

OVERSEA-CHINESE BANKING CORPORATION LIMITED

(Incorporated in Singapore)

Company Registration Number: 193200032W

The Directors of OCBC Bank wish to make the following announcement:

1(a) AUDITED CONSOLIDATED RESULTS

	Year 2004	Year 2003	+ / (-)	4 th Qtr 2004 *	4 th Qtr 2003 *	+ / (-)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest income	2,560,201	2,380,646	7.5	688,648	599,959	14.8
Less: Interest expense	1,042,642	945,650	10.3	299,735	231,156	29.7
Net interest income	1,517,559	1,434,996	5.8	388,913	368,803	5.5
Fees and commissions	463,553	372,827	24.3	113,275	103,235	9.7
Dividends	86,627	74,778	15.8	13,237	8,080	63.8
Rental income	72,490	63,539	14.1	17,965	18,191	(1.2)
Income from insurance	242,760	–	n.m.	131,643	–	n.m.
Other income	260,113	246,885	5.4	37,330	76,261	(51.0)
Non-interest income	1,125,543	758,029	48.5	313,450	205,767	52.3
Income before operating expenses	2,643,102	2,193,025	20.5	702,363	574,570	22.2
Less: Staff costs	531,499	477,850	11.2	144,538	119,126	21.3
Other operating expenses	442,136	376,778	17.3	136,767	97,081	40.9
Total operating expenses	973,635	854,628	13.9	281,305	216,207	30.1
Operating profit before provisions and amortisation of goodwill and intangibles	1,669,467	1,338,397	24.7	421,058	358,363	17.5
Less: Amortisation of goodwill and intangibles	158,294	126,644	25.0	45,326	31,664	43.1
Provisions/(writeback) for possible loan losses and diminution in value of other assets	77,216	224,959	(65.7)	(1,812)	54,074	n.m.
Operating profit after provisions and amortisation of goodwill and intangibles	1,433,957	986,794	45.3	377,544	272,625	38.5
Share of profits less losses of associated companies	120,652	234,865	(48.6)	4,061	93,651	(95.7)
Profit before tax	1,554,609	1,221,659	27.3	381,605	366,276	4.2
Less: Tax	287,530	210,763	36.4	84,943	68,078	24.8
Share of tax of associated companies	31,382	55,137	(43.1)	1,596	19,226	(91.7)
	318,912	265,900	19.9	86,539	87,304	(0.9)
Profit after tax	1,235,697	955,759	29.3	295,066	278,972	5.8
Less: Minority interests	73,326	1,635	n.m.	15,906	416	n.m.
Profit attributable to shareholders	1,162,371	954,124	21.8	279,160	278,556	0.2

n.m. – Not meaningful

* – Unaudited

1(b)(i) AUDITED BALANCE SHEETS

	GROUP		BANK	
	31 December 2004	31 December 2003	31 December 2004	31 December 2003
	\$'000	\$'000	\$'000	\$'000
SHAREHOLDERS' EQUITY				
Share Capital				
Authorised	3,014,205	2,010,838	3,014,205	2,010,838
Issued and fully paid	1,320,551	1,284,084	1,320,551	1,284,084
Reserves				
Capital reserves	3,135,695	2,329,076	2,987,009	2,205,333
Statutory reserves	1,934,114	1,854,303	1,583,700	1,528,700
Revenue reserves	4,851,675	4,591,450	3,379,281	3,177,056
Total shareholders' equity	11,242,035	10,058,913	9,270,541	8,195,173
MINORITY INTERESTS				
	489,158	19,879	–	–
LIABILITIES				
Deposits of non-bank customers	57,286,806	53,459,680	48,334,854	45,673,695
Deposits and balances of banks	12,454,814	12,480,794	12,073,890	11,910,339
Deposits of subsidiary companies	–	–	1,686,165	1,268,267
Deposits of associated companies	17,229	1,457,708	8,231	878,968
Bills payable	159,475	185,233	79,755	102,478
Current tax	425,112	327,667	300,161	292,216
Deferred tax	83,075	76,043	41,568	55,482
Other liabilities	3,133,520	2,421,286	2,487,567	1,796,542
Debt securities	5,695,245	4,010,223	5,668,495	3,882,473
	90,986,469	84,497,426	79,951,227	74,055,633
Life assurance fund	28,895,206	–	–	–
Total liabilities and shareholders' equity	119,881,675	84,497,426	79,951,227	74,055,633
ASSETS				
Cash and placements with central banks	3,616,603	4,035,863	2,590,974	2,604,863
Singapore government treasury bills and securities	6,439,775	6,151,111	6,150,703	6,002,069
Other government treasury bills and securities	1,837,697	1,054,618	613,698	203,599
Dealing securities	701,017	235,541	466,211	134,929
Placements with and loans to banks	10,007,232	9,649,818	9,342,173	8,874,153
Bills receivable	548,271	428,195	241,830	218,965
Loans to customers	52,414,256	49,726,922	44,400,835	42,675,233
Investment securities	7,474,452	6,294,827	5,720,722	5,310,599
Deferred tax	49,951	53,670	–	–
Other assets	3,274,015	2,182,934	2,453,324	1,759,742
Associated companies	308,791	1,177,137	97,216	107,617
Subsidiary companies	–	–	5,276,539	3,427,270
Property, plant and equipment	1,315,837	1,434,736	729,826	748,439
Goodwill and intangible assets	2,998,572	2,072,054	1,867,176	1,988,155
	90,986,469	84,497,426	79,951,227	74,055,633
Life fund net assets attributable to policyholders	28,895,206	–	–	–
Total assets	119,881,675	84,497,426	79,951,227	74,055,633
OFF-BALANCE SHEET ITEMS				
Contingent liabilities	6,568,765	5,829,577	5,600,028	5,010,352
Commitments	30,255,998	27,261,292	25,263,018	23,637,732
Financial derivatives	269,712,229	191,246,606	264,207,017	189,829,605
	306,536,992	224,337,475	295,070,063	218,477,689

1(b)(ii) AGGREGATE GROUP BORROWINGS

	31 December 2004		31 December 2003	
	Secured ⁽¹⁾	Unsecured	Secured ⁽¹⁾	Unsecured
	\$'000	\$'000	\$'000	\$'000
Amount repayable in one year or less	51,750	949,926	152,750	–
Amount repayable after one year	–	4,693,569	–	3,857,473

⁽¹⁾ The collateralised notes are issued by Pioneer Funding Limited, a special purpose entity ("SPE") of the Group, and secured by a first fixed charge over the designated assets of the SPE.

1(c) AUDITED CONSOLIDATED CASH FLOW STATEMENT

	2004 \$'000	2003 \$'000
Cash flows from operating activities		
Operating profit before provisions and amortisation of goodwill and intangibles	1,669,467	1,338,397
<u>Adjustments for non-cash items</u>		
Amortisation of computer software costs	24,064	20,248
Depreciation of property, plant and equipment	61,607	81,421
Gains on disposal of associated companies	(54,067)	–
Gains on disposal of investment securities	(22,533)	(92,406)
Gains on disposal of property, plant and equipment	(79,368)	(45,883)
Operating profit before changes in operating assets and liabilities	1,599,170	1,301,777
<u>Increase/(decrease) in operating liabilities</u>		
Deposits of non-bank customers	2,386,647	(484,514)
Deposits and balances of banks	(25,980)	(140,355)
Bills payable and other liabilities	517,590	292,678
<u>(Increase)/decrease in operating assets</u>		
Dealing securities	(448,750)	(62,269)
Placements with and loans to banks	150,185	4,809,150
Loans to customers and bills receivable	(2,364,911)	(2,944,192)
Other assets	(734,106)	(140,762)
Cash provided by operating activities	1,079,845	2,631,513
Income tax paid	(352,826)	(246,041)
Net cash provided by operating activities	727,019	2,385,472
Cash flows from investing activities		
Acquisition of associated companies	(118,049)	–
Capital return from an associated company	1,000	1,000
Dividends from associated companies	62,425	51,170
Decrease in associated companies	7,713	5,727
Net cash outflow from acquisition of additional interests in subsidiary companies	(26,655)	(288)
Purchase of investment securities	(2,361,821)	(2,435,285)
Purchase of long-term Singapore government securities	–	(544,013)
Purchase of property, plant and equipment	(63,273)	(46,536)
Proceeds from disposal of associated companies	122,026	–
Proceeds from disposal of investment securities	2,157,323	1,526,826
Proceeds from disposal of property, plant and equipment	172,967	69,444
Net cash used in investing activities	(46,344)	(1,371,955)
Cash flows from financing activities		
Increase/(decrease) in debt securities	1,681,763	(5,250)
Dividends paid	(365,524)	(723,385)
Net proceeds from issue of preference shares	–	685,094
Proceeds from issue of ordinary shares	45,826	15,062
Selective capital reduction	(991,488)	(104,759)
Share buyback	(337,422)	–
Change in minority interests and dividends paid to minority interests	(16,164)	(535)
Net cash provided by/(used in) financing activities	16,991	(133,773)
Net currency translation adjustments	(46,582)	8,555
Net change in cash and cash equivalents	651,084	888,299
Cash and cash equivalents as at 1 January	10,697,579	9,809,280
Cash and cash equivalents as at 31 December	11,348,663	10,697,579

1(d)(i) AUDITED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CONSOLIDATED For the financial year ended 31 December	Share Capital	Capital Reserves	Statutory Reserves	Revenue Reserves	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2004	1,284,084	2,329,076	1,854,303	4,591,450	10,058,913
Profit attributable to shareholders	–	–	–	1,162,371	1,162,371
Currency translation differences not recognised in the income statement	–	–	–	(46,582)	(46,582)
Total recognised gains for the financial year	–	–	–	1,115,789	1,115,789
Transfers	–	24,943	50,108	(75,051)	–
Reserves arising from acquisition of additional interests in GEH	–	–	29,703	48,433	78,136
Class E preference dividends paid	–	–	–	(22,562)	(22,562)
Class G preference dividends paid	–	–	–	(16,670)	(16,670)
Final dividends paid to ordinary stockholders	–	–	–	(123,027)	(123,027)
Interim dividends paid to ordinary stockholders	–	–	–	(203,265)	(203,265)
Selective capital reduction	(80,192)	(785,296)	–	(126,000)	(991,488)
Share buyback	(24,309)	24,309	–	(337,422)	(337,422)
Shares issued pursuant to voluntary unconditional offer	136,207	1,501,598	–	–	1,637,805
Shares issued under Share Option Schemes	4,761	41,065	–	–	45,826
Balance at 31 December 2004	1,320,551	3,135,695	1,934,114	4,851,675	11,242,035
Comprise:					
Share of reserves of associated companies	–	1,375	–	37,215	38,590
Balance at 1 January 2003	1,290,299	1,505,515	1,936,244	4,492,164	9,224,222
Profit attributable to shareholders	–	–	–	954,124	954,124
Currency translation differences not recognised in the income statement	–	–	–	8,555	8,555
Total recognised gains for the financial year	–	–	–	962,679	962,679
Transfers	–	13,685	(81,941)	68,256	–
Class E preference shares issued for cash	50	499,950	–	–	500,000
Class E preference dividends paid	–	–	–	(20,096)	(20,096)
Class G preference shares issued in lieu of special cash dividends	2,093	206,171	–	(208,264)	–
Class G preference shares issued for cash	1,865	184,877	–	–	186,742
Class G preference dividends paid	–	–	–	(7,242)	(7,242)
Expenses relating to the issue of preference shares	–	(1,648)	–	–	(1,648)
Final dividends paid to ordinary stockholders	–	–	–	(151,081)	(151,081)
Interim dividends paid to ordinary stockholders	–	–	–	(110,811)	(110,811)
Special dividends paid to ordinary stockholders	–	–	–	(434,155)	(434,155)
Selective capital reduction	(12,139)	(92,620)	–	–	(104,759)
Shares issued under Share Option Schemes	1,916	13,146	–	–	15,062
Balance at 31 December 2003	1,284,084	2,329,076	1,854,303	4,591,450	10,058,913
Comprise:					
Share of reserves of associated companies	–	20,691	–	1,021,463	1,042,154

1(d)(i) AUDITED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (continued)

BANK For the financial year ended 31 December	Share Capital	Capital Reserves	Statutory Reserves	Revenue Reserves	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2004	1,284,084	2,205,333	1,528,700	3,177,056	8,195,173
Profit attributable to shareholders	–	–	–	1,098,853	1,098,853
Currency translation differences not recognised in the income statement	–	–	–	(12,682)	(12,682)
Total recognised gains for the financial year	–	–	–	1,086,171	1,086,171
Transfers	–	–	55,000	(55,000)	–
Class E preference dividends paid	–	–	–	(22,562)	(22,562)
Class G preference dividends paid	–	–	–	(16,670)	(16,670)
Final dividends paid to ordinary stockholders	–	–	–	(123,027)	(123,027)
Interim dividends paid to ordinary stockholders	–	–	–	(203,265)	(203,265)
Selective capital reduction	(80,192)	(785,296)	–	(126,000)	(991,488)
Share buyback	(24,309)	24,309	–	(337,422)	(337,422)
Shares issued pursuant to voluntary unconditional offer	136,207	1,501,598	–	–	1,637,805
Shares issued under Share Option Schemes	4,761	41,065	–	–	45,826
Balance at 31 December 2004	1,320,551	2,987,009	1,583,700	3,379,281	9,270,541
Balance at 1 January 2003	1,290,299	1,395,457	1,464,200	2,865,742	7,015,698
Profit attributable to shareholders	–	–	–	1,281,699	1,281,699
Currency translation differences not recognised in the income statement	–	–	–	25,764	25,764
Total recognised gains for the financial year	–	–	–	1,307,463	1,307,463
Transfers	–	–	64,500	(64,500)	–
Class E preference shares issued for cash	50	499,950	–	–	500,000
Class E preference dividends paid	–	–	–	(20,096)	(20,096)
Class G preference shares issued in lieu of special cash dividends	2,093	206,171	–	(208,264)	–
Class G preference shares issued for cash	1,865	184,877	–	–	186,742
Class G preference dividends paid	–	–	–	(7,242)	(7,242)
Expenses relating to the issue of preference shares	–	(1,648)	–	–	(1,648)
Final dividends paid to ordinary stockholders	–	–	–	(151,081)	(151,081)
Interim dividends paid to ordinary stockholders	–	–	–	(110,811)	(110,811)
Special dividends paid to ordinary stockholders	–	–	–	(434,155)	(434,155)
Selective capital reduction	(12,139)	(92,620)	–	–	(104,759)
Shares issued under Share Option Schemes	1,916	13,146	–	–	15,062
Balance at 31 December 2003	1,284,084	2,205,333	1,528,700	3,177,056	8,195,173

1(d)(ii) SHARE CAPITAL AND OPTIONS ON SHARES IN THE BANK

- (a) From 1 October 2004 to 31 December 2004 (both dates inclusive), the Bank issued 909,063 ordinary shares of S\$1 each upon the exercise of options by officers of the Group pursuant to the OCBC Share Option Schemes 1994 and 2001.
- (b) As at 31 December 2004, there were 30,842,014 ordinary shares of S\$1 each (31 December 2003: 33,524,974) that may be issued on the exercise of options.
- (c) As at 31 December 2004, the number of ordinary shares entitled to be issued under the OCBC Employee Share Purchase Plan was 2,654,005 (including 11,880 ordinary shares arising from the participation by two executive directors).
- (d) No new preference shares were allotted and issued in the fourth quarter ended 31 December 2004.
- (e) Pursuant to the stock purchase mandate approved at an extraordinary general meeting held on 15 April 2004, the Bank has purchased a total of 16,219,631 ordinary shares of S\$1 each for the fourth quarter ended 31 December 2004. The ordinary shares were purchased by way of market acquisitions at prices ranging from S\$13.00 to S\$14.20 per share and the total consideration paid was S\$219,720,339 including transaction costs.

2 OTHER INFORMATION

	GROUP					
	Year 2004	Year 2003	+/(-) %	4 th Qtr 2004	4 th Qtr 2003	+/(-) %
(a) Attributable net profit as a percentage of weighted average total equity (%) ⁽¹⁾	10.8	9.8	10.7	9.9	11.2	(11.5)
(b) Attributable net profit as a percentage of average assets (%) ⁽¹⁾⁽²⁾	1.30	1.13	15.0	1.23	1.30	(5.9)
(c) Earnings per ordinary share (S\$) ⁽¹⁾⁽³⁾						
– Basic	0.86	0.72	19.5	0.78	0.81	(3.5)
– Fully diluted	0.86	0.72	19.4	0.77	0.80	(3.6)
(d) Depreciation of property, plant and equipment (S\$'000)	61,607	81,421	(24.3)	15,493	16,760	(7.6)
(e) Amortisation of computer software costs (S\$'000)	24,064	20,248	18.8	5,148	5,591	(7.9)

Note:

⁽¹⁾ Return on equity, return on assets and earnings per ordinary share for the quarters are annualised.

⁽²⁾ Average assets computed exclude life fund net assets.

⁽³⁾ Basic earnings per ordinary share is calculated by dividing the profit attributable to shareholders, after deducting declared and/or paid preference dividends, by the weighted average number of ordinary shares in issue during the financial period. For purposes of calculating diluted earnings per ordinary share, the weighted average number of ordinary shares in issue is adjusted to take into account the dilutive effect arising from the exercise of all outstanding share options granted to employees where such shares would be issued at a price lower than the fair value (average share price during the period).

3 PROFIT AFTER TAX BEFORE MINORITY INTERESTS

	GROUP		
	2004 S\$'000	2003 S\$'000	+/(-) %
(a) First half year	567,784	384,468	47.7
(b) Second half year	667,913	571,291	16.9

4 NET ASSET VALUE

	GROUP		BANK	
	31 December 2004	31 December 2003	31 December 2004	31 December 2003
Net asset value per ordinary share (S\$)	7.86	7.16	6.36	5.70

5 COMMENTS ON PERFORMANCE AND BALANCE SHEET ITEMS

- (a) OCBC Group prepares its financial statements in accordance with Singapore Financial Reporting Standards ("FRS"). The same accounting policies and methods of computation have been applied in the financial statements for the current financial year and the audited financial statements for the year ended 31 December 2003.
- (b) Great Eastern Holdings Limited ("GEH") became a 81.1%-owned subsidiary of the Bank in June 2004 and its results were consolidated from June 2004. Prior to June 2004, GEH was a 48.9%-owned associate and its profit contribution was equity-accounted under share of profits of associated companies.
- (c) Group net profit attributable to shareholders for the year ended 31 December 2004 rose by 21.8% to S\$1,162 million. The improved performance was mainly driven by higher fees and commissions, higher net interest income as well as lower provisions. Operating profit before provisions was S\$1,669 million, 24.7% higher compared to the previous year as revenue growth of 21% outpaced the 14% increase in expenses.
- (d) Excluding non-core divestment gains of S\$97 million (2003: S\$126 million), the Group's core net profit grew by 29% from S\$828 million in 2003 to S\$1,065 million in 2004.
- (e) Group net profit in the fourth quarter of 2004 was S\$279 million, similar to the level in fourth quarter 2003 which included non-core gains of S\$54 million. Excluding the divestment gains from fourth quarter 2003, core net profit was 24% higher, driven by higher operating profit and lower provisions.
- (f) Net interest income in 2004 rose by 5.8% to S\$1,518 million, mainly as a result of higher loans and debt securities volumes. Net interest margin improved slightly from 1.90% to 1.91%.
- (g) Total non-interest income surged 48.5% to S\$1,126 million in 2004, primarily from a 24% jump in fee and commission income to S\$464 million, as well as the inclusion of S\$243 million in insurance income from GEH. Fee income growth was broad-based, led by wealth management income which jumped 65% to S\$129 million due to strong sales of bancassurance products, structured deposits and unit trusts. Other fee-based activities including fund management, trade and remittance services, investment banking and credit cards also registered increases.
- (h) Other income grew by 5.4% to S\$260 million, due mainly to a 44% increase in foreign exchange dealing income to S\$87 million. Included in other income were gains from divestment of non-core assets, namely, Raffles Investments Limited and Whitesands Shopping Mall, which totalled S\$132 million. This is broadly similar to the S\$128 million divestment gains recorded in 2003. A net loss of S\$51 million was recorded in securities and derivatives dealing, mainly due to losses on interest rate swaps as a result of difficult market conditions.
- (i) Total operating expenses increased by 13.9% to S\$974 million partly due to the consolidation of GEH's expenses of S\$51 million. Excluding GEH's expenses, operating expenses rose by 7.9% for the year. This was mainly attributable to higher staff expenses as well as business promotion and marketing costs which rose in line with new business initiatives launched during the year. The Group's cost-to-income ratio improved from 39.0% in 2003 to 36.8% in 2004.

5 COMMENTS ON PERFORMANCE AND BALANCE SHEET ITEMS *(continued)*

- (j) Total provisions declined by S\$148 million or 65.7% from S\$225 million in 2003 to S\$77 million in 2004, reflecting the Group's improved credit processes of the Group and stable economic conditions. The decrease in provisions was due to lower specific provisions for loans, reversal in provisions for diminution in value of investment securities as well as release of surplus general provisions.
- (k) The share of pre-tax profits of associated companies declined by 48.6% to S\$121 million in 2004 as GEH's profit was no longer equity accounted from June 2004.
- (l) Compared to 31 December 2003, net loans to customers and bills receivable grew by 5.6% to S\$53.0 billion as at 31 December 2004. Total non-performing loans ("NPLs") declined by 25.2% from S\$3.8 billion as at 31 December 2003 to S\$2.9 billion as at 31 December 2004. The ratio of non-bank NPLs to non-bank loans improved from 6.9% to 4.9% over the same period. Total cumulative specific and general provisions amounted to S\$2.4 billion as at 31 December 2004, representing a provision coverage ratio of 82.9% of total NPLs, higher than 67.0% as at 31 December 2003.
- (m) As at 31 December 2004, total shareholders' equity was S\$11.2 billion, an increase of 11.8% compared to 31 December 2003. The Group's Tier 1 and total capital adequacy ratios, computed in accordance with the revised capital adequacy framework set out in MAS Notice 637, were 12.6% and 17.7% respectively.
- (n) Basic earnings per ordinary share ("EPS") for 2004 was 86 cents, up 19.5% from 72 cents in 2003.

6 SUBSEQUENT EVENTS / OTHER MATTERS

- (a) The Bank has on 29 January 2005 announced that iPropertyNet Pte Ltd ("iPropertyNet"), which is 13% owned by OCBC Capital Investment I Pte. Ltd. ("OCI") and 44% owned by OCBC eVenture Fund II Pte Ltd ("OEF"), has been dissolved on the same day. The Bank is the ultimate holding company of both OCI and OEF. Hence, iPropertyNet ceased to be a subsidiary of the Bank with effect from 29 January 2005.
- (b) On 2 February 2005, OCBC Capital Corporation ("OCC"), a wholly-owned subsidiary of the Bank, incorporated in the Cayman Islands, issued 4,000,000 non-cumulative non-convertible guaranteed preference shares of S\$0.01 each ("OCBC OCC-A Preference Shares") at a subscription price of S\$100 per share. The total proceeds raised from the OCBC OCC-A Preference Shares was on-lent to the Bank in exchange for a subordinated note issued by the Bank. In turn, the Bank guarantees, on a subordinated basis, all payment obligations in respect of the OCBC OCC-A Preference Shares, and the net proceeds from the issue of the subordinated note was used for general funding purpose.

These shares were listed on the Singapore Exchange Securities Trading Limited under the trading name of "OCBCCap3.93%Pref2500" on 3 February 2005.
- (c) Subsequent to 31 December 2004 and up to the date of this announcement, the Bank has purchased, in aggregate, 4,090,576 ordinary shares by way of market acquisition amounting to S\$56,432,349. This was pursuant to the stock purchase mandate approved by shareholders at an extraordinary general meeting on 15 April 2004.

7 DIVIDENDS

Ordinary stock

A final dividend of 19 cents (2003: 12 cents) for every S\$1 ordinary stock unit, less 20% (2003: 22%) Singapore income tax, has been recommended by the Directors in respect of the financial year ended 31 December 2004. The books closure and dividend payment dates will be announced.

	<u>2004</u> S\$'000	<u>2003</u> S\$'000
<u>Interim dividend</u>		
19 cents (2003: 11 cents) per S\$1 ordinary stock unit less 20% (2003: 22%) tax	203,265	110,811
<u>Final dividend</u>		
19 cents (2003: 12 cents) per S\$1 ordinary stock unit less 20% (2003: 22%) tax	200,114	123,027
Sub-total	<u>403,379</u>	<u>233,838</u>
<u>Special dividend</u>		
63.78 cents per S\$1 ordinary stock unit less 22% tax, with an option to elect to receive non-cumulative non-convertible Class G preference shares	–	642,419
Total	<u>403,379</u>	<u>876,257</u>

Non-cumulative non-convertible preference shares

Class E (OCBC 4.5% NCPS 100) – 2 semi-annual dividends (2003: 2 semi-annual dividends)	22,562	20,096
Class G (OCBC 4.2% NCPS) – 2 semi-annual dividends (2003: 1 semi-annual dividend)	16,670	7,242
	<u>39,232</u>	<u>27,338</u>

8 ANNUAL GENERAL MEETING

The Annual General Meeting will be held on 30 March 2005.

9 SCRIP DIVIDEND SCHEME

The Oversea-Chinese Banking Corporation Limited Scrip Dividend Scheme, which was approved by the Stockholders of the Bank at the Extraordinary General Meeting on 8 June 1996, will not be applicable to the final dividend.

By Order of the Board

Peter Yeoh
Secretary

Singapore, 14 February 2005

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

**AUDITORS' REPORT TO THE MEMBERS OF
OVERSEA-CHINESE BANKING CORPORATION LIMITED**

We have audited the accompanying financial statements of Oversea-Chinese Banking Corporation Limited for the financial year ended 31 December 2004, comprising the income statement, balance sheet and statement of changes in equity of the Bank, and the consolidated financial statements of the Group. These financial statements are the responsibility of the Bank's Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform our audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the accompanying financial statements of the Bank and consolidated financial statements of the Group are properly drawn up in accordance with the provisions of the Companies Act, Cap. 50 ("the Act") and Singapore Financial Reporting Standards, so as to give a true and fair view of the state of affairs of the Bank and of the Group as at 31 December 2004, and the results, changes in equity of the Bank and of the Group, and of the cash flows of the Group for the financial year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Bank and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers
Certified Public Accountants

Singapore, 11 February 2005