
NEWS RELEASE

Mid-Sized Corporates Well-Positioned to Take on Global Challenges in 2012

Set to Ride on Asia's Growth

Singapore, 9 February 2012 – The majority of Singapore's mid-sized corporate business leaders believe their businesses will hold steady or do better this year compared with last year, according to the United Overseas Bank Limited (UOB) Mid-Sized Corporates Business Sentiment survey.

UOB surveyed more than 1,600 of its mid-sized corporate customers in late December 2011 and found that 53 per cent of respondents expected their company to match its 2011 performance, while 23 per cent said that they expected their company to do better than last year. Only one in four thought their business would fare worse than it did last year.

Mr. Eric Tham, Managing Director, Group Commercial Banking, UOB Group, said that despite ongoing global economic uncertainty, Singapore's mid-sized corporates were more resilient and felt better prepared to navigate economic challenges now compared with five years ago.

"Current sentiment from Singapore's mid-sized corporate leaders show that many have learnt from the last financial crisis and have responded with stronger corporate balance sheets. This preparedness is good insurance in uncertain times and we believe is the reason that three quarters of those we surveyed think they will do as well or if not better in 2012 as they did last year."

Those businesses expecting the Year of the Dragon to herald greater opportunities said they are most likely to increase capital expenditure, hire more employees, expand their product range and increase marketing efforts as a way to have a more profitable 2012.

The one in four business leaders who were preparing for a difficult year said they would focus on cost cutting measures, tapping into new markets and employee skills upgrading.

NEWS RELEASE

Still Eyeing Market Expansion

A third of respondents said they believe there are opportunities to expand their businesses because of continuing demand from countries in the region.

Business leaders surveyed said Asian countries were the target of their business expansion plans. Almost half believe Asian economies would perform the same, if not better, than last year, while only 30 per cent and five per cent felt the same about the United States and Europe respectively.

A significant number of those with expansion plans have also shifted part of their operations overseas, with China being the most popular market, to take advantage of lower operational, labour and rental costs.

The top five overseas Asian markets¹ Singapore's mid-sized corporate leaders are eyeing are:

- Mainland China (27 per cent)
- Malaysia (21 per cent)
- Indonesia (15 per cent)
- Vietnam (15 per cent)
- India (13 per cent).

“UOB Commercial Banking’s Global Business Development unit has a track record of helping Singapore mid-sized corporates grow their businesses in all these five markets, as well as many other countries across Asia. The Global Business Development unit specialises in assisting local enterprises in their efforts to expand locally and overseas, and helps them fulfill their development plans with a range of products and services including traditional loan products, trade finance and cash management services,” Mr. Tham said.

Half of the mid-sized corporates planning expansions said they would also focus on building up their businesses locally in Singapore.

-Ends-

¹ UOB Mid-Sized Corporates Business Sentiment Survey, December 2011

NEWS RELEASE

About United Overseas Bank

United Overseas Bank Limited (UOB) is a leading bank in Asia. It provides a wide range of financial services through its global network of more than 500 offices in 19 countries and territories in Asia Pacific, Western Europe and North America, including banking subsidiaries in Singapore, Malaysia, Indonesia, Thailand and China. UOB plays an active role in the community, focusing on children, education and the arts. Its staff volunteerism programme was initiated in 2007. Through the UOB Heartbeat Run/Walk, UOB has raised funds for its named beneficiaries. UOB has also organised the prestigious Painting Of The Year Competition and Exhibition since 1982. In recognition of its contributions to the arts, UOB has been conferred the National Arts Council's Distinguished Patron of the Arts Award for the seventh consecutive year.

For media queries, please contact:

Jean Khong, Group Brand Performance and Corporate Communications
Email: Jean.KhongLY@UOBgroup.com, Tel: 6539-3981 / 9791-2300

Priya Paramajothi, Group Brand Performance and Corporate Communications
Email: Priya.Paramajothi@UOBgroup.com, Tel: 6539-3949 / 9682-1099