

**SECURITIES INDUSTRY COUNCIL ("SIC")
PRESS STATEMENT**

**TAKE-OVER OFFER FOR OVERSEAS UNION BANK ("OUB")
BY UNITED OVERSEAS BANK LTD ("UOB")**

Background

1 On 22 Jun 2001, DBS announced a voluntary offer (the "DBS Offer") for OUB, offering S\$1.14 in cash and 0.61 new DBS share for each OUB share. On 29 Jun 2001, UOB announced a competing offer (the "UOB Offer") for OUB of S\$4.02 in cash and 0.52 new UOB share for each OUB share. Merrill Lynch (Singapore) Pte Ltd ("ML") was the financial adviser to UOB in the UOB Offer.

The UOB Offer

2 At around 12.30 p.m. on 17 Aug 2001, ML announced for and on behalf of UOB that as of 16 Aug 2001, UOB had received acceptances for 67.48% of OUB's issued capital, i.e. the UOB Offer had become unconditional as to acceptances.

3 Rule 23 of the Take-over Code requires an offeror to announce the total number of shares for which acceptances of the offer have been received by 9.30 a.m. on the following dealing day after the offer becomes or is declared unconditional. The purpose of Rule 23 is to ensure that the investing public is informed promptly of the acceptance level in such a circumstance.

4 The SIC asked UOB to explain how its announcement of the acceptance level at 12.30 p.m. on 17 Aug 2001 could have met the requirements of the Take-over Code.

The SIC's Determination

5 The SIC has considered UOB's submission and the circumstances of the case, including the impact of the announcement.

6 After careful deliberation and having regard to the purposes of Rule 23, the SIC has informed UOB that it was inappropriate to announce the acceptance level for the UOB Offer at around 12.30 p.m. (instead of 9.30 a.m. under Rule 23) on 17 Aug 2001.¹ The SIC considers the matter closed.

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¹ Please see Notes to Editors.

NOTES TO EDITORS:

This statement does not constitute a reprimand or public censure. Before it may have recourse to such disciplinary actions, the SIC must convene a hearing. In deciding whether a hearing should be convened, the SIC will consider all relevant factors, such as the nature and gravity of the relevant conduct, the possible impact of such conduct on the outcome of the offer or on the market for the shares of the offeree company or the offeror, and the timeliness and effectiveness of any remedial action taken. Taking into account all the circumstances of the present case, the SIC has decided not to hold a hearing.