

Announcement by



MERRILL LYNCH (SINGAPORE) PTE. LTD.
(Incorporated in the Republic of Singapore)

for and on behalf of



UNITED OVERSEAS BANK LIMITED
(Incorporated in the Republic of Singapore)

**Voluntary Conditional Take-over Offer (the "Offer") by United Overseas Bank Limited ("UOB")
for Overseas Union Bank Limited ("OUB")**

**OFFER BECOMING UNCONDITIONAL IN ALL RESPECTS
90.08% ACCEPTANCES RECEIVED PURSUANT TO THE OFFER
OFFER EXTENDED TO SEPTEMBER 17, 2001**

OFFER BECOMING UNCONDITIONAL IN ALL RESPECTS

Merrill Lynch (Singapore) Pte. Ltd. ("**Merrill Lynch Singapore**") wishes to announce, for and on behalf of UOB, that the Offer has become unconditional in all respects.

Merrill Lynch Singapore had, on August 17, 2001, announced for and on behalf of UOB that certain conditions to the Offer (including the condition relating to UOB receiving acceptances for more than 50% of the Offer Shares) referred to in Appendix 2 of Annexure A to the offer document dated July 26, 2001 (the "**Offer Document**") had been fulfilled as of that date. Merrill Lynch Singapore wishes to inform, for and on behalf of UOB, that all the remaining conditions to the Offer have either been fulfilled or have been waived by UOB as at the date of this Announcement.

LEVEL OF ACCEPTANCES PURSUANT TO THE OFFER AS AT AUGUST 31, 2001

As at 5.00 p.m. on August 31, 2001, UOB had received, pursuant to the Offer, valid acceptances in respect of an aggregate of 897,843,330 Offer Shares, representing approximately 90.08% of the issued and paid-up share capital of OUB¹.

LEVEL OF ACCEPTANCES PURSUANT TO THE OUB OPTIONS PROPOSAL AS AT AUGUST 31, 2001

As at 5.00 p.m. on August 31, 2001, UOB had received, pursuant to the OUB Options Proposal, valid acceptances representing approximately 99.71% of the outstanding OUB Options².

EXTENSION OF CLOSING DATE OF THE OFFER AND THE OUB OPTIONS PROPOSAL

The closing date for both the Offer and the OUB Options Proposal will be extended from 9.00 p.m. on August 31, 2001 to 6.00 p.m. on September 17, 2001 (the "Extended Closing Date") or such other date(s) as may be announced from time to time by or on behalf of UOB.

¹ For the purposes of this Announcement, "**issued and paid-up share capital of OUB**" means 996,699,872 OUB Shares in issue as at August 30, 2001.

² For the purposes of this Announcement, "**outstanding OUB Options**" means 22,827,616 OUB Options granted pursuant to the OUB Share Option Scheme 1995 and 10,671,000 granted pursuant to the OUB Share Option Scheme 2001 unexercised as at August 30, 2001.

OUB Shareholders and Depositors (as the case may be) who wish to accept the Offer and OUB Optionholders who wish to accept the OUB Options Proposal but have not done so may do so by completing, signing and returning the relevant forms of acceptance which had earlier been sent to them together with such other relevant documents as soon as possible to reach UOB c/o The Central Depository (Pte) Limited ("CDP") or M & C Services Private Limited ("M & C Services") (as the case may be) no later than 6.00 p.m. on the Extended Closing Date.

SETTLEMENT

OUB Shareholders and Depositors who have accepted the Offer on or before the date of this Announcement

With respect to OUB Shareholders who have accepted the Offer on or before the date of this Announcement, UOB will, as soon as possible and in any event by September 21, 2001, despatch to them cheques with respect to the Cash Consideration, and share certificates for the relevant number of New UOB Shares. With respect to Depositors who have accepted the Offer on or before the date of this Announcement, UOB will, as soon as possible and in any event by September 21, 2001, despatch to them cheques with respect to the Cash Consideration, and arrange for CDP to credit their relevant Securities Accounts with the relevant number of New UOB Shares.

OUB Shareholders and Depositors who accept the Offer after the date of this Announcement but before 6:00 p.m. on the Extended Closing Date

With respect to OUB Shareholders who accept the Offer after the date of this Announcement but before 6:00 p.m. on the Extended Closing Date, UOB will despatch to them cheques with respect to the Cash Consideration, and share certificates for the relevant number of New UOB Shares as soon as possible after September 21, 2001 and in any event within 21 days from the respective dates of receipt of their acceptances. With respect to Depositors who accept the Offer after the date of this Announcement but before 6:00 p.m. on the Extended Closing Date, UOB will despatch to them cheques with respect to the Cash Consideration, and arrange for CDP to credit their relevant Securities Accounts with the relevant number of New UOB Shares, as soon as possible after September 21, 2001 and in any event within 21 days from the respective dates of receipt of their acceptances.

A further announcement will be made in due course in relation to the listing of and the commencement of trading in the New UOB Shares on the Official List of the Singapore Exchange Securities Trading Limited ("SGX-ST").

OUB Optionholders who have accepted or will be accepting the OUB Options Proposal

UOB will, as soon as practicable and in any event by September 21, 2001, despatch cheques for the appropriate amount to OUB Optionholders who have accepted the OUB Options Proposal on or before the date of this Announcement. With respect to OUB Optionholders who accept the OUB Options Proposal after the date of this Announcement but before 6:00 p.m. on the Extended Closing Date, UOB will despatch the cheques for the appropriate amount to them as soon as practicable after September 21, 2001 and in any event within 21 days from the respective dates of receipt of their acceptances.

ARRANGEMENTS FOR ODD LOT TRADING OF NEW UOB SHARES

UOB has made arrangements with UOB-Kay Hian Holdings Limited whereby it will, for a limited period and on a best efforts basis, facilitate the trading in odd lots of UOB Shares on the SGX-ST by OUB Shareholders who have validly accepted the Offer. Further details of this arrangement will be announced in due course.

COMPULSORY ACQUISITION AND DELISTING

As stated in the Offer Document, under the provisions of the SGX-ST Listing Manual, in the event that UOB and any party acting in concert with it should, as a result of the Offer or otherwise, own or control more than 90% of the issued share capital of OUB, the SGX-ST will suspend the trading of OUB Shares on the SGX-ST until such time when the SGX-ST is satisfied that at least 10% of the OUB Shares are held by at least 1,000 OUB Shareholders who are members of the public.

As stated in the Offer Document, it is the intention of UOB to exercise its rights of compulsory acquisition pursuant to Section 215(1) of the Companies Act, Chapter 50 (the "Act") in the event that it is entitled to do so. As UOB has received acceptances of the Offer in respect of not less than 90% of the OUB Shares (other than those already held by UOB, its subsidiaries or nominees of it or its subsidiaries as at the date of the Offer), UOB is now entitled to exercise the right of compulsory acquisition pursuant to Section 215(1) of the Act.

OTHER STATUTORY DISCLOSURES

As at June 28, 2001, being the date immediately prior to the date of the announcement of UOB's intention to make the Offer, UOB and its subsidiaries together with parties acting or presumed to be acting in concert with UOB owned, controlled or agreed to acquire an aggregate of 2,835,885 OUB Shares, representing approximately 0.28% of the issued and paid-up share capital of OUB. On July 5, 2001, July 25, 2001 and July 27, 2001, a party deemed to be acting in concert with UOB had exercised OUB Options granted to her and accordingly has acquired an aggregate of 130,013 OUB Shares. On August 28, 2001, UOB-Kay Hian Holdings Limited, a securities broking associate of UOB, had acquired an aggregate of 30,827 OUB Shares in order to cover a short position of two of its clients. Save as aforesaid, since June 29, 2001, neither UOB, its subsidiaries nor any party acting or deemed to be acting in concert with UOB had acquired or agreed to acquire any OUB Shares, except pursuant to acceptances of the Offer.

Included in the acceptances of the Offer, are acceptances for 2,271,441 Offer Shares, representing approximately 0.23% of the issued and paid-up share capital of OUB, received from parties acting or deemed to be acting in concert with UOB.

As at 5.00 p.m. on August 31, 2001, the valid acceptances received by UOB pursuant to the Offer, when taken together with the OUB Shares owned, controlled or agreed to be acquired by UOB and parties acting or deemed to be acting in concert with UOB, represent approximately 90.14% of the issued and paid-up share capital of OUB.

OTHERS

OUB Shareholders, Depositors and OUB Optionholders who are in doubt about the Offer and the OUB Options Proposal are advised to consult their stockbroker, bank manager, solicitor or other professional adviser immediately.

OUB Shareholders and Depositors who have, to date, not received a copy of the Offer Document or who have misplaced the accompanying Forms of Acceptance and Transfer ("**FAT**") and/or the Forms of Acceptance and Authorisation ("**FAA**") (as the case may be), should contact CDP or M & C Services (as the case may be) immediately at the following respective contact particulars:-

The Central Depository (Pte) Limited
20 Cecil Street #07-02/05
Singapore Exchange Building
Singapore 049705
Tel: 535 7511

M & C Services Private Limited
138 Robinson Road #17-00
Hong Leong Centre
Singapore 068906
Tel: 228 0530

Copies of the FAT may be obtained by OUB Shareholders from M & C Services on production of satisfactory evidence that they are shareholders of OUB. Copies of the FAA may be obtained by Depositors from CDP on production of satisfactory evidence that their Securities Accounts with CDP are or will be credited with the Offer Shares.

OUB Shareholders and Depositors who require assistance in completing the FAT or the FAA are encouraged to call the Toll Free Help Line at 1800-539 3919.

Persons whose purchase(s) of OUB shares were settled through their Central Provident Fund ("**CPF**") approved agent bank(s), finance company(ies) or depository agent(s) and who wish to accept the Offer should contact their respective CPF approved agent bank(s), finance company(ies) or depository agent(s) to make the necessary arrangements for such acceptance.

All terms and references used in this Announcement which are defined or construed in the Offer Document but are not defined or construed in this Announcement shall have the same meaning and construction as defined in the Offer Document.

Issued by
Merrill Lynch (Singapore) Pte. Ltd.

For and on behalf of
United Overseas Bank Limited
August 31, 2001
Singapore

The Directors of UOB (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.

It is currently not intended that the Offer will be made in or into, and the Offer is not capable of acceptance in or from Australia, Canada, Japan, the United Kingdom or any other country in or from which the making of the Offer is prohibited or affected by the laws of that country. In addition, it is not currently intended that the Offer will be made, directly or indirectly, in or into or by use of mail or any means or instrumentality (including without limitation, by means of facsimile or electronic transmission, telephone or Internet) of interstate or foreign commerce of or any facilities of a securities exchange of, or in or into, the United States and it is not currently intended that the Offer will be capable of acceptance by any such use, means, instrumentality or facilities in or from the United States. Accordingly, copies of this Announcement are not being, and must not be, mailed or otherwise distributed or sent in, into or from the United States. Custodians, nominees and trustees should observe these restrictions and should not send or distribute this Announcement in, into or from the United States. Your attention is drawn to paragraph 6 of Annexure D to the Offer Document.

This Announcement is not an offer of securities for sale in the United States. No securities of UOB may be offered or sold in the United States absent registration or an exemption from registration. Any public offering of securities of UOB to be made in the United States will be made by means of a prospectus that may be obtained from UOB and will contain detailed information about UOB and its management, as well as financial statements.

Merrill Lynch Singapore is acting exclusively as financial adviser to UOB and is not responsible for providing advice in relation to the Offer or any other matter to any person other than UOB.