Media Release

OCBC Group Reports First Quarter 2008
Net Profit of S$622 million

Core Net Profit of S$460 million

Singapore, 7 May 2008 - Oversea-Chinese Banking Corporation Limited ("OCBC Bank") today reported a net profit attributable to shareholders ("net profit") of 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"), as well as 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, down from 15.9% in 1Q07 but higher than the 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.

Core earnings in 1Q08 exclude a S$156 million gain from divestment of shares in The Straits Trading Company Limited (of which S$28 million relates to the Bank's share of GEH's gains), and a S$6 million tax refund following finalisation of tax treatment for historical loan allowances. Core earnings in 1Q07 exclude a S$90 million divestment gain and S$47 million tax refunds.

Revenue

Net interest income grew by 26% year-on-year, and 4% from the previous quarter, to S$638 million, driven by growth in interest earning assets and improved interest margins. The Group's loans grew by 19% from a year ago, and 4% from December 2007. This was derived from growth in corporate and SME loans in Singapore, Malaysia and other overseas markets, as well as housing loans in Singapore. Net interest margin improved to 2.17%, from 2.04% in 1Q07 and 2.14% in 4Q07, largely due to better margins in Singapore and Indonesia as the cost of funds fell more than asset yields.

Non-interest income, excluding divestment gains, fell 26% to S$377 million, due mainly to a significant fall in profit from life insurance, trading losses from derivatives and securities and lower gains from investment securities. These were partially offset by healthy growth in fee and commission income, and strong foreign exchange income. Fees and commissions increased by 19% to S$212 million, driven by growth in 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 premium income, new business premiums, and new business embedded value recording year-on-year increases of 28%, 51% and 18% respectively.

A net trading loss of S$65 million was recorded for securities and derivatives dealing, compared to a gain of S$3 million in 1Q07. This was mainly due to mark-to-market losses on interest rate derivatives, and to a smaller extent, on bonds and equities. 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 decreased by 19% quarter-on-quarter, largely due to the fall in life assurance profits.

Expenses

Year-on-year, operating expenses increased by 21% to S$426 million. Staff costs rose 24% to S$249 million, mainly due to higher base salaries and increased headcount. Group headcount rose 15%, with approximately 70% of the increase occurring in the Group's overseas markets, including Malaysia, Indonesia and China. Other operating expenses rose 19% to S$99 million, contributed by increased business promotion expenses, 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

In 1Q08, the Group wrote back a net S$8 million in allowances for loans and other assets, mainly attributable to loan recoveries, repayments and upgrades, which more than offset allowances for new non-performing loans ("NPLs"). This compares with a net allowance of S$0.3 million in 1Q07 and 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 the first quarter. The Bank's corporate CDO investment 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.

Asset Quality

The Group's asset quality and coverage ratios remained strong. NPLs fell 2% from S$1.35 billion in December 2007 to S$1.32 billion in March 2008, while the NPL ratio improved from 1.7% to 1.6% over the same period. Total cumulative specific and portfolio allowances were S$1.53 billion, providing coverage of 115% of total NPLs, slightly lower than the coverage of 116% in December 2007.

Capital Position

The Group received regulatory approval in Singapore to implement Basel II with effect from 1 January 2008. Under Basel II, capital adequacy is assessed with a higher risk-sensitivity, and includes the computation of operational risk which was not required under Basel I. Banks are given the option to adopt from a number of approaches for the assessment of risks.

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.

CEO's Comments

Commenting on the Group's performance, CEO David Conner said:

"Our first quarter core earnings showed resilience in spite of volatile global financial markets. We continue to see growth opportunities in our major markets for the remainder of 2008. However, we are on alert given inflationary pressures and the potential for a further deterioration in the global economy."

About OCBC Bank

Singapore's longest established local bank, OCBC Bank currently has assets of S$180 billion and a network of more than 460 branches and representative offices in 15 countries and territories including Singapore, Malaysia, Indonesia, China, Hong Kong SAR, Brunei, Japan, Australia, UK and USA. This network includes more than 350 branches and offices in Indonesia operated by OCBC Bank's subsidiary, PT Bank NISP. OCBC Bank and its banking subsidiaries offer a wide range of specialist financial services, from consumer, corporate, investment, private and transaction banking to treasury and stock-broking services to meet the needs of its customers across communities.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the largest insurance group in Singapore and Malaysia, in terms of assets and market share, and its asset management subsidiary, Lion Capital Management is one of the largest asset management companies in Southeast Asia. Additional information may be found at www.ocbc.com.

For more information, please contact:

Koh Ching Ching
Head Group Corporate Communications
Tel: (65) 6530 4890
Fax: (65) 6535 7477

Kelvin Quek
Head Investor Relations
Tel: (65) 6530 4205
Fax: (65) 6532 6001

To Our Shareholders

The Board of Directors of Oversea-Chinese Banking Corporation Limited ("OCBC") wishes to announce the following:

Unaudited Financial Results for the First Quarter Ended 31 March 2008
For the first quarter ended 31 March 2008, Group reported net profit was S$622 million. Details of the financial results are in the accompanying Group Financial Report.

Ordinary Dividends
No interim dividend on ordinary shares has been declared for first quarter 2008.

Preference Dividends
The Board of Directors has declared payment of semi-annual tax-exempt dividends on OCBC's non-cumulative non-convertible Class E Preference Shares at 4.5% per annum (2007: 4.5% tax-exempt), and on the non-cumulative non-convertible Class G Preference Shares at 4.2% per annum (2007: 4.2% net of Malaysia income tax). These dividends for the period 20 December 2007 to 19 June 2008, both dates inclusive, will be paid on 20 June 2008. Total dividends to be paid for the Class E and Class G Preference Shares amount to S$11.3 million and S$8.3 million respectively. Notice is hereby given that the Transfer Books and the Registers of Preference Shareholders will be closed from 5 June 2008 to 6 June 2008, both dates inclusive. Duly completed transfers received by the Bank's Share Registrar, M & C Services Private Limited of 138 Robinson Road #17-00 The Corporate Office Singapore 068906 up to 5.00 p.m. on 4 June 2008 will be registered to determine the entitlement of the preference shareholders to the semi-annual dividends.

Peter Yeoh
Secretary

Singapore, 7 May 2008

More details on the results are available on the Bank's website at **www.ocbc.com**

Oversea-Chinese Banking Corporation Limited

First Quarter 2008 Group Financial Report

Incorporated in Singapore
Company Registration Number: 193200032W

CONTENTS

Financial Summary 2

Financial Review

Net Interest Income 5

Non-Interest Income 7

Operating Expenses 8

Allowances for Loans and Other Assets 9

Loans and Advances 10

Non-Performing Loans 11

Cumulative Allowances for Loans 13

Deposits 14

Capital Adequacy Ratios 15

Valuation Surplus 16

Performance by Business Segment 17

Performance by Geographical Segment 21

Financial Statements

Consolidated Income Statement (Unaudited) 22

Balance Sheets (Unaudited) 23

Statement of Changes in Equity – Group (Unaudited) 24

Statement of Changes in Equity – Bank (Unaudited) 25

Consolidated Cash Flow Statement (Unaudited) 26

Share Capital and Options on Shares in the Bank 27

Other Matters / Subsequent Events 28

Attachment: Confirmation by the Board

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	+/(-) %
Selected Income Statement Items					
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
Core net profit attributable to shareholders	**460**	510	(10)	425	8
Divestment gains (net of tax)	**156**	90	74	–	–
Tax refund	**6**	47	(87)	4	65
Reported net profit attributable to shareholders	**622**	647	(4)	428	45
Cash basis net profit attributable to shareholders [1/]	**633**	658	(4)	440	44
Selected Balance Sheet Items					
Ordinary equity	**14,793**	13,287	11	14,782	–
Total equity *(excluding minority interests)*	**15,689**	14,182	11	15,678	–
Total assets	**179,997**	157,121	15	174,607	3
Assets excluding life assurance fund investment assets [4/]	**139,032**	117,940	18	133,471	4
Loans and bills receivable *(net of allowances)*	**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
Key Financial Ratios - based on core earnings			
Performance ratios (% p.a.)			
Return on equity [1/]			
GAAP basis	**12.2**	15.9	11.2
Cash basis	**12.6**	16.3	11.5
Return on assets [2/]			
GAAP basis	**1.34**	1.78	1.27
Cash basis	**1.37**	1.82	1.30
Revenue mix / efficiency ratios (%)			
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
Earnings per share (annualised - cents)			
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
Net asset value (S$)			
Before valuation surplus	**4.79**	4.32	4.79
After valuation surplus	**6.43**	6.16	6.46
Capital adequacy ratios (%) [4/]			
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

	1Q08			1Q07			4Q07		
S$ million	**Average Balance**	**Interest**	**Average Rate** [4]	**Average Balance**	**Interest**	**Average Rate** [4]	**Average Balance**	**Interest**	**Average Rate** [4]
			%			%			%
Interest earning assets									
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 [1]	**22,474**	**228**	**4.07**	19,320	203	4.26	22,788	244	4.24
Total	**118,281**	**1,331**	**4.52**	100,757	1,264	5.09	113,730	1,378	4.81
Interest bearing liabilities									
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 [2]	**5,473**	**59**	**4.36**	5,826	72	5.04	5,452	67	4.87
Total	**111,023**	**692**	**2.51**	94,727	756	3.24	107,212	765	2.83
Net interest income / margin [3]		**638**	**2.17**		508	2.04		613	2.14

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
Interest income						
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)
Interest expense						
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)
Impact on net interest income	106	19	125	36	(4)	32
Due to change in number of days			6			(7)
Net interest income			130			25

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

NON-INTEREST INCOME

S$ million	1Q08	1Q07	+/(-) %	4Q07	+/(-) %
Fees and commissions					
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
Dividends	**18**	16	10	9	99
Rental income	**15**	17	(12)	14	6
Profit from life assurance	**7**	99	(93)	180	(96)
Premium income from general insurance	**17**	16	9	17	–
Other income					
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
Total core non-interest income	**377**	506	(26)	464	(19)
Divestment gains	**167**	92	81	–	–
Total non-interest income	**544**	598	(9)	464	17
Fees and commissions / Total income [1/]	**20.9%**	17.5%		18.8%	
Non-interest income / Total income [1/]	**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	+/(-) %
Staff costs					
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)
	249	200	24	267	(7)
Property and equipment					
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
	78	69	14	74	6
Other operating expenses	**99**	83	19	143	(31)
Total operating expenses	**426**	352	21	485	(12)
Group staff strength					
Period end	**19,048**	16,523	15	18,676	2
Average	**18,942**	16,321	16	18,539	2
Cost to income ratio [1/]	**42.0%**	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)
Allowances and impairment for loans and other assets	**(8)**	#	n.m.	13	(159)

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

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

S$ million	Total [2/]	Substandard	Doubtful	Loss	Secured NPLs/ Total NPLs	Non-bank NPLs/ Non-bank loans [3/]
					%	%
Singapore						
31 Mar 2008	**456**	**151**	**170**	**135**	**71.5**	**1.0**
31 Dec 2007	512	185	185	141	66.6	1.1
31 Mar 2007	869	332	297	240	62.2	2.1
Malaysia						
31 Mar 2008	**519**	**316**	**120**	**84**	**62.7**	**4.0**
31 Dec 2007	548	335	114	98	63.0	4.3
31 Mar 2007	658	377	169	112	58.6	5.8
Others						
31 Mar 2008	**349**	**115**	**168**	**67**	**44.4**	**1.6**
31 Dec 2007	294	71	151	72	47.4	1.3
31 Mar 2007	239	73	100	66	46.9	2.0
Group						
31 Mar 2008	**1,325**	**581**	**458**	**286**	**60.9**	**1.6**
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
NPLs by Industry						
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	%
NPLs by Period Overdue						
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	
S$ million	Loan	Allowance	Loan	Allowance	Loan	Allowance
Restructured Loans						
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 [1/]	Portfolio allowances	Specific allowances as % of total NPLs	Cumulative allowances as % of total NPLs
				%	%
Singapore					
31 Mar 2008	**680**	**162**	**518**	**35.4**	**149.0**
31 Dec 2007	740	203	537	39.5	144.4
31 Mar 2007	959	353	606	40.6	110.4
Malaysia					
31 Mar 2008	**435**	**238**	**197**	**45.8**	**83.8**
31 Dec 2007	422	232	190	42.3	77.1
31 Mar 2007	475	304	171	46.2	72.1
Others					
31 Mar 2008	**412**	**170**	**242**	**48.7**	**118.0**
31 Dec 2007	410	177	233	60.4	139.5
31 Mar 2007	360	175	185	73.2	150.7
Group					
31 Mar 2008	**1,527**	**569**	**958**	**43.0**	**115.3**
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	**92,867**	88,788	77,989
Deposits and balances of banks	**14,085**	14,726	11,459
	106,952	103,514	89,448
Loans to deposits ratio (net non-bank loans / non-bank deposits)	**79.7%**	80.3%	78.9%

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

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

VALUATION SURPLUS

S$ million	31 Mar 2008	31 Dec 2007	31 Mar 2007
Properties [1/]	**2,536**	2,513	1,638
Equity securities [2/]	**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 [1/]	**23**	152	(85)	182	(87)
Others [2/]	**6**	83	(93)	12	(49)
Core operating profit after allowances and amortisation [1/ 2/]	**585**	650	(10)	568	3

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.

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
1Q08						
Total core income	**330**	**340**	**163**	**67**	**115**	**1,015**
Operating profit before allowances and amortisation	**192**	**230**	**122**	**38**	**7**	**589**
Amortisation of intangible assets	**–**	**–**	**–**	**(12)**	**–**	**(12)**
(Allowances and impairment) / write-back for loans and other assets	**(8)**	**20**	**–**	**(3)**	**(1)**	**8**
Operating profit after allowances and amortisation	**184**	**250**	**122**	**23**	**6**	**585**
Other information:						
Capital expenditure	**2**	**2**	**–**	**9**	**40**	**53**
Depreciation	**2**	**1**	**–**	**–**	**23**	**26**
1Q07						
Total core income [1/]	265	267	117	192	173	1,014
Operating profit before allowances and amortisation [1/]	153	178	91	163	77	662
Amortisation of intangible assets	–	–	–	(12)	–	(12)
(Allowances and impairment) / write-back for loans and other assets	(12)	6	–	–	6	(#)
Operating profit after allowances and amortisation	141	184	91	152	83	650
Other information:						
Capital expenditure	1	2	–	33	27	63
Depreciation	–	1	–	–	23	24
4Q07						
Total core income	306	315	104	238	114	1,077
Operating profit before allowances and amortisation	138	189	57	198	11	593
Amortisation of intangible assets	–	–	–	(12)	–	(12)
(Allowances and impairment) / write-back for loans and other assets	(2)	(8)	–	(4)	1	(13)
Operating profit after allowances and amortisation	136	180	57	182	12	568
Other information:						
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
At 31 March 2008						
Segment assets	**26,348**	**54,558**	**37,434**	**47,594**	**19,665**	**185,599**
Unallocated assets						**60**
Elimination						**(5,662)**
Total assets						**179,997**
Segment liabilities	**39,381**	**46,880**	**23,337**	**41,972**	**15,565**	**167,135**
Unallocated liabilities						**1,681**
Elimination						**(5,662)**
Total liabilities						**163,154**
Other information:						
Gross non-bank loans	**24,778**	**46,627**	**248**	**318**	**3,422**	**75,393**
NPLs (include debt securities)	**370**	**795**	**–**	**8**	**152**	**1,325**
At 31 December 2007						
Segment assets	25,917	51,190	37,050	47,727	17,310	179,194
Unallocated assets						87
Elimination						(4,674)
Total assets						174,607
Segment liabilities	38,858	43,258	24,666	41,911	11,938	160,631
Unallocated liabilities						1,811
Elimination						(4,674)
Total liabilities						157,768
Other information:						
Gross non-bank loans	24,303	44,118	382	252	3,720	72,775
NPLs (include debt securities)	387	802	–	8	157	1,354
At 31 March 2007						
Segment assets	24,681	41,153	31,782	45,139	17,617	160,372
Unallocated assets						77
Elimination						(3,328)
Total assets						157,121
Segment liabilities	36,273	37,704	17,536	39,647	12,334	143,494
Unallocated liabilities						1,663
Elimination						(3,328)
Total liabilities						141,829
Other information:						
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	%
Total core income						
Singapore [1/]	**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
	1,015	**100**	1,014	100	1,077	100
Profit before income tax						
Singapore [1/]	**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	(#)	–
	586	**100**	666	100	567	100

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	%
Total assets						
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
	179,997	**100**	174,607	100	157,121	100

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)
Net interest income	**638**	508	26	613	4
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 [1/]	**(566)**	(567)	–	(366)	55
Commission and others [1/]	**(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
Non-interest income	**544**	598	(9)	464	17
Total income	**1,182**	1,106	7	1,077	10
Staff costs	**(249)**	(200)	24	(267)	(7)
Other operating expenses	**(177)**	(152)	16	(217)	(19)
Total operating expenses	**(426)**	(352)	21	(485)	(12)
Operating profit before allowances and amortisation	**756**	754	–	593	28
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	**752**	742	1	568	32
Share of results of associates and joint ventures	**2**	16	(90)	(1)	233
Profit before income tax	**753**	758	(1)	567	33
Income tax expense [2/]	**(111)**	(76)	46	(118)	(5)
Profit for the period	**642**	682	(6)	449	43
Attributable to:					
Equity holders of the Bank	**622**	647	(4)	428	45
Minority interests	**20**	35	(42)	21	(2)
	642	682	(6)	449	43
Earnings per share (for the period – cents) [3/]					
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)

	GROUP			BANK		
S$ million	31 Mar 2008	31 Dec 2007 @	31 Mar 2007	31 Mar 2008	31 Dec 2007 @	31 Mar 2007
EQUITY						
Attributable to equity holders of the Bank						
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
	15,689	15,678	14,182	**12,177**	11,113	10,746
Minority interests	**1,154**	1,161	1,110	**–**	–	–
Total equity	**16,842**	16,839	15,292	**12,177**	11,113	10,746
LIABILITIES						
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 1/	**955**	1,163	1,022	**89**	123	127
Debts issued 2/	**5,549**	4,970	5,145	**5,600**	5,032	5,375
	121,908	116,537	102,433	**98,399**	93,977	82,637
Life assurance fund liabilities 1/	**41,247**	41,232	39,396	**–**	–	–
Total liabilities	**163,154**	157,768	141,829	**98,399**	93,977	82,637
Total equity and liabilities	**179,997**	174,607	157,121	**110,576**	105,089	93,383
ASSETS						
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
	139,032	133,471	117,940	**110,576**	105,089	93,383
Life assurance fund investment assets	**40,964**	41,137	39,181	**–**	–	–
Total assets	**179,997**	174,607	157,121	**110,576**	105,089	93,383
Net Asset Value Per Ordinary Share (before valuation surplus – in S$)	**4.79**	4.79	4.32	**3.65**	3.31	3.20
OFF-BALANCE SHEET ITEMS						
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:
1. 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.
2. 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.
3. "#" represents amounts less than S$0.5 million.
4. "@" 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 Share capital	Capital reserves	Statutory reserves	Fair value reserves	Revenue reserves	Total	Minority interests	Total equity
Balance at 1 January 2008	**5,520**	**56**	**1,676**	**1,726**	**6,699**	**15,678**	**1,161**	**16,839**
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**
Total recognised gains / (losses) for the financial period	**–**	**–**	**–**	**(602)**	**598**	**(4)**	**4**	**(#)**
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**
Balance at 31 March 2008	**5,554**	**37**	**1,588**	**1,124**	**7,386**	**15,689**	**1,154**	**16,842**
Included:								
Share of reserves of associates and joint ventures	**–**	**3**	**–**	**#**	**30**	**33**	**(#)**	**32**
Balance at 1 January 2007	5,481	103	2,028	668	5,125	13,404	1,087	14,491
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
Total recognised gains for the financial period	–	–	–	137	642	779	35	813
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
Balance at 31 March 2007	5,481	104	2,049	805	5,743	14,182	1,110	15,292
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
Balance at 1 January 2008	**5,520**	**94**	**1,359**	**430**	**3,710**	**11,113**
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**
Total recognised gains / (losses) for the financial period	**–**	**–**	**–**	**(85)**	**1,112**	**1,027**
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**
Balance at 31 March 2008	**5,554**	**96**	**1,274**	**345**	**4,908**	**12,177**
Balance at 1 January 2007	5,481	83	1,698	405	2,562	10,229
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
Total recognised gains for the financial period	–	–	–	93	420	514
Transfers	–	–	21	–	(21)	–
Share-based staff costs capitalised	–	3	–	–	–	3
Share buyback – held in treasury	(27)	–	–	–	–	(27)
Treasury shares transferred to employees	27	–	–	–	–	27
Balance at 31 March 2007	5,481	86	1,719	498	2,962	10,746

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
Cash flows from operating activities		
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)
Net cash from operating activities	**1,451**	1,299
Cash flows from investing activities		
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
Net cash from / (used in) investing activities	**857**	(1,296)
Cash flows from financing activities		
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)
Net cash from financing activities	**517**	20
Net currency translation adjustments	**(19)**	2
Net change in cash and cash equivalents	**2,807**	25
Cash and cash equivalents at beginning of period	**8,396**	5,741
Cash and cash equivalents at end of period	**11,203**	5,766

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
Issued ordinary shares		
Balance at beginning and end of period	**3,126,512,712**	3,126,459,912
Treasury shares		
Balance at beginning of period	**(40,291,633)**	(51,668,796)
Share buyback	**–**	(3,230,987)
Shares transferred to employees pursuant to OCBC Share Option Schemes	**942,592**	5,578,976
Transferred to employees pursuant to OCBC Employee Share Purchase Plan	**116,438**	–
Shares transferred to employees pursuant to OCBC Deferred Share Plan	**3,888,838**	–
Balance at end of period	**(35,343,765)**	(49,320,807)
Total	**3,091,168,947**	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.

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.

OCBC Bank

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

Cheong Choong Kong
Chairman

David Philbrick Conner
Chief Executive Officer / Director

7 May 2008