



UNITED INTERNATIONAL SECURITIES LIMITED

OVERSEAS UNION SECURITIES LIMITED

JOINT ANNOUNCEMENT

PROPOSED MERGER OF UNITED INTERNATIONAL SECURITIES LIMITED AND OVERSEAS UNION SECURITIES LIMITED BY WAY OF A SCHEME OF ARRANGEMENT

All the capitalised terms and references used in this Announcement shall unless otherwise defined, have the same meaning and construction as defined in the Scheme Document dated 31 March 2004.

1. Announcement of Actual RNAVs and Exchange Ratio

The respective Boards of Directors of United International Securities Limited ("**UIS**") and Overseas Union Securities Limited ("**OUS**") wish to announce that:

- (a) (i) PricewaterhouseCoopers ("**PwC**") has reviewed the statements of net assets of each of UIS Group and OUS Group as at 30 June 2004, the Determination Date, to determine whether these have been prepared in accordance with the accounting policies adopted by the UIS Group and OUS Group respectively, and PwC has reported that nothing has come to their attention which causes them to believe that the statements of net assets of each of UIS Group and OUS Group have not been prepared in accordance with the accounting policies adopted by UIS Group and OUS Group respectively;
- (ii) PwC has performed the following procedures on the revalued net asset values of OUS Group and UIS Group:
 - (aa) agreed the net tangible asset value of each of OUS Group and UIS Group to the consolidated statement of net assets prepared by the respective management of OUS Group and UIS Group and reviewed by PwC;
 - (bb) agreed the market value of the trading securities of each of OUS Group and UIS Group to the portfolio investment reports prepared by the respective fund managers, United Overseas Bank Trustee Limited and UOB Asset Management Ltd;
 - (cc) checked the calculation of the unrealised surplus of the trading securities portfolio of each of OUS Group and UIS Group, i.e. the difference between the market value and its book value;
 - (dd) checked the calculation of adjustment made to the net tangible asset value of OUS Group in respect of the merger expenses incurred by OUS Group; and
 - (ee) checked the computation of (1) the revalued net asset value of OUS Group after adjusting for items relating to OUS Group referred to in (cc) and (dd) above and (2) the revalued net asset value of UIS Group after adjusting for the item relating to UIS Group referred to in (cc) above.

PwC has reported that there are no exceptions in connection with the above procedures performed by them.

The reports by PwC on the above are available for inspection during normal business hours from 9.00 a.m. to 5.00 p.m. at the registered offices of each of UIS and OUS from the date of this Announcement until the Effective Date.

- (b) the Actual RNAVs are: S\$1.562381, being the UIS RNAV per UIS Share (rounded to the nearest sixth decimal place) as at 30 June 2004, the Determination Date, and S\$2.706691, being the OUS RNAV per OUS Share (rounded to the nearest sixth decimal place) as at 30 June 2004, the Determination Date; and
- (c) based on sub-paragraph (b) above, the Exchange Ratio (rounded to the nearest sixth decimal place) is 0.577229 and an Entitled Scheme Shareholder shall receive approximately 1.732415 New UIS Shares (before Rounding Down) for every OUS Share held by him.

Accordingly, Entitled Scheme Shareholders shall receive New UIS Shares and Cash Consideration as follows:

Number of OUS Shares held by Entitled Scheme Shareholder	Number of New UIS Shares to be received by Entitled Scheme Shareholder (after Rounding Down to the nearest 100 New UIS Shares)	Cash Consideration (rounded up to the nearest one cent)
1,000	1,700	S\$50.65
10,000	17,300	S\$37.74
100,000	173,200	S\$64.84
1,000,000	1,732,400	S\$23.44
10,000,000	17,324,100	S\$78.12

No Cash Consideration of less than S\$10 shall be distributed to an Entitled Scheme Shareholder.

2. **Notice of Books Closure for Shareholders**

Notice is hereby given that the Transfer Books and Register of Members of OUS will be closed at 5.00 p.m. on 10 August 2004 ("**Books Closure Date**") for the purpose of determining the entitlement of Entitled Scheme Shareholders to New UIS Shares and the Cash Consideration (if any) pursuant to the Scheme.

The following settlement and registration procedures apply:

- (a) *Entitled Scheme Shareholders whose OUS Shares are not deposited with CDP*

Entitlements to the New UIS Shares and the Cash Consideration (if any) will be determined on the basis of the holdings of OUS Shares of such Entitled Scheme Shareholders (not being Depositors) appearing in the Register of Members of OUS on the Relevant Date, which is 11 August 2004.

Entitled Scheme Shareholders (not being Depositors) who have not already done so are requested to take the necessary action to ensure that the OUS Shares owned by them are registered in their names by the Books Closure Date.

- (b) *Entitled Scheme Shareholders whose OUS Shares are deposited with CDP*

Entitlements to the New UIS Shares and the Cash Consideration (if any) will be determined based on the number of OUS Shares standing to the credit of the Securities Accounts of such Entitled Scheme Shareholders on the Relevant Date, which is 11 August 2004.

3. **Key Events And Dates**

Shareholders of OUS should note the following key events and dates:

Last day of trading of OUS Shares	:	4 August 2004
Books Closure Date	:	5.00 p.m. on 10 August 2004
Relevant Date	:	11 August 2004
Effective Date	:	12 August 2004
Date for CDP to credit New UIS Shares to the Securities Accounts of Entitled Scheme Shareholders	:	12 August 2004
Date for the listing of New UIS Shares	:	13 August 2004
Date for the delisting of the OUS Shares	:	13 August 2004
Date for the payment of the Cash Consideration	:	24 August 2004

4. **Responsibility Statements**

- (a) The Directors of UIS (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to OUS) are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.
- (b) The Directors of OUS (including any who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Announcement (other than those relating to UIS) are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly.

BY ORDER OF THE BOARD OF
United International Securities Limited

BY ORDER OF THE BOARD OF
Overseas Union Securities Limited

Vivien Chan
Company Secretary

Jeannie Tng
Company Secretary

Dated this 23rd day of July 2004
Singapore