
NEWS RELEASE

DBS Bank, OCBC Bank and UOB Form New Joint Venture Company, 'CAPS', To Provide Multi-Currency Payment and Clearance Services

Singapore, 7 January 2002 - Development Bank of Singapore Ltd (DBS Bank), Oversea-Chinese Banking Corporation Limited (OCBC Bank) and United Overseas Bank Limited (UOB) have entered into an agreement to establish a joint venture company, Clearing and Payment Services Pte Ltd ('CAPS'), to undertake Continuous Linked Settlement (CLSTM) transactions. Each Bank has subscribed for one-third of the issued share capital of CAPS.

In October 2001, the three Banks announced that they had become shareholders of the CLS Group and will be Settlement Members of CLS Bank International (CLS Bank). CLS Bank offers a real-time, global multi-currency settlement system that eliminates settlement risks and ultimately reduces cross-border transaction costs. In addition, the Monetary Authority of Singapore (MAS) received in-principle agreement from CLS Group and CLS Bank to include the Singapore Dollar as an eligible currency of CLS Bank, joining ten other prospective CLS Bank eligible currencies.

The new consortium company, CAPS, has appointed Logica, an information technology company to implement and support the Banks' participation in and interface with the new CLS Bank for cross currency settlement transactions. CAPS has also appointed KMPG Consulting as the systems integrator and the programme manager.

Mr Bill Chua, Chairman of CAPS and EVP, Operations Sector, UOB said, " As a combined entity, CAPS is better positioned to equip itself to participate in this dynamic and crucial global currency settlement system. CAPS allows its shareholders to leverage on scale, thereby lowering the cost of processing. It will be able to in-source such activities from other financial services companies regionally,

and even globally. We have been working closely with our strategic IT partners to ensure that all the Banks' IT systems and applications are integrated seamlessly, to be ready for our first 'live' (CLS™) transaction. This is scheduled to take place at the end of this year."

For further information, please contact:

DBS Bank, Group Communications

Ms Eileen Lau
Tel: (65) 6878 5398
Fax: (65) 6222 4478
Email: eileenlau@dbs.com

OCBC Bank, Corporate Communications

Ms Loh Wei Ling
Tel: (65) 6530 5926
Fax: (65) 6535-7477
Email: LohWL@ocbc.com.sg

UOB, Corporate Affairs

Ms Samantha Joy Yik
Tel: (65) 6539 3970
Fax: (65) 6538 2559
Email: samanthajoy.yiksy@uobgroup.com