



## **UNITED OVERSEAS BANK LIMITED**

(Incorporated in the Republic of Singapore)  
Company Registration No. 193500026Z

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### **SALE OF SHAREHOLDING IN UOL GROUP LIMITED AND HAW PAR CORPORATION LIMITED**

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*Singapore, 27 May 2006* - United Overseas Bank Limited ("**UOB**" or "**the Bank**") wishes to announce that UOB and its associated companies, Overseas Union Insurance Limited and Overseas Union Facilities (Pte.) Limited, have on 26 May 2006 entered into:-

- (a) a sale and purchase agreement for the sale of 7,924,098 ordinary shares in the capital of UOL Group Limited ("**UOL**") representing approximately 1.0% of the total number of issued shares in UOL ("**UOL Shares**") to C.Y. Wee & Company Private Limited for a total cash consideration of approximately S\$22.49 million (equivalent to S\$2.8383 per UOL Share) ("**UOL Sale**"); and
- (b) a sale and purchase agreement for the sale of 4,542,038 ordinary shares in the capital of Haw Par Corporation Limited ("**Haw Par**") representing approximately 2.2% of the total number of issued shares in Haw Par ("**Haw Par Shares**") to Wee Investments (Pte) Limited for a total cash consideration of approximately S\$26.05 million (equivalent to S\$5.7361 per Haw Par Share) ("**Haw Par Sale**"),

(collectively, the "**Proposed Sale of UOL and Haw Par Shares**"). Completion of the UOL Sale and the Haw Par Sale is targeted for 2 June 2006 or such other date as the parties shall agree. The price for the UOL Sale and for the Haw Par Sale was based on the volume weighted average price of UOL shares and Haw Par shares over the three trading days immediately preceding the date of the sale and purchase agreements, and was arrived at on a willing-buyer and willing-seller basis. The purchase price for the UOL Shares and the Haw Par Shares is payable in cash on completion.

The UOL Shares are held in the consolidated balance sheet of UOB and its subsidiaries ("**UOB Group**") at market price. The audited consolidated net tangible asset value per UOL Share as at 31 December 2005 was S\$2.96. The last transacted price of UOL shares on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") as at 25 May 2006 was S\$2.89.

The Haw Par Shares are held in the consolidated balance sheet of the UOB Group at market price. The audited consolidated net tangible asset value per Haw Par Share as at 31 December 2005 was S\$6.27. The last transacted price of Haw Par shares on the SGX-ST as at 25 May 2006 was S\$5.75.

The Proposed Sale of UOL and Haw Par Shares has been undertaken with a view towards compliance with the pronouncements of the Monetary Authority of Singapore ("**MAS**") and the relevant provisions of the Banking Act, Chapter 19 of Singapore and the Banking Regulations 2001, as amended or modified from time to time (the "**Banking Regulations**") on the segregation of financial and non-financial businesses. Singapore-incorporated banks are required to divest their interests in non-financial businesses to reduce the aggregate interests held by them and their affiliated entities (as defined in the Banking Regulations) ("**Affiliated Entities**") to not more than 10% or such other percentage as MAS may specify (the "**Banking Act Requirement**"). UOB has obtained the approval of the MAS to comply with the Banking Act Requirement by 17 July 2006. Following the UOL Sale and Haw Par Sale, UOB and its Affiliated Entities hold 10.1% and 10.0% of UOL shares and Haw Par shares respectively.

The purchasers, C.Y. Wee & Company Private Limited and Wee Investments (Pte) Limited, are companies associated with the Chairman and Deputy Chairman of the Bank. UOB's Audit Committee has reviewed the terms of the UOL Sale and Haw Par Sale and is of the view that they are on normal commercial terms and are not prejudicial to the interests of UOB and its shareholders. The UOL Sale and Haw Par Sale are not expected to have a significant impact on the financial position of the UOB Group for the financial year ending 31 December 2006.

Vivien Chan  
Company Secretary

Dated this 27th day of May, 2006