Media Release

OCBC Group Reports 15% Increase in Second Quarter 2011 Net Profit to S$577 million

Performance underpinned by robust growth in net interest income and fee income

Singapore, 4 August 2011 - Oversea-Chinese Banking Corporation Limited ("OCBC Bank") reported a net profit of S$577 million for the second quarter of 2011 ("2Q11"), representing a 15% increase from S$503 million a year ago. Earnings growth was underpinned by strong interest income and fee income performance arising from a combination of broad-based growth in loan, trade-related and wealth management activities.

Net interest income grew to S$827 million, a 15% increase from the same quarter a year ago. The increase was driven by loan growth of 27% across various industry sectors in Singapore and key markets overseas. The gain from robust asset growth was partly offset by lower net interest margins, though margin compression during the quarter was slower than during the preceding period. Non-interest income increased 13% to S$586 million on strong growth in fee income and life assurance profit. Fee income grew 20% to S$299 million, contributed by higher trade-related income and fees linked to Renminbi-settled trade, as well as fund management and other wealth management-related income. Life assurance profit from Great Eastern Holdings ("GEH") surged 53% to S$106 million, supported by strong underwriting results and improved investment performance as compared to a year ago. GEH's new business premiums grew 16% year-on-year, while new business embedded value rose 23%.

Operating expenses increased by 11% year-on-year to S$618 million, reflecting higher staff costs arising from headcount growth, salary increments, as well as sales commissions and incentive compensation linked to stronger business volumes. Net allowances of S$56 million were substantially higher than S$18 million a year ago, comprising mainly portfolio allowances for the strong loan growth. This increase in portfolio allowances had a negative bearing on the earnings for the quarter, while income from the new loans will flow through over time.

The Group's revenue from various wealth management activities, comprising revenue from insurance, private banking, asset management, stockbroking and sales of other wealth management products, grew to S$350 million, up 29% from a year ago. As a share of total revenue, wealth management contributed 24.8%, up from 21.9% a year ago. OCBC's private banking business continued to grow strongly, with assets under management increasing 12% in the first six months to US$29.6 billion as at 30 June 2011.

Compared to 1Q11's core net profit of S$596 million, second quarter net profit was 3% lower. Quarter-on-quarter, net interest income and fees and commissions grew at healthy rates of 6% and 9%, respectively. However, this increase was largely offset by a 50% decline in net trading income and 29% fall in life assurance profit. Operating expenses increased by 6% over the previous quarter, reflecting the Group's annual salary increments which took effect in April, higher sales commissions and other business volume-related costs.

For the first half of 2011 ("1H11"), the Group achieved a core net profit of S$1,173 million, marginally below last year's first half profit of S$1,179 million. Reported net profit, which included the S$32 million gain from the divestment of non-core assets in 1Q11, was S$1,205 million, 2% higher year-on-year. Net interest income grew 13% to S$1,611 million on robust asset growth. Non-interest income was largely flat at S$1,204 million, as the gains from a 21% increase in fee income and 19% growth in life assurance profit were offset by a 45% decline in net trading income and investment gains. Operating expenses increased by 13%, reflecting the Group's continued investments in growing its regional presence and wealth management businesses, as well as costs related to higher business volumes. Net allowances increased from S$43 million to S$105 million, comprising mainly higher portfolio allowances of S$84 million, which were recorded upfront to provide for the strong loan growth.

Annualised return on equity, based on core earnings, was 11.8% in 1H11, compared to 13.1% in 1H10. Annualised core earnings per share fell 4% year-on-year to 68.1 cents in 1H11, reflecting the enlarged share capital arising from the high participation rates in the Group's Scrip Dividend Scheme.

Net Interest Income

Net interest income growth of 15% year-on-year in 2Q11 was driven by a 21% increase in interest earning assets. Customer loans grew 27% from a year ago, and 9% from the previous quarter, to S$121 billion. Loan growth during the quarter was broad-based, with the biggest increases coming from loans to the general commerce sector, financial institutions, investment and holding companies, and the housing sector. Net interest margin declined by 9 basis points from 1.96% a year ago to 1.87%. The margin decline was attributed to the persistent low interest rate environment, strong growth in well-collateralised, lower-yielding loans linked to trade, and price competition, particularly in the housing loan segment.

Compared with 1Q11, net interest income rose 6%, propelled by comparable growth in interest earning assets. Net interest margin narrowed by 3 basis points from the previous quarter, reflecting continued strong growth in lower-yielding loans as well as lower spreads for housing loans.

Non-Interest Income

Non-interest income growth of 13% year-on-year was supported by higher fee and commission income, profits from life assurance and dividend income. Fees and commissions rose 20% to S$299 million, led by growth in trade-related income, service charges linked to Renminbi-settled trade, fund management and other wealth management-related income. Life assurance profits increased by 53% to S$106 million, reflecting strong underwriting profit and a better investment performance as compared to the period a year ago. Gains from investment securities fell from S$53 million to S$31 million, while net trading income dipped from S$43 million to S$41 million.

Compared with 1Q11, non-interest income was 5% lower (excluding the gain from divestment of non-core assets in 1Q11). Fee income and dividend income were higher by 9% and 85% respectively. However, life assurance profits declined by 29%, as profit from GEH's Non-Participating Fund[1] did not match the strong performance of the previous quarter. Net trading income declined by 50% from S$81 million in the previous quarter, reflecting a more challenging trading environment in choppy markets.

Operating Expenses

The year-on-year increase of 11% in operating expenses was largely due to higher staff costs, which rose 14% to S$373 million. Group staff strength increased 6% year-on-year to support the expansion of the Group's franchise in Singapore and overseas markets. The increase in staff costs was also attributable to salary increments, higher incentive compensation and sales commissions as a result of stronger business volumes.

Compared with 1Q11, operating expenses were up 6% on higher staff costs and other costs to support increased business volumes. Staff costs rose 7% quarter-on-quarter, partly reflecting the impact of annual salary increments which took effect in April. Higher business volumes during the quarter, particularly in loans and trade-related services as well as insurance sales, also resulted in higher sales commissions and professional fees.

The cost-to-income ratio was 43.7% in 2Q11 and 42.6% for 1H11, compared to 45.2% and 40.5%, respectively, in the same periods in 2010.

[1] The Non-Participating Fund is made up of insurance policies and riders which have fixed policyholder benefits, e.g. term insurance, critical illness, accident, medical and disability insurance, and in which the policyholders do not participate or share in the profits of the fund.

Allowances and Asset Quality

Allowances for loans and other assets were S$56 million for the quarter, up from S$18 million a year ago and S$49 million in 1Q11. The allowances comprised mainly portfolio allowances of S$54 million, a significant increase from the S$5 million a year ago. These upfront provisions were made in view of the robust loan growth. While portfolio allowances increased, specific allowances for loans, net of recoveries and writebacks, remained low at S$3 million, down from S$11 million a year ago and S$12 million in 1Q11.

The Group's asset quality improved and coverage ratios remained strong. Absolute NPLs declined by 6% from the previous quarter to S$913 million, and the NPL ratio improved from 0.9% to 0.8%. Total cumulative allowances represented 123% of total non-performing assets ("NPAs") in 1Q11, similar to the previous quarter; total cumulative allowances as a percentage of unsecured NPAs was 311%, up from 272% in 1Q11.

Capital Ratios

OCBC Group remained well capitalised, with a Tier 1 ratio of 15.4%, and total capital adequacy ratio of 17.0% as of 30 June 2011. These capital positions were well above the regulatory minimums of 6% and 10%, respectively. The Core Tier 1 ratio, which excludes Tier 1 preference shares, was 11.9%. The Group is well positioned to meet the revised MAS capital requirements announced on 28 June 2011.

Interim Dividend

An interim tax-exempt dividend of 15 cents per share has been declared for the first half-year of 2011, similar to the 1H10 interim dividend. The interim dividend payout will amount to approximately S$508 million, representing 43% of the Group's core net profit. As per the last five dividend payments, the Scrip Dividend Scheme will be applicable to the interim dividend. The issue price for the new shares, to be allotted to shareholders who opt for the scrip dividend, will be at a 10% discount to the average of the daily volume weighted average prices of the shares during the price determination period from 16 August 2011 (the ex-dividend date) to 18 August 2011 (the books closure date), both dates inclusive.

CEO's Comments

Commenting on the Group's performance, CEO David Conner said:

"Our solid first half performance shows that our investments are continuing to bear fruit, underpinned by favorable economic conditions in our key markets. While we are cognizant of inflationary risks, as well as possible negative implications of fiscal issues in the US and Europe on global markets, we will continue to focus on expanding our regional franchise for further growth."

About OCBC Bank

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. It is also ranked by Bloomberg Markets as the world's strongest bank.

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 over 500 branches and representative offices in 15 countries and territories, including more than 400 branches and offices in Indonesia that are 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. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia. Private banking services are provided by subsidiary Bank of Singapore, which has been ranked among the top five global private banks in Asia.

For more information, please visit www.ocbc.com

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To Our Shareholders

The Board of Directors of Oversea-Chinese Banking Corporation Limited ("OCBC") reports the following:

Unaudited Financial Results for the Second Quarter Ended 30 June 2011

For the second quarter ended 30 June 2011, the Group's reported net profit was S$577 million. Details of the financial results are in the accompanying Group Financial Report.

Ordinary Dividend

An interim tax exempt dividend of 15 cents per share (2010: 15 cents tax-exempt) has been declared for the first half-year 2011. The interim dividend payout will amount to an estimated S$508 million (2010: S$493 million) or approximately 43% of the Group's core net profit of S$1,173 million for 1H11.

Closure of Books

The books closure date is 18 August 2011. Please refer to the separate announcement titled "Notice of Books Closure and Application of Scrip Dividend Scheme to FY11 Interim Dividend" released by the Bank today.

Scrip Dividend Scheme

The Scrip Dividend Scheme will be applicable to the interim dividend. The issue price for the new shares, to be allotted to shareholders who have elected to receive scrip for the interim dividend, will be set at a 10% discount to the average of the daily volume weighted average prices of the shares for each of the market days during the price determination period between 16 August 2011 (the ex-dividend date) to 18 August 2011 (the books closure date), both dates inclusive. Further details can be found in a separate announcement titled "Application of Scrip Dividend Scheme to FY11 Interim Dividend" released by the Bank today.

Preference Dividends

On 20 June 2011, the Bank paid semi-annual tax exempt dividends on its non-cumulative non-convertible preference shares as follows: Class B Preference Shares at 5.1% (2010: 5.1%) per annum; Class E Preference Shares at 4.5% (2010: 4.5%) per annum and Class G Preference Shares at 4.2% (2010: 4.2%) per annum. Total amount of dividends paid for the Class B, Class E and Class G Preference Shares were S$25.4 million, S$11.2 million and S$8.3 million, respectively.

Peter Yeoh
Secretary

Singapore, 4 August 2011

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

Oversea-Chinese Banking Corporation Limited

Second Quarter 2011 Group Financial Report

OCBC Bank

Incorporated in Singapore
Company Registration Number: 193200032W

CONTENTS

Notes:
1. Certain comparative figures have been restated to conform with the current period's presentation.
2. Amounts less than S$0.5 million are shown as "0".
3. "NM" denotes not meaningful.

FINANCIAL SUMMARY

OCBC Group prepares its financial statements in accordance with the Singapore Financial Reporting Standards ("FRS") as required by the Singapore Companies Act, including the modification to FRS 39 *Financial Instruments: Recognition and Measurement* requirement on loan loss provisioning under Notice to Banks No. 612 "Credit Files, Grading and Provisioning" issued by the Monetary Authority of Singapore.

The following new/revised financial reporting standards and interpretations were applied with effect from 1 January 2011:

FRS 24 (Revised):	Related Party Disclosures
INT FRS 114 (Amendments):	Prepayment of a Minimum Funding Requirement
INT FRS 119:	Extinguishing Financial Liabilities with Equity Instruments
Improvements to FRSs 2010	

The revised FRS 24 requires disclosure of transactions in all direct relationships involving control, joint control or significant influence and excludes the need to disclose transactions between two entities in which a person has significant influence over one entity, and a close family member of that person has significant influence over the other entity.

The initial application of the above standards and interpretations does not have any material impact on the Group's financial statements.

Financial Results

Group net profit attributable to shareholders for the second quarter ended 30 June 2011 ("2Q11") was S$577 million, representing an increase of 15% from a year ago.

Net interest income grew by 15% year-on-year to S$827 million. The increase was driven by strong, broad-based loan growth across industry sectors in Singapore and key overseas markets. Non-interest income increased 13% to S$586 million, led by higher fee income and life assurance profit. Operating expenses increased 11% to S$618 million, reflecting higher staff costs arising from headcount growth and salary increments, as well as higher expenses linked to increased business volumes. Net allowances for the quarter were S$56 million, up from S$18 million a year ago, comprising mainly portfolio allowances of S$54 million for the strong loan growth. The non-performing loans ("NPL") ratio improved during the quarter to 0.8%, from 0.9% in 1Q11 and 1.3% in 2Q10.

For the first half of 2011 ("1H11"), the Group achieved core net profit of S$1,173 million (excluding a S$32 million divestment gain in 1Q11), marginally below last year's profit of S$1,179 million, as higher revenues were offset by increased expenses and portfolio allowances. Annualised return on equity, based on core earnings, was 11.8% in 1H11, compared to 13.1% in 1H10. Core earnings per share fell 4% year-on-year to 68.1 cents in 1H11, reflecting an enlarged share capital arising from the high participation rate in the Group's Scrip Dividend Scheme.

FINANCIAL SUMMARY *(continued)*

S$ million	1H11	1H10	+/(-) %	2Q11	2Q10	+/(-) %	1Q11	+/(-) %
Selected Income Statement Items								
Net interest income	**1,611**	1,424	13	**827**	720	15	784	6
Non-interest income	**1,204**	1,197	1	**586**	516	13	618	(5)
Total core income	**2,815**	2,621	7	**1,413**	1,236	14	1,402	1
Operating expenses	**(1,199)**	(1,061)	13	**(618)**	(559)	11	(581)	6
Operating profit before allowances and amortisation	**1,616**	1,560	4	**795**	677	17	821	(3)
Amortisation of intangible assets	**(31)**	(23)	31	**(16)**	(11)	31	(15)	1
Allowances for loans and impairment of other assets	**(105)**	(43)	149	**(56)**	(18)	227	(49)	16
Operating profit after allowances and amortisation	**1,480**	1,494	(1)	**723**	648	12	757	(4)
Share of results of associates and joint ventures	**31**	(1)	NM	**19**	(1)	NM	12	56
Profit before income tax	**1,511**	1,493	1	**742**	647	15	769	(3)
Core net profit attributable to shareholders	**1,173**	1,179	–	**577**	503	15	596	(3)
Divestment gain, net of tax	**32**	–	–	**–**	–	–	32	(100)
Reported net profit attributable to shareholders	**1,205**	1,179	2	**577**	503	15	628	(8)
Cash basis net profit attributable to shareholders [1/]	**1,236**	1,202	3	**593**	514	15	643	(8)
Selected Balance Sheet Items								
Ordinary equity	**19,859**	17,986	10	**19,859**	17,986	10	19,663	1
Total equity *(excluding non-controlling interests)*	**21,755**	19,881	9	**21,755**	19,881	9	21,559	1
Total assets	**253,465**	213,173	19	**253,465**	213,173	19	244,120	4
Assets excluding life assurance fund investment assets	**205,567**	167,842	22	**205,567**	167,842	22	195,716	5
Loans and bills receivable *(net of allowances)*	**119,653**	93,977	27	**119,653**	93,977	27	109,411	9
Deposits of non-bank customers	**134,302**	112,313	20	**134,302**	112,313	20	126,009	7

Note:
1. Excludes amortisation of intangible assets.

FINANCIAL SUMMARY *(continued)*

	1H11	1H10	2Q11	2Q10	1Q11
Key Financial Ratios - based on core earnings					
Performance ratios (% p.a.)					
Return on equity [1/ 2/]					
SFRS[3/] basis	**11.8**	13.1	**11.4**	10.9	12.2
Cash basis	**12.1**	13.4	**11.7**	11.2	12.5
Return on assets [4/]					
SFRS[3/] basis	**1.20**	1.43	**1.14**	1.20	1.26
Cash basis	**1.23**	1.46	**1.17**	1.22	1.29
Revenue mix/efficiency ratios (%)					
Net interest margin (annualised)	**1.88**	2.00	**1.87**	1.96	1.90
Net interest income to total income	**57.2**	54.3	**58.6**	58.2	55.9
Non-interest income to total income	**42.8**	45.7	**41.4**	41.8	44.1
Cost to income	**42.6**	40.5	**43.7**	45.2	41.5
Loans to deposits	**89.1**	83.7	**89.1**	83.7	86.8
NPL ratio	**0.8**	1.3	**0.8**	1.3	0.9
Earnings per share [2/] (annualised - cents)					
Basic earnings	**68.1**	70.6	**66.4**	59.4	69.7
Basic earnings (cash basis)	**69.9**	72.1	**68.3**	60.8	71.6
Diluted earnings	**67.8**	70.4	**66.2**	59.1	69.5
Net asset value per share (S$)					
Before valuation surplus	**5.86**	5.48	**5.86**	5.48	5.89
After valuation surplus	**7.18**	6.99	**7.18**	6.99	7.20
Capital adequacy ratios (%)					
Tier 1	**15.4**	15.3	**15.4**	15.3	15.5
Total	**17.0**	16.3	**17.0**	16.3	17.3

Notes:
1. Preference equity and non-controlling interests are not included in the computation for return on equity.
2. Calculated based on core net profit less preference dividends paid and estimated to be due as at the end of the financial period.
3. "SFRS" refers to Singapore Financial Reporting Standards.
4. Computation of return on assets excludes life assurance fund investment assets.

NET INTEREST INCOME

Average Balance Sheet

S$ million	1H11 Average Balance	1H11 Interest	1H11 Average Rate [4]	1H10 Average Balance	1H10 Interest	1H10 Average Rate [4]
			%			%
Interest earning assets						
Loans and advances to non-bank customers	**110,839**	**1,745**	**3.18**	88,452	1,519	3.46
Placements with and loans to banks	**32,652**	**347**	**2.14**	27,970	193	1.39
Other interest earning assets [1]	**29,116**	**383**	**2.65**	27,453	362	2.66
Total	**172,607**	**2,475**	**2.89**	143,875	2,074	2.91
Interest bearing liabilities						
Deposits of non-bank customers	**127,675**	**636**	**1.00**	108,358	483	0.90
Deposits and balances of banks	**23,079**	**93**	**0.82**	14,629	46	0.63
Other borrowings [2]	**9,677**	**135**	**2.81**	8,763	121	2.78
Total	**160,431**	**864**	**1.09**	131,750	650	1.00
Net interest income/margin [3]		**1,611**	**1.88**		1,424	2.00

S$ million	2Q11 Average Balance	2Q11 Interest	2Q11 Average Rate [4]	2Q10 Average Balance	2Q10 Interest	2Q10 Average Rate [4]	1Q11 Average Balance	1Q11 Interest	1Q11 Average Rate [4]
			%			%			%
Interest earning assets									
Loans and advances to non-bank customers	**114,250**	**890**	**3.13**	91,049	771	3.40	107,393	855	3.23
Placements with and loans to banks	**34,159**	**203**	**2.38**	28,254	97	1.38	31,128	144	1.88
Other interest earning assets [1]	**29,352**	**191**	**2.62**	28,178	187	2.66	28,877	192	2.69
Total	**177,761**	**1,284**	**2.90**	147,481	1,055	2.87	167,398	1,191	2.88
Interest bearing liabilities									
Deposits of non-bank customers	**130,230**	**338**	**1.04**	110,842	249	0.90	125,091	298	0.97
Deposits and balances of banks	**25,016**	**50**	**0.82**	15,346	26	0.69	21,120	43	0.82
Other borrowings [2]	**10,369**	**69**	**2.66**	8,814	60	2.72	8,978	66	2.98
Total	**165,615**	**457**	**1.11**	135,002	335	0.99	155,189	407	1.06
Net interest income/margin [3]		**827**	**1.87**		720	1.96		784	1.90

Notes:
1. Comprise corporate debts and government securities.
2. Mainly debts issued.
3. Net interest margin is net interest income as a percentage of interest earning assets.
4. Average rates are computed on an annualised basis.

NET INTEREST INCOME *(continued)*

Net interest income grew 15% year-on-year to S$827 million in 2Q11, driven by a 21% increase in interest earning assets. Net interest margin declined by 9 basis points from 1.96% a year ago to 1.87%. The margin decline was due mainly to the persistent low interest rate environment, strong growth in well-collateralised, lower-yielding loans linked to trade, and pricing competition especially in the housing loan segment. The growth in trade-related loans was reflected in the 153% year-on-year surge in bills receivable, which boosted the Group's net interest income but had a dampening effect on net interest margin.

Compared with 1Q11, net interest income rose by 6% on robust asset growth. Net interest margin narrowed by 3 basis points from the previous quarter, attributed to the continued strong growth in lower-yielding, trade-related loans, as well as lower spreads for housing loans.

Volume and Rate Analysis

	1H11 vs 1H10			2Q11 vs 2Q10			2Q11 vs 1Q11		
Increase/(decrease) due to change in: S$ million	**Volume**	**Rate**	**Net change**	**Volume**	**Rate**	**Net change**	**Volume**	**Rate**	**Net change**
Interest income									
Loans and advances to non-bank customers	384	(158)	226	196	(77)	119	55	(29)	26
Placements with and loans to banks	33	121	154	20	86	106	14	42	56
Other interest earning Assets	22	(1)	21	8	(4)	4	3	(5)	(2)
Total	439	(38)	401	224	5	229	72	8	80
Interest expense									
Deposits of non-bank Customers	87	66	153	44	45	89	12	23	35
Deposits and balances of banks	26	21	47	16	8	24	8	0	8
Other borrowings	13	1	14	11	(2)	9	10	(8)	2
Total	126	88	214	71	51	122	30	15	45
Impact on net interest income	313	(126)	187	153	(46)	107	42	(7)	35
Due to change in number of days			–			–			8
Net interest income			187			107			43

NON-INTEREST INCOME

S$ million	1H11	1H10	+/(-)	2Q11	2Q10	+/(-)	1Q11	+/(-)
			%			%		%
Fees and commissions								
Brokerage	**36**	41	(14)	**16**	21	(27)	20	(25)
Wealth management	**118**	85	38	**56**	48	15	62	(10)
Fund management	**51**	40	29	**29**	21	44	22	37
Credit card	**20**	22	(6)	**10**	12	(14)	10	(6)
Loan-related	**97**	103	(6)	**52**	50	4	45	15
Trade-related and remittances	**106**	79	35	**58**	42	41	48	20
Guarantees	**11**	10	5	**5**	5	(16)	6	(22)
Investment banking	**56**	42	32	**27**	26	1	29	(10)
Service charges	**49**	31	57	**31**	14	120	18	72
Others	**29**	19	54	**15**	9	70	14	19
Sub-total	**573**	472	21	**299**	248	20	274	9
Dividends	**69**	47	46	**45**	28	57	24	85
Rental income	**39**	40	(3)	**19**	20	(6)	20	(4)
Profit from life assurance	**256**	215	19	**106**	69	53	150	(29)
Premium income from general insurance	**60**	73	(18)	**31**	37	(18)	29	3
Other income								
Net trading income	**122**	202	(40)	**41**	43	(6)	81	(50)
Net gain from investment securities	**54**	118	(54)	**31**	53	(43)	23	30
Net gain from disposal of associates	**1**	3	(66)	**0**	1	(25)	1	(2)
Net gain from disposal of properties	**2**	0	726	**1**	0	NM	1	322
Others	**28**	27	7	**13**	17	(19)	15	(10)
Sub-total	**207**	350	(41)	**86**	114	(24)	121	(28)
Total core non-interest income	**1,204**	1,197	1	**586**	516	13	618	(5)
Divestment gain	**39**	–	–	**–**	–	–	39	(100)
Total non-interest income	**1,243**	1,197	4	**586**	516	13	657	(11)
Fees and commissions/Total income [1/]	**20.4%**	18.0%		**21.1%**	20.1%		19.6%	
Non-interest income/Total income [1/]	**42.8%**	45.7%		**41.4%**	41.8%		44.1%	

Note:
1. Excludes gains from divestment of non-core assets.

Non-interest income grew by 13% year-on-year to S$586 million in 2Q11, led by increases in fee and commission income, profit from life assurance and dividend income. Fee and commission income rose 20% to S$299 million, led by trade-related fees, service charges which were linked to Renminbi-settled trade, fund management fees and other wealth management-related income. Life assurance profit from Great Eastern Holdings ("GEH") increased 53% to S$106 million, reflecting a stronger investment performance compared to the year ago period, and improved profits from underwriting. Dividend income increased by 57% to S$45 million.

Net trading income declined marginally to S$41 million from S$43 million a year ago. The sale of investment securities yielded gains of S$31 million, a decline from S$53 million in 2Q10.

Compared with 1Q11, non-interest income fell 5% (excluding the divestment gain in 1Q11). Fee income and dividend income were higher by 9% and 85%, respectively. However, life assurance profits declined by 29% as profit from GEH's Non-Participating Fund[2] did not match the strong performance in the previous quarter. Net trading income declined by 50% compared to S$81 million in 1Q11, reflecting a more challenging trading environment in 2Q11.

[2] The Non-Participating Fund is made up of insurance policies and riders which have fixed policyholder benefits, e.g. term insurance, critical illness, accident, medical and disability insurance, and in which the policyholders do not participate or share in the profits of the fund.

OPERATING EXPENSES

S$ million	1H11	1H10	+/(-) %	2Q11	2Q10	+/(-) %	1Q11	+/(-) %
Staff costs								
Salaries and other costs	**665**	563	18	**343**	299	15	322	7
Share-based expenses	**6**	7	(25)	**3**	3	(30)	3	(8)
Contribution to defined contribution plans	**53**	46	14	**27**	25	9	26	4
	724	616	17	**373**	327	14	351	7
Property and equipment								
Depreciation	**80**	75	6	**41**	38	7	39	5
Maintenance and hire of property, plant & equipment	**35**	32	7	**18**	17	8	17	9
Rental expenses	**33**	30	13	**16**	16	3	17	(6)
Others	**71**	59	20	**34**	29	14	37	(11)
	219	196	12	**109**	100	9	110	(1)
Other operating expenses	**256**	249	3	**136**	132	3	120	12
Total operating expenses	**1,199**	1,061	13	**618**	559	11	581	6
Group staff strength								
Period end	**22,345**	21,112	6	**22,345**	21,112	6	21,932	2
Average	**22,007**	20,717	6	**22,222**	20,947	6	21,791	2
Cost to income ratio [1/]	**42.6%**	40.5%		**43.7%**	45.2%		41.5%	

Note:

1. Excludes gains from divestment of non-core assets.

Operating expenses were S$618 million in 2Q11, an increase of 11% year-on-year. Staff costs rose 14% to S$373 million, reflecting mainly the impact of increased headcount to support business growth, as well as higher base salaries. Group headcount rose 6% year-on-year, with half of the increase coming from the Group's franchise expansion in overseas markets, including Malaysia, Indonesia, China and other key markets for Bank of Singapore. In addition, incentive compensation, sales commissions, professional fees and business promotion expenses were also higher, mainly as a result of stronger business volumes.

Compared with 1Q11, operating expenses were up 6%, largely because of higher staff costs and other expenses to support increased business volumes.

The cost-to-income ratio was 43.7% in 2Q11, as compared with 45.2% in 2Q10 and 41.5% in 1Q11.

ALLOWANCES FOR LOANS AND OTHER ASSETS

S$ million	1H11	1H10	+/(-) %	2Q11	2Q10	+/(-) %	1Q11	+/(-) %
Specific allowances/ (write-back) for loans								
Singapore	**1**	3	(66)	**3**	4	(36)	(2)	268
Malaysia	**9**	12	(19)	**0**	8	(96)	9	(97)
Others	**5**	1	514	**(0)**	(1)	83	5	(107)
	15	16	(7)	**3**	11	(74)	12	(76)
Portfolio allowances for loans	**84**	35	142	**54**	5	NM	30	83
Allowances and impairment charges/(write-back) for other assets	**6**	(8)	179	**(1)**	2	(126)	7	(108)
Allowances for loans and impairment of other assets	**105**	43	149	**56**	18	227	49	16

Allowances for loans and other assets were S$56 million for the quarter, up from S$18 million a year ago and S$49 million in 1Q11. The increase was mainly due to higher portfolio allowances which were in tandem with the strong loan growth. Portfolio allowances were S$54 million, up from S$5 million a year ago and S$30 million in the previous quarter.

Specific allowances for loans, net of recoveries and writebacks, were lower at S$3 million, as compared to S$11 million a year ago and S$12 million in 1Q11.

LOANS AND ADVANCES

S$ million	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
Loans to customers	**111,900**	105,012	102,172	91,809
Bills receivable	**9,276**	5,900	4,277	3,664
Gross loans to customers	**121,176**	110,912	106,449	95,473
Allowances				
Specific allowances	**(302)**	(335)	(328)	(412)
Portfolio allowances	**(1,168)**	(1,121)	(1,094)	(1,045)
	119,706	109,456	105,027	94,016
Less: assets pledged	**(53)**	(45)	(38)	(39)
Loans net of allowances	**119,653**	109,411	104,989	93,977
By Maturity				
Within 1 year	**47,995**	41,225	39,053	34,732
1 to 3 years	**17,943**	17,314	17,515	19,616
Over 3 years	**55,238**	52,373	49,881	41,125
	121,176	110,912	106,449	95,473
By Industry				
Agriculture, mining and quarrying	**3,135**	3,267	2,909	2,429
Manufacturing	**7,546**	6,963	7,057	6,458
Building and construction	**17,902**	17,936	18,532	15,912
Housing loans	**28,957**	27,883	27,076	24,531
General commerce	**17,378**	13,112	11,793	10,506
Transport, storage and communication	**7,595**	6,619	6,447	5,991
Financial institutions, investment and holding companies	**14,968**	13,932	12,887	10,872
Professionals and individuals	**12,215**	11,494	10,954	10,132
Others	**11,480**	9,706	8,794	8,642
	121,176	110,912	106,449	95,473
By Currency				
Singapore Dollar	**58,429**	56,123	54,850	48,649
United States Dollar	**28,863**	21,884	18,937	17,237
Malaysian Ringgit	**15,371**	15,111	14,885	14,511
Indonesian Rupiah	**3,746**	3,506	3,551	3,341
Others	**14,767**	14,288	14,226	11,735
	121,176	110,912	106,449	95,473
By Geography [1/]				
Singapore	**65,623**	61,606	59,967	53,078
Malaysia	**18,868**	17,812	17,080	16,561
Rest of Southeast Asia (SEA)	**7,828**	7,311	6,884	6,269
Greater China	**14,665**	12,365	11,079	9,703
Other Asia Pacific	**6,126**	5,402	5,311	4,432
Rest of the World	**8,066**	6,416	6,128	5,430
	121,176	110,912	106,449	95,473

Note:
1. Loans by geography are based on where the credit risks reside, which may be different from the borrower's country of residence or the booking location of the loans.

Gross loans grew 27% from a year ago, and 9% from the previous quarter, to S$121 billion as at 30 June 2011. Loan growth was broad-based, with the largest increases derived from loans to the general commerce sector, housing sector and to non-bank financial institutions, investment and holding companies.

NON-PERFORMING ASSETS

S$ million	Total NPAs [1/]	Substandard	Doubtful	Loss	Secured NPAs/ Total NPAs	NPLs [2/]	NPL Ratio [2/]
					%		%
Singapore							
30 Jun 2011	**317**	**228**	**59**	**30**	**55.8**	**240**	**0.4**
31 Mar 2011	355	253	62	40	54.4	270	0.4
31 Dec 2010	399	272	54	73	57.8	318	0.5
30 Jun 2010	402	173	139	90	67.8	401	0.8
Malaysia							
30 Jun 2011	**560**	**393**	**102**	**65**	**54.7**	**444**	**2.4**
31 Mar 2011	587	406	115	66	51.4	463	2.6
31 Dec 2010	605	419	114	72	53.3	478	2.8
30 Jun 2010	615	365	177	73	58.1	567	3.4
Rest of SEA							
30 Jun 2011	**115**	**12**	**33**	**70**	**56.1**	**115**	**1.5**
31 Mar 2011	113	16	35	62	52.6	113	1.6
31 Dec 2010	114	41	10	63	59.5	115	1.7
30 Jun 2010	147	43	10	94	65.8	147	2.3
Greater China							
30 Jun 2011	**30**	**26**	**4**	**–**	**91.8**	**30**	**0.2**
31 Mar 2011	23	7	16	–	32.7	23	0.2
31 Dec 2010	24	10	14	–	29.1	24	0.2
30 Jun 2010	59	11	48	–	11.8	59	0.6
Other Asia Pacific							
30 Jun 2011	**126**	**126**	**–**	**–**	**82.7**	**34**	**0.6**
31 Mar 2011	46	46	–	–	74.4	46	0.8
31 Dec 2010	–	–	–	–	–	–	–
30 Jun 2010	31	31	–	–	61.6	31	0.7
Rest of the World							
30 Jun 2011	**53**	**32**	**18**	**3**	**87.2**	**50**	**0.6**
31 Mar 2011	67	39	24	4	81.9	61	0.9
31 Dec 2010	66	37	25	4	78.1	60	1.0
30 Jun 2010	62	18	40	4	83.2	55	1.0
Group							
30 Jun 2011	**1,201**	**817**	**216**	**168**	**60.4**	**913**	**0.8**
31 Mar 2011	1,191	767	252	172	54.7	976	0.9
31 Dec 2010	1,208	779	217	212	56.2	995	0.9
30 Jun 2010	1,316	641	414	261	61.1	1,260	1.3

Notes:
1. Comprise non-bank loans, debt securities and contingent liabilities.
2. Exclude debt securities and contingent liabilities.

NON-PERFORMING ASSETS *(continued)*

Non-performing loans ("NPLs") declined 6% from the previous quarter to S$913 million as at 30 June 2011. By industry, the decrease in NPLs during the quarter was mainly from the manufacturing and general commerce sectors. The Group's NPL ratio continued to improve to 0.8%, from 0.9% in the previous quarter and 1.3% a year ago. The NPL ratio for Singapore remained at 0.4%, similar to the previous quarter, while the NPL ratio for Malaysia improved to 2.4% from 2.6%.

Including classified debt securities and contingent liabilities, the Group's total non-performing assets ("NPAs") were S$1,201 million, 9% lower than a year ago and 1% higher as compared with the previous quarter. Of the total NPAs, 68% were in the substandard category and 60% were secured by collateral.

	30 Jun 2011		31 Mar 2011		31 Dec 2010		30 Jun 2010	
	S$ million	% of Loans	S$ million	% of loans	S$ million	% of Loans	S$ million	% of loans
NPLs by Industry								
Loans and advances								
Agriculture, mining and quarrying	**8**	**0.2**	7	0.2	7	0.2	9	0.4
Manufacturing	**255**	**3.4**	304	4.4	299	4.2	396	6.1
Building and construction	**87**	**0.5**	94	0.5	97	0.5	156	1.0
Housing loans	**173**	**0.6**	183	0.7	190	0.7	215	0.9
General commerce	**108**	**0.6**	122	0.9	127	1.1	153	1.5
Transport, storage and communication	**70**	**0.9**	72	1.1	77	1.2	108	1.8
Financial institutions, investment and holding companies	**62**	**0.4**	62	0.4	29	0.2	23	0.2
Professionals and individuals	**114**	**0.9**	90	0.8	139	1.0	162	1.3
Others	**36**	**0.3**	42	0.4	30	0.5	38	0.6
Total NPLs	**913**	**0.8**	976	0.9	995	0.9	1,260	1.3
Classified debt securities	**101**		13		13		14	
Classified contingent liabilities	**187**		202		200		42	
Total NPAs	**1,201**		1,191		1,208		1,316	

	30 Jun 2011		31 Mar 2011		31 Dec 2010		30 Jun 2010	
	S$ million	%	S$ million	%	S$ million	%	S$ million	%
NPAs by Period Overdue								
Over 180 days	**453**	**38**	490	41	511	42	644	49
Over 90 to 180 days	**91**	**8**	86	7	98	8	105	8
30 to 90 days	**231**	**19**	141	12	166	14	95	7
Less than 30 days	**40**	**3**	19	2	20	2	32	2
Not overdue	**386**	**32**	455	38	413	34	440	34
	1,201	**100**	1,191	100	1,208	100	1,316	100

	30 Jun 2011		31 Mar 2011		31 Dec 2010		30 Jun 2010	
S$ million	Loan	Allowance	Loan	Allowance	Loan	Allowance	Loan	Allowance
Restructured Loans								
Substandard	**139**	**3**	152	3	170	5	125	5
Doubtful	**25**	**16**	24	14	22	15	104	30
Loss	**7**	**4**	7	5	13	11	11	7
	171	**23**	183	22	205	31	240	42

CUMULATIVE ALLOWANCES FOR ASSETS

S$ million	Total cumulative allowances	Specific allowances	Portfolio allowances	Specific allowances as % of total NPAs	Cumulative allowances as % of total NPAs
				%	%
Singapore					
30 Jun 2011	**574**	**40**	**534**	**12.7**	**181.4**
31 Mar 2011	565	40	525	11.3	159.2
31 Dec 2010	573	43	530	10.8	143.7
30 Jun 2010	579	66	513	16.5	144.2
Malaysia					
30 Jun 2011	**469**	**196**	**273**	**35.0**	**83.8**
31 Mar 2011	466	207	259	35.2	79.4
31 Dec 2010	453	202	251	33.5	75.0
30 Jun 2010	475	227	248	36.9	77.1
Rest of SEA					
30 Jun 2011	**143**	**64**	**79**	**55.1**	**123.4**
31 Mar 2011	141	63	78	55.5	124.3
31 Dec 2010	134	61	73	53.0	117.3
30 Jun 2010	138	67	71	45.8	94.0
Greater China					
30 Jun 2011	**154**	**3**	**151**	**8.9**	**507.0**
31 Mar 2011	159	18	141	78.9	696.4
31 Dec 2010	147	19	128	79.6	608.9
30 Jun 2010	163	49	114	83.3	278.3
Other Asia Pacific					
30 Jun 2011	**71**	**–**	**71**	**–**	**56.6**
31 Mar 2011	69	4	65	9.7	151.4
31 Dec 2010	63	–	63	–	–
30 Jun 2010	57	3	54	10.6	182.6
Rest of the World					
30 Jun 2011	**68**	**8**	**60**	**15.0**	**128.0**
31 Mar 2011	68	15	53	22.6	101.7
31 Dec 2010	65	16	49	23.4	96.8
30 Jun 2010	59	14	45	21.6	94.6
Group					
30 Jun 2011	**1,479**	**311**	**1,168**	**25.9**	**123.2**
31 Mar 2011	1,468	347	1,121	29.2	123.2
31 Dec 2010	1,435	341	1,094	28.2	118.8
30 Jun 2010	1,471	426	1,045	32.4	111.8

As at 30 June 2011, the Group's total cumulative allowances for assets were S$1,479 million, comprising S$311 million in specific allowances and S$1,168 million in portfolio allowances. Total cumulative allowances represented 123% of total non-performing assets ("NPAs"), similar to the previous quarter, while allowances as a percentage of unsecured NPAs was 311%, up from 272% in the previous quarter.

DEPOSITS

S$ million	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
Deposits of non-bank customers	**134,302**	126,009	123,300	112,313
Deposits and balances of banks	**24,501**	24,912	16,508	13,661
	158,803	150,921	139,808	125,974
Loans to deposits ratio (net non-bank loans/non-bank deposits)	**89.1%**	86.8%	85.1%	83.7%

S$ million	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
Total Deposits By Maturity				
Within 1 year	**156,484**	148,746	137,926	123,801
1 to 3 years	**1,544**	1,337	1,277	1,706
Over 3 years	**775**	838	605	467
	158,803	150,921	139,808	125,974
Non-Bank Deposits By Product				
Fixed deposits	**59,434**	56,645	58,602	55,647
Savings deposits	**26,578**	26,084	25,620	23,758
Current account	**37,302**	34,973	31,737	26,626
Others	**10,988**	8,307	7,341	6,282
	134,302	126,009	123,300	112,313
Non-Bank Deposits By Currency				
Singapore Dollar	**69,022**	68,268	66,934	60,828
United States Dollar	**18,479**	17,654	16,918	15,668
Malaysian Ringgit	**18,473**	17,087	17,097	16,209
Indonesian Rupiah	**4,444**	3,992	4,423	3,935
Others	**23,884**	19,008	17,928	15,673
	134,302	126,009	123,300	112,313

Non-bank customer deposits grew 20% year-on-year, and 7% quarter-on-quarter, to S$134 billion as at 30 June 2011. The year-on-year growth was driven by a 40% increase in current account deposits and 75% increase in other deposits. Savings deposits grew 12% year-on-year, while fixed deposits grew 7%.

The Group's loans-to-deposits ratio was 89.1%, an increase from 86.8% as at 31 March 2011 and 83.7% a year ago.

DEBTS ISSUED

S$ million	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
Subordinated debts (unsecured)	**6,568**	6,673	6,339	5,843
Commercial papers (unsecured)	**2,848**	1,299	461	1,076
Structured notes (unsecured)	**96**	95	54	15
Total	**9,512**	8,067	6,854	6,934
Debts Issued By Maturity				
Within one year	**5,424**	4,101	3,105	1,088
Over one year	**4,088**	3,966	3,749	5,846
Total	**9,512**	8,067	6,854	6,934

CAPITAL ADEQUACY RATIOS

S$ million	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
Tier 1 Capital				
Ordinary and preference shares	**8,612**	8,218	8,211	7,792
Disclosed reserves/others	**14,554**	14,667	14,057	13,654
Goodwill/others	**(5,402)**	(5,416)	(5,120)	(5,285)
Eligible Tier 1 Capital	**17,764**	17,469	17,148	16,161
Tier 2 Capital				
Subordinated term notes	**3,381**	3,438	3,467	3,211
Revaluation surplus on available-for-sale equity securities	**402**	488	–	–
Others	**(1,877)**	(1,844)	(2,107)	(2,239)
Total Eligible Capital	**19,670**	19,551	18,508	17,133
Risk Weighted Assets	**115,318**	112,558	105,062	105,073
Tier 1 capital adequacy ratio	**15.4%**	15.5%	16.3%	15.3%
Total capital adequacy ratio	**17.0%**	17.3%	17.6%	16.3%

As at 30 June 2011, the Group’s Tier 1 ratio and total capital adequacy ratio (“CAR”) were 15.4% and 17.0%, respectively. These ratios remain well above the corresponding regulatory minimums of 6% and 10%. The Group’s core Tier 1 ratio, which excludes Tier 1 preference shares, was 11.9% as compared with 12.0% at 31 March 2011.

UNREALISED VALUATION SURPLUS

S$ million	30 Jun 2011	31 Mar 2011	31 Dec 2010	30 Jun 2010
Properties [1/]	**2,699**	2,534	2,549	2,334
Equity securities [2/]	**1,747**	1,836	2,216	2,639
Total	**4,446**	4,370	4,765	4,973

Notes:

1. Includes properties classified as investment properties and assets held for sale. Property values are determined mainly based on external valuations at year-end, with internal reviews performed for other quarters.
2. Comprises mainly investments in quoted associates and subsidiaries, which are valued based on their market prices at the end of each quarter.

The Group's unrealised valuation surplus represents the difference between the carrying values of its properties and investments in quoted subsidiaries/associates as compared to the property values and market prices of the quoted investments at the respective periods. The carrying values of subsidiaries and associates on the balance sheet are measured at cost plus post-acquisition reserves, while those of properties are measured at cost less accumulated depreciation, and impairment, if any.

The valuation surplus as at 30 June 2011 was S$4.45 billion, an increase of 2% from S$4.37 billion at the end of the previous quarter. The surplus for properties was S$2.70 billion, up from S$2.53 billion as at 31 March 2011 as a result of the increase in property values in Singapore. The lower surplus for equity securities was largely attributable to the Group's equity stake in Bank OCBC NISP.

PERFORMANCE BY BUSINESS SEGMENT

OCBC Group's businesses are presented in the following customer and product segments: Global Consumer Financial Services, Global Corporate Banking, Global Treasury and Insurance.

Operating Profit by Business Segment

S$ million	1H11	1H10	+/(-) %	2Q11	2Q10	+/(-) %	1Q11	+/(-) %
Global Consumer Financial Services	**226**	265	(15)	**109**	122	(10)	117	(7)
Global Corporate Banking	**721**	615	17	**379**	305	24	342	11
Global Treasury	**342**	307	11	**178**	107	68	164	9
Insurance	**300**	274	9	**132**	83	58	168	(22)
Others [1/]	**192**	264	(27)	**82**	167	(51)	110	(25)
Operating profit after allowances and amortisation for total business segments	**1,781**	1,725	3	**880**	784	12	901	(2)
Add/(Less):								
- Joint income elimination [2/]	**(240)**	(179)	34	**(130)**	(103)	27	(110)	19
- Items not attributed to business segments	**(61)**	(52)	17	**(27)**	(33)	(20)	(34)	(22)
Operating profit after allowances and amortisation	**1,480**	1,494	(1)	**723**	648	12	757	(4)

Notes:
1. Excludes gains from divestment of non-core assets.
2. These are joint income allocated to business segments to reward cross-selling activities.

Global Consumer Financial Services

Global Consumer Financial Services comprises the full range of products and services offered to individuals, including deposit products (checking accounts, savings and fixed deposits), consumer loans (housing loans and other personal loans), credit cards and wealth management products (unit trusts, bancassurance products and structured deposits).

Operating profit after allowances of the consumer segment declined by 15% year-on-year to S$226 million in 1H11, reflecting higher operating expenses and increased portfolio allowances which were partly offset by higher fee and commission income. For 2Q11, operating profit fell by 10% year-on-year to S$109 million, mainly attributable to increased expenses.

Global Corporate Banking

Global Corporate Banking serves business customers ranging from large corporates and the public sector to small and medium enterprises. The products and services offered include long-term loans such as project financing, short-term credit such as overdrafts and trade financing, deposit accounts and fee-based services such as cash management and custodian services.

PERFORMANCE BY BUSINESS SEGMENT *(continued)*

Global Corporate Banking's operating profit after allowances grew by 17% year-on-year to S$721 million in 1H11, driven by higher net interest income and fee and commission income, partly offset by increased expenses and portfolio allowances. Robust loan growth contributed to the increase in net interest income.

For 2Q11, operating profit after allowances grew by 24% year-on-year to S$379 million, contributed by higher net interest income and fee and commission income, partly offset by increased portfolio allowances.

Global Treasury

Global Treasury engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and also offers structured treasury products and financial solutions to meet customers' investment and hedging needs.

Global Treasury's operating profit increased by 11% to S$342 million in 1H11, and 68% to S$178 million in 2Q11. The profit growth was largely contributed by higher net interest income and partly offset by higher expenses.

Insurance

The Group's insurance business, including its fund management activities, is undertaken by 87.1%-owned subsidiary GEH, which provides both life and general insurance products to its customers mainly in Singapore and Malaysia.

Compared with the year ago period, operating profit from GEH rose 9% to S$300 million in 1H11, contributed mainly by higher income from life insurance. For 2Q11, operating profit of S$132 million was significantly higher than the S$83 million in 2Q10, driven by stronger investment performance as well as underwriting profit.

After tax and non-controlling interests, GEH's contribution to the Group's core net profit was S$223 million in 1H11 and S$93 million in 2Q11, up from S$203 million in 1H10 and S$56 million in 2Q10.

Others

The "Others" segment comprises Bank of Singapore, PacificMas Berhad, corporate finance, capital markets, property holding, stock brokerage and investment holding. Operating profit after allowances for this segment was S$192 million in 1H11, down from S$264 million in 1H10. The lower profit was mainly attributable to lower gains from investment securities.

PERFORMANCE BY BUSINESS SEGMENT *(continued)*

S$ million	Global Consumer Financial Services	Global Corporate Banking	Global Treasury	Insurance	Others	Total Business Segments
1H11						
- External customers	**628**	**1,107**	**485**	**415**	**439**	**3,074**
- Intersegment income	**–**	**–**	**–**	**–**	**39**	**39**
Total income [1/]	**628**	**1,107**	**485**	**415**	**478**	**3,113**
Operating profit before allowances and amortisation [1/]	**253**	**782**	**343**	**323**	**216**	**1,917**
Amortisation of intangible assets	**–**	**–**	**–**	**(23)**	**(8)**	**(31)**
Allowances and impairment for loans and other assets	**(27)**	**(61)**	**(1)**	**(0)**	**(16)**	**(105)**
Operating profit after allowances and amortisation [1/]	**226**	**721**	**342**	**300**	**192**	**1,781**
Other information:						
Capital expenditure	**6**	**2**	**0**	**14**	**107**	**129**
Depreciation	**12**	**7**	**1**	**1**	**59**	**80**
1H10						
- External customers	607	902	424	379	510	2,822
- Intersegment income	–	–	–	–	42	42
Total income	607	902	424	379	552	2,864
Operating profit before allowances and amortisation	280	614	307	301	289	1,791
Amortisation of intangible assets	–	–	–	(23)	–	(23)
Write-back/(allowances and impairment) for loans and other assets	(15)	1	0	(4)	(25)	(43)
Operating profit after allowances and amortisation	265	615	307	274	264	1,725
Other information:						
Capital expenditure	7	4	0	11	58	80
Depreciation	10	6	0	1	58	75

Note:

1. Excludes gains from divestment of non-core assets.

PERFORMANCE BY BUSINESS SEGMENT *(continued)*

S$ million	Global Consumer Financial Services	Global Corporate Banking	Global Treasury	Insurance	Others	Total Business Segments
2Q11						
- External customers	**313**	**579**	**253**	**194**	**211**	**1,550**
- Intersegment income	**–**	**–**	**–**	**–**	**19**	**19**
Total income	**313**	**579**	**253**	**194**	**230**	**1,569**
Operating profit before allowances and amortisation	**121**	**412**	**178**	**144**	**97**	**952**
Amortisation of intangible assets	**–**	**–**	**–**	**(12)**	**(4)**	**(16)**
Allowances and impairment for loans and other assets	**(12)**	**(33)**	**(0)**	**(0)**	**(11)**	**(56)**
Operating profit after allowances and amortisation	**109**	**379**	**178**	**132**	**82**	**880**
Other information:						
Capital expenditure	**3**	**1**	**0**	**6**	**61**	**71**
Depreciation	**6**	**3**	**1**	**0**	**31**	**41**
2Q10						
- External customers	309	464	168	132	289	1,362
- Intersegment income	–	–	–	–	21	21
Total income	309	464	168	132	310	1,383
Operating profit before allowances and amortisation	129	308	107	96	173	813
Amortisation of intangible assets	–	–	–	(11)	–	(11)
Allowances and impairment for loans and other assets	(7)	(3)	–	(2)	(6)	(18)
Operating profit after allowances and amortisation	122	305	107	83	167	784
Other information:						
Capital expenditure	4	2	0	5	30	41
Depreciation	5	3	0	1	29	38
1Q11						
- External customers	315	528	232	221	228	1,524
- Intersegment income	–	–	–	–	20	20
Total income [1/]	315	528	232	221	248	1,544
Operating profit before allowances and amortisation [1/]	132	370	165	179	119	965
Amortisation of intangible assets	–	–	–	(11)	(4)	(15)
Allowances and impairment for loans and other assets	(15)	(28)	(1)	(0)	(5)	(49)
Operating profit after allowances and amortisation [1/]	117	342	164	168	110	901
Other information:						
Capital expenditure	3	1	0	8	46	58
Depreciation	6	4	0	1	28	39

Note:
1. Excludes gains from divestment of non-core assets.

PERFORMANCE BY BUSINESS SEGMENT *(continued)*

S$ million	Global Consumer Financial Services	Global Corporate Banking	Global Treasury	Insurance	Others	Group
At 30 June 2011						
Segment assets	**35,272**	**84,026**	**55,361**	**55,233**	**36,535**	**266,427**
Unallocated assets						**127**
Elimination						**(13,089)**
Total assets						**253,465**
Segment liabilities	**45,609**	**67,354**	**46,950**	**48,871**	**31,316**	**240,100**
Unallocated liabilities						**1,886**
Elimination						**(13,089)**
Total liabilities						**228,897**
Other information:						
Gross non-bank loans	**34,079**	**74,502**	**1,713**	**618**	**10,264**	**121,176**
NPAs	**235**	**909**	**–**	**3**	**54**	**1,201**
At 31 March 2011						
Segment assets	33,731	77,583	54,372	56,061	34,674	256,421
Unallocated assets						104
Elimination						(12,405)
Total assets						244,120
Segment liabilities	43,886	63,353	44,564	49,408	28,928	230,139
Unallocated liabilities						1,966
Elimination						(12,405)
Total liabilities						219,700
Other information:						
Gross non-bank loans	32,539	67,099	1,616	331	9,327	110,912
NPAs	244	903	–	7	37	1,191
At 31 December 2010						
Segment assets	32,902	74,434	47,218	54,467	31,448	240,469
Unallocated assets						101
Elimination						(11,287)
Total assets						229,283
Segment liabilities	43,411	59,638	36,177	47,961	27,867	215,054
Unallocated liabilities						1,871
Elimination						(11,287)
Total liabilities						205,638
Other information:						
Gross non-bank loans	31,703	64,294	1,567	174	8,711	106,449
NPAs	255	885	–	7	61	1,208
At 30 June 2010						
Segment assets	30,466	66,711	46,413	51,999	29,279	224,868
Unallocated assets						89
Elimination						(11,784)
Total assets						213,173
Segment liabilities	42,300	51,987	32,205	45,956	28,190	200,638
Unallocated liabilities						1,631
Elimination						(11,784)
Total liabilities						190,485
Other information:						
Gross non-bank loans	29,266	57,560	1,169	89	7,389	95,473
NPAs	286	948	–	7	75	1,316

PERFORMANCE BY GEOGRAPHICAL SEGMENT

	1H11		1H10		2Q11		2Q10		1Q11	
	S$ million	%	S$ million	%	S$ million	%	S$ million	%	S$ million	%
Total core income										
Singapore [1/]	**1,751**	**62**	1,674	64	**860**	**61**	764	62	891	64
Malaysia	**601**	**22**	598	23	**303**	**22**	301	24	298	21
Rest of SEA	**205**	**7**	191	7	**106**	**7**	91	7	99	7
Greater China	**174**	**6**	96	4	**100**	**7**	49	4	74	5
Other Asia Pacific	**59**	**2**	41	1	**30**	**2**	20	2	29	2
Rest of the World	**25**	**1**	21	1	**14**	**1**	11	1	11	1
	2,815	**100**	2,621	100	**1,413**	**100**	1,236	100	1,402	100
Profit before income tax										
Singapore [1/]	**903**	**60**	992	66	**418**	**56**	406	63	485	63
Malaysia	**369**	**24**	381	26	**185**	**25**	184	28	184	24
Rest of SEA	**59**	**4**	49	3	**29**	**4**	23	4	30	4
Greater China	**99**	**7**	30	2	**61**	**8**	14	2	38	5
Other Asia Pacific	**48**	**3**	34	2	**27**	**4**	17	3	21	3
Rest of the World	**33**	**2**	7	1	**22**	**3**	3	–	11	1
	1,511	**100**	1,493	100	**742**	**100**	647	100	769	100

Note:
1. Excludes gain of S$39 million from divestment of non-core assets in 1Q11.

	30 Jun 2011		31 Mar 2011		31 Dec 2010		30 Jun 2010	
	S$ million	%	S$ million	%	S$ million	%	S$ million	%
Total assets								
Singapore	**159,952**	**63**	155,869	64	145,864	64	136,912	64
Malaysia	**50,854**	**20**	49,497	20	47,673	21	45,214	21
Rest of SEA	**8,887**	**4**	8,388	4	8,550	4	7,468	4
Greater China	**23,215**	**9**	20,016	8	17,263	7	14,424	7
Other Asia Pacific	**7,169**	**3**	7,022	3	6,987	3	5,637	2
Rest of the World	**3,388**	**1**	3,328	1	2,946	1	3,518	2
	253,465	**100**	244,120	100	229,283	100	213,173	100

The geographical segment analysis is based on the location where assets or transactions are booked. For 2Q11, Singapore accounted for 61% of total income and 56% of pre-tax profit, while Malaysia accounted for 22% of total income and 25% of pre-tax profit.

The 1H11 pre-tax profit for Singapore declined 9% year-on-year, as revenue growth was more than offset by increased operating expenses and portfolio allowances. Malaysia's pre-tax profit for 1H11 was 3% lower from a year ago at S$369 million, attributable mainly to lower trading and investment gains.

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

S$ million	1H11	1H10	+/(-) %	2Q11	2Q10	+/(-) %	1Q11	+/(-) %
Interest income	**2,475**	2,074	19	**1,284**	1,055	22	1,191	8
Interest expense	**(864)**	(650)	33	**(457)**	(335)	37	(407)	12
Net interest income	**1,611**	1,424	13	**827**	720	15	784	6
Premium income	**2,899**	2,578	12	**1,512**	1,315	15	1,387	9
Investment income	**1,118**	851	31	**503**	382	32	615	(18)
Net claims, surrenders and annuities	**(2,228)**	(1,723)	29	**(1,193)**	(930)	28	(1,035)	15
Change in life assurance fund contract liabilities	**(982)**	(1,070)	(8)	**(446)**	(492)	(9)	(536)	(17)
Commission and others	**(551)**	(421)	31	**(270)**	(206)	31	(281)	(4)
Profit from life assurance	**256**	215	19	**106**	69	53	150	(29)
Premium income from general insurance	**60**	73	(18)	**31**	37	(18)	29	3
Fees and commissions (net)	**573**	472	21	**299**	248	20	274	9
Dividends	**69**	47	46	**45**	28	57	24	85
Rental income	**39**	40	(3)	**19**	20	(6)	20	(4)
Other income	**246**	350	(30)	**86**	114	(24)	160	(45)
Non-interest income	**1,243**	1,197	4	**586**	516	13	657	(11)
Total income	**2,854**	2,621	9	**1,413**	1,236	14	1,441	(2)
Staff costs	**(724)**	(616)	17	**(373)**	(327)	14	(351)	7
Other operating expenses	**(475)**	(445)	7	**(245)**	(232)	5	(230)	6
Total operating expenses	**(1,199)**	(1,061)	13	**(618)**	(559)	11	(581)	6
Operating profit before allowances and amortisation	**1,655**	1,560	6	**795**	677	17	860	(7)
Amortisation of intangible assets	**(31)**	(23)	31	**(16)**	(11)	31	(15)	1
Allowances for loans and impairment of other assets	**(105)**	(43)	149	**(56)**	(18)	227	(49)	16
Operating profit after allowances and amortisation	**1,519**	1,494	2	**723**	648	12	796	(9)
Share of results of associates and joint ventures	**31**	(1)	NM	**19**	(1)	NM	12	56
Profit before income tax	**1,550**	1,493	4	**742**	647	15	808	(8)
Income tax expense	**(251)**	(220)	14	**(120)**	(104)	15	(131)	(7)
Profit for the period	**1,299**	1,273	2	**622**	543	15	677	(8)
Profit attributable to:								
Equity holders of the Bank	**1,205**	1,179	2	**577**	503	15	628	(8)
Non-controlling interests	**94**	94	–	**45**	40	11	49	(9)
	1,299	1,273	2	**622**	543	15	677	(8)
Earnings per share (for the period – cents) [1/]								
Basic	**34.7**	35.0		**15.9**	14.1		18.8	
Diluted	**34.6**	34.9		**15.8**	14.1		18.7	

Note:
1. "Earnings per share" was computed including gains from divestment of non-core assets.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

S$ million	1H11	1H10	+/(-) %	2Q11	2Q10	+/(-) %	1Q11	+/(-) %
Profit for the period	**1,299**	1,273	2	**622**	543	15	677	(8)
Other comprehensive income:								
Available-for-sale financial assets								
Gains/(losses) for the period	**42**	(125)	133	**(121)**	(163)	25	163	(174)
Reclassification of (gains)/losses to income statement								
– on disposal	**(54)**	(118)	54	**(31)**	(53)	43	(23)	(30)
– on impairment	**0**	(5)	105	**1**	2	(60)	(1)	266
Tax on net movements	**4**	(11)	135	**3**	3	(11)	1	551
Exchange differences on translating foreign operations	**(103)**	143	(172)	**(92)**	8	NM	(11)	(734)
Other comprehensive income of associates and joint ventures	**(1)**	1	(172)	**(0)**	1	(119)	(0)	50
Total other comprehensive income, net of tax	**(112)**	(115)	3	**(240)**	(202)	(19)	129	(287)
Total comprehensive income for the period, net of tax	**1,187**	1,158	3	**382**	341	12	806	(53)
Total comprehensive income attributable to:								
Equity holders of the Bank	**1,106**	1,033	7	**349**	297	17	758	(54)
Non-controlling interests	**81**	125	(35)	**33**	44	(24)	48	(32)
	1,187	1,158	3	**382**	341	12	806	(53)

BALANCE SHEETS (UNAUDITED)

	GROUP				BANK			
S$ million	30 Jun 2011	31 Mar 2011	31 Dec 2010 @	30 Jun 2010	30 Jun 2011	31 Mar 2011	31 Dec 2010 @	30 Jun 2010
EQUITY								
Attributable to equity holders of the Bank								
Share capital	**8,612**	8,218	8,211	7,792	**8,612**	8,218	8,211	7,792
Capital reserves	**461**	541	613	794	**268**	350	432	606
Fair value reserves	**1,368**	1,515	1,374	1,239	**657**	684	606	610
Revenue reserves	**11,314**	11,285	10,592	10,056	**7,196**	7,152	6,605	6,275
	21,755	21,559	20,790	19,881	**16,733**	16,404	15,854	15,283
Non-controlling interests	**2,813**	2,861	2,855	2,807	–	–	–	–
Total equity	**24,568**	24,420	23,645	22,688	**16,733**	16,404	15,854	15,283
LIABILITIES								
Deposits of non-bank customers	**134,302**	126,009	123,300	112,313	**94,511**	89,392	88,891	81,975
Deposits and balances of banks	**24,501**	24,912	16,508	13,661	**22,634**	22,462	13,811	11,880
Due to subsidiaries	–	–	–	–	**4,652**	5,293	4,624	4,195
Due to associates	**128**	128	139	115	**115**	115	118	110
Trading portfolio liabilities	**2,156**	1,644	1,734	2,006	**2,156**	1,644	1,734	1,948
Derivative payables	**4,642**	4,380	4,563	4,801	**4,240**	3,929	4,222	4,532
Other liabilities	**3,845**	4,151	3,187	3,589	**1,382**	1,385	1,063	1,243
Current tax	**750**	818	745	658	**290**	362	311	264
Deferred tax	**1,135**	1,148	1,127	973	**131**	134	131	110
Debts issued	**9,512**	8,067	6,854	6,934	**10,153**	8,703	7,887	8,145
	180,971	171,257	158,157	145,050	**140,264**	133,419	122,792	114,402
Life assurance fund liabilities	**47,926**	48,443	47,481	45,435	–	–	–	–
Total liabilities	**228,897**	219,700	205,638	190,485	**140,264**	133,419	122,792	114,402
Total equity and liabilities	**253,465**	244,120	229,283	213,173	**156,997**	149,823	138,646	129,685
ASSETS								
Cash and placements with central banks	**11,160**	13,675	11,493	11,784	**5,541**	9,127	6,787	7,567
Singapore government treasury bills and securities	**11,853**	11,391	11,156	11,612	**11,310**	10,661	10,485	11,074
Other government treasury bills and securities	**6,239**	5,796	5,944	5,723	**3,620**	2,982	3,174	2,790
Placements with and loans to banks	**26,353**	24,408	18,569	16,809	**18,998**	18,219	13,612	12,487
Loans and bills receivable	**119,653**	109,411	104,989	93,977	**87,193**	79,427	75,877	67,307
Debt and equity securities	**14,181**	14,617	14,255	13,035	**9,545**	9,974	9,836	8,976
Assets pledged	**1,155**	1,183	746	572	**1,055**	1,137	708	475
Assets held for sale	**2**	2	4	1	–	–	2	1
Derivative receivables	**4,821**	4,637	4,837	4,588	**4,428**	4,170	4,462	4,328
Other assets	**3,404**	3,862	3,116	2,930	**990**	864	828	840
Deferred tax	**75**	71	79	61	**6**	6	6	–
Associates and joint ventures	**346**	308	255	270	**176**	155	113	122
Subsidiaries	–	–	–	–	**11,279**	10,271	9,934	10,895
Property, plant and equipment	**1,623**	1,633	1,625	1,624	**421**	404	401	407
Investment property	**761**	745	733	765	**568**	559	554	549
Goodwill and intangible assets	**3,941**	3,977	3,996	4,091	**1,867**	1,867	1,867	1,867
	205,567	195,716	181,797	167,842	**156,997**	149,823	138,646	129,685
Life assurance fund investment assets	**47,898**	48,404	47,486	45,331	–	–	–	–
Total assets	**253,465**	244,120	229,283	213,173	**156,997**	149,823	138,646	129,685
Net Asset Value Per Ordinary Share (before valuation surplus – S$)	**5.86**	5.89	5.66	5.48	**4.38**	4.35	4.18	4.08
OFF-BALANCE SHEET ITEMS								
Contingent liabilities	**8,905**	9,194	8,513	7,824	**6,684**	7,369	6,835	6,673
Commitments	**59,073**	55,924	55,073	55,170	**43,228**	40,575	40,143	39,746
Derivative financial instruments	**487,753**	470,285	423,149	431,667	**436,273**	424,964	391,147	400,301

Note:
1. "@" represents audited.

STATEMENT OF CHANGES IN EQUITY – GROUP (UNAUDITED)

For the half year ended 30 June 2011

	Attributable to equity holders of the Bank						
S$ million	**Share capital**	**Capital reserves**	**Fair value reserves**	**Revenue reserves**	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 January 2011	**8,211**	**613**	**1,374**	**10,592**	**20,790**	**2,855**	**23,645**
Total comprehensive income for the period	**–**	**–**	**(6)**	**1,112**	**1,106**	**81**	**1,187**
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Transfers	**–**	**(161)**	**–**	**161**	**–**	**–**	**–**
Distributions and dividends to non-controlling interests	**–**	**–**	**–**	**–**	**–**	**(130)**	**(130)**
DSP reserve from dividends on unvested shares	**–**	**–**	**–**	**2**	**2**	**–**	**2**
Ordinary and preference dividends paid in cash	**–**	**–**	**–**	**(130)**	**(130)**	**–**	**(130)**
Share-based staff costs capitalised	**–**	**6**	**–**	**–**	**6**	**–**	**6**
Share buyback held in treasury	**(55)**	**–**	**–**	**–**	**(55)**	**–**	**(55)**
Shares issued in-lieu of ordinary dividends	**416**	**–**	**–**	**(416)**	**–**	**–**	**–**
Shares issued to non-executive directors	**0**	**–**	**–**	**–**	**0**	**–**	**0**
Shares purchased by DSP Trust	**–**	**(2)**	**–**	**–**	**(2)**	**–**	**(2)**
Shares vested under DSP Scheme	**–**	**29**	**–**	**–**	**29**	**–**	**29**
Treasury shares transferred/sold	**40**	**(24)**	**–**	**–**	**16**	**–**	**16**
Total contributions by and distributions to owners	**401**	**(152)**	**–**	**(383)**	**(134)**	**(130)**	**(264)**
Changes in ownership interests in a subsidiary that does not result in a loss of control							
Changes in non-controlling interests	**–**	**–**	**–**	**(7)**	**(7)**	**7**	**–**
Total changes in ownership interests in a subsidiary	**–**	**–**	**–**	**(7)**	**(7)**	**7**	**–**
Balance at 30 June 2011	**8,612**	**461**	**1,368**	**11,314**	**21,755**	**2,813**	**24,568**
Included: Share of reserves of associates and joint ventures	**–**	**–**	**0**	**55**	**55**	**(4)**	**51**
Balance at 1 January 2010	7,376	986	1,506	9,103	18,971	2,808	21,779
Total comprehensive income for the period	–	–	(267)	1,300	1,033	125	1,158
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Transfers	–	(175)	–	175	–	–	–
Dividends to non-controlling interests	–	–	–	–	–	(76)	(76)
DSP reserve from dividends on unvested shares	–	–	–	3	3	–	3
Ordinary and preference dividends paid in cash	–	–	–	(139)	(139)	–	(139)
Share-based staff costs capitalised	–	8	–	–	8	–	8
Shares issued in-lieu of ordinary dividends	359	–	–	(359)	–	–	–
Shares issued to non-executive directors	1	–	–	–	1	–	1
Shares purchased by DSP Trust	–	(2)	–	–	(2)	–	(2)
Shares vested under DSP Scheme	–	8	–	–	8	–	8
Treasury shares transferred/sold	56	(31)	–	–	25	–	25
Total contributions by and distributions to owners	416	(192)	–	(320)	(96)	(76)	(172)
Changes in ownership interests in a subsidiary that does not result in a loss of control							
Changes in non-controlling interests	–	–	–	(27)	(27)	(50)	(77)
Total changes in ownership interests in a subsidiary	–	–	–	(27)	(27)	(50)	(77)
Balance at 30 June 2010	7,792	794	1,239	10,056	19,881	2,807	22,688
Included: Share of reserves of associates and joint ventures	–	–	0	31	31	(3)	28

STATEMENT OF CHANGES IN EQUITY – GROUP (UNAUDITED)

For the three months ended 30 June 2011

S$ million	Share capital	Capital reserves	Fair value reserves	Revenue reserves	Total	Non-controlling interests	Total equity
	Attributable to equity holders of the Bank						
Balance at 1 April 2011	**8,218**	**541**	**1,515**	**11,285**	**21,559**	**2,861**	**24,420**
Total comprehensive income for the period	**–**	**–**	**(147)**	**496**	**349**	**33**	**382**
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Transfers	**–**	**(77)**	**–**	**77**	**–**	**–**	**–**
Distributions and dividends to non-controlling interests	**–**	**–**	**–**	**–**	**–**	**(81)**	**(81)**
DSP reserve from dividends on unvested shares	**–**	**–**	**–**	**2**	**2**	**–**	**2**
Ordinary and preference dividends paid in cash	**–**	**–**	**–**	**(130)**	**(130)**	**–**	**(130)**
Share-based staff costs capitalised	**–**	**2**	**–**	**–**	**2**	**–**	**2**
Share buyback held in treasury	**(37)**	**–**	**–**	**–**	**(37)**	**–**	**(37)**
Shares issued in-lieu of ordinary dividends	**416**	**–**	**–**	**(416)**	**–**	**–**	**–**
Shares issued to non-executive directors	**0**	**–**	**–**	**–**	**0**	**–**	**0**
Shares purchased by DSP Trust	**–**	**(2)**	**–**	**–**	**(2)**	**–**	**(2)**
Shares vested under DSP Scheme	**–**	**1**	**–**	**–**	**1**	**–**	**1**
Treasury shares transferred/sold	**15**	**(4)**	**–**	**–**	**11**	**–**	**11**
Total contributions by and distributions to owners	**394**	**(80)**	**–**	**(467)**	**(153)**	**(81)**	**(234)**
Balance at 30 June 2011	**8,612**	**461**	**1,368**	**11,314**	**21,755**	**2,813**	**24,568**
Included: Share of reserves of associates and joint ventures	**–**	**–**	**0**	**55**	**55**	**(4)**	**51**
Balance at 1 April 2010	7,413	883	1,451	9,981	19,728	2,840	22,568
Total comprehensive income for the period	–	–	(212)	509	297	44	341
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Transfers	–	(88)	–	88	–	–	–
Dividends to non-controlling interests	–	–	–	–	–	(27)	(27)
DSP reserve from dividends on unvested shares	–	–	–	3	3	–	3
Ordinary and preference dividends paid in cash	–	–	–	(139)	(139)	–	(139)
Share-based staff costs capitalised	–	4	–	–	4	–	4
Shares issued in-lieu of ordinary dividends	359	–	–	(359)	–	–	–
Shares issued to non-executive directors	1	–	–	–	1	–	1
Shares purchased by DSP Trust	–	(2)	–	–	(2)	–	(2)
Treasury shares transferred/sold	19	(3)	–	–	16	–	16
Total contributions by and distributions to owners	379	(89)	–	(407)	(117)	(27)	(144)
Changes in ownership interests in a subsidiary that does not result in a loss of control							
Changes in non-controlling interests	–	–	–	(27)	(27)	(50)	(77)
Total changes in ownership interests in a subsidiary	–	–	–	(27)	(27)	(50)	(77)
Balance at 30 June 2010	7,792	794	1,239	10,056	19,881	2,807	22,688
Included: Share of reserves of associates and joint ventures	–	–	0	31	31	(3)	28

STATEMENT OF CHANGES IN EQUITY – BANK (UNAUDITED)

For the half year ended 30 June 2011

S$ million	Share capital	Capital reserves	Fair value reserves	Revenue reserves	Total equity
Balance at 1 January 2011	**8,211**	**432**	**606**	**6,605**	**15,854**
Total comprehensive income for the period	**–**	**–**	**51**	**835**	**886**
Transfers	**–**	**(170)**	**–**	**170**	**–**
Arising from merger of subsidiaries	**–**	**–**	**–**	**130**	**130**
DSP reserve from dividends on unvested shares	**–**	**–**	**–**	**2**	**2**
Ordinary and preference dividends paid in cash	**–**	**–**	**–**	**(130)**	**(130)**
Share-based staff costs capitalised	**–**	**6**	**–**	**–**	**6**
Share buyback held in treasury	**(55)**	**–**	**–**	**–**	**(55)**
Shares issued in-lieu of ordinary dividends	**416**	**–**	**–**	**(416)**	**–**
Shares issued to non-executive directors	**0**	**–**	**–**	**–**	**0**
Treasury shares transferred/sold	**40**	**–**	**–**	**–**	**40**
Balance at 30 June 2011	**8,612**	**268**	**657**	**7,196**	**16,733**
Balance at 1 January 2010	7,376	768	603	5,716	14,463
Total comprehensive income for the period	–	–	7	884	891
Transfers	–	(170)	–	170	–
DSP reserve from dividends on unvested shares	–	–	–	3	3
Ordinary and preference dividends paid in cash	–	–	–	(139)	(139)
Share-based staff costs capitalised	–	8	–	–	8
Shares issued in-lieu of ordinary dividends	359	–	–	(359)	–
Shares issued to non-executive directors	1	–	–	–	1
Treasury shares transferred/sold	56	–	–	–	56
Balance at 30 June 2010	7,792	606	610	6,275	15,283

For the three months ended 30 June 2011

S$ million	Share capital	Capital reserves	Fair value reserves	Revenue reserves	Total equity
Balance at 1 April 2011	**8,218**	**350**	**684**	**7,152**	**16,404**
Total comprehensive income for the period	**–**	**–**	**(27)**	**503**	**476**
Transfers	**–**	**(85)**	**–**	**85**	**–**
DSP reserve from dividends on unvested shares	**–**	**–**	**–**	**2**	**2**
Ordinary and preference dividends paid in cash	**–**	**–**	**–**	**(130)**	**(130)**
Share-based staff costs capitalised	**–**	**3**	**–**	**–**	**3**
Share buyback held in treasury	**(37)**	**–**	**–**	**–**	**(37)**
Shares issued in-lieu of ordinary dividends	**416**	**–**	**–**	**(416)**	**–**
Shares issued to non-executive directors	**0**	**–**	**–**	**–**	**0**
Treasury shares transferred/sold	**15**	**–**	**–**	**–**	**15**
Balance at 30 June 2011	**8,612**	**268**	**657**	**7,196**	**16,733**
Balance at 1 April 2010	7,413	687	585	6,188	14,873
Total comprehensive income for the period	–	–	25	497	522
Transfers	–	(85)	–	85	–
DSP reserve from dividends on unvested shares	–	–	–	3	3
Ordinary and preference dividends paid in cash	–	–	–	(139)	(139)
Share-based staff costs capitalised	–	4	–	–	4
Shares issued in-lieu of ordinary dividends	359	–	–	(359)	–
Shares issued to non-executive directors	1	–	–	–	1
Treasury shares transferred/sold	19	–	–	–	19
Balance at 30 June 2010	7,792	606	610	6,275	15,283

CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)
For the half year ended 30 June 2011

S$ million	1H11	1H10	2Q11	2Q10
Cash flows from operating activities				
Profit before income tax	**1,550**	1,493	**742**	647
Adjustments for non-cash items				
Amortisation of intangible assets	**31**	23	**16**	11
Allowances for loans and impairment of other assets	**105**	43	**56**	18
Change in fair value for hedging transactions and trading securities	**(4)**	0	**16**	22
Depreciation of property, plant and equipment and investment property	**80**	75	**41**	38
Net gain on disposal of property, plant and equipment and investment property	**(41)**	(1)	**(2)**	(1)
Net gain on disposal of government, debt and equity securities	**(54)**	(118)	**(31)**	(53)
Net gain on disposal of associates	**(1)**	(2)	**(0)**	(0)
Share-based staff costs	**6**	8	**3**	4
Share of results of associates and joint ventures	**(31)**	1	**(19)**	1
Items relating to life assurance fund				
Surplus before income tax	**332**	268	**131**	67
Surplus transferred from life assurance fund	**(255)**	(215)	**(105)**	(69)
Operating profit before change in operating assets and liabilities	**1,718**	1,575	**848**	685
Change in operating assets and liabilities				
Deposits of non-bank customers	**10,991**	5,676	**8,293**	3,728
Deposits and balances of banks	**7,992**	2,469	**(412)**	(701)
Derivative payables and other liabilities	**520**	1,141	**(157)**	894
Trading portfolio liabilities	**422**	(10)	**513**	174
Government securities and treasury bills	**(1,031)**	(51)	**(796)**	567
Trading securities	**170**	(821)	**327**	(216)
Placements with and loans to banks	**(7,931)**	974	**(1,899)**	3,375
Loans and bills receivable	**(14,778)**	(8,389)	**(10,306)**	(5,097)
Derivative receivables and other assets	**(182)**	(592)	**312**	(205)
Net change in investment assets and liabilities of life assurance fund	**7**	(46)	**(33)**	89
Cash (used in)/from operating activities	**(2,102)**	1,926	**(3,310)**	3,293
Income tax paid	**(256)**	(216)	**(193)**	(176)
Net cash (used in)/from operating activities	**(2,358)**	1,710	**(3,503)**	3,117
Cash flows from investing activities				
Dividends from associates	**0**	3	**0**	3
Increase in associates and joint ventures	**(62)**	(62)	**(21)**	(17)
Net cashflow from acquisition of a business/subsidiaries	**10**	(2,010)	**1**	14
Purchases of debt and equity securities	**(3,042)**	(3,455)	**(1,750)**	(1,873)
Purchases of property, plant and equipment and investment property	**(129)**	(80)	**(71)**	(41)
Proceeds from disposal of debt and equity securities	**2,657**	2,512	**1,538**	1,409
Proceeds from disposal of interest in a subsidiary	**82**	–	**–**	–
Proceeds from disposal of associates	**2**	14	**2**	7
Proceeds from disposal of property, plant and equipment and investment property	**43**	3	**40**	1
Net cash used in investing activities	**(439)**	(3,075)	**(261)**	(497)
Cash flows from financing activities				
Changes in non-controlling interests	**–**	(77)	**–**	(77)
Dividends paid to equity holders of the Bank	**(130)**	(139)	**(130)**	(139)
Distributions and dividends paid to non-controlling interests	**(130)**	(76)	**(81)**	(27)
Increase in debts issued	**2,826**	131	**1,547**	177
Proceeds from treasury shares transferred/sold under the Bank's employee share schemes	**16**	25	**11**	16
Share buyback held in treasury	**(55)**	–	**(37)**	–
Net cash from/(used in) financing activities	**2,527**	(136)	**1,310**	(50)
Net currency translation adjustments	**(63)**	114	**(61)**	6
Net change in cash and cash equivalents	**(333)**	(1,387)	**(2,515)**	2,576
Cash and cash equivalents at beginning of period	**11,493**	13,171	**13,675**	9,208
Cash and cash equivalents at end of period	**11,160**	11,784	**11,160**	11,784

SHARE CAPITAL AND OPTIONS ON SHARES IN THE BANK

The following table shows movements in the issued ordinary shares of the Bank:

	Half year ended 30 June		Three months ended 30 June	
Number of Shares	**2011**	**2010**	**2011**	**2010**
Issued ordinary shares				
Balance at beginning of period	**3,341,044,969**	3,245,120,283	**3,341,044,969**	3,245,120,283
Shares issued to non-executive directors	**48,000**	60,000	**48,000**	60,000
Shares issued pursuant to Scrip Dividend Scheme	**49,278,032**	45,284,747	**49,278,032**	45,284,747
Balance at end of period	**3,390,371,001**	3,290,465,030	**3,390,371,001**	3,290,465,030
Treasury shares				
Balance at beginning of period	**(3,269,326)**	(14,781,749)	**(2,069,192)**	(10,106,400)
Share buyback	**(5,827,000)**	–	**(3,974,000)**	–
Shares sold/transferred to employees pursuant to OCBC Share Option Scheme	**1,887,287**	3,957,797	**1,154,292**	2,479,768
Shares sold/transferred to employees pursuant to OCBC Employee Share Purchase Plan	**691,499**	229,772	**567,292**	172,870
Shares transferred to DSP Trust pursuant to OCBC Deferred Share Plan	**2,587,281**	3,469,655	**391,349**	329,237
Shares sold for cash	**–**	160	**–**	160
Balance at end of period	**(3,930,259)**	(7,124,365)	**(3,930,259)**	(7,124,365)
Total	**3,386,440,742**	3,283,340,665	**3,386,440,742**	3,283,340,665

Pursuant to the share purchase mandates approved at the extraordinary general meetings held on 16 April 2010 and 15 April 2011, the Bank purchased a total of 3,974,000 ordinary shares in the second quarter ended 30 June 2011. The ordinary shares were purchased by way of market acquisitions at prices ranging from S$9.09 to S$9.75 per share and the total consideration paid was S$37,365,921 (including transaction costs).

From 1 April 2011 to 30 June 2011 (both dates inclusive), the Bank utilised 1,154,292 treasury shares upon the exercise of options by employees of the Group pursuant to the OCBC Share Option Scheme 2001 ("SOS 2001"). As at 30 June 2011, the number of options outstanding under the OCBC SOS 2001 was 33,762,841 (30 June 2010: 38,973,665).

From 1 April 2011 to 30 June 2011 (both dates inclusive), the Bank utilised 567,292 treasury shares upon the exercise of acquisition rights by employees of the Group pursuant to the OCBC Employee Share Purchase Plan ("ESPP"). As at 30 June 2011, the number of acquisition rights outstanding under the OCBC ESPP was 8,073,653 (30 June 2010: 7,718,223).

From 1 April 2011 to 30 June 2011 (both dates inclusive), the Bank transferred 391,349 treasury shares to the Trust administering the OCBC Deferred Share Plan following the Bank's award of deferred shares to employees of the Group.

49,278,032 ordinary shares were issued on 13 June 2011 pursuant to the OCBC Scrip Dividend Scheme in-lieu of cash for the final tax exempt dividend of 15 cents per ordinary share in the capital of OCBC Bank for the financial year ended 31 December 2010.

No new preference shares were allotted and issued by the Bank in the second quarter ended 30 June 2011.

OCBC Bank

CONFIRMATION BY THE BOARD

We, Cheong Choong Kong and David Philbrick Conner, being directors of Oversea-Chinese Banking Corporation Limited ("the Bank"), do hereby confirm on behalf of the Board of Directors of the Bank, that to the best of our knowledge, nothing has come to our attention which may render the unaudited financial results of the Bank and of the Group for the quarter ended 30 June 2011 to be false or misleading.

On behalf of the Board of Directors

Cheong Choong Kong	David Philbrick Conner
Chairman	Chief Executive Officer / Director

3 August 2011