



OCBC BANK RAISES THE BAR WITH NEW STRUCTURED DEPOSIT THAT OFFERS POTENTIAL RETURNS OF UP TO 5.5% IN 12 MONTHS

The 1-Year A1 Structured Deposit is ideal for those who want the good returns of structured deposits and the short maturity of fixed deposits

Singapore, 24 August 2005 – Following the launch of its new Wealth Management thematic campaign inviting Singaporeans to come to the Bank with all their questions and concerns, OCBC Bank continues to push the envelope in its Wealth Management offerings with the launch of its latest structured deposit, the 1-Year A1 Structured Deposit (“A1 SD”).

Currently the structured deposit with the shortest maturity in Singapore, the 1-Year A1 Structured Deposit pays a guaranteed fixed interest rate over the life of the deposit, just like a normal fixed deposit. In addition, it offers the potential of enjoying up to more than three times the prevailing interest rate of a one-year fixed deposit.

The product is available in both SGD and USD. The SGD A1 SD pays a fixed interest rate of between 0.5 per cent to 1 per cent per annum. The current tranche is an FX-linked structure that pays a fixed interest rate of 1 per cent per annum with the potential of earning as much as 5.5 per cent per annum.

“This product was developed in response to feedback from customers who asked for an instrument that has a short tenor with the possibility of enjoying an upside bonus,” said Mr Nicholas Tan, Head Group Wealth Management, Consumer Financial Services, OCBC Bank. “As a bank that strives to meet the real-life needs and issues of Singaporeans, we are always working towards giving our customers solutions that are above and beyond what is the norm. The 1-Year A1 Structured Deposit fulfils the needs of those who want the returns of a structured deposit combined with the short maturity and flexibility of a one-year fixed deposit.”

Features of the 1-Year A1 Structured Deposit

1. Short Maturity

A1 SDs have a maturity of one year. In the current market, this is the shortest tenor available for any structured deposit.

2. Guaranteed Fixed Interest Payment

A1 SDs have a guaranteed fixed interest payment over the lifetime of the deposit. Most other structured deposits pay a guaranteed fixed payout for a short period, usually within the first third of the maturity of the deposit. The A1 SD pays anything between 0.5 to 1 per cent as a guaranteed interest rate.

3. Bonus Interest Payment

A1 SDs are linked to other assets. Depending on the performance of these assets, the A1 SD can pay as high as three times the normal fixed deposit rate (The current tranche is 5.5 per cent compared to 1.7 per cent for one year fixed deposits).

Minimum Subscription Size

Customers can place money into the A1 SD with a minimum of \$50,000. Increments have to be in multiples of \$10,000.

Current Tranche

The current A1 SD is an FX-linked structure that utilises the performance of 3 currency pairs to generate a higher interest rate. For the SGD denominated A1 SD, the guaranteed interest payable is 1 per cent p.a. The bonus interest payouts at maturity are as follows.

During the life of the Deposit

If none of the three currency pairs breach the pre-determined ranges, the customer receives an **additional 4.5 per cent p.a.**

If one of the currency pairs breaches the pre-determined ranges, the customer receives an **additional 3 per cent p.a.**

If two of the currency pairs breaches the pre-determined range, the customer receives an **additional 1.5 per cent p.a.**

About OCBC Bank

OCBC Bank is Singapore's longest established local bank. It has assets of S\$128 billion and a network of 113 branches and representative offices in 15 countries and territories including Singapore, Malaysia, Indonesia, China, Hong Kong SAR, Brunei, Japan, Australia, UK and USA. OCBC Bank offers a range of specialist financial services including consumer, corporate, investment, private and transaction banking, global treasury, asset management and stockbroking services to meet the needs of its customers across communities. Its subsidiary, Great Eastern Holdings, is the largest insurance group in both Singapore and Malaysia in terms of assets and market share.

In 2004, OCBC Bank was named Lafferty Group's Retail Bank of the Year in Asia-Pacific and South East Asia and *Global Finance* magazine's Best Bank in Singapore. Additional information may be found at www.ocbc.com.