



MEDIA RELEASE

OCBC BANK LAUNCHES TIER 1 PREFERENCE SHARES OFFER

Singapore, 16 January 2003 - Oversea-Chinese Banking Corporation Limited ("OCBC Bank") announces today that it has launched a maiden offering of 5,000,000 Class E non-cumulative non-convertible preference shares, each at an issue amount of S\$100, by way of placement to institutional and sophisticated investors in Singapore. The preference shares will qualify as Tier 1 capital of OCBC Bank.

OCBC Bank has increased the offering from the proposed 3,000,000 Class E preference shares to 5,000,000 after overwhelming interest shown by investors. The offering is jointly managed by OCBC Bank and J.P. Morgan (S.E.A.) Limited.

The preference shares will have a fixed dividend rate of 4.5 per cent per annum (net), payable semi-annually. While the preference shares are perpetual securities with no fixed date of redemption, they can be redeemed at the option of OCBC Bank five years or ten years from the date of issue, and on each dividend date thereafter. The Singapore Exchange Securities Trading Limited has granted in-principle approval for the listing and quotation of the preference shares on the SGX-ST.

Fitch and Moody's have assigned a rating of "A" and "A2" respectively for the preference shares.

Chief Financial Officer, Mr Soon Tit Koon, said: "In launching the offer today, we are taking advantage of the current low interest rate environment. Though we are not in need of capital currently, raising Tier 1 capital will strengthen OCBC Bank's capital base in preparation for future expansion and growth, and pave the way for us to manage our capital structure more efficiently."

Today's offer is part of a programme that was approved by OCBC Bank's shareholders on 8 January 2003. Under this programme, OCBC Bank can create up to five classes of preference shares denominated in Singapore dollars, and one class of preference shares denominated in U.S. dollars. Each class of preference shares will have the same terms and conditions and rank *pari passu* with each other, except for different redemption dates and different dividend rates. The different classes of preference shares are aimed at providing OCBC Bank with more options, and not all classes provided will necessarily be made use of in the future. The programme will give OCBC Bank the flexibility to issue preference shares expeditiously and help OCBC Bank take advantage of favourable market conditions.

This summary press release should be read in conjunction with the full text of the announcement filed with SGX-ST on 16 January 2003.

About OCBC Bank

OCBC Bank is a Singapore-based financial services group with assets of S\$84 billion and operations in 14 countries including Malaysia, China, Japan, Australia, UK and USA. With one of the most extensive networks among regional banks in Asia, OCBC Bank offers a range of specialist financial services including consumer, corporate and private banking, global treasury, capital markets, corporate finance, asset management and stockbroking services. For the financial year ended 31 December 2001, OCBC Bank achieved a profit attributable to shareholders of S\$785 million

For its eBanking initiatives, OCBC Bank was named as the overall Best Corporate/Institutional Internet Bank for 2002 in Singapore as well as the Asia-Pacific in a global survey conducted by US-based financial magazine, Global Finance. This was the second consecutive year that the Bank has won a Global Finance award -- it was voted the Best Internet Bank in Singapore in 2001.

More information about OCBC Bank is available at www.OCBC.com.