



OVERSEA-CHINESE BANKING CORPORATION LIMITED

(Incorporated in Singapore)

(Company Registration Number: 193200032W)

OCBC Group's Exposure to Fannie Mae and Freddie Mac is Immaterial

In response to media and investor queries, Oversea-Chinese Banking Corporation ("OCBC Bank") would like to make the following disclosures on the Group's exposure to US government-backed mortgage finance companies, Fannie Mae and Freddie Mac:

- The Bank does not hold any debt issued by, or shares in, the two companies.
- The Bank has an immaterial and indirect exposure to the two companies through its investment in corporate CDOs (collateralised debt obligations). As disclosed previously, the Bank has a total investment of US\$249 million (S\$344 million as at 31 March 2008 exchange rate) in corporate CDOs, which comprise diversified portfolios of corporate credits in the US, Europe, Asia and elsewhere. Of this amount, US\$49 million of the CDOs contain 3% exposure to Fannie Mae and Freddie Mac.
- The Bank's insurance subsidiary, Great Eastern Holdings, has a total exposure of S\$37 million to Fannie Mae via investments in debt securities and credit-linked notes. Of this amount, S\$8 million is invested out of its shareholders funds, and S\$29 million from its insurance funds which amounted to S\$42 billion as at 31 March 2008.
- Overall, OCBC Group's exposure to the two companies is immaterial.

Issued by

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