



OCBC BANK LAUNCHES FIRST DEPOSIT ACCOUNT IN SINGAPORE WITH INTEREST RATES PEGGED TO 3-MONTH SGD INTERBANK RATE

***The PLUS Account is an innovative high interest high return account
with 100% liquidity and full banking services***

Singapore, 16 November 2005 – OCBC Bank continues its momentum of offering innovative products to meet customers' specific needs with its latest account targeted at the priority segment. The PLUS Account is a new high interest high return account with 100% liquidity, full banking services and interest rates pegged to the 3-month SGD interbank rates. The PLUS account will be available from Friday 18 November 2005 for a limited period at all 61 OCBC Bank branches. The initial deposit to open the account is S\$200,000 and is currently for fresh funds only.

With this unique account, OCBC Bank has launched Singapore's first full feature checking account that gives retail customers the opportunity to enjoy higher interest rates pegged to the 3-month SGD interbank bid rate.

"As a bank that strives to meet the specific needs of different groups of customers, we are always aiming to push the envelope in structuring products that offer solutions that are above and beyond what is the norm," said Mr Nicholas Tan, Head Group Wealth Management, Consumer Financial Services, OCBC Bank.

"We recognise that there is a substantial market in what we call the *Premier* segment who have at least S\$200,000 sitting in deposit accounts. Some of these customers could already have other assets in investments that give higher returns than deposit products. However, there is also a large proportion of customers who have a lower risk tolerance and prefer to have their money in an account that gives them flexibility and liquidity. Unfortunately, most of these savings and checking accounts also give lower returns. For these customers, we wanted to structure a product that still offers the security and stability of a low risk account combined with 100% liquidity, yet possesses features that negate the lower returns of other savings and current accounts."

The interbank rate is the rate at which financial institutions lend and borrow from each other. By pegging the interest rates to the 3-month SGD interbank rate, this product offers a rare chance for retail customers to participate in the mechanics of an interest rate peg usually reserved for institutional customers only. This unique feature aims to give more efficient returns to customers and make their money work harder.

At present, the 3-month interbank rate is approximately 3%. A customer who deposits \$500,000 into the PLUS Account will earn 0.70% on the first \$200,000 and 1.1% on the next \$300,000 immediately. The average rate of checking accounts in the market is currently 0.3%.

“The more the customer deposits, the higher an interest rate the customer enjoys,” shared Mr Tan. “In a rising interest rate environment, the customer’s rate increases in tandem. For example, if the interbank rate moves up to 4%, the rate on the \$300,000 for our same customer above will now rise to 2.1%. The benefit to the customer is immediate. The floor rate on the interest rate ensures the customer continues to enjoy higher interest rates than other similar products in a falling interest rate environment.”

There are four interest rate tiers for the PLUS Account:

	Deposit amount	Customer interest rates (p.a.)	Mark-down from 3-mth S\$ Interbank bid rate*
Tier 1	First \$200,000	0.70%	N.A.
Tier 2	> \$200,000 – \$500,000	1.10%	1.90%
Tier 3	> S\$500,000 - \$1million	1.50%	1.40%
Tier 4	> \$1million	2.50%	0.50%

* Based on 3-mth S\$ interbank bid rate of 3.0%.

Note: In the event of falling market interest rate, the floor interest rate for Tier 2 to Tier 4 rates will be the Tier 1 interest rates.

To celebrate the launch of the product, customers who open a PLUS account with minimum S\$200,000 fresh funds (i.e. not from other OCBC accounts) will enjoy the Tier 4 interest rate up to 31 May 2006 from the first dollar of his/her deposit. At the present 3-month SGD interbank rate of 3%, this means customers earn 2.5% from the first dollar onwards during this promotional period.

Customers with the Plus account can choose to withdraw or deposit funds into their account anytime they want. There is no minimum placement period and no premature withdrawal fee. In addition, there is no lock-in period, nor are there any fees for over-the-counter branch transactions. Customers get full access to withdraw and deposit funds via all banking channels including the network of 60 branches, ATMs and Cash Deposit machines, cheques, GIRO, internet and phone banking.

About OCBC Bank

OCBC Bank is Singapore's longest established local bank. It has assets of S\$134 billion and a network of 112 branches and representative offices in 15 countries and territories including Singapore, Malaysia, Indonesia, China, Hong Kong SAR, Brunei, Japan, Australia, UK and USA. OCBC Bank offers a range of specialist financial services including consumer, corporate, investment, private and transaction banking, global treasury, asset management and stockbroking services to meet the needs of its customers across communities. Its subsidiary, Great Eastern Holdings, is the largest insurance group in both Singapore and Malaysia in terms of assets and market share.

In 2004, OCBC Bank was named Lafferty Group's Retail Bank of the Year in Asia-Pacific and South East Asia and *Global Finance* magazine's Best Bank in Singapore. Additional information may be found at www.ocbc.com.

Customers who are keen to find out more can visit any OCBC branch or call the toll-free OCBC Bank Hotline at 1800-438 3333
