



MEDIA RELEASE

OCBC BANK TO INVEST S\$55 MILLION TO CREATE CROSS-BORDER PROCESSING HUBS FOR SELECTED BACK-OFFICE OPERATIONS

Move will position the Bank for growth and greater scalability

Singapore, 3 December 2004 – OCBC Bank announces today that it will invest S\$55 million over the next two years to create processing hubs in Singapore and Malaysia for selected back-office operations. The move, which was previously announced in February 2003 as part of OCBC Bank's New Horizons strategy, will boost the Bank's processing capacity and provide for future scalability. In addition, the centres will act as back-up sites for business continuity purposes.

David Conner, CEO of OCBC Bank, said, "Building hubs in Singapore and Malaysia is consistent with our goal to be one of the top consumer and SME banks in the combined Singapore and Malaysia markets. Centralising our back-office processing capabilities will lead to capacity growth, productivity gains and reduced unit costs."

On 25 June 2004, OCBC Bank established e2 Power Pte Ltd to provide back-office support and transaction processing services in Singapore under this initiative. A similar operating company, e2 Power Sdn Bhd was also set up on 21 July 2004 in Malaysia. e2 Power Sdn Bhd was granted Multi-media Super Corridor status in August 2004. e2 Power Pte Ltd is a wholly owned subsidiary of OCBC Bank, and in turn owns 100% of e2 Power Sdn Bhd.

In line with the Bank's move to achieve greater scalability, the e2 Power subsidiaries will facilitate the centralisation of technology and selected operations in Singapore and Malaysia. These hubs will share the processing load and will also provide mutual back-up to ensure business continuity. Existing OCBC Bank employees in selected back-office functions in both countries will be seconded to the respective e2 Power subsidiaries.

Implementation of this plan is expected to be completed in 12 to 15 months. During this time, customers should continue to enjoy OCBC Bank's existing high standards of customer service.

Mr Conner concluded, "This initiative will position OCBC for further growth. Our business is expanding in virtually all customer segments and we are actively recruiting to support this growth. By adopting a more efficient model for our operations, we will be able to handle greater volumes while continuing to provide the same, if not a higher, level of service to our customers."

About OCBC Bank

OCBC Bank is a Singapore-based financial services group with assets of S\$119 billion and operations in 14 countries and territories including Singapore, Malaysia, Indonesia, China, Hong Kong SAR, Japan, Australia, UK and USA, and has more than 110 branches and representative offices around the world. It offers a range of specialist financial services including consumer, corporate, investment, private and transaction banking, global treasury, asset management and stockbroking services to its customers. OCBC Bank's subsidiary, Great Eastern Holdings, is the largest insurance group in both Singapore and Malaysia in terms of assets and market share. Additional information may be found at www.ocbc.com.

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