
NEWS RELEASE

UOB adopts regional strategy in offering Chinese Yuan Cross-Border Trade Settlement Service in Singapore, Malaysia and Hong Kong

SINGAPORE, 5 August 2009 – United Overseas Bank Limited (UOB) has officially launched the Chinese Yuan cross-border trade settlement and account service in Singapore, Malaysia and will also do so in Hong Kong. In Hong Kong, UOB has already made inroads in offering wholesale Chinese Yuan Banknotes services, and will complement its role by providing cross-border trade settlement and account service in Chinese Yuan to all corporate customers. The Bank rolled out the Chinese Yuan Settlement Service in Singapore on 28 July and has added Malaysia and Hong Kong to the solution offering as part of its regional strategy.

In addition to the settlement of eligible trade transactions denominated in Chinese Yuan, using the Bank's suite of Trade and Remittance Services, all companies can now open Chinese Yuan-denominated accounts with the Bank. The Chinese Yuan Accounts will enable customers to better manage their cashflow in Chinese Yuan.

Since the launch of these services, the response from customers has been encouraging and positive. The Bank has received a number of enquiries from customers expressing their interest to trade in Yuan with pilot enterprises. These are local Chinese companies located in the five pilot cities, namely Shanghai, Guangzhou, Shenzhen, Zhuhai and Dongguan and approved by the local Chinese authorities.

Mr Chong Kie Cheong, UOB Group Head, Institutional Financial Services said, "As a regional bank with a strong trade franchise, UOB is committed to providing regional solutions to our customers who have trade dealings with China. We have been engaging our customers in Singapore, Malaysia and Hong Kong to use these new solutions to capitalise on growth opportunities in China."

Since 2008, UOB's Transaction Banking Team in China has provided Pan-China cash management and trade solutions to local enterprises and regional companies. The Bank's regional expansion in transaction banking is in line with its aim to be a regional player in Asia.

“We will continue to focus on expanding to other locations in Asia to support our customers that are expanding overseas. We are reviewing the offering of the cross-border trade settlement service to other ASEAN countries as well as provision of international settlement services in the capacity of a domestic settlement bank to our China-based customers,” added Mr Chong.

Under the pilot scheme announced by the Chinese government, the domestic settlement bank role is currently performed by the local Chinese banks. As an established player in China with a franchise of eight branches, UOB is strongly positioned to offer international settlement services to its China corporate customers.

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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 over 500 offices in 18 countries and territories in Asia Pacific, Western Europe and North America, including banking subsidiaries in Singapore, Malaysia, Indonesia, Thailand and mainland China.

In Singapore, UOB is a market leader in the credit and debit cards business, and the private residential home loan business. It is also a key player in loans to small and medium enterprises. Its fund management arm, UOB Asset Management, is one of Singapore's most awarded fund managers.

UOB is rated among the world's top banks by Moody's Investors Service, receiving B for financial strength, and Aa1 and Prime-1 for long-term and short-term bank deposits respectively.

UOB also plays an active role in the community, focusing on children, education and the arts. It has organised the prestigious Painting Of The Year Competition and Exhibition since 1982, and supports Very Special Arts Singapore which provides art programmes for the disabled. 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 third consecutive year. UOB has also established the annual UOB Heartbeat Run to raise funds for charity.

For more information about UOB, visit uobgroup.com.

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