
NEWS RELEASE

Goldman Sachs and United Overseas Bank Announce USD 1.702 billion Synthetic Investment Grade CDO

Singapore, 13 May 2003 - Goldman Sachs International (Goldman Sachs) and United Overseas Bank (UOB) today announced the closing of the USD1.702 billion Managed Synthetic Investment Grade Collateralised Debt Obligation ("CDO") transaction: 'United Global Investment Grade CDO III'.

This is UOB's third synthetic transaction where the underlying portfolio is a diversified portfolio of US, European and Asian investment grade credit default swaps across a broad spectrum of industries. With this transaction, UOB Asset Management (UOBAM), the Collateral Manager, now manages a total of 13 CDO transactions, with total Assets Under Management (AUM) of US\$10.5 billion.

Mr Terence Ong, Senior Executive Vice President, Global Treasury and Asset Management, United Overseas Bank, said, "This is our third managed synthetic CDO, following our two previous transactions, and it clearly places UOB at the forefront of CDO structuring and management."

"The current economic environment makes this transaction especially attractive to investors seeking enhanced returns to a diversified portfolio of global credits. We also feel that the timing is excellent as we foresee spreads of investment grade corporate credits tightening. Our asset management arm now manages a total of US\$7 billion of CDOs; this demonstrates our commitment to this business. We are glad to have tapped onto Goldman Sachs' structured credit expertise," he added.

Commenting on the transaction, Mr Richard Ong, Co-President of Goldman Sachs Singapore, said, "Goldman Sachs is honored to work with UOB on this landmark transaction, which we understand is the largest synthetic CDO in Non-Japan Asia. This transaction demonstrated UOB's keen ability to capitalise on wide credit spreads in providing attractive returns to investors. We are pleased as this transaction also

represents a milestone in our relationship with UOB and we look forward to partnering with UOB again in the near future."

The CDO will be actively managed by UOBAM, which is responsible for selecting and assessing the quality of the underlying portfolio. UOBAM will also be able to make

replacements to the portfolio throughout the portfolio's lifetime, allowing it to trade out of declining credits and avoid the pitfalls of a static portfolio.

About Goldman Sachs

Goldman Sachs is a leading global investment banking, securities and investment management firm that provides a wide range of services worldwide to a substantial and diversified client base that includes corporations, financial institutions, governments and high net worth individuals. Founded in 1869, it is one of the oldest and largest investment banking firms. The firm is headquartered in New York and maintains offices in London, Tokyo, Hong Kong, Singapore and other major financial centers around the world.

About United Overseas Bank

United Overseas Bank (UOB) is a leading bank in Singapore, providing a wide range of financial services through its global network of 249 offices, branches and subsidiaries in 18 countries and territories in the Asia-Pacific region, Western Europe and North America.

Its banking subsidiary in Singapore is Far Eastern Bank, while its banking subsidiaries in the region are United Overseas Bank (Malaysia), PT Bank UOB Indonesia, UOB Radanasin Bank in Thailand and United Overseas Bank Philippines.

The UOB Group recorded a profit growth of 15.1% for 2002, with Net Profit After Tax reaching S\$1.064 billion. Its ROE (excluding goodwill) stood at 9.8%. Group total assets were S\$107.5 billion and Group shareholders' funds were S\$12.7 billion as at 31 December 2002.

UOB's mission is to be a premier bank in the Asia-Pacific region, committed to providing quality products and excellent customer service.

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