

UOB-KAY HIAN HOLDINGS LIMITED
(Incorporated In The Republic Of Singapore)
Company Registration No. 200004464C

**ANNOUNCEMENT IN CONJUNCTION WITH LEHMAN BROTHERS
MINIBONDS (LBMB) AND MERRILL LYNCH JUBILEE SERIES 3(MLJS3)
NOTES**

The Securities Association of Singapore (SAS) on 28 October 2008 announced on behalf of 6 member firms including UOBKH that they have considered and will take steps to address the plight of the Vulnerable Investors.

Vulnerable Investors are those who are 62 years of age and above, less educated and have little investment experience.

Without admission to any liability whatsoever on the part of UOBKH and the 5 member firms and solely in the interest of assisting to alleviate the financial hardship suffered by Vulnerable Investors arising from their investments in the LBMB and the MLJS3 notes, UOBKH and the 5 member firms are prepared to repurchase from this group at a value up to the cost of their respective investment.

The sales and distribution of unit trust and structured products form a peripheral part of the Group's business and are insignificant.

We have sold less than S\$250,000 in value of LBMB and MLJS3 notes to investors who are considered Vulnerable.

UOBKH have also established processes and committees to handle and to resolve fairly complaints of mis-selling which may be directed at our trading representatives with respect to the above notes.

BY ORDER OF THE BOARD

Esmond Choo
Director

28 October 2008