

## Media Release

### **OCBC Group Reports Third Quarter 2015 Net Profit after Tax of S\$902 million**

***Third quarter core earnings up 7% year-on-year, driven by  
25% rise in profits from banking operations***

***Nine months' core net profit up 11% year-on-year to S\$2.94 billion***

Singapore, 28 October 2015 – Oversea-Chinese Banking Corporation Limited (“OCBC Bank”) reported a net profit after tax of S\$902 million for the third quarter of 2015 (“3Q15”), lower as compared to S\$1.23 billion a year ago (“3Q14”). Excluding a S\$391 million one-off gain realised a year ago, the Group’s core net profit, however, grew 7% year-on-year. This was driven by a 25% increase in earnings from the Group’s banking operations, which more than offset a decline in insurance contributions.

Net interest income for the third quarter rose 6% to S\$1.32 billion, from S\$1.25 billion the previous year, driven by strong asset growth. Customer loans grew 4% to S\$213 billion, from S\$205 billion a year ago across most industry segments and geographies. The increases were largely from loans to the building and construction sector and housing loans. Net interest margin of 1.66% was 2 basis points lower than 1.68% in 3Q14, as improved customer loan spreads in Singapore were more than offset by a lower loan-to-deposit ratio and a decline in money market gapping income.

Non-interest income, before one-off gains, of S\$775 million was 3% lower than S\$801 million a year ago due to a decline in insurance income. Non-interest income from banking operations rose strongly by 17% year-on-year, attributed to continued momentum in fee income and higher net trading income. Fee and commission income was S\$408 million for the quarter, with wealth management, loan and trade fees being the largest contributors this quarter. Net trading income, primarily treasury-related income from customer flows, increased to S\$196 million from S\$113 million in 3Q14. Great Eastern Holdings (“GEH”) recorded healthy underlying insurance business growth, with total weighted new sales and new business embedded value increasing 33% and 16% year-on-year respectively. Profit from life assurance, however, was 64% lower at S\$62 million, mainly attributable to unrealised mark-to-market losses from bond and equity investments in GEH’s Non-participating Fund.

The Group’s share of results of associates and joint ventures amounted to S\$99 million, higher as compared with S\$14 million a year ago, mainly from contributions by Bank of Ningbo. 3Q14’s net profit after tax included a one-off gain of S\$391 million that arose from the Group’s increased stake in Bank of Ningbo, which became a 20%-owned associated company on 30 September 2014. As a result, the Group’s initial available-for-sale 15.3% investment was deemed disposed of in accordance with accounting standards, and its related fair value reserve was recognised in the income statement as a one-off gain.

Operating expenses of S\$900 million were up 3% from S\$870 million in 3Q14. This was largely from higher staff-related costs associated with headcount growth to support regional business expansion and annual salary increments. The Group's cost-to-income ratio was 43.0% for the quarter and 42.5% a year ago. Net allowances for loans and other assets were S\$150 million, an increase from S\$97 million in 3Q14.

Against the previous quarter ("2Q15"), the Group's net profit after tax was 14% lower, largely attributable to lower insurance income and a S\$136 million gain recognised in the previous quarter from the sale of an investment in GEH's equity portfolio, which more than offset higher net trading income from the banking operations. Net interest income was 3% higher from a 2% rise in interest earning assets with net interest margin stable quarter-on-quarter at 1.66%. Operating expenses were 2% lower, while net allowances were 87% higher.

### **Nine Months' performance**

Net profit after tax for the first nine months of 2015 ("9M15") was S\$2.94 billion. Excluding one-off gains, the Group's core net profit after tax was 11% above the previous year ("9M14").

Net interest income grew 11% to S\$3.85 billion from S\$3.46 billion a year ago, underpinned by 14% growth in interest earning assets, which more than offset a 4 basis points reduction in net interest margin. Core non-interest income rose 5% from 9M14 to S\$2.57 billion. Fees and commissions increased 12% to S\$1.24 billion from robust growth across most business segments. Net trading income was higher at S\$390 million as compared with S\$346 million a year ago, while net gains from investment securities of S\$197 million were up from S\$69 million the previous year. Profit from life assurance declined 32% to S\$393 million, primarily from unrealised mark-to-market losses in GEH's Non-participating Fund.

Operating expenses grew 15% year-on-year to S\$2.69 billion, mainly from the consolidation of OCBC Wing Hang. Excluding OCBC Wing Hang, operating expenses rose 5%, mainly from higher staff costs. Net allowances for loans and other assets were S\$294 million as compared to S\$203 million in 9M14.

The Group's 9M15 wealth management income, comprising income from insurance, private banking, asset management, stockbroking and other wealth management products, rose to S\$1.74 billion, 4% above S\$1.68 billion a year ago. As a proportion of the Group's total income, wealth management contributed 27%, as compared with 28% in 9M14. OCBC's private banking business assets under management as at 30 September 2015 amounted to US\$52 billion (S\$74 billion), higher than US\$51 billion (S\$65 billion) a year ago, driven by healthy inflow of net new money but partly offset by lower asset valuations.

Annualised core return on equity was 12.6% for 9M15, as compared to 14.3% the previous year, attributable to the enlarged share base following the rights issue in September 2014. Annualised core earnings per share was 96.6 cents, down from 98.5 cents in 9M14.

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## Allowances and Asset Quality

Net allowances for loans and other assets in 3Q15 were S\$150 million, an increase from S\$97 million a year ago. Specific allowances for loans, net of recoveries and write-backs, were S\$65 million, flat against S\$66 million in the previous year. Net specific allowances represented an annualised 12 basis points of loans for 3Q15, compared with 13 basis points in the previous year. Portfolio allowances for the quarter were S\$50 million, higher than the S\$31 million in 3Q14 and the S\$32 million in the last quarter. Higher portfolio allowances were set aside as a prudent measure to buffer the loan portfolio against future market uncertainties. Other allowances of S\$35 million were made during the quarter for other non-loan assets, primarily investments in equities.

The non-performing loan (“NPL”) ratio was higher at 0.9% for the quarter, as compared with 0.7% a year ago and the last quarter. Absolute NPLs were S\$1.86 billion as at 30 September 2015, an increase from S\$1.34 billion of the previous year and S\$1.46 billion of the prior quarter. The increase in NPLs was largely attributed to the classification of a few large corporate accounts associated with the oil and gas services sector. The overall quality of the Group’s loan portfolio remained fundamentally sound.

Allowance coverage ratios were maintained at healthy levels, with total cumulative allowances covering 453% of unsecured non-performing assets (“NPAs”) and 121% of total NPAs.

## Funding and Capital Position

The Group’s funding and capital position remained strong. Customer deposits rose 6% year-on-year to S\$252 billion from S\$237 billion, and the ratio of current and savings balances to total customer deposits increased further to 47.5%, from 44.5% a year ago. The loan-to-deposit ratio as at 30 September 2015 was 83.5%, lower as compared with 85.5% the previous year.

For 3Q15, the average Singapore dollar and all-currency liquidity coverage ratios for the Group (excluding OCBC Wing Hang) were 248% and 117% respectively, higher as compared to the respective regulatory ratios of 100% and 60%. OCBC Wing Hang’s liquidity coverage ratios will be incorporated into the overall Group position in due course.

The Group’s Common Equity Tier 1 capital adequacy ratio (“CAR”) as at 30 September 2015, was 14.5% and Tier 1 CAR and Total CAR were 14.5% and 16.6% respectively. Based on Basel III transitional arrangements, these ratios were well above the respective regulatory minima of 6.5%, 8% and 10%. The Group’s leverage ratio of 7.6% was higher than the 3% minimum requirement as guided by the Basel Committee.

## CEO's Comments

Commenting on the Group's performance, CEO Samuel Tsien said:

"This quarter marks the first year since we acquired OCBC Wing Hang Bank. It is evident that the OCBC Wing Hang Bank addition to our Greater China franchise has further strengthened and diversified the Group's earnings.

Our banking operations reported another quarter of strong growth, with core net profit increasing 25% year-on-year and 4% quarter-on-quarter. Our insurance operations, while recording strong underlying business growth as reflected by increased total weighted new sales and higher new business embedded value, was impacted by unrealised mark-to-market losses in its debt and equity investment portfolio as a result of the volatile financial markets.

Against a more uncertain and challenging operating environment, we will continue to be focused and prudent as we grow our franchise across our key markets. We will maintain our strong capital position, remain disciplined in our cost management and set aside an adequate level of allowances."

## 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. Recognised for its financial strength and stability, OCBC Bank is consistently ranked among the world's strongest and safest banks by leading market research firms and publications.

OCBC Bank and its subsidiaries offer a broad array of commercial banking, specialist financial and wealth management 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 over 620 branches and representative offices in 18 countries and territories. These include the more than 330 branches and offices in Indonesia operated by subsidiary Bank OCBC NISP, and 94 branches and offices in Hong Kong, China and Macau under OCBC Wing Hang.

OCBC Bank's private banking services are provided by subsidiary Bank of Singapore, which has received increasing industry recognition as Asia's Global Private Bank, and was voted Outstanding Private Bank in Southeast Asia in 2014 by Private Banker International.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the oldest and most established life insurance group in Singapore and Malaysia. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia.

For more information, please visit [www.ocbc.com](http://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 Third Quarter Ended 30 September 2015**

For the third quarter ended 30 September 2015, Group reported net profit after tax was S\$902 million. Details of the financial results are in the accompanying Group Financial Report.

### **Ordinary Dividend**

No interim dividend on ordinary shares has been declared for the third quarter ended 30 September 2015.

### **Preference Dividends**

The Board of Directors has declared payment of semi-annual tax exempt dividends on its non-cumulative non-convertible preference shares as follows: Class G Preference Shares at 4.2% (2014: 4.2%) per annum and Class M Preference Shares at 4.0% (2014: 4.0%) per annum. These semi-annual dividends, computed for the period 20 June 2015 to 19 December 2015 (both dates inclusive) will be paid on 21 December 2015. Total amounts of dividend payable for the Class G and Class M Preference Shares are S\$8.3 million and S\$20.1 million respectively.

Notice is hereby given that the Transfer Books and the Registers of Preference Shareholders will be closed from 3 December 2015 to 4 December 2015 (both dates inclusive). Duly completed transfers received by the Bank's Share Registrar, M & C Services Private Limited of 112 Robinson Road #05-01 Singapore 068902 up to 5.00 p.m. on 2 December 2015 will be registered to determine the entitlement of the preference shareholders to the semi-annual dividends.

Peter Yeoh  
Secretary

Singapore, 28 October 2015

More details on the results are available on the Bank's website at [www.ocbc.com](http://www.ocbc.com)





**Oversea-Chinese Banking Corporation Limited**  
**Third Quarter 2015 Group Financial Report**



Incorporated in Singapore  
Company Registration Number: 193200032W

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### 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 2015:

FRS 19 (Amendments): *Defined Benefits Plans: Employee Contributions*  
Improvements to FRSs 2014

The initial application of the above standards (including their consequential amendments) and interpretations did not have any material impact on the Group’s financial statements.

There are a number of new/revised financial reporting standards in issue but not yet effective. They are not expected to have a material impact on the Group’s financial statements when adopted except for FRS 109: *Financial Instruments*. FRS 109 is effective from 1 January 2018. The Group is currently assessing the impact of FRS 109 on its financial statements.

### Financial Results

Group reported a net profit after tax of S\$902 million for the third quarter of 2015 (“3Q15”), lower as compared to S\$1.23 billion a year ago (“3Q14”). Excluding a S\$391 million one-off gain realised a year ago, the Group’s core net profit, however, grew 7% year-on-year.

Net interest income rose 6% to S\$1.32 billion, as compared with S\$1.25 billion a year ago, mainly attributable to strong asset growth. Core non-interest income was 3% lower at S\$775 million, from S\$801 million a year ago. Fee and commission income for 3Q15 was S\$408 million. Net trading income of S\$196 million was higher than S\$113 million a year ago, while profit from life assurance of S\$62 million was lower as compared with S\$174 million in 3Q14. Share of results of associates and joint ventures increased to S\$99 million from S\$14 million a year ago, largely attributable to the contribution from Bank of Ningbo (“BON”) when it became a 20%-owned associated company of the Group on 30 September 2014.

Operating expenses increased 3% to S\$900 million from S\$870 million a year ago, largely driven by higher staff-related costs. Allowances for loans and other assets were S\$150 million in 3Q15, an increase of 56% from S\$97 million a year ago. The Group’s non-performing loans (“NPL”) ratio was 0.9%, higher as compared with 0.7% in 3Q14.

For the first nine months of 2015 (“9M15”), the Group’s core net profit after tax was S\$2.94 billion, an increase of 11% from S\$2.66 billion a year ago (“9M14”). The year-on-year growth was driven by higher net interest income and non-interest income, which outpaced the increase in operating expenses and allowances.

Annualised return on equity, based on core earnings was 12.6% in 9M15, as compared with 14.3% a year ago, attributable to the enlarged shareholder base following the rights issue in September 2014. Annualised earnings per share was 96.6 cents, down from 98.5 cents in 9M14.

## FINANCIAL SUMMARY *(continued)*

| S\$ million   | 9M15           | 9M14    | + / (-)<br>% | 3Q15         | 3Q14  | + / (-)<br>% | 2Q15  | + / (-)<br>% |
|---|----------------|---------|--------------|--------------|-------|--------------|-------|--------------|
| <b>Selected Income Statement Items</b>                                  |                |         |              |              |       |              |       |              |
| Net interest income   | <b>3,848</b>   | 3,459   | 11           | <b>1,317</b> | 1,246 | 6            | 1,282 | 3            |
| Non-interest income   | <b>2,573</b>   | 2,451   | 5            | <b>775</b>   | 801   | (3)          | 939   | (17)         |
| Total core income   | <b>6,421</b>   | 5,910   | 9            | <b>2,092</b> | 2,047 | 2            | 2,221 | (6)          |
| Operating expenses  | <b>(2,691)</b> | (2,336) | 15           | <b>(900)</b> | (870) | 3            | (918) | (2)          |
| Operating profit before allowances and amortisation                     | <b>3,730</b>   | 3,574   | 4            | <b>1,192</b> | 1,177 | 1            | 1,303 | (9)          |
| Amortisation of intangible assets                                       | <b>(73)</b>    | (42)    | 73           | <b>(25)</b>  | (14)  | 75           | (24)  | 3            |
| Allowances for loans and impairment for other assets                    | <b>(294)</b>   | (203)   | 45           | <b>(150)</b> | (97)  | 56           | (80)  | 87           |
| Operating profit after allowances and amortisation                      | <b>3,363</b>   | 3,329   | 1            | <b>1,017</b> | 1,066 | (5)          | 1,199 | (15)         |
| Share of results of associates and joint ventures                       | <b>289</b>     | 48      | 500          | <b>99</b>    | 14    | 618          | 102   | (4)          |
| Profit before income tax  | <b>3,652</b>   | 3,377   | 8            | <b>1,116</b> | 1,080 | 3            | 1,301 | (14)         |
| <b>Core net profit attributable to shareholders</b>                     | <b>2,943</b>   | 2,660   | 11           | <b>902</b>   | 841   | 7            | 1,048 | (14)         |
| Gain on remeasurement   | –              | 391     | (100)        | –            | 391   | (100)        | –     | –            |
| <b>Reported net profit attributable to shareholders</b>                 | <b>2,943</b>   | 3,051   | (4)          | <b>902</b>   | 1,232 | (27)         | 1,048 | (14)         |
| <b>Cash basis net profit attributable to shareholders <sup>1/</sup></b> | <b>3,016</b>   | 3,093   | (3)          | <b>927</b>   | 1,246 | (26)         | 1,072 | (14)         |

## Selected Balance Sheet Items

|   |                |         |    |                |         |    |         |   |
|---|----------------|---------|----|----------------|---------|----|---------|---|
| Ordinary equity   | <b>32,043</b>  | 28,375  | 13 | <b>32,043</b>  | 28,375  | 13 | 31,552  | 2 |
| Total equity <i>(excluding non-controlling interests)</i> | <b>33,939</b>  | 29,771  | 14 | <b>33,939</b>  | 29,771  | 14 | 32,948  | 3 |
| Total assets  | <b>399,815</b> | 391,588 | 2  | <b>399,815</b> | 391,588 | 2  | 399,014 | – |
| Assets excluding life assurance fund investment assets    | <b>345,233</b> | 335,067 | 3  | <b>345,233</b> | 335,067 | 3  | 342,151 | 1 |
| Loans and bills receivable <i>(net of allowances)</i>     | <b>210,321</b> | 202,678 | 4  | <b>210,321</b> | 202,678 | 4  | 207,828 | 1 |
| Deposits of non-bank customers                            | <b>251,884</b> | 237,172 | 6  | <b>251,884</b> | 237,172 | 6  | 246,424 | 2 |

Note:

1. Excludes amortisation of intangible assets.

## FINANCIAL SUMMARY *(continued)*

|  | 9M15        | 9M14  | 3Q15        | 3Q14 | 2Q15  |
|--|-------------|-------|-------------|------|-------|
| <b>Key Financial Ratios</b>                                  |             |       |             |      |       |
| <b>- based on core earnings</b>                              |             |       |             |      |       |
| <b>Performance ratios (% p.a.)</b>                           |             |       |             |      |       |
| Return on equity <sup>1/2/</sup>                             |             |       |             |      |       |
| SFRS <sup>3/</sup> basis                                     | <b>12.6</b> | 14.3  | <b>11.2</b> | 13.1 | 13.4  |
| Cash basis   | <b>12.9</b> | 14.5  | <b>11.5</b> | 13.3 | 13.7  |
| Return on assets <sup>4/</sup>                               |             |       |             |      |       |
| SFRS <sup>3/</sup> basis                                     | <b>1.14</b> | 1.17  | <b>1.03</b> | 1.00 | 1.24  |
| Cash basis   | <b>1.17</b> | 1.19  | <b>1.06</b> | 1.02 | 1.26  |
| <b>Revenue mix/efficiency ratios (%)</b>                     |             |       |             |      |       |
| Net interest margin (annualised)                             | <b>1.65</b> | 1.69  | <b>1.66</b> | 1.68 | 1.67  |
| Net interest income to total income                          | <b>59.9</b> | 58.5  | <b>62.9</b> | 60.9 | 57.7  |
| Non-interest income to total income                          | <b>40.1</b> | 41.5  | <b>37.1</b> | 39.1 | 42.3  |
| Cost to income   | <b>41.9</b> | 39.5  | <b>43.0</b> | 42.5 | 41.3  |
| Loans to deposits  | <b>83.5</b> | 85.5  | <b>83.5</b> | 85.5 | 84.3  |
| NPL ratio  | <b>0.9</b>  | 0.7   | <b>0.9</b>  | 0.7  | 0.7   |
| <b>Earnings per share <sup>2/</sup> (annualised - cents)</b> |             |       |             |      |       |
| Basic earnings   | <b>96.6</b> | 98.5  | <b>86.8</b> | 91.3 | 103.9 |
| Basic earnings (cash basis)                                  | <b>99.0</b> | 100.1 | <b>89.2</b> | 92.8 | 106.4 |
| Diluted earnings   | <b>96.5</b> | 98.4  | <b>86.7</b> | 91.2 | 103.8 |
| <b>Net asset value per share (S\$)</b>                       |             |       |             |      |       |
| Before valuation surplus                                     | <b>7.78</b> | 7.22  | <b>7.78</b> | 7.22 | 7.80  |
| After valuation surplus                                      | <b>9.38</b> | 9.18  | <b>9.38</b> | 9.18 | 9.99  |
| <b>Capital adequacy ratios (%) <sup>5/</sup></b>             |             |       |             |      |       |
| Common Equity Tier 1   | <b>14.5</b> | 13.2  | <b>14.5</b> | 13.2 | 14.1  |
| Tier 1   | <b>14.5</b> | 13.2  | <b>14.5</b> | 13.2 | 14.1  |
| Total  | <b>16.6</b> | 15.5  | <b>16.6</b> | 15.5 | 16.1  |
| <b>Leverage ratio (%) <sup>6/</sup></b>                      |             |       |             |      |       |
|  | <b>7.6</b>  | na    | <b>7.6</b>  | na   | 7.4   |

Notes:

1. Preference equity, other equity instruments and non-controlling interests are not included in the computation for return on equity.
2. Calculated based on core net profit less preference dividends and distributions on other equity instruments 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.
5. The Group's Capital adequacy ratios are computed based on Basel III transitional arrangements.
6. The Group's Leverage ratio is computed based on the revised MAS Notice 637 on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore, which took effect on 1 January 2015.
7. Return on equity, return on assets, net interest margin and earnings per share are computed on an annualised basis.
8. "na" denotes not applicable.

## NET INTEREST INCOME

### Average Balance Sheet

| S\$ million                                     | 9M15            |              |                                 | 9M14            |              |                                 |
|---|-----------------|--------------|---------------------------------|-----------------|--------------|---------------------------------|
|   | Average Balance | Interest     | Average Rate <sup>4/</sup><br>% | Average Balance | Interest     | Average Rate <sup>4/</sup><br>% |
| <b>Interest earning assets</b>                  |                 |              |                                 |                 |              |                                 |
| Loans and advances to non-bank customers        | 207,585         | 4,820        | 3.10                            | 181,117         | 3,938        | 2.91                            |
| Placements with and loans to banks              | 59,892          | 656          | 1.46                            | 51,526          | 778          | 2.02                            |
| Other interest earning assets <sup>1/</sup>     | 44,296          | 867          | 2.62                            | 41,043          | 792          | 2.58                            |
| Total   | 311,773         | 6,343        | 2.72                            | 273,686         | 5,508        | 2.69                            |
| <b>Interest bearing liabilities</b>             |                 |              |                                 |                 |              |                                 |
| Deposits of non-bank customers                  | 250,542         | 2,076        | 1.11                            | 208,147         | 1,635        | 1.05                            |
| Deposits and balances of banks                  | 16,397          | 98           | 0.80                            | 22,739          | 114          | 0.67                            |
| Other borrowings <sup>2/</sup>                  | 27,656          | 321          | 1.55                            | 29,000          | 300          | 1.38                            |
| Total   | 294,595         | 2,495        | 1.13                            | 259,886         | 2,049        | 1.05                            |
| <b>Net interest income/margin <sup>3/</sup></b> |                 | <b>3,848</b> | <b>1.65</b>                     |                 | <b>3,459</b> | <b>1.69</b>                     |

| S\$ million                                     | 3Q15            |              |                                 | 3Q14            |              |                                 | 2Q15            |              |                                 |
|---|-----------------|--------------|---------------------------------|-----------------|--------------|---------------------------------|-----------------|--------------|---------------------------------|
|   | Average Balance | Interest     | Average Rate <sup>4/</sup><br>% | Average Balance | Interest     | Average Rate <sup>4/</sup><br>% | Average Balance | Interest     | Average Rate <sup>4/</sup><br>% |
| <b>Interest earning assets</b>                  |                 |              |                                 |                 |              |                                 |                 |              |                                 |
| Loans and advances to non-bank customers        | 210,136         | 1,644        | 3.10                            | 196,967         | 1,467        | 2.96                            | 205,038         | 1,603        | 3.14                            |
| Placements with and loans to banks              | 59,145          | 201          | 1.35                            | 54,183          | 273          | 2.00                            | 58,790          | 210          | 1.43                            |
| Other interest earning assets <sup>1/</sup>     | 44,830          | 285          | 2.53                            | 43,991          | 285          | 2.57                            | 44,500          | 292          | 2.63                            |
| Total   | 314,111         | 2,130        | 2.69                            | 295,141         | 2,025        | 2.72                            | 308,328         | 2,105        | 2.74                            |
| <b>Interest bearing liabilities</b>             |                 |              |                                 |                 |              |                                 |                 |              |                                 |
| Deposits of non-bank customers                  | 250,800         | 668          | 1.06                            | 229,498         | 637          | 1.10                            | 247,492         | 685          | 1.11                            |
| Deposits and balances of banks                  | 16,370          | 35           | 0.85                            | 23,403          | 36           | 0.62                            | 17,044          | 34           | 0.80                            |
| Other borrowings <sup>2/</sup>                  | 28,661          | 110          | 1.52                            | 29,399          | 106          | 1.43                            | 26,611          | 104          | 1.57                            |
| Total   | 295,831         | 813          | 1.09                            | 282,300         | 779          | 1.10                            | 291,147         | 823          | 1.13                            |
| <b>Net interest income/margin <sup>3/</sup></b> |                 | <b>1,317</b> | <b>1.66</b>                     |                 | <b>1,246</b> | <b>1.68</b>                     |                 | <b>1,282</b> | <b>1.67</b>                     |

Notes:

1. Comprise corporate debt and government securities.
2. Mainly debt 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 rose 6% to S\$1.32 billion in 3Q15, from S\$1.25 billion a year ago, led by robust asset growth. Net interest margin was 2 basis points lower at 1.66%, down from 1.68% in 3Q14, as improved spreads from customer loans in Singapore were more than offset by a decline in the loan-to-deposit ratio and from lower money market gapping income.

Compared with 2Q15, net interest income grew 3% from S\$1.28 billion, underpinned by asset growth. Net interest margin was stable quarter-on-quarter.

### Volume and Rate Analysis

| Increase/(decrease)<br>due to change in:<br>S\$ million | 9M15 vs 9M14 |             |               | 3Q15 vs 3Q14 |             |               | 3Q15 vs 2Q15 |             |               |
|---|--------------|-------------|---------------|--------------|-------------|---------------|--------------|-------------|---------------|
|   | Volume       | Rate        | Net<br>change | Volume       | Rate        | Net<br>change | Volume       | Rate        | Net<br>change |
| <b>Interest income</b>                                  |              |             |               |              |             |               |              |             |               |
| Loans and advances<br>to non-bank customers             | 576          | 306         | 882           | 98           | 79          | 177           | 41           | (18)        | 23            |
| Placements with and<br>loans to banks                   | 126          | (248)       | (122)         | 25           | (97)        | (72)          | 1            | (12)        | (11)          |
| Other interest earning<br>assets                        | 62           | 13          | 75            | 5            | (5)         | 0             | 2            | (12)        | (10)          |
| <b>Total</b>  | <b>764</b>   | <b>71</b>   | <b>835</b>    | <b>128</b>   | <b>(23)</b> | <b>105</b>    | <b>44</b>    | <b>(42)</b> | <b>2</b>      |
| <b>Interest expense</b>                                 |              |             |               |              |             |               |              |             |               |
| Deposits of non-bank<br>customers                       | 333          | 108         | 441           | 59           | (28)        | 31            | 9            | (33)        | (24)          |
| Deposits and balances<br>of banks                       | (32)         | 16          | (16)          | (11)         | 10          | (1)           | (1)          | 2           | 1             |
| Other borrowings  | (14)         | 35          | 21            | (3)          | 7           | 4             | 8            | (4)         | 4             |
| <b>Total</b>  | <b>287</b>   | <b>159</b>  | <b>446</b>    | <b>45</b>    | <b>(11)</b> | <b>34</b>     | <b>16</b>    | <b>(35)</b> | <b>(19)</b>   |
| <b>Impact on net interest<br/>income</b>                | <b>477</b>   | <b>(88)</b> | <b>389</b>    | <b>83</b>    | <b>(12)</b> | <b>71</b>     | <b>28</b>    | <b>(7)</b>  | <b>21</b>     |
| Due to change<br>in number of days                      |              |             | –             |              |             | –             |              |             | 14            |
| <b>Net interest income</b>                              |              |             | <b>389</b>    |              |             | <b>71</b>     |              |             | <b>35</b>     |

## NON-INTEREST INCOME

| S\$ million   | 9M15  | 9M14  | + / (-)<br>% | 3Q15  | 3Q14  | + / (-)<br>% | 2Q15  | + / (-)<br>% |
|---|-------|-------|--------------|-------|-------|--------------|-------|--------------|
| <b>Fees and commissions</b>                           |       |       |              |       |       |              |       |              |
| Brokerage   | 71    | 44    | 61           | 22    | 18    | 22           | 29    | (25)         |
| Wealth management                                     | 388   | 356   | 9            | 124   | 126   | (2)          | 135   | (8)          |
| Fund management                                       | 97    | 79    | 22           | 35    | 28    | 27           | 33    | 8            |
| Credit card   | 100   | 67    | 48           | 35    | 33    | 7            | 33    | 5            |
| Loan-related  | 235   | 223   | 5            | 77    | 81    | (4)          | 83    | (7)          |
| Trade-related and remittances                         | 170   | 174   | (3)          | 55    | 63    | (12)         | 58    | (3)          |
| Guarantees  | 16    | 16    | –            | 5     | 6     | (7)          | 5     | (2)          |
| Investment banking                                    | 67    | 70    | (4)          | 18    | 29    | (39)         | 30    | (43)         |
| Service charges                                       | 60    | 56    | 8            | 23    | 17    | 31           | 20    | 21           |
| Others  | 37    | 26    | 43           | 14    | 5     | 135          | 12    | 13           |
| Sub-total   | 1,241 | 1,111 | 12           | 408   | 406   | –            | 438   | (7)          |
| <b>Dividends</b>                                      | 71    | 93    | (23)         | 21    | 26    | (17)         | 37    | (43)         |
| <b>Rental income</b>                                  | 77    | 53    | 45           | 26    | 18    | 45           | 25    | 3            |
| <b>Profit from life assurance</b>                     | 393   | 578   | (32)         | 62    | 174   | (64)         | 132   | (53)         |
| <b>Premium income from general insurance</b>          | 115   | 121   | (4)          | 36    | 41    | (14)         | 42    | (14)         |
| <b>Other income</b>                                   |       |       |              |       |       |              |       |              |
| Net trading income                                    | 390   | 346   | 13           | 196   | 113   | 73           | 70    | 179          |
| Net gain/(loss) from investment securities            | 197   | 69    | 186          | (12)  | 4     | (420)        | 166   | (107)        |
| Net gain from disposal an associate and joint venture | –     | 31    | (100)        | –     | –     | –            | –     | –            |
| Net gain from disposal of properties                  | 25    | 2     | nm           | 15    | 1     | nm           | 6     | 147          |
| Others  | 64    | 47    | 35           | 23    | 18    | 31           | 23    | 2            |
| Sub-total   | 676   | 495   | 36           | 222   | 136   | 64           | 265   | (16)         |
| <b>Total core non-interest income</b>                 | 2,573 | 2,451 | 5            | 775   | 801   | (3)          | 939   | (17)         |
| Gain on remeasurement                                 | –     | 391   | (100)        | –     | 391   | (100)        | –     | –            |
| <b>Total non-interest income</b>                      | 2,573 | 2,842 | (9)          | 775   | 1,192 | (35)         | 939   | (17)         |
| Fees and commissions/Total income <sup>1/</sup>       | 19.3% | 18.8% |              | 19.5% | 19.8% |              | 19.7% |              |
| Non-interest income/Total income <sup>1/</sup>        | 40.1% | 41.5% |              | 37.1% | 39.1% |              | 42.3% |              |

Note:

1. Excludes one-off gain from remeasurement of equity stake in an associate.

Core non-interest income for the quarter was S\$775 million, as compared with S\$801 million in 3Q14.

Fee and commission income for the quarter was S\$408 million, with wealth management, loan and trade-related fees being the largest contributors to fee income in 3Q15. Net trading income, primarily treasury-related income from customer flows, was S\$196 million and higher than S\$113 million in 3Q14. Profit from life assurance was S\$62 million in 3Q15, 64% lower as compared with S\$174 million a year ago, mainly from unrealised mark-to-market losses from bond and equity investments in Great Eastern Holdings' ("GEH") Non-participating Fund.

A one-off gain of S\$391 million arose from the Group's increased stake in BON, which became a 20%-owned associated company on 30 September 2014. In accordance with accounting standards, the Group's initial available-for-sale 15.3% investment was deemed disposed of and hence, its related fair value reserve was recognised in the income statement as a one-off gain.

Compared to 2Q15, non-interest income was 17% lower from S\$939 million, as higher net trading income was largely offset by a decline in insurance income, and lower net gains from investment securities, mainly from the realisation of a S\$136 million gain from an investment in GEH's equity portfolio the previous quarter.



## OPERATING EXPENSES

| S\$ million   | 9M15         | 9M14         | + / (-)<br>% | 3Q15         | 3Q14         | + / (-)<br>% | 2Q15         | + / (-)<br>% |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Staff costs</b>                                  |              |              |              |              |              |              |              |              |
| Salaries and other costs                            | 1,521        | 1,328        | 15           | 505          | 501          | 1            | 522          | (3)          |
| Share-based expenses                                | 29           | 26           | 12           | 10           | 8            | 27           | 11           | (4)          |
| Contribution to defined contribution plans          | 125          | 107          | 16           | 41           | 39           | 4            | 42           | (3)          |
|   | <b>1,675</b> | <b>1,461</b> | <b>15</b>    | <b>556</b>   | <b>548</b>   | <b>1</b>     | <b>575</b>   | <b>(3)</b>   |
| <b>Property and equipment</b>                       |              |              |              |              |              |              |              |              |
| Depreciation  | 216          | 171          | 27           | 72           | 65           | 11           | 73           | -            |
| Maintenance and hire of property, plant & equipment | 81           | 62           | 29           | 29           | 23           | 25           | 27           | 6            |
| Rental expenses                                     | 73           | 59           | 24           | 25           | 22           | 13           | 24           | 4            |
| Others  | 161          | 135          | 19           | 54           | 48           | 13           | 55           | (3)          |
|   | <b>531</b>   | <b>427</b>   | <b>24</b>    | <b>180</b>   | <b>158</b>   | <b>14</b>    | <b>179</b>   | <b>-</b>     |
| <b>Other operating expenses</b>                     | <b>485</b>   | <b>448</b>   | <b>8</b>     | <b>164</b>   | <b>164</b>   | <b>-</b>     | <b>164</b>   | <b>(1)</b>   |
| <b>Total operating expenses</b>                     | <b>2,691</b> | <b>2,336</b> | <b>15</b>    | <b>900</b>   | <b>870</b>   | <b>3</b>     | <b>918</b>   | <b>(2)</b>   |
| <b>Group staff strength</b>                         |              |              |              |              |              |              |              |              |
| Period end  | 29,603       | 29,133       | 2            | 29,603       | 29,133       | 2            | 29,507       | -            |
| Average   | 29,544       | 26,605       | 11           | 29,533       | 29,065       | 2            | 29,539       | -            |
| Cost to income ratio <sup>1/</sup>                  | <b>41.9%</b> | <b>39.5%</b> |              | <b>43.0%</b> | <b>42.5%</b> |              | <b>41.3%</b> |              |

Note:

1. Excludes one-off gain from remeasurement of equity stake in an associate.

Operating expenses for the quarter were up 3% to S\$900 million, compared with S\$870 million a year ago. Staff costs rose 1% to S\$556 million, from S\$548 million in 3Q14, associated with an increase in headcount to support the Group's regional business expansion, as well as higher base salaries. Property and equipment-related expenses increased 14% to S\$180 million, as compared with S\$158 million a year ago, mainly as a result of higher depreciation expenses and technology-related costs. Other operating expenses were S\$164 million for the quarter, unchanged from a year ago.

Compared with 2Q15, operating expenses were down 2%.

The cost-to-income ratio was 43.0% in 3Q15 and 41.9% in 9M15, as compared with 42.5% and 39.5%, respectively, in the year-ago periods.

## ALLOWANCES FOR LOANS AND OTHER ASSETS

| S\$ million   | 9M15       | 9M14 | + / (-)<br>% | 3Q15       | 3Q14 | + / (-)<br>% | 2Q15 | + / (-)<br>% |
|---|------------|------|--------------|------------|------|--------------|------|--------------|
| Specific allowances/<br>(write-back) for loans                        |            |      |              |            |      |              |      |              |
| Singapore   | 51         | 48   | 7            | 19         | 24   | (22)         | 16   | 18           |
| Malaysia  | 56         | 30   | 85           | 20         | 10   | 99           | 27   | (27)         |
| Greater China   | 21         | 33   | (37)         | 9          | 33   | (73)         | 5    | 90           |
| Others  | 28         | 14   | 104          | 17         | (1)  | nm           | (1)  | nm           |
|   | <b>156</b> | 125  | 25           | <b>65</b>  | 66   | (2)          | 47   | 38           |
| Portfolio allowances for loans  | 102        | 90   | 14           | 50         | 31   | 61           | 32   | 54           |
| Allowances and impairment<br>charges/(write-back)<br>for other assets | 36         | (12) | 412          | 35         | (0)  | nm           | 1    | nm           |
| Allowances for loans and<br>impairment for other assets               | <b>294</b> | 203  | 45           | <b>150</b> | 97   | 56           | 80   | 87           |

Allowances for loans and other assets were S\$150 million in 3Q15, an increase from S\$97 million a year ago and S\$80 million in the previous quarter.

Specific allowances for loans, net of recoveries and writebacks were S\$65 million, flat against S\$66 million in 3Q14. Net specific allowances remained low at 12 basis points of loans on an annualised basis, as compared with 13 basis points in the previous year. Compared with 2Q15, specific allowances were up 38% from S\$47 million.

Portfolio allowance for loans were S\$50 million for 3Q15, higher as compared with S\$31 million a year ago and S\$32 million in 2Q15. Higher portfolio allowances were set aside as a prudent measure to buffer the loan portfolio against future market uncertainties. Net allowances for other assets were S\$35 million for the quarter, mainly for equity securities investments.

## LOANS AND ADVANCES

| S\$ million  | 30 Sep 2015 | 30 Jun 2015 | 31 Dec 2014 | 30 Sep 2014 |
|--|-------------|-------------|-------------|-------------|
| Loans to customers                                       | 201,379     | 197,145     | 193,610     | 187,139     |
| Bills receivable   | 11,303      | 13,001      | 16,212      | 17,715      |
| Gross loans to customers                                 | 212,682     | 210,146     | 209,822     | 204,854     |
| Allowances   |             |             |             |             |
| Specific allowances                                      | (350)       | (342)       | (332)       | (294)       |
| Portfolio allowances                                     | (1,978)     | (1,934)     | (1,897)     | (1,814)     |
|  | 210,354     | 207,870     | 207,593     | 202,746     |
| Less: assets pledged                                     | (33)        | (42)        | (58)        | (68)        |
| Loans net of allowances                                  | 210,321     | 207,828     | 207,535     | 202,678     |
| <b>By Maturity</b>                                       |             |             |             |             |
| Within 1 year  | 80,886      | 79,893      | 80,265      | 77,664      |
| 1 to 3 years   | 33,576      | 30,253      | 32,387      | 31,454      |
| Over 3 years   | 98,220      | 100,000     | 97,170      | 95,736      |
|  | 212,682     | 210,146     | 209,822     | 204,854     |
| <b>By Industry</b>                                       |             |             |             |             |
| Agriculture, mining and quarrying                        | 7,936       | 8,074       | 8,750       | 7,816       |
| Manufacturing  | 12,905      | 12,978      | 12,746      | 12,240      |
| Building and construction                                | 34,028      | 32,988      | 32,175      | 29,480      |
| Housing loans  | 55,523      | 55,321      | 54,207      | 52,980      |
| General commerce   | 28,076      | 29,237      | 30,218      | 30,937      |
| Transport, storage and communication                     | 12,592      | 11,741      | 12,365      | 11,521      |
| Financial institutions, investment and holding companies | 27,722      | 26,219      | 25,360      | 26,457      |
| Professionals and individuals                            | 23,051      | 22,746      | 22,511      | 21,910      |
| Others   | 10,849      | 10,842      | 11,490      | 11,513      |
|  | 212,682     | 210,146     | 209,822     | 204,854     |
| <b>By Currency</b>                                       |             |             |             |             |
| Singapore Dollar   | 78,212      | 76,346      | 76,613      | 75,136      |
| United States Dollar                                     | 51,460      | 50,797      | 55,697      | 54,602      |
| Malaysian Ringgit  | 20,659      | 22,582      | 23,040      | 23,096      |
| Indonesian Rupiah  | 5,532       | 5,320       | 5,282       | 4,976       |
| Hong Kong Dollar   | 29,654      | 29,332      | 25,770      | 23,852      |
| Chinese Renminbi   | 9,297       | 9,927       | 10,229      | 9,442       |
| Others   | 17,868      | 15,842      | 13,191      | 13,750      |
|  | 212,682     | 210,146     | 209,822     | 204,854     |
| <b>By Geography <sup>1/</sup></b>                        |             |             |             |             |
| Singapore  | 86,883      | 85,547      | 86,700      | 84,270      |
| Malaysia   | 27,841      | 28,112      | 28,909      | 28,977      |
| Indonesia  | 16,097      | 14,462      | 13,982      | 13,304      |
| Greater China  | 59,477      | 57,624      | 55,585      | 52,303      |
| Other Asia Pacific                                       | 10,711      | 9,189       | 9,218       | 9,994       |
| Rest of the World  | 11,673      | 15,212      | 15,428      | 16,006      |
|  | 212,682     | 210,146     | 209,822     | 204,854     |

Note:

- 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 to customers were S\$213 billion as at 30 September 2015, up 4% from S\$205 billion a year ago, and 1% from S\$210 billion the previous quarter. Compared to a year ago, loan growth was across most customer segments and geographies, with the largest increases coming from loans to the building and construction sector and housing loans.

## NON-PERFORMING ASSETS

| S\$ million               | Total NPAs <sup>1/</sup> | Substandard  | Doubtful   | Loss       | Secured NPAs/<br>Total NPAs<br>% | NPLs <sup>2/</sup> | NPL Ratio <sup>2/</sup><br>% |
|---------------------------|--------------------------|--------------|------------|------------|----------------------------------|--------------------|------------------------------|
| <b>Singapore</b>          |                          |              |            |            |                                  |                    |                              |
| <b>30 Sep 2015</b>        | <b>516</b>               | <b>318</b>   | <b>110</b> | <b>88</b>  | <b>85.1</b>                      | <b>516</b>         | <b>0.6</b>                   |
| 30 Jun 2015               | 385                      | 172          | 118        | 95         | 77.7                             | 385                | 0.5                          |
| 31 Dec 2014               | 274                      | 72           | 116        | 86         | 71.1                             | 274                | 0.3                          |
| 30 Sep 2014               | 267                      | 73           | 109        | 85         | 74.4                             | 267                | 0.3                          |
| <b>Malaysia</b>           |                          |              |            |            |                                  |                    |                              |
| <b>30 Sep 2015</b>        | <b>720</b>               | <b>619</b>   | <b>77</b>  | <b>24</b>  | <b>86.0</b>                      | <b>699</b>         | <b>2.5</b>                   |
| 30 Jun 2015               | 544                      | 409          | 111        | 24         | 75.1                             | 522                | 1.9                          |
| 31 Dec 2014               | 532                      | 378          | 117        | 37         | 70.1                             | 507                | 1.8                          |
| 30 Sep 2014               | 594                      | 389          | 171        | 34         | 64.3                             | 572                | 2.0                          |
| <b>Indonesia</b>          |                          |              |            |            |                                  |                    |                              |
| <b>30 Sep 2015</b>        | <b>305</b>               | <b>233</b>   | <b>25</b>  | <b>47</b>  | <b>27.8</b>                      | <b>305</b>         | <b>1.9</b>                   |
| 30 Jun 2015               | 246                      | 156          | 7          | 83         | 28.2                             | 246                | 1.7                          |
| 31 Dec 2014               | 98                       | 26           | 7          | 65         | 39.8                             | 98                 | 0.7                          |
| 30 Sep 2014               | 88                       | 17           | 5          | 66         | 53.5                             | 88                 | 0.7                          |
| <b>Greater China</b>      |                          |              |            |            |                                  |                    |                              |
| <b>30 Sep 2015</b>        | <b>244</b>               | <b>111</b>   | <b>71</b>  | <b>62</b>  | <b>82.9</b>                      | <b>207</b>         | <b>0.3</b>                   |
| 30 Jun 2015               | 159                      | 60           | 25         | 74         | 77.3                             | 159                | 0.3                          |
| 31 Dec 2014               | 185                      | 101          | 27         | 57         | 81.2                             | 185                | 0.3                          |
| 30 Sep 2014               | 169                      | 100          | 35         | 34         | 88.6                             | 169                | 0.3                          |
| <b>Other Asia Pacific</b> |                          |              |            |            |                                  |                    |                              |
| <b>30 Sep 2015</b>        | <b>103</b>               | <b>95</b>    | <b>8</b>   | <b>–</b>   | <b>62.4</b>                      | <b>103</b>         | <b>1.0</b>                   |
| 30 Jun 2015               | 116                      | 101          | 15         | –          | 62.2                             | 116                | 1.3                          |
| 31 Dec 2014               | 180                      | 168          | 12         | –          | 77.2                             | 180                | 2.0                          |
| 30 Sep 2014               | 201                      | 188          | 13         | –          | 72.2                             | 199                | 2.0                          |
| <b>Rest of the World</b>  |                          |              |            |            |                                  |                    |                              |
| <b>30 Sep 2015</b>        | <b>44</b>                | <b>–</b>     | <b>44</b>  | <b>0</b>   | <b>12.9</b>                      | <b>32</b>          | <b>0.3</b>                   |
| 30 Jun 2015               | 44                       | –            | 43         | 1          | 12.3                             | 32                 | 0.2                          |
| 31 Dec 2014               | 48                       | 43           | 4          | 1          | 10.1                             | 35                 | 0.2                          |
| 30 Sep 2014               | 54                       | 44           | 9          | 1          | 15.1                             | 43                 | 0.3                          |
| <b>Group</b>              |                          |              |            |            |                                  |                    |                              |
| <b>30 Sep 2015</b>        | <b>1,932</b>             | <b>1,376</b> | <b>335</b> | <b>221</b> | <b>73.3</b>                      | <b>1,862</b>       | <b>0.9</b>                   |
| 30 Jun 2015               | 1,494                    | 898          | 319        | 277        | 65.5                             | 1,460              | 0.7                          |
| 31 Dec 2014               | 1,317                    | 788          | 283        | 246        | 68.4                             | 1,279              | 0.6                          |
| 30 Sep 2014               | 1,373                    | 811          | 342        | 220        | 67.8                             | 1,338              | 0.7                          |

Notes:

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

## NON-PERFORMING ASSETS (continued)

The Group's asset quality remained healthy. Non-performing assets ("NPAs") were S\$1.93 billion as at 30 September 2015, up 41% from S\$1.37 billion a year ago. The year-on-year increase in NPAs was largely attributed to the classification of a few large corporate accounts associated with the oil and gas services sector.

The Group's NPL ratio was 0.9%, higher from 0.7% a year ago and the previous quarter. Of the total NPAs, 71% were in the substandard category and 73% were secured by collateral.

|  | 30 Sep 2015  |            | 30 Jun 2015  |            | 31 Dec 2014  |            | 30 Sep 2014  |            |
|--|--------------|------------|--------------|------------|--------------|------------|--------------|------------|
|  | S\$ million  | % of loans | S\$ million  | % of loans | S\$ million  | % of loans | S\$ million  | % of loans |
| <b>NPLs by Industry</b>                                  |              |            |              |            |              |            |              |            |
| Loans and advances                                       |              |            |              |            |              |            |              |            |
| Agriculture, mining and quarrying                        | 330          | 4.2        | 75           | 0.9        | 8            | 0.1        | 8            | 0.1        |
| Manufacturing  | 481          | 3.7        | 288          | 2.2        | 302          | 2.4        | 353          | 2.9        |
| Building and construction                                | 75           | 0.2        | 82           | 0.2        | 173          | 0.5        | 194          | 0.7        |
| Housing loans  | 281          | 0.5        | 290          | 0.5        | 274          | 0.5        | 272          | 0.5        |
| General commerce   | 179          | 0.6        | 162          | 0.6        | 152          | 0.5        | 143          | 0.5        |
| Transport, storage and communication                     | 218          | 1.7        | 273          | 2.3        | 174          | 1.4        | 169          | 1.5        |
| Financial institutions, investment and holding companies | 158          | 0.6        | 155          | 0.6        | 24           | 0.1        | 22           | 0.1        |
| Professionals and individuals                            | 122          | 0.5        | 114          | 0.5        | 103          | 0.5        | 103          | 0.5        |
| Others   | 18           | 0.2        | 21           | 0.2        | 69           | 0.6        | 74           | 0.6        |
| <b>Total NPLs</b>  | <b>1,862</b> | <b>0.9</b> | <b>1,460</b> | <b>0.7</b> | <b>1,279</b> | <b>0.6</b> | <b>1,338</b> | <b>0.7</b> |
| <b>Classified debt securities</b>                        | <b>40</b>    |            | <b>5</b>     |            | <b>5</b>     |            | <b>4</b>     |            |
| <b>Classified contingent liabilities</b>                 | <b>30</b>    |            | <b>29</b>    |            | <b>33</b>    |            | <b>31</b>    |            |
| <b>Total NPAs</b>  | <b>1,932</b> |            | <b>1,494</b> |            | <b>1,317</b> |            | <b>1,373</b> |            |

|                               | 30 Sep 2015  |            | 30 Jun 2015  |            | 31 Dec 2014  |            | 30 Sep 2014  |            |
|-------------------------------|--------------|------------|--------------|------------|--------------|------------|--------------|------------|
|                               | S\$ million  | %          | S\$ million  | %          | S\$ million  | %          | S\$ million  | %          |
| <b>NPAs By Period Overdue</b> |              |            |              |            |              |            |              |            |
| Over 180 days                 | 585          | 30         | 577          | 39         | 476          | 36         | 462          | 34         |
| Over 90 to 180 days           | 221          | 11         | 171          | 11         | 146          | 11         | 144          | 10         |
| 30 to 90 days                 | 144          | 8          | 169          | 11         | 122          | 9          | 133          | 10         |
| Less than 30 days             | 92           | 5          | 55           | 4          | 22           | 2          | 13           | 1          |
| Not overdue                   | 890          | 46         | 522          | 35         | 551          | 42         | 621          | 45         |
|                               | <b>1,932</b> | <b>100</b> | <b>1,494</b> | <b>100</b> | <b>1,317</b> | <b>100</b> | <b>1,373</b> | <b>100</b> |

| S\$ million               | 30 Sep 2015 |           | 30 Jun 2015 |           | 31 Dec 2014 |           | 30 Sep 2014 |           |
|---------------------------|-------------|-----------|-------------|-----------|-------------|-----------|-------------|-----------|
|                           | Loan        | Allowance | Loan        | Allowance | Loan        | Allowance | Loan        | Allowance |
| <b>Restructured Loans</b> |             |           |             |           |             |           |             |           |
| Substandard               | 280         | 15        | 168         | 1         | 81          | 2         | 83          | 2         |
| Doubtful                  | 69          | 44        | 66          | 34        | 39          | 24        | 36          | 21        |
| Loss                      | 3           | 3         | 14          | 5         | 4           | 3         | 2           | 1         |
|                           | <b>352</b>  | <b>62</b> | <b>248</b>  | <b>40</b> | <b>124</b>  | <b>29</b> | <b>121</b>  | <b>24</b> |

## CUMULATIVE ALLOWANCES FOR ASSETS

| S\$ million               | Total cumulative allowances | Specific allowances | Portfolio allowances | Specific allowances as | Cumulative allowances as |
|---------------------------|-----------------------------|---------------------|----------------------|------------------------|--------------------------|
|                           |                             |                     |                      | % of total NPAs        | % of total NPAs          |
|                           |                             |                     |                      | %                      | %                        |
| <b>Singapore</b>          |                             |                     |                      |                        |                          |
| <b>30 Sep 2015</b>        | <b>796</b>                  | <b>81</b>           | <b>715</b>           | <b>15.6</b>            | <b>154.3</b>             |
| 30 Jun 2015               | 758                         | 79                  | 679                  | 20.6                   | 197.0                    |
| 31 Dec 2014               | 746                         | 70                  | 676                  | 25.6                   | 272.8                    |
| 30 Sep 2014               | 720                         | 63                  | 657                  | 23.7                   | 269.5                    |
| <b>Malaysia</b>           |                             |                     |                      |                        |                          |
| <b>30 Sep 2015</b>        | <b>507</b>                  | <b>126</b>          | <b>381</b>           | <b>17.6</b>            | <b>70.5</b>              |
| 30 Jun 2015               | 527                         | 129                 | 398                  | 23.6                   | 96.7                     |
| 31 Dec 2014               | 549                         | 150                 | 399                  | 28.1                   | 103.2                    |
| 30 Sep 2014               | 487                         | 120                 | 367                  | 20.2                   | 81.8                     |
| <b>Indonesia</b>          |                             |                     |                      |                        |                          |
| <b>30 Sep 2015</b>        | <b>234</b>                  | <b>56</b>           | <b>178</b>           | <b>18.2</b>            | <b>76.6</b>              |
| 30 Jun 2015               | 221                         | 41                  | 180                  | 16.4                   | 89.8                     |
| 31 Dec 2014               | 207                         | 40                  | 167                  | 41.2                   | 210.7                    |
| 30 Sep 2014               | 199                         | 34                  | 165                  | 38.9                   | 227.2                    |
| <b>Greater China</b>      |                             |                     |                      |                        |                          |
| <b>30 Sep 2015</b>        | <b>586</b>                  | <b>62</b>           | <b>524</b>           | <b>25.6</b>            | <b>240.1</b>             |
| 30 Jun 2015               | 564                         | 66                  | 498                  | 41.9                   | 356.0                    |
| 31 Dec 2014               | 528                         | 62                  | 466                  | 33.6                   | 285.0                    |
| 30 Sep 2014               | 486                         | 62                  | 424                  | 36.6                   | 287.7                    |
| <b>Other Asia Pacific</b> |                             |                     |                      |                        |                          |
| <b>30 Sep 2015</b>        | <b>115</b>                  | <b>20</b>           | <b>95</b>            | <b>19.3</b>            | <b>111.6</b>             |
| 30 Jun 2015               | 117                         | 23                  | 94                   | 19.7                   | 100.7                    |
| 31 Dec 2014               | 115                         | 24                  | 91                   | 13.3                   | 63.6                     |
| 30 Sep 2014               | 118                         | 24                  | 94                   | 12.0                   | 58.8                     |
| <b>Rest of the World</b>  |                             |                     |                      |                        |                          |
| <b>30 Sep 2015</b>        | <b>104</b>                  | <b>19</b>           | <b>85</b>            | <b>43.8</b>            | <b>234.6</b>             |
| 30 Jun 2015               | 96                          | 11                  | 85                   | 26.0                   | 219.6                    |
| 31 Dec 2014               | 102                         | 4                   | 98                   | 8.8                    | 213.0                    |
| 30 Sep 2014               | 113                         | 6                   | 107                  | 10.6                   | 208.9                    |
| <b>Group</b>              |                             |                     |                      |                        |                          |
| <b>30 Sep 2015</b>        | <b>2,342</b>                | <b>364</b>          | <b>1,978</b>         | <b>18.8</b>            | <b>121.2</b>             |
| 30 Jun 2015               | 2,283                       | 349                 | 1,934                | 23.4                   | 152.8                    |
| 31 Dec 2014               | 2,247                       | 350                 | 1,897                | 26.6                   | 170.6                    |
| 30 Sep 2014               | 2,123                       | 309                 | 1,814                | 22.5                   | 154.6                    |

As at 30 September 2015, the Group's total cumulative allowances for assets were S\$2.34 billion, comprising S\$364 million in specific allowances and S\$1.98 billion in portfolio allowances. Allowance coverage ratios were maintained at healthy levels, with total cumulative allowances at 453% of total unsecured NPAs and 121% of total NPAs, as compared with the respective ratios of 480% and 155% as at 30 September 2014.

## DEPOSITS

| S\$ million   | 30 Sep 2015    | 30 Jun 2015    | 31 Dec 2014    | 30 Sep 2014    |
|---|----------------|----------------|----------------|----------------|
| Deposits of non-bank customers                                    | 251,884        | 246,424        | 245,519        | 237,172        |
| Deposits and balances of banks                                    | 16,101         | 16,924         | 20,503         | 22,869         |
|   | <b>267,985</b> | <b>263,348</b> | <b>266,022</b> | <b>260,041</b> |
| Loans to deposits ratio<br>(net non-bank loans/non-bank deposits) | 83.5%          | 84.3%          | 84.5%          | 85.5%          |

  

| S\$ million                          | 30 Sep 2015    | 30 Jun 2015    | 31 Dec 2014    | 30 Sep 2014    |
|--------------------------------------|----------------|----------------|----------------|----------------|
| <b>Total Deposits By Maturity</b>    |                |                |                |                |
| Within 1 year                        | 262,751        | 258,550        | 261,000        | 253,830        |
| 1 to 3 years                         | 2,814          | 2,333          | 2,691          | 3,996          |
| Over 3 years                         | 2,420          | 2,465          | 2,331          | 2,215          |
|                                      | <b>267,985</b> | <b>263,348</b> | <b>266,022</b> | <b>260,041</b> |
| <b>Non-Bank Deposits By Product</b>  |                |                |                |                |
| Fixed deposits                       | 110,608        | 112,342        | 109,104        | 104,947        |
| Savings deposits                     | 42,745         | 42,202         | 39,913         | 39,144         |
| Current account                      | 76,861         | 71,200         | 69,572         | 66,452         |
| Others                               | 21,670         | 20,680         | 26,930         | 26,629         |
|                                      | <b>251,884</b> | <b>246,424</b> | <b>245,519</b> | <b>237,172</b> |
| <b>Non-Bank Deposits By Currency</b> |                |                |                |                |
| Singapore Dollar                     | 87,016         | 86,325         | 91,520         | 93,716         |
| United States Dollar                 | 78,302         | 70,981         | 62,333         | 54,854         |
| Malaysian Ringgit                    | 22,716         | 25,459         | 25,583         | 26,009         |
| Indonesian Rupiah                    | 5,292          | 5,371          | 5,235          | 4,842          |
| Hong Kong Dollar                     | 25,466         | 25,272         | 22,120         | 21,160         |
| Chinese Renminbi                     | 11,579         | 11,432         | 13,689         | 12,515         |
| Others                               | 21,513         | 21,584         | 25,039         | 24,076         |
|                                      | <b>251,884</b> | <b>246,424</b> | <b>245,519</b> | <b>237,172</b> |

Non-bank customer deposits as at 30 September 2015 were S\$252 billion, up 6% from S\$237 billion a year ago and 2% from S\$246 billion the previous quarter. Compared to the previous year, the growth in customer deposits was led by an increase in current account, savings and fixed deposits, which grew by 16%, 9% and 5% respectively. The ratio of current and savings deposits to total non-bank deposits was 47.5% as at 30 September 2015. The Group's loan-to-deposit ratio was 83.5%, as compared with 85.5% a year ago and 84.3% in the previous quarter. For 3Q15, the average Singapore dollar and all-currency liquidity coverage ratios for the Group (excluding OCBC Wing Hang) were 248% and 117% respectively, higher as compared to the respective regulatory ratios of 100% and 60%. OCBC Wing Hang's liquidity coverage ratios will be incorporated in the overall Group position in due course.

## DEBT ISSUED

| S\$ million                               | 30 Sep 2015   | 30 Jun 2015   | 31 Dec 2014   | 30 Sep 2014   |
|---|---------------|---------------|---------------|---------------|
| Subordinated debt (unsecured)             | 6,720         | 6,398         | 6,359         | 6,768         |
| Fixed and floating rate notes (unsecured) | 4,294         | 4,789         | 5,903         | 5,690         |
| Commercial papers (unsecured)             | 12,368        | 17,010        | 15,598        | 14,470        |
| Structured notes (unsecured)              | 1,128         | 1,090         | 999           | 875           |
| Total                                     | <b>24,510</b> | <b>29,287</b> | <b>28,859</b> | <b>27,803</b> |
| <b>Debt Issued By Maturity</b>            |               |               |               |               |
| Within one year                           | 13,949        | 18,613        | 18,580        | 17,842        |
| Over one year                             | 10,561        | 10,674        | 10,279        | 9,961         |
| Total                                     | <b>24,510</b> | <b>29,287</b> | <b>28,859</b> | <b>27,803</b> |

As at 30 September 2015, the Group had S\$12.4 billion of commercial papers outstanding. The commercial papers form part of the Group's diversified funding sources.

## CAPITAL ADEQUACY RATIOS

| S\$ million                         | 30 Sep 2015    | 30 Jun 2015 | 31 Dec 2014 | 30 Sep 2014 |
|-------------------------------------|----------------|-------------|-------------|-------------|
| Ordinary shares                     | 13,557         | 12,943      | 12,356      | 11,857      |
| Disclosed reserves/others           | 18,633         | 18,761      | 17,512      | 16,681      |
| Regulatory adjustments              | (4,146)        | (4,523)     | (3,889)     | (3,772)     |
| <b>Common Equity Tier 1 Capital</b> | <b>28,044</b>  | 27,181      | 25,979      | 24,766      |
| Additional Tier 1 capital           | 3,525          | 3,024       | 3,438       | 3,439       |
| Regulatory adjustments              | (3,525)        | (3,024)     | (3,438)     | (3,439)     |
| <b>Tier 1 Capital</b>               | <b>28,044</b>  | 27,181      | 25,979      | 24,766      |
| Tier 2 capital                      | 6,177          | 5,924       | 5,963       | 6,240       |
| Regulatory adjustments              | (2,267)        | (2,248)     | (2,015)     | (1,905)     |
| <b>Total Eligible Capital</b>       | <b>31,954</b>  | 30,857      | 29,927      | 29,101      |
| <b>Risk Weighted Assets</b>         | <b>192,369</b> | 191,575     | 188,108     | 187,050     |
| <b>Capital Adequacy Ratios</b>      |                |             |             |             |
| Common Equity Tier 1                | 14.5%          | 14.1%       | 13.8%       | 13.2%       |
| Tier 1                              | 14.5%          | 14.1%       | 13.8%       | 13.2%       |
| Total                               | 16.6%          | 16.1%       | 15.9%       | 15.5%       |

Note:

- Public disclosures required under MAS Notice 637 Part XI can be found in the Capital and Regulatory Disclosures section of the Bank's investor relations website ([http://www.ocbc.com/group/investors/Cap\\_and\\_Reg\\_Disclosures.html](http://www.ocbc.com/group/investors/Cap_and_Reg_Disclosures.html)).

The Group remained strongly capitalised, with a Common Equity Tier 1 ("CET1") capital adequacy ratio ("CAR") of 14.5%, and Tier 1 and total CAR of 14.5% and 16.6% respectively. These ratios, based on Basel III transitional arrangements, were well above the regulatory minima of 6.5%, 8% and 10%, respectively, for 2015. Compared with 30 June 2015, the Group's CAR was higher, largely attributable to the issuance of S\$500 million perpetual capital securities during the quarter.

The Group's CET1 CAR, based on Basel III rules which will be effective from 1 January 2018, was 11.4%.

The capital adequacy information of the Group's significant banking subsidiaries as at 30 September 2015 were:

| S\$ million                 | Total Risk Weighted Assets | Capital Adequacy Ratios |        |       |
|-----------------------------|----------------------------|-------------------------|--------|-------|
|                             |                            | Common Equity Tier 1    | Tier 1 | Total |
| OCBC Wing Hang Bank Limited | 19,466                     | 12.5%                   | 12.5%  | 15.8% |
| OCBC Bank (Malaysia) Berhad | 12,985                     | 11.8%                   | 14.0%  | 15.2% |
| Bank OCBC NISP              | 9,579                      | na                      | 16.0%  | 17.3% |

Note:

- "na" denotes not applicable.

The capital adequacy ratios of OCBC Wing Hang Bank Limited are computed in accordance with the Banking (Capital) Rules issued by the Hong Kong Monetary Authority, and the ratios for OCBC Bank (Malaysia) Berhad are computed in accordance with the Capital Adequacy Framework (Capital Components) issued by Bank Negara Malaysia. Bank OCBC NISP computes their ratios based on the standardised approach under the Basel II framework. The computed CET1 CAR as at 30 September 2015 for Bank OCBC NISP based on Basel II rules would be 16.0%.



## LEVERAGE RATIO

| S\$ million     | 30 Sep 2015 | 30 Jun 2015 | 31 Dec 2014 | 30 Sep 2014 |
|-----------------|-------------|-------------|-------------|-------------|
| Tier 1 Capital  | 28,044      | 27,181      | na          | na          |
| Total exposures | 368,501     | 363,935     | na          | na          |
| Leverage ratio  | 7.6%        | 7.4%        | na          | na          |

Notes:

- Public disclosures required under MAS Notice 637 Part XI Division 3 Sub-division 11: Leverage ratio can be found in the Capital and Regulatory Disclosures section of the Bank's Investor Relations website ([http://www.ocbc.com/group/investors/Cap\\_and\\_Reg\\_Disclosures.html](http://www.ocbc.com/group/investors/Cap_and_Reg_Disclosures.html)).
- "na" denotes not applicable.

In January 2014, the Basel Committee on Banking Supervision ("BCBS") issued the leverage ratio framework and its public disclosure requirements. In line with this, a revised MAS Notice 637 was issued in October 2014 requiring Singapore-incorporated banks to make leverage ratio disclosures with effect from 1 January 2015 to enhance the transparency and comparability of these disclosures across banks.

The leverage ratio is an indicator of capital strength to supplement the risk-based capital requirements and is the ratio of Tier 1 Capital to total exposures (comprising on-balance sheet exposures, derivative exposures, securities financing transaction exposures and off-balance sheet items). As at 30 September 2015, the Group's leverage ratio was 7.6%, above the minimum requirement of 3% which is being tested by BCBS during the parallel run period from 2013 to 2017.

## UNREALISED VALUATION SURPLUS

| S\$ million                     | 30 Sep 2015 | 30 Jun 2015 | 31 Dec 2014 | 30 Sep 2014 |
|---------------------------------|-------------|-------------|-------------|-------------|
| Properties <sup>3/</sup>        | 3,951       | 3,964       | 3,956       | 3,743       |
| Equity securities <sup>4/</sup> | 2,636       | 4,917       | 4,315       | 3,969       |
| Total                           | 6,587       | 8,881       | 8,271       | 7,712       |

Notes:

- 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.
- Comprises mainly investments in quoted subsidiaries and an associate, which are valued based on their market prices at the end of each quarter.

The Group's unrealised valuation surplus largely represents the difference between the carrying values of its properties and investments in quoted subsidiaries and an associate, and the property values and market prices of the quoted investments at the respective periods. The carrying values of subsidiaries and associate 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 September 2015 was S\$6.59 billion, a decline of 26% as compared with S\$8.88 billion as at 30 June 2015, mainly attributable to lower equity securities valuation from the Group's equity stakes in GEH and an associate.

## PERFORMANCE BY BUSINESS SEGMENT

OCBC Group's businesses are presented in the following customer segments and business activities: Global Consumer/Private Banking, Global Corporate/Investment Banking, Global Treasury and Markets, Insurance and OCBC Wing Hang.

### Operating Profit by Business Segment

| S\$ million   | 9M15         | 9M14         | +/(-) %  | 3Q15         | 3Q14         | +/(-) %    | 2Q15         | +/(-) %     |
|---|--------------|--------------|----------|--------------|--------------|------------|--------------|-------------|
| Global Consumer/Private Banking                           | 705          | 579          | 22       | 233          | 192          | 22         | 259          | (10)        |
| Global Corporate/Investment Banking                       | 1,424        | 1,521        | (6)      | 440          | 495          | (11)       | 495          | (11)        |
| Global Treasury and Markets                               | 478          | 664          | (28)     | 211          | 245          | (14)       | 89           | 137         |
| Insurance   | 624          | 716          | (13)     | 87           | 211          | (59)       | 303          | (71)        |
| OCBC Wing Hang  | 270          | 44           | 509      | 84           | 44           | 90         | 93           | (10)        |
| Others <sup>1/</sup>                                      | (138)        | (195)        | (29)     | (38)         | (121)        | (69)       | (40)         | (5)         |
| <b>Operating profit after allowances and amortisation</b> | <b>3,363</b> | <b>3,329</b> | <b>1</b> | <b>1,017</b> | <b>1,066</b> | <b>(5)</b> | <b>1,199</b> | <b>(15)</b> |

Note:

1. Excludes one-off gain from remeasurement of equity stake in an associate.

### Global Consumer/Private Banking

Global Consumer/Private Banking provides a full range of products and services to individual customers. At Global Consumer Banking, the products and services offered include deposit products (checking accounts, savings and fixed deposits), consumer loans (housing loans and other personal loans), credit cards, wealth management products (unit trusts, bancassurance products and structured deposits) and brokerage services. Private Banking caters to the specialised banking needs of high net worth individuals, offering wealth management expertise, including investment advice and portfolio management services, estate and trust planning, and wealth structuring.

Operating profit after allowances rose by 22% year-on-year to S\$705 million in 9M15, and was up 22% from a year ago to S\$233 million in 3Q15. The increase in operating profit for both periods was led by net interest income growth and higher fee income, partly offset by an increase in expenses and allowances. Quarter-on-quarter, operating profit declined 10% to S\$233 million, mainly attributable to higher expenses and allowances.

### Global Corporate/Investment Banking

Global Corporate/Investment Banking serves institutional 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. Investment Banking comprises a comprehensive range of financing solutions, syndicated loans and advisory services, corporate finance services for initial public offerings, secondary fund-raising, takeovers and mergers, as well as customised and structured equity-linked financing.

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## PERFORMANCE BY BUSINESS SEGMENT *(continued)*

Global Corporate/Investment Banking's operating profit after allowances fell by 6% to S\$1.42 billion in 9M15 from S\$1.52 billion a year ago, mainly arising from higher expenses and allowances, more than offsetting an increase in net interest income. 3Q15 operating profit of S\$440 million was 11% lower year-on-year and against the previous quarter, largely attributable to a rise in expenses and allowances, partly offset by higher net interest income.

### Global Treasury and Markets

Global Treasury and Markets is responsible for the management of the Group's asset and liability interest rate positions, engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and offers structured treasury products and financial solutions to meet customers' investment and hedging needs. Income from treasury products and services offered to customers of other business segments, such as Global Consumer/Private Banking and Global Corporate/Investment Banking, is reflected in the respective business segments.

Global Treasury's operating profit fell 28% year-on-year to S\$478 million in 9M15 and was down 14% to S\$211 million in 3Q15. The year-on-year decline for both periods was largely attributable to lower net interest income and higher expenses. Compared with 2Q15, operating profit for the quarter more than doubled to S\$211 million, mainly driven by higher net trading income.

### Insurance

The Group's insurance business, including its fund management activities, is undertaken by 87.2%-owned subsidiary GEH and its subsidiaries, which provide both life and general insurance products to its customers mainly in Singapore and Malaysia.

Operating profit after allowances from GEH was down 13% to S\$624 million in 9M15, mainly attributable to lower insurance income from unrealised mark-to-market losses in GEH's Non-participating Fund, which partly offset gains from an equity portfolio investment. 3Q15 operating profit fell 59% year-on-year to S\$87 million, mainly from lower insurance income arising from unrealised mark-to-market losses from bond and equity investments in GEH's Non-participating Fund.

After tax and non-controlling interests, GEH's contribution to the Group's core net profit was S\$459 million in 9M15 and S\$48 million in 3Q15.

### OCBC Wing Hang

The Group acquired a majority stake in OCBC Wing Hang on 15 July 2014 and it became a wholly-owned subsidiary on 15 October 2014. OCBC Wing Hang offers a comprehensive range of commercial banking and related financial services such as consumer financing, share brokerage and insurance.

OCBC Wing Hang contributed S\$270 million in 9M15 and S\$84 million in 3Q15 to the Group's operating profit after allowances. 3Q15 operating profit was down 10% quarter-on-quarter, mainly attributable to lower fee income, as well as higher allowances, which more than offset higher net interest income.

### Others

Others comprise mainly property holding, investment holding and items not attributable to the business segments described above.

## PERFORMANCE BY BUSINESS SEGMENT *(continued)*

| S\$ million   | Global<br>Consumer/<br>Private<br>Banking | Global<br>Corporate/<br>Investment<br>Banking | Global<br>Treasury<br>And<br>Markets | Insurance  | OCBC<br>Wing<br>Hang | Others       | Group        |
|---|---|---|--------------------------------------|------------|----------------------|--------------|--------------|
| <b>9M15</b>   |   |   |                                      |            |                      |              |              |
| <b>Total income</b>   | 1,945                                     | 2,329   | 676                                  | 835        | 638                  | (2)          | 6,421        |
| Operating profit before allowances and amortisation                     | 788                                       | 1,576   | 481                                  | 674        | 313                  | (102)        | 3,730        |
| Amortisation of intangible assets                                       | (7)                                       | –   | –                                    | (35)       | (31)                 | –            | (73)         |
| Allowances and impairment for loans and other assets                    | (76)                                      | (152)   | (3)                                  | (15)       | (12)                 | (36)         | (294)        |
| <b>Operating profit after allowances and amortisation</b>               | <b>705</b>                                | <b>1,424</b>                                  | <b>478</b>                           | <b>624</b> | <b>270</b>           | <b>(138)</b> | <b>3,363</b> |
| <b>Other information:</b>   |   |   |                                      |            |                      |              |              |
| Capital expenditure   | 31  | 6   | 0                                    | 30         | 13                   | 118          | 198          |
| Depreciation  | 27  | 7   | 2                                    | 2          | 43                   | 135          | 216          |
| <b>9M14</b>   |   |   |                                      |            |                      |              |              |
| <b>Total income</b> <sup>1/</sup>                                       | 1,723                                     | 2,298   | 851                                  | 904        | 157                  | (23)         | 5,910        |
| Operating profit before allowances and amortisation <sup>1/</sup>       | 645                                       | 1,598   | 664                                  | 751        | 74                   | (158)        | 3,574        |
| Amortisation of intangible assets                                       | (7)                                       | –   | –                                    | (35)       | –                    | –            | (42)         |
| Allowances and impairment for loans and other assets                    | (59)                                      | (77)  | (0)                                  | (0)        | (30)                 | (37)         | (203)        |
| <b>Operating profit after allowances and amortisation</b> <sup>1/</sup> | <b>579</b>                                | <b>1,521</b>                                  | <b>664</b>                           | <b>716</b> | <b>44</b>            | <b>(195)</b> | <b>3,329</b> |
| <b>Other information:</b>   |   |   |                                      |            |                      |              |              |
| Capital expenditure   | 36  | 2   | 1                                    | 38         | 2                    | 140          | 219          |
| Depreciation  | 24  | 9   | 2                                    | 2          | 9                    | 125          | 171          |

Note:

1. Excludes one-off gain from remeasurement of equity stake in an associate.

## PERFORMANCE BY BUSINESS SEGMENT *(continued)*

| S\$ million   | Global<br>Consumer/<br>Private<br>Banking | Global<br>Corporate/<br>Investment<br>Banking | Global<br>Treasury<br>And<br>Markets | Insurance   | OCBC<br>Wing<br>Hang | Others       | Group        |
|---|---|---|--------------------------------------|-------------|----------------------|--------------|--------------|
| <b>3Q15</b>   |   |   |                                      |             |                      |              |              |
| <b>Total income</b>   | <b>660</b>                                | <b>800</b>                                    | <b>278</b>                           | <b>164</b>  | <b>212</b>           | <b>(22)</b>  | <b>2,092</b> |
| Operating profit before allowances and amortisation                     | <b>265</b>                                | <b>544</b>                                    | <b>212</b>                           | <b>113</b>  | <b>99</b>            | <b>(41)</b>  | <b>1,192</b> |
| Amortisation of intangible assets                                       | (2)                                       | –   | –                                    | (12)        | (11)                 | –            | (25)         |
| Write-back/(allowances and Impairment) for loans and other assets       | <b>(30)</b>                               | <b>(104)</b>                                  | <b>(1)</b>                           | <b>(14)</b> | <b>(4)</b>           | <b>3</b>     | <b>(150)</b> |
| <b>Operating profit after allowances and amortisation</b>               | <b>233</b>                                | <b>440</b>                                    | <b>211</b>                           | <b>87</b>   | <b>84</b>            | <b>(38)</b>  | <b>1,017</b> |
| <b>Other information:</b>   |   |   |                                      |             |                      |              |              |
| Capital expenditure   | <b>12</b>                                 | <b>1</b>                                      | <b>0</b>                             | <b>9</b>    | <b>6</b>             | <b>36</b>    | <b>64</b>    |
| Depreciation  | <b>9</b>                                  | <b>2</b>                                      | <b>1</b>                             | <b>0</b>    | <b>15</b>            | <b>45</b>    | <b>72</b>    |
| <b>3Q14</b>   |   |   |                                      |             |                      |              |              |
| <b>Total income</b> <sup>1/</sup>                                       | 586                                       | 771   | 308                                  | 278         | 157                  | (53)         | 2,047        |
| Operating profit before allowances and amortisation <sup>1/</sup>       | 217                                       | 526   | 244                                  | 223         | 74                   | (107)        | 1,177        |
| Amortisation of intangible assets                                       | (2)                                       | –   | –                                    | (12)        | –                    | –            | (14)         |
| Write-back/(allowances and Impairment) for loans and other assets       | (23)                                      | (31)  | 1                                    | (0)         | (30)                 | (14)         | (97)         |
| <b>Operating profit after allowances and amortisation</b> <sup>1/</sup> | <b>192</b>                                | <b>495</b>                                    | <b>245</b>                           | <b>211</b>  | <b>44</b>            | <b>(121)</b> | <b>1,066</b> |
| <b>Other information:</b>   |   |   |                                      |             |                      |              |              |
| Capital expenditure   | 9   | 1   | 1                                    | 12          | 2                    | 53           | 78           |
| Depreciation  | 9   | 4   | 1                                    | 1           | 9                    | 41           | 65           |
| <b>2Q15</b>   |   |   |                                      |             |                      |              |              |
| <b>Total income</b>   | 675                                       | 783   | 157                                  | 371         | 211                  | 24           | 2,221        |
| Operating profit before allowances and amortisation                     | 283                                       | 529   | 91                                   | 315         | 104                  | (19)         | 1,303        |
| Amortisation of intangible assets                                       | (2)                                       | –   | –                                    | (11)        | (11)                 | –            | (24)         |
| Write-back/(allowances and impairment) for loans and other assets       | (22)                                      | (34)  | (2)                                  | (1)         | 0                    | (21)         | (80)         |
| <b>Operating profit after allowances and amortisation</b>               | <b>259</b>                                | <b>495</b>                                    | <b>89</b>                            | <b>303</b>  | <b>93</b>            | <b>(40)</b>  | <b>1,199</b> |
| <b>Other information:</b>   |   |   |                                      |             |                      |              |              |
| Capital expenditure   | 10  | 3   | 0                                    | 11          | 4                    | 53           | 81           |
| Depreciation  | 9   | 3   | 1                                    | 1           | 14                   | 45           | 73           |

Note:

1. Excludes one-off gain from remeasurement of equity stake in an associate.

**PERFORMANCE BY BUSINESS SEGMENT** *(continued)*

| <b>S\$ million</b>          | <b>Global<br/>Consumer/<br/>Private<br/>Banking</b> | <b>Global<br/>Corporate/<br/>Investment<br/>Banking</b> | <b>Global<br/>Treasury<br/>And<br/>Markets</b> | <b>Insurance</b> | <b>OCBC<br/>Wing<br/>Hang</b> | <b>Others</b> | <b>Group</b>   |
|-----------------------------|---|---|--|------------------|-------------------------------|---------------|----------------|
| <b>At 30 September 2015</b> |   |   |  |                  |                               |               |                |
| Segment assets              | 82,032  | 118,310   | 87,939   | 64,029           | 43,177                        | 16,438        | 411,925        |
| Unallocated assets          |   |   |  |                  |                               |               | 772            |
| Elimination                 |   |   |  |                  |                               |               | (12,882)       |
| <b>Total assets</b>         |   |   |  |                  |                               |               | <b>399,815</b> |
| Segment liabilities         | 92,471  | 111,419   | 52,349   | 55,636           | 36,664                        | 25,416        | 373,955        |
| Unallocated liabilities     |   |   |  |                  |                               |               | 2,288          |
| Elimination                 |   |   |  |                  |                               |               | (12,882)       |
| <b>Total liabilities</b>    |   |   |  |                  |                               |               | <b>363,361</b> |
| <b>Other information:</b>   |   |   |  |                  |                               |               |                |
| Gross non-bank loans        | 70,758  | 109,910   | 2,971  | 44               | 28,318                        | 681           | 212,682        |
| NPAs                        | 359   | 1,392   | -  | 6                | 168                           | 7             | 1,932          |
| <b>At 30 June 2015</b>      |   |   |  |                  |                               |               |                |
| Segment assets              | 81,943  | 117,514   | 87,733   | 66,692           | 43,766                        | 15,625        | 413,273        |
| Unallocated assets          |   |   |  |                  |                               |               | 602            |
| Elimination                 |   |   |  |                  |                               |               | (14,861)       |
| <b>Total assets</b>         |   |   |  |                  |                               |               | <b>399,014</b> |
| Segment liabilities         | 91,082  | 107,126   | 51,680   | 57,790           | 37,689                        | 30,389        | 375,756        |
| Unallocated liabilities     |   |   |  |                  |                               |               | 2,459          |
| Elimination                 |   |   |  |                  |                               |               | (14,861)       |
| <b>Total liabilities</b>    |   |   |  |                  |                               |               | <b>363,354</b> |
| <b>Other information:</b>   |   |   |  |                  |                               |               |                |
| Gross non-bank loans        | 70,799  | 109,176   | 1,967  | 31               | 27,421                        | 752           | 210,146        |
| NPAs                        | 364   | 998   | -  | 5                | 118                           | 9             | 1,494          |
| <b>At 31 December 2014</b>  |   |   |  |                  |                               |               |                |
| Segment assets              | 78,411  | 121,429   | 84,886   | 66,658           | 41,731                        | 17,117        | 410,232        |
| Unallocated assets          |   |   |  |                  |                               |               | 423            |
| Elimination                 |   |   |  |                  |                               |               | (9,429)        |
| <b>Total assets</b>         |   |   |  |                  |                               |               | <b>401,226</b> |
| Segment liabilities         | 85,364  | 114,650   | 47,883   | 58,134           | 35,973                        | 32,191        | 374,195        |
| Unallocated liabilities     |   |   |  |                  |                               |               | 2,275          |
| Elimination                 |   |   |  |                  |                               |               | (9,429)        |
| <b>Total liabilities</b>    |   |   |  |                  |                               |               | <b>367,041</b> |
| <b>Other information:</b>   |   |   |  |                  |                               |               |                |
| Gross non-bank loans        | 70,225  | 110,398   | 1,600  | 34               | 26,826                        | 739           | 209,822        |
| NPAs                        | 342   | 867   | -  | 5                | 94                            | 9             | 1,317          |
| <b>At 30 September 2014</b> |   |   |  |                  |                               |               |                |
| Segment assets              | 77,119  | 119,354   | 79,246   | 65,623           | 39,318                        | 19,904        | 400,564        |
| Unallocated assets          |   |   |  |                  |                               |               | 292            |
| Elimination                 |   |   |  |                  |                               |               | (9,268)        |
| <b>Total assets</b>         |   |   |  |                  |                               |               | <b>391,588</b> |
| Segment liabilities         | 84,297  | 111,740   | 44,947   | 57,433           | 33,789                        | 33,524        | 365,730        |
| Unallocated liabilities     |   |   |  |                  |                               |               | 2,226          |
| Elimination                 |   |   |  |                  |                               |               | (9,268)        |
| <b>Total liabilities</b>    |   |   |  |                  |                               |               | <b>358,688</b> |
| <b>Other information:</b>   |   |   |  |                  |                               |               |                |
| Gross non-bank loans        | 69,142  | 108,316   | 1,785  | 35               | 24,906                        | 670           | 204,854        |
| NPAs                        | 340   | 944   | -  | 5                | 76                            | 8             | 1,373          |

## PERFORMANCE BY GEOGRAPHICAL SEGMENT

|                                 | 9M15         |            | 9M14         |            | 3Q15         |            | 3Q14         |            | 2Q15         |            |
|---------------------------------|--------------|------------|--------------|------------|--------------|------------|--------------|------------|--------------|------------|
|                                 | S\$ million  | %          | S\$ million  | %          | S\$ million  | %          | S\$ million  | %          | S\$ million  | %          |
| <b>Total core income</b>        |              |            |              |            |              |            |              |            |              |            |
| Singapore                       | 3,751        | 58         | 3,634        | 61         | 1,190        | 57         | 1,200        | 59         | 1,333        | 60         |
| Malaysia                        | 1,045        | 16         | 1,037        | 18         | 351          | 17         | 362          | 18         | 346          | 15         |
| Indonesia                       | 394          | 6          | 367          | 6          | 131          | 6          | 115          | 5          | 129          | 6          |
| Greater China                   | 1,006        | 16         | 634          | 11         | 345          | 16         | 292          | 14         | 339          | 15         |
| Other Asia Pacific              | 115          | 2          | 118          | 2          | 42           | 2          | 38           | 2          | 37           | 2          |
| Rest of the World               | 110          | 2          | 120          | 2          | 33           | 2          | 40           | 2          | 37           | 2          |
|                                 | <b>6,421</b> | <b>100</b> | <b>5,910</b> | <b>100</b> | <b>2,092</b> | <b>100</b> | <b>2,047</b> | <b>100</b> | <b>2,221</b> | <b>100</b> |
| <b>Profit before income tax</b> |              |            |              |            |              |            |              |            |              |            |
| Singapore                       | 2,006        | 55         | 2,033        | 60         | 559          | 50         | 646          | 60         | 749          | 57         |
| Malaysia                        | 616          | 17         | 645          | 19         | 214          | 19         | 219          | 20         | 192          | 15         |
| Indonesia                       | 142          | 4          | 134          | 4          | 42           | 4          | 41           | 4          | 47           | 4          |
| Greater China                   | 741          | 20         | 375          | 11         | 252          | 23         | 114          | 11         | 252          | 19         |
| Other Asia Pacific              | 74           | 2          | 79           | 3          | 27           | 2          | 27           | 2          | 25           | 2          |
| Rest of the World               | 73           | 2          | 111          | 3          | 22           | 2          | 33           | 3          | 36           | 3          |
|                                 | <b>3,652</b> | <b>100</b> | <b>3,377</b> | <b>100</b> | <b>1,116</b> | <b>100</b> | <b>1,080</b> | <b>100</b> | <b>1,301</b> | <b>100</b> |

  

|                     | 30 Sep 2015    |            | 30 Jun 2015    |            | 31 Dec 2014    |            | 30 Sep 2014    |            |
|---------------------|----------------|------------|----------------|------------|----------------|------------|----------------|------------|
|                     | S\$ million    | %          | S\$ million    | %          | S\$ million    | %          | S\$ million    | %          |
| <b>Total assets</b> |                |            |                |            |                |            |                |            |
| Singapore           | 219,093        | 55         | 216,168        | 54         | 221,378        | 55         | 219,709        | 56         |
| Malaysia            | 59,708         | 15         | 65,854         | 17         | 65,456         | 16         | 65,972         | 17         |
| Indonesia           | 12,743         | 3          | 12,168         | 3          | 11,146         | 3          | 11,344         | 3          |
| Greater China       | 77,513         | 19         | 79,456         | 20         | 74,696         | 19         | 71,503         | 18         |
| Other Asia Pacific  | 10,140         | 3          | 9,089          | 2          | 9,668          | 2          | 9,693          | 3          |
| Rest of the World   | 20,618         | 5          | 16,279         | 4          | 18,882         | 5          | 13,367         | 3          |
|                     | <b>399,815</b> | <b>100</b> | <b>399,014</b> | <b>100</b> | <b>401,226</b> | <b>100</b> | <b>391,588</b> | <b>100</b> |

The geographical segment analysis is based on the location where assets or transactions are booked. For 3Q15, Singapore accounted for 57% of total income and 50% of pre-tax profit, while Malaysia accounted for 17% of total income and 19% of pre-tax profit. Greater China, including OCBC Wing Hang, accounted for 16% of total income and 23% of pre-tax profit.

Pre-tax profit for Singapore was S\$559 million in the third quarter, a decline of 13% from S\$646 million in 3Q14, as higher net interest income and net trading income were more than offset by a decline in investment and insurance income, as well as an increase in operating expenses and allowances. Malaysia's pre-tax profit was S\$214 million, 2% lower from S\$219 million a year ago, as higher net trading and investment income were offset by lower fee income and higher allowances. Pre-tax profit for Greater China, was S\$252 million in 3Q15, up from S\$114 million in 3Q14, underpinned by higher net interest income, fee and investment income, as well as income from associated companies.

9M15 pre-tax profit for Singapore was S\$2.01 billion, largely unchanged from 9M14. Pre-tax profit for Malaysia declined 5% to S\$616 million, as higher net trading income and investment income was outpaced by an increase in operating expenses and allowances. Pre-tax profit for Greater China was higher at S\$741 million, compared to S\$375 million in 9M14 mainly from the consolidation of OCBC Wing Hang.

## CONSOLIDATED INCOME STATEMENT (UNAUDITED)

| S\$ million  | 9M15           | 9M14           | + / (-)     | 3Q15         | 3Q14         | + / (-)     | 2Q15         | + / (-)     |
|--|----------------|----------------|-------------|--------------|--------------|-------------|--------------|-------------|
|  |                |                | %           |              |              | %           |              | %           |
| Interest income  | 6,343          | 5,508          | 15          | 2,130        | 2,025        | 5           | 2,105        | 1           |
| Interest expense   | (2,495)        | (2,049)        | 22          | (813)        | (779)        | 4           | (823)        | (1)         |
| <b>Net interest income</b>                                 | <b>3,848</b>   | <b>3,459</b>   | <b>11</b>   | <b>1,317</b> | <b>1,246</b> | <b>6</b>    | <b>1,282</b> | <b>3</b>    |
| Premium income   | 5,521          | 5,648          | (2)         | 2,017        | 2,005        | 1           | 1,719        | 17          |
| Investment income  | 1,561          | 1,975          | (21)        | (7)          | 665          | (101)       | 819          | (101)       |
| Net claims, surrenders and annuities                       | (3,679)        | (4,038)        | (9)         | (1,212)      | (1,559)      | (22)        | (1,203)      | 1           |
| Change in life assurance fund contract liabilities         | (2,090)        | (2,003)        | 4           | (516)        | (592)        | (13)        | (846)        | (39)        |
| Commission and others                                      | (920)          | (1,004)        | (8)         | (220)        | (345)        | (36)        | (357)        | (38)        |
| Profit from life assurance                                 | 393            | 578            | (32)        | 62           | 174          | (64)        | 132          | (53)        |
| Premium income from general insurance                      | 115            | 121            | (4)         | 36           | 41           | (14)        | 42           | (14)        |
| Fees and commissions (net)                                 | 1,241          | 1,111          | 12          | 408          | 406          | -           | 438          | (7)         |
| Dividends  | 71             | 93             | (23)        | 21           | 26           | (17)        | 37           | (43)        |
| Rental income  | 77             | 53             | 45          | 26           | 18           | 45          | 25           | 3           |
| Other income   | 676            | 886            | (24)        | 222          | 527          | (58)        | 265          | (16)        |
| <b>Non-interest income</b>                                 | <b>2,573</b>   | <b>2,842</b>   | <b>(9)</b>  | <b>775</b>   | <b>1,192</b> | <b>(35)</b> | <b>939</b>   | <b>(17)</b> |
| <b>Total income</b>  | <b>6,421</b>   | <b>6,301</b>   | <b>2</b>    | <b>2,092</b> | <b>2,438</b> | <b>(14)</b> | <b>2,221</b> | <b>(6)</b>  |
| Staff costs  | (1,675)        | (1,461)        | 15          | (556)        | (548)        | 1           | (575)        | (3)         |
| Other operating expenses                                   | (1,016)        | (875)          | 16          | (344)        | (322)        | 7           | (343)        | -           |
| <b>Total operating expenses</b>                            | <b>(2,691)</b> | <b>(2,336)</b> | <b>15</b>   | <b>(900)</b> | <b>(870)</b> | <b>3</b>    | <b>(918)</b> | <b>(2)</b>  |
| <b>Operating profit before allowances and amortisation</b> | <b>3,730</b>   | <b>3,965</b>   | <b>(6)</b>  | <b>1,192</b> | <b>1,568</b> | <b>(24)</b> | <b>1,303</b> | <b>(9)</b>  |
| Amortisation of intangible assets                          | (73)           | (42)           | 73          | (25)         | (14)         | 75          | (24)         | 3           |
| Allowances for loans and impairment for other assets       | (294)          | (203)          | 45          | (150)        | (97)         | 56          | (80)         | 87          |
| <b>Operating profit after allowances and amortisation</b>  | <b>3,363</b>   | <b>3,720</b>   | <b>(10)</b> | <b>1,017</b> | <b>1,457</b> | <b>(30)</b> | <b>1,199</b> | <b>(15)</b> |
| Share of results of associates and joint ventures          | 289            | 48             | 500         | 99           | 14           | 618         | 102          | (4)         |
| <b>Profit before income tax</b>                            | <b>3,652</b>   | <b>3,768</b>   | <b>(3)</b>  | <b>1,116</b> | <b>1,471</b> | <b>(24)</b> | <b>1,301</b> | <b>(14)</b> |
| Income tax expense   | (556)          | (541)          | 3           | (181)        | (184)        | (2)         | (191)        | (5)         |
| <b>Profit for the period</b>                               | <b>3,096</b>   | <b>3,227</b>   | <b>(4)</b>  | <b>935</b>   | <b>1,287</b> | <b>(27)</b> | <b>1,110</b> | <b>(16)</b> |
| <b>Profit attributable to:</b>                             |                |                |             |              |              |             |              |             |
| Equity holders of the Bank                                 | 2,943          | 3,051          | (4)         | 902          | 1,232        | (27)        | 1,048        | (14)        |
| Non-controlling interests                                  | 153            | 176            | (13)        | 33           | 55           | (41)        | 62           | (47)        |
|  | <b>3,096</b>   | <b>3,227</b>   | <b>(4)</b>  | <b>935</b>   | <b>1,287</b> | <b>(27)</b> | <b>1,110</b> | <b>(16)</b> |
| <b>Earnings per share (for the period – cents)</b>         |                |                |             |              |              |             |              |             |
| Basic  | 72.7           | 85.1           |             | 22.3         | 34.3         |             | 25.6         |             |
| Diluted  | 72.6           | 85.0           |             | 22.2         | 34.3         |             | 25.5         |             |



## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

| S\$ million  | 9M15         | 9M14  | +/(-) % | 3Q15         | 3Q14  | +/(-) % | 2Q15  | +/(-) % |
|--|--------------|-------|---------|--------------|-------|---------|-------|---------|
| <b>Profit for the period</b>                                 | <b>3,096</b> | 3,227 | (4)     | <b>935</b>   | 1,287 | (27)    | 1,110 | (16)    |
| <b>Other comprehensive income:</b>                           |              |       |         |              |       |         |       |         |
| Available-for-sale financial assets                          |              |       |         |              |       |         |       |         |
| Gains/(losses) for the period                                | <b>(177)</b> | 287   | (162)   | <b>(448)</b> | 96    | (569)   | 21    | nm      |
| Reclassification of (gains)/losses to income statement       |              |       |         |              |       |         |       |         |
| – on disposal  | <b>(197)</b> | (437) | 55      | <b>12</b>    | (395) | 103     | (166) | 107     |
| – on impairment  | <b>35</b>    | 0     | nm      | <b>35</b>    | 0     | nm      | 0     | nm      |
| Tax on net movements   | <b>39</b>    | (34)  | 215     | <b>51</b>    | (3)   | nm      | 27    | 89      |
| Exchange differences on translating foreign operations       | <b>(192)</b> | 62    | (409)   | <b>(48)</b>  | 61    | (179)   | (248) | 81      |
| Defined benefit plans remeasurements <sup>1/</sup>           | <b>4</b>     | (2)   | 279     | <b>(0)</b>   | (1)   | 96      | (1)   | 96      |
| Other comprehensive income of associates and joint ventures  | <b>108</b>   | 6     | nm      | <b>61</b>    | 10    | 507     | (27)  | 322     |
| <b>Total other comprehensive income, net of tax</b>          | <b>(380)</b> | (118) | (223)   | <b>(337)</b> | (232) | (45)    | (394) | 14      |
| <b>Total comprehensive income for the period, net of tax</b> | <b>2,716</b> | 3,109 | (13)    | <b>598</b>   | 1,055 | (43)    | 716   | (17)    |
| <b>Total comprehensive income attributable to:</b>           |              |       |         |              |       |         |       |         |
| Equity holders of the Bank                                   | <b>2,622</b> | 2,909 | (10)    | <b>604</b>   | 988   | (39)    | 687   | (12)    |
| Non-controlling interests                                    | <b>94</b>    | 200   | (53)    | <b>(6)</b>   | 67    | (109)   | 29    | (120)   |
|  | <b>2,716</b> | 3,109 | (13)    | <b>598</b>   | 1,055 | (43)    | 716   | (17)    |

Note:

1. Item that will not be reclassified to income statement.

## BALANCE SHEETS (UNAUDITED)

| S\$ million   | GROUP                    |                          |                |                          | BANK                     |                          |                |                          |
|---|--------------------------|--------------------------|----------------|--------------------------|--------------------------|--------------------------|----------------|--------------------------|
|   | 30 Sep 2015 <sup>@</sup> | 30 Jun 2015 <sup>@</sup> | 31 Dec 2014    | 30 Sep 2014 <sup>@</sup> | 30 Sep 2015 <sup>@</sup> | 30 Jun 2015 <sup>@</sup> | 31 Dec 2014    | 30 Sep 2014 <sup>@</sup> |
| <b>EQUITY</b>   |                          |                          |                |                          |                          |                          |                |                          |
| <b>Attributable to equity holders of the Bank</b>     |                          |                          |                |                          |                          |                          |                |                          |
| Share capital   | 14,953                   | 14,339                   | 13,752         | 13,253                   | 14,953                   | 14,339                   | 13,752         | 13,253                   |
| Other equity instruments                              | 499                      | —                        | —              | —                        | 499                      | —                        | —              | —                        |
| Capital reserves                                      | 531                      | 513                      | 518            | 470                      | 101                      | 98                       | 92             | 104                      |
| Fair value reserves                                   | 71                       | 428                      | 366            | 306                      | (1)                      | 150                      | 168            | 212                      |
| Revenue reserves                                      | 17,885                   | 17,668                   | 16,461         | 15,742                   | 11,119                   | 11,145                   | 10,714         | 10,379                   |
|   | <b>33,939</b>            | <b>32,948</b>            | <b>31,097</b>  | <b>29,771</b>            | <b>26,671</b>            | <b>25,732</b>            | <b>24,726</b>  | <b>23,948</b>            |
| <b>Non-controlling interests</b>                      | <b>2,515</b>             | <b>2,712</b>             | <b>3,088</b>   | <b>3,129</b>             | <b>—</b>                 | <b>—</b>                 | <b>—</b>       | <b>—</b>                 |
| <b>Total equity</b>                                   | <b>36,454</b>            | <b>35,660</b>            | <b>34,185</b>  | <b>32,900</b>            | <b>26,671</b>            | <b>25,732</b>            | <b>24,726</b>  | <b>23,948</b>            |
| <b>LIABILITIES</b>                                    |                          |                          |                |                          |                          |                          |                |                          |
| Deposits of non-bank customers                        | 251,884                  | 246,424                  | 245,519        | 237,172                  | 159,177                  | 152,049                  | 154,466        | 148,451                  |
| Deposits and balances of banks                        | 16,101                   | 16,924                   | 20,503         | 22,869                   | 13,877                   | 13,619                   | 18,512         | 20,705                   |
| Due to subsidiaries                                   | —                        | —                        | —              | —                        | 8,267                    | 8,527                    | 5,154          | 4,151                    |
| Due to associates                                     | 322                      | 331                      | 294            | 331                      | 143                      | 144                      | 149            | 153                      |
| Trading portfolio liabilities                         | 632                      | 528                      | 707            | 707                      | 632                      | 528                      | 707            | 707                      |
| Derivative payables                                   | 7,441                    | 5,237                    | 6,632          | 5,291                    | 5,714                    | 4,152                    | 5,642          | 4,495                    |
| Other liabilities                                     | 5,413                    | 5,282                    | 5,029          | 5,819                    | 1,600                    | 1,508                    | 1,534          | 2,284                    |
| Current tax   | 1,033                    | 1,049                    | 898            | 997                      | 406                      | 442                      | 387            | 390                      |
| Deferred tax  | 1,255                    | 1,410                    | 1,376          | 1,230                    | 45                       | 54                       | 62             | 58                       |
| Debt issued   | 24,510                   | 29,287                   | 28,859         | 27,803                   | 24,400                   | 29,511                   | 28,632         | 27,572                   |
|   | <b>308,591</b>           | <b>306,472</b>           | <b>309,817</b> | <b>302,219</b>           | <b>214,261</b>           | <b>210,534</b>           | <b>215,245</b> | <b>208,966</b>           |
| Life assurance fund liabilities                       | 54,770                   | 56,882                   | 57,224         | 56,469                   | —                        | —                        | —              | —                        |
| <b>Total liabilities</b>                              | <b>363,361</b>           | <b>363,354</b>           | <b>367,041</b> | <b>358,688</b>           | <b>214,261</b>           | <b>210,534</b>           | <b>215,245</b> | <b>208,966</b>           |
| <b>Total equity and liabilities</b>                   | <b>399,815</b>           | <b>399,014</b>           | <b>401,226</b> | <b>391,588</b>           | <b>240,932</b>           | <b>236,266</b>           | <b>239,971</b> | <b>232,914</b>           |
| <b>ASSETS</b>   |                          |                          |                |                          |                          |                          |                |                          |
| Cash and placements with central banks                | 23,371                   | 18,738                   | 25,314         | 20,951                   | 16,264                   | 11,507                   | 18,792         | 12,862                   |
| Singapore government treasury bills and securities    | 9,983                    | 10,430                   | 10,100         | 11,396                   | 9,127                    | 9,614                    | 9,424          | 10,729                   |
| Other government treasury bills and securities        | 11,587                   | 11,298                   | 12,149         | 11,593                   | 6,382                    | 5,045                    | 4,944          | 5,641                    |
| Placements with and loans to banks                    | 40,296                   | 45,366                   | 41,220         | 43,181                   | 30,323                   | 31,423                   | 28,267         | 28,946                   |
| Loans and bills receivable                            | 210,321                  | 207,828                  | 207,535        | 202,678                  | 132,402                  | 130,181                  | 129,823        | 127,947                  |
| Debt and equity securities                            | 23,211                   | 24,351                   | 23,466         | 23,322                   | 12,329                   | 13,477                   | 13,184         | 13,546                   |
| Assets pledged  | 2,120                    | 1,795                    | 1,536          | 1,212                    | 1,231                    | 841                      | 1,181          | 536                      |
| Assets held for sale                                  | 10                       | 2                        | 2              | 2                        | 7                        | —                        | —              | 1                        |
| Derivative receivables                                | 7,335                    | 5,342                    | 5,919          | 4,522                    | 5,546                    | 4,218                    | 4,931          | 3,789                    |
| Other assets  | 4,646                    | 4,906                    | 4,772          | 4,517                    | 1,596                    | 1,503                    | 1,615          | 1,512                    |
| Deferred tax  | 140                      | 126                      | 118            | 107                      | 43                       | 44                       | 40             | 41                       |
| Associates and joint ventures                         | 2,423                    | 2,306                    | 2,096          | 1,931                    | 596                      | 599                      | 610            | 612                      |
| Subsidiaries  | —                        | —                        | —              | —                        | 22,143                   | 24,853                   | 24,198         | 23,798                   |
| Property, plant and equipment                         | 3,439                    | 3,386                    | 3,409          | 3,369                    | 518                      | 520                      | 521            | 499                      |
| Investment property                                   | 1,124                    | 1,141                    | 1,147          | 1,185                    | 558                      | 574                      | 574            | 588                      |
| Goodwill and intangible assets                        | 5,227                    | 5,136                    | 5,157          | 5,101                    | 1,867                    | 1,867                    | 1,867          | 1,867                    |
|   | <b>345,233</b>           | <b>342,151</b>           | <b>343,940</b> | <b>335,067</b>           | <b>240,932</b>           | <b>236,266</b>           | <b>239,971</b> | <b>232,914</b>           |
| Life assurance fund investment assets                 | 54,582                   | 56,863                   | 57,286         | 56,521                   | —                        | —                        | —              | —                        |
| <b>Total assets</b>                                   | <b>399,815</b>           | <b>399,014</b>           | <b>401,226</b> | <b>391,588</b>           | <b>240,932</b>           | <b>236,266</b>           | <b>239,971</b> | <b>232,914</b>           |
| <b>Net Asset Value Per Ordinary Share<sup>@</sup></b> |                          |                          |                |                          |                          |                          |                |                          |
| <b>(before valuation surplus – S\$)</b>               | <b>7.78</b>              | <b>7.80</b>              | <b>7.46</b>    | <b>7.22</b>              | <b>6.02</b>              | <b>6.01</b>              | <b>5.86</b>    | <b>5.74</b>              |
| <b>OFF-BALANCE SHEET ITEMS</b>                        |                          |                          |                |                          |                          |                          |                |                          |
| Contingent liabilities                                | 9,433                    | 10,302                   | 12,072         | 11,719                   | 6,742                    | 7,571                    | 8,494          | 7,476                    |
| Commitments   | 109,624                  | 103,099                  | 100,921        | 98,249                   | 59,366                   | 55,865                   | 57,710         | 58,180                   |
| Derivative financial instruments                      | 659,587                  | 619,167                  | 604,099        | 633,638                  | 541,383                  | 502,906                  | 502,262        | 530,496                  |

Note:

1. “@” represents unaudited.

## STATEMENT OF CHANGES IN EQUITY – GROUP (UNAUDITED)

For the nine months ended 30 September 2015

| S\$ million  | Attributable to equity holders of the Bank |                  |                     |                  |               |              | Non-controlling interests | Total equity |
|--|--|------------------|---------------------|------------------|---------------|--------------|---------------------------|--------------|
|  | Share capital and other equity             | Capital reserves | Fair value reserves | Revenue reserves | Total         |              |                           |              |
| <b>Balance at 1 January 2015</b>   | <b>13,752</b>                              | <b>518</b>       | <b>366</b>          | <b>16,461</b>    | <b>31,097</b> | <b>3,088</b> | <b>34,185</b>             |              |
| Total comprehensive income for the period  | –  | –                | (295)               | 2,917            | 2,622         | 94           | 2,716                     |              |
| Transactions with owners, recorded directly in equity                                |  |                  |                     |                  |               |              |                           |              |
| Contributions by and distributions to owners   |  |                  |                     |                  |               |              |                           |              |
| Transfers  | –  | 22               | –                   | (22)             | –             | –            | –                         |              |
| Dividends to non-controlling interests   | –  | –                | –                   | –                | –             | (124)        | (124)                     |              |
| DSP reserve from dividends on unvested shares  | –  | –                | –                   | 4                | 4             | –            | 4                         |              |
| Redemption of preference shares issued by subsidiaries                               | –  | –                | –                   | –                | –             | (543)        | (543)                     |              |
| Ordinary and preference dividends paid in cash                                       | –  | –                | –                   | (304)            | (304)         | –            | (304)                     |              |
| Share-based staff costs capitalised  | –  | 9                | –                   | –                | 9             | –            | 9                         |              |
| Share buyback held in treasury   | (99)                                       | –                | –                   | –                | (99)          | –            | (99)                      |              |
| Shares issued in-lieu of ordinary dividends  | 1,171                                      | –                | –                   | (1,171)          | –             | –            | –                         |              |
| Issue of perpetual capital securities  | 499  | –                | –                   | –                | 499           | –            | 499                       |              |
| Shares issued to non-executive directors   | 1  | –                | –                   | –                | 1             | –            | 1                         |              |
| Shares purchased by DSP Trust  | –  | (5)              | –                   | –                | (5)           | –            | (5)                       |              |
| Shares vested under DSP Scheme   | –  | 39               | –                   | –                | 39            | –            | 39                        |              |
| Treasury shares transferred/sold   | 128  | (52)             | –                   | –                | 76            | –            | 76                        |              |
| Total contributions by and distributions to owners                                   | <b>1,700</b>                               | <b>13</b>        | <b>–</b>            | <b>(1,493)</b>   | <b>220</b>    | <b>(667)</b> | <b>(447)</b>              |              |
| <b>Balance at 30 September 2015</b>  | <b>15,452</b>                              | <b>531</b>       | <b>71</b>           | <b>17,885</b>    | <b>33,939</b> | <b>2,515</b> | <b>36,454</b>             |              |
| Included:  |  |                  |                     |                  |               |              |                           |              |
| Share of reserves of associates and joint ventures                                   | –  | –                | 16                  | 601              | 617           | (3)          | 614                       |              |
| <b>Balance at 1 January 2014</b>   | <b>9,448</b>                               | <b>418</b>       | <b>493</b>          | <b>14,756</b>    | <b>25,115</b> | <b>2,964</b> | <b>28,079</b>             |              |
| Total comprehensive income for the period  | –  | –                | (187)               | 3,096            | 2,909         | 200          | 3,109                     |              |
| Transactions with owners, recorded directly in equity                                |  |                  |                     |                  |               |              |                           |              |
| Contributions by and distributions to owners   |  |                  |                     |                  |               |              |                           |              |
| Transfers  | –  | 50               | –                   | (50)             | –             | –            | –                         |              |
| Acquisition/establishment of subsidiaries  | –  | –                | –                   | –                | –             | 2,195        | 2,195                     |              |
| Dividends to non-controlling interests   | –  | –                | –                   | –                | –             | (133)        | (133)                     |              |
| DSP reserve from dividends on unvested shares  | –  | –                | –                   | 2                | 2             | –            | 2                         |              |
| Ordinary and preference dividends  | –  | –                | –                   | (755)            | (755)         | –            | (755)                     |              |
| Share-based staff costs capitalised  | –  | 10               | –                   | –                | 10            | –            | 10                        |              |
| Share buyback held in treasury   | (112)                                      | –                | –                   | –                | (112)         | –            | (112)                     |              |
| Shares issued in-lieu of ordinary dividends  | 486  | –                | –                   | (486)            | –             | –            | –                         |              |
| Shares issued pursuant to Rights Issue   | 3,307                                      | –                | –                   | –                | 3,307         | –            | 3,307                     |              |
| Shares issued to non-executive directors   | 1  | –                | –                   | –                | 1             | –            | 1                         |              |
| Shares purchased by DSP Trust  | –  | (2)              | –                   | –                | (2)           | –            | (2)                       |              |
| Shares vested under DSP Scheme   | –  | 33               | –                   | –                | 33            | –            | 33                        |              |
| Treasury shares transferred/sold   | 123  | (39)             | –                   | –                | 84            | –            | 84                        |              |
| Total contributions by and distributions to owners                                   | <b>3,805</b>                               | <b>52</b>        | <b>–</b>            | <b>(1,289)</b>   | <b>2,568</b>  | <b>2,062</b> | <b>4,630</b>              |              |
| Changes in ownership interests in subsidiaries that do not result in loss of control |  |                  |                     |                  |               |              |                           |              |
| Changes in non-controlling interests   | –  | –                | –                   | (821)            | (821)         | (2,097)      | (2,918)                   |              |
| Total changes in ownership interests in subsidiaries                                 | –  | –                | –                   | (821)            | (821)         | (2,097)      | (2,918)                   |              |
| <b>Balance at 30 September 2014</b>  | <b>13,253</b>                              | <b>470</b>       | <b>306</b>          | <b>15,742</b>    | <b>29,771</b> | <b>3,129</b> | <b>32,900</b>             |              |
| Included:  |  |                  |                     |                  |               |              |                           |              |
| Share of reserves of associates and joint ventures                                   | –  | –                | 12                  | 156              | 168           | (3)          | 165                       |              |

## STATEMENT OF CHANGES IN EQUITY – GROUP (UNAUDITED)

For the three months ended 30 September 2015

| S\$ million  | Attributable to equity holders of the Bank |                  |                     |                  |               |              | Non-controlling interests | Total equity |
|--|--|------------------|---------------------|------------------|---------------|--------------|---------------------------|--------------|
|  | Share capital and other equity             | Capital reserves | Fair value reserves | Revenue reserves | Total         |              |                           |              |
| <b>Balance at 1 July 2015</b>  | <b>14,339</b>                              | <b>513</b>       | <b>428</b>          | <b>17,668</b>    | <b>32,948</b> | <b>2,712</b> | <b>35,660</b>             |              |
| Total comprehensive income for the period  | –  | –                | (357)               | 961              | 604           | (6)          | 598                       |              |
| Transactions with owners, recorded directly in equity                                |  |                  |                     |                  |               |              |                           |              |
| Contributions by and distributions to owners   |  |                  |                     |                  |               |              |                           |              |
| Transfers  | –  | 17               | –                   | (17)             | –             | –            | –                         |              |
| Dividends to non-controlling interests   | –  | –                | –                   | –                | –             | (47)         | (47)                      |              |
| DSP reserve from dividends on unvested shares  | –  | –                | –                   | 2                | 2             | –            | 2                         |              |
| Redemption of preference shares issued by a subsidiary                               | –  | –                | –                   | –                | –             | (144)        | (144)                     |              |
| Ordinary dividends paid in cash  | –  | –                | –                   | (152)            | (152)         | –            | (152)                     |              |
| Share-based staff costs capitalised  | –  | 3                | –                   | –                | 3             | –            | 3                         |              |
| Share buyback held in treasury   | (12)                                       | –                | –                   | –                | (12)          | –            | (12)                      |              |
| Shares issued in-lieu of ordinary dividends  | 577  | –                | –                   | (577)            | –             | –            | –                         |              |
| Issue of perpetual capital securities  | 499  | –                | –                   | –                | 499           | –            | 499                       |              |
| Shares purchased by DSP Trust  | –  | (2)              | –                   | –                | (2)           | –            | (2)                       |              |
| Shares vested under DSP Scheme   | –  | 0                | –                   | –                | 0             | –            | 0                         |              |
| Treasury shares transferred/sold   | 49   | (0)              | –                   | –                | 49            | –            | 49                        |              |
| Total contributions by and distributions to owners                                   | <b>1,113</b>                               | <b>18</b>        | <b>–</b>            | <b>(744)</b>     | <b>387</b>    | <b>(191)</b> | <b>196</b>                |              |
| <b>Balance at 30 September 2015</b>  | <b>15,452</b>                              | <b>531</b>       | <b>71</b>           | <b>17,885</b>    | <b>33,939</b> | <b>2,515</b> | <b>36,454</b>             |              |
| Included:  |  |                  |                     |                  |               |              |                           |              |
| Share of reserves of associates and joint ventures                                   | –  | –                | 16                  | 601              | 617           | (3)          | 614                       |              |
| <b>Balance at 1 July 2014</b>  | <b>9,917</b>                               | <b>467</b>       | <b>608</b>          | <b>15,901</b>    | <b>26,893</b> | <b>3,022</b> | <b>29,915</b>             |              |
| Total comprehensive income for the period  | –  | –                | (302)               | 1,290            | 988           | 67           | 1,055                     |              |
| Transactions with owners, recorded directly in equity                                |  |                  |                     |                  |               |              |                           |              |
| Contributions by and distributions to owners   |  |                  |                     |                  |               |              |                           |              |
| Acquisition of subsidiaries  | –  | –                | –                   | –                | –             | 2,194        | 2,194                     |              |
| Dividends to non-controlling interests   | –  | –                | –                   | –                | –             | (57)         | (57)                      |              |
| DSP reserve from dividends on unvested shares  | –  | –                | –                   | 0                | 0             | –            | 0                         |              |
| Ordinary dividends   | –  | –                | –                   | (628)            | (628)         | –            | (628)                     |              |
| Share-based staff costs capitalised  | –  | 3                | –                   | –                | 3             | –            | 3                         |              |
| Share buyback held in treasury   | (30)                                       | –                | –                   | –                | (30)          | –            | (30)                      |              |
| Shares issued in-lieu of ordinary dividends  | 0  | –                | –                   | –                | 0             | –            | 0                         |              |
| Shares issued pursuant to Rights Issue   | 3,307                                      | –                | –                   | –                | 3,307         | –            | 3,307                     |              |
| Treasury shares transferred/sold   | 59   | –                | –                   | –                | 59            | –            | 59                        |              |
| Total contributions by and distributions to owners                                   | <b>3,336</b>                               | <b>3</b>         | <b>–</b>            | <b>(628)</b>     | <b>2,711</b>  | <b>2,137</b> | <b>4,848</b>              |              |
| Changes in ownership interests in subsidiaries that do not result in loss of control |  |                  |                     |                  |               |              |                           |              |
| Changes in non-controlling interests   | –  | –                | –                   | (821)            | (821)         | (2,097)      | (2,918)                   |              |
| Total changes in ownership interests in subsidiaries                                 | –  | –                | –                   | (821)            | (821)         | (2,097)      | (2,918)                   |              |
| <b>Balance at 30 September 2014</b>  | <b>13,253</b>                              | <b>470</b>       | <b>306</b>          | <b>15,742</b>    | <b>29,771</b> | <b>3,129</b> | <b>32,900</b>             |              |
| Included:  |  |                  |                     |                  |               |              |                           |              |
| Share of reserves of associates and joint ventures                                   | –  | –                | 12                  | 156              | 168           | (3)          | 165                       |              |

## STATEMENT OF CHANGES IN EQUITY – BANK (UNAUDITED)

For the nine months ended 30 September 2015

| S\$ million                                    | Share capital and other equity | Capital reserves | Fair value reserves | Revenue reserves | Total equity  |
|--|--------------------------------|------------------|---------------------|------------------|---------------|
| <b>Balance at 1 January 2015</b>               | <b>13,752</b>                  | <b>92</b>        | <b>168</b>          | <b>10,714</b>    | <b>24,726</b> |
| Total comprehensive income for the period      | –                              | –                | (169)               | 1,876            | 1,707         |
| DSP reserve from dividends on unvested shares  | –                              | –                | –                   | 4                | 4             |
| Ordinary and preference dividends paid in cash | –                              | –                | –                   | (304)            | (304)         |
| Share-based staff costs capitalised            | –                              | 9                | –                   | –                | 9             |
| Share buyback held in treasury                 | (99)                           | –                | –                   | –                | (99)          |
| Shares issued in-lieu of ordinary dividends    | 1,171                          | –                | –                   | (1,171)          | –             |
| Issue of perpetual capital securities          | 499                            | –                | –                   | –                | 499           |
| Shares issued to non-executive directors       | 1                              | –                | –                   | –                | 1             |
| Treasury shares transferred/sold               | 128                            | –                | –                   | –                | 128           |
| <b>Balance at 30 September 2015</b>            | <b>15,452</b>                  | <b>101</b>       | <b>(1)</b>          | <b>11,119</b>    | <b>26,671</b> |
| <b>Balance at 1 January 2014</b>               | <b>9,448</b>                   | <b>94</b>        | <b>138</b>          | <b>9,645</b>     | <b>19,325</b> |
| Total comprehensive income for the period      | –                              | –                | 74                  | 1,973            | 2,047         |
| DSP reserve from dividends on unvested shares  | –                              | –                | –                   | 2                | 2             |
| Ordinary and preference dividends              | –                              | –                | –                   | (755)            | (755)         |
| Share-based staff costs capitalised            | –                              | 10               | –                   | –                | 10            |
| Share buyback held in treasury                 | (112)                          | –                | –                   | –                | (112)         |
| Shares issued in-lieu of ordinary dividends    | 486                            | –                | –                   | (486)            | –             |
| Shares issued pursuant to Rights Issue         | 3,307                          | –                | –                   | –                | 3,307         |
| Shares issued to non-executive directors       | 1                              | –                | –                   | –                | 1             |
| Treasury shares transferred/sold               | 123                            | –                | –                   | –                | 123           |
| <b>Balance at 30 September 2014</b>            | <b>13,253</b>                  | <b>104</b>       | <b>212</b>          | <b>10,379</b>    | <b>23,948</b> |

For the three months ended 30 September 2015

| S\$ million                                   | Share capital and other equity | Capital reserves | Fair value reserves | Revenue reserves | Total equity  |
|---|--------------------------------|------------------|---------------------|------------------|---------------|
| <b>Balance at 1 July 2015</b>                 | <b>14,339</b>                  | <b>98</b>        | <b>150</b>          | <b>11,145</b>    | <b>25,732</b> |
| Total comprehensive income for the period     | –                              | –                | (151)               | 701              | 550           |
| DSP reserve from dividends on unvested shares | –                              | –                | –                   | 2                | 2             |
| Ordinary dividends paid in cash               | –                              | –                | –                   | (152)            | (152)         |
| Share-based staff costs capitalised           | –                              | 3                | –                   | –                | 3             |
| Share buyback held in treasury                | (12)                           | –                | –                   | –                | (12)          |
| Shares issued in-lieu of ordinary dividends   | 577                            | –                | –                   | (577)            | –             |
| Issue of perpetual capital securities         | 499                            | –                | –                   | –                | 499           |
| Treasury shares transferred/sold              | 49                             | –                | –                   | –                | 49            |
| <b>Balance at 30 September 2015</b>           | <b>15,452</b>                  | <b>101</b>       | <b>(1)</b>          | <b>11,119</b>    | <b>26,671</b> |
| <b>Balance at 1 July 2014</b>                 | <b>9,917</b>                   | <b>101</b>       | <b>182</b>          | <b>10,520</b>    | <b>20,720</b> |
| Total comprehensive income for the period     | –                              | –                | 30                  | 487              | 517           |
| DSP reserve from dividends on unvested shares | –                              | –                | –                   | 0                | 0             |
| Ordinary dividends                            | –                              | –                | –                   | (628)            | (628)         |
| Share-based staff costs capitalised           | –                              | 3                | –                   | –                | 3             |
| Share buyback held in treasury                | (30)                           | –                | –                   | –                | (30)          |
| Shares issued in-lieu of ordinary dividends   | 0                              | –                | –                   | –                | 0             |
| Shares issued pursuant to Rights Issue        | 3,307                          | –                | –                   | –                | 3,307         |
| Treasury shares transferred/sold              | 59                             | –                | –                   | –                | 59            |
| <b>Balance at 30 September 2014</b>           | <b>13,253</b>                  | <b>104</b>       | <b>212</b>          | <b>10,379</b>    | <b>23,948</b> |

## CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

For the nine months ended 30 September 2015

| S\$ million   | 9M15           | 9M14           | 3Q15           | 3Q14           |
|---|----------------|----------------|----------------|----------------|
| <b>Cash flows from operating activities</b>   |                |                |                |                |
| Profit before income tax  | 3,652          | 3,768          | 1,116          | 1,471          |
| Adjustments for non-cash items:   |                |                |                |                |
| Amortisation of intangible assets   | 73             | 42             | 25             | 14             |
| Allowances for loans and impairment for other assets  | 294            | 203            | 150            | 97             |
| Change in fair value for hedging transactions and trading and fair value through profit and loss securities | (1)            | (18)           | 4              | 12             |
| Depreciation of property, plant and equipment and investment property                                       | 216            | 171            | 72             | 65             |
| Net gain on disposal of property, plant and equipment and investment property                               | (23)           | (1)            | (15)           | (1)            |
| Net (gain)/loss on disposal of government, debt and equity securities                                       | (197)          | (460)          | 12             | (395)          |
| Net gain on disposal of interests in associate and joint venture  | –              | (31)           | –              | –              |
| Share-based costs   | 9              | 10             | 3              | 3              |
| Share of results of associates and joint ventures   | (289)          | (48)           | (99)           | (14)           |
| Items relating to life assurance fund   |                |                |                |                |
| Surplus before income tax   | 506            | 749            | 5              | 244            |
| Surplus transferred from life assurance fund  | (393)          | (578)          | (62)           | (174)          |
| Operating profit before change in operating assets and liabilities  | 3,847          | 3,807          | 1,211          | 1,322          |
| Change in operating assets and liabilities:   |                |                |                |                |
| Deposits of non-bank customers  | 6,393          | 8,913          | 5,451          | 3,598          |
| Deposits and balances of banks  | (4,402)        | 1,153          | (823)          | 1,104          |
| Derivative payables and other liabilities   | 1,530          | 252            | 2,596          | 1,695          |
| Trading portfolio liabilities   | (75)           | (191)          | 104            | (97)           |
| Government securities and treasury bills  | 496            | (694)          | (123)          | 1,247          |
| Restricted balances with central banks <sup>1/</sup>  | 1,307          | (724)          | 275            | (656)          |
| Trading and fair value through profit and loss securities   | (204)          | (750)          | 676            | 112            |
| Placements with and loans to banks  | 983            | 1,895          | 4,991          | (416)          |
| Loans and bills receivable  | (3,019)        | (11,720)       | (2,598)        | (3,861)        |
| Derivative receivables and other assets   | (1,912)        | (116)          | (2,250)        | (923)          |
| Net change in investment assets and liabilities of life assurance fund                                      | 120            | 13             | 103            | 48             |
| Cash from operating activities  | 5,064          | 1,838          | 9,613          | 3,173          |
| Income tax paid   | (468)          | (506)          | (178)          | (173)          |
| <b>Net cash from operating activities</b>   | <b>4,596</b>   | <b>1,332</b>   | <b>9,435</b>   | <b>3,000</b>   |
| <b>Cash flows from investing activities</b>   |                |                |                |                |
| Dividends from associates   | 66             | 1              | 66             | 1              |
| Increase in associates and joint ventures   | (110)          | (368)          | (91)           | (360)          |
| Net cash outflow from acquisition/establishment of subsidiaries <sup>1/</sup>                               | –              | (549)          | –              | (550)          |
| Purchases of debt and equity securities <sup>1/</sup>   | (9,035)        | (8,204)        | (3,436)        | (2,610)        |
| Purchases of property, plant and equipment and investment property  | (198)          | (219)          | (64)           | (78)           |
| Proceeds from disposal of debt and equity securities  | 9,383          | 8,195          | 3,933          | 2,692          |
| Proceeds from disposal of interests in associate and joint venture  | –              | 63             | –              | –              |
| Proceeds from disposal of property, plant and equipment and investment property                             | 42             | 15             | 28             | 6              |
| <b>Net cash from/(used in) investing activities</b>   | <b>148</b>     | <b>(1,066)</b> | <b>436</b>     | <b>(899)</b>   |
| <b>Cash flows from financing activities</b>   |                |                |                |                |
| Acquisition of non-controlling interests  | –              | (2,918)        | –              | (2,918)        |
| Dividends paid to equity holders of the Bank  | (304)          | (126)          | (152)          | –              |
| Dividends paid to non-controlling interests   | (124)          | (133)          | (47)           | (57)           |
| Redemption of subordinated debt issued  | –              | (712)          | –              | –              |
| Issue of subordinated debt  | –              | 2,488          | –              | –              |
| Decrease in other debt issued   | (4,711)        | (1,271)        | (5,100)        | (1,683)        |
| Redemption of preference shares issued by subsidiaries  | (543)          | –              | (144)          | –              |
| Net proceeds from Rights Issue  | –              | 3,307          | –              | 3,307          |
| Net proceeds from issue of perpetual capital securities   | 499            | –              | 499            | –              |
| Proceeds from treasury shares transferred/sold under the Bank's employee share schemes                      | 76             | 84             | 49             | 59             |
| Share buyback held in treasury  | (99)           | (112)          | (12)           | (30)           |
| <b>Net cash (used in)/from financing activities</b>   | <b>(5,206)</b> | <b>607</b>     | <b>(4,907)</b> | <b>(1,322)</b> |
| <b>Net currency translation adjustments</b>   | <b>(174)</b>   | <b>13</b>      | <b>(56)</b>    | <b>18</b>      |
| <b>Net change in cash and cash equivalents <sup>1/</sup></b>  | <b>(636)</b>   | <b>886</b>     | <b>4,908</b>   | <b>797</b>     |
| <b>Cash and cash equivalents at beginning of period <sup>1/</sup></b>                                       | <b>19,324</b>  | <b>14,083</b>  | <b>13,780</b>  | <b>14,172</b>  |
| <b>Cash and cash equivalents at end of period <sup>1/</sup></b>   | <b>18,688</b>  | <b>14,969</b>  | <b>18,688</b>  | <b>14,969</b>  |

Note:

1. Comparative figures have been restated to conform with the current period's presentation.

## SHARE CAPITAL AND OPTIONS ON SHARES IN THE BANK

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

| Number of Shares   | Nine months ended 30 Sep |                      | Three months ended 30 Sep |                      |
|--|--------------------------|----------------------|---------------------------|----------------------|
|  | 2015                     | 2014                 | 2015                      | 2014                 |
| <b>Issued ordinary shares</b>  |                          |                      |                           |                      |
| Balance at beginning of period   | 3,992,929,319            | 3,441,176,885        | 4,055,207,998             | 3,497,793,970        |
| Shares issued to non-executive directors   | 67,694                   | 76,191               | –                         | –                    |
| Shares issued pursuant to Scrip Dividend Scheme                                    | 128,564,354              | 56,540,894           | 66,353,369                | –                    |
| Shares issued pursuant to Rights Issue   | –                        | 436,775,254          | –                         | 436,775,254          |
| Balance at end of period   | 4,121,561,367            | 3,934,569,224        | 4,121,561,367             | 3,934,569,224        |
| <b>Treasury shares</b>   |                          |                      |                           |                      |
| Balance at beginning of period   | (9,043,268)              | (8,367,614)          | (8,935,764)               | (8,976,846)          |
| Share buyback  | (9,600,000)              | (11,525,000)         | (1,270,000)               | (3,125,000)          |
| Shares sold/transferred to employees pursuant to OCBC Share Option Scheme          | 3,060,411                | 4,769,835            | 255,070                   | 2,145,007            |
| Shares sold/transferred to employees pursuant to OCBC Employee Share Purchase Plan | 5,725,088                | 6,144,006            | 4,854,968                 | 5,004,424            |
| Shares transferred to DSP Trust pursuant to OCBC Deferred Share Plan               | 4,777,543                | 4,026,358            | 15,500                    | –                    |
| Balance at end of period   | (5,080,226)              | (4,952,415)          | (5,080,226)               | (4,952,415)          |
| <b>Total</b>   | <b>4,116,481,141</b>     | <b>3,929,616,809</b> | <b>4,116,481,141</b>      | <b>3,929,616,809</b> |

Pursuant to the share purchase mandate approved at the extraordinary general meeting held on 28 April 2015, the Bank purchased a total of 1,270,000 ordinary shares in the third quarter ended 30 September 2015. The ordinary shares were purchased by way of open market acquisitions at prices ranging from S\$8.63 to S\$10.29 per share and the total consideration paid was S\$11,626,682 (including transaction costs).

From 1 July 2015 to 30 September 2015 (both dates inclusive), the Bank utilised 255,070 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 September 2015, the number of options outstanding under the OCBC SOS 2001 was 35,914,692 (30 September 2014: 34,576,327).

From 1 July 2015 to 30 September 2015 (both dates inclusive), the Bank utilised 4,854,968 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 September 2015, the number of acquisition rights outstanding under the OCBC ESPP was 15,022,156 (30 September 2014: 14,213,330).

From 1 July 2015 to 30 September 2015 (both dates inclusive), the Bank transferred 15,500 treasury shares to the Trust administering the OCBC Deferred Share Plan following the Bank’s award of deferred shares to employees of the Group.

66,353,369 ordinary shares were issued on 29 September 2015 pursuant to the OCBC Scrip Dividend Scheme in-lieu of cash for the interim one-tier tax exempt dividend of 18 cents per ordinary share in the capital of OCBC Bank for the financial year ending 31 December 2015.

No new preference shares were allotted and issued by the Bank in the third quarter ended 30 September 2015.

## OTHER MATTERS

1. Pursuant to Rule 920(1) of the Listing Manual, the Bank has not obtained a general mandate from shareholders for Interested Party Transactions.



## CONFIRMATION BY THE BOARD

We, Ooi Sang Kuang and Samuel N. Tsien, 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 September 2015 to be false or misleading.

On behalf of the Board of Directors



Ooi Sang Kuang  
Chairman



Samuel N. Tsien  
Chief Executive Officer / Director

27 October 2015