

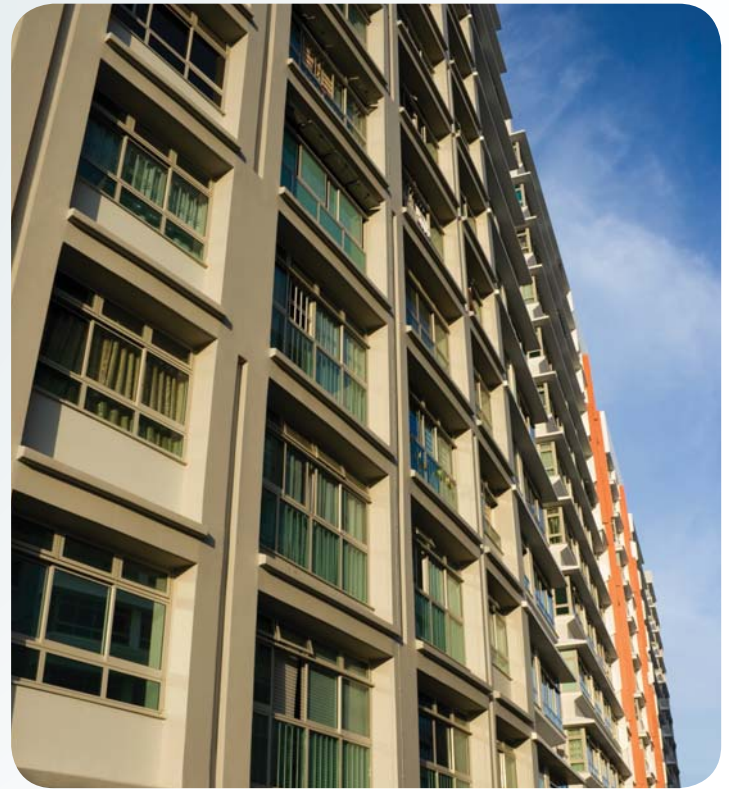
REVIEW OF OPERATIONS

Home Ownership

PUBLIC HOUSING SCHEME

The Public Housing Scheme allows members to use their CPF savings to buy HDB flats and to pay their monthly housing instalments. During the year, \$6,016.4 million was withdrawn by 589,449 members to pay for their HDB flats and to service their HDB housing loans. Since January 2003, members have been allowed to obtain loans from banks to purchase HDB flats. In 2009, 138,404 members used \$1,807.7 million of their CPF to service the bank loans or to buy HDB flats financed with bank loans.

From 1 January 2008, the CPF Withdrawal Limit for members using CPF to service their bank loans has been reduced to 120% of the Valuation Limit (VL). Members will only be able to withdraw beyond 100% of the VL, up to 120% of the VL if they are able to set aside half of the prevailing Minimum Sum. The VL refers to the market value of the flat at the time of purchase or the purchase price, whichever is lower.



RESIDENTIAL PROPERTIES SCHEME

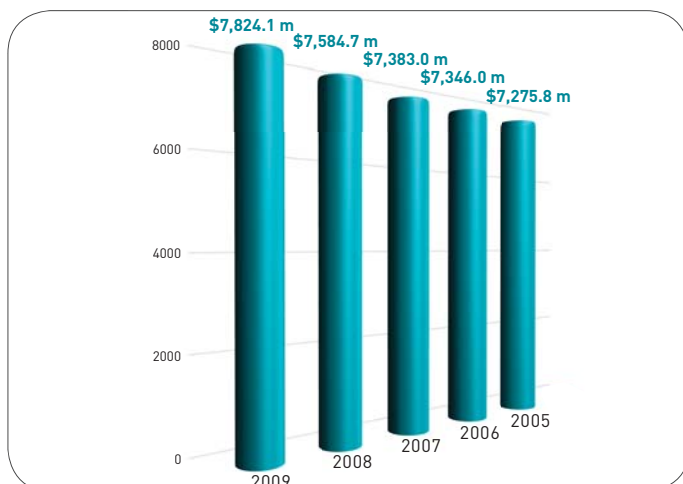
Under the Residential Properties Scheme, members can use their CPF savings to buy private residential properties and executive condominiums, and to pay their housing loan instalments. The CPF Withdrawal Limit for new purchases or housing loans refinanced on or after 1 January 2008 is 120% of the Valuation Limit (VL). Members will only be able to withdraw beyond 100% of the VL, up to 120% of the VL if they are able to set aside half of the prevailing Minimum Sum.

In 2009, the number of applications received for using CPF savings for Residential Properties Scheme increased by 101.7% to 20,932. This was due to a strong property market where many mass market developments were launched. During the year, \$4,410.4 million was withdrawn by 145,066 members to pay for their private properties and to service their housing loans.

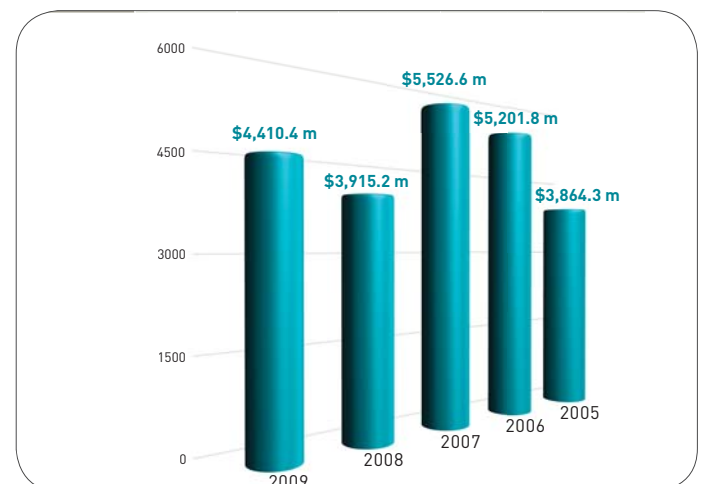
USING CPF FOR MULTIPLE PROPERTIES

Since 1 July 2006, members who already own a property bought with their CPF savings and wish to buy another property with CPF will only be able to do so after setting aside half of the prevailing Minimum Sum. As at 31 December 2009, 23,926 members had to set aside half of the prevailing Minimum Sum before using their CPF savings to buy another property.

Annual Withdrawal (Gross) under Public Housing Scheme



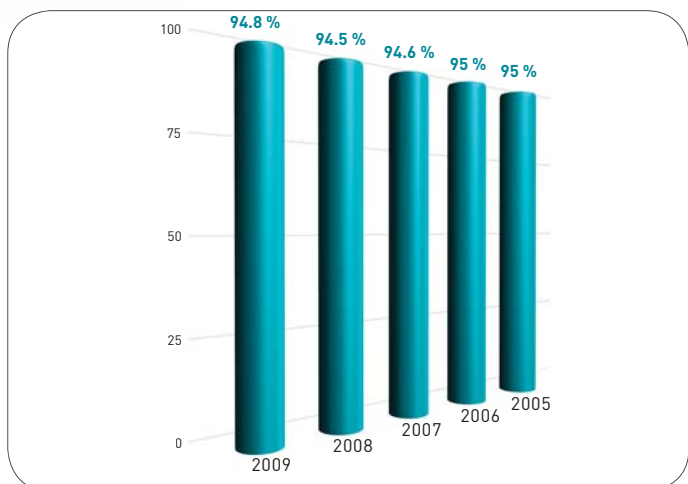
Annual Withdrawal (Gross) under Residential Properties Scheme



CPF REFUND UPON SALE OF PROPERTY BY MEMBERS AGED 55 AND ABOVE

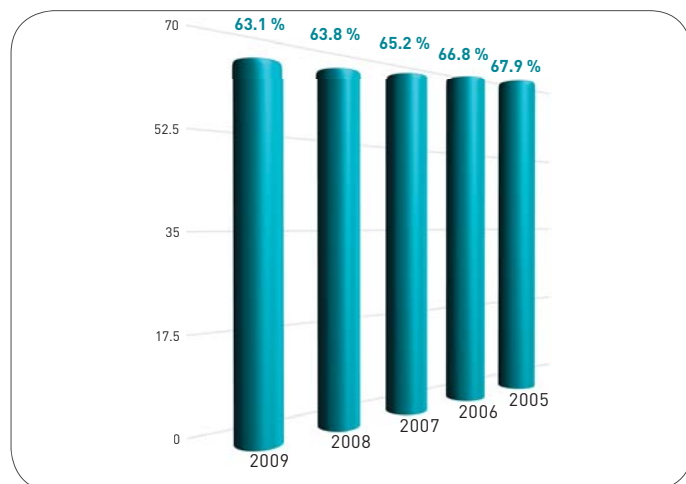
With effect from 1 January 2009, members aged 55 and above who sell their properties that have been bought with their CPF savings are required to refund the sale proceeds to make up their Minimum Sum, up to the amount of CPF savings that had been withdrawn plus the interest that would have been earned on the withdrawn savings. This change is to help members build up their Minimum Sum for their retirement needs. An estimated additional amount of \$15.8 million was returned to the members' Retirement Accounts arising from the new rule.

Percentage of Employees Aged 21 and Above (Singapore NRIC Holders) Who Currently Own Public Housing Properties Bought With CPF Savings as at 31 December*



* The percentage is derived from the number of employees aged 21 and above (Singapore NRIC holders) who currently own public housing properties.

Percentage of Employees Aged 21 and Above (Singapore NRIC Holders) Who Currently Own Residential Properties (Public/Private) Bought with CPF Savings as at 31 December*



* The percentage is derived from the number of employees aged 21 and above (Singapore NRIC holders).

FAMILY PROTECTION

DEPENDANTS' PROTECTION SCHEME

The Dependants' Protection Scheme (DPS) is a term life insurance that provides members and their families with financial help should the insured member become permanently incapacitated, or die before age 60.

DPS is administered by The Great Eastern Life Assurance Company Limited (Great Eastern Life) and NTUC INCOME Insurance Co-operative Limited (NTUC INCOME). The sum assured for DPS is currently \$46,000. DPS members pay an annual premium of between \$36 and \$260, depending on their age, using savings in their Ordinary and/or Special Account(s).

As at 31 December 2009, 1,871,599 members were covered under the scheme, compared to 1,829,835 in 2008. The total sum assured also increased from \$92,462.7 million in 2008 to \$94,117.8 million in 2009.

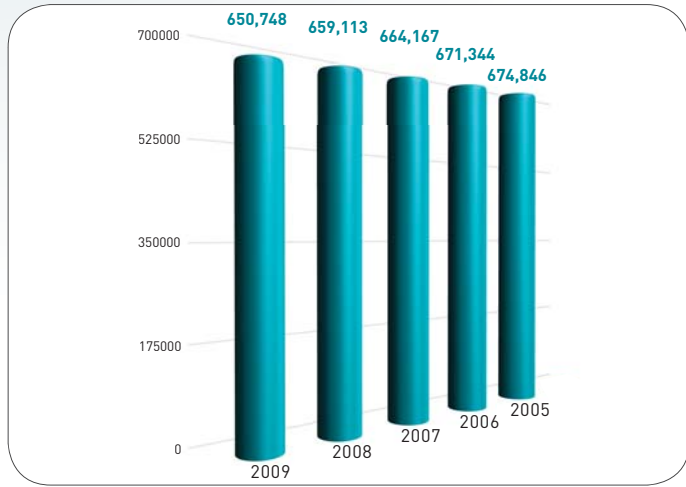
During the year, a total of 2,869 claims were approved and paid. Of these, 2,037 were for death cases and 832 for permanent incapacity cases. The total claim amount approved was \$145.6 million, compared to \$145.4 million for 2,889 approved claims in 2008.

HOME PROTECTION SCHEME

The Home Protection Scheme (HPS) is a compulsory mortgage-reducing insurance scheme to protect the families of members who are using CPF savings to service their housing loans for HDB flats.

As at December 2009, 650,748 persons were covered for a total assured sum of \$87,048.3 million. Although membership decreased by 1.27%, the total sum assured increased by 3.31%, compared to 2008. A total of 1,118 claims amounting to \$100.5 million were approved. This comprised 693 claims for death cases and 425 for permanent incapacity cases.

Cumulative Number of Members Covered under HPS as at 31 December



Sum Assured under HPS as at 31 December

