



MEDIA RELEASE

OCBC BANK UNVEILS SINGAPORE'S FIRST HOME LOAN THAT ALLOWS CUSTOMERS TO PAY OFF THEIR HOME LOANS QUICKER *OCBC QuickOwn Home Loan is an innovative new product integrating the Bank's strengths in Home Loans and Wealth Management*

Singapore, 20 March 2006 – Oversea-Chinese Banking Corporation Limited (“OCBC Bank”) continues its momentum in launching innovative new solutions to meet specific and relevant needs of customers with its latest home loan package. The OCBC QuickOwn Home Loan is Singapore’s first ever home loan package that is designed to finance a customer’s home purchase while helping to pay off the home loan earlier.

The OCBC QuickOwn Home Loan is a package that seamlessly integrates a loan plan with an endowment policy. “Our innovative QuickOwn Home Loan is the first in the market in providing our customers with the best of both worlds – a seamless means of paying off their home loan earlier and enjoying a higher rate of return on their savings coupled with the peace of mind from insurance protection,” said Mr Gregory Chan, Head Consumer Secured Lending, OCBC Bank.

“This is OCBC Bank’s way of providing our customers with a simple, convenient and disciplined approach to repay their home loan earlier. The annual survival benefits payout from the endowment policy (after the end of the second policy anniversary) will be used to pay down the customer’s home loan automatically,” added Mr Chan.

“The tenor of their home loan will be shortened and thus, our customers will be able to own their dream home earlier before the mandatory retirement age of 62 years old as well as enjoy interest savings on their home loan. In fact, a customer can save as much as one-quarter of the usual interest he would have otherwise paid on a \$500,000 home loan.”

This package addresses home buyers’ concerns about repaying their home loans faster with affordability and convenience. The OCBC QuickOwn Home Loan is a home loan uniquely integrated with Overseas Assurance Corporation’s 12-year MaxSave Plus endowment policy that earns potential maturity yield of 2.88% p.a.*. The returns from the endowment policy will go towards paying down the home loan amount. Loan periods can be shortened by as many as 5.20 years* while a customer can save as much as \$79,700* in interest payments.

“Everyone aspires to have a home to call their own. As the cost of housing runs into the hundreds of thousands at the very least, it is not surprising that our homes are one of our most important and expensive investments and usually end up as our largest personal debt item. Being able to pay off your mortgage completely and truly becoming the owner of your own home is a significant milestone in the journey

towards financial freedom for many Singaporeans. This package helps to achieve this by doing two things. Firstly, the odds of paying your mortgage off completely before retirement are raised significantly. Secondly, the overall interest on the loan drops dramatically. What this does is the home owner now has greater leeway in his planning for retirement,” shared Mr Nicholas Tan, Head Group Wealth Management, OCBC Bank.

“Starting from the release of the SMU money management study in August 2005, we have always advocated prudent money management and investment to grow one’s wealth steadily as well as cautious spending and borrowing for sensible debt management. At OCBC, we have the ability to offer realistic solutions aimed at tackling these everyday financial issues that confront our customers. The OCBC QuickOwn Home Loan is one solution that does just that. This package helps customers to better manage their credit, and at the same time, offer attractive returns to assist in paying off their loan. When the loan tenure is shortened, they can then focus additional efforts on growing their retirement nest egg. With this one-stop solution, we hope to provide a holistic and total wealth management approach to help customers pay off their debts faster, own their homes earlier and save more for a better retirement,” said Mr Tan.

Features of the OCBC QuickOwn Home Loan

Under this plan, a customer will need to set aside regular savings for a period of 12 years. This regular amount saved then goes towards the MaxSave Plus endowment policy, which earns potential maturity yield of approximately 2.88% p.a*.

From the second year onwards, annual payouts from the MaxSave Plus plan automatically go towards paying down the outstanding home loan. As a result, the remaining tenor of the home loan will be effectively shortened and can potentially save the customer a substantial amount on interest repayment.

On top of that, MaxSave Plus gives customers peace of mind knowing that they have life insurance coverage against death and total and permanent disability.

An Example of the OCBC QuickOwn Home Loan

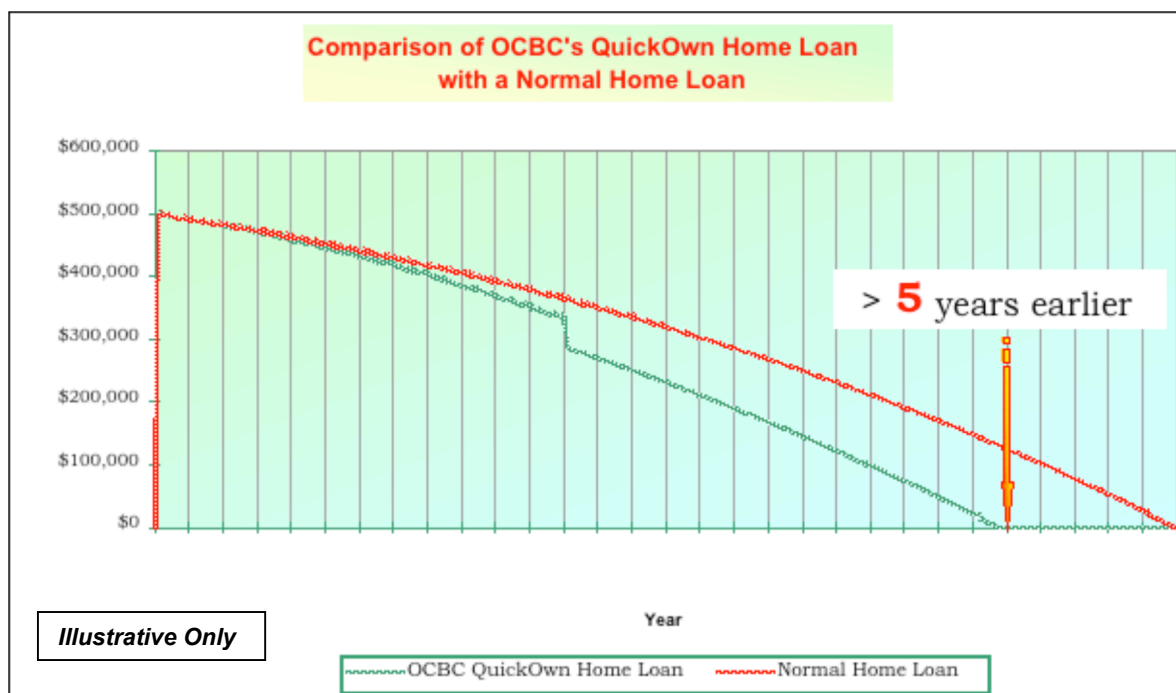
Consider the case of Mr Lim who wants to take out a home loan for S\$500,000 with a loan repayment period of 30 years. He decides to take up the OCBC QuickOwn Home Loan and sets aside S\$4,304 a year for 12 years in MaxSave Plus.

From the second year onwards, annual payouts automatically go towards paying down his outstanding home loan. At the end of the 12th year, when his MaxSave Plus policy matures, Mr Lim receives a lump sum payout. This maturity benefit is also channelled into paying down his outstanding home loan and effectively cuts down the loan’s tenor by 5.20 years*. Effectively Mr Lim saves himself some S\$79,700* in interest payable.

An example of the interest paid for the OCBC QuickOwn Home Loan versus that of a normal home loan is as follows:

	OCBC QuickOwn Home Loan	Normal Home Loan
Total Principal Paid	S\$500,000	S\$500,000
Total Interest Paid	S\$260,849	S\$340,549

Total Interest Savings with OCBC QuickOwn Home Loan = S\$79,700*
(Approximately one-quarter of the total interest Mr Lim would have paid on the normal home loan)



Other attractive features of OCBC QuickOwn Home Loans

- Subscribers to the OCBC QuickOwn Home Loan will receive preferential interest rate packages.
- They will also get 1 year free Mortgage Protector (Mortgage Reducing Term Assurance) coverage^ which pays out a sum assured to cover your home loan in the unfortunate event of death or total and permanent disability.

Who the OCBC QuickOwn Home Loan is best suited for

Mid-range home buyers with an average loan size of about S\$500,000 looking to repay their home loans faster would find the OCBC QuickOwn Home Loan most attractive.

Important Information

* Interest Savings illustrated are based on OCBC's QuickOwn Home Loan Fixed Rate Package (Yr 1 – 3 (fixed): 3.90% p.a.; Thereafter (floating): 3.60% p.a.) and Competition's 3-year Fixed Rate Package (Yr 1 – 3 (fixed): 4.00% p.a.; Thereafter (floating): 3.75% p.a.). 12 year MaxSave Plus is based on male, non-smoker (30 years old). Sum assured is S\$40,000 with projected investment rate of return 2.88% p.a.

The OCBC QuickOwn Home Loan includes a regular premium insurance policy underwritten by The Overseas Assurance Corporation Limited ("OAC Insurance"). OAC Insurance is a wholly-owned subsidiary of Great Eastern Holdings Limited, which in turn is a subsidiary of OCBC Bank. OAC Insurance is a composite insurer with solid financial strength and over 80 years of experience. Insurance policies are not bank deposits or obligations of, or guaranteed by OCBC Bank or any of its affiliates or subsidiaries. Buying a life policy is a long-term commitment. An early termination of the policy usually involves high costs and surrender value payable may be less than the total premium paid. This material is for general information only. It is not a contract of insurance. It does not constitute an offer to buy an insurance product or service. It is also not intended to provide any insurance or financial advice. The specific terms and conditions of the plan are set out in the policy documents. A person interested in the OCBC QuickOwn Home Loan should read the product summary and benefit illustration (available from OCBC Bank) before deciding whether to buy this product. You may wish to seek advice from a licensed or an exempt financial adviser before making a commitment to purchase the above product. In the event that you choose not to seek advice from a financial adviser, you should carefully consider whether the product in question is suitable for you in the light of your experience, financial circumstances and investment objectives.

^ Subject to eligibility conditions stipulated by OCBC Bank, the first year premium may be borne by the Bank

About OCBC Bank

Singapore's longest established local bank, OCBC Bank, currently has assets of S\$131 billion and a network of over 310 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 200 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 global treasury and stockbroking 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.

In 2005, OCBC Bank was named *Global Finance* magazine's Best Trade Finance Bank and *FinanceAsia*'s Best Bond House. Additional information may be found at www.ocbc.com.
