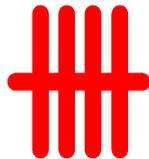


Announcement by



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")**

**82.73 PER CENT. ACCEPTANCES RECEIVED PURSUANT TO THE OFFER
96.31 PER CENT. ACCEPTANCES RECEIVED PURSUANT TO THE OUB OPTIONS PROPOSAL
OFFER EXTENDED TO AUGUST 31, 2001**

ACCEPTANCES RECEIVED PURSUANT TO THE OFFER AS AT AUGUST 17, 2001

Merrill Lynch (Singapore) Pte. Ltd. ("**Merrill Lynch Singapore**") wishes to announce, for and on behalf of UOB, that as at 5.00 p.m. on August 17, 2001, UOB had received, pursuant to the Offer, valid acceptances in respect of an aggregate of 824,181,317 Offer Shares, representing approximately **82.73%** of the issued and paid-up share capital of OUB¹.

In the offer document dated July 26, 2001 despatched by Merrill Lynch Singapore for and on behalf of UOB (the "**Offer Document**"), it was disclosed that certain parties had given irrevocable undertakings to UOB to accept the Offer in respect of OUB Shares representing approximately 26.5% of the issued and paid-up share capital of OUB. All such parties have now accepted the Offer in accordance with the terms of the irrevocable undertakings.

ACCEPTANCES RECEIVED PURSUANT TO THE OUB OPTIONS PROPOSAL AS AT AUGUST 17, 2001

Merrill Lynch Singapore also wishes to announce, for and on behalf of UOB, that as at 5.00 p.m. on August 17, 2001, UOB had received, pursuant to the OUB Options Proposal, valid acceptances representing approximately **96.31%** of the OUB Options granted as at July 26, 2001.

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

The Closing Dates of the Offer and the OUB Options Proposal have both been extended from 3.30 p.m. on August 17, 2001 to 9.00 p.m. on August 31, 2001 or such other date(s) as may be announced from time to time by or on behalf of UOB (each, an "Extended Closing Date").

CONDITIONS

The Offer is made on the conditions set out in Appendix 2 of Annexure A to the Offer Document.

As at 5.00 p.m. on August 17, 2001, the following conditions to the Offer referred to in Appendix 2 of Annexure A to the Offer Document have been fulfilled:-

- (1) Minimum Acceptance Condition: Acceptances have been received in respect of 824,181,317 Offer Shares. These acceptances, 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

¹ For the purposes of this Announcement, "**issued and paid-up share capital of OUB**" means 996,184,429 OUB Shares in issue as at July 26, 2001.

82.89% of the issued and paid-up share capital of OUB as at July 26, 2001 and represent approximately 80.99% of the maximum potential issued share capital of OUB².

- (2) Listing Approval: In-principle approval has been obtained from the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing and quotation of the New UOB Shares to be issued by UOB as part consideration for the Offer Price on the Official List of the SGX-ST.
- (3) Shareholders' Approval: The SGX-ST has confirmed that UOB is not required to obtain the approval of its shareholders for the Offer. By a resolution passed at an extraordinary general meeting of UOB held on July 26, 2001, UOB shareholders have approved the issue of the New UOB Shares pursuant to the Offer.

The remaining conditions referred to in Appendix 2 of the Annexure A to the Offer Document have not been fulfilled.

The Monetary Authority of Singapore has confirmed that it has in principle no objection to UOB's acquisition of up to 100% interest in OUB.

COMPULSORY ACQUISITION AND DELISTING

Pursuant to Section 215(1) of the Act, in the event UOB receives acceptances of the Offer in respect of not less than 90% of the Offer Shares (other than those already held by UOB, its subsidiaries or nominees of it or its subsidiaries at the date of the Offer), UOB would have the right to compulsorily acquire all the OUB Shares of the dissenting OUB Shareholders. It is the intention of UOB to exercise its rights of compulsory acquisition pursuant to Section 215(1) of the Act in the event that it is entitled to do so.

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 listing of OUB Shares on the Official List of 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.

In the event that UOB is not entitled to exercise rights of compulsory acquisition but has an aggregate shareholding (together with its concert parties) of more than 75% in OUB after the close of the Offer, UOB may consider applying to delist OUB pursuant to Clause 208 of the SGX-ST Listing Manual.

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 and representing approximately 0.28% of the maximum potential issued 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. 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 1,302,441 Offer Shares, representing approximately 0.13% of the issued and paid-up share capital of OUB as at July 26, 2001 and representing approximately 0.13% of the maximum potential issued share capital of OUB, received from parties acting or deemed to be acting in concert with UOB.

OTHERS

OUB Shareholders and Depositors who wish to accept the Offer but have not done so may do so by completing, signing and returning the Forms of Acceptance and Transfer ("FAT") and / or the Forms of Acceptance and Authorisation ("FAA") (as the case may be) which had earlier been sent to them with the Offer Document together with such other relevant documents as soon as possible to reach UOB c/o CDP or M & C Services Private Limited ("M & C Services") (as the case may be) not later than the Extended Closing Date.

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

² For the purposes of this Announcement, "maximum potential issued share capital of OUB" means the total number of OUB Shares which would be in issue had all the outstanding options granted pursuant to the OUB Share Option Scheme 1995 or the OUB Share Option Scheme 2001 been validly exercised as at the date of this Announcement.

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 of OUB shares were settled through their Central Provident Fund ("**CPF**") approved agent bank, finance company or depository agent and who wish to accept the Offer should contact their respective CPF approved agent bank, finance company or depository agent 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 17, 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 Australia, Canada, Japan, Malaysia, 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 and the Offer is not capable of acceptance in or from any country where it would be 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.