

ANNOUNCEMENT

OFFERING OF CLASS E NON-CONVERTIBLE, NON-CUMULATIVE PREFERENCE SHARES IN SINGAPORE

Singapore, 27 August 2008 – Following its announcement on 25 August 2008, United Overseas Bank Limited (“UOB” or the “Issuer”) is pleased to announce that it proposes to offer for subscription by investors in Singapore 10 million Class E non-convertible, non-cumulative preference shares in the capital of UOB (“Preference Shares”) at an issue price of S\$100 per Preference Share (“Offering”). UOB has an option to increase the Offering by up to an additional 5 million Preference Shares.

The Preference Shares carry a fixed dividend rate of 5.05% per annum, payable semi-annually on 15 March and 15 September each year, subject to declaration by UOB’s Board of Directors. The Preference Shares are perpetual securities with no fixed redemption date. They may however be redeemed wholly and not in part, at the option of the Issuer on any of the following dates: 15 September 2013, 15 September 2018 and thereafter, on 15 March or 15 September of each year, subject to approval from the Monetary Authority of Singapore (“MAS”). The Preference Shares are expected to be listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) from 16 September 2008, and will be traded in board lots of 100 Preference Shares.

The Offering will open at 9.00 a.m. on 28 August 2008 and close at 12.00 noon on 12 September 2008, subject to any change as may be announced.

UOB proposes to offer 8 million Preference Shares (or S\$800 million) to institutional and other investors in Singapore through a placement (“Placement”). The minimum subscription under the Placement is 500 Preference Shares (or S\$50,000), and thereafter in multiples of 100 Preference Shares (or S\$10,000).

UOB proposes to offer 2 million Preference Shares (or S\$200 million) to the public in Singapore via the ATMs of UOB, DBS Bank (including POSB) and OCBC Bank in Singapore (“ATM Offer”). The minimum subscription under the ATM Offer is 100 Preference Shares (or S\$10,000), and thereafter in multiples of 100 Preference Shares (or S\$10,000). If the applications exceed the amounts available for the ATM Offer, balloting will be conducted.

UOB may at its discretion adjust the relative size of the allocations between the Placement and the ATM Offer. UOB reserves the right not to proceed with the Offering if the total number of Preference Shares subscribed for is less than 2 million Preference Shares.

The Preference Shares are intended to qualify as Tier 1 capital of UOB. The purpose of the issue is to raise funds for the general corporate funding purposes of UOB. The Preference Shares have been rated Aa3 rating from Moody's Investors Services, A- from Standard and Poor's Rating Services, and A+ from Fitch Ratings Ltd.

Further details about the Offering and the Preference Shares can be found in the Offer Information Statement dated 27 August 2008 ("OIS") issued by UOB and lodged with MAS today.

Vivien Chan
Group Secretary

This announcement is for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Preference Shares. The information in this announcement is qualified in its entirety by, and should be read in conjunction with, the full text of the OIS.

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UOB and its related companies, their directors and/or employees (collectively, the "Related Persons") may have positions in, and may effect transactions in, the Preference Shares. UOB and the Related Persons may also perform or seek to perform broking and other financial services for the Preference Shares.