
NEWS RELEASE

United Overseas Bank and Citigroup Announce the Largest Asset Backed Securities CDO Deal in Asia

The First High-Grade ABS CDO by an Asian Asset Manager

29 November 2005, Singapore - United Overseas Bank Limited (UOB) and Citigroup jointly announce the closing of Raffles Place Funding, Ltd, the largest Asset Backed Securities (ABS) CDO by an Asian manager with a deal size of US\$1.005bn. UOB Asset Management (UOBAM) is the collateral manager of Raffles Place Funding, Ltd. The Rule 144A/Reg S global bond offering also marks the first high-grade ABS CDO by an Asian asset manager.

The offering drew strong demand from global investors, an impressive achievement for UOBAM as Raffles Place Funding, Ltd is its first ABS CDO mandate.

The transaction's positive reception stems from UOBAM's strong track record as a CDO manager. Raffles Place Funding marks the 19th CDO that the Singapore-based manager has managed or co-advised since 1998. The transaction is backed by a diversified pool of ABS with an average S&P rating of AA+.

Also integral to the transaction's success is its ability to tap the highly liquid asset-backed commercial paper (ABCP) market, where the commercial paper is placed with institutional investors in the US through ABCP dealers like Citigroup Global Markets and Merrill Lynch. The US\$880m super-senior tranche of the CDO is funded by continuously offered ABCP with maturities ranging from one to ninety days. A Citigroup liquidity facility ensures seamless integration between the short-maturity ABCP and the CDO's long term assets.

Also offered were a US\$35m Class A-1a tranche rated Aaa/ AAA at Libor plus 40bp, a US\$25m Class A-1b tranche rated Aaa/AAA at Libor plus 50bp, a US\$38m Class A-2 tranche rated Aa2/AA at Libor plus 58bp, a Class B tranche rated A2/A at Libor

plus 150bp for US\$5m and a US\$15m Class C tranche rated Baa3 at Libor plus 260bp. These tranches carry an expected weighted average life of 6.6 years.

The final tranche was an unrated US\$7m Preferred Share tranche priced at par. The tranches were placed with a diversified investor base.

“Raffles Place Funding, Ltd signals the on-going transformation of the Singaporean asset manager community from CDO investors into CDO managers, a maturation profile similar to what we have witnessed in the US and European markets. This transaction also shows that Asian investors are now equally receptive of deals managed by Asian CDO managers,” said James Lee, Citigroup Asia, Head of Structured Credit Products.

Terence Ong, Senior Executive Vice President of UOB, Head of Global Treasury and UOB Asset Management added, “This is our Group’s first US ABS CDO transaction after our previous experience with emerging markets and investment grade corporate credits. The positive response from investors to this deal further strengthens our credentials as a multi-asset CDO Manager.”

About United Overseas Bank

UOB is a leading bank in Singapore that provides a wide range of financial services through its global network of 572 offices and subsidiaries in 18 countries and territories in Asia-Pacific, Western Europe and North America. It has banking subsidiaries in Singapore, Malaysia, Indonesia, Thailand and the Philippines.

UOB is focused on enhancing its leadership in the consumer market, and is today, the largest credit card-issuing bank in Singapore with a card base that has reached 1 million. The Bank also has the largest base of merchants in Singapore, both for consumer and commercial credit card acceptance. There are currently more than 20 co-brand cards in its stable, covering the retail sector, service providers and non-profit organisations.

About Citigroup

Citigroup (NYSE: C), the leading global financial services company has some 200 million customer accounts and does business in more than 100 countries, providing consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, and wealth management. Major brand names under Citigroup's trademark red umbrella include Citibank, CitiFinancial, Primerica, Smith Barney and Banamex. Additional information may be found at www.citigroup.com

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