
NEWS RELEASE

United Overseas Bank Limited, Singapore Signs Memorandum Of Understanding With China Construction Bank, People's Republic Of China For Closer Business Cooperation

Singapore, 11 April 2001 - United Overseas Bank Limited (UOB), Singapore and China Construction Bank (CCB), People's Republic of China (PRC) today signed a Memorandum Of Understanding (MOU) in a move to strengthen business ties and cooperation between both institutions. The MOU was signed in Beijing between Mr Wee Cho Yaw, Chairman & Chief Executive Officer of the UOB Group, and Mr Wang Xuebing, President & Chief Executive Officer of China Construction Bank.

Both institutions will cooperate on business opportunities in areas such as project financing, loan syndication, investment banking activities, interbank money market, treasury business, foreign currency banknotes and international settlement business. The two banks will also endeavor to share market information. Both banks have also agreed to discuss the signing of the International Swap Dealers Association (ISDA) to strengthen cooperation in foreign exchange, bonds and derivatives trading. As a testament to the parties' continuing commitment, both banks will hold regular meetings and consultation sessions to discuss areas of business development.

Expressing his delight at the signing ceremony, Mr Wee noted that "the only way for Asian banks to survive the increasing competition is to pool our resources and cooperate for mutual benefit." The MOU with the China Construction Bank, he added, reaffirmed UOB's policy of expanding its business activities in China and its strategy of building alliances with other financial institutions.

Another initiative to enter the China market was taken in December 2000 with the announcement of a three-party joint venture - involving the UOB Group, the Germany-based Allianz Group and GIC Special Investments as partners - to tap into asset management opportunities in the PRC.

UOB currently has a total of three branches in China (one each in Shanghai, Xiamen and Guangzhou), and a representative office in Beijing.

About China Construction Bank

China Construction Bank (CCB) is a state-owned commercial bank with business focussing on medium-term to long-term lending. Overseas expansion is another of CCB's focus. The Bank has become a major player in the international capital-raising (including debt issuance and the arrangement of syndicate loans) arena, making it an important bridge between China and the international capital markets.

With its headquarters in Beijing, CCB conducts operations across China's territories through its more than 14,000 domestic branches and sub-branches. It has overseas offices in Hong Kong S.A.R. and Singapore, and representative offices spanning London, Tokyo, Seoul, Frankfurt and New York.

As at December 1999, the Bank's total assets were RMB 2,201.1 billion. The July 2000 issue of The Banker magazine ranked CCB No. 32 among the world's top 1000 banks. CCB's mission is to build a better life for the Chinese people in the 21st century.

About United Overseas Bank

United Overseas Bank is a leading bank in Singapore with an international network that comprises 277 offices (65 branches in Singapore and 212 offices overseas) in 17 countries in the Asia-Pacific region, Europe and North America.

UOB provides a wide range of financial services through its global network of branches, offices and subsidiaries: commercial and corporate banking, personal financial services, private banking, trust services, treasury services, asset management, corporate finance, capital market activities, venture capital management, proprietary investments, general insurance and life assurance. It also offers stockbroking services through its associates.

UOB's vision is to be a premier bank in the Asia-Pacific region, committed to providing quality products and excellent customer service.

As at 31 December 2000, the UOB Group had total assets of S\$66.3 billion and shareholders' funds of S\$6.8 billion. It also achieved a record Net Profit After Tax of S\$913 million for 2000, and ROE stood at 14.1%.

UOB is rated among the world's top banks by Moody's Investors Service, receiving B+ for Bank Financial Strength, and Aa2 and Prime-1 for long-term and short-term deposits respectively.

Asiamoney has ranked UOB as Asia's 3rd Strongest Bank as well as the Strongest Bank In Singapore. In addition, US-based Global Finance has ranked UOB No. 62 out of 300 global banks in the publication's annual selection of the World's 300 Safest Banks 2000, as well as named UOB the Safest Bank In Singapore.