
NEWS RELEASE

UOB Introduces CostPlus Home Loan - A Loan Pegged To Cost of Funds

08 February 2007, Singapore - United Overseas Bank (UOB) introduces UOB CostPlus Home Loan, a new financing package that is pegged to a choice of three SWAP Offer Rates*. With that, homeowners now have an additional option to select from UOB's wide range of home financing solutions.

UOB CostPlus Home Loan is pegged to the SWAP Offer Rate*, a published rate that is available in The Business Times. This benchmark interest rate moves in tandem with market conditions, thereby providing transparency to consumers. UOB CostPlus Home Loan also allows customers to choose their preferred benchmark interest rate from the three-month, six-month or nine-month SWAP Offer Rates*.

Mr Kevin Lam, Head of UOB Loans Division said, "The other unique feature of this package is that upon maturity of the benchmark interest rate tenor, homeowners are free to switch to a different benchmark interest rate or opt for another home loan package. Homeowners also have the flexibility to combine up to two benchmark interest rate tenors under UOB CostPlus Home Loan. Depending on their financial needs, we can also customise their loans to offer a combination of UOB CostPlus Home Loan and any of our standard home loan packages."

"All in, UOB CostPlus Home Loan is a cost of funds loan that is designed to give homeowners a new level of transparency and flexibility," added Mr Lam.

The details of the UOB CostPlus Home Loan are as follows:

Description	Features
Choice of Benchmark Interest Rate	<ul style="list-style-type: none"> • Three-month, six-month or nine-month SWAP Offer Rate*
Interest Rates	<ul style="list-style-type: none"> • Based on choice of benchmark interest rate: <ul style="list-style-type: none"> - Three-month SWAP Offer Rate* + 1%; or - Six-month SWAP Offer Rate* + 1%; or - Nine-month SWAP Offer Rate* + 1% • SWAP Offer Rate* will be determined on the date of loan disbursement and available in the Business Times on the next business day. • Once the benchmark interest rate is determined, it will remain fixed throughout the benchmark interest rate tenor.
Minimum Loan Quantum	<ul style="list-style-type: none"> • S\$400,000
Re-pricing Frequency	<ul style="list-style-type: none"> • The SWAP Offer Rate* will be re-priced automatically according to the benchmark interest rate tenor unless customers instruct otherwise. <p>For example: A customer chooses the three-month SWAP Offer Rate*. Under the loan package, this benchmark interest rate will be re-priced automatically every three months unless the customer instructs to switch to the six-month or nine-month SWAP Offer Rate*.</p>
Other Benefits	<ul style="list-style-type: none"> • Legal fee subsidy • Free fire insurance • Five-year annual fee waiver for UOB Credit Cards (Not applicable for UOB VISA Infinite Card)

* SWAP Offer Rate is the Singapore Interbank Offer Rate + market reserve costs.

For more information, customers can call our 24-hour customer service hotline at 1800 2222 121 or visit any UOB Group branch to speak to our Personal Bankers.

About United Overseas Bank

UOB is a leading bank in Singapore that provides a wide range of financial services through its global network of more than 500 offices in 18 countries and territories in Asia-Pacific, Western Europe and North America. It has banking subsidiaries in Singapore, Malaysia, Indonesia, Thailand and the Philippines.

UOB is focused on enhancing its leadership in the consumer market, and is today, the largest credit card-issuing bank in Singapore with a card base that has exceeded one million. The Bank also has the largest base of merchants in Singapore, both for consumer and commercial credit card acceptance. There are currently more than 20 co-brand cards in its stable, covering the retail sector, service providers and non-profit organisations.

For media queries, please contact:

Teo Suan Hwi
Group Communications Division
United Overseas Bank
Phone: 6539 3972
Email: Teo.SuanHwi@UOBgroup.com

Vivian Song
Group Communications Division
United Overseas Bank
Phone: 6539 4214
Email: Vivan.SongKY@UOBgroup.com

For public enquiries, please contact:

UOB Call Centre
Phone: 1800 2222 121 (24-hour)