

OCBC BANK'S PARTNERSHIP WITH NTUC DEEPENS WITH INTRODUCTION OF AN ENHANCED PLUS! VISA CARD

The Plus! Visa card is designed to offer value for everyday purchases with leading merchants, from groceries and healthcare to petrol and utilities.

Singapore, 09 November 2010 – Oversea-Chinese Banking Corporation Limited (“OCBC Bank”) today announced that it has enhanced the offerings of the Plus! Visa cards, which are payment cards for customers of NTUC’s 12 social enterprises, including NTUC FairPrice and Income, as well as for NTUC Union members. The enhanced card is designed to deliver to consumers optimal savings across key spectrums of everyday purchases, ranging from groceries and healthcare to petrol and utilities.

The Plus! Visa cards also offer consumers optimal returns when shopping at NTUC FairPrice supermarkets, in the form of an exclusive 8% discount on more than 500 house brand items. This is on top of the 1.33% rewards in LinkPoints on all expenditure at NTUC FairPrice.

This key benefit at NTUC FairPrice is timely as expenditure on household necessities continue to rise, especially on house brands. According to a recent Department of Statistics survey, the market size for groceries is estimated to be more than \$4 billion annually¹. Daily expenses covering food, transport and healthcare amount to more than 40% of household expenses. There has been a significant increase in overall expenditure in these three areas over the past one year, with inflation also taking its toll.²

Mr Chow Theng Kai, OCBC Bank’s Head of Plus!, Global Consumer Financial Services said, “With the escalating cost of living, consumers would definitely want to enjoy more savings when spending on their daily essentials. We believe that consumers will find the Plus! Visa cards useful in helping them to stretch every dollar and giving them maximum benefits where it matters most.”

The growth potential for the Plus! Visa card program is anticipated to rise in tandem with NTUC’s growth plan of increasing union membership to one million by 2015.

¹ Singapore Department of Statistics, Economic Surveys 2009

² Department of Statistics, 2010

Change in Consumer Spending Patterns To Optimise Savings in Household Expenditure

According to a Nielsen 2009 survey³, during the recent financial crisis, 7 in 10 (70%) Singaporeans altered their spending patterns in order to optimise savings in their household expenditure. Grocery purchases in particular was one key area that was impacted by the economic crunch.

When asked how their grocery purchasing habits had changed over the one-year period from 2007 to 2008, 74% of shoppers indicated that they now buy only the essentials. Over a third of shoppers (37%) said they bought the same products, but in lesser quantities.

Increasing Acceptance of House Brands

House brand sales in Singapore have also been growing steadily - reflecting a trend of rising acceptance of them. On average, house brand items are 10-15 per cent cheaper than regular branded items. According to a Nielsen 2009 survey tracking reflected surges in overall growth of house brand sales over six-monthly periods, sales figures have been growing from 7% in May to October 2007, to 20% in November 2007 to April 2008, and a further 26% for the subsequent May to October 2008 period .

The trend continues into 2010 as FairPrice supermarkets report a jump in penetration (percentage of total sales) of house brands from 18% in the first half of 2008 to 21% in the first half of 2010.

Even higher-income households are switching to house brands. The shift is due to the improved perception and acceptance of house brands, a wider range of products, and improved quality. The Nielsen 2009 survey reported an 18 per cent increase in the number of higher-income households that bought house brands in the June-November 2008 period compared with the preceding six months.

The Plus! Card Also Offers Value Across Other Key Household Purchases

To help Plus! card members stretch their dollar further, OCBC Bank is collaborating with leading partners to offer savings for other key household expenditure:

- 10% discount at any Esso station
- 10% discount for all your healthcare needs at Healthway Medical clinics
- 1.33% rewards in LinkPoints for utility bill payments
- 0.67% rewards in LinkPoints for all other purchases

³ Nielsen Global Online Consumer Survey, 2009

Plus! – the Enhanced Loyalty Programme of the Labour Movement

The enhanced Plus! VISA card is the result of a collaboration with NTUC, with OCBC Bank providing all banking products and services. OCBC Bank has been working closely with NTUC since 2004 to offer simple and convenient banking services for its social enterprises and union members.

The LinkPoints Rewards Programme, which was the NTUC loyalty programme since 1988, catered to over 1 million members, made up of customers of NTUC social enterprises and union members.

The loyalty programme has been renamed Plus! in October 2010 and has been enhanced to offer more rewards to a wider base of union members, members of the Labour Movement communities and regular customers of NTUC social enterprises. It will continue to issue LinkPoints – the Labour Movement's currency to redeem rewards conveniently – to members when they make purchases.

Plus! members will also be able to stretch their dollar through more discounts and rewards when they use the payment card (NTUC Plus! Visa or Plus! Visa) for their purchases.

For more details, please visit www.plus.com.sg

About OCBC Bank

OCBC Bank, established in 1912, is the second largest financial services group in Southeast Asia by assets. It is among the world's highest rated banks, with a long term credit rating of Aa1 from Moody's. OCBC Bank and its subsidiaries offer a broad array of specialist financial services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has a network of more than 530 branches and representative offices in 15 countries and territories, including 411 branches and offices in Indonesia operated by its subsidiary, Bank OCBC NISP.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the largest insurance group in Singapore and Malaysia by assets, and its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia.

For more information, please visit www.ocbc.com
