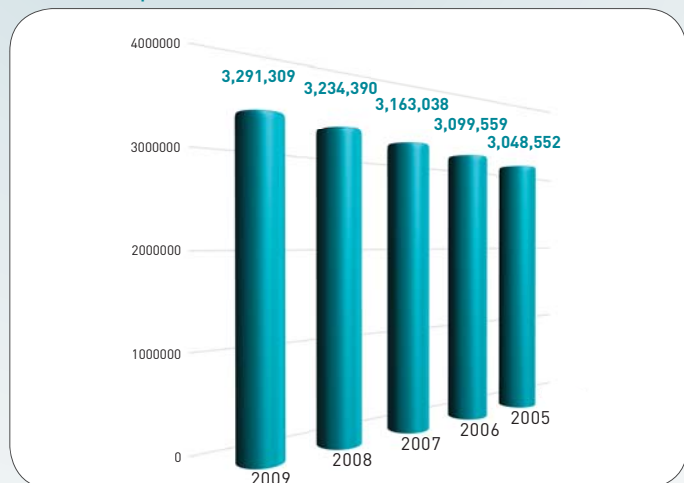


REVIEW OF OPERATIONS

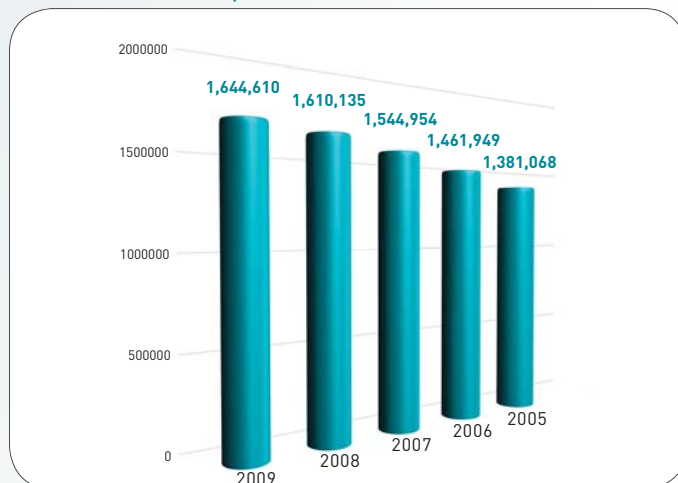
Overview

Membership* as at 31 December



* CPF Member refers to a person who (including self-employed) has a positive balance in any of his CPF accounts.

Active* Membership as at 31 December



* Active CPF Member refers to a person who has at least one contribution paid for him for the current or any of the preceding three months. The figure excludes self-employed persons who are not employees concurrently.

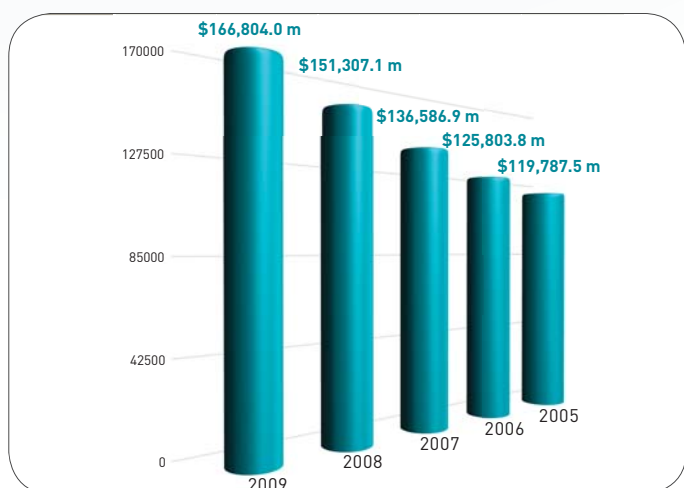
MEMBERSHIP

In 2009, CPF membership rose by 1.8% to 3,291,309 as at 31 December 2009. The number of active members increased by 2.1% to 1,644,610.

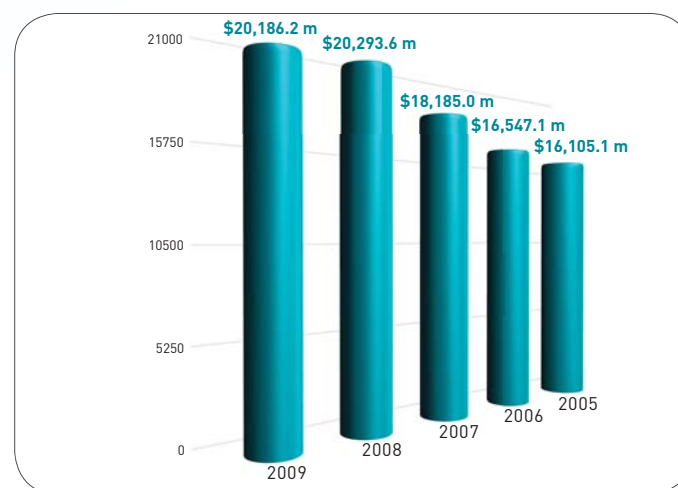
MEMBERS' BALANCE

Total members' balance grew by 10.2 % from \$151,307.1 million in 2008 to \$166,804.0 million in 2009.

Members' Balance as at 31 December



Amount of Contributions Collected and Credited



CPF CONTRIBUTIONS

Contributions to the CPF are made every month by employees and their employers. As at end 2009, 114,837 employers paid CPF contributions for their employees. The amount of contributions collected and credited into members' accounts during the year amounted to \$20,186.2 million, which was a 0.5% drop from the amount of \$20,293.6 million collected in 2008.

The default rate for employers who failed to pay CPF monthly contributions on time increased marginally from 0.55% in 2008 to 0.57% in 2009.

MEMBERS' ACCOUNTS

A CPF member has three accounts with CPF Board before he turns 55 – Ordinary, Special and Medisave Accounts. The allocation of CPF contributions to members' three accounts is as follows:

CPF Contribution and Allocation Rates from 1 July 2007*

Age group	Contribution by Employer (% of Wage)	Contribution by Employee (% of Wage)	Total Contribution (% of Wage)	Ordinary Account (Ratio of Contribution)	Special Account (Ratio of Contribution)	Medisave Account (Ratio of Contribution)
35 years & below	14.5	20	34.5	0.6667	0.1449	0.1884
Above 35 – 45 years	14.5	20	34.5	0.6088	0.1739	0.2173
Above 45 – 50 years	14.5	20	34.5	0.5509	0.2028	0.2463
Above 50 – 55 years	10.5	18	28.5	0.4562	0.2456	0.2982
Above 55 – 60 years	7.5	12.5	20	0.575	0	0.425
Above 60 – 65 years	5	7.5	12.5	0.28	0	0.72
Above 65 years	5	5	10	0.1	0	0.9

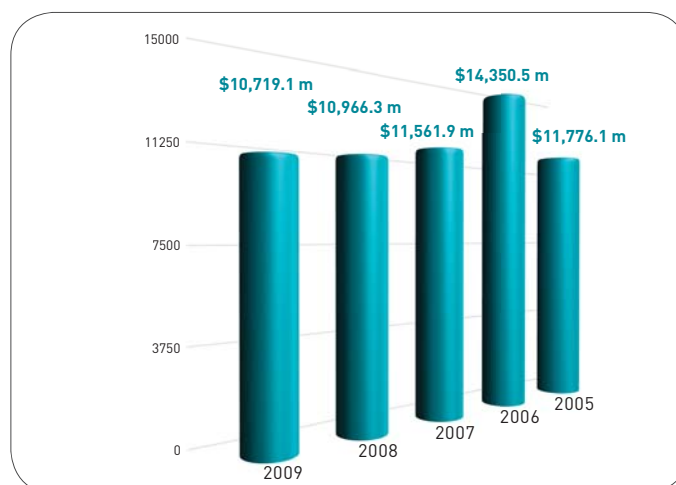
* For employees with monthly wages exceeding \$1,500. For employees with monthly wages not exceeding \$1,500, please refer to Annex D.

From age 55, the member has another account - the Retirement Account. The Retirement Account is used to set aside the member's Minimum Sum, taken from his Special and/or Ordinary Account balances.

CPF WITHDRAWALS

Withdrawals from members' balances totalled \$10,719.1 million in 2009, compared to \$10,966.3 million in the previous year.

Annual Withdrawals*



* Include withdrawals under Section 15 & CPF Schemes

INTEREST EARNED BY MEMBERS

The Ordinary Account (OA) interest rate is calculated based on a weightage of 80% on the 12-month fixed deposit rates and 20% on the savings rates of the major local banks. It is reviewed quarterly to keep up with prevailing market interest rates. In 2009, the interest rate was 2.5% per annum for the OA.

Savings in the Special, Medisave, and Retirement Accounts (SMRA) were pegged to the 12-month average yield of the 10-year Singapore Government Security (10YSGS) plus 1%, subject to a floor rate of 4%. After 31 December 2010, the 2.5% floor rate will apply for all CPF accounts. In 2009, the interest rate was 4% per annum for the SMRA.

Since 1 January 2008, an extra 1% interest has been paid on the first \$60,000 of a member's combined balances, with up to \$20,000 from the OA. The total interest credited into members' accounts in 2009 amounted to \$6,092.6 million, including \$877.3 million of extra interest.