect of -**

- (a) **each financial year (being one of the 3 most recent completed financial years) for which financial statements have been published; and**
- (b) **any subsequent period for which interim financial statements have been published,**

**provide information regarding any significant factor, including any unusual or infrequent event or new development, which materially affected profit or loss before tax of the relevant entity or, if it is the holding company or holding entity of a group, of the group, and indicate the extent to which such profit or loss before tax of the relevant entity or the group, as the case may be, was so affected. Describe any other significant component of revenue or expenditure necessary to understand the profit or loss before tax for each of these financial periods.**

**FY2005**

Group net profit attributable to shareholders for the financial year ended 31 December 2005 rose 13% to S\$1,298 million, from S\$1,148 million in 2004. Excluding the one-time gains of S\$97 million from the divestment of Raffles Investments Limited and White Sands Shopping Mall in 2004, net profit grew a robust 24% in 2005. The improved performance was driven by growth in operating profit, lower loan allowances as well as the discontinuation of goodwill amortisation.

The 2005 results included nine months consolidated results of 72.3%-owned Bank NISP, which became a subsidiary in April 2005. Previously, Bank NISP was equity accounted as a 22.5%-owned associate from May 2004 to March 2005. Bank NISP contributed S\$31 million to the Group's net profit in 2005, up from S\$6 million in 2004. GEH, in which the Bank held 82.3% shareholding as at 31 December 2005, was consolidated as a subsidiary since June 2004, and prior to that, was equity accounted as a 48.9%-owned associate. GEH's contribution to net profit was S\$251 million in 2005, compared to S\$189 million in 2004.

The Group's operating profit before allowances for loans and other assets rose 6% to S\$1,742 million in 2005, with broad based growth in the core revenue segments. Net interest income rose 5% to S\$1,597 million, driven by higher loan volume and Bank NISP's contribution. Net interest margin however declined from 1.91% to 1.84% due to higher cost of funds and the lack of gapping opportunities.

Non-interest income, excluding the divestment gains in 2004, grew by 32% to S\$1,289 million. The growth came from higher insurance income, fees and commissions and dividend income, as well as higher contributions from dealing in securities and derivatives and disposal of investment securities. Operating expenses increased by 16% to S\$1,145 million, but excluding the consolidation effects of GEH and Bank NISP, expenses growth was 4%.

Allowances for loans and other assets fell from S\$77 million in 2004 to S\$12 million in 2005, due to lower new specific loan allowances, and recoveries in loans and loan-related securities. Amortisation of goodwill was discontinued under the new Financial Reporting Standard 103.

OCBC Malaysia's net profit surged by 53% to RM415 million (S\$182 million), driven by an 18% growth in total revenue and a reduction in allowances for loans and other assets. Its loans grew by a broad-based 10% while net interest margin improved from 2.23% to 2.39%.

## **FY2006**

Group net profit for the financial year ended 31 December 2006 rose 54% to S\$2,002 million, from S\$1,298 million in 2005. This included net gains of S\$559 million from the divestments of a residential development site at Kim Seng Road and shareholdings in Robinson and Company, Limited, The Straits Trading Company Limited, Southern Bank Berhad and Raffles Holdings Limited.

Excluding the non-core divestment gains, net profit grew by 11% to S\$1,443 million, driven by higher interest and non-interest revenues across the Group's key markets of Singapore, Malaysia, Indonesia as well as its overseas branches. Operating profit before allowances and amortisation of intangibles rose 10% to S\$1,911 million.

Net interest income rose 12% to S\$1,794 million, led by growth in interest earning assets and better interest margins. Gross customer loans grew 7% during the year to S\$61.1 billion as at 31 December 2006. Net interest margin improved from 1.84% in 2005 to 2.00% in 2006, as higher yields on loans and interbank placements more than offset the rise in borrowing costs.

Non-interest income grew 12% to S\$1,448 million (excluding divestment gains), driven by higher fee and commission income, life assurance profits and foreign exchange income. Fees and commissions rose 18% to S\$597 million, with strong contributions from stock-broking, loan-related, trade-related, investment banking and fund management activities. Profits from the life assurance business grew 34% to S\$376 million, underpinned by new business growth, healthy underwriting profits and strong investment gains. Income from foreign exchange dealing jumped 81% to S\$144 million.

Operating expenses rose 16% to S\$1,331 million, attributed mainly to higher staff costs from increased headcount, higher business promotion expenses, accelerated depreciation and write-offs of fixed assets and software applications, and the twelve months' consolidation of Bank NISP's expenses. Excluding Bank NISP's expenses and the accelerated depreciation and write-offs, operating expenses would show an increase of 10%. The cost-to-income ratio (excluding divestment gains) was 41.1%, compared with 39.6% in 2005.

Improved asset quality and continued successes in loan recovery efforts kept the Group's allowances low at S\$2 million for the year, compared with allowances of S\$12 million in 2005.

GEH achieved a 27.9% improvement in its net profit to S\$477 million, underpinned by new business growth, healthy underwriting profits and strong investment gains. GEH's contribution to OCBC Group's earnings, after deducting amortisation of intangible assets and minority interests, was S\$357 million (including S\$40 million of divestment gains), up from S\$251 million in 2005.

OCBC Malaysia achieved another year of steady growth. Operating profits before allowances increased by 19.2% to RM666 million, contributed mainly by higher net interest income as loans grew 9.6% and interest margins improved. OCBC Malaysia's net profit grew by a slower 4.0% to RM431 million (S\$187 million), as the previous year's figure was boosted by write-back of allowances.

The 2006 results included a full year's consolidation of the results of 72.3%-owned Bank NISP, compared with nine months' consolidation in 2005. From January to March 2005, Bank NISP was equity accounted for as an associated company of the Group. Bank NISP's net profit contribution in 2006 was S\$31 million, similar to 2005.

## **FY2007**

Group net profit for the financial year ended 31 December 2007 increased by 3% to S\$2,071 million, from S\$2,002 million in 2006. Core net profit, which excludes gains from the divestment of non-core assets and tax refunds, grew by 30% to S\$1,878 million, driven by broad-based revenue growth across the Group's key markets and subsidiaries, particularly GEH. Net interest income grew 25% and non-interest income rose 34%, while operating expenses increased 26%.

Core earnings in 2007 exclude a S\$90 million gain from the sale of an office property and S\$104 million in tax refunds received during the year. In 2006, divestment gains were significantly higher at S\$559 million, derived from the sale of a residential property as well as shareholdings in Robinson and Company Limited, The Straits Trading Company, Southern Bank Berhad and Raffles Holdings Limited.

The Group's net interest income grew 25% to S\$2,244 million, supported by growth in interest earning assets and improved interest margins. Loans grew by 19%, contributed mainly by growth in corporate and SME loans in Singapore, Malaysia and other overseas markets. Housing loans in Singapore also picked up during the second half of the year. Net interest margin improved from 2.00% to 2.10%, largely due to better margins in Singapore and Indonesia as the cost of funds fell faster than asset yields.

Non-interest income, excluding divestment gains, grew 34% to S\$1,944 million, accounting for 46.4% of the Group's core revenue. Growth was driven by strong contributions from fee-based activities, higher profit from life assurance, as well as higher gains from the sale of investment securities.

Operating expenses increased by 26% to S\$1,680 million in 2007. Approximately 41% of the expense increase was associated with the Group's overseas business expansion, particularly in Indonesia and China, as well as business volume-related and performance incentive compensation costs.

The Group made total allowances of S\$231 million for its investments in collateralised debt obligations ("**CDOs**") in 2007. Allowances of S\$226 million were made for the Bank's investment in asset-backed securities ("**ABS**") CDOs, reducing the carrying value of the portfolio by 85% to S\$41 million as at end-2007. GEH provided an allowance of S\$5 million for the CDOs invested under its shareholders' funds, reducing their carrying value to S\$13 million as at end-2007. Loan recoveries, repayments, and upgrades resulted in a net write-back of S\$108 million in specific allowances for loans. In addition, there was a net reversal of S\$87 million in allowances for other assets, mainly office properties in Singapore. As a result, the Group's net allowances for the year remained low at S\$36 million, although this was higher than the S\$2 million in 2006.

Key subsidiaries of the Group reported healthy results for 2007. GEH achieved 15% increase in its net profit to S\$547 million, underpinned by steady insurance underwriting results in Singapore and Malaysia, strong investment gains and increased contributions from Lion Capital Management Limited. GEH contributed a significant S\$449 million or 23.9% to the Group's core earnings, after deducting amortisation of intangible assets and minority interests, as compared to S\$357 million in 2006.

OCBC Malaysia's net profit rose 19% to RM512 million, led by growth in net interest income, Islamic Banking income and fees and commissions. Bank NISP's net profit grew by 5% to IDR250 billion, as strong revenue growth was offset to some extent by higher allowances and increased expenses related to its network and headcount expansion.

## **1Q2008**

Please refer to page F-3 of Appendix F to this Offer Information Statement.

## Financial Position

4. Provide selected data from the balance sheet of the relevant entity or, if it is the holding company or holding entity of a group, the group as at the end of -
- (a) the most recent completed financial year for which audited financial statements have been published; or
  - (b) if interim financial statements have been published for any subsequent period, that period.

Please refer to Appendices D and F to this Offer Information Statement.

5. The data referred to in paragraph 4 of this Part shall include the line items in the audited or interim balance sheet of the relevant entity or the group, as the case may be, and shall in addition include the following items:
- (a) number of shares after any adjustment to reflect the sale of new securities;
  - (b) net assets or liabilities per share; and
  - (c) net assets or liabilities per share after any adjustment to reflect the sale of new securities.

Please refer to Appendices D and F to this Offer Information Statement.

	As at		
	31 December 2007	31 March 2008	Adjusted 31 March 2008 after issuance of Preference shares
Number of Issued Ordinary Shares (excluding Treasury Shares)	3,086,221,079	3,091,168,947	3,091,168,947
Number of Class E Preference Shares	5,000,000	5,000,000	5,000,000
Number of Class G Preference Shares	395,830,884	395,830,884	395,830,884
Number of Class B Preference Shares	nil	nil	10,000,000
		<b>As at 31 December 2007</b>	<b>As at 31 March 2008</b>
Net assets per Ordinary Share before valuation surplus and before issue of Class B Preference Shares (S\$)		4.79	4.79
Net assets per Ordinary Share before valuation surplus and after issue of Class B Preference Shares (S\$)		4.79	4.79

## Liquidity and Capital Resources

6. Provide an evaluation of the material sources and amounts of cash flows from operating, investing and financing activities in respect of —
- (a) the most recent completed financial year for which financial statements have been published; and
  - (b) if interim financial statements have been published for any subsequent period, that period.

Please refer to Appendices E and F to this Offer Information Statement.



7. **Provide a statement by the directors or equivalent persons of the relevant entity as to whether, in their reasonable opinion, the working capital available to the relevant entity or, if it is the holding company or holding entity of a group, to the group, as at the date of lodgment of the offer information statement, is sufficient for present requirements and, if insufficient, how the additional working capital considered by the directors or equivalent persons to be necessary is proposed to be provided.**

The activities of OCBC Bank are funded primarily by deposits of non-bank customers, which constitute debts payable on demand or on contractual maturities. Accordingly, the concept of working capital is not applicable to OCBC Bank. The Directors are of the opinion that, as at the date of lodgment of this Offer Information Statement, taking into consideration the total assets of the Group, the Group is in a strong capital position and has sufficient resources for its present requirements.

8. **If the relevant entity or any other entity in the group is in breach of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the relevant entity's financial position and results or business operations, or the investments by holders of securities in the relevant entity, provide -**
- (a) **a statement of that fact;**
  - (b) **details of the credit arrangement or bank loan; and**
  - (c) **any action taken or to be taken by the relevant entity or other entity in the group, as the case may be, to rectify the situation (including the status of any restructuring negotiations or agreement, if applicable).**

The Group is not aware of any breaches of any of the terms and conditions or covenants associated with any credit arrangement or bank loan which could materially affect the Group's financial position and results or business operations, or the investments by holders of securities in OCBC Bank.

#### **Trend Information and Profit Forecast or Profit Estimate**

9. **Discuss, for at least the current financial year, the business and financial prospects of the relevant entity or, if it is the holding company or holding entity of a group, the group, as well as any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on net sales or revenues, profitability, liquidity or capital resources, or that would cause financial information disclosed in the offer information statement to be not necessarily indicative of the future operating results or financial condition. If there are no such trends, uncertainties, demands, commitments or events, provide an appropriate statement to that effect.**

#### **Business and Financial Prospects of the Group**

The following statements are extracted from the Letter to Shareholders in the 2007 Annual Report of the Group:

"OCBC's core earnings have nearly tripled over the past five years, from S\$667 million in 2002 to S\$1,878 million in 2007, representing an annual compounded growth rate of 23%. Our five-year New Horizons II strategy from 2006 to 2010 targets earnings per share growth at 10% per annum, and we are pleased to have exceeded this target in 2006 and 2007, with core earnings per share growth of 13% and 32% respectively.

The growth outlook for 2008, however, will be more challenging. The sub-prime crisis and subsequent credit turmoil has not abated, with financial markets remaining volatile and stock markets correcting sharply at the beginning of the year. While Asian economies are generally in good shape and not significantly exposed to the sub-prime and credit problems, they have not decoupled from the US and cannot escape unscathed from any significant slowdown or recession in the world's largest economy. Another concern is rising inflation, fuelled by higher commodity prices, which poses challenges for central banks around the world.

Against this uncertain outlook, our shareholders can take some comfort from OCBC's strong financial position and our ability to weather such upheavals. We have a solid capital base and enjoy one of the highest credit ratings among Asian banks. Our liquidity and funding position is sound, and we have strengthened our credit processes and risk management capabilities considerably over the years.

Barring a severe recession in the US economy, our key markets are expected to maintain good growth this year, with the Singapore economy projected to expand by 4.0 - 6.0%, Malaysia by 6.0 - 6.5% and Indonesia by 6.0 - 7.0%. The Singapore economy should remain fairly resilient, given the record 237,000 jobs created last year, the solid pipeline of property, infrastructure and integrated resorts projects, the strong inflows of foreign direct investments, and the rising number of tourists and immigrants.

Notwithstanding the external uncertainties ahead, we intend to press on, executing our growth strategy with determination and hard work, as we seek to strengthen our businesses and grow our market share in Singapore and overseas markets."

### **Uncertainties, Demands, Commitments or Events**

There are uncertainties, demands, commitments or events that may have a material and adverse impact on the business, results of operations, financial condition and prospects of the Group. This section is only a summary, and is not an exhaustive description, of all the trends, uncertainties, demands, commitments or events. There may be additional uncertainties, demands, commitments or events not presently known to the Group, or that the Group may currently deem immaterial, which could affect its business, results of operations, financial condition and prospects.

### **Risks Relating to the Group**

#### **An economic downturn could adversely affect the Group's operations, asset quality and growth.**

On a geographical basis, 88% of OCBC Bank's total assets are in Singapore and Malaysia as at 31 December 2007 and 93% of OCBC Bank's profit before income tax in FY2007 was derived from Singapore and Malaysia. As such, the Group's performance and the quality and growth of its assets are substantially dependent on the health of the Singapore and Malaysia economies. The economic environment in Singapore and Malaysia is dependent on trade and investment and may be significantly impacted by a variety of external factors, including the economic developments throughout Asia and in the United States and other markets. In other countries where OCBC Bank operates, which are primarily in Asia, its business is also dependent on the economic environment in those countries.

In addition, other factors such as a pandemic outbreak, financial crisis, acts of war or terrorism or any other adverse social or political incident may severely affect the economic conditions in the Group's key markets, which could have a material adverse effect on the Group's business, financial condition or results of operations.

#### **Increased competition could result in decreased loan margins and reduced market share.**

The Group's primary competitors consist of other Singapore and Malaysian banks, major international banks licensed in Singapore and Malaysia, and other financial institutions in other markets in which the Group operates. In recent years, the Singapore Government has taken steps to liberalise the Singapore banking industry, including the granting of Qualifying Full Bank licenses to six international financial institutions, which has resulted in increased competition among domestic and international banks operating in Singapore. In Malaysia, consolidation and mergers among the local banks have also resulted in stronger competition from the larger banks created. There can be no assurance that the Group will be able to compete successfully with other domestic and foreign financial institutions or that such increased competition will not have a material adverse effect on the Group's business, financial condition or results of operations.

**Expansion into Asian markets may increase the Group's risk profile.**

Building growth in overseas markets forms a key pillar of the Group's strategy. In 2005, OCBC Bank increased its presence significantly in Indonesia with the acquisition of a majority stake in Bank NISP. In 2006, OCBC Bank acquired a 12.2% stake in BoN in China and a 10% stake in VP Bank in Vietnam. In August 2007, OCBC Bank officially commenced business at its new wholly-owned subsidiary in China, OCBC Bank (China) Ltd, which has a registered capital of RMB3.5 billion.

Outside Malaysia, the Group intends to focus on growing Indonesia and China as its other key overseas markets. Such regional expansion increases its risk profile and exposure to asset quality problems. There can be no assurance that such regional expansion will not have a material adverse effect on the Group's business, financial condition or results of operations or that the Group's credit and provisioning policies will be adequate in relation to such risks.

**Liquidity shortfalls may increase the cost of funds.**

Most of the Group's funding requirements are met through a combination of funding sources, primarily in the form of deposit-taking activities and interbank funding. A portion of the Group's assets have long-term maturities, creating a potential for funding mismatches.

As at 31 December 2007, a significant portion of the Group's customer deposits had current maturities of one year or less or were payable on demand. Such deposits are mainly from savings, fixed and current accounts and demand deposits. The Group's deposit base is diversified and does not rely on any significant depositor funding. However, no assurance can be given that this will continue. In circumstances where a substantial number of depositors withdraw such funds from the Group, the Group's liquidity position could be materially and adversely affected. In such a situation, the Group could be required to seek alternative short-term and long-term funds, which may be more expensive than current funding sources, to finance operations, which may adversely affect the Group's business, financial condition or results of operations.

**Any substantial increase in non-performing loans ("NPLs") may impair the Group's financial condition.**

NPLs of the Group were S\$1,354 million and S\$1,829 million as at 31 December 2007 and 31 December 2006, respectively. As a percentage of gross customer loans, the Group's non-performing loans were 1.7% and 3.0% as at 31 December 2007 and 31 December 2006, respectively. Any downturn in regional economic conditions may lead to an increase in NPLs in the future. A substantial increase in NPLs may have a material adverse effect on the Group's business, financial condition, results of operations and capital adequacy ratio.

**A decline in collateral values or inability to realise collateral value may increase the Group's loan loss allowances.**

A significant portion of the Group's loan portfolio is secured by real estate. While the price index of private residential properties released by the Urban Redevelopment Authority of Singapore rose from 112.8 as at 31 December 2003 to 170.8 as at 31 December 2007, in the event of a downturn in the real estate markets, a portion of the Group's loans may exceed the value of the underlying collateral. Any decline in the value of the collateral securing the Group's loans, inability to obtain additional collateral or inability to realise the value of collateral may require the Group to increase its loan loss allowances, which may adversely affect the Group's business, financial condition or results of operations.

**Problems in the United States sub-prime mortgage market and the related turmoil in global financial market may adversely affect the Group's results of operations.**

Since July 2007, adverse developments in the United States sub-prime mortgage sector have created much uncertainty and volatility in financial markets globally. The turmoil in the financial markets may result in mark-to-market losses on the Group's investment and trading portfolios, including its holdings of collateralised debt obligations. In 2007, OCBC Bank made allowances of

S\$226 million for its investments in ABS CDOs, amounting to a significant 85% of the portfolio. However, if further adverse developments in the financial markets lead to a United States or global economic slowdown or recession, this may have a material adverse effect on the Group's business, financial condition or results of operations.

**Significant fraud, systems failure or calamities could adversely impact the Group's business.**

The Group seeks to protect its computer systems and network infrastructure from physical break-ins as well as fraud and systems failures. The Group employs external surveillance security systems, including firewalls, tokens and password encryption technologies, designed to minimise the risk of security breaches around the clock. Although the Group intends to continue to implement security technologies, conduct regular vulnerability assessments and network penetration tests and establish operational procedures to prevent break-ins, damages and failures, there can be no assurance that these security measures will be successful. In addition, although the Group's centralised data centre and back-up systems are separately located in different places, there can be no assurance that both systems will not be simultaneously damaged or destroyed in the event of a major disaster. The Group seeks to maintain internal controls in line with international best practices. However, a significant breakdown in internal controls, fraudulent activities by employees or failure of security measures or back-up systems may have a material adverse effect on the Group's business, financial condition and results of operations.

**The Group may be affected by changes in laws and regulations**

The Group's operations in Singapore are subject to the prevailing laws and regulations in relation to banks. Accordingly, the Group's business may be affected by any changes in such laws and regulations and may result in higher costs of compliance for the Group. In addition, the Group may be subject to the imposition of fines and/or other penalties by the relevant authorities if it fails to comply with the applicable laws and regulations and this could also adversely impact the revenues and profitability of the Group's businesses or otherwise adversely affect its operations.

**Risks Relating to the Preference Shares**

**Dividend payments on the Preference Shares are non-cumulative.**

Dividend payments on the Preference Shares will be paid when, as and if declared by the Board of OCBC Bank on each dividend payment date out of distributable profits. If payment of dividends will result in, among other things, OCBC Bank breaching the MAS' published capital adequacy requirements applicable to it, no such dividends will be paid. In addition, if OCBC Bank does not pay its next normal interim or final dividend on its Shares, OCBC Bank may elect not to make dividend payments on the Preference Shares in respect of the relevant dividend date under the terms of the Preference Shares. If dividend payments on the Preference Shares are not made as a result of the above limitations, Preference Shareholders will not be entitled to receive such payments whether or not funds are or subsequently become available. OCBC Bank has paid a dividend on its Shares every year since the end of World War II.

Furthermore, if in the future dividend payments are not made on the Preference Shares for whatever reason, the Preference Shares may trade at a lower price. If a Preference Shareholder sells his Preference Shares during such a period, he may not receive the same return on investment as a Preference Shareholder who continues to hold his Preference Shares until dividend payments are resumed.

**No redemption obligation on the part of OCBC Bank.**

OCBC Bank, while having the right to redeem the Preference Shares (subject to certain conditions), is under no obligation to redeem the Preference Shares at any time and the Preference Shareholders have no right to call for their redemption.

**No restriction on issuing other classes of preference shares.**

Save for the classes of preference shares comprised in the share capital of OCBC Bank, there is no restriction on the amount or number of other classes of preference shares that OCBC Bank may issue which rank *pari passu* with the Preference Shares. The issue of such other classes of preference shares may reduce the amount recoverable by Preference Shareholders in the event of any dissolution or winding-up of OCBC Bank.

**Limited liquidity of the Preference Shares may affect the market price of the Preference Shares.**

The Preference Shares are a new issue of securities by OCBC Bank with no established trading market. A liquid or active trading market for the Preference Shares may not develop. If an active trading market for the Preference Shares does not develop or does develop and is not maintained, the market price of the Preference Shares may be adversely affected. If the Preference Shares are traded, they may trade at a discount from their initial issue price, depending on prevailing interest rates, the market for similar securities, the Group's performance and other factors. Approval in-principle has been obtained from the SGX-ST for the listing of and quotation for the Preference Shares on the Main Board of the SGX-ST. However, if for any reason the listing is not obtained, the liquidity of the Preference Shares may be negatively impacted.

**A downgrade in ratings may affect the market price of the Preference Shares.**

OCBC Bank has received long-term ratings of Aa1 from Moody's, A+ from Standard & Poor's and AA- from Fitch<sup>1</sup>. The ratings reflect the ability of OCBC Bank to make timely payment of principal and interest on senior unsecured debts. The Preference Shares have been rated Aa3 by Moody's, A- by Standard & Poor's and A+ by Fitch<sup>2</sup>. There can be no assurance that the ratings will remain in effect for any given period or that the ratings will not be revised by the rating agencies in the future if, in their judgment, circumstances so warrant. Should the ratings be downgraded, the market price of the Preference Shares may be adversely affected.

**Terrorist attacks and other events have led to volatility in international capital markets, which may adversely affect the market price of the Preference Shares.**

Terrorist activities have resulted in substantial and continuing volatility in international capital markets. Any further terrorist activities could have a material adverse effect on worldwide financial markets, the Singapore economy and regional economies. In addition, an outbreak of SARS, bird flu or other pandemic in Asia or elsewhere could exacerbate this volatility. Any material change in the financial markets or the Singapore economy or regional economies as a result of these events or developments may adversely affect the market price of the Preference Shares.

- 10. Where a profit forecast is disclosed, state the extent to which projected sales or revenues are based on secured contracts or orders, and the reasons for expecting to achieve the projected sales or revenues and profit, and discuss the impact of any likely change in business and operating conditions on the forecast.**

No profit forecast is disclosed in this Offer Information Statement.

- 11. Where a profit forecast or profit estimate is disclosed, state all principal assumptions, if any, upon which the directors or equivalent persons of the relevant entity have based their profit forecast or profit estimate, as the case may be.**

No profit forecast or profit estimate is disclosed in this Offer Information Statement.

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<sup>1</sup> Neither Moody's, Standard & Poor's nor Fitch has consented for the purposes of Section 249 of the SFA to the inclusion of the credit ratings quoted above which are publicly available and is thereby not liable for such information under Sections 253 and 254 of the SFA. We have included the above credit ratings in their proper form and context and have not verified the accuracy of such information.

<sup>2</sup> Neither Moody's, Standard & Poor's nor Fitch has consented for the purposes of Section 249 of the SFA to the inclusion of the credit ratings quoted above which are publicly available and is thereby not liable for such information under Sections 253 and 254 of the SFA. We have included the above credit ratings in their proper form and context and have not verified the accuracy of such information.

12. Where a profit forecast is disclosed, include a statement by an auditor of the relevant entity as to whether the profit forecast is properly prepared on the basis of the assumptions referred to in paragraph 11 of this Part, is consistent with the accounting policies adopted by the relevant entity, and is presented in accordance with the accounting standards adopted by the relevant entity in the preparation of its financial statements.

No profit forecast is disclosed in this Offer Information Statement.

13. Where the profit forecast disclosed is in respect of a period ending on a date not later than the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, that the profit forecast has been stated by the directors or equivalent persons of the relevant entity after due and careful enquiry and consideration; or
  - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

No profit forecast is disclosed in this Offer Information Statement.

14. Where the profit forecast disclosed is in respect of a period ending on a date after the end of the current financial year of the relevant entity, provide in addition to the statement referred to in paragraph 12 of this Part —
- (a) a statement by the issue manager to the offer, or any other person whose profession or reputation gives authority to the statement made by him, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast; or
  - (b) a statement by an auditor of the relevant entity, prepared on the basis of his examination of the evidence supporting the assumptions referred to in paragraph 11 of this Part and in accordance with the Singapore Standards on Auditing or such other auditing standards as may be approved in any particular case by the Authority, to the effect that no matter has come to his attention which gives him reason to believe that the assumptions do not provide reasonable grounds for the profit forecast.

No profit forecast is disclosed in this Offer Information Statement.

### **Significant Changes**

15. Disclose any event that has occurred from the end of —
- (a) the most recent completed financial year for which financial statements have been published; or
  - (b) if interim financial statements have been published for any subsequent period, that period,

**to the latest practicable date which may have a material effect on the financial position and results of the relevant entity or, if it is the holding company or holding entity of a group, the group, or, if there is no such event, provide an appropriate negative statement.**

Save as set out in this Offer Information Statement, there is no event that has occurred from 31 March 2008 to the Latest Practicable Date which has not been publicly announced which may have had a material effect on the Group's results and financial position.

#### **Meaning of "published"**

- 16. In this Part, "published" includes publication in a prospectus, in an annual report or on the SGXNET.**

### **PART VI – THE OFFER AND LISTING**

#### **Offer and Listing Details**

- 1. Indicate the price at which the securities are being offered and the amount of any expense specifically charged to the subscriber or purchaser. If it is not possible to state the offer price at the date of lodgment of the offer information statement, the method by which the offer price is to be determined must be explained.**

The Issue Price of the Preference Shares is S\$100 for each Preference Share. The expenses incurred in the Offering will not be specifically charged to subscribers of the Preference Shares.

- 2. If there is no established market for the securities being offered, provide information regarding the manner of determining the offer price, the exercise price or conversion price, if any, including the person who establishes the price or is responsible for the determination of the price, the various factors considered in such determination and the parameters or elements used as a basis for determining the price.**

The Issue Price of the Preference Shares is based on the Liquidation Preference of the Preference Shares, which is S\$100 per Preference Share.

- 3. If -**
- (a) any of the relevant entity's shareholders or equity interest-holders have pre-emptive rights to subscribe for or purchase the securities being offered; and**
  - (b) the exercise of the rights by the shareholder or equity interest-holder is restricted, withdrawn or waived,**

**indicate the reasons for such restriction, withdrawal or waiver, the beneficiary of such restriction, withdrawal or waiver, if any, and the basis for the offer price.**

Not applicable.

- 4. If securities of the same class as those securities being offered are listed for quotation on any securities exchange -**
- (a) in a case where the first-mentioned securities have been listed for quotation on the securities exchange for at least 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities -**
    - (i) for each of the 12 calendar months immediately preceding the calendar month in which the latest practicable date falls; and**
    - (ii) for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date; or**

The Preference Shares are a new class of securities with no established trading market.

- (b) **in a case where the first-mentioned securities have been listed for quotation on the securities exchange for less than 12 months immediately preceding the latest practicable date, disclose the highest and lowest market prices of the first-mentioned securities -**
- (i) **for each calendar month immediately preceding the calendar month in which the latest practicable date falls; and**
  - (ii) **for the period from the beginning of the calendar month in which the latest practicable date falls to the latest practicable date;**

Not applicable.

- (c) **disclose any significant trading suspension that has occurred on the securities exchange during the 3 years immediately preceding the latest practicable date or, if the securities have been listed for quotation for less than 3 years, during the period from the date on which the securities were first listed to the latest practicable date; and**

Not applicable.

- (d) **disclose information on any lack of liquidity, if the securities are not regularly traded on the securities exchange.**

Not applicable.

5. **Where the securities being offered are not identical to the securities already issued by the relevant entity, provide -**
- (a) **a statement of the rights, preferences and restrictions attached to the securities being offered; and**
  - (b) **an indication of the resolutions, authorisations and approvals by virtue of which the entity may create or issue further securities, to rank in priority to or *pari passu* with the securities being offered.**

Please refer to Appendix B of this Offer Information Statement for the rights, preferences and restrictions of the Preference Shares.

The shareholders of OCBC Bank had on 17 April 2008, at the 71st Annual General Meeting of OCBC Bank, granted authority to the Directors to allot and issue Class A preference shares, Class B Preference Shares, Class C preference shares, Class D preference shares, Class E preference shares, Class F preference shares, Class G preference shares, Class H preference shares, Class I preference shares, Class J preference shares, Class K preference shares, Class L preference shares and Class M preference shares referred to in the Memorandum and Articles of Association of OCBC Bank, ranking *pari passu* with the Class B Preference Shares, and/or make or grant offers, agreements or options that might or would require such preference shares to be issued, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit, which shall continue in force unless revoked or varied in a General Meeting, until the conclusion of the next Annual General Meeting of OCBC Bank or the date by which the next Annual General Meeting of OCBC Bank is required by law to be held, whichever is earlier.



## Plan of Distribution

6. **Indicate the amount, and outline briefly the plan of distribution, of the securities that are to be offered otherwise than through underwriters. If the securities are to be offered through the selling efforts of any broker or dealer, describe the plan of distribution and the terms of any agreement or understanding with such entities. If known, identify each broker or dealer that will participate in the offer and state the amount to be offered through each broker or dealer.**

OCBC Bank proposes to issue and offer up to 10,000,000 Preference Shares, for subscription by investors at the Issue Price of S\$100 per Preference Share. OCBC Bank reserves the right not to proceed with the Offering if the total number of Preference Shares subscribed for under the Offering is less than 2,000,000 Preference Shares

The Offering will comprise the Placement and the ATM Offer.

The Placement comprises an offering of 9,500,000 Preference Shares offered at the Issue Price to institutional and other investors, outside the United States in reliance on Regulation S.

The ATM Offer comprises an offering of 500,000 Preference Shares offered at the Issue Price to the public in Singapore through the ATMs of the Participating Banks.

The Preference Shares may be re-allocated between the Placement and the ATM Offer at the sole discretion of OCBC Bank. To the extent that the Preference Shares offered under the Placement are not fully subscribed for, OCBC Bank may, at its sole discretion, apply such unsubscribed Preference Shares to satisfy any excess demand for Preference Shares under the ATM Offer, to the extent there is such excess demand. To the extent that the Preference Shares offered under the ATM Offer are not fully subscribed for, OCBC Bank, may, at its sole discretion, apply such unsubscribed Preference Shares to satisfy any excess demand for Preference Shares under the Placement, to the extent there is such excess demand.

Upon the listing and quotation of the Preference Shares on the SGX-ST, the Preference Shares will be traded on the SGX-ST under the book-entry scripless settlement systems. For the purposes of trading on the SGX-ST, each board lot of Preference Shares will comprise 100 Preference Shares.

7. **Provide a summary of the features of the underwriting relationship together with the amount of securities being underwritten by each underwriter.**

The Offering is not underwritten.

## PART VII – ADDITIONAL INFORMATION

### Statements by Experts

1. **Where a statement or report attributed to a person as an expert is included in the offer information statement, provide such person's name, address and qualifications.**

No statement or report made by an expert is included in this Offer Information Statement.

2. **Where the offer information statement contains any statement (including what purports to be a copy of, or extract from, a report, memorandum or valuation) made by an expert -**

(a) **state the date on which the statement was made;**

(b) **state whether or not it was prepared by the expert for the purpose of incorporation in the offer information statement; and**

- (c) **include a statement that the expert has given, and has not withdrawn, his written consent to the issue of the offer information statement with the inclusion of the statement in the form and context in which it is included in the offer information statement.**

No statement or report made by an expert is included in this Offer Information Statement.

3. **The information referred to in paragraphs 1 and 2 of this Part need not be provided in the offer information statement if the statement attributed to the expert is a statement to which the exemption under regulation 26(2) or (3) applies.**

#### **Consents from Issue Managers and Underwriters**

4. **Where a person is named in the offer information statement as the issue manager or underwriter (but not a sub-underwriter) to the offer, include a statement that the person has given, and has not withdrawn, his written consent to being named in the offer information statement as the issue manager or underwriter, as the case may be, to the offer.**

OCBC Bank has given, and has not withdrawn, its written consent to being named in the Offer Information Statement as the Sole Bookrunner, Lead Issue Manager and Placement Agent for the Offering.

CIMB-GK Securities Pte. Ltd. has given, and has not withdrawn, its written consent to being named in the Offer Information Statement as the Co-Issue Manager for the Offering.

Citicorp Investment Bank (Singapore) Limited has given, and has not withdrawn, its written consent to being named in the Offer Information Statement as the Co-Issue Manager for the Offering.

#### **Other Matters**

5. **Include particulars of any other matters not disclosed under any other paragraph of this Schedule which could materially affect, directly or indirectly -**
- (a) **the relevant entity's business operations or financial position or results; or**
- (b) **investments by holders of securities in the relevant entity.**

Save as disclosed in this Offer Information Statement, we are not aware of any other matter which could materially affect, directly or indirectly, the Group's business operations, financial position or results, or investments by holders of securities in OCBC Bank.

Where new circumstances arise, or changes in the affairs of OCBC Bank or the Group occur after the date hereof but prior to the issue of the Preference Shares, and are material, or are required to be disclosed by law and/or the SGX-ST, OCBC Bank may make an announcement of the same to the SGX-ST. Such announcements shall be deemed to be incorporated in, and form part of, this Offer Information Statement, save that any statement contained in such announcement which is deemed to be incorporated by reference herein shall be deemed to have modified this Offer Information Statement to the extent that a statement contained in that announcement modifies or supercedes such earlier statement in this Offer Information Statement (whether expressly, by implication or otherwise). Any statement in this Offer Information Statement so modified or superceded by the statement in the announcement shall not be deemed, except as so modified or superceded, to constitute a part of this Offer Information Statement.

**PART VIII – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF DEBENTURES OR UNITS OF DEBENTURES**

Not applicable.

**PART IX – ADDITIONAL INFORMATION REQUIRED FOR CONVERTIBLE DEBENTURES**

Not applicable.

**PART X – ADDITIONAL INFORMATION REQUIRED FOR OFFER OF SECURITIES BY WAY OF RIGHTS ISSUE**

Not applicable.

## OCBC GROUP

A list of the principal activities of the significant subsidiaries of OCBC Group and their places of incorporation as at the Latest Practicable Date is enclosed.

Name of subsidiaries and principal activities	Country of incorporation	Effective interest % held by the Group	
		As at the Latest Practicable Date	As at 31 December 2007
<b>Banking</b>			
Bank of Singapore Limited	Singapore	100	100
OCBC Bank (Malaysia) Berhad	Malaysia	100	100
OCBC Bank (China) Limited	People's Republic of China	100	100
P.T. Bank NISP Tbk	Indonesia	72	72
P.T. Bank OCBC Indonesia	Indonesia	100	100
<b>Insurance</b>			
Great Eastern Life Assurance (Malaysia) Berhad	Malaysia	87	87
Overseas Assurance Corporation (Malaysia) Berhad	Malaysia	87	87
The Great Eastern Life Assurance Company Limited	Singapore	87	87
The Overseas Assurance Corporation Limited	Singapore	87	87
<b>Asset management and investment holding</b>			
Lion Capital Management Limited	Singapore	91	91
Great Eastern Holdings Limited	Singapore	87	87
PacificMas Berhad	Malaysia	67	28
<b>Stockbroking</b>			
OCBC Securities Private Limited	Singapore	100	100

## DESCRIPTION OF THE PREFERENCE SHARES

*The following statements are brief summaries of the more important rights and privileges of Preference Shareholders conferred by the Memorandum and Articles of Association of OCBC Bank (the “Articles”). These statements summarise the material provisions of the Memorandum and Articles of Association of OCBC Bank but are qualified in their entirety by reference to the said Memorandum and Articles of Association and Singapore law. Terms defined in this Appendix B, “Description of the Preference Shares” shall be read and construed in the context of this section only.*

### (1) Liquidation Preference

Each Preference Share shall have a liquidation preference of S\$100 (“**Liquidation Preference**”).

### (2) Dividends

(a) **Non-Cumulative Preferential Dividends.** Subject to **paragraphs (2)(d), (f) and (g)** below, the Preference Shares shall entitle the holder thereof (each, a “**Preference Shareholder**”) to receive a non-cumulative preferential cash dividend (“**Dividend**”) on the Liquidation Preference thereof calculated on the bases set out in **paragraph (2)(c)** below.

(b) **Dividend Payment Dates.** The Dividend shall be payable semi-annually in arrear on 20 June and 20 December in each year (each such date, a “**Dividend Date**”) when, as and if declared by the Board of Directors of OCBC Bank (or an authorised committee thereof) (“**Board**”).

The first Dividend Date shall:

- (i) if the date (“**Issue Date**”) on which the Preference Shares are first allotted and issued falls before 20 June in any calendar year, be on 20 June in that calendar year;
- (ii) if the Issue Date falls (I) on or after 20 June in any calendar year and (II) before 20 December in the same calendar year, be on 20 December in that calendar year; and
- (iii) if the Issue Date falls on or after 20 December in any calendar year, be on 20 June in the next calendar year.

If any Dividend Date would otherwise fall on a day which is not a Business Day (as defined below), payment of the Dividend otherwise payable on such date shall be postponed to the next day which is a Business Day.

No Preference Shareholder shall have any claim in respect of any Dividend or part thereof not due or payable pursuant to **paragraphs (2)(d), (f) and (g)** below. Accordingly, such amount shall not accumulate for the benefit of the Preference Shareholders or entitle the Preference Shareholders to any claim in respect thereof against OCBC Bank.

“**Business Day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in Singapore.

(c) **Fixed Dividend Rate.** Each Preference Share in issue shall entitle the holder thereof to receive for each Dividend Period (as defined below) Dividends (when, as and if declared by the Board) payable in Singapore dollars at a fixed rate per annum of not less than two per cent. and not more than 25 per cent., as the Board may determine in its absolute discretion on or prior to the Issue Date, of the Liquidation Preference thereof, calculated on the basis of the actual number of days in the relevant period divided by 365.

The Board has determined that when, as and if declared by the Board, Dividends on the Preference Shares for each Dividend Period shall be payable in Singapore dollars at the fixed rate per annum of 5.1 per cent. of the Liquidation Preference thereof, calculated on the basis of the actual number of days in the relevant period divided by 365.

“**Dividend Period**” means the period from, and including, the Issue Date to, but excluding, the first Dividend Date and each successive period thereafter from, and including, a Dividend Date to, but excluding, the next succeeding Dividend Date.

- (d) **Dividends at Board’s Discretion.** Any decision regarding the declaration or payment of any Dividend on the Preference Shares shall be at the sole and absolute discretion of the Board. Nothing herein contained shall impose on the Board any requirement or duty to resolve to distribute, declare or pay in respect of any fiscal year or period the whole or any part of the profits of OCBC Bank available for distribution. No Dividend or any part thereof shall become due or payable on any Dividend Date unless the Board has declared or resolved to distribute such Dividend or part thereof with respect to that Dividend Date.
- (e) **Ranking.** The Preference Shares shall rank as regards participation in profits *pari passu* with all other shares of OCBC Bank to the extent that they are expressed to rank *pari passu* therewith and in priority to OCBC Bank’s ordinary shares. OCBC Bank may from time to time and at any time create or issue any other shares ranking, as to participation in the profits or the assets of OCBC Bank, *pari passu* with or junior to:
- (i) the Preference Shares; or
  - (ii) any other Parity Obligations (as defined below),

in each case without the prior approval of the Preference Shareholders and the holders of all other Parity Obligations and the creation or issue by OCBC Bank of such shares (regardless of the dividends and other amounts payable in respect of such shares and whether and when such dividends and other amounts may be so payable) shall be deemed not to constitute a variation of the rights attached to the Preference Shares.

OCBC Bank shall not create or issue any other shares ranking, as to participation in the profits or the assets of OCBC Bank, senior or in priority to:

- (aa) the Preference Shares; or
- (bb) any other Parity Obligations,

unless approved by the Preference Shareholders and the holders of all other Parity Obligations, acting as a single class in accordance with **paragraph (5)** below.

“**Parity Obligations**” means (I) any preference shares or other similar obligations of OCBC Bank that constitute Tier 1 capital of OCBC Bank on an unconsolidated basis (including, without limitation, the Class A Preference Shares, the Class B Preference Shares, the Class C Preference Shares, the Class D Preference Shares, the Class E Preference Shares, the Class F Preference Shares, the Class G Preference Shares, the Class H Preference Shares, the Class I Preference Shares, the Class J Preference Shares, the Class K Preference Shares, the Class L Preference Shares and the Class M Preference Shares) or have characteristics similar to securities that could qualify as Tier 1 capital of OCBC Bank on an unconsolidated basis and are not expressly stated to rank in all material respects senior or junior to the Class A Preference Shares, the Class B Preference Shares, the Class C Preference Shares, the Class D Preference Shares, the Class E Preference Shares, the Class F Preference Shares, the Class G Preference Shares, the Class H Preference Shares, the Class I Preference Shares, the Class J Preference Shares, the Class K Preference

Shares, the Class L Preference Shares and the Class M Preference Shares or **(II)** any preference shares or other similar obligations of any subsidiary of OCBC Bank that constitute Tier 1 capital of OCBC Bank on an unconsolidated basis or have characteristics similar to securities that could qualify as Tier 1 capital of OCBC Bank on an unconsolidated basis and are not expressly stated to rank in all material respects senior or junior to the Class A Preference Shares, the Class B Preference Shares, the Class C Preference Shares, the Class D Preference Shares, the Class E Preference Shares, the Class F Preference Shares, the Class G Preference Shares, the Class H Preference Shares, the Class I Preference Shares, the Class J Preference Shares, the Class K Preference Shares, the Class L Preference Shares and the Class M Preference Shares.

- (f) Dividend Restrictions.** Dividends may only be declared and paid out of Distributable Reserves (as defined below). Notwithstanding that the Board may have declared or resolved to distribute any Dividend on any Dividend Date, OCBC Bank shall not be obliged to pay, and shall not pay, such Dividend on that Dividend Date (and such Dividend shall not be considered to be due or payable) if:
- (i)** OCBC Bank is prevented by applicable Singapore banking regulations or other requirements of the Monetary Authority of Singapore (“**MAS**”) from making payment in full of dividends or other distributions when due on Parity Obligations; or
  - (ii)** OCBC Bank is unable to make such payment of dividends or other distributions on Parity Obligations without causing a breach of the MAS’ published consolidated or unconsolidated capital adequacy requirements from time to time applicable to OCBC Bank; or
  - (iii)** the aggregate of the amount of such Dividend (if paid in full), together with the sum of any other dividends and other distributions originally scheduled to be paid (whether or not paid in whole or part) during OCBC Bank’s then-current fiscal year on the Preference Shares or Parity Obligations, would exceed the Distributable Reserves as of the relevant Dividend Determination Date (as defined below).

“**Distributable Reserves**” means, at any time, the amounts for the time being available to OCBC Bank for distribution as a dividend in compliance with Section 403 of the Companies Act, Chapter 50 of Singapore (“**Available Amounts**”) as of the date of OCBC Bank’s latest audited balance sheet; provided that if the Board reasonably believes that the Available Amounts as of any Dividend Determination Date are lower than the Available Amounts as of the date of OCBC Bank’s latest audited balance sheet and are insufficient to pay the Dividend and for payments on Parity Obligations on the relevant Dividend Date, then two directors of OCBC Bank shall be required to provide a certificate, on or prior to such Dividend Determination Date, to the Preference Shareholders accompanied by a certificate of OCBC Bank’s auditors for the time being of the Available Amounts as of such Dividend Determination Date (which certificate of the two directors of OCBC Bank shall be binding absent manifest error) and “**Distributable Reserves**” as of such Dividend Determination Date for the purposes of such Dividend shall mean the Available Amounts as set forth in such certificate.

“**Dividend Determination Date**” means, with respect to any Dividend Date, the day falling two Business Days prior to that Dividend Date.

- (g) Dividend Limitation Notice.** Without prejudice to the discretion of the Board under **paragraph (2)(d)** above, if OCBC Bank does not propose or intend to pay and will not pay its next normal dividend (whether interim or final) on its ordinary shares, OCBC Bank shall give, on or before the relevant Dividend Determination Date, a notice (“**Dividend Limitation Notice**”) to the share registrar of OCBC Bank for the time being (“**Registrar**”) and the Preference Shareholders that OCBC Bank will pay no dividends or less than full dividends

on such Dividend Date, in which case no dividends or less than full dividends as set out in the Dividend Limitation Notice shall become due and payable on such Dividend Date. The Dividend Limitation Notice shall include a statement to the effect that OCBC Bank does not propose or intend to pay and will not pay its next normal dividend (whether interim or final) on its ordinary shares and identify the specific dividend on the ordinary shares that will not be paid.

Each Dividend Limitation Notice shall be given in writing by mail to each Preference Shareholder except that where the Preference Shares are listed on one or more stock exchanges, OCBC Bank may, in lieu of giving notice in writing by mail to such shareholder, determine to publish such notice on such stock exchange(s). So long as the Preference Shares are listed on one or more stock exchanges and the rules of such stock exchange(s) so require, notices shall also be published in such manner as the rules of such stock exchange(s) may require. In addition, for so long as the Preference Shares are listed on Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and the rules of the SGX-ST so require, each Dividend Limitation Notice shall be published in accordance with **paragraph (10)(b)** below.

- (h) **Pro Rata Dividend Payment.** If, whether by reason of the provisions of **paragraph (2)(f)** above or the terms of a Parity Obligation, on the relevant Dividend Date, a Dividend which has been declared is not paid in full on the Preference Shares or dividends or other distributions are not paid in full on any Parity Obligations, but on such Dividend Date there are Distributable Reserves, then each Preference Shareholder shall be entitled to receive the Relevant Proportion (as defined below) of any such Dividend if OCBC Bank shall have declared and paid dividends or other distributions on any Parity Obligations during OCBC Bank’s then-current fiscal year.

“**Relevant Proportion**” means:

- (i) in relation to any partial payment of a Dividend, the amount of Distributable Reserves as of the relevant Dividend Determination Date divided by the sum of:

(aa) the full amount originally scheduled to be paid by way of Dividend (whether or not paid in whole or part) during OCBC Bank’s then-current fiscal year; and

(bb) the sum of any dividends or other distribution or payments in respect of Parity Obligations originally scheduled to be paid (whether or not paid in whole or part) during OCBC Bank’s then-current fiscal year,

converted where necessary into the same currency in which Distributable Reserves are calculated by OCBC Bank; and

- (ii) in relation to any partial payment of any Liquidation Distribution (as defined below), the total amount available for any such payment and for making any liquidation distribution on any Parity Obligations divided by the sum of:

(aa) the full Liquidation Distribution before any reduction or abatement hereunder; and

(bb) the amount (before any reduction or abatement hereunder) of the full liquidation distribution on any Parity Obligations,

converted where necessary into the same currency in which liquidation payments are made to creditors of OCBC Bank.



(i) **Payments; No Further Rights to Participate in Profits.** Payments of Dividends shall, if due and payable, be made to the Preference Shareholders on the register at any date selected by the Board not less than six Business Days prior to the relevant Dividend Date. Save as set out in the Articles, the Preference Shares shall not confer any right or claim as regards participation in the profits of OCBC Bank.

(j) **Dividend Stopper.** In the event any Dividend is not paid in full for any reason on any Dividend Date, OCBC Bank shall not:

(i) declare or pay any dividends or other distributions in respect of, or (if permitted) repurchase or redeem, its ordinary shares or any other security of OCBC Bank ranking *pari passu* or junior to the Preference Shares (or contribute any moneys to a sinking fund for the payment of any dividends or other distributions in respect of, or for the redemption of, any such shares or securities); or

(ii) declare or pay, or permit any subsidiary of OCBC Bank (other than a subsidiary of OCBC Bank that carries on banking business) to declare or pay, any dividends or other distributions in respect of any Parity Obligations, or (if permitted) repurchase or redeem any Parity Obligations (or contribute any moneys to a sinking fund for the payment of any dividends or other distributions in respect of, or for the redemption of, any Parity Obligations),

in each case until it has paid Dividends in full in respect of such number of consecutive Dividend Periods as shall be equal to or exceed 12 calendar months (or an amount equivalent to the Dividends to be paid in respect of such number of consecutive Dividend Periods as shall be equal to or exceed 12 calendar months has been paid or irrevocably set aside in a separately designated trust account for payment to the Preference Shareholders).

(k) **Prescription.** Any Dividend unclaimed after a period of six years from the date of declaration of such Dividend shall be forfeited and revert to OCBC Bank. No Dividends or other moneys payable on or in respect of a Preference Share shall bear interest against OCBC Bank.

(l) **Net Dividends.** For the avoidance of doubt:

(i) while OCBC Bank remains on the imputation system of taxation (which shall not be longer than the Transition Period (as defined below)), all references in the Articles to any amount of Dividends payable by OCBC Bank shall be construed as references to net Dividend amounts, exclusive of Tax Credits (as defined below); and

(ii) nothing in these Articles obliges OCBC Bank (whether during or after the Transition Period):

(aa) to pay, or make available to any Preference Shareholders, any Tax Credits in respect of any Dividends or otherwise to compensate any Preference Shareholders for not paying or not making available such Tax Credits;

(bb) to remain on the imputation system of taxation, regardless of whether OCBC Bank has any Tax Credits; or

(cc) to ensure that it has any Tax Credits at any time, regardless of whether any Preference Shares are outstanding as of such time.

“**Tax Credits**” means the amounts representing tax paid by OCBC Bank which is imputed to, and deemed to be paid on behalf of, the Preference Shareholders when OCBC Bank distributes taxed income as dividends or other moneys payable on or in respect of a Preference Share.

**“Transition Period”** means the five-year transitional period from 1 January 2003 to 31 December 2007 allowed by the Inland Revenue Authority of Singapore in its circular of 15 August 2002 for Singapore resident companies with unutilised Section 44 of the Income Tax Act balances as of 31 December 2002 to remain on the imputation system (before moving to the new one-tier corporate tax system) for the purpose of paying franked dividends (that is, dividends that carry tax credit).

### (3) Liquidation Distributions

- (a) **Rights Upon Liquidation.** In the event of the commencement of any dissolution or winding-up of OCBC Bank (other than pursuant to a Permitted Reorganisation (as defined below)) before any redemption of the Preference Shares, the Preference Shares shall rank:
- (i) junior to depositors and all other creditors (including the holders of subordinated debt) of OCBC Bank;
  - (ii) *pari passu* with all Parity Obligations of OCBC Bank; and
  - (iii) senior to the holders of OCBC Bank’s ordinary shares and any other securities or obligations of OCBC Bank that are subordinated to the Preference Shares.

On such a dissolution or winding-up, each Preference Share shall be entitled to receive in Singapore dollars an amount equal to the Liquidation Distribution.

**“Liquidation Distribution”** means, upon a dissolution or winding-up of OCBC Bank, the Liquidation Preference together with, subject to the restrictions in **paragraph (2)(f)** above and unless a Dividend Limitation Notice is in effect, an amount equal to any accrued but unpaid Dividend (whether or not declared) from, and including, the commencement date of the Dividend Period in which the date of the dissolution or winding-up falls to but excluding the date of actual payment.

**“Permitted Reorganisation”** means a solvent reconstruction, amalgamation, reorganisation, merger or consolidation whereby all or substantially all the business, undertaking and assets of OCBC Bank are transferred to a successor entity which assumes all the obligations of OCBC Bank under the Preference Shares.

- (b) **Pro Rata Liquidation Distribution.** If, upon any such dissolution or winding-up of OCBC Bank, the amounts available for payment are insufficient to cover the Liquidation Distribution and any liquidation distributions of any Parity Obligation, but there are funds available for payment so as to allow payment of part of the Liquidation Distribution, then each Preference Shareholder shall be entitled to receive the Relevant Proportion of the Liquidation Distribution.
- (c) **No Further Rights to Participate in Assets.** Save as set out in the Articles, the Preference Shares shall not confer any right or claim as regards participation in the assets of OCBC Bank.

### (4) Redemption

- (a) **Optional Redemption.** OCBC Bank may, at its option, redeem in whole, but not in part, the Preference Shares for the time being issued and outstanding:
- (i) on the date falling five years after the Issue Date; and
  - (ii) on each Dividend Date thereafter,

in each case subject to the satisfaction of the Redemption Conditions (as defined below) and to Singapore law.

**“Redemption Conditions”** means that:

- (aa) the prior written consent of the MAS to the redemption, if then required, has been obtained and that any conditions that the MAS may impose at the time of any consent, if then required, have been satisfied; and
- (bb) the Distributable Reserves of OCBC Bank and/or Replacement Capital (as defined below) as at the date for redemption equals at least the Liquidation Preference and the full amount of any accrued but unpaid Dividend (whether or not declared) in respect of the Dividend Period in which the relevant redemption falls.

**“Replacement Capital”** means ordinary shares and/or Parity Obligations issued for the purpose of funding the redemption of the Preference Shares.

(b) **Tax Event Redemption.** If at any time a Tax Event (as defined below) has occurred and is continuing, then the Preference Shares may be redeemed, in whole but not in part, at the option of OCBC Bank, subject to:

- (i) the satisfaction of the Redemption Conditions; and
- (ii) OCBC Bank attaching to the relevant Redemption Notice (as defined in **paragraph (4)(f)** below):
  - (aa) a certificate signed by two directors of OCBC Bank stating that OCBC Bank is entitled to effect such redemption; and
  - (bb) an opinion of counsel to OCBC Bank experienced in such matters to the effect that a Tax Event has occurred.

The delivery of such opinion shall constitute conclusive evidence of the occurrence of a Tax Event.

**“Tax Event”** means that, as a result of any change after the date of issuance of the Preference Shares in, or amendment to, any law or regulation of Singapore or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of any law or regulation by any relevant body in Singapore, payments to the Preference Shareholders:

- (i) would be subject to deduction or withholding for or on account of tax; or
- (ii) would give rise to any obligation of OCBC Bank to account for any tax in Singapore at a rate in excess of the rate in effect immediately prior to such issuance,

and such obligation cannot in each case be avoided by OCBC Bank taking reasonable measures available to it.

(c) **Special Event Redemption.** If at any time a Special Event (as defined below) has occurred and is continuing, then the Preference Shares may be redeemed, in whole but not in part, at the option of OCBC Bank, subject to:

- (i) the satisfaction of the Redemption Conditions; and
- (ii) OCBC Bank attaching to the relevant Redemption Notice:
  - (aa) a certificate signed by two directors of OCBC Bank stating that OCBC Bank is entitled to effect such redemption; and

- (bb) an opinion of counsel to OCBC Bank experienced in such matters to the effect that a Special Event has occurred.

The delivery of such opinion shall constitute conclusive evidence of the occurrence of a Special Event.

“**Special Event**” means for any reason there is more than an insubstantial risk that for the purposes of the MAS’ published consolidated or unconsolidated capital adequacy requirements from time to time applicable to OCBC Bank, the Preference Shares may not be included in the Tier 1 capital of OCBC Bank on a consolidated or unconsolidated basis.

- (d) **M&A Redemption.** In the event that the Preference Shares were issued for the purpose of a merger with, or an acquisition by, OCBC Bank and such merger or acquisition is aborted, then OCBC Bank may, subject to the satisfaction of the Redemption Conditions, redeem the Preference Shares, in whole but not in part, for cash at the Redemption Amount (as defined below) by giving not less than 30 nor more than 60 days’ notice to the holders of the Preference Shares in the manner set out in **paragraph (4)(f)** below (which notice shall be irrevocable). On the date of redemption specified in such notice, OCBC Bank shall be bound to redeem the Preference Shares on payment of the Redemption Amount.
- (e) **Cash Redemption.** Any redemption of the Preference Shares shall be made in cash.
- (f) **Redemption Notice.** If the Preference Shares are to be redeemed, a notice of redemption (each, a “**Redemption Notice**”) shall be mailed to each holder of the Preference Shares to be redeemed, not less than 30 days nor more than 60 days prior to the relevant date of redemption (“**Redemption Date**”), except that where the Preference Shares are listed on one or more stock exchanges, OCBC Bank may, in lieu of mailing the notice to such shareholder, determine to publish such notice on such stock exchange(s) not less than 30 days nor more than 60 days prior to the Redemption Date. So long as the Preference Shares are listed on one or more stock exchanges and the rules of such stock exchange(s) so require, notices shall also be published in such manner as the rules of such stock exchange(s) may require. In addition, for so long as the Preference Shares are listed on the SGX-ST and the rules of the SGX-ST so require, each Redemption Notice shall be published in accordance with **paragraph (10)(b)** below.

Each Redemption Notice shall specify *inter alia*:

- (i) the Redemption Date;
- (ii) the Preference Shares to be redeemed on the Redemption Date; and
- (iii) the place or places where the Preference Shareholders may surrender share certificates (if applicable) in respect of the Preference Shares and obtain payment of the Redemption Amount.

No defect in the Redemption Notice or in its mailing shall affect the validity of the redemption proceedings.

- (g) **Redemption Amount.** The cash amount (“**Redemption Amount**”) payable on redemption is an amount equal to the Liquidation Preference, together with, subject to the restrictions in **paragraph (2)(f)** above and unless a Dividend Limitation Notice is in effect, an amount equal to any accrued but unpaid Dividends (whether or not declared) in respect of the period commencing on the first day of the Dividend Period in which the relevant redemption falls to but excluding the date of such redemption.

The Redemption Amount shall be notified to each holder of the Preference Shares to be redeemed as soon as reasonably practicable after the Redemption Amount has been determined (and in any event, not later than two Business Days before the relevant Redemption Date) and otherwise in the manner set out in **paragraph (4)(f)** above.

Any such redemption shall not prejudice the rights of the holder of the Preference Shares to be so redeemed to receive any accrued but unpaid Dividend payable on the Redemption Date.

- (h) **Payments.** Payments in respect of the amount due on redemption of a Preference Share shall be made by cheque or such other method as the directors of OCBC Bank may specify in the Redemption Notice not later than the date specified for the purpose in the Redemption Notice. Payment shall be made against presentation and surrender of the share certificate (if applicable) in respect of the relevant Preference Shares at the place or one of the places specified in the Redemption Notice.
- (i) **Discharge.** A receipt given by the holder for the time being of any Preference Share (or in the case of joint holders by the first-named joint holder) in respect of the amount payable on redemption of the Preference Share shall constitute an absolute discharge to OCBC Bank.

## (5) Voting

- (a) **General.** Except as provided in this **paragraph (5)**, the Preference Shareholders shall not be entitled to attend and vote at general meetings of OCBC Bank.
- (b) **Class Meetings.** The Preference Shareholders shall be entitled to attend class meetings of the Preference Shareholders. Every Preference Shareholder who is present in person at such class meetings shall have on a show of hands one vote and on a poll one vote for every Preference Share of which he is the holder.
- (c) **General Meetings.** If Dividends with respect to the Preference Shares in respect of such number of consecutive Dividend Periods as shall be equal to or exceed 12 months have not been paid in full when due, then the Preference Shareholders shall have the right to receive notice of, attend, speak and vote at general meetings of OCBC Bank on all matters, including the winding-up of OCBC Bank, and such right shall continue until after the next following Dividend Date on which a Dividend in respect of the Preference Shares is paid in full (or an amount equivalent to the Dividend to be paid in respect of the next Dividend Period has been paid or irrevocably set aside in a separately designated trust account for payment to the Preference Shareholders). Every Preference Shareholder who is present in person at such general meetings shall have on a show of hands one vote and on a poll one vote for every Preference Share of which he is the holder.

## (6) Purchases

OCBC Bank may at any time and from time to time exercise any powers conferred by applicable Singapore law in purchasing the Preference Shares. No repurchase of any Preference Shares shall be made without the prior consent of the MAS (for so long as OCBC Bank is required to obtain such consent).

## (7) Taxation

All payments in respect of the Preference Shares shall be made after deducting or withholding all amounts for or on account of any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed or levied by or on behalf of Singapore or any authority thereof or therein having power to tax and which are required by applicable law to be deducted or withheld.

OCBC Bank shall not pay any additional amounts in respect of any such deduction or withholding from payments in respect of the Preference Shares for or on account of any such present or future taxes, duties, assessments or governmental charges.

No payment in respect of the Preference Shares shall be made by OCBC Bank to any Preference Shareholder without deduction or withholding for or on account of any such present or future taxes, duties, assessments or governmental charges unless such Preference Shareholder shall have provided a statutory declaration or other evidence satisfactory to OCBC Bank that the beneficial owner of such payment:

- (a) is a resident in Singapore for tax purposes; or
- (b) is otherwise entitled to receive such payment free of any such deduction or withholding.

If requested by a Preference Shareholder, OCBC Bank shall procure that such person shall be furnished with a certificate specifying the gross amount of such payment, the amount of tax deducted or withheld and the net amount of such payment.

For the avoidance of doubt, this **paragraph (7)** shall not apply in respect of any deduction of tax made or deemed to be made under Section 44 of the Income Tax Act (which gives effect to the imputation system referred to in **paragraph (2)(l)** above).

#### **(8) Variations of Rights and Further Issues**

Unless otherwise required by applicable law, any variation or abrogation of the rights, preferences and privileges of the Preference Shares by way of amendment of the Articles or otherwise (including, without limitation, the authorisation or creation of any securities or ownership interests of OCBC Bank ranking, as to participation in the profits or assets of OCBC Bank, senior to the Preference Shares) shall require:

- (a) the consent in writing of the holders of at least 75 per cent. of the outstanding Preference Shares; or
- (b) the sanction of a special resolution passed at a separate class meeting of the Preference Shareholders (the quorum at such class meeting to be such number of Preference Shareholders holding or representing not less than two-thirds of the outstanding Preference Shares),

provided that:

- (i) no such consent or sanction shall be required if the change is solely of a formal, minor or technical nature or is to correct an error or cure an ambiguity (but such change shall not reduce the amounts payable to the Preference Shareholders, impose any material obligation on the Preference Shareholders or materially adversely affect their voting rights);
- (ii) no such consent or sanction shall be required for the creation or issue of further shares of OCBC Bank ranking *pari passu* with or junior to the Preference Shares (the creation or issue of such other shares, regardless of the dividends and other amounts payable in respect of such shares and whether and when such dividends and other amounts may be so payable, shall not be deemed to be a variation or abrogation of the rights, preferences and privileges of the Preference Shares);
- (iii) no such consent or sanction shall be required for the redemption, purchase or cancellation of the Preference Shares in accordance with the Articles; and
- (iv) no provision of the Preference Shares may be amended without the prior written consent of the MAS if such amendment would result in the Preference Shares not being treated as Tier 1 capital of OCBC Bank on a consolidated or unconsolidated basis.

OCBC Bank shall cause a notice of any meeting at which any Preference Shareholder is entitled to vote, and any voting forms, to be mailed to each Preference Shareholder in accordance with **paragraph (10)** below. Each such notice shall include a statement setting forth **(aa)** the date, time and place of such meeting, **(bb)** a description of any resolution to be proposed for adoption at such meeting on which such holders are entitled to vote and **(cc)** instructions for the delivery of proxies.

**(9) Transfer of Preference Shares**

An instrument of transfer of a share which is in certificated form must be in writing in any usual form or other form approved by the directors of OCBC Bank and must be executed by or on behalf of the transferor and by or on behalf of the transferee. The transferor shall remain the holder of the shares transferred until the name of the transferee is entered in the register of members of OCBC Bank in respect thereof.

The directors of OCBC Bank may, in the case of transfers of Preference Shares in certificated form, at their absolute discretion and without assigning any reason therefor, refuse to register:

- (a)** any transfer of a Preference Share (not being a fully paid Preference Share); provided that where any Preference Shares are listed on the SGX-ST or any other stock exchange or quotation system, such discretion may not be exercised in such a way as to prevent dealings in the Preference Shares from taking place on an open and proper basis; and
- (b)** any transfer of a Preference Share on which OCBC Bank has a lien.

The directors of OCBC Bank may also decline to register a transfer unless the instrument of transfer is duly stamped (if so required).

The Preference Shares are in registered form. The registration of share transfers may be suspended at such times and for such periods as the directors of OCBC Bank may determine not exceeding 30 days in any year.

**(10) Notices or Other Documents**

- (a) Delivery of Notice.** Any notice or other document may be served by OCBC Bank upon any holder of the Preference Shares in the manner provided in the Articles. Any such notice or document shall be deemed to be served and delivered in accordance with the Articles.
- (b) Newspaper Publication.** For so long as the Preference Shares are listed on the SGX-ST and the SGX-ST so requires, notice shall also be published in a leading English language daily newspaper having general circulation in Singapore.

**CONSOLIDATED INCOME STATEMENTS OF THE GROUP  
FOR FY2005, FY2006, FY2007<sup>(1)</sup>**

	FY2005 (S\$ million)	FY2006 (S\$ million)	FY2007 (S\$ million)
Interest income	3,470	4,516	5,265
Interest expenses	(1,873)	(2,722)	(3,021)
<b>Net interest income</b>	<b>1,597</b>	<b>1,794</b>	<b>2,244</b>
Premium income	4,838	5,225	5,793
Investment income	1,640	2,272	3,075
Net claims, surrenders and annuities	(3,300)	(4,940)	(4,843)
Change in life assurance fund contract liabilities <sup>(2)</sup>	(2,070)	(805)	(2,544)
Commission and others <sup>(2)</sup>	(828)	(1,376)	(972)
Profit from life assurance	281	376	509
Premium income from general insurance	61	59	65
Fees and commissions (net)	507	597	808
Dividends	130	129	55
Rental income	72	78	62
Other income	239	806	537
<b>Non-interest income</b>	<b>1,289</b>	<b>2,045</b>	<b>2,036</b>
<b>Total income</b>	<b>2,887</b>	<b>3,840</b>	<b>4,281</b>
Staff costs	(634)	(722)	(946)
Other operating expenses	(511)	(610)	(734)
<b>Total operating expenses</b>	<b>(1,145)</b>	<b>(1,331)</b>	<b>(1,680)</b>
<b>Operating profit before allowances and amortisation</b>	<b>1,742</b>	<b>2,508</b>	<b>2,601</b>
Amortisation of intangible assets	(40)	(44)	(46)
Allowances and impairment for loans and other assets	(12)	(2)	(36)
<b>Operating profit after allowances and amortisation</b>	<b>1,691</b>	<b>2,462</b>	<b>2,518</b>
Share of results of associates and joint ventures	15	14	21
<b>Profit before income tax</b>	<b>1,706</b>	<b>2,476</b>	<b>2,539</b>
Income tax expense <sup>(3)</sup>	(308)	(370)	(356)
<b>Profit for the year</b>	<b>1,397</b>	<b>2,106</b>	<b>2,183</b>
<b>Attributable to:</b>			
Equity holders of the Bank	1,298	2,002	2,071
Minority interests	99	104	112
	<b>1,397</b>	<b>2,106</b>	<b>2,183</b>

**Notes:**

- (1) The Consolidated Income Statements of the Group for FY 2005, FY 2006 and FY 2007 presented to the nearest million have been extracted from the audited financial statements of the OCBC Group for the financial years ended 31 December 2005, 31 December 2006 and 31 December 2007.
- (2) FY2006 comparatives have been restated for the effect of the new tax basis on par fund policy liabilities, amounting to S\$617 million.
- (3) FY2007 tax expense are net of tax refunds of S\$104 million. The refunds related to Singapore and Malaysia tax, as well as the finalisation of tax treatment for certain loan allowances previously made by Keppel Capital Holdings Group, which was acquired by OCBC Bank in 2001.



**CONSOLIDATED BALANCE SHEET OF THE GROUP  
AS AT 31 DECEMBER 2007 <sup>(1)</sup>**

	FY 2007 (S\$ million)
<b>EQUITY</b>	
<b>Attributable to equity holders of the Bank</b>	
Share capital	5,520
Capital reserves	56
Statutory reserves	1,676
Fair value reserves	1,726
Revenue reserves	6,699
	15,678
Minority interests	1,161
<b>Total equity</b>	<b>16,839</b>
<b>LIABILITIES</b>	
Deposits of non-bank customers	88,788
Deposits of balances of banks	14,726
Due to associates	60
Trading portfolio liabilities	172
Derivative payables	2,697
Other liabilities	3,313
Current tax	649
Deferred tax	1,163
Debts issued	4,970
	116,537
Life assurance fund liabilities	41,232
<b>Total liabilities</b>	<b>157,768</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>174,607</b>
<b>ASSETS</b>	
Cash and placements with central banks	8,396
Singapore government treasury bills and securities	8,762
Other government treasury bills and securities	3,446
Placements with and loans to banks	15,105
Loans and bills receivable	71,316
Debt and equity securities	13,625
Assets pledged	889
Assets held for sale	1
Derivative receivables	2,937
Other assets	2,982
Deferred tax	45
Associates and joint ventures	243
Property, plant and equipment	1,612
Investment property	667
Goodwill and intangible assets	3,444
	133,471
Life assurance fund investment assets	41,137
<b>TOTAL ASSETS</b>	<b>174,607</b>

**Note:**

- (1) The Consolidated Balance Sheet of the Group presented to the nearest million has been extracted from the audited financial statements of the OCBC Group for the financial year ended 31 December 2007.

## CONSOLIDATED CASH FLOW STATEMENT OF THE GROUP FOR FY2007 <sup>(1)</sup>

	FY2007 (S\$ million)
<b>Cash flows from operating activities</b>	
Profit before income tax	2,539
Adjustments for non cash items:	
Amortisation of intangible assets	46
Allowances and impairment for loans and other assets	36
Change in fair value of hedging transactions and trading securities	(3)
Depreciation of property, plant and equipment and investment property	104
Net gain on disposal of government, debt and equity securities	(202)
Net gain on disposal of property, plant and equipment and investment property	(97)
Share-based staff costs	10
Share of results of associates and joint ventures	(21)
Write-offs of plant and equipment	10
Items relating to life assurance fund	
Excess of inflow over outflow before income tax	794
Surplus transferred from life assurance fund	(509)
	2,707
Operating profit before change in operating assets and liabilities	2,707
Change in operating assets and liabilities:	
Deposits of non-bank customers	13,612
Deposits and balances of banks	2,857
Derivative payables and other liabilities	1,280
Trading portfolio liabilities	(250)
Government securities and treasury bills	(989)
Trading securities	(954)
Placements with and loans to banks	2,854
Loans and bills receivable	(11,897)
Derivative receivables and other assets	(952)
Net change in investment assets and liabilities of life assurance fund	(123)
	8,144
Cash from operating activities	8,144
Income tax paid	(287)
	7,858
<b>Cash flows from investing activities</b>	
Dividends from associates	36
Decrease in associates and joint ventures	49
Purchases of debt and equity securities	(6,921)
Purchases of property, plant and equipment and investment property	(238)
Proceeds from disposal of debt and equity securities	2,686
Proceeds from disposal of property, plant and equipment and investment property	157
	(4,231)
<b>Net cash used in investing activities</b>	<b>(4,231)</b>

**FY2007**  
**(S\$ million)**

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**Cash flows from financing activities**

Dividends paid to equity holders of OCBC Bank	(841)
Dividends paid to minority interests	(59)
Decrease in debts issued	(113)
Proceeds from exercise of options and rights under the Bank's employee share schemes	82
Proceeds from minority interests on subscription of shares in a subsidiary	32
Share buyback	(43)

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**Net cash used in financing activities** (942)

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**Net currency translation adjustments** (30)

**Net change in cash and cash equivalents** 2,655

**Cash and cash equivalents at 1 January** 5,741

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**Cash and cash equivalents at 31 December** 8,396

**Note:**

- (1) The Consolidated Cash Flow Statement of the Group presented to the nearest million has been extracted from the audited financial statements of the OCBC Group for the financial year ended 31 December 2007.

**FIRST QUARTER 2008 GROUP FINANCIAL REPORT**

**Oversea-Chinese Banking Corporation Limited**  
**First Quarter 2008 Group Financial Report**



Incorporated in Singapore  
Company Registration Number: 193200032W

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## FINANCIAL SUMMARY

OCBC Group prepares its financial statements in accordance with the Singapore Financial Reporting Standards, including the modification to FRS 39 *Financial Instruments: Recognition and Measurement* requirement on loan loss provisioning under Notice to Banks No. 612 “Credit Files, Grading and Provisioning” issued by the Monetary Authority of Singapore. The accounting policies and methods of computation for the current financial period are consistent with those applied in the previous financial period.

### Financial Results

Group net profit attributable to shareholders was S\$622 million for the first quarter ended 31 March 2008 (“1Q08”), a decline of 4% from S\$647 million in 1Q07. Core net profit, which excludes gains from the divestment of non-core assets and tax refunds, was 10% lower at S\$460 million. Strong growth in net interest income, fee income and foreign exchange income were offset by a significant decline in life assurance profits from Great Eastern Holdings (“GEH”), mark-to-market trading losses and lower realised gains on investment securities.

Net interest income grew by 26% on a 19% increase in loan volumes and improved interest margins. Loan growth was driven by strong corporate and SME loan demand in Singapore and overseas, and moderate growth in Singapore housing loans. Net interest margin improved 13 bps from a year ago and 3 bps from the previous quarter to 2.17%. Fee and commission income rose 19% while foreign exchange income jumped 62%. However, volatile financial markets resulted in overall non-interest income falling by 26% due to a 93% decline in life assurance profits to S\$7 million, a S\$65 million net loss in securities and derivatives trading, and lower realised gains on investment securities. Operating expenses increased by 21% due to increased headcount, higher salaries and the Group’s regional expansion.

Compared to the fourth quarter of 2007 (“4Q07”), core net profit of S\$460 million was 8% higher. The decline in life assurance income was more than offset by higher net interest income, foreign exchange income and gains on investment securities, as well as lower operating expenses.

Return on equity, based on core earnings, was 12.2% in 1Q08, compared with 15.9% in 1Q07 and 11.2% in 4Q07. Excluding the effect of a S\$0.8 billion boost to average equity due to the mark-to-market gain on the Group’s investment in Bank of Ningbo, the adjusted return on equity would have been higher at 13.0% for 1Q08. Annualised core earnings per share fell 11% year-on-year to 58.7 cents.

## FINANCIAL SUMMARY *(continued)*

S\$ million	1Q08	1Q07	+ / (-) %	4Q07	+ / (-) %
<b>Selected Income Statement Items</b>					
Net interest income	638	508	26	613	4
Non-interest income	377	506	(26)	464	(19)
Total core income	1,015	1,014	–	1,077	(6)
Operating expenses	(426)	(352)	21	(485)	(12)
Operating profit before allowances and amortisation	589	662	(11)	593	(1)
Amortisation of intangible assets	(12)	(12)	–	(12)	–
Write-back / (Allowances and impairment) for loans and other assets	8	(#)	n.m.	(13)	(159)
Operating profit after allowances and amortisation	585	650	(10)	568	3
Share of results of associates and joint ventures	2	16	(90)	(1)	233
Profit before income tax	586	666	(12)	567	3
<b>Core net profit attributable to shareholders</b>	<b>460</b>	<b>510</b>	<b>(10)</b>	<b>425</b>	<b>8</b>
Divestment gains (net of tax)	156	90	74	–	–
Tax refund	6	47	(87)	4	65
<b>Reported net profit attributable to shareholders</b>	<b>622</b>	<b>647</b>	<b>(4)</b>	<b>428</b>	<b>45</b>
<b>Cash basis net profit attributable to shareholders</b> <sup>1/</sup>	<b>633</b>	<b>658</b>	<b>(4)</b>	<b>440</b>	<b>44</b>

## Selected Balance Sheet Items

Ordinary equity	14,793	13,287	11	14,782	–
Total equity <i>(excluding minority interests)</i>	15,689	14,182	11	15,678	–
Total assets	179,997	157,121	15	174,607	3
Assets excluding life assurance fund investment assets <sup>4/</sup>	139,032	117,940	18	133,471	4
Loans and bills receivable <i>(net of allowances)</i>	73,977	61,550	20	71,316	4
Deposits of non-bank customers	92,867	77,989	19	88,788	5

### Notes:

1. Excludes amortisation of intangible assets.
2. "n.m." denotes not meaningful.
3. "#" represents amounts less than S\$0.5 million.
4. Certain figures may not add up to the relevant totals due to rounding.

**FINANCIAL SUMMARY** *(continued)*

	1Q08	1Q07	4Q07
<b>Key Financial Ratios</b>			
<b>- based on core earnings</b>			
<b>Performance ratios (% p.a.)</b>			
Return on equity <sup>1/</sup>			
GAAP basis	12.2	15.9	11.2
Cash basis	12.6	16.3	11.5
Return on assets <sup>2/</sup>			
GAAP basis	1.34	1.78	1.27
Cash basis	1.37	1.82	1.30
<b>Revenue mix / efficiency ratios (%)</b>			
Net interest margin (annualised)	2.17	2.04	2.14
Net interest income to total income	62.9	50.1	57.0
Non-interest income to total income	37.1	49.9	43.0
Cost to income	42.0	34.7	45.0
Loans to deposits	79.7	78.9	80.3
NPL ratio	1.6	2.7	1.7
<b>Earnings per share (annualised - cents)</b>			
Basic earnings	58.7	66.0	53.3
Basic earnings (cash basis)	60.2	67.5	54.8
Diluted earnings	58.4	65.6	53.1
<b>Net asset value (S\$)</b>			
Before valuation surplus	4.79	4.32	4.79
After valuation surplus	6.43	6.16	6.46
<b>Capital adequacy ratios (%) <sup>4/</sup></b>			
Tier 1	12.8	13.1	11.5
Total	13.5	15.4	12.4

**Notes:**

1. Preference equity and minority interests are not included in the computation for return on equity. Computation of return on equity for 1Q08 and 4Q07 included the fair value reserve arising from the mark-to-market gain on the Group's investment in Bank of Ningbo following its listing on the Shenzhen Stock Exchange in July 2007. The mark-to-market gains were approximately S\$0.6 billion and S\$1 billion as at 31 Mar 2008 and 31 Dec 2007 respectively. Excluding the impact of the fair value gain, return on equity on GAAP basis would have been 13.0% for 1Q08 and 12.1% for 4Q07.
2. The computation for return on assets does not include life assurance fund investment assets.
3. In computing return on equity and earnings per share, preference dividends paid and estimated to be due as at the end of the financial period are deducted from core earnings.
4. The ratios for 1Q08 are computed in accordance with Basel II rules while the ratios for 1Q07 and 4Q07 are computed based on Basel I rules.



## NET INTEREST INCOME

### Average Balance Sheet

S\$ million	1Q08			1Q07			4Q07		
	Average Balance	Interest	Average Rate <sup>4/</sup> %	Average Balance	Interest	Average Rate <sup>4/</sup> %	Average Balance	Interest	Average Rate <sup>4/</sup> %
<b>Interest earning assets</b>									
Loans and advances to non-bank customers	72,365	906	5.04	60,061	843	5.69	67,889	923	5.39
Placements with and loans to banks	23,442	197	3.38	21,376	218	4.13	23,053	211	3.64
Other interest earning assets <sup>1/</sup>	22,474	228	4.07	19,320	203	4.26	22,788	244	4.24
<b>Total</b>	<b>118,281</b>	<b>1,331</b>	<b>4.52</b>	<b>100,757</b>	<b>1,264</b>	<b>5.09</b>	<b>113,730</b>	<b>1,378</b>	<b>4.81</b>
<b>Interest bearing liabilities</b>									
Deposits of non-bank customers	91,176	495	2.18	76,413	546	2.90	87,560	552	2.50
Deposits and balances of banks	14,374	138	3.86	12,487	138	4.48	14,200	145	4.06
Other borrowings <sup>2/</sup>	5,473	59	4.36	5,826	72	5.04	5,452	67	4.87
<b>Total</b>	<b>111,023</b>	<b>692</b>	<b>2.51</b>	<b>94,727</b>	<b>756</b>	<b>3.24</b>	<b>107,212</b>	<b>765</b>	<b>2.83</b>
<b>Net interest income / margin<sup>3/</sup></b>		<b>638</b>	<b>2.17</b>		<b>508</b>	<b>2.04</b>		<b>613</b>	<b>2.14</b>

Notes:

1. Comprise corporate debts and government securities.
2. Mainly debts issued.
3. Net interest margin is net interest income as a percentage of interest earning assets.
4. Average rates are computed on an annualised basis.

Net interest income grew 26% to S\$638 million in 1Q08, underpinned by assets growth and improved margins. Average interest earning assets grew 17% as loans, interbank placements and debt securities increased. Net interest margin improved from 2.04% in 1Q07 to 2.17% in 1Q08, largely due to better margins in Singapore and Indonesia as the cost of funds fell more than asset yields.

Against 4Q07, net interest income increased by 4% mainly on higher loan volume. Net interest margin was up by 3 basis points to 2.17%, driven mainly by better margins in Singapore where the cost of funds fell faster than asset yields.

**NET INTEREST INCOME** *(continued)*
**Volume and Rate Analysis**

Increase / (decrease) due to change in: S\$ million	1Q08 vs 1Q07			1Q08 vs 4Q07		
	Volume	Rate	Net change	Volume	Rate	Net change
<b>Interest income</b>						
Loans and advances to non-bank customers	175	(121)	54	60	(67)	(7)
Placements with and loans to banks	21	(45)	(24)	4	(16)	(12)
Other interest earning assets	34	(11)	22	(3)	(10)	(13)
Total	229	(177)	53	60	(93)	(32)
<b>Interest expense</b>						
Deposits of non-bank customers	107	(163)	(56)	23	(74)	(51)
Deposits and balances of banks	21	(23)	(2)	2	(8)	(6)
Other borrowings	(4)	(9)	(14)	#	(7)	(7)
Total	123	(195)	(72)	25	(88)	(64)
<b>Impact on net interest income</b>						
	106	19	125	36	(4)	32
Due to change in number of days			6			(7)
<b>Net interest income</b>			130			25

Note:

1. “#” represents amounts less than S\$0.5 million.

## NON-INTEREST INCOME

S\$ million	1Q08	1Q07	+ / (-) %	4Q07	+ / (-) %
<b>Fees and commissions</b>					
Brokerage	24	30	(20)	30	(19)
Wealth management	41	32	26	46	(11)
Fund management	21	23	(8)	20	6
Credit card	14	13	8	16	(11)
Loan-related	33	24	38	33	2
Trade-related and remittances	32	27	19	31	5
Guarantees	7	5	27	5	30
Investment banking	20	7	168	7	187
Service charges	13	10	20	10	22
Others	8	5	49	5	44
Sub-total	212	178	19	202	5
<b>Dividends</b>	18	16	10	9	99
<b>Rental income</b>	15	17	(12)	14	6
<b>Profit from life assurance</b>	7	99	(93)	180	(96)
<b>Premium income from general insurance</b>	17	16	9	17	-
<b>Other income</b>					
Net dealing income:					
Foreign exchange	90	55	62	45	98
Securities and derivatives	(65)	3	n.m.	(47)	(37)
Net gains from investment securities	64	104	(39)	27	135
Net gains from disposal of properties	#	2	(93)	#	(62)
Others	18	15	21	15	21
Sub-total	107	180	(41)	41	162
<b>Total core non-interest income</b>	377	506	(26)	464	(19)
Divestment gains	167	92	81	-	-
<b>Total non-interest income</b>	544	598	(9)	464	17
Fees and commissions / Total income <sup>1/</sup>	20.9%	17.5%		18.8%	
Non-interest income / Total income <sup>1/</sup>	37.1%	49.9%		43.0%	

Notes:

1. Pre-tax divestment gains are not included.
2. "n.m." denotes not meaningful.
3. "#" represents amounts less than S\$0.5 million.

Non-interest income, excluding divestment gains, decreased 26% year-on-year to S\$377 million in 1Q08, mainly due to lower profit from life assurance, trading losses from derivatives and securities, as well as lower net gains from investment securities. These were partially offset by higher fees and commissions and strong foreign exchange income. Fees and commissions increased by 19% to S\$212 million, with the largest contributions coming from investment banking, wealth management, loan-related and trade-related activities. Foreign exchange income increased 62% to S\$90 million as the Group capitalised on currency market trends.

Profit from life assurance fell by 93% to S\$7 million, due mainly to a loss in GEH's non-participating fund, which can be attributed to two main factors: (a) debt and equity market volatility resulted in mark-to-market losses for the investments in the non-participating fund; (b) long term insurance contract liabilities increased following a decline in the applicable interest rate used to discount these liabilities. The underlying life assurance business of GEH remains healthy, with gross premium income, new business premiums, and new business embedded value recording year-on-year increases of 28%, 51% and 18% respectively.

Mark-to-market losses on interest rate derivatives, and to a smaller extent, on bonds and equities, resulted in a net trading loss of S\$65 million for securities and derivatives dealing in 1Q08, compared to a net gain of S\$3 million in 1Q07. The 1Q08 loss included a S\$16 million mark-to-market loss on credit default swaps related to the Bank's corporate CDO investments. Net gains from investment securities fell 39% to S\$64 million, as the gains of S\$31 million in 1Q07 relating to the disposal of government securities by Bank NISP were not repeated.

Compared to 4Q07, non-interest income declined 19%, largely attributed to lower profit from life assurance.

## OPERATING EXPENSES

S\$ million	1Q08	1Q07	+ / (-) %	4Q07	+ / (-) %
<b>Staff costs</b>					
Salaries and other costs	228	185	23	244	(7)
Share-based expenses	2	3	(21)	2	(16)
Contribution to defined contribution plans	20	13	57	21	(4)
	<b>249</b>	200	24	267	(7)
<b>Property and equipment</b>					
Depreciation	26	24	10	25	4
Maintenance and hire	17	15	14	17	(3)
Rental expenses	8	7	27	9	(8)
Others	27	23	14	22	19
	<b>78</b>	69	14	74	6
<b>Other operating expenses</b>					
	<b>99</b>	83	19	143	(31)
<b>Total operating expenses</b>					
	<b>426</b>	352	21	485	(12)
<b>Group staff strength</b>					
Period end	19,048	16,523	15	18,676	2
Average	18,942	16,321	16	18,539	2
<b>Cost to income ratio <sup>1/</sup></b>					
	<b>42.0%</b>	34.7%		45.0%	

Note:

1. Divestment gains are not included in the computation of this ratio.

Year-on-year, operating expenses increased by 21% to S\$426 million in 1Q08. Staff costs rose 24% to S\$249 million in 1Q08, mainly due to higher base salaries and increased headcount. Group headcount was up by 15%, with approximately 70% of the increase occurring in overseas markets, including Malaysia, Indonesia and China. Other operating expenses rose 19% to S\$99 million, contributed by increased business promotion and marketing expenditure, volume-related brokerage and processing fees.

Compared with 4Q07, expenses fell by 12%, due mainly to a decline in business promotion expenses, incentive compensation accruals and legal and professional fees.

The cost-to-income ratio for 1Q08 was 42.0%, compared with 34.7% in 1Q07 and 45.0% in 4Q07.

## ALLOWANCES FOR LOANS AND OTHER ASSETS

S\$ million	1Q08	1Q07	+ / (-) %	4Q07	+ / (-) %
Specific allowances / (write-back) for loans					
Singapore	(23)	(12)	85	(15)	54
Malaysia	14	7	96	(4)	(423)
Others	2	2	(1)	14	(85)
	(6)	(3)	119	(5)	22
Allowances for CDOs	–	–	–	10	–
Allowances and impairment charges / (write-back) for other assets	(1)	3	(141)	8	(116)
<b>Allowances and impairment for loans and other assets</b>	<b>(8)</b>	<b>#</b>	<b>n.m.</b>	<b>13</b>	<b>(159)</b>

Notes:

1. "n.m." denotes not meaningful.
2. "#" represents amounts less than S\$0.5 million.

The Group wrote back a net S\$8 million in allowances for loans and other assets in 1Q08, due mainly to loan recoveries, repayments, and upgrades, which more than offset allowances for new NPLs. This compares with negligible net allowances of S\$0.3 million in 1Q07, and net allowances of S\$13 million in 4Q07.

The Bank's ABS CDO (asset-backed securities collateralised debt obligations) investment portfolio of S\$250 million as at 31 March 2008, which had been written down by 85% in 2007, did not require further allowances in 1Q08. The Bank's corporate CDO portfolio of S\$344 million as at 31 March 2008 continues to perform, despite mark-to-market losses of S\$16 million in 1Q08 for the underlying credit default swaps, which impacted non-interest income.

## LOANS AND ADVANCES

<b>S\$ million</b>	<b>31 Mar 2008</b>	<b>31 Dec 2007</b>	<b>31 Mar 2007</b>
Loans to customers	<b>74,417</b>	71,598	62,526
Bills receivable	<b>976</b>	1,177	796
Gross loans to customers	<b>75,393</b>	72,775	63,321
Allowances:			
Specific allowances	<b>(459)</b>	(499)	(810)
Portfolio allowances	<b>(958)</b>	(960)	(962)
Loans net of allowances	<b>73,977</b>	71,316	61,550
<b>By Maturity</b>			
Within 1 year	<b>26,674</b>	26,653	22,277
1 to 3 years	<b>13,344</b>	12,040	11,063
Over 3 years	<b>35,376</b>	34,082	29,981
	<b>75,393</b>	72,775	63,321
<b>By Industry</b>			
Agriculture, mining and quarrying	<b>1,151</b>	1,116	1,069
Manufacturing	<b>6,319</b>	6,278	5,483
Building and construction	<b>15,365</b>	13,653	9,882
Housing loans	<b>19,630</b>	19,247	18,013
General commerce	<b>6,939</b>	6,943	5,764
Transport, storage and communication	<b>4,068</b>	3,922	2,567
Financial institutions, investment and holding companies	<b>10,946</b>	10,610	10,108
Professionals and individuals	<b>7,243</b>	7,385	7,130
Others	<b>3,732</b>	3,621	3,306
	<b>75,393</b>	72,775	63,321
<b>By Currency</b>			
Singapore Dollar	<b>43,930</b>	42,617	38,011
United States Dollar	<b>9,767</b>	9,417	8,477
Malaysian Ringgit	<b>11,035</b>	10,869	9,524
Indonesian Rupiah	<b>2,355</b>	2,402	2,279
Others	<b>8,307</b>	7,471	5,031
	<b>75,393</b>	72,775	63,321
<b>By Geographical Sector <sup>1/</sup></b>			
Singapore	<b>46,860</b>	45,311	40,534
Malaysia	<b>12,341</b>	12,102	10,907
Other ASEAN	<b>4,392</b>	4,446	3,832
Greater China	<b>5,577</b>	5,133	3,558
Other Asia Pacific	<b>3,462</b>	3,073	2,043
Rest of the World	<b>2,762</b>	2,710	2,447
	<b>75,393</b>	72,775	63,321

Note:

1. Loans by geographical sector are based on where the credit risks reside, regardless of where the transactions are booked.

The Group's loan book increased by 19% year-on-year, to S\$75.4 billion as at 31 March 2008, boosted by growth in corporate and SME loans in Singapore, Malaysia and overseas markets, as well as Singapore housing loans. By industry, the increase in loans was mainly to the building and construction, housing, transport, communication and storage, as well as the general commerce sectors.

Compared with 31 December 2007, gross loans increased by 4%, mainly from loan growth in the building and construction and housing sectors, as well as loans to non-bank financial institutions, investment and holding companies.

## NON-PERFORMING LOANS <sup>1/</sup>

S\$ million	Total <sup>2/</sup>	Substandard	Doubtful	Loss	Secured NPLs/ Total NPLs %	Non-bank NPLs/ Non-bank loans <sup>3/</sup> %
<b>Singapore</b>						
<b>31 Mar 2008</b>	<b>456</b>	<b>151</b>	<b>170</b>	<b>135</b>	<b>71.5</b>	<b>1.0</b>
31 Dec 2007	512	185	185	141	66.6	1.1
31 Mar 2007	869	332	297	240	62.2	2.1
<b>Malaysia</b>						
<b>31 Mar 2008</b>	<b>519</b>	<b>316</b>	<b>120</b>	<b>84</b>	<b>62.7</b>	<b>4.0</b>
31 Dec 2007	548	335	114	98	63.0	4.3
31 Mar 2007	658	377	169	112	58.6	5.8
<b>Others</b>						
<b>31 Mar 2008</b>	<b>349</b>	<b>115</b>	<b>168</b>	<b>67</b>	<b>44.4</b>	<b>1.6</b>
31 Dec 2007	294	71	151	72	47.4	1.3
31 Mar 2007	239	73	100	66	46.9	2.0
<b>Group</b>						
<b>31 Mar 2008</b>	<b>1,325</b>	<b>581</b>	<b>458</b>	<b>286</b>	<b>60.9</b>	<b>1.6</b>
31 Dec 2007	1,354	592	450	312	60.9	1.7
31 Mar 2007	1,766	782	566	418	58.8	2.7

Notes:

1. Comprises non-bank loans, debt securities and contingent facilities.
2. Include CDOs of S\$83 million and S\$86 million as at 31 March 2008 and 31 December 2007 respectively.
3. Exclude debt securities.

The Group's asset quality continued to improve in 1Q08. As at 31 March 2008, total NPLs were S\$1.32 billion, lower by 25% from 31 March 2007 and 2% from 31 December 2007. Singapore NPLs amounted to S\$0.46 billion, while Malaysia NPLs were S\$0.52 billion. These accounted for 34% and 39% of total NPLs respectively. Of the total NPLs, 44% were in the substandard category while 61% were secured by collateral.

The Group's NPL ratio was 1.6% in March 2008, an improvement over 2.7% in March 2007 and 1.7% in December 2007.

**NON-PERFORMING LOANS** *(continued)*

	31 Mar 2008		31 Dec 2007		31 Mar 2007	
	S\$ million	% of loans	S\$ million	% of loans	S\$ million	% of loan
<b>NPLs by Industry</b>						
Loans and advances						
Agriculture, mining and quarrying	9	0.8	12	1.0	14	1.3
Manufacturing	241	3.8	271	4.3	343	6.2
Building and construction	176	1.1	187	1.4	239	2.4
Housing loans	290	1.5	301	1.6	387	2.1
General commerce	136	2.0	146	2.1	281	4.9
Transport, storage and communication	21	0.5	22	0.6	21	0.8
Financial institutions, investment and holding companies	128	1.2	68	0.6	134	1.3
Professionals and individuals	163	2.3	170	2.3	244	3.4
Others	47	1.3	61	1.7	76	2.3
Sub-total	1,212	1.6	1,238	1.7	1,738	2.7
Debt securities	112		116		28	
	1,325		1,354		1,766	

	31 Mar 2008		31 Dec 2007		31 Mar 2007	
	S\$ million	%	S\$ million	%	S\$ million	%
<b>NPLs by Period Overdue</b>						
Over 180 days	653	49	696	51	1,012	57
Over 90 to 180 days	207	16	190	14	218	12
30 to 90 days	107	8	137	10	173	10
Less than 30 days	156	12	191	14	38	2
Not overdue	201	15	140	10	325	18
	1,325	100	1,354	100	1,766	100

	31 Mar 2008		31 Dec 2007		31 Mar 2007	
	Loan	Allowance	Loan	Allowance	Loan	Allowance
<b>Restructured Loans</b>						
Substandard	70	4	95	5	208	45
Doubtful	98	103	59	69	144	118
Loss	24	9	32	14	30	32
	192	115	186	88	382	195



## CUMULATIVE ALLOWANCES FOR LOANS

S\$ million	Total cumulative allowances	Specific allowances <sup>1/</sup>	Portfolio allowances	Specific allowances as % of total NPLs	Cumulative allowances as % of total NPLs
<b>Singapore</b>					
<b>31 Mar 2008</b>	<b>680</b>	<b>162</b>	<b>518</b>	<b>35.4</b>	<b>149.0</b>
31 Dec 2007	740	203	537	39.5	144.4
31 Mar 2007	959	353	606	40.6	110.4
<b>Malaysia</b>					
<b>31 Mar 2008</b>	<b>435</b>	<b>238</b>	<b>197</b>	<b>45.8</b>	<b>83.8</b>
31 Dec 2007	422	232	190	42.3	77.1
31 Mar 2007	475	304	171	46.2	72.1
<b>Others</b>					
<b>31 Mar 2008</b>	<b>412</b>	<b>170</b>	<b>242</b>	<b>48.7</b>	<b>118.0</b>
31 Dec 2007	410	177	233	60.4	139.5
31 Mar 2007	360	175	185	73.2	150.7
<b>Group</b>					
<b>31 Mar 2008</b>	<b>1,527</b>	<b>569</b>	<b>958</b>	<b>43.0</b>	<b>115.3</b>
31 Dec 2007	1,571	612	960	45.2	116.1
31 Mar 2007	1,794	832	962	47.1	101.6

Note:

1. Included allowances of S\$80 million and S\$82 million for classified CDOs as at 31 March 2008 and 31 December 2007 respectively.

As at 31 March 2008, the Group's total cumulative allowances for loans were S\$1.53 billion, comprising S\$0.57 billion in specific allowances, and S\$0.96 billion in portfolio allowances. The cumulative specific allowances included S\$80 million in allowances for classified CDOs. Total cumulative allowances were 115.3% of total NPLs at 31 March 2008, compared with the coverage of 101.6% at 31 March 2007 and 116.1% at 31 December 2007.

## DEPOSITS

S\$ million	31 Mar 2008	31 Dec 2007	31 Mar 2007
Deposits of non-bank customers	<b>92,867</b>	88,788	77,989
Deposits and balances of banks	<b>14,085</b>	14,726	11,459
	<b>106,952</b>	103,514	89,448
Loans to deposits ratio (net non-bank loans / non-bank deposits)	<b>79.7%</b>	80.3%	78.9%

S\$ million	31 Mar 2008	31 Dec 2007	31 Mar 2007
<b>Total Deposits By Maturity</b>			
Within 1 year	<b>103,972</b>	99,784	85,390
1 to 3 years	<b>2,102</b>	2,766	2,275
Over 3 years	<b>877</b>	965	1,783
	<b>106,952</b>	103,514	89,448
<b>Non-Bank Deposits By Product</b>			
Fixed deposits	<b>60,471</b>	58,765	51,803
Savings deposits	<b>14,064</b>	12,999	11,656
Current account	<b>13,303</b>	12,538	9,873
Others	<b>5,029</b>	4,486	4,657
	<b>92,867</b>	88,788	77,989
<b>Non-Bank Deposits By Currency</b>			
Singapore Dollar	<b>55,722</b>	52,873	46,678
United States Dollar	<b>10,796</b>	11,473	9,232
Malaysian Ringgit	<b>14,121</b>	13,633	13,043
Indonesian Rupiah	<b>2,650</b>	2,903	3,063
Others	<b>9,578</b>	7,906	5,973
	<b>92,867</b>	88,788	77,989

As at 31 March 2008, total deposits were S\$107.0 billion, an increase of 20% year-on-year. Non-bank customer deposits grew by 19% to S\$92.9 billion, with increases of 17% in fixed deposits, 21% in savings deposits, and 35% in current account deposits. Deposits and balances of banks grew by 23% to S\$14.1 billion. Compared with 31 December 2007, total deposits grew by 3% while customer deposits increased 5%.

The Group's loans to deposits ratio was 79.7% at 31 March 2008, compared with 80.3% in December 2007, and 78.9% in March 2007.

## CAPITAL ADEQUACY RATIOS

S\$ million	Basel II	Basel I	
	31 Mar 2008	31 Dec 2007	31 Mar 2007
<b>Tier 1 Capital</b>			
Share capital and preference shares	5,554	5,520	5,481
Disclosed reserves / others	9,927	9,366	8,801
Goodwill / others <sup>1/</sup>	(3,951)	(3,455)	(3,544)
	<b>11,530</b>	11,431	10,738
<b>Tier 2 Capital</b>			
Subordinated term notes	2,824	2,651	3,208
Others <sup>1/</sup>	(2,189)	960	937
	<b>12,165</b>	15,041	14,882
<b>Total Capital</b>			
Less: <sup>1/</sup>			
Capital investments in insurance subsidiaries	–	(2,506)	(2,104)
Others	–	(124)	(121)
	<b>12,165</b>	12,411	12,658
<b>Total Eligible Capital</b>			
	<b>12,165</b>	12,411	12,658
<b>Risk weighted assets <sup>2/</sup></b>	<b>89,645</b>	99,381	81,878
<b>Tier 1 capital adequacy ratio</b>	<b>12.8%</b>	11.5%	13.1%
<b>Total capital adequacy ratio</b>	<b>13.5%</b>	12.4%	15.4%

Notes:

1. In accordance with the revised MAS Notice 637, for 31 March 2008, capital investments in insurance subsidiaries and other items were deducted against Tier 1 and Tier 2 Capital under the Basel II framework. Under Basel I, these items were deducted against Total Capital. Goodwill continues to be deducted against Tier 1 Capital.
2. Risk weighted assets include operational risk weighted assets with effect from January 2008.

The Group received regulatory approval in Singapore to implement Basel II with effect from 1 January 2008. The Group has adopted the Advanced Internal Rating-Based approach to calculate the credit risk weighted assets for major retail portfolios, and the Foundation Internal Rating-Based approach for major non-retail portfolios. For market and operational risks, the Group has adopted the standardised approach.

Based on the revised MAS Notice 637 effective January 2008, the Group's total capital adequacy ratio ("CAR") under the Basel II framework was 13.5% and Tier 1 CAR was 12.8% as at 31 March 2008. Compared with the ratios of 12.4% and 11.5% at December 2007 respectively, the higher Total and Tier 1 CAR in March 2008 were mainly a result of lower credit risk weighted assets ("RWA"), partially offset by the inclusion of operational RWA under Basel II. Against March 2007, capital ratios were lower mainly due to growth in RWA, including operational RWA, and the annual amortisation of the Bank's subordinated debt issued in 2001. These were partially offset by the inclusion of RM400 million (approximately S\$173 million) of subordinated bonds raised by OCBC Malaysia in November 2007, which received approval to be included as the Group's Lower Tier 2 capital during 1Q08.

The Group's Tier 2 capital as at 31 March 2008 excludes the RM1 billion (approximately S\$430 million) subordinated bonds raised by the Bank in March 2008, as these bonds qualified as Lower Tier 2 capital in April 2008.

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## VALUATION SURPLUS

S\$ million	31 Mar 2008	31 Dec 2007	31 Mar 2007
Properties <sup>1/</sup>	2,536	2,513	1,638
Equity securities <sup>2/</sup>	2,530	2,654	4,029
Total	5,066	5,167	5,668

Notes:

1. Includes properties classified as investment properties and assets held for sale. Property values are determined mainly based on external valuations at year-end, with internal reviews performed for other quarters.
2. Comprises investments in quoted associates and subsidiaries, which are valued based on their market prices at the end of each quarter.

The Group's unrealised valuation surplus was S\$5.07 billion as at 31 March 2008, 2% lower than 31 December 2007. The valuation surplus of S\$2.53 billion on equity securities was primarily from the Group's holding of GEH shares.

## PERFORMANCE BY BUSINESS SEGMENT

OCBC Group's businesses are presented in the following customer and product segments: Consumer Banking, Business Banking, Treasury and Insurance.

### Core Operating Profit by Business Segment

S\$ million	1Q08	1Q07	+/(-) %	4Q07	+/(-) %
Consumer Banking	184	141	30	136	35
Business Banking	250	184	36	180	39
Treasury	122	91	34	57	113
Insurance <sup>1/</sup>	23	152	(85)	182	(87)
Others <sup>2/</sup>	6	83	(93)	12	(49)
<b>Core operating profit after allowances and amortisation <sup>1/2/</sup></b>	<b>585</b>	<b>650</b>	<b>(10)</b>	<b>568</b>	<b>3</b>

Notes:

1. Pre-tax divestment gain of S\$40 million for 1Q08 is not included.
2. Pre-tax divestment gains of S\$128 million and S\$92 million for 1Q08 and 1Q07 respectively are not included.

### Consumer Banking

Consumer Banking comprises the full range of products and services offered to individuals, including deposit products (checking accounts, savings and fixed deposits), consumer loans (housing loans and other personal loans), credit cards and wealth management products (unit trusts, bancassurance products and structured deposits).

For 1Q08, operating profit of the consumer segment increased 30% to S\$184 million. The broad-based revenue growth in net interest income and fee income, coupled with lower loan allowances, more than offset the growth in expenses.

Compared with 4Q07, profit grew by 35% with higher income and lower expenses, partly offset by higher loan allowances.

### Business Banking

Business Banking provides comprehensive financial services to business customers, ranging from large corporates and the public sector to small and medium enterprises. The products and services offered include long-term loans such as project financing, short-term credit such as overdrafts and trade financing, deposit accounts and fee-based services such as cash management, trustee and custodian services.

Business Banking's operating profit grew by 36% year-on-year to S\$250 million in 1Q08. The improved performance was driven by increase in net interest income due to strong loans and deposits growth, higher fee income and net write-back of loan allowances, partly offset by higher expenses.

Against 4Q07, profit was up 39%, attributable to higher revenue, lower expenses and a net write-back of loan allowances, compared to a net charge in 4Q07.

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## **PERFORMANCE BY BUSINESS SEGMENT** *(continued)*

### **Treasury**

Treasury engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and also offers structured treasury products and financial solutions to meet customers' investment and hedging needs.

Treasury's operating profit rose 34% year-on-year to S\$122 million in 1Q08. The strong profit growth was driven by significantly higher net interest income and foreign exchange gains, partly offset by higher expenses and losses from dealing in securities and derivatives.

Quarter-on-quarter, profit grew 113% arising from increase in net interest income, higher foreign exchange gains and lower expenses, partly offset by higher trading losses.

### **Insurance**

The Group's insurance business, including its fund management activities, is carried out by 86.9%-owned subsidiary Great Eastern Holdings ("GEH"), which provides both life and general insurance products to its customers mainly in Singapore and Malaysia.

For 1Q08, operating profit from GEH fell by 85% to S\$23 million, due mainly to lower insurance income and gains from investment securities. Compared to 4Q07, operating profit saw a decline of 87%.

After minority interests and tax, GEH's contribution to Group net profit was S\$29 million in 1Q08, a decline of 75% from S\$117 million and S\$116 million in 1Q07 and 4Q07 respectively. The contribution in 1Q08 included S\$28 million for the Bank's share of GEH's gains from the divestment of its Straits Trading shares.

### **Others**

The "Others" segment comprises Bank NISP, corporate finance, capital markets, property holding, stock brokerage and investment holding, support units, other investments and items not attributed to business segments.

**PERFORMANCE BY BUSINESS SEGMENT** *(continued)*

S\$ million	Consumer Banking	Business Banking	Treasury	Insurance	Others	Group
<b>1Q08</b>						
<b>Total core income</b>	<b>330</b>	<b>340</b>	<b>163</b>	<b>67</b>	<b>115</b>	<b>1,015</b>
Operating profit before allowances and amortisation	192	230	122	38	7	589
Amortisation of intangible assets (Allowances and impairment) / write-back for loans and other assets	–	–	–	(12)	–	(12)
<b>Operating profit after allowances and amortisation</b>	<b>(8)</b>	<b>20</b>	<b>–</b>	<b>(3)</b>	<b>(1)</b>	<b>8</b>
<b>Other information:</b>						
Capital expenditure	2	2	–	9	40	53
Depreciation	2	1	–	–	23	26
<b>1Q07</b>						
<b>Total core income <sup>1/</sup></b>	<b>265</b>	<b>267</b>	<b>117</b>	<b>192</b>	<b>173</b>	<b>1,014</b>
Operating profit before allowances and amortisation <sup>1/</sup>	153	178	91	163	77	662
Amortisation of intangible assets (Allowances and impairment) / write-back for loans and other assets	–	–	–	(12)	–	(12)
<b>Operating profit after allowances and amortisation</b>	<b>(12)</b>	<b>6</b>	<b>–</b>	<b>–</b>	<b>6</b>	<b>(#)</b>
<b>Other information:</b>						
Capital expenditure	1	2	–	33	27	63
Depreciation	–	1	–	–	23	24
<b>4Q07</b>						
<b>Total core income</b>	<b>306</b>	<b>315</b>	<b>104</b>	<b>238</b>	<b>114</b>	<b>1,077</b>
Operating profit before allowances and amortisation	138	189	57	198	11	593
Amortisation of intangible assets (Allowances and impairment) / write-back for loans and other assets	–	–	–	(12)	–	(12)
<b>Operating profit after allowances and amortisation</b>	<b>(2)</b>	<b>(8)</b>	<b>–</b>	<b>(4)</b>	<b>1</b>	<b>(13)</b>
<b>Other information:</b>						
Capital expenditure	5	2	–	15	47	69
Depreciation	2	1	–	–	22	25

**Notes:**

1. Pre-tax divestment gains of S\$167 million and S\$92 million for 1Q08 and 1Q07 are not included.
2. “#” represents amounts less than S\$0.5 million.

**PERFORMANCE BY BUSINESS SEGMENT** *(continued)*

S\$ million	Consumer Banking	Business Banking	Treasury	Insurance	Others	Group
<b>At 31 March 2008</b>						
Segment assets	26,348	54,558	37,434	47,594	19,665	185,599
Unallocated assets						60
Elimination						(5,662)
<b>Total assets</b>						<b>179,997</b>
Segment liabilities	39,381	46,880	23,337	41,972	15,565	167,135
Unallocated liabilities						1,681
Elimination						(5,662)
<b>Total liabilities</b>						<b>163,154</b>
<b>Other information:</b>						
Gross non-bank loans	24,778	46,627	248	318	3,422	75,393
NPLs (include debt securities)	370	795	-	8	152	1,325
<b>At 31 December 2007</b>						
Segment assets	25,917	51,190	37,050	47,727	17,310	179,194
Unallocated assets						87
Elimination						(4,674)
<b>Total assets</b>						<b>174,607</b>
Segment liabilities	38,858	43,258	24,666	41,911	11,938	160,631
Unallocated liabilities						1,811
Elimination						(4,674)
<b>Total liabilities</b>						<b>157,768</b>
<b>Other information:</b>						
Gross non-bank loans	24,303	44,118	382	252	3,720	72,775
NPLs (include debt securities)	387	802	-	8	157	1,354
<b>At 31 March 2007</b>						
Segment assets	24,681	41,153	31,782	45,139	17,617	160,372
Unallocated assets						77
Elimination						(3,328)
<b>Total assets</b>						<b>157,121</b>
Segment liabilities	36,273	37,704	17,536	39,647	12,334	143,494
Unallocated liabilities						1,663
Elimination						(3,328)
<b>Total liabilities</b>						<b>141,829</b>
<b>Other information:</b>						
Gross non-bank loans	23,070	35,935	200	399	3,717	63,321
NPLs (include debt securities)	512	1,174	-	-	80	1,766



## PERFORMANCE BY GEOGRAPHICAL SEGMENT

	1Q08		1Q07		4Q07	
	S\$ million	%	S\$ million	%	S\$ million	%
<b>Total core income</b>						
Singapore <sup>1/</sup>	628	62	652	64	650	60
Malaysia	250	25	224	22	294	27
Other ASEAN	70	7	95	9	73	7
Asia Pacific	58	6	34	3	50	5
Rest of the World	9	1	9	1	10	1
	<b>1,015</b>	<b>100</b>	<b>1,014</b>	<b>100</b>	<b>1,077</b>	<b>100</b>
<b>Profit before income tax</b>						
Singapore <sup>1/</sup>	379	65	417	63	348	61
Malaysia	161	27	164	25	196	35
Other ASEAN	12	2	47	7	10	2
Asia Pacific	32	6	21	3	13	2
Rest of the World	2	–	16	2	(#)	–
	<b>586</b>	<b>100</b>	<b>666</b>	<b>100</b>	<b>567</b>	<b>100</b>

Notes:

1. Pre-tax divestment gains of S\$167 million for 1Q08 and S\$92 million for 1Q07 are not included in total core income and profit before income tax.
2. “#” represents amounts less than S\$0.5 million.

	31 Mar 2008		31 Dec 2007		31 Mar 2007	
	S\$ million	%	S\$ million	%	S\$ million	%
<b>Total assets</b>						
Singapore	119,200	66	117,833	67	108,237	69
Malaysia	37,847	21	36,309	21	33,193	21
Other ASEAN	5,422	3	5,940	4	5,834	4
Asia Pacific	13,495	7	10,951	6	7,105	5
Rest of the World	4,032	2	3,574	2	2,752	2
	<b>179,997</b>	<b>100</b>	<b>174,607</b>	<b>100</b>	<b>157,121</b>	<b>100</b>

The geographical segment analysis is based on the location where the assets or transactions are booked. For 1Q08, Singapore accounted for 62% of total income and 65% of pre-tax profit, while Malaysia accounted for 25% of total income and 27% of pre-tax profit.

## CONSOLIDATED INCOME STATEMENT (UNAUDITED)

S\$ million	1Q08	1Q07	+ / (-)	4Q07	+ / (-)
			%		%
Interest income	1,331	1,264	5	1,378	(3)
Interest expense	(692)	(756)	(8)	(765)	(9)
<b>Net interest income</b>	<b>638</b>	<b>508</b>	<b>26</b>	<b>613</b>	<b>4</b>
Premium income	1,558	1,221	28	1,788	(13)
Investment income	232	760	(70)	590	(61)
Net claims, surrenders and annuities	(1,019)	(1,120)	(9)	(1,546)	(34)
Change in life assurance fund contract liabilities <sup>1/</sup>	(566)	(567)	–	(366)	55
Commission and others <sup>1/</sup>	(198)	(195)	2	(287)	(31)
Profit from life assurance	7	99	(93)	180	(96)
Premium income from general insurance	17	16	9	17	–
Fees and commissions (net)	212	178	19	202	5
Dividends	18	16	10	9	99
Rental income	15	17	(12)	14	6
Other income	274	273	1	41	571
<b>Non-interest income</b>	<b>544</b>	<b>598</b>	<b>(9)</b>	<b>464</b>	<b>17</b>
<b>Total income</b>	<b>1,182</b>	<b>1,106</b>	<b>7</b>	<b>1,077</b>	<b>10</b>
Staff costs	(249)	(200)	24	(267)	(7)
Other operating expenses	(177)	(152)	16	(217)	(19)
<b>Total operating expenses</b>	<b>(426)</b>	<b>(352)</b>	<b>21</b>	<b>(485)</b>	<b>(12)</b>
<b>Operating profit before allowances and amortisation</b>	<b>756</b>	<b>754</b>	<b>–</b>	<b>593</b>	<b>28</b>
Amortisation of intangible assets	(12)	(12)	–	(12)	–
Write-back / (allowances and impairment) for loans and other assets	8	(#)	n.m.	(13)	(159)
<b>Operating profit after allowances and amortisation</b>	<b>752</b>	<b>742</b>	<b>1</b>	<b>568</b>	<b>32</b>
Share of results of associates and joint ventures	2	16	(90)	(1)	233
<b>Profit before income tax</b>	<b>753</b>	<b>758</b>	<b>(1)</b>	<b>567</b>	<b>33</b>
Income tax expense <sup>2/</sup>	(111)	(76)	46	(118)	(5)
<b>Profit for the period</b>	<b>642</b>	<b>682</b>	<b>(6)</b>	<b>449</b>	<b>43</b>
<b>Attributable to:</b>					
Equity holders of the Bank	622	647	(4)	428	45
Minority interests	20	35	(42)	21	(2)
	642	682	(6)	449	43
<b>Earnings per share (for the period – cents) <sup>3/</sup></b>					
Basic	20.1	21.0		13.2	
Diluted	20.1	20.9		13.2	

Notes:

1. 1Q07 comparatives have been restated for the effect of the new tax basis on par fund policy liabilities, amounting to S\$7 million.
2. 1Q08, 1Q07 and 4Q07 tax expense are net of tax refunds of S\$6 million, S\$47 million and S\$4 million respectively. The refunds relate to Singapore and Malaysia tax, as well as the finalisation of tax treatment for certain loan allowances previously made by Keppel Capital Holdings Group, which was acquired by OCBC Bank in 2001.
3. "Earnings per share" was computed including divestment gains and tax refunds.
4. "n.m." denotes not meaningful.
4. "#" represents amounts less than S\$0.5 million.

## BALANCE SHEETS (UNAUDITED)

S\$ million	GROUP			BANK		
	31 Mar 2008	31 Dec 2007 <sup>@</sup>	31 Mar 2007	31 Mar 2008	31 Dec 2007 <sup>@</sup>	31 Mar 2007
<b>EQUITY</b>						
<b>Attributable to equity holders of the Bank</b>						
Share capital	5,554	5,520	5,481	5,554	5,520	5,481
Capital reserves	37	56	104	96	94	86
Statutory reserves	1,588	1,676	2,049	1,274	1,359	1,719
Fair value reserves	1,124	1,726	805	345	430	498
Revenue reserves	7,386	6,699	5,743	4,908	3,710	2,962
	<b>15,689</b>	15,678	14,182	<b>12,177</b>	11,113	10,746
<b>Minority interests</b>	<b>1,154</b>	1,161	1,110	–	–	–
<b>Total equity</b>	<b>16,842</b>	16,839	15,292	<b>12,177</b>	11,113	10,746
<b>LIABILITIES</b>						
Deposits of non-bank customers	92,867	88,788	77,989	73,688	70,415	60,919
Deposits and balances of banks	14,085	14,726	11,459	12,438	13,024	10,535
Due to subsidiaries	–	–	–	1,165	1,189	1,182
Due to associates	65	60	65	51	47	3
Trading portfolio liabilities	142	172	1,154	142	172	1,154
Derivative payables	4,063	2,697	1,978	3,924	2,590	1,919
Other liabilities	3,456	3,313	2,980	932	1,065	1,091
Current tax	726	649	641	370	320	332
Deferred tax <sup>1/</sup>	955	1,163	1,022	89	123	127
Debts issued <sup>2/</sup>	5,549	4,970	5,145	5,600	5,032	5,375
	<b>121,908</b>	116,537	102,433	<b>98,399</b>	93,977	82,637
Life assurance fund liabilities <sup>1/</sup>	41,247	41,232	39,396	–	–	–
<b>Total liabilities</b>	<b>163,154</b>	157,768	141,829	<b>98,399</b>	93,977	82,637
<b>Total equity and liabilities</b>	<b>179,997</b>	174,607	157,121	<b>110,576</b>	105,089	93,383
<b>ASSETS</b>						
Cash and placements with central banks	11,203	8,396	5,766	7,299	5,493	3,196
Singapore government treasury bills and securities	8,408	8,762	7,395	7,845	8,209	7,037
Other government treasury bills and securities	3,633	3,446	2,306	1,110	572	208
Placements with and loans to banks	15,936	15,105	17,617	13,126	13,211	16,158
Loans and bills receivable	73,977	71,316	61,550	57,223	54,490	48,108
Debt and equity securities	11,880	13,625	9,518	7,856	8,800	7,003
Assets pledged	801	889	2,712	801	889	856
Assets held for sale	1	1	1	#	#	#
Derivative receivables	4,121	2,937	2,087	3,945	2,818	2,028
Other assets	3,082	2,982	2,973	1,061	1,313	1,094
Deferred tax	27	45	42	1	1	2
Associates and joint ventures	250	243	290	96	96	97
Subsidiaries	–	–	–	7,509	6,510	5,020
Property, plant and equipment	1,621	1,612	1,578	348	327	296
Investment property	665	667	602	489	493	414
Goodwill and intangible assets	3,427	3,444	3,502	1,867	1,867	1,867
	<b>139,032</b>	133,471	117,940	<b>110,576</b>	105,089	93,383
Life assurance fund investment assets	40,964	41,137	39,181	–	–	–
<b>Total assets</b>	<b>179,997</b>	174,607	157,121	<b>110,576</b>	105,089	93,383
<b>Net Asset Value Per Ordinary Share (before valuation surplus – in S\$)</b>						
	<b>4.79</b>	4.79	4.32	<b>3.65</b>	3.31	3.20
<b>OFF-BALANCE SHEET ITEMS</b>						
Contingent liabilities	9,475	8,861	7,691	7,344	7,137	5,780
Commitments	45,799	45,051	41,903	36,214	36,280	34,502
Derivative financial instruments	363,924	339,925	277,844	338,808	319,969	260,729

### Notes:

- 31 Mar 2007 comparatives have been restated for the effect of the new tax basis on par fund policy liabilities, amounting to S\$472 million.
- Comprises Group's debts issued of S\$672 million (31 Dec 2007: S\$652 million; 31 Mar 2007: S\$1,112 million) repayable in one year or less and S\$4,877 million (31 Dec 2007: S\$4,318 million; 31 Mar 2007: S\$4,034 million) repayable after one year. The Bank's debts issued of S\$672 million (31 Dec 2007: S\$575 million; 31 Mar 2007: S\$1,112 million) are repayable in one year or less and S\$4,928 million (31 Dec 2007: S\$4,457 million; 31 Mar 2007: S\$4,263 million) repayable after one year. Debts issued at the respective period ends are unsecured.
- "#" represents amounts less than S\$0.5 million.
- "@" represents audited.

## STATEMENT OF CHANGES IN EQUITY – GROUP (UNAUDITED)

For the three months ended 31 March 2008

S\$ million	Attributable to equity holders of the Bank					Total	Minority interests	Total equity
	Share capital	Capital reserves	Statutory reserves	Fair value reserves	Revenue reserves			
<b>Balance at 1 January 2008</b>	<b>5,520</b>	<b>56</b>	<b>1,676</b>	<b>1,726</b>	<b>6,699</b>	<b>15,678</b>	<b>1,161</b>	<b>16,839</b>
Movements in fair value reserves:								
Losses taken to equity	–	–	–	(420)	–	(420)	(11)	(430)
Transferred to income statement on sale	–	–	–	(225)	–	(225)	(5)	(231)
Tax on net movements	–	–	–	43	–	43	3	46
Currency translation	–	–	–	–	(24)	(24)	(3)	(27)
Net loss recognised in equity	–	–	–	(602)	(24)	(626)	(16)	(642)
Profit for the period	–	–	–	–	622	622	20	642
<b>Total recognised gains / (losses) for the financial period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(602)</b>	<b>598</b>	<b>(4)</b>	<b>4</b>	<b>(#)</b>
Transfers	–	–	(88)	–	88	–	–	–
Dividends paid to minority interests	–	–	–	–	–	–	(12)	(12)
DSP reserve from dividends on unvested DSP shares	–	–	–	–	1	1	–	1
Share-based staff costs capitalised	–	2	–	–	–	2	–	2
Shares vested under DSP Scheme	–	8	–	–	–	8	–	8
Treasury shares transferred to DSP Trust	29	(29)	–	–	–	–	–	–
Treasury shares transferred to employees	5	–	–	–	–	5	–	5
<b>Balance at 31 March 2008</b>	<b>5,554</b>	<b>37</b>	<b>1,588</b>	<b>1,124</b>	<b>7,386</b>	<b>15,689</b>	<b>1,154</b>	<b>16,842</b>
Included:								
Share of reserves of associates and joint ventures	–	3	–	#	30	33	(#)	32
<b>Balance at 1 January 2007</b>	<b>5,481</b>	<b>103</b>	<b>2,028</b>	<b>668</b>	<b>5,125</b>	<b>13,404</b>	<b>1,087</b>	<b>14,491</b>
Movements in fair value reserves:								
Gains taken to equity	–	–	–	228	–	228	8	236
Transferred to income statement on sale	–	–	–	(97)	–	(97)	(7)	(104)
Tax on net movements	–	–	–	6	–	6	1	7
Currency translation	–	–	–	–	(5)	(5)	(2)	(7)
Net gain / (loss) recognised in equity	–	–	–	137	(5)	132	(#)	132
Profit for the period	–	–	–	–	647	647	35	682
<b>Total recognised gains for the financial period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>137</b>	<b>642</b>	<b>779</b>	<b>35</b>	<b>813</b>
Transfers	–	1	21	–	(23)	–	–	–
Dividends paid to minority interests	–	–	–	–	–	–	(12)	(12)
Share-based staff costs capitalised	–	3	–	–	–	3	–	3
Share buyback – held in treasury	(27)	–	–	–	–	(27)	–	(27)
Shares purchased by DSP Trust	–	(9)	–	–	–	(9)	–	(9)
Shares vested under DSP Scheme	–	5	–	–	–	5	–	5
Treasury shares transferred to employees	27	–	–	–	–	27	–	27
<b>Balance at 31 March 2007</b>	<b>5,481</b>	<b>104</b>	<b>2,049</b>	<b>805</b>	<b>5,743</b>	<b>14,182</b>	<b>1,110</b>	<b>15,292</b>
Included:								
Share of reserves of associates and joint ventures	–	3	–	#	30	33	#	33

Note:

1. “#” represents amounts less than S\$0.5 million.

## STATEMENT OF CHANGES IN EQUITY – BANK (UNAUDITED)

For the three months ended 31 March 2008

S\$ million	Share capital	Capital reserves	Statutory reserves	Fair value reserves	Revenue reserves	Total equity
<b>Balance at 1 January 2008</b>	<b>5,520</b>	<b>94</b>	<b>1,359</b>	<b>430</b>	<b>3,710</b>	<b>11,113</b>
Movements in fair value reserves:						
Losses taken to equity	–	–	–	(16)	–	(16)
Transferred to income statement on sale	–	–	–	(91)	–	(91)
Tax on net movements	–	–	–	22	–	22
Currency translation	–	–	–	–	(17)	(17)
Net loss recognised in equity	–	–	–	(85)	(17)	(103)
Profit for the period	–	–	–	–	1,130	1,130
<b>Total recognised gains / (losses) for the financial period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>(85)</b>	<b>1,112</b>	<b>1,027</b>
Transfers	–	–	(85)	–	85	–
DSP reserve from dividends on unvested DSP shares	–	–	–	–	1	1
Share-based staff costs capitalised	–	2	–	–	–	2
Treasury shares transferred to DSP Trust	29	–	–	–	–	29
Treasury shares transferred to employees	5	–	–	–	–	5
<b>Balance at 31 March 2008</b>	<b>5,554</b>	<b>96</b>	<b>1,274</b>	<b>345</b>	<b>4,908</b>	<b>12,177</b>
<b>Balance at 1 January 2007</b>	<b>5,481</b>	<b>83</b>	<b>1,698</b>	<b>405</b>	<b>2,562</b>	<b>10,229</b>
Movements in fair value reserves:						
Gains taken to equity	–	–	–	124	–	124
Transferred to income statement on sale	–	–	–	(35)	–	(35)
Tax on net movements	–	–	–	5	–	5
Currency translation	–	–	–	–	9	9
Net gain recognised in equity	–	–	–	93	9	102
Profit for the period	–	–	–	–	412	412
<b>Total recognised gains for the financial period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>93</b>	<b>420</b>	<b>514</b>
Transfers	–	–	21	–	(21)	–
Share-based staff costs capitalised	–	3	–	–	–	3
Share buyback – held in treasury	(27)	–	–	–	–	(27)
Treasury shares transferred to employees	27	–	–	–	–	27
<b>Balance at 31 March 2007</b>	<b>5,481</b>	<b>86</b>	<b>1,719</b>	<b>498</b>	<b>2,962</b>	<b>10,746</b>

Note:

1. “#” represents amounts less than S\$0.5 million.

## CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

For the three months ended 31 March 2008

S\$ million	2008	2007
<b>Cash flows from operating activities</b>		
Profit before income tax	753	758
Adjustments for non-cash items		
Amortisation of intangible assets	12	12
(Write-back) / allowances and impairment for loans and other assets	(8)	#
Change in fair value for hedging transactions and trading securities	23	#
Depreciation of property, plant and equipment and investment property	26	24
Net gain on disposal of government, debt and equity securities	(231)	(104)
Net gain on disposal of property, plant and equipment and investment property	(#)	(95)
Share-based staff costs	2	3
Share of results of associates and joint ventures	(2)	(16)
Items relating to life assurance fund		
Excess of inflow over outflow before income tax	(24)	152
Surplus transferred from life assurance fund but not yet withdrawn	(7)	(99)
Operating profit before change in operating assets and liabilities	545	636
Change in operating assets and liabilities		
Deposits of non-bank customers	4,082	2,819
Deposits and balances of banks	(641)	(410)
Derivative payables and other liabilities	1,527	253
Trading portfolio liabilities	(30)	732
Government securities and treasury bills	461	1
Trading securities	245	(459)
Placements with and loans to banks	(968)	55
Loans and bills receivable	(2,650)	(2,235)
Derivative receivables and other assets	(1,166)	(94)
Net change in investment assets and liabilities of life assurance fund	101	12
Cash from operating activities	1,508	1,309
Income tax paid	(57)	(10)
<b>Net cash from operating activities</b>	<b>1,451</b>	<b>1,299</b>
<b>Cash flows from investing activities</b>		
Dividends from associates	#	27
(Increase) / decrease in associates and joint ventures	(7)	9
Purchases of debt and equity securities	(884)	(2,467)
Purchases of property, plant and equipment and investment property	(53)	(63)
Proceeds from disposal of debt and equity securities	1,790	1,176
Proceeds from disposal of property, plant and equipment and investment property	10	21
<b>Net cash from / (used in) investing activities</b>	<b>857</b>	<b>(1,296)</b>
<b>Cash flows from financing activities</b>		
Dividends paid to minority interests	(12)	(12)
Increase in debts issued	524	32
Proceeds from exercise of options and rights under the Bank's employee share schemes	5	27
Share buyback	-	(27)
<b>Net cash from financing activities</b>	<b>517</b>	<b>20</b>
<b>Net currency translation adjustments</b>	<b>(19)</b>	<b>2</b>
<b>Net change in cash and cash equivalents</b>	<b>2,807</b>	<b>25</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>8,396</b>	<b>5,741</b>
<b>Cash and cash equivalents at end of period</b>	<b>11,203</b>	<b>5,766</b>

Note:

1. "#" represents amounts less than S\$0.5 million.

## SHARE CAPITAL AND OPTIONS ON SHARES IN THE BANK

The following table shows the movements in the issued ordinary shares of the Bank:

Number of Shares	Three months ended 31 Mar	
	2008	2007
<b>Issued ordinary shares</b>		
Balance at beginning and end of period	<b>3,126,512,712</b>	3,126,459,912
<b>Treasury shares</b>		
Balance at beginning of period	<b>(40,291,633)</b>	(51,668,796)
Share buyback	–	(3,230,987)
Shares transferred to employees pursuant to OCBC Share Option Schemes	<b>942,592</b>	5,578,976
Transferred to employees pursuant to OCBC Employee Share Purchase Plan	<b>116,438</b>	–
Shares transferred to employees pursuant to OCBC Deferred Share Plan	<b>3,888,838</b>	–
Balance at end of period	<b>(35,343,765)</b>	(49,320,807)
<b>Total</b>	<b>3,091,168,947</b>	3,077,139,105

From 1 January 2008 to 31 March 2008 (both dates inclusive), the Bank delivered 942,592 shares by way of transfer of treasury shares, upon the exercise of options by employees of the Group pursuant to OCBC Share Option Schemes 1994 and 2001. As at 31 March 2008, there were 42,392,726 ordinary shares (31 March 2007: 48,765,159) that may be issued upon the exercise of options.

From 1 January 2008 to 31 March 2008 (both dates inclusive), the Bank transferred 116,438 ordinary shares by way of transfer of treasury shares upon the exercise of acquisition rights by employees of the Group pursuant to OCBC Employee Share Purchase Plan (“ESPP”). As at 31 March 2008, the number of un-issued ordinary shares outstanding under the Second Offering of OCBC ESPP was 5,315,379 (31 March 2007: 7,447,626).

From 1 January 2008 to 31 March 2008 (both dates inclusive), the Bank transferred 3,888,838 treasury shares to the Trust administering OCBC Deferred Share Plan (“DSP”) following the Bank’s award of deferred shares to employees of the Group.

There was no share buyback in the first quarter ended 31 March 2008. No new preference shares were allotted and issued by the Bank in the first quarter ended 31 March 2008.

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## **OTHER MATTERS / SUBSEQUENT EVENTS**

1. On 3 April 2008, the Bank accepted the cash offer of ALF Global Pte Ltd for, and divested its remaining 6.05% shareholding in Robinson and Company, Limited (“Robinson”). Following the divestment, the Bank ceased to be a shareholder of Robinson.
2. On 9 April 2008, the Bank announced that the takeover offer for PacificMas Berhad (“PacMas”) by its wholly-owned subsidiary, OCBC Capital (Malaysia) Sdn Bhd (“OCM”), had closed on 8 April 2008. As of the close of the offer, OCM’s shareholding amounted to 114,686,956 PacMas shares, or 67.07% of the issued and paid-up capital of PacMas, an increase from the 28.14% shareholding before the offer. The cost of acquiring the additional stake was approximately RM286 million (S\$124 million), including the amount spent on market purchases.



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**CONFIRMATION BY THE BOARD  
PURSUANT TO RULE 705(4) OF THE SGX-ST LISTING MANUAL**

We, Cheong Choong Kong and David Philbrick Conner, being directors of Oversea-Chinese Banking Corporation Limited ("the Bank"), do hereby confirm on behalf of the Board of Directors of the Bank, that to the best of our knowledge, nothing has come to our attention which may render the unaudited financial results of the Bank and of the Group for the quarter ended 31 March 2008 to be false or misleading.

On behalf of the Board of Directors



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Cheong Choong Kong  
Chairman



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David Philbrick Conner  
Chief Executive Officer/Director

7 May 2008

## TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE

Applications are invited for the subscription of the Preference Shares at the Issue Price subject to the following terms and conditions:

1. **YOUR APPLICATION MUST BE MADE IN LOTS OF 100 PREFERENCE SHARES OR HIGHER INTEGRAL MULTIPLES THEREOF. APPLICATIONS FOR ANY OTHER NUMBER OF PREFERENCE SHARES WILL BE REJECTED. AN APPLICATION FOR PREFERENCE SHARES UNDER THE OFFERING IS SUBJECT TO A MINIMUM OF 200 PREFERENCE SHARES.**
2. Applications for the Preference Shares under the Placement (the “**Placement Preference Shares**”) may only be made by way of Placement Preference Shares Application Forms (the “**Application Forms**”) (or in such other manner as OCBC Bank may in its absolute discretion deem appropriate). Your application for the Preference Shares under the ATM Offer (the “**ATM Preference Shares**”) may only be made through the ATMs of the Participating Banks (the “**Electronic Applications**”) (or in such other manner as OCBC Bank may in its absolute discretion deem appropriate).
3. You may apply for the Placement Preference Shares by way of the Application Forms from **12.00 noon on 2 June 2008 to 12.00 noon on 15 July 2008**. You may apply for the ATM Preference Shares via the ATMs of the Participating Banks from **9.00 a.m. on 16 July 2008 to 12.00 noon on 28 July 2008**. OCBC Bank may, and with the approval of the SGX-ST, change the time(s) and/or date(s) stated above at their discretion, subject to all applicable laws and regulations.
4. You may use up to 35.0% of your CPF Investible Savings (the “**CPF Funds**”) to apply for the ATM Preference Shares. Approval has been obtained from the Central Provident Fund Board (the “**CPF Board**”) for the use of such CPF Funds pursuant to the Central Provident Fund (Investment Schemes) Regulations, as may be amended from time to time, for the purchase of the ATM Preference Shares. You may also use up to 35.0% of your CPF Funds to fund the purchase of the Preference Shares in the secondary market.
5. If you are using CPF Funds to apply for the ATM Preference Shares, you must have a CPF Investment Account maintained with the relevant CPF approved bank (which includes the Participating Banks). You do not need to instruct the CPF Board to transfer CPF Funds from your CPF Ordinary Account to your CPF Investment Account.

The use of CPF Funds to apply for the ATM Preference Shares is further subject to the terms and conditions set out in the section “Terms and Conditions for Use of CPF Funds” on pages G-14 to G-15 of this Offer Information Statement.

6. **Only one application may be made for the benefit of one person for the ATM Preference Shares in his own name. Multiple applications for the ATM Preference Shares will be rejected, except in the case of applications by approved nominee companies where each application is made on behalf of a different beneficiary.**

**A person, other than an approved nominee company, who submits an application for the ATM Preference Shares in his own name should not submit any other applications for the ATM Preference Shares for any other person. Such separate applications will be deemed to be multiple applications and shall be rejected.**

**Joint or multiple applications for the ATM Preference Shares shall be rejected. Persons submitting or procuring submissions of multiple applications for the ATM Preference Shares may be deemed to have committed an offence under the Penal Code, Chapter 224 of Singapore and the SFA, and such applications may be referred to the relevant authorities for investigation.**

**Multiple applications may be made in the case of applications by any person for (i) Placement Preference Shares offered under the Placement or (ii) Placement Preference Shares offered under the Placement together with a single application for the ATM Preference Shares under the ATM Offer.**

7. We will not accept applications from any person under the age of 21 years, undischarged bankrupts, sole-proprietorships, partnerships, non-corporate bodies, joint Securities Account holders of CDP and applicants whose addresses (furnished in their Application Forms or, in the case of Electronic Applications, contained in the records of the relevant Participating Banks, as the case may be) bear post office box numbers. No person acting or purporting to act on behalf of a deceased person is allowed to apply under the Securities Account with CDP in the deceased's name at the time of application.
8. We will not recognise the existence of a trust. Any application by a trustee or trustees must be made in his/their own name(s) and without qualification. Applications made by way of an Application Form in the name(s) of an approved nominee company or approved nominee companies must comply with paragraph 9 below.
9. **WE WILL ONLY ACCEPT NOMINEE APPLICATIONS FROM APPROVED NOMINEE COMPANIES.** Approved nominee companies are defined as banks, merchant banks, finance companies, insurance companies, licensed securities dealers in Singapore and nominee companies controlled by them. Applications made by nominees other than approved nominee companies shall be rejected.
10. **IF YOU ARE NOT AN APPROVED NOMINEE COMPANY, YOU MUST MAINTAIN A SECURITIES ACCOUNT WITH CDP IN YOUR OWN NAME AT THE TIME OF YOUR APPLICATION.** If you do not have an existing Securities Account with CDP in your own name at the time of your application, your application will be rejected (if your application is by way of an Application Form), or you will not be able to complete your Electronic Application (if your application is by way of an Electronic Application). If you have an existing Securities Account with CDP but fail to provide your Securities Account number or provide an incorrect Securities Account number in section B of the Application Form or in your Electronic Application, as the case may be, your application is liable to be rejected. Subject to paragraph 11 below, your application shall be rejected if your particulars such as name, NRIC/passport number, nationality, permanent residence status and CDP Securities Account number provided in your Application Form or, in the case of an Electronic Application, contained in the records of the relevant Participating Bank, as the case may be, differ from those particulars in your Securities Account as maintained with CDP. If you possess more than one individual direct Securities Account with CDP, your application shall be rejected.
11. If your address stated in the Application Form or, in the case of an Electronic Application, in the records of the relevant Participating Bank, as the case may be, is different from the address registered with CDP, you must inform CDP of your updated address promptly, failing which the notification letter on successful allotment and other correspondence from the CDP will be sent to your address last registered with CDP.
12. We reserve the right to reject any applications for Preference Shares where we believe or have reason to believe that such applications may violate the securities laws of any jurisdiction.
13. No person in any jurisdiction outside Singapore receiving this Offer Information Statement or the Application Forms may treat the same as an offer or invitation to subscribe for any Preference Shares unless such an offer or invitation could lawfully be made without compliance with any regulatory or legal requirements in those jurisdictions.
14. This Offer Information Statement and its accompanying Application Form has not been registered in any jurisdiction other than in Singapore. The distribution of this Offer Information Statement and its Application Form may be prohibited or restricted (either absolutely or unless various securities requirements, whether legal or administrative, are complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions. Without limiting the generality of the foregoing, neither this Offer Information Statement (including its Application Form) nor any copy thereof may

be published or distributed, directly or indirectly, in whole or in part, in or into the United States and they do not constitute an offer of securities for sale into the United States or any jurisdiction in which such offer is not authorised or to any person to whom it is unlawful to make such an offer. The Preference Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or the securities laws of any state of the United States and may not be offered, sold or delivered in the United States or to, or for the account or benefit of, any U.S. person, except in certain transactions exempt from the registration requirements of the Securities Act. The Preference Shares are being offered and sold in offshore transactions (as defined in Regulation S under the Securities Act (“**Regulation S**”)) outside the United States in reliance on Regulation S. There will be no public offer of the Preference Shares in the United States. Any failure to comply with this restriction may constitute a violation of United States securities laws.

15. We reserve the right to reject any application which does not conform strictly to the instructions set out in the Application Forms and this Offer Information Statement or which does not comply with the instructions for Electronic Applications or with the terms and conditions of this Offer Information Statement or, in the case of an application by way of an Application Form, which is illegible, incomplete, incorrectly completed or which is accompanied by an improperly drawn or improper form of remittance. We further reserve the right to treat as valid any applications not completed or submitted or effected in all respects in accordance with the instructions set out in this Offer Information Statement (including the instructions set out in the Application Forms and the Electronic Applications) or with the terms and conditions of this Offer Information Statement, and also to present for payment or other processes all remittances or instructions at any time after receipt and to have full access to all information relating to, or deriving from, such remittances or instructions or the processing thereof.
16. We reserve the right to reject or accept any application in whole or in part, or to scale down or ballot any application, without assigning any reason therefor, and no enquiry and/or correspondence on our decision will be entertained. This right applies to applications made by way of Application Forms and by way of Electronic Applications, and by such other forms of application as we deem appropriate.
17. The Preference Shares may be re-allocated between the Placement and the ATM Offer at our sole discretion. To the extent that the Preference Shares offered under the Placement are not fully subscribed for, we may, at our sole discretion, apply such unsubscribed Preference Shares to satisfy any excess demand for Preference Shares under the ATM Offer, to the extent there is such excess demand. To the extent that the Preference Shares offered under the ATM Offer are not fully subscribed for, we may, at our sole discretion apply such unsubscribed Preference Shares to satisfy any excess demand for Preference Shares under the Placement, to the extent there is such excess demand.
18. Share certificates will be registered in the name of CDP or its nominee and will be forwarded only to CDP. It is expected that CDP will send to you, at your own risk, within 15 Market Days after the close of the Offering, a statement of account stating that your Securities Account has been credited with the number of Preference Shares allotted to you. This will be the only acknowledgement of application moneys received and is not an acknowledgement by us. You irrevocably authorise CDP to complete and sign on your behalf as transferee or renounee any instrument of transfer and/or other documents required for the issue or transfer of the Preference Shares allotted to you. This authorisation applies to applications made by way of Application Forms and by way of Electronic Applications.

You consent to the disclosure of your name, NRIC/passport number, address, nationality, permanent resident status, Securities Account number, CPF Investment Account number (if applicable) and share application amount from your account with the relevant Participating Bank to the Share Registrar and Share Transfer Office, SCCS, SGX-ST, CDP, OCBC Bank, the Co-Managers and the Placement Agent.

19. By completing and delivering an Application Form and, in the case of an Electronic Application, by pressing the “Enter” or “OK” or “Confirm” or “Yes” key or any other relevant key on the ATM in accordance with the provisions herein, you:
  - (a) irrevocably agree and undertake to subscribe for the number of Preference Shares specified in your application (or such smaller number for which the application is accepted) at the Issue Price for each Preference Share and agree that you will accept such number of Preference Shares as may be allotted to you, in each case on the terms of, and subject to the conditions set out in, this Offer Information Statement, its accompanying Application Form and the Memorandum and Articles of Association of OCBC Bank;
  - (b) agree that where new circumstances arise, or changes in the affairs of OCBC Bank or the Group occur after the date of this Offer Information Statement but prior to the issue of the Preference Shares, and are material, or are required to be disclosed by law and/or the SGX-ST, and OCBC Bank makes an announcement of the same to the SGX-ST, your application for the Preference Shares which was received by OCBC Bank prior to the release of such announcement will remain valid and irrevocable notwithstanding the release of such announcement. If a supplementary or replacement document is lodged, such supplementary or replacement document will set out the additional terms and conditions relating to applications for the Preference Shares and applications received by OCBC Bank prior to the lodgement of such supplementary or replacement document will be subject to such terms and conditions;
  - (c) agree that in the event of any inconsistency between the terms and conditions for application set out in this Offer Information Statement, its accompanying Application Form and those set out in the ATMs of the Participating Banks, the terms and conditions set out in this Offer Information Statement and its accompanying Application Form shall prevail;
  - (d) in the case of an application by way of an Electronic Application, agree that the aggregate Issue Price for the Preference Shares applied for is due and payable to us upon application;
  - (e) in the case of an application by way of an Application Form or such other forms of application as we may deem appropriate, agree that the aggregate Issue Price for the Preference Shares applied for is due and payable to us upon application, unless otherwise agreed by us, provided that the aggregate Issue Price for the Preference Shares applied for is due and payable latest by the Closing Date;
  - (f) warrant the truth and accuracy of the information contained, and representations and declarations made, in your application, and acknowledge and agree that such information, representations and declarations will be relied on by us in determining whether to accept your application and/or whether to allot any Preference Shares to you;
  - (g) agree and warrant that, if the laws of any jurisdictions outside Singapore are applicable to your application, you have complied with all such laws and we will not infringe any such laws as a result of the acceptance of your application; and
  - (h) represent and agree that you are not a U.S. Person (as such term is defined in Regulation S).
20. You irrevocably authorise CDP to disclose the outcome of your application, including the number of Preference Shares allotted to you pursuant to your application, to OCBC Bank, the Co-Managers, the Placement Agent and/or any other parties so authorised by CDP, OCBC Bank, the Co-Managers and/or the Placement Agent.
21. No application will be held in reserve.
22. No Preference Shares shall be allotted on the basis of this Offer Information Statement later than six months after the date of lodgement of this Offer Information Statement.

23. Additional terms and conditions for applications by way of Application Forms are set out in the section “Additional Terms and Conditions for Applications using Printed Application Forms” on pages G-5 to G-8 of this Offer Information Statement.
24. Additional terms and conditions for applications by way of Electronic Applications are set out in the section “Additional Terms and Conditions for Electronic Applications” on pages G-8 to G-14 of this Offer Information Statement.
25. Terms and conditions governing the use of CPF Funds are set out in the section “Terms and Conditions for Use of CPF Funds” on pages G-14 to G-15 of this Offer Information Statement.
26. Any reference to “you” or the “applicant” in this section shall include an individual, a corporation, an approved nominee company and trustee applying for the Preference Shares by way of an Electronic Application or Application Form (or in such other manner as OCBC Bank may in its absolute discretion deem appropriate).

#### **ADDITIONAL TERMS AND CONDITIONS FOR APPLICATIONS USING PRINTED APPLICATION FORMS**

You shall make an application by way of an Application Form on and subject to the terms and conditions of this Offer Information Statement including but not limited to the terms and conditions appearing below as well as those set out under the section “TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE” on pages G-1 to G-5 of this Offer Information Statement, as well as the Memorandum and Articles of Association of OCBC Bank.

1. Application for Placement Preference Shares must be made using the Application Form accompanying and forming part of this Offer Information Statement (or in such other manner as OCBC Bank may in its absolute discretion deem appropriate).

Attention is drawn to the detailed instructions contained in the Application Form and this Offer Information Statement for the completion of the Application Form which must be carefully followed. **We reserve the right to reject applications which do not conform strictly to the instructions set out in the Application Forms and this Offer Information Statement or to the terms and conditions of this Offer Information Statement or which are illegible, incomplete, incorrectly completed or which are accompanied by improperly drawn or improper forms of remittances.**

2. Your Application Forms must be completed in English. Please type or write clearly in ink using **BLOCK LETTERS**.
3. All spaces in the Application Forms except those under the heading “**FOR OFFICIAL USE ONLY**” must be completed and the words “**NOT APPLICABLE**” or “**N.A.**” should be written in any space that is not applicable.
4. Individuals, corporations, approved nominee companies and trustees must give their names in full. If you are an individual, you must make your application using your full name as it appears in your identity card (if you have such an identification document) or in your passport and, in the case of a corporation, in your full name as registered with a competent authority. If you are not an individual and you are completing the Application Form under the hand of an official, you must state the name and capacity in which that official signs the Application Form. If you are a corporation completing the Application Form, you are required to affix your Common Seal (if any) in accordance with your memorandum and articles of association or equivalent constitutive documents. If you are a corporate applicant and your application is successful, a copy of your Memorandum and Articles of Association or equivalent constitutional documents must be lodged with our Share Registrar and Share Transfer Office. We reserve the right to require you to produce documentary proof of identification for verification purposes.

5.
  - (a) You must complete Sections A and B and sign page 1 of the Application Form.
  - (b) You are required to delete either paragraph 8(a) or 8(b) on page 1 of the Application Form. Where paragraph 8(a) is deleted, you must also complete Section C of the Application Form with particulars of the beneficial owner(s).
  - (c) If you fail to make the required declaration in paragraph 8(a) or 8(b), as the case may be, on page 1 of the Application Form, your application is liable to be rejected.
  
6. You (whether an individual or corporate applicant, whether incorporated or unincorporated and wherever incorporated or constituted) will be required to declare whether you are a citizen or a permanent resident of Singapore or corporation in which citizens or permanent residents of Singapore or any body corporate constituted under any statute of Singapore have an interest in the aggregate of more than 50% of the issued share capital of or interests in such corporation. If you are an approved nominee company, you are required to declare whether the beneficial owner of the Preference Shares is a citizen or permanent resident of Singapore or a corporation (whether incorporated or unincorporated and wherever incorporated or constituted) in which citizens or permanent residents of Singapore or any body corporate (whether incorporated or unincorporated and wherever incorporated or constituted under any statute of Singapore) have an interest in the aggregate of more than 50% of the issued share capital of or interests in such corporation.
  
7. Each Application Form must be accompanied by a remittance in Singapore currency for the full amount payable at the Issue Price of \$100 for each Preference Share in respect of the number of Preference Shares applied for. The remittance must be in the form of:
  - (a) **IRREVOCABLE INSTRUCTIONS (in the form agreed by OCBC Bank) to remit, on the Closing Date**, the full amount payable in respect of the number of Preference Shares applied for **from a time deposit account** (which you may open with OCBC Bank in connection with the subscription for the Preference Shares) to the **“OCBC PREFERENCE SHARE ISSUE ACCOUNT”**; or
  - (b) **INSTRUCTIONS (in the form agreed by OCBC Bank) to remit, on the date of the application**, the full amount payable in respect of the number of Preference Shares applied for **from a bank account maintained with OCBC Bank** (other than a time deposit account mentioned in (a) above) to the **“OCBC PREFERENCE SHARE ISSUE ACCOUNT”**; or
  - (c) a **CHEQUE, CASHIER’S ORDER or BANKER’S DRAFT** drawn in Singapore dollars on a bank in Singapore, made out in favour of **“OCBC PREFERENCE SHARE ISSUE ACCOUNT”** crossed **“A/C PAYEE ONLY”** with the name, NRIC/passport number, Securities Account number, contact number and address of the applicant written clearly on the reverse side,

or such other method of payment agreed by OCBC Bank, but in any event, application moneys for the Preference Shares under the Placement must be paid in full latest by the Closing Date, whereupon the proceeds of the Placement (after deducting any commission and expenses as may be payable under the Placement Agreement to the Placement Agent) shall be paid to the **“OCBC PREFERENCE SHARE ISSUE ACCOUNT”**.

Applications not accompanied by any payment or instructions for payment or by any other form of payment will not be accepted, unless otherwise agreed by us. No combined cheque, cashiers’ order or bankers’ draft for different Securities Accounts shall be accepted. Remittances bearing **“NOT TRANSFERABLE”** or **“NON-TRANSFERABLE”** crossings will be rejected. No acknowledgement of receipt will be issued for applications and application moneys received.

8. The completed and signed Application Form and your remittance in accordance with the terms and conditions of this Offer Information Statement for the full amount payable in respect of the number of Preference Shares applied for must be delivered before **12.00 noon on 15 July 2008** (or such other time and date as we may decide) as follows:
- (a) **in the case of** Application Forms which are accompanied by the **irrevocable instructions described in paragraph 7(a) above or the instructions described in paragraph 7(b) above, IN PERSON at your own risk TO A BRANCH OF OCBC BANK IN SINGAPORE.** Details of the location of our branches are set out on our website <http://www.ocbc.com>; and
  - (b) **in the case of** Placement Preference Shares Application Forms which are accompanied by **a cheque, cashier's order or banker's draft described in paragraph 7(c) above,** enclosed and sealed in (1) the printed official envelope provided (and write your name, address, and state the number of Preference Shares applied for in the appropriate spaces on the printed official envelope) or (2) an envelope provided by you (and write your name and address clearly on the reverse of the envelope, and write "**OCBC Preference Shares**" clearly on the top left hand corner of the envelope), **BY HAND at your own risk TO A BRANCH OF OCBC BANK IN SINGAPORE OR BY MAIL TO OCBC BANK AT 63 CHULIA STREET, #03-03 OCBC CENTRE EAST, SINGAPORE 049514.**

Only one application should be enclosed in each envelope. You must affix adequate Singapore postage (if despatching by ordinary post). **Local Urgent Mail or Registered Post must NOT be used.** Applications for the Preference Shares under the Placement may also be submitted in such other manner as agreed with OCBC Bank.

9. Moneys paid in respect of unsuccessful applications are expected to be returned to you by ordinary post or such other method as OCBC Bank may decide (without interest or any share of revenue or other benefit arising therefrom) within 14 Market Days of the Closing Date at your own risk. Where your application is rejected or accepted in part only, the full amount or the balance of the application moneys, as the case may be, will be refunded (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post or such other method as OCBC Bank may decide at your own risk within 14 Market Days of the Closing Date provided that the remittance accompanying such application which has been presented for payment or other processes, has been honoured and the application moneys have been received in the designated share issue account. If the Offering does not proceed for any reason, the application moneys received will be returned (without interest or any share of revenue or other benefit arising therefrom) to you by ordinary post or such other method as OCBC Bank may decide at your own risk within 14 Market Days after the Offering is discontinued.
10. Capitalised terms used in the Application Forms and defined in this Offer Information Statement shall bear the meanings assigned to them in this Offer Information Statement.
11. By completing and delivering an Application Form, you agree that:
- (a) In consideration of us having distributed the Application Form to you and agreeing to close the Offering at 12.00 noon on 28 July 2008 or such other time or date as we may decide and by completing and delivering the Application Form:
    - (i) your application is irrevocable and where new circumstances arise, or changes in the affairs of OCBC Bank or the Group occur after the date of this Offer Information Statement but prior to the issue of the Preference Shares, and are material, or are required to be disclosed by law and/or the SGX-ST, and OCBC Bank makes an announcement of the same to the SGX-ST, your application for the Preference Shares which was received by OCBC Bank prior to the release of such announcement will remain valid and irrevocable notwithstanding the release of such announcement. If a supplementary or replacement document is lodged, such supplementary or replacement document will set out the additional terms and conditions relating to applications for the Preference Shares and applications received by OCBC Bank prior to the lodgement of such supplementary or replacement document will be subject to such terms and conditions; and



- (ii) your remittance will be honoured on first presentation and any application moneys returnable may be held pending clearance of your payment without interest or any share of revenue or other benefit arising therefrom;
  - (b) all applications, acceptances and contracts resulting therefrom under the Offering shall be governed by and construed in accordance with the laws of Singapore and you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts;
  - (c) you will not be entitled to exercise any remedy of rescission for misrepresentation at any time after acceptance of your application;
  - (d) in making your application, reliance is placed solely on the information contained in this Offer Information Statement and neither we, the Co-Managers, the Placement Agent nor any other person involved in the Offering shall have any liability for any information not so contained;
  - (e) you irrevocably agree and undertake to subscribe for the number of Preference Shares applied for as stated in the Application Form or such smaller number of Preference Shares that may be allotted to you in respect of your application. In the event that we decide to allot any smaller number of such Preference Shares or not to allocate any Preference Shares to you, you agree to accept such decision as final;
  - (f) you irrevocably authorise CDP to complete and sign on your behalf as transferee or renounee any instrument of transfer and/or other documents required for the issue or transfer of the Preference Shares that may be allotted to you; and
  - (g) represent and agree that you are not a U.S. Person (as such term is defined in Regulation S).
12. No acknowledgement of receipt will be issued for any application or remittance received.
13. Applications that are illegible, incomplete or incorrectly completed or accompanied by improperly drawn remittances or improper form of remittance or remittance not honoured upon their first presentation are liable to be rejected.

#### **ADDITIONAL TERMS AND CONDITIONS FOR ELECTRONIC APPLICATIONS**

The procedures for Electronic Applications at ATMs of the Participating Banks are set out on the ATM screens of the relevant Participating Banks. For illustration purposes, the procedures for Electronic Applications at ATMs of OCBC Bank (the “**Steps**”) are set out in the section “Steps for Electronic Applications” appearing on pages G-13 and G-14 of this Offer Information Statement. Please read carefully the terms of this Offer Information Statement, the Steps and the terms and conditions for Electronic Applications set out below before making an Electronic Application. Any reference to “you” or the “applicant” in this section “Additional Terms and Conditions for Electronic Applications” and the Steps shall refer to you making an application for Preference Shares through an ATM of a Participating Bank.

The Steps set out the actions that you must take at ATMs of OCBC Bank to complete an Electronic Application. The actions that you must take at ATMs of other Participating Banks are set out on the ATM screens of the relevant Participating Banks.

You must have an existing bank account with and be an ATM cardholder of one of the Participating Banks before you can make an Electronic Application at the ATMs of that Participating Bank. An ATM card issued by one Participating Bank cannot be used to apply for Preference Shares at an ATM belonging to another Participating Bank. Upon the completion of your Electronic Application transaction, you will receive an ATM transaction slip (“**Transaction Record**”), confirming the details of your Electronic Application. The Transaction Record is for retention by you.

**You must ensure that you enter your own Securities Account number when using the ATM card issued to you in your own name. If you fail to use an ATM card issued in your own name or do not key in your own Securities Account number, your application will be rejected. If you operate a joint bank account with any of the Participating Banks, you must ensure that you enter your own Securities Account number when using the ATM card issued to you in your own name. Using your own Securities Account number with an ATM card which is not issued to you in your own name will render your Electronic Application liable to be rejected.**

Your Electronic Application shall be made on the terms and subject to the conditions of this Offer Information Statement including but not limited to the terms and conditions appearing below and those set out under the section "TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE" on pages G-1 to G-5 of this Offer Information Statement as well as the Memorandum and Articles of Association of OCBC Bank.

1. In connection with your Electronic Application for ATM Preference Shares, you are required to confirm statements to the following effect in the course of activating your Electronic Application:
  - (a) **that you have received a copy of this Offer Information Statement and have read, understood and agreed to all the terms and conditions of application for Preference Shares in this Offer Information Statement prior to effecting the Electronic Application and agree to be bound by the same;**
  - (b) **that you consent to the disclosure of your name, NRIC/passport number, address, nationality, permanent resident status, Securities Account number, CPF Investment Account number (if applicable) and share application amount (the "Relevant Particulars") from your account with that Participating Bank to the Share Registrar, Share Transfer Office, CDP, CPF (if applicable), SCCS, SGX-ST, us, the Co-Managers and the Placement Agent (the "Relevant Parties"); and**
  - (c) **that the Electronic Application made is your only application for ATM Preference Shares and it is made in your own name and at your own risk.**

Your application will not be successfully completed and cannot be recorded as a completed transaction unless you press the "Enter" or "OK" or "Confirm" or "Yes" key or any other relevant key in the ATM. By doing so, you shall be treated as signifying your confirmation of each of the three statements. In respect of statement 1(b) above, your confirmation, by pressing the "Enter" or "OK" or "Confirm" or "Yes" or any other relevant key, shall signify and shall be treated as your written permission, given in accordance with the relevant laws of Singapore including Section 47(2) of the Banking Act, Chapter 19 of Singapore to the disclosure by that Participating Bank of the Relevant Particulars to the Relevant Parties.

2. **By making an Electronic Application, you confirm that you are not applying for ATM Preference Shares as nominee of any other person and that any Electronic Application that you make is the only application made by you as beneficial owner. You shall make only one Electronic Application for the ATM Preference Shares and shall not make any other application for the ATM Preference Shares.**
3. You must have sufficient funds in your bank account with the Participating Bank at the time you make your Electronic Application, failing which your Electronic Application will not be completed. **Any Electronic Application made at the ATMs of the relevant Participating Banks which does not conform strictly to the instructions set out in this Offer Information Statement or on the screens of the ATMs of the relevant Participating Banks through which the Electronic Application is being made shall be rejected.**
4. You may apply and make payment for your application for the ATM Preference Shares in Singapore currency in the following manner:
  - (a) **Cash only** — You may apply for the ATM Preference Shares through any ATM of the Participating Banks using only cash by authorising the Participating Bank to deduct the full amount payable from your bank account(s) with the Participating Bank.

- (b) **CPF Funds only** —You may apply for the ATM Preference Shares through any ATM of the Participating Banks using only CPF Funds by authorising the Participating Bank to deduct the full amount payable from your CPF Investment Account with the Participating Bank. For additional terms and conditions governing the use of CPF Funds, please refer to pages G-14 to G-15 of this Offer Information Statement.
- (c) **Cash and CPF Funds**— You may apply for the ATM Preference Shares through any ATM of the Participating Banks using a combination of cash and CPF Funds, PROVIDED THAT cash must be used for the first 200 Preference Shares applied for and thereafter the amount of cash or CPF Funds used must be for 100 Preference Shares or higher integral multiples thereof.

An application for Preference Shares under the Offering is subject to a minimum of 200 Preference Shares per applicant. Such applications must comply with the requirements for applications by cash and by CPF Funds as set out in the preceding paragraphs. In the event that such applications are accepted in part only, the cash portion of the application moneys will be used in respect of such applications before the CPF Funds are used. **An applicant applying for only 200 Preference Shares can use either cash or CPF Funds, but not both.**

- 5. You irrevocably agree and undertake to subscribe for and to accept the number of ATM Preference Shares applied for as stated on the Transaction Record or any lesser number of ATM Preference Shares that may be allotted to you in respect of your Electronic Application. In the event that we decide to allot any lesser number of such ATM Preference Shares or not to allot any ATM Preference Shares to you, you agree to accept such decision as final. If your Electronic Application is successful, your confirmation (by your action of pressing the “Enter” or “OK” or “Confirm” or “Yes” key or any other relevant key on the ATM) of the number of ATM Preference Shares applied for shall signify and shall be treated as your acceptance of the number of ATM Preference Shares that may be allotted to you and your agreement to be bound by the Memorandum and Articles of Association of OCBC Bank.
- 6. **We will not keep any applications in reserve.** Where your Electronic Application is unsuccessful, the full amount of the application moneys will be returned in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to you by being automatically credited to your account with your Participating Bank within 24 hours of balloting.

Where your Electronic Application is rejected or accepted in part only, the full amount or the balance of the application moneys, as the case may be, will be returned in Singapore dollars (without interest or any share of revenue or other benefit arising therefrom) to you by being automatically credited to your account with your Participating Bank within 14 Market Days after the Closing Date.

**Responsibility for timely refund of application moneys from unsuccessful or partially unsuccessful Electronic Applications lies solely with the respective Participating Banks. Therefore, you are strongly advised to consult the relevant Participating Bank as to the status of your Electronic Application and/or the refund of any moneys to you from an unsuccessful or partially successful Electronic Application, to determine the exact number of ATM Preference Shares allotted to you, if any, before trading the Preference Shares on the SGX-ST. None of the SGX-ST, the CDP, the SCCS, the Participating Banks, we, the Co-Managers nor the Placement Agent assume any responsibility for any loss that may be incurred as a result of your having to cover any net sell positions or from buy-in procedures activated by the SGX-ST.**

7. If your Electronic Application is made through an ATM of one of the Participating Banks and is unsuccessful, no notification will be sent by the Participating Banks.

If your Electronic Application is made through an ATM of one of the following Participating Banks, you may check the provisional results of your Electronic Application as follows:

Bank	Telephone	Available at	Operating Hours	Service expected from
OCBC Bank	1 800 363 3333	ATM/ Phone banking/ Internet Banking <a href="http://www.ocbc.com">http://www.ocbc.com</a> <sup>(1)</sup>	24 hours a day	Evening of the balloting day
DBS Bank	1 800 339 6666 (POSB account holders)  1 800 111 1111 (DBS account holders)	Internet Banking  <a href="http://www.dbs.com">http://www.dbs.com</a> <sup>(2)</sup>	24 hours a day	Evening of the balloting day
UOB Group	1 800 222 2121	ATM "Other Transactions – IPO Enquiry"  <a href="http://www.uobgroup.com">http://www.uobgroup.com</a> <sup>(3)</sup>	24 hours a day	Evening of the balloting day  Internet Banking

**Notes:**

- (1) If you have made your Electronic Application through the ATMs of OCBC Bank, you may check the results of your application through OCBC ATMs, OCBC Personal Internet Banking or OCBC Phone banking services.
- (2) If you have made your Electronic Application through the ATMs of DBS Bank, you may check the results of your application through DBS Bank ATMs, DBS Internet Banking or DBS Phone banking services.
- (3) If you have made your Electronic Application through the ATMs of the UOB Group, you may check the results of your application through UOB Personal Internet Banking, UOB Group's ATMs or UOB Phone Banking services.
8. Electronic Applications shall close at 12.00 noon on 28 July 2008 or such other time and date as we may decide.
9. You are deemed to have irrevocably requested and authorised us to:
- register the ATM Preference Shares allotted to you in the name of CDP for deposit into your Securities Account;
  - send the relevant Preference Share certificate(s) to CDP;
  - return or refund (without interest or any share of revenue or other benefit arising therefrom) the application moneys in Singapore currency, should your Electronic Application be rejected, by automatically crediting your bank account with your Participating Bank with the relevant amount within 24 hours of balloting; and
  - return or refund (without interest or any share of revenue or other benefit arising therefrom) the balance of the application moneys in Singapore dollar, should your Electronic Application be accepted in part only, by automatically crediting your bank account with your Participating Bank with the relevant amount within 14 Market Days after the Closing Date.
10. You irrevocably agree and acknowledge that your Electronic Application is subject to risks of electrical, electronic, technical and computer-related faults and breakdowns, fires, acts of God and other events beyond the control of the Participating Banks, us and the Placement Agent and if, in any such event, we, the Co-Managers, the Placement Agent and/or the relevant Participating Bank do not record or receive your Electronic Application, or data relating to your Electronic Application

or the tape containing such data is lost, corrupted, destroyed or not otherwise accessible, whether wholly or partially for whatever reason, you shall be deemed not to have made an Electronic Application and you shall have no claim whatsoever against us, the Co-Managers, the Placement Agent and/or the relevant Participating Bank for the ATM Preference Shares applied for or for any compensation, loss or damage.

11. We do not recognise the existence of a trust. Any Electronic Application by a trustee must be made in his own name(s) and without qualification. We will reject any Electronic Application by any person acting as nominee except those made by approved nominee companies only.
12. All particulars in the records of your Participating Bank at the time you make your Electronic Application shall be deemed to be true and correct and your Participating Bank and the Relevant Parties shall be entitled to rely on the accuracy thereof. If there has been any change in your particulars after making your Electronic Application, you shall promptly notify your Participating Bank.
13. **You should ensure that your personal particulars as recorded by both CDP and the relevant Participating Bank are correct and identical, otherwise, your Electronic Application is liable to be rejected.** You should promptly inform CDP of any change in address, failing which the notification letter on successful allotment and other correspondence from the CDP will be sent to your address last registered with CDP.
14. By making and completing an Electronic Application, you are deemed to have agreed that:
  - (a) In consideration of us making available the Electronic Application facility through the ATMs of the Participating Banks and agreeing to close the Offering at 12.00 noon on 28 July 2008 or such other time or date as we may decide, and by making and completing an Electronic Application:
    - (i) your Electronic Application is irrevocable; and
    - (ii) your Electronic Application, our acceptance and the contract resulting therefrom under the Offering shall be governed by and construed in accordance with the laws of Singapore and you irrevocably submit to the non-exclusive jurisdiction of the Singapore courts;
  - (b) neither we, the Co-Managers, the Placement Agent, the Participating Banks nor CDP shall be liable for any delays, failures or inaccuracies in the recording, storage or in the transmission or delivery of data relating to your Electronic Application to us or CDP due to a breakdown or failure of transmission, delivery or communication facilities or any risks referred to in paragraph 10 above or to any cause beyond their respective controls;
  - (c) in respect of ATM Preference Shares for which your Electronic Application has been successfully completed and not rejected, acceptance of your Electronic Application shall be constituted by written notification by or on our behalf and not otherwise, notwithstanding any payment received by or on our behalf;
  - (d) you will not be entitled to exercise any remedy of rescission or misrepresentation at any time after acceptance of your application; and
  - (e) in making your application, reliance is placed solely on the information contained in this Offer Information Statement and that neither us, the Co-Managers, the Placement Agent nor any other person involved in the Offering shall have any liability for any information not so contained.

## Steps for Electronic Applications

Instructions for Electronic Applications will appear on the ATM screens of the Participating Banks. For illustration purposes, the steps for making an Electronic Application through an OCBC Bank ATM are shown below. Certain words appearing on the screen are in abbreviated form (“a/c”, “appln”, “ESA”, “no.” and “&” refer to “account”, “application”, “electronic share application”, “number” and “and” respectively). Instructions for Electronic Applications appearing on the ATM screens of the other Participating Banks may differ from those represented below.

- Step 1 : Insert your personal OCBC ATM card
- 2 : Enter your Personal Identification Number
- 3 : Select “Other Services”
- 4 : Select “Electronic Security Appln”
- 5 : Select “OCBCPREF”
- 6 : For an applicant making an Electronic Application at the ATM for the first time
- (a) For non-Singaporean
- Press the “Yes” key if you are a permanent resident of Singapore, otherwise, press the “No” key.
- (b) Enter your own Securities Account number (12 digits) eg. 168101234567 and press “Yes” key to confirm that the Securities Account number you have entered is correct.
- 7 : Check your particulars appearing on the screen and press the “Correct” key to confirm that your particulars are correct.
- 8 : Press the “Confirm” key to confirm that you have read the following messages:
- **WHERE APPLICABLE, A COPY OF THIS PROSPECTUS/OFFER INFORMATION STATEMENT/DOCUMENT, HAS BEEN LODGED WITH AND REGISTERED BY THE MONETARY AUTHORITY OF SINGAPORE, WHICH ASSUMES NO RESPONSIBILITY FOR ITS CONTENTS**
  - **WHERE APPLICABLE, THE PROSPECTUS/OFFER INFORMATION STATEMENT/DOCUMENT IS AVAILABLE AT VARIOUS PARTICIPATING BANKS**
- 9 : Press the “Confirm” key again to confirm that you have read the following messages:
- **ANYONE WHO INTENDS TO SUBMIT AN APPLICATION FOR THESE SECURITIES SHOULD READ THE PROSPECTUS/OFFER INFORMATION STATEMENT/DOCUMENT BEFORE SUBMITTING HIS/HER APPLICATION IN THE MANNER SET OUT IN THE PROSPECTUS/OFFER INFORMATION STATEMENT/DOCUMENT**
- 10 : Press the “Confirm” key again to confirm that you have read the following messages:
- **YOU HAVE READ, UNDERSTOOD AND AGREED TO ALL TERMS OF APPLICATION SET OUT IN THE PROSPECTUS/OFFER INFORMATION STATEMENT/DOCUMENT**

— **YOU CONSENT TO THE DISCLOSURE OF YOUR NRIC/PASSPORT NO., ADDRESS, NATIONALITY, SECURITIES A/C NO., QTY OF SECURITIES APPLIED FOR AND CPF INVESTMENT A/C NO. TO SHARE REGISTRAR, CDP, CPF, SCCS, ISSUER & VENDORS**

— **THIS APPLICATION IS MADE IN YOUR OWN NAME & AT YOUR OWN RISK**

11 : Select "Other"

12 : Enter the number of Shares you wish to apply for

— **FOR FIXED PRICE ESA, THIS IS THE ONLY APPLICATION SUBMITTED**

— **FIXED PRICE: \$100**

13 : Select the type of payment. For "Cash & CPF" enter the quantity of securities to be paid by cash

14 : Select the type of bank account to debit your application moneys

15 : Check the details of your application appearing on the screen and press the "Confirm" key to confirm your application

16 : For customers with multiple bank accounts, select the bank account from which to debit your application moneys

#### **Terms and Conditions for Use of CPF Funds**

1. If you are using CPF Funds to subscribe for the ATM Preference Shares, you must have a CPF Investment Account maintained with the relevant CPF approved bank at the time of your application. If you are applying for the ATM Preference Shares through an ATM of a Participating Bank, you must have an ATM card with the Participating Bank at the time of your application before you can use the ATMs of the Participating Banks to apply for the ATM Preference Shares. The CPF Investment Account is governed by the Central Provident Fund (Investment Schemes) Regulations, as amended.
2. CPF Funds may only be withdrawn for applications for the ATM Preference Shares in lots of 100 Preference Shares or integral multiples thereof. An application for ATM Preference Shares under the Offering is subject to a minimum of 200 Preference Shares per applicant.
3. Before you apply for the ATM Preference Shares using your CPF Funds, you must first make sure that you have sufficient funds in your CPF Investment Account to pay for the ATM Preference Shares. You need not instruct the CPF Board to transfer your CPF Funds from your CPF Ordinary Account to your CPF Investment Account. If the balance in your CPF Investment Account is insufficient and you have sufficient investible CPF Funds in your CPF Ordinary Account, the relevant CPF approved bank with which you maintain your CPF Investment Account will automatically transfer the balance of the required amount from your CPF Ordinary Account to your CPF Investment Account immediately for you to use these funds to submit your application through the Participating Bank in the case of an application by way of an Electronic Application. The automatic transfer facility is available until the close of the Offering within the operating hours of the facility which are between 12.00 noon and 10.00 p.m. from Mondays to Saturdays, and between 12.00 noon and 5.00 p.m. on Sundays and public holidays.
4. The special CPF securities sub-account of the nominee company of the relevant CPF approved bank (with whom you maintain a CPF Investment Account) maintained with CDP will be credited with the principal amount of the Preference Shares you subscribed for with CPF Funds.

5. Where you are using CPF Funds, you cannot apply for the Preference Shares as nominee for any other person.
6. All instructions or authorisations given by you through an Electronic Application are irrevocable.
7. CPF Investment Accounts may be opened with any branch of the relevant CPF approved bank.
8. All information furnished by the CPF Board, the relevant CPF approved bank and the Participating Bank on your authorisation will be relied on as being true and correct.



## SELLING RESTRICTIONS

No action has been or will be taken in any jurisdiction that would permit a public offering of the Preference Shares or the possession, circulation or distribution of this Offer Information Statement or any other offering or publicity material relating to the Preference Shares in any country or jurisdiction (other than Singapore) where action for the purpose is required. Accordingly, the Preference Shares may not be offered or sold, directly or indirectly, and neither this Offer Information Statement nor any other offering material, circular, form of application or advertisement in connection with the Preference Shares may be distributed or published, in or from any country or jurisdiction except under circumstances that will result in compliance with all applicable laws and regulations of any such country or jurisdiction.

### *China*

Each Placement Agent has represented and agreed that the Preference Shares are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People's Republic of China.

### *Hong Kong*

Each Placement Agent has represented, warranted and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Preference Shares other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Preference Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Preference Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

### *Indonesia*

This Offer Information Statement may not be distributed or passed on within Indonesia or to persons who are citizens of Indonesia (wherever they are domiciled or located) or entities of or residents in Indonesia. The Preference Shares may not be offered or sold, directly or indirectly, within Indonesia or to Indonesian citizens (wherever they are domiciled or located), entities or residents in a manner which constitutes a public offering of the Preference Shares under the Indonesian Capital Market law and regulations.

### *Malaysia*

The Preference Shares may not be offered or sold to any persons in Malaysia unless a prospectus or other offering material or document in connection with the aforesaid offer, invitation or issue has been approved by the Securities Commission of Malaysia pursuant to the Securities Commission Act 1993.

The Preference Shares will not be made available for subscription or purchase to any persons in Malaysia. Accordingly, no prospectus or other offering material or document in connection with the Offer Information Statement or the issue of the Preference Shares has been or will be required to be submitted for approval by the Securities Commission of Malaysia pursuant to the Securities Commission Act 1993.

### *Taiwan*

The Preference Shares may only be sold to investors in Taiwan from outside Taiwan (either directly or through properly licensed intermediaries) and may not be marketed, offered or sold in Taiwan.

### *United States*

The Preference Shares have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Each Placement Agent has agreed that it will not offer or sell the Preference Shares (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Preference Shares during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Preference Shares within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

The Preference Shares are being offered and sold outside of the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of the Preference Shares, an offer or sale of Preference Shares within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

PLEASE PIN REMITTANCE HERE

OVERSEA-CHINESE BANKING CORPORATION LIMITED ("OCBC BANK") PROPOSES TO ISSUE AND OFFER UP TO 10,000,000 CLASS B NON-CUMULATIVE, NON-CONVERTIBLE PREFERENCE SHARES (THE "PREFERENCE SHARES"), FOR SUBSCRIPTION BY INVESTORS AT THE ISSUE PRICE OF S\$100 PER PREFERENCE SHARE (THE "ISSUE PRICE"). **DIVIDENDS ON THE PREFERENCE SHARES SHALL BE PAYABLE SEMI-ANNUALLY IN ARREAR ON 20 JUNE AND 20 DECEMBER IN EACH YEAR AT A FIXED RATE PER ANNUM OF 5.1 PER CENT.**, IN ACCORDANCE WITH THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF OCBC BANK.

YOU SHOULD READ THE TERMS, CONDITIONS AND PROCEDURES FOR APPLICATION AND ACCEPTANCE IN APPENDIX G OF THE OFFER INFORMATION STATEMENT RELATING TO THE PREFERENCE SHARES OF OCBC BANK DATED 2 JUNE 2008 (THE "OFFER INFORMATION STATEMENT") CAREFULLY BEFORE COMPLETING THIS APPLICATION FORM. THIS APPLICATION FORM CONSTITUTES AN INTEGRAL PART OF THE OFFER INFORMATION STATEMENT.

APPLICATION AND PAYMENT FOR THE PREFERENCE SHARES UNDER THE PLACEMENT SHOULD BE RECEIVED BY **12.00 NOON ON 15 JULY 2008**, OR SUCH OTHER TIME OR DATE AS OCBC BANK MAY DECIDE WITH THE APPROVAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED, AND SUBJECT TO ALL APPLICABLE LAWS.

OCBC BANK RESERVES THE RIGHT TO REJECT ANY APPLICATION WHICH DOES NOT CONFORM STRICTLY TO THE INSTRUCTIONS SET OUT IN THE OFFER INFORMATION STATEMENT (INCLUDING APPENDIX G OF THE OFFER INFORMATION STATEMENT AND THIS APPLICATION FORM), OR WHICH IS ILLEGIBLE, INCOMPLETE, INCORRECTLY COMPLETED OR WHICH IS ACCOMPANIED BY AN IMPROPERLY DRAWN UP OR IMPROPER FORM OF PAYMENT.



## OVERSEA-CHINESE BANKING CORPORATION LIMITED

(Incorporated in Singapore on 31 October 1932)  
(Company Registration Number: 193200032W)

**OFFER AND PLACEMENT OF UP TO 10,000,000 CLASS B NON-CUMULATIVE, NON-CONVERTIBLE PREFERENCE SHARES AT A FIXED DIVIDEND RATE OF 5.1% PER ANNUM BY WAY OF:**

- (A) **AN OFFERING OF 9,500,000 PREFERENCE SHARES AT THE ISSUE PRICE OF S\$100 PER PREFERENCE SHARE TO INSTITUTIONAL AND OTHER INVESTORS (THE "PLACEMENT"); AND**
- (B) **AN OFFERING OF 500,000 PREFERENCE SHARES AT THE ISSUE PRICE OF S\$100 PER PREFERENCE SHARE TO THE PUBLIC IN SINGAPORE THROUGH THE ATMS OF THE PARTICIPATING BANKS (THE "ATM OFFER").**

### PLACEMENT PREFERENCE SHARES APPLICATION FORM

TO: OVERSEA-CHINESE BANKING CORPORATION LIMITED ("OCBC BANK")  
63 CHULIA STREET  
#03-03 OCBC CENTRE EAST  
SINGAPORE 049514

1. \*I/we hereby declare that \*I/we have read and understood and agreed to the terms and conditions set out in the Offer Information Statement including the "Terms, Conditions and Procedures for Application and Acceptance" set out in Appendix G of the Offer Information Statement, for the completion and return of this Application Form and that this application has been made in accordance therewith. \*I/we further agree that where new circumstances arise, or changes in the affairs of OCBC Bank or the Group occur after the date of the Offer Information Statement but prior to the issue of the Preference Shares, and are material, or are required to be disclosed by law and/or the SGX-ST, and OCBC Bank makes an announcement of the same to the SGX-ST, my/our application for the Preference Shares which is received by OCBC Bank prior to the release of such announcement will remain valid and irrevocable notwithstanding the release of such announcement. If a supplementary or replacement document is lodged, such supplementary or replacement document will set out the additional terms and conditions relating to applications for the Preference Shares and applications received by OCBC Bank prior to the lodgement of such supplementary or replacement document will be subject to such terms and conditions. Unless otherwise defined, capitalised terms used in this Application Form shall bear the meanings assigned to them in the Offer Information Statement.
2. In accordance with and subject to the terms and conditions of the Offer Information Statement, this Application Form and the Memorandum and Articles of Association of OCBC Bank, \*I/we hereby irrevocably apply for the number of Preference Shares at the Issue Price of S\$100 for each Preference Share as set out on page 2 of this Application Form. \*I/we enclose (unless otherwise agreed by OCBC Bank):
  - \*(a) irrevocable instructions (in the form agreed by OCBC Bank) to remit, on the Closing Date, the amount as set out on page 2 of this Application Form being payment in full for the number of Preference Shares applied for from a time deposit account (which I/we may open with OCBC Bank in connection with the subscription for the Preference Shares) to the "**OCBC PREFERENCE SHARE ISSUE ACCOUNT**"; or
  - \*(b) instructions (in the form agreed by OCBC Bank) to remit, on the date of the application, the amount as set out on page 2 of this Application Form being payment in full for the number of Preference Shares applied for from a bank account maintained with OCBC Bank (other than a time deposit account mentioned in (a) above) to the "**OCBC PREFERENCE SHARE ISSUE ACCOUNT**"; or
  - \*(c) a cheque, cashier's order or banker's draft drawn in Singapore currency on a bank in Singapore and made out in favour of "**OCBC PREFERENCE SHARE ISSUE ACCOUNT**" crossed "**A/C PAYEE ONLY**" with \*my/our name NRIC/passport number, Securities Account number, contact number and address written clearly on the reverse side, for the amount as set out on page 2 of this Application Form being payment in full for the number of Preference Shares applied for.
3. Application Forms which are accompanied by the irrevocable instructions described in paragraph 2(a) above or the instructions described in paragraph 2(b) above must be made **IN PERSON AT \*MY/OUR OWN RISK AT A BRANCH OF OCBC BANK IN SINGAPORE**. Details of the location of our branches are set out on our website <http://www.ocbc.com>. Application Forms which are accompanied by a cheque, cashier's order or banker's draft described in paragraph 2(c) above must be enclosed and sealed in a printed official envelope provided or an envelope provided by \*me/us (with \*my/our name and address written clearly on the reverse and "**OCBC Preference Shares**" written clearly on the top left hand corner of the envelope) and made **BY HAND AT \*MY/OUR OWN RISK AT A BRANCH OF OCBC BANK IN SINGAPORE OR BY MAIL TO OCBC BANK AT 63 CHULIA STREET, #03-03 OCBC CENTRE EAST, SINGAPORE 049514**.
4. \*I/we hereby irrevocably undertake and agree to subscribe for and to accept the number of Preference Shares applied for or any lesser number of Preference Shares that may be allotted to \*me/us in respect of this application. In the event that you decide to allot a lesser number of Preference Shares or not to allot any Preference Shares to \*me/us, \*I/we agree to accept that decision as final. If \*my/our application is successful, \*my/our signature(s) hereto (or, if a corporation, the affixation of our common seal hereto) shall signify \*my/our acceptance(s) of the number of Preference Shares that may be allotted to \*me/us and \*my/our agreement to be bound by the Memorandum and Articles of Association of OCBC Bank.
5. \*I/we hereby request and authorise you (a) to register the Preference Shares allotted to \*me/us in the name of The Central Depository (Pte) Limited ("**CDP**") for deposit in \*my/our Securities Account; (b) to send the relevant Preference Share certificate(s) by ordinary post at \*my/our own risk to CDP; and (c) to return or refund (without interest or any share of revenue or other benefit arising therefrom) the application moneys or the balance thereof should this application be unsuccessful or accepted in part only or should the Offering not proceed for any reason, by ordinary post at \*my/our own risk to \*my/our address as registered with CDP or which appears in Section B of this Application Form or such other method as OCBC Bank may decide. \*I/we hereby agree and acknowledge that \*I/we shall not be entitled to any interest or share of revenue or other benefit arising therefrom in connection with or by reason of the application moneys being deposited with a bank or otherwise.
6. \*I/we declare that \*I am/we are not a U.S. person (within the meaning of Regulation S under the U.S. Securities Act of 1933, as amended) or under 21 years of age or an undischarged bankrupt (for individuals only), sole-proprietorship, partnership, non-corporate body or joint Securities Account holder of CDP.
7. \*I/we hereby acknowledge that (a) \*my/our receipt of this Application Form was accompanied by the Offer Information Statement and (b) the Offer Information Statement and this Application Form were not furnished to \*me/us outside Singapore by OCBC Bank.
8. (a) **\*For Non-nominee Applicants:-**
  - (i) I declare that I am not applying for the Preference Shares as nominee(s) for any other person and that this is the only application for Preference Shares made by me as beneficial owner.
  - (ii) I declare that, save for this application, I have not made any other application for the Preference Shares except as permitted by the Offer Information Statement.(b) **\*For Approved Nominee Applicants:-**
  - (i) We declare that we are an approved nominee company as defined in Appendix G of the Offer Information Statement and are applying for the Preference Shares as a nominee for the beneficial owner(s) whose particulars are set out in Section C of this Application Form, and that save for this application, the beneficial owner(s) \*has/have not made any other applications for the Preference Shares as beneficial owner(s) except as permitted by the Offer Information Statement.
  - (ii) Following the allotment to us of any Preference Shares applied for in this Application Form, we undertake to immediately transfer the Preference Shares allotted to us to the Securities Account(s) of the beneficial owner(s).
9. \*I/we hereby irrevocably authorise CDP to complete and sign on \*my/our behalf as transferee or renounee any instrument of transfer and/or other documents required for the issue and/or transfer of the Preference Shares allotted to \*me/us.
10. \*I/we hereby irrevocably authorise CDP to disclose the outcome of this application, including the number of Preference Shares allotted to \*me/us pursuant to this application, to the approved operators.
11. \*I/we understand that if the address stated on this Application Form is different from \*my/our address registered with CDP \*I/we must inform CDP of the updated address promptly, failing which the notification letter on successful allotment and other correspondence from CDP will be sent to \*my/our address last registered with CDP.
12. \*I/we declare that \*I/we do not possess more than one individual direct Securities Account with CDP.

Date

Signature of Individual Applicant

Common Seal  
(If applicant is a corporation)

Name(s) and Capacity of Official(s) signing  
(If applicant is a corporation)

Signature(s) of Authorised Official(s)  
(If applicant is a corporation)

\*Delete accordingly.



The Directors collectively and individually accept responsibility for the accuracy of the information given in this Offer Information Statement and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Offer Information Statement are fair and accurate in all material respects as at the date of this Offer Information Statement and there are no material facts the omission of which would make any statement in this Offer Information Statement misleading in any material respect. Where information has been extracted or reproduced from published or otherwise publicly available sources, the sole responsibility of the Directors has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Offer Information Statement.

Dated this 2<sup>nd</sup> day of June 2008

**THE DIRECTORS OF OVERSEA-CHINESE BANKING CORPORATION LIMITED**

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Dr Cheong Choong Kong<sup>(1)</sup>

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Mr Chin Yoke Choong<sup>(2)</sup>

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Mr David Philbrick Conner

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Mr Giam Chin Toon<sup>(3)</sup>

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Mr Lee Seng Wee<sup>(4)</sup>

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Dr Lee Tih Shih<sup>(5)</sup>

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Professor Neo Boon Siong<sup>(6)</sup>

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Mr Pramukti Surjaudaja<sup>(7)</sup>

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Dr Tsao Yuan<sup>(8)</sup>

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Mr David Wong<sup>(9)</sup>

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Mr Wong Nang Jang<sup>(10)</sup>

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Mr Patrick Yeoh Khwai Hoh<sup>(11)</sup>

Notes:

- (1) Signed by Mr David Philbrick Conner for and on behalf of Dr Cheong Choong Kong pursuant to a Letter of Authority dated 23 May 2008.
- (2) Signed by Mr David Philbrick Conner for and on behalf of Mr Chin Yoke Choong pursuant to a Letter of Authority dated 22 May 2008.
- (3) Signed by Mr David Philbrick Conner for and on behalf of Mr Giam Chin Toon pursuant to a Letter of Authority dated 23 May 2008.
- (4) Signed by Mr David Philbrick Conner for and on behalf of Mr Lee Seng Wee pursuant to a Letter of Authority dated 23 May 2008.
- (5) Signed by Mr David Philbrick Conner for and on behalf of Dr Lee Tih Shih pursuant to a Letter of Authority dated 23 May 2008.
- (6) Signed by Mr David Philbrick Conner for and on behalf of Professor Neo Boon Siong pursuant to a Letter of Authority dated 22 May 2008.
- (7) Signed by Mr David Philbrick Conner for and on behalf of Mr Pramukti Surjaudaja pursuant to a Letter of Authority dated 22 May 2008.
- (8) Signed by Mr David Philbrick Conner for and on behalf of Dr Tsao Yuan pursuant to a Letter of Authority dated 23 May 2008.
- (9) Signed by Mr David Philbrick Conner for and on behalf of Mr David Wong pursuant to a Letter of Authority dated 26 May 2008.
- (10) Signed by Mr David Philbrick Conner for and on behalf of Mr Wong Nang Jang pursuant to a Letter of Authority dated 23 May 2008.
- (11) Signed by Mr David Philbrick Conner for and on behalf of Mr Patrick Yeoh Khwai Hoh pursuant to a Letter of Authority dated 23 May 2008.

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