

Media Release

OCBC Group Reports Record First Quarter 2015 Net Profit after Tax of S\$993 million

***Strong earnings growth across the Group's key markets
lifted net profit by 11% from a year ago and 26% from the previous quarter***

Singapore, 30 April 2015 - Oversea-Chinese Banking Corporation Limited ("OCBC Bank") reported a net profit after tax of S\$993 million for the first quarter of 2015 ("1Q15"), an increase of 11% from S\$899 million a year ago ("1Q14") and 26% higher than S\$791 million the previous quarter ("4Q14"). The 1Q15 results were underpinned by strong growth in the Group's customer-related businesses across a more diversified earnings base, with all its key markets of Singapore, Malaysia, Indonesia and Greater China delivering positive profit growth. The first quarter results included the consolidation of OCBC Wing Hang Bank, which became a subsidiary in the third quarter of 2014.

Net interest income increased 15% to S\$1.25 billion from S\$1.09 billion a year ago, mainly from robust asset growth. Customer loans rose 20% from a year ago to S\$210 billion, with broad-based growth across the Group's key customer segments and markets. The Group continued to strengthen its funding position and grew customer deposits by 26% to S\$250 billion from S\$199 billion in 1Q14. As a result, the Group's loans-to-deposits ratio ("LDR") was 83.0% as compared with 87.0% a year ago. Despite improving consumer loan spreads in Singapore, the lower LDR and weaker income from money market gapping activities contributed to an eight basis points decline in the Group's net interest margin from 1.70% to 1.62%. Excluding the consolidation effect of OCBC Wing Hang, customer loans and deposits grew 4% and 8% year-on-year, respectively.

Non-interest income rose 7% to S\$859 million from S\$800 million a year ago. Fee and commission income increased 12% to S\$395 million from strong growth in wealth management, brokerage, fund management and trade fees. Net trading income, primarily treasury-related income from customer flows, grew 25% to S\$123 million from S\$99 million in 1Q14. Profit from life assurance grew 9% year-on-year to S\$199 million, lifted by higher operating profit from Great Eastern Holdings ("GEH") and mark-to-market gains in its Non-participating Fund. GEH's new business embedded value margins rose to 40.7% from 38.2% a year ago, driven by improved channel and product mix.

The Group's share of results of associates and joint ventures rose to S\$89 million from S\$17 million in the previous year, largely attributable to Bank of Ningbo, which became a 20%-owned associated company of the Group on 30 September 2014.

The Group's overall income from wealth management activities (comprising income from insurance, private banking, asset management, stockbroking and other wealth management products) grew from S\$572 million a year ago to a new quarterly high of S\$583 million. As a share of the Group's total income, wealth management activities contributed 28% as compared with 30% in 1Q14. OCBC's private banking business continued to expand, with assets under management increasing 4% to US\$51 billion (S\$70 billion) as at 31 March 2015, up from US\$49 billion (S\$62 billion) the previous year.

Operating expenses for the quarter rose 24% to S\$873 million from S\$706 million a year ago, after consolidating OCBC Wing Hang. The Group's cost-to-income ratio was 41.4% for the quarter. Excluding OCBC Wing Hang, operating expenses increased 9%, largely from higher staff costs and a 3% rise in headcount to support the expansion of the Group's franchise in its key markets.

Allowances for loans and other assets were S\$64 million, compared with S\$41 million a year ago, partly attributable to the consolidation of OCBC Wing Hang. The Group's asset quality remained sound, with the non-performing loans ("NPL") ratio at 0.6%, an improvement from 0.7% a year ago.

Annualised return on equity for 1Q15 of 13.2% was higher than 10.6% of the previous quarter, while annualised earnings per share was 99.7 cents, a 29% increase over 77.4 cents in 4Q14. Both ratios were however lower as compared to a year ago as a result of the dilutive impact arising from the rights issue in the third quarter of 2014.

Against the previous quarter, the Group's net profit after tax was 26% higher. This was largely attributable to higher fee income, net trading income and profit from life assurance. On a quarter-on-quarter basis, operating expenses were 5% lower.

Allowances and Asset Quality

Net allowances for loans and other assets were S\$64 million as compared with S\$41 million a year ago, and were lower than S\$154 million the previous quarter. Specific allowances for loans, net of recoveries and write-backs were S\$45 million for the quarter and represented an annualised 9 basis points of loans.

The Group's asset quality and coverage ratios remained sound. The NPL ratio of 0.6% in 1Q15 was lower than 0.7% from a year ago. Total cumulative allowances represented 166% of total non-performing assets ("NPAs") and 559% of unsecured NPAs, a higher coverage ratio as compared with 145% and 396%, respectively a year ago. The higher coverage was also partly from the consolidation of OCBC Wing Hang.

Funding and Capital Position

The Group maintained a strong funding and capital position. Customer deposits increased 26% (8%, excluding the OCBC Wing Hang) to S\$250 billion, while the ratio of current and savings accounts to total customer deposits rose quarter-on-quarter to 45.5%. As at 31 March 2015, the Singapore dollar and all-currency liquidity coverage ratios for the Group (excluding OCBC Wing Hang) were 273% and 117% respectively, higher as compared to the respective regulatory ratios of 100% and 60%. OCBC Wing Hang's liquidity coverage ratios will be incorporated into the overall Group position in due course.

As at 31 March 2015, the Common Equity Tier 1 capital adequacy ratio ("CAR") was 13.5% and Tier 1 CAR and Total CAR were 13.5% and 15.5% respectively. Based on Basel III transitional arrangements, these ratios were in excess of the respective regulatory minima of 6.5%, 8% and 10%. The Group's leverage ratio of 7.2% was well above the 3% minimum requirement as guided by the Basel Committee.

CEO's Comments

Commenting on the Group's performance and outlook, CEO Samuel Tsien said:

"We are pleased with our strong start to 2015. The solid set of results demonstrates the increased diversity of our earnings base, and the progress that we are making in deepening our presence in our key markets. We will further invest in our businesses and leverage synergies across the expanded OCBC franchise to better serve our customers. Supported by our strong capital and funding position, we will continue to pursue a disciplined and prudent strategy of sustainable growth in our key markets."

About OCBC Bank

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. Recognised for its financial strength and stability, OCBC Bank is consistently ranked among the world's strongest and safest banks by leading market research firms and publications.

OCBC Bank and its subsidiaries offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has over 630 branches and representative offices in 18 countries and territories. These include the more than 330 branches and offices in Indonesia operated by subsidiary Bank OCBC NISP, and 95 branches and offices in Hong Kong, China and Macau under OCBC Wing Hang.

OCBC Bank's private banking services are provided by subsidiary Bank of Singapore, which has received increasing industry recognition as Asia's Global Private Bank, and was voted Outstanding Private Bank in Southeast Asia in 2014 by Private Banker International.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the oldest and most established life insurance group in Singapore and Malaysia. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia.

For more information, please visit www.ocbc.com

For more information, please contact:

Koh Ching Ching
Head, Group Corporate Communications
Tel: (65) 6530 4890
Fax: (65) 6535 7477

Collins Chin
Head, Investor Relations
Tel: (65) 6679 5497
Fax: (65) 6532 6001

To Our Shareholders

The Board of Directors of Oversea-Chinese Banking Corporation Limited ("OCBC") reports the following:

Unaudited Financial Results for the First Quarter Ended 31 March 2015

For the first quarter ended 31 March 2015, Group reported net profit after tax was S\$993 million. Details of the financial results are in the accompanying Group Financial Report.

Ordinary Dividend

No interim dividend on ordinary shares has been declared for the first quarter ended 31 March 2015.

Preference Dividend

The Board of Directors has declared payment of semi-annual tax exempt dividends on its non-cumulative non-convertible preference shares as follows: Class G Preference Shares at 4.2% (2014: 4.2%) per annum and Class M Preference Shares at 4.0% (2014: 4.0%) per annum. These semi-annual dividends, computed for the period 20 December 2014 to 19 June 2015 (both dates inclusive) will be paid on 22 June 2015. Total amounts of dividend payable for the Class G and Class M Preference Shares are S\$8.3 million and S\$19.9 million respectively.

Notice is hereby given that the Transfer Books and the Registers of Preference Shareholders will be closed from 4 June 2015 to 5 June 2015 (both dates inclusive). Duly completed transfers received by the Bank's Share Registrar, M & C Services Private Limited of 112 Robinson Road #05-01 Singapore 068902 up to 5.00 p.m. on 3 June 2015 will be registered to determine the entitlement of the preference shareholders to the semi-annual dividends.

Peter Yeoh
Secretary

Singapore, 30 April 2015

More details on the results are available on the Bank's website at www.ocbc.com

Oversea-Chinese Banking Corporation Limited
First Quarter 2015 Group Financial Report



Incorporated in Singapore
Company Registration Number: 193200032W

CONTENTS

Financial Summary	2
Financial Review	
Net Interest Income	5
Non-Interest Income	7
Operating Expenses	8
Allowances for Loans and Other Assets	9
Loans and Advances	10
Non-Performing Assets	11
Cumulative Allowances for Assets	13
Deposits	14
Debt Issued	14
Capital Adequacy Ratios	15
Leverage Ratio	16
Unrealised Valuation Surplus	16
Performance by Business Segment	17
Performance by Geographical Segment	21
Financial Statements	
Consolidated Income Statement (Unaudited)	22
Consolidated Statement of Comprehensive Income (Unaudited)	23
Balance Sheets (Unaudited)	24
Statement of Changes in Equity – Group (Unaudited)	25
Statement of Changes in Equity – Bank (Unaudited)	26
Consolidated Cash Flow Statement (Unaudited)	27
Share Capital and Options on Shares in the Bank	28
Other Matters	29
Subsequent Event	29
Attachment: Confirmation by the Board	

Notes:

1. Certain comparative figures have been restated to conform with the current period's presentation.
2. Amounts less than S\$0.5 million are shown as "0".
3. "nm" denotes not meaningful.

FINANCIAL SUMMARY

OCBC Group prepares its financial statements in accordance with the Singapore Financial Reporting Standards (“FRS”) as required by the Singapore Companies Act, including the modification to FRS 39 *Financial Instruments: Recognition and Measurement* requirement on loan loss provisioning under Notice to Banks No. 612 “Credit Files, Grading and Provisioning” issued by the Monetary Authority of Singapore.

The following new/revised financial reporting standards and interpretations were applied with effect from 1 January 2015:

FRS 19 (Amendments): *Defined Benefits Plans: Employee Contributions*
Improvements to FRSs 2014

The initial application of the above standards (including their consequential amendments) and interpretations did not have any material impact on the Group’s financial statements.

There are a number of new/revised financial reporting standards in issue but not yet effective. They are not expected to have a material impact on the Group’s financial statements when adopted except for FRS 109: *Financial Instruments*. FRS 109 is effective from 1 January 2018.

Financial Results

Group net profit after tax was S\$993 million for the first quarter ended 31 March 2015 (“1Q15”), an increase of 11% as compared with S\$899 million a year ago (“1Q14”) and 26% higher than S\$791 million the previous quarter (“4Q14”). The strong results were underpinned by strong growth in the Group’s customer-related businesses across a more diversified earnings base, with our key markets of Singapore, Malaysia, Indonesia and Greater China all delivering positive profit growth. The first quarter results included the consolidation of OCBC Wing Hang Bank, which became a subsidiary in the third quarter of 2014.

Net interest income rose 15% to S\$1.25 billion, compared with S\$1.09 billion in 1Q14, underpinned by strong asset growth. Non-interest income was S\$859 million in 1Q15, 7% higher than S\$800 million a year ago. Fee and commission income grew 12% to S\$395 million, compared with S\$353 million in 1Q14, mainly attributable to higher wealth management, brokerage, fund management and trade fees. Net trading income of S\$123 million was higher than S\$99 million a year ago, while profit from life assurance of S\$199 million was up 9% from S\$183 million in 1Q14. Share of results of associates and joint ventures increased to S\$89 million from S\$17 million a year ago, largely attributable to contribution from Bank of Ningbo when it became a 20%-owned associated company of the Group on 30 September 2014.

Operating expenses, including OCBC Wing Hang, increased 24% to S\$873 million from S\$706 million the previous year. Allowances for loans and other assets were S\$64 million for the quarter as compared with S\$41 million a year ago. The Group’s non-performing loans (“NPL”) ratio was 0.6%, an improvement as compared with 0.7% in 1Q14.

Compared with 4Q14, Group net profit after tax was 26% higher from S\$791 million, mainly attributable to higher fee income, net trading income and profit from life assurance, as well as lower operating expenses and net allowances.

Annualised return on equity was 13.2% in 1Q15, compared with 14.9% in 1Q14 and 10.6% the previous quarter. Annualised earnings per share was 99.7 cents, compared with 101.6 cents a year ago and 77.4 cents in 4Q14. The decline in both ratios from a year ago were mainly attributable to the fully-subscribed 1-for-8 rights issue in the third quarter of 2014.

FINANCIAL SUMMARY *(continued)*

S\$ million	1Q15	1Q14	+ / (-) %	4Q14	+ / (-) %
Selected Income Statement Items					
Net interest income	1,249	1,087	15	1,277	(2)
Non-interest income	859	800	7	762	13
Total income	2,108	1,887	12	2,039	3
Operating expenses	(873)	(706)	24	(922)	(5)
Operating profit before allowances and amortisation	1,235	1,181	5	1,117	11
Amortisation of intangible assets	(24)	(14)	72	(32)	(24)
Allowances for loans and impairment for other assets	(64)	(41)	56	(154)	(59)
Operating profit after allowances and amortisation	1,147	1,126	2	931	23
Share of results of associates and joint ventures	89	17	417	64	40
Profit before income tax	1,236	1,143	8	995	24
Net profit attributable to shareholders	993	899	11	791	26
Cash basis net profit attributable to shareholders ^{1/}	1,017	913	12	823	24

Selected Balance Sheet Items

Ordinary equity	31,044	24,648	26	29,701	5
Total equity <i>(excluding non-controlling interests)</i>	32,439	26,043	25	31,097	4
Total assets	404,156	343,638	18	401,226	1
Assets excluding life assurance fund investment assets	345,524	289,395	19	343,940	–
Loans and bills receivable <i>(net of allowances)</i>	207,826	173,456	20	207,535	–
Deposits of non-bank customers	250,309	199,403	26	245,519	2

Note:

1. Excludes amortisation of intangible assets.

FINANCIAL SUMMARY (continued)

	1Q15	1Q14	4Q14
Key Financial Ratios			
Performance ratios (% p.a.)			
Return on equity ^{1/2/}			
SFRS ^{3/} basis	13.2	14.9	10.6
Cash basis	13.5	15.2	11.1
Return on assets ^{4/}			
SFRS ^{3/} basis	1.16	1.27	0.93
Cash basis	1.19	1.29	0.97
Revenue mix/efficiency ratios (%)			
Net interest margin (annualised)	1.62	1.70	1.67
Net interest income to total income	59.3	57.6	62.6
Non-interest income to total income	40.7	42.4	37.4
Cost to income	41.4	37.4	45.2
Loans to deposits	83.0	87.0	84.5
NPL ratio	0.6	0.7	0.6
Earnings per share ^{2/5/} (annualised - cents)			
Basic earnings	99.7	101.6	77.4
Basic earnings (cash basis)	102.2	103.2	80.6
Diluted earnings	99.6	101.5	77.3
Net asset value per share (S\$) ^{5/}			
Before valuation surplus	7.80	7.23	7.46
After valuation surplus	9.99	8.63	9.53
Capital adequacy ratios (%) ^{6/}			
Common Equity Tier 1	13.5	14.4	13.8
Tier 1	13.5	14.4	13.8
Total	15.5	15.6	15.9
Leverage ratio (%) ^{7/}	7.2	na	na

Notes:

1. Preference equity and non-controlling interests are not included in the computation for return on equity.
2. Calculated based on net profit less preference dividends paid and estimated to be due at the end of the financial period.
3. "SFRS" refers to Singapore Financial Reporting Standards.
4. Computation of return on assets excludes life assurance fund investment assets.
5. Comparatives for per share data were restated for the effects of the 1-for-8 Rights Issue.
6. The Group's Capital adequacy ratios are computed based on Basel III transitional arrangements.
7. The Group's Leverage ratio is computed based on the revised MAS Notice 637 on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore, which took effect on 1 January 2015.
8. Return on equity, return on assets, net interest margin and earnings per share are computed on an annualised basis.
9. "na" denotes not applicable.

NET INTEREST INCOME

Average Balance Sheet

S\$ million	1Q15			1Q14			4Q14		
	Average Balance	Interest	Average Rate ^{4/} %	Average Balance	Interest	Average Rate ^{4/} %	Average Balance	Interest	Average Rate ^{4/} %
Interest earning assets									
Loans and advances to non-bank customers	207,554	1,573	3.07	170,865	1,216	2.89	205,494	1,555	3.00
Placements with and loans to banks	61,769	245	1.61	50,336	246	1.98	53,993	248	1.82
Other interest earning assets ^{1/}	43,542	290	2.70	38,721	245	2.56	44,673	296	2.63
Total	312,865	2,108	2.73	259,922	1,707	2.66	304,160	2,099	2.74
Interest bearing liabilities									
Deposits of non-bank customers	253,363	723	1.16	195,463	484	1.00	238,429	678	1.13
Deposits and balances of banks	15,770	29	0.75	22,584	42	0.75	22,360	39	0.69
Other borrowings ^{2/}	27,687	107	1.56	27,901	94	1.37	28,219	105	1.47
Total	296,820	859	1.17	245,948	620	1.02	289,008	822	1.13
Net interest income/margin ^{3/}		1,249	1.62		1,087	1.70		1,277	1.67

Notes:

1. Comprise corporate debt and government securities.
2. Mainly debt issued.
3. Net interest margin is net interest income as a percentage of interest earning assets.
4. Average rates are computed on an annualised basis.

Net interest income grew 15% to S\$1.25 billion in 1Q15, up from S\$1.09 billion a year ago, led by strong asset growth. The Group continued to strengthen its funding position, attracting new deposits at a faster pace than loan growth. Despite improving customer loan spreads in Singapore, the impact of a lower loans-to-deposits ratio and weaker income from money market gapping activities contributed to an 8 basis points decline in net interest margin to 1.62% from 1.70%.

Compared with 4Q14, net interest income decreased 2% from S\$1.28 billion, as asset growth was offset by a combination of a shorter quarter and a 5 basis points decline in net interest margin.

NET INTEREST INCOME *(continued)*

Volume and Rate Analysis

Increase/(decrease) due to change in: S\$ million	1Q15 vs 1Q14			1Q15 vs 4Q14		
	Volume	Rate	Net change	Volume	Rate	Net change
Interest income						
Loans and advances to non-bank customers	261	96	357	15	36	51
Placements with and loans to banks	56	(57)	(1)	35	(33)	2
Other interest earning assets	30	15	45	(7)	8	1
Total	347	54	401	43	11	54
Interest expense						
Deposits of non-bank customers	144	95	239	41	18	59
Deposits and balances of banks	(13)	0	(13)	(11)	2	(9)
Other borrowings	(1)	14	13	(2)	6	4
Total	130	109	239	28	26	54
Impact on net interest income	217	(55)	162	15	(15)	(0)
Due to change in number of days			–			(28)
Net interest income			162			(28)

NON-INTEREST INCOME

S\$ million	1Q15	1Q14	+ / (-) %	4Q14	+ / (-) %
Fees and commissions					
Brokerage	20	14	49	20	-
Wealth management	129	116	11	111	17
Fund management	29	25	16	29	1
Credit card	31	16	87	32	(4)
Loan-related	75	74	2	77	(3)
Trade-related and remittances	57	53	7	62	(8)
Guarantees	5	5	(1)	6	(11)
Investment banking	19	16	19	16	15
Service charges	18	21	(13)	19	(3)
Others	12	13	(10)	11	1
Sub-total	395	353	12	383	3
Dividends	13	11	13	13	(4)
Rental income	26	17	48	23	12
Profit from life assurance	199	183	9	190	5
Premium income from general insurance	38	40	(5)	42	(9)
Other income					
Net trading income	123	99	25	18	582
Net gain from investment securities	43	52	(16)	65	(33)
Net gain/(loss) from disposal of interests in subsidiaries, associates and joint venture	-	32	(100)	(0)	(100)
Net gain from disposal of properties	4	0	nm	7	(48)
Others	18	13	36	21	(13)
Sub-total	188	196	(4)	111	70
Total non-interest income	859	800	7	762	13
Fees and commissions/Total income	18.7%	18.7%		18.8%	
Non-interest income/Total income	40.7%	42.4%		37.4%	

Non-interest income for 1Q15 was S\$859 million, 7% higher as compared with S\$800 million a year ago, supported by growth in fee and commission income, net trading income and insurance income.

Fees and commissions for the quarter increased 12% to S\$395 million from S\$353 million a year ago, led by growth in wealth management, brokerage, fund management and trade fees. Net trading income, primarily treasury-related income from customer flows, was S\$123 million, up from S\$99 million in 1Q14, while net gains from the sale of investment securities of S\$43 million for the quarter were down from S\$52 million a year ago. Profit from life assurance was S\$199 million in 1Q15, representing a 9% increase from S\$183 million in 1Q14, mainly attributable to better operating profit from Great Eastern Holdings ("GEH") and mark-to-market gains in its Non-participating Fund.

Compared with 4Q14, non-interest income was up 13% from S\$762 million, as higher fee income, net trading income and profit from life assurance more than offset a decline in investment income.

OPERATING EXPENSES

S\$ million	1Q15	1Q14	+ / (-) %	4Q14	+ / (-) %
Staff costs					
Salaries and other costs	500	400	25	501	–
Share-based expenses	2	3	(26)	1	111
Contribution to defined contribution plans	42	34	25	39	7
	544	437	25	541	1
Property and equipment					
Depreciation	71	53	35	77	(7)
Maintenance and hire of property, plant & equipment	25	20	27	32	(21)
Rental expenses	24	18	31	24	2
Others	52	41	25	60	(14)
	172	132	30	193	(11)
Other operating expenses	157	137	14	188	(17)
Total operating expenses	873	706	24	922	(5)
Group staff strength					
Period end	29,644	25,304	17	29,512	–
Average	29,559	25,289	17	29,445	–
Cost to income ratio	41.4%	37.4%		45.2%	

Operating expenses for the quarter were up 24% to S\$873 million, compared with S\$706 million a year ago, partly contributed by the consolidation of OCBC Wing Hang. Staff costs rose 25% to S\$544 million from S\$437 million in 1Q14, largely from increased staff strength, as well as higher base salaries and incentive compensation. Property and equipment-related expenses increased 30% to S\$172 million, compared with S\$132 million a year ago, mainly a result of higher depreciation expenses. Other operating expenses were S\$157 million for the quarter, up 14% from S\$137 million in 1Q14, largely attributable to higher business promotion and volume-driven expenses. Excluding OCBC Wing Hang, operating expenses grew 9%, mainly from higher staff costs and increased headcount to support the growth of the Group's franchise in its key markets.

Compared with 4Q14, operating expenses were 5% lower from S\$922 million, largely a result of lower property and equipment-related expenses, and a decrease in communication, business promotion and professional expenses. Staff-related costs were relatively stable quarter-on-quarter.

The cost-to-income ratio was 41.4% for 1Q15.

ALLOWANCES FOR LOANS AND OTHER ASSETS

S\$ million	1Q15	1Q14	+/(-) %	4Q14	+/(-) %
Specific allowances for loans					
Singapore	16	10	63	15	3
Malaysia	10	12	(18)	35	(71)
Greater China	7	0	nm	12	(40)
Others	12	1	nm	9	34
	45	23	96	71	(37)
Portfolio allowances for loans	20	17	14	73	(73)
Allowances and impairment charges/(write-back) for other assets	(1)	1	(270)	10	(111)
Allowances for loans and impairment for other assets	64	41	56	154	(59)

Allowances for loans and other assets were S\$64 million in 1Q15, higher as compared with S\$41 million a year ago, but lower than S\$154 million in 4Q14.

Specific allowances for loans, net of recoveries and writebacks were S\$45 million, compared with S\$23 million a year ago. Specific allowances remained low at 9 basis points of loans on an annualised basis. Compared with 4Q14, specific allowances declined 37% from S\$71 million.

Portfolio allowances for loans were S\$20 million for 1Q15, up 14% as compared with S\$17 million a year ago but lower than S\$73 million in the previous quarter.

LOANS AND ADVANCES

S\$ million	31 Mar 2015	31 Dec 2014	31 Mar 2014
Loans to customers	195,873	193,610	155,644
Bills receivable	14,283	16,212	19,601
Gross loans to customers	210,156	209,822	175,245
Allowances			
Specific allowances	(350)	(332)	(233)
Portfolio allowances	(1,929)	(1,897)	(1,534)
	207,877	207,593	173,478
Less: assets pledged	(51)	(58)	(22)
Loans net of allowances	207,826	207,535	173,456
By Maturity			
Within 1 year	79,016	80,265	69,716
1 to 3 years	31,709	32,387	26,318
Over 3 years	99,431	97,170	79,211
	210,156	209,822	175,245
By Industry			
Agriculture, mining and quarrying	8,208	8,750	6,711
Manufacturing	13,216	12,746	10,283
Building and construction	32,440	32,175	24,330
Housing loans	55,392	54,207	42,771
General commerce	29,293	30,218	28,895
Transport, storage and communication	12,083	12,365	10,622
Financial institutions, investment and holding companies	25,394	25,360	23,704
Professionals and individuals	22,436	22,511	18,600
Others	11,694	11,490	9,329
	210,156	209,822	175,245
By Currency			
Singapore Dollar	75,726	76,613	73,416
United States Dollar	52,828	55,697	48,956
Malaysian Ringgit	23,084	23,040	21,443
Indonesian Rupiah	5,224	5,282	5,032
Hong Kong Dollar	28,395	25,770	6,311
Chinese Renminbi	10,007	10,229	6,971
Others	14,892	13,191	13,116
	210,156	209,822	175,245
By Geography ^{1/}			
Singapore	85,724	86,700	83,075
Malaysia	28,711	28,909	26,515
Indonesia	14,166	13,982	12,758
Greater China	57,121	55,585	29,516
Other Asia Pacific	9,371	9,218	8,746
Rest of the World	15,063	15,428	14,635
	210,156	209,822	175,245

Note:

- Loans by geography are based on where the credit risks reside, which may be different from the borrower's country of residence or the booking location of the loans.

Gross loans to customers was S\$210 billion as at 31 March 2015, up 20% from S\$175 billion a year ago and higher quarter-on-quarter. The consolidation of OCBC Wing Hang contributed S\$28.6 billion to the total year-on-year growth of S\$34.9 billion. Excluding OCBC Wing Hang, loan growth of 4% year-on-year was across most key customer segments and geographies, with the largest increases coming from housing loans, and loans to building and construction companies.

NON-PERFORMING ASSETS

S\$ million	Total NPAs ^{1/}	Substandard	Doubtful	Loss	Secured NPAs/ Total NPAs %	NPLs ^{2/}	NPL Ratio ^{2/} %
Singapore							
31 Mar 2015	388	183	103	102	78.6	388	0.5
31 Dec 2014	274	72	116	86	71.1	274	0.3
31 Mar 2014	207	49	77	81	70.3	207	0.2
Malaysia							
31 Mar 2015	496	358	104	34	71.3	474	1.6
31 Dec 2014	532	378	117	37	70.1	507	1.8
31 Mar 2014	555	351	164	40	61.8	536	2.0
Indonesia							
31 Mar 2015	103	6	11	86	41.4	103	0.7
31 Dec 2014	98	26	7	65	39.8	98	0.7
31 Mar 2014	53	9	3	41	57.0	53	0.4
Greater China							
31 Mar 2015	202	105	17	80	81.1	202	0.4
31 Dec 2014	185	101	27	57	81.2	185	0.3
31 Mar 2014	107	101	2	4	89.3	95	0.3
Other Asia Pacific							
31 Mar 2015	122	109	13	–	65.0	122	1.3
31 Dec 2014	180	168	12	–	77.2	180	2.0
31 Mar 2014	252	213	39	–	61.2	250	2.9
Rest of the World							
31 Mar 2015	68	21	46	1	38.8	57	0.4
31 Dec 2014	48	43	4	1	10.1	35	0.2
31 Mar 2014	56	47	8	1	20.1	50	0.3
Group							
31 Mar 2015	1,379	782	294	303	70.4	1,346	0.6
31 Dec 2014	1,317	788	283	246	68.4	1,279	0.6
31 Mar 2014	1,230	770	293	167	63.4	1,191	0.7

Notes:

1. Comprise non-bank loans, debt securities and contingent liabilities.
2. Exclude debt securities and contingent liabilities.

NON-PERFORMING ASSETS (continued)

The Group's asset quality remained healthy. Non-performing assets ("NPAs") were S\$1.38 billion as at 31 March 2015, up 12% from S\$1.23 billion a year ago. Excluding the consolidation of OCBC Wing Hang, the Group's NPAs rose 3% from 31 March 2014. By geography, the increase was mainly from Singapore, Indonesia and Greater China (largely from the consolidation of OCBC Wing Hang), partly offset by declines in Other Asia Pacific and Malaysia. Excluding the consolidation of OCBC Wing Hang, the increase in NPAs by industry segment was mainly from the transport, storage and communication sector.

The Group's NPL ratio was 0.6%, an improvement from 0.7% a year ago and unchanged from the previous quarter.

Total NPAs as at 31 March 2015, which included classified debt securities and contingent liabilities, were S\$1.38 billion, an increase of 5% from S\$1.32 billion in the previous quarter. Of the total NPAs, 57% were in the substandard category and 70% were secured by collateral.

	31 Mar 2015		31 Dec 2014		31 Mar 2014	
	S\$ million	% of loans	S\$ million	% of loans	S\$ million	% of loans
NPLs by Industry						
Loans and advances						
Agriculture, mining and quarrying	29	0.4	8	0.1	9	0.1
Manufacturing	318	2.4	302	2.4	331	3.2
Building and construction	79	0.2	173	0.5	164	0.7
Housing loans	288	0.5	274	0.5	253	0.6
General commerce	159	0.5	152	0.5	123	0.4
Transport, storage and communication	260	2.2	174	1.4	106	1.0
Financial institutions, investment and holding companies	31	0.1	24	0.1	39	0.2
Professionals and individuals	110	0.5	103	0.5	93	0.5
Others	72	0.6	69	0.6	73	0.8
Total NPLs	1,346	0.6	1,279	0.6	1,191	0.7
Classified debt securities	5		5		4	
Classified contingent liabilities	28		33		35	
Total NPAs	1,379		1,317		1,230	

	31 Mar 2015		31 Dec 2014		31 Mar 2014	
	S\$ million	%	S\$ million	%	S\$ million	%
NPLs by Period Overdue						
Over 180 days	499	36	476	36	335	27
Over 90 to 180 days	259	19	146	11	132	11
30 to 90 days	124	9	122	9	130	11
Less than 30 days	13	1	22	2	53	4
Not overdue	484	35	551	42	580	47
	1,379	100	1,317	100	1,230	100

	31 Mar 2015		31 Dec 2014		31 Mar 2014	
	Loan	Allowance	Loan	Allowance	Loan	Allowance
Restructured Loans						
Substandard	26	2	81	2	130	3
Doubtful	31	25	39	24	26	17
Loss	17	6	4	3	2	1
	74	33	124	29	158	21

CUMULATIVE ALLOWANCES FOR ASSETS

S\$ million	Total cumulative allowances	Specific allowances	Portfolio allowances	Specific allowances as % of total NPAs	Cumulative allowances as % of total NPAs
				%	%
Singapore					
31 Mar 2015	755	76	679	19.5	194.4
31 Dec 2014	746	70	676	25.6	272.8
31 Mar 2014	695	48	647	23.4	336.2
Malaysia					
31 Mar 2015	538	134	404	27.0	108.4
31 Dec 2014	549	150	399	28.1	103.2
31 Mar 2014	465	122	343	22.0	83.8
Indonesia					
31 Mar 2015	220	42	178	41.4	213.3
31 Dec 2014	207	40	167	41.2	210.7
31 Mar 2014	193	29	164	54.2	361.6
Greater China					
31 Mar 2015	539	51	488	25.3	266.6
31 Dec 2014	511	45	466	24.5	275.8
31 Mar 2014	203	1	202	1.0	190.9
Other Asia Pacific					
31 Mar 2015	122	25	97	20.2	99.8
31 Dec 2014	115	24	91	13.3	63.6
31 Mar 2014	129	42	87	16.4	50.9
Rest of the World					
31 Mar 2015	112	29	83	42.7	165.2
31 Dec 2014	119	21	98	44.1	248.4
31 Mar 2014	99	8	91	14.7	174.1
Group					
31 Mar 2015	2,286	357	1,929	25.9	165.7
31 Dec 2014	2,247	350	1,897	26.6	170.6
31 Mar 2014	1,784	250	1,534	20.3	145.0

As at 31 March 2015, the Group's total cumulative allowances for assets were S\$2.29 billion, comprising S\$357 million in specific allowances and S\$1.93 billion in portfolio allowances. Total cumulative allowances were 166% of total NPAs and 559% of unsecured NPAs, higher as compared with the respective ratios of 145% and 396% a year ago. The higher coverage was partly attributable to the consolidation of OCBC Wing Hang's cumulative allowances.

DEPOSITS

S\$ million	31 Mar 2015	31 Dec 2014	31 Mar 2014
Deposits of non-bank customers	250,309	245,519	199,403
Deposits and balances of banks	18,515	20,503	22,093
	268,824	266,022	221,496
Loans to deposits ratio (net non-bank loans/non-bank deposits)	83.0%	84.5%	87.0%
S\$ million	31 Mar 2015	31 Dec 2014	31 Mar 2014
Total Deposits By Maturity			
Within 1 year	264,002	261,000	216,386
1 to 3 years	2,392	2,691	3,447
Over 3 years	2,430	2,331	1,663
	268,824	266,022	221,496
Non-Bank Deposits By Product			
Fixed deposits	112,896	109,104	79,763
Savings deposits	41,631	39,913	33,128
Current account	72,173	69,572	61,263
Others	23,609	26,930	25,249
	250,309	245,519	199,403
Non-Bank Deposits By Currency			
Singapore Dollar	91,235	91,520	93,141
United States Dollar	64,740	62,333	46,102
Malaysian Ringgit	26,062	25,583	24,340
Indonesian Rupiah	5,383	5,235	4,698
Hong Kong Dollar	24,165	22,120	3,919
Chinese Renminbi	13,652	13,689	5,944
Others	25,072	25,039	21,259
	250,309	245,519	199,403

Non-bank customer deposits as at 31 March 2015 of S\$250 billion were 26% higher than S\$199 billion a year ago, and increased 2% from S\$246 billion the previous quarter. OCBC Wing Hang's deposits of S\$35.5 billion accounted for 14% of total customer deposits as of 31 March 2015. Excluding OCBC Wing Hang, the year-on-year customer deposit growth of 8% was led by an increase in fixed deposits, savings deposits and current account, which grew by 11%, 11% and 10% respectively. The ratio of current and savings deposits to total non-bank deposits was 45.5% as at 31 March 2015. The Group's loans-to-deposits ratio, which includes OCBC Wing Hang, was 83.0% as compared with 87.0% a year ago and 84.5% in the previous quarter. As at 31 March 2015, the Singapore dollar and all-currency liquidity coverage ratios for the Group (excluding OCBC Wing Hang) were 273% and 117% respectively, higher as compared to the respective regulatory ratios of 100% and 60%. OCBC Wing Hang's liquidity coverage ratios will be incorporated into the overall Group position in due course.

DEBT ISSUED

S\$ million	31 Mar 2015	31 Dec 2014	31 Mar 2014
Subordinated debt (unsecured)	6,606	6,359	3,690
Fixed and floating rate notes (unsecured)	4,572	5,903	4,761
Commercial papers (unsecured)	13,116	15,598	18,238
Structured notes (unsecured)	1,093	999	882
Total	25,387	28,859	27,571
Debt Issued By Maturity			
Within one year	14,377	18,580	21,792
Over one year	11,010	10,279	5,779
Total	25,387	28,859	27,571

As at 31 March 2015, the Group had S\$13.1 billion of commercial papers outstanding. The commercial papers form part of the Group's diversified funding sources.

CAPITAL ADEQUACY RATIOS

S\$ million	31 Mar 2015	31 Dec 2014	31 Mar 2014
Ordinary shares	12,330	12,356	8,064
Disclosed reserves/others	18,871	17,512	16,768
Regulatory adjustments	(4,545)	(3,889)	(2,067)
Common Equity Tier 1 Capital	26,656	25,979	22,765
Additional Tier 1 capital	3,023	3,438	3,438
Regulatory adjustments	(3,023)	(3,438)	(3,438)
Tier 1 Capital	26,656	25,979	22,765
Tier 2 capital	6,117	5,963	3,428
Regulatory adjustments	(2,197)	(2,015)	(1,597)
Total Eligible Capital	30,576	29,927	24,596
Risk Weighted Assets	196,769	188,108	157,078
Capital Adequacy Ratios			
Common Equity Tier 1	13.5%	13.8%	14.4%
Tier 1	13.5%	13.8%	14.4%
Total	15.5%	15.9%	15.6%

Note:

- Public disclosures required under MAS Notice 637 Part XI can be found in the Capital and Regulatory Disclosures section of the Bank's investor relations website (http://www.ocbc.com/group/investors/Cap_and_Reg_Disclosures.html).

The Group remains strongly capitalised, with a Common Equity Tier 1 ("CET1") capital adequacy ratio ("CAR") of 13.5%, and Tier 1 CAR and total CAR of 13.5% and 15.5% respectively. These ratios, based on Basel III transitional arrangements, were well above the regulatory minima of 6.5%, 8% and 10%, respectively, for 2015. Compared with 31 December 2014, the Group's CAR was lower, largely attributable to an increase in risk weighted assets.

The Group's CET1 CAR, based on Basel III rules which will be effective from 1 January 2018, was 10.7%.

The capital adequacy information of the Group's significant banking subsidiaries as at 31 March 2015 were:

S\$ million	Total Risk Weighted Assets	Capital Adequacy Ratios		
		Common Equity Tier 1	Tier 1	Total
OCBC Wing Hang Bank Limited	20,196	11.0%	11.0%	14.1%
OCBC Bank (Malaysia) Berhad	13,351	12.5%	14.0%	15.6%
Bank OCBC NISP	9,005	na	17.8%	19.2%

Note:

- "na" denotes not applicable.

The capital adequacy ratios of OCBC Wing Hang Bank Limited are computed in accordance with the Banking (Capital) Rules issued by the Hong Kong Monetary Authority, and the ratios for OCBC Bank (Malaysia) Berhad are computed in accordance with the Capital Adequacy Framework (Capital Components) issued by Bank Negara Malaysia. Bank OCBC NISP computes their ratios based on the standardised approach under the Basel II framework. The computed CET1 CAR as at 31 March 2015 for Bank OCBC NISP based on Basel II rules would be 17.8%.

LEVERAGE RATIO

S\$ million	31 Mar 2015
Tier 1 Capital	26,656
Total exposures	368,544
Leverage ratio	7.2%

Note:

- Public disclosures required under MAS Notice 637 Part XI Division 3 Sub-division 11: Leverage ratio can be found in the Capital and Regulatory Disclosures section of the Bank's Investor Relations website (http://www.ocbc.com/group/investors/Cap_and_Reg_Disclosures.html).

In January 2014, the Basel Committee on Banking Supervision ("BCBS") issued the leverage ratio framework and its public disclosure requirements. In line with this, a revised MAS Notice 637 was issued in October 2014 requiring Singapore-incorporated banks to make leverage ratio disclosures with effect from 1 January 2015 to enhance the transparency and comparability of these disclosures across banks.

The leverage ratio is an indicator of capital strength to supplement the risk-based capital requirements and is the ratio of Tier 1 Capital to total exposures (comprising on-balance sheet exposures, derivative exposures, securities financing transaction exposures and off-balance sheet items). As at 31 March 2015, the Group's leverage ratio was 7.2%, above the minimum requirement of 3% which is being tested by BCBS during the parallel run period from 2013 to 2017.

UNREALISED VALUATION SURPLUS

S\$ million	31 Mar 2015	31 Dec 2014	31 Mar 2014
Properties ^{2/}	3,985	3,956	3,462
Equity securities ^{3/}	4,758	4,315	1,938
Total	8,743	8,271	5,400

Notes:

- Includes properties classified as investment properties and assets held for sale. Property values are determined mainly based on external valuations at year-end, with internal reviews performed for other quarters.
- Comprises mainly investments in quoted subsidiaries and an associate, which are valued based on their market prices at the end of each quarter.

The Group's unrealised valuation surplus largely represents the difference between the carrying values of its properties and investments in quoted subsidiaries and an associate, and the property values and market prices of the quoted investments at the respective periods. The carrying values of subsidiaries and associate on the balance sheet are measured at cost plus post-acquisition reserves, while those of properties are measured at cost less accumulated depreciation, and impairment, if any.

The valuation surplus as at 31 March 2015 was S\$8.74 billion and was 6% higher as compared with S\$8.27 billion as at 31 December 2014, mainly attributable to higher equity securities valuation from the Group's equity stakes in GEH and Bank of Ningbo.

PERFORMANCE BY BUSINESS SEGMENT

OCBC Group's businesses are presented in the following customer segments and business activities: Global Consumer/Private Banking, Global Corporate/Investment Banking, Global Treasury and Markets, Insurance and OCBC Wing Hang.

Operating Profit by Business Segment

S\$ million	1Q15	1Q14	+/(-) %	4Q14	+/(-) %
Global Consumer/Private Banking	213	209	2	171	24
Global Corporate/Investment Banking	489	518	(6)	426	15
Global Treasury and Markets	178	184	(3)	111	60
Insurance	234	247	(5)	230	2
OCBC Wing Hang	92	–	–	50	85
Others	(59)	(32)	84	(57)	5
Operating profit after allowances and amortisation	1,147	1,126	2	931	23

Global Consumer/Private Banking

Global Consumer/Private Banking provides a full range of products and services to individual customers. At Global Consumer Banking, the products and services offered include deposit products (checking accounts, savings and fixed deposits), consumer loans (housing loans and other personal loans), credit cards, wealth management products (unit trusts, bancassurance products and structured deposits) and brokerage services. Private Banking caters to the specialised banking needs of high net worth individuals, offering wealth management expertise, including investment advice and portfolio management services, estate and trust planning, and wealth structuring.

Operating profit after allowances increased 2% to S\$213 million in 1Q15, up from S\$209 million a year ago, largely attributable to higher net interest income which was partly offset by an increase in expenses. Compared with 4Q14, operating profit in 1Q15 rose 24% to S\$213 million, led by higher net interest income and fee income as well as lower expenses.

Global Corporate/Investment Banking

Global Corporate/Investment Banking serves institutional customers ranging from large corporates and the public sector to small and medium enterprises. The products and services offered include long-term loans such as project financing, short-term credit such as overdrafts and trade financing, deposit accounts and fee-based services such as cash management and custodian services. Investment Banking comprises a comprehensive range of financing solutions, syndicated loans and advisory services, corporate finance services for initial public offerings, secondary fund-raising, takeovers and mergers, as well as customised and structured equity-linked financing.

PERFORMANCE BY BUSINESS SEGMENT *(continued)*

Global Corporate/Investment Banking's operating profit after allowances fell 6% to S\$489 million in 1Q15, from S\$518 million a year ago, mainly from an increase in expenses and lower gains from investment securities, which was partly offset by growth in net interest income.

1Q15 operating profit rose 15% quarter-on-quarter to S\$489 million, largely attributable to lower allowances which more than offset a decline in net interest income.

Global Treasury and Markets

Global Treasury and Markets is responsible for the management of the Group's asset and liability interest rate positions, engages in foreign exchange activities, money market operations, fixed income and derivatives trading, and offers structured treasury products and financial solutions to meet customers' investment and hedging needs. Income from treasury products and services offered to customers of other business segments, such as Global Consumer/Private Banking and Global Corporate/Investment Banking, is reflected in the respective business segments.

Global Treasury's operating profit fell 3% year-on-year to S\$178 million in 1Q15, mainly from lower net interest income from reduced money market gapping opportunities and an increase in expenses, which more than offset higher net trading income. 1Q15 operating profit was 60% higher at S\$178 million as compared to S\$111 million the previous quarter, driven by an increase in net trading income.

Insurance

The Group's insurance business, including its fund management activities, is undertaken by 87.2%-owned subsidiary GEH and its subsidiaries, which provide both life and general insurance products to its customers mainly in Singapore and Malaysia.

GEH's operating profit after allowances and amortisation was S\$234 million in 1Q15, 5% lower than S\$247 million a year ago, mainly attributable to a one-off gain from partial disposal of GEH's stake in its China joint venture in 1Q14, partly offset by higher insurance income. Quarter-on-quarter, operating profit rose 2% to S\$234 million, led by an increase in insurance income.

After tax and non-controlling interests, GEH's contribution to the Group's core net profit was S\$181 million in 1Q15, lower than the S\$190 million a year ago but higher as compared with S\$169 million in 4Q14.

OCBC Wing Hang

The Group acquired a majority stake in OCBC Wing Hang on 15 July 2014 and it became a wholly-owned subsidiary on 15 October 2014. OCBC Wing Hang offers a comprehensive range of commercial banking and related financial services such as consumer financing, share brokerage and insurance.

OCBC Wing Hang, which was progressively consolidated from July 2014, contributed S\$92 million in 1Q15 to the Group's operating profit after allowances, which was 85% higher than S\$50 million in 4Q14, mainly from improved trading income.

Others

Others comprise mainly property holding, investment holding and items not attributable to the business segments described above.

PERFORMANCE BY BUSINESS SEGMENT *(continued)*

S\$ million	Global Consumer/ Private Banking	Global Corporate/ Investment Banking	Global Treasury And Markets	Insurance	OCBC Wing Hang	Others	Group
1Q15							
Total income	611	747	242	300	215	(7)	2,108
Operating profit before allowances and amortisation	239	503	179	246	109	(41)	1,235
Amortisation of intangible assets	(2)	–	–	(12)	(10)	–	(24)
Allowances and impairment for loans and other assets	(24)	(14)	(1)	(0)	(7)	(18)	(64)
Operating profit after allowances and amortisation	213	489	178	234	92	(59)	1,147
Other information:							
Capital expenditure	9	2	0	10	3	29	53
Depreciation	9	2	0	1	14	45	71
1Q14							
Total income	569	758	244	308	–	8	1,887
Operating profit before allowances and amortisation	230	539	186	259	–	(33)	1,181
Amortisation of intangible assets	(2)	–	–	(12)	–	–	(14)
Write-back/(allowances and impairment) for loans and other assets	(19)	(21)	(2)	(0)	–	1	(41)
Operating profit after allowances and amortisation	209	518	184	247	–	(32)	1,126
Other information:							
Capital expenditure	19	1	0	16	–	48	84
Depreciation	8	3	1	1	–	40	53
4Q14							
Total income	579	766	188	299	187	20	2,039
Operating profit before allowances and amortisation	198	525	121	242	78	(47)	1,117
Amortisation of intangible assets	(3)	–	–	(11)	(18)	–	(32)
Allowances and impairment for loans and other assets	(24)	(99)	(10)	(1)	(10)	(10)	(154)
Operating profit after allowances and amortisation	171	426	111	230	50	(57)	931
Other information:							
Capital expenditure	10	3	1	23	2	74	113
Depreciation	12	3	0	1	13	48	77

PERFORMANCE BY BUSINESS SEGMENT *(continued)*

S\$ million	Global Consumer/ Private Banking	Global Corporate/ Investment Banking	Global Treasury And Markets	Insurance	OCBC Wing Hang	Others	Group
At 31 March 2015							
Segment assets	81,504	118,178	87,116	68,351	43,971	16,318	415,438
Unallocated assets							581
Elimination							(11,863)
Total assets							404,156
Segment liabilities	90,266	111,098	50,808	59,345	37,880	28,965	378,362
Unallocated liabilities							2,507
Elimination							(11,863)
Total liabilities							369,006
Other information:							
Gross non-bank loans	70,038	108,827	1,950	32	28,566	743	210,156
NPAs	359	895	–	5	110	10	1,379
At 31 December 2014							
Segment assets	78,411	121,429	84,886	66,658	41,731	17,117	410,232
Unallocated assets							423
Elimination							(9,429)
Total assets							401,226
Segment liabilities	85,364	114,650	47,883	58,134	35,973	32,191	374,195
Unallocated liabilities							2,275
Elimination							(9,429)
Total liabilities							367,041
Other information:							
Gross non-bank loans	70,225	110,398	1,600	34	26,826	739	209,822
NPAs	342	867	–	5	94	9	1,317
At 31 March 2014							
Segment assets	75,011	120,172	77,366	62,848	–	17,426	352,823
Unallocated assets							216
Elimination							(9,401)
Total assets							343,638
Segment liabilities	82,335	102,688	49,266	54,906	–	32,626	321,821
Unallocated liabilities							2,188
Elimination							(9,401)
Total liabilities							314,608
Other information:							
Gross non-bank loans	66,265	107,215	1,103	33	–	629	175,245
NPAs	329	890	–	4	–	7	1,230

PERFORMANCE BY GEOGRAPHICAL SEGMENT

	1Q15		1Q14		4Q14	
	S\$ million	%	S\$ million	%	S\$ million	%
Total income						
Singapore	1,228	58	1,175	62	1,134	55
Malaysia	348	17	330	18	384	19
Indonesia	134	6	132	7	132	6
Greater China	322	15	173	9	321	16
Other Asia Pacific	36	2	39	2	33	2
Rest of the World	40	2	38	2	35	2
	2,108	100	1,887	100	2,039	100
Profit before income tax						
Singapore	698	57	686	60	546	55
Malaysia	210	17	204	18	188	19
Indonesia	54	4	54	5	52	5
Greater China	237	19	136	12	149	15
Other Asia Pacific	22	2	28	2	26	3
Rest of the World	15	1	35	3	34	3
	1,236	100	1,143	100	995	100

	31 Mar 2015		31 Dec 2014		31 Mar 2014	
	S\$ million	%	S\$ million	%	S\$ million	%
Total assets						
Singapore	218,652	54	221,378	55	212,832	62
Malaysia	67,311	17	65,456	16	62,592	18
Indonesia	12,264	3	11,146	3	10,647	3
Greater China	80,217	20	74,696	19	33,019	10
Other Asia Pacific	9,635	2	9,668	2	10,727	3
Rest of the World	16,077	4	18,882	5	13,821	4
	404,156	100	401,226	100	343,638	100

The geographical segment analysis is based on the location where assets or transactions are booked. For 1Q15, Singapore accounted for 58% of total income and 57% of pre-tax profit, while Malaysia accounted for 17% of total income and pre-tax profit. Greater China, including OCBC Wing Hang, accounted for 15% of total income and 19% of pre-tax profit.

Pre-tax profit for Singapore was S\$698 million in the first quarter, up 2% as compared with S\$686 million in 1Q14, as higher net interest income and fee income more than offset an increase in operating expenses and allowances. Malaysia's pre-tax profit grew 3% to S\$210 million from S\$204 million a year ago, underpinned by net interest income growth, which outpaced higher operating expenses. Pre-tax profit for Greater China, which included the consolidation of OCBC Wing Hang, was S\$237 million in 1Q15, higher than S\$136 million in 1Q14.

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

S\$ million	1Q15	1Q14	+ / (-)	4Q14	+ / (-)
			%		%
Interest income	2,108	1,707	23	2,099	–
Interest expense	(859)	(620)	39	(822)	4
Net interest income	1,249	1,087	15	1,277	(2)
Premium income	1,785	1,761	1	2,160	(17)
Investment income	749	552	36	436	72
Net claims, surrenders and annuities	(1,263)	(1,215)	4	(1,271)	(1)
Change in life assurance fund contract liabilities	(728)	(587)	24	(776)	(6)
Commission and others	(344)	(328)	5	(359)	(4)
Profit from life assurance	199	183	9	190	5
Premium income from general insurance	38	40	(5)	42	(9)
Fees and commissions (net)	395	353	12	383	3
Dividends	13	11	13	13	(4)
Rental income	26	17	48	23	12
Other income	188	196	(4)	111	70
Non-interest income	859	800	7	762	13
Total income	2,108	1,887	12	2,039	3
Staff costs	(544)	(437)	25	(541)	1
Other operating expenses	(329)	(269)	22	(381)	(14)
Total operating expenses	(873)	(706)	24	(922)	(5)
Operating profit before allowances and amortisation	1,235	1,181	5	1,117	11
Amortisation of intangible assets	(24)	(14)	72	(32)	(24)
Allowances for loans and impairment for other assets	(64)	(41)	56	(154)	(59)
Operating profit after allowances and amortisation	1,147	1,126	2	931	23
Share of results of associates and joint ventures	89	17	417	64	40
Profit before income tax	1,236	1,143	8	995	24
Income tax expense	(185)	(185)	(1)	(146)	26
Profit for the period	1,051	958	10	849	24
Profit attributable to:					
Equity holders of the Bank	993	899	11	791	26
Non-controlling interests	58	59	(2)	58	(1)
	1,051	958	10	849	24
Earnings per share (for the period – cents) ^{1/}					
Basic	24.9	25.4		19.2	
Diluted	24.9	25.4		19.1	

Note:

1. Comparatives for per share data were restated for the effects of the 1-for-8 Rights Issue.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

S\$ million	1Q15	1Q14	+ / (-) %	4Q14	+ / (-) %
Profit for the period	1,051	958	10	849	24
Other comprehensive income:					
Available-for-sale financial assets					
Gains/(losses) for the period	251	(57)	538	141	78
Reclassification of (gains)/losses to income statement					
– on disposal	(43)	(29)	(51)	(64)	32
– on impairment	0	(0)	477	1	(68)
Tax on net movements	(40)	2	nm	(21)	(93)
Exchange differences on translating foreign operations	104	90	17	101	4
Defined benefit plans remeasurements ^{1/}	5	(1)	735	2	120
Other comprehensive income of associates and joint ventures	74	(6)	nm	64	15
Total other comprehensive income, net of tax	351	(1)	nm	224	56
Total comprehensive income for the period, net of tax	1,402	957	47	1,073	31
Total comprehensive income attributable to:					
Equity holders of the Bank	1,331	884	50	1,004	33
Non-controlling interests	71	73	(2)	69	2
	1,402	957	47	1,073	31

Note:

- Item that will not be reclassified to income statement.

BALANCE SHEETS (UNAUDITED)

S\$ million	GROUP			BANK		
	31 Mar 2015 [@]	31 Dec 2014	31 Mar 2014 [@]	31 Mar 2015 [@]	31 Dec 2014	31 Mar 2014 [@]
EQUITY						
Attributable to equity holders of the Bank						
Share capital	13,726	13,752	9,460	13,726	13,752	9,460
Capital reserves	555	518	450	95	92	97
Fair value reserves	517	366	411	164	168	89
Revenue reserves	17,641	16,461	15,722	11,224	10,714	10,320
	32,439	31,097	26,043	25,209	24,726	19,966
Non-controlling interests	2,711	3,088	2,987	–	–	–
Total equity	35,150	34,185	29,030	25,209	24,726	19,966
LIABILITIES						
Deposits of non-bank customers	250,309	245,519	199,403	154,218	154,466	145,342
Deposits and balances of banks	18,515	20,503	22,093	15,583	18,512	20,159
Due to subsidiaries	–	–	–	7,806	5,154	4,797
Due to associates	328	294	161	143	149	148
Trading portfolio liabilities	656	707	810	656	707	810
Derivative payables	7,243	6,632	4,198	6,019	5,642	3,561
Other liabilities	5,619	5,029	4,167	1,587	1,534	1,393
Current tax	1,001	898	1,081	455	387	441
Deferred tax	1,506	1,376	1,107	58	62	52
Debt issued	25,387	28,859	27,571	24,534	28,632	27,865
	310,564	309,817	260,591	211,059	215,245	204,568
Life assurance fund liabilities	58,442	57,224	54,017	–	–	–
Total liabilities	369,006	367,041	314,608	211,059	215,245	204,568
Total equity and liabilities	404,156	401,226	343,638	236,268	239,971	224,534
ASSETS						
Cash and placements with central banks	20,525	25,314	17,345	13,350	18,792	11,309
Singapore government treasury bills and securities	10,522	10,100	11,253	9,811	9,424	10,438
Other government treasury bills and securities	11,217	12,149	10,081	4,106	4,944	5,594
Placements with and loans to banks	45,166	41,220	39,914	30,481	28,267	29,913
Loans and bills receivable	207,826	207,535	173,456	129,327	129,823	125,949
Debt and equity securities	24,598	23,466	20,183	13,775	13,184	13,392
Assets pledged	1,507	1,536	1,590	948	1,181	1,319
Assets held for sale	0	2	3	–	–	–
Derivative receivables	6,649	5,919	4,676	5,404	4,931	3,942
Other assets	5,326	4,772	4,073	1,648	1,615	1,354
Deferred tax	117	118	92	44	40	40
Associates and joint ventures	2,262	2,096	345	613	610	155
Subsidiaries	–	–	–	23,809	24,198	18,179
Property, plant and equipment	3,447	3,409	1,911	512	521	514
Investment property	1,146	1,147	735	573	574	569
Goodwill and intangible assets	5,216	5,157	3,738	1,867	1,867	1,867
	345,524	343,940	289,395	236,268	239,971	224,534
Life assurance fund investment assets	58,632	57,286	54,243	–	–	–
Total assets	404,156	401,226	343,638	236,268	239,971	224,534
Net Asset Value Per Ordinary Share^{@ 2/}						
(before valuation surplus – S\$)	7.80	7.46	7.23	5.98	5.86	5.66
OFF-BALANCE SHEET ITEMS						
Contingent liabilities	11,162	12,072	11,822	8,190	8,494	8,119
Commitments	108,583	100,921	82,827	60,947	57,710	54,580
Derivative financial instruments	645,903	604,099	596,108	525,392	502,262	498,111

Notes:

- "@" represents unaudited.
- Comparatives for per share data were restated for the effects of the 1-for-8 Rights Issue.

STATEMENT OF CHANGES IN EQUITY – GROUP (UNAUDITED)

For the three months ended 31 March 2015

S\$ million	Attributable to equity holders of the Bank					Non-controlling interests	Total equity
	Share capital	Capital reserves	Fair value reserves	Revenue reserves	Total		
Balance at 1 January 2015	13,752	518	366	16,461	31,097	3,088	34,185
Total comprehensive income for the period	–	–	151	1,180	1,331	71	1,402
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends to non-controlling interests	–	–	–	–	–	(48)	(48)
Redemption of preference shares by a subsidiary	–	–	–	–	–	(400)	(400)
Share-based staff costs capitalised	–	3	–	–	3	–	3
Share buyback held in treasury	(42)	–	–	–	(42)	–	(42)
Shares vested under DSP Scheme	–	34	–	–	34	–	34
Treasury shares transferred/sold	16	–	–	–	16	–	16
Total contributions by and distributions to owners	(26)	37	–	–	11	(448)	(437)
Balance at 31 March 2015	13,726	555	517	17,641	32,439	2,711	35,150
Included:							
Share of reserves of associates and joint ventures	–	–	31	418	449	(3)	446
Balance at 1 January 2014	9,448	418	493	14,756	25,115	2,964	28,079
Total comprehensive income for the period	–	–	(82)	966	884	73	957
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Dividends to non-controlling interests	–	–	–	–	–	(50)	(50)
Share-based staff costs capitalised	–	3	–	–	3	–	3
Shares vested under DSP Scheme	–	29	–	–	29	–	29
Treasury shares transferred/sold	12	–	–	–	12	–	12
Total contributions by and distributions to owners	12	32	–	–	44	(50)	(6)
Balance at 31 March 2014	9,460	450	411	15,722	26,043	2,987	29,030
Included:							
Share of reserves of associates and joint ventures	–	–	5	122	127	(3)	124

STATEMENT OF CHANGES IN EQUITY – BANK (UNAUDITED)

For the three months ended 31 March 2015

S\$ million	Share capital	Capital reserves	Fair value reserves	Revenue reserves	Total equity
Balance at 1 January 2015	13,752	92	168	10,714	24,726
Total comprehensive income for the period	–	–	(4)	510	506
Share-based staff costs capitalised	–	3	–	–	3
Share buyback held in treasury	(42)	–	–	–	(42)
Treasury shares transferred/sold	16	–	–	–	16
Balance at 31 March 2015	13,726	95	164	11,224	25,209
Balance at 1 January 2014	9,448	94	138	9,645	19,325
Total comprehensive income for the period	–	–	(49)	675	626
Share-based staff costs capitalised	–	3	–	–	3
Treasury shares transferred/sold	12	–	–	–	12
Balance at 31 March 2014	9,460	97	89	10,320	19,966

CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

For the three months ended 31 March 2015

S\$ million	1Q15	1Q14
Cash flows from operating activities		
Profit before income tax	1,236	1,143
Adjustments for non-cash items:		
Amortisation of intangible assets	24	14
Allowances for loans and impairment for other assets	64	41
Change in fair value for hedging transactions and trading and fair value through profit and loss securities	(24)	2
Depreciation of property, plant and equipment and investment property	71	53
Net (gain)/loss on disposal of property, plant and equipment and investment property	(3)	0
Net gain on disposal of government, debt and equity securities	(43)	(52)
Net gain from disposal of a joint venture	–	(32)
Share-based costs	2	3
Share of results of associates and joint ventures	(89)	(17)
Items relating to life assurance fund		
Surplus before income tax	289	238
Surplus transferred from life assurance fund	(199)	(182)
Operating profit before change in operating assets and liabilities	1,328	1,211
Change in operating assets and liabilities:		
Deposits of non-bank customers	4,824	3,423
Deposits and balances of banks	(1,987)	544
Derivative payables and other liabilities	1,519	(1,372)
Trading portfolio liabilities	(51)	(88)
Government securities and treasury bills	609	(635)
Restricted balances with central banks ^{1/}	817	(55)
Trading and fair value through profit and loss securities	(689)	(453)
Placements with and loans to banks	(3,896)	9
Loans and bills receivable	(349)	(5,640)
Derivative receivables and other assets	(1,615)	335
Net change in investment assets and liabilities of life assurance fund	(111)	(72)
Cash from/(used in) operating activities	399	(2,793)
Income tax paid	(90)	(93)
Net cash from/(used in) operating activities	309	(2,886)
Cash flows from investing activities		
Decrease/(increase) in associates and joint ventures	(76)	20
Purchases of debt and equity securities	(3,121)	(2,710)
Purchases of property, plant and equipment and investment property	(53)	(84)
Proceeds from disposal of debt and equity securities	3,053	2,643
Proceeds from disposal of a joint venture	–	63
Proceeds from disposal of property, plant and equipment and investment property	12	3
Net cash used in investing activities	(185)	(65)
Cash flows from financing activities		
Dividends paid to non-controlling interests	(48)	(50)
Redemption of subordinated debt issued	–	(712)
Increase/(decrease) in other debt issued	(3,721)	1,591
Redemption of preference shares by a subsidiary	(400)	–
Proceeds from treasury shares transferred/sold under the Bank's employee share schemes	16	12
Share buyback held in treasury	(42)	–
Net cash (used in)/from financing activities	(4,195)	841
Net currency translation adjustments	99	59
Net change in cash and cash equivalents ^{1/}	(3,972)	(2,051)
Cash and cash equivalents at beginning of period ^{1/}	19,324	14,083
Cash and cash equivalents at end of period ^{1/}	15,352	12,032

Note:

1. Comparative figures have been restated to conform with the current period's presentation.

SHARE CAPITAL AND OPTIONS ON SHARES IN THE BANK

The following table shows movements in the issued ordinary shares of the Bank:

Number of Shares	Three months ended 31 Mar	
	2015	2014
Issued ordinary shares		
Balance at beginning/end of period	3,992,929,319	3,441,176,885
Treasury shares		
Balance at beginning of period	(9,043,268)	(8,367,614)
Share buyback	(3,980,000)	–
Shares sold/transferred to employees pursuant to OCBC Share Option Scheme	2,092,522	1,853,606
Shares sold/transferred to employees pursuant to OCBC Employee Share Purchase Plan	177,949	152,995
Balance at end of period	(10,752,797)	(6,361,013)
Total	3,982,176,522	3,434,815,872

Pursuant to the share purchase mandate approved at the extraordinary general meeting held on 24 April 2014, the Bank purchased a total of 3,980,000 ordinary shares in the first quarter ended 31 March 2015. The ordinary shares were purchased by way of open market acquisitions at prices ranging from S\$10.11 to S\$10.65 per share and the total consideration paid was S\$41,549,875 (including transaction costs).

From 1 January 2015 to 31 March 2015 (both dates inclusive), the Bank utilised 2,092,522 treasury shares upon the exercise of options by employees of the Group pursuant to the OCBC Share Option Scheme 2001 (“SOS 2001”). As of 31 March 2015, the number of options outstanding under the OCBC SOS 2001 was 29,943,450 (31 March 2014: 30,025,456).

From 1 January 2015 to 31 March 2015 (both dates inclusive), the Bank utilised 177,949 treasury shares upon the exercise of acquisition rights by employees of the Group pursuant to OCBC Employee Share Purchase Plan (“ESPP”). As of 31 March 2015, the number of acquisition rights outstanding under the OCBC ESPP was 13,205,743 (31 March 2014: 12,656,214).

No new preference shares were allotted and issued by the Bank in the first quarter ended 31 March 2015.

OTHER MATTERS

1. Pursuant to Rule 920(1) of the Listing Manual, the Bank has not obtained a general mandate from shareholders for Interested Party Transactions.

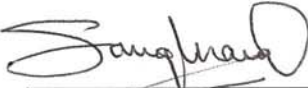
SUBSEQUENT EVENT

1. On 14 April 2015, the Group's insurance subsidiary Great Eastern Holdings Limited ("GEH") announced the sale of 85,000,000 overseas foreign invested ordinary shares in the share capital of New China Life ("H" shares) via private placement for an aggregate sale price of HKD4,305.3 million (S\$762.8 million). The after-tax gain on disposal of the shares which will be recognised by GEH in 2Q 2015 amounts to approximately S\$123 million and the Group's 87.2% share will be about S\$107 million. GEH continues to retain 1.79% interest in the H shares after the disposal.

CONFIRMATION BY THE BOARD

We, Ooi Sang Kuang and Samuel N. Tsien, being directors of Oversea-Chinese Banking Corporation Limited ("the Bank"), do hereby confirm on behalf of the Board of Directors of the Bank, that to the best of our knowledge, nothing has come to our attention which may render the unaudited financial results of the Bank and of the Group for the quarter ended 31 March 2015 to be false or misleading.

On behalf of the Board of Directors



Ooi Sang Kuang
Chairman



Samuel N. Tsien
Chief Executive Officer / Director

29 April 2015