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NEWS RELEASE

UNITED OVERSEAS BANK LIMITED LAUNCHES GROWTHPATH

The First Personal Investment In Singapore That Adjusts As You Grow

Singapore, 21 October 2002 - From tomorrow, 22 October 2002, United Overseas Bank Limited (UOB) brings to investors an innovative investment portfolio that is a first in the Singapore market. Called GrowthPath, it is a single yet broadly diversified investment portfolio that continually adjusts its investment mix with time to provide an individual investor with the appropriate balance of risks and returns throughout his or her investment horizon.

GrowthPath is managed by UOB Asset Management Ltd (UOBAM), Singapore's most awarded fund manager. UK-based Barclays Global Investors (BGI) is the investment advisor. BGI is the world's second largest institutional investment manager and a premier index investment manager.

As a broadly diversified investment portfolio, GrowthPath contains all the essential asset classes - equities and bonds - that an investor needs to meet his or her investment objectives. More specifically, GrowthPath will invest in a combination of global equities, global bonds, Singapore equities and Singapore bonds.

Dynamic Asset Allocation with Dual Objectives of Capital Appreciation and Capital Preservation

GrowthPath's uniqueness to other investment products also lies in its twin investment objectives of Capital Appreciation and Capital Preservation. These objectives are achieved through maintaining higher risk investments in the portfolio at the initial stage (capital appreciation) and dynamically adjusting the investment mix towards lower risk investments nearing the maturity of the portfolio (capital preservation). This enables investors to build assets when they can afford to take more risk earlier on and preserve capital as they get closer to when they need their money.
Said Ms Sim Puay Suang, Executive Vice President, Personal Financial Services, UOB, "It is often too expensive and time-consuming for individual investors to re-allocate their assets once they have acquired them. Yet, this is very necessary since investment objectives, priorities and tolerance for risk change over time. With GrowthPath, investors can leave the monitoring of their portfolio strategies and the asset allocation decisions to our investment experts."

"At whatever life stage that you are at, be it saving for your retirement, your children's education or owning your dream home, GrowthPath creates the best mix of equities and bonds for your core portfolio to provide reasonable returns to help you achieve your goals."

**Flexibility with a Choice of Five GrowthPath Portfolios to Match Investment Horizon**

Depending on their investment objectives, needs and investment horizons, investors can choose from five distinct GrowthPath portfolios, viz., GrowthPath Today, GrowthPath 2010, GrowthPath 2020, GrowthPath 2030 and GrowthPath 2040 - with each number denoting the maturity date of the portfolio (i.e., investment horizon of the investor).

As the aim is to balance the risks and returns for investors, each of these portfolios differs in the proportionate mix of asset classes.

By and large, the shorter maturity portfolios (such as GrowthPath 2010) are, by necessity, lower risk portfolios so as to preserve most of the investor's assets and therefore allocate a higher proportion of the funds to fixed income instruments. This is ideal for investors who have a shorter investment horizon or who have near-term investment objectives.

On the other hand, the longer time to maturity portfolios (such as GrowthPath 2030 and GrowthPath 2040) begin with a higher proportion of equities in the investment mix in order to build up the investor's assets. Over time, however, this mix is gradually adjusted, with a shift from higher risk to lower risk investments. This dynamic adjustment ensures the right balance of risks and returns at each stage of the investor's investment horizon so as to achieve reasonable returns.

Among the five portfolios, GrowthPath Today is evergreen and is an investment portfolio without any maturity. When each of the other GrowthPath portfolios mature, the assets of these portfolios are automatically transferred to GrowthPath Today so as to provide investors with a liquid portfolio that, at the same time, aims to offer better returns than an ordinary savings account.
GrowthPath as a Core Investment to an Overall Balanced Portfolio

With GrowthPath, investors have a solid foundation to build and grow an overall balanced personal investment portfolio.

To achieve such a portfolio, investors should start by first putting aside sufficient funds to meet their liquidity requirements. They should then have a stable core investment like GrowthPath in place. Only thereafter should they invest their surplus funds in specialised or aggressive investment products to enhance returns.

Investment Expertise from UOB Asset Management and Barclays Global Investors

One of the other unique features of GrowthPath is its use of both active and passive investment management.

To tap UOBAM's expertise and intimate knowledge of the Singapore market, the Singapore equities and bonds portion of GrowthPath is managed actively by UOBAM. Rigorous investment research coupled with an investment strategy of security selection, sector rotation and market timing are employed to achieve outperformance.

The global equities and bonds, on the other hand, are managed passively. They are fed into BGI's portfolio of index funds, making for a low cost and efficient approach to asset exposure in developed markets that are characterised by market transparency, high liquidity and information efficiency.

This strategy of a combination of active and passive management styles makes the overall cost of investing in the GrowthPath portfolios considerably lower for investors.

Daniel Chan, Managing Director & Chief Investment Officer of UOBAM said, "GrowthPath is really about the right risk at the right time. With GrowthPath, investors can leave the asset allocation adjustment of the core investment to the experts at UOBAM and BGI who will continually rebalance the portfolios over time. This asset allocation is driven by an asset allocation optimisation model that is adapted from BGI's proprietary model. At the same time, we will continue to monitor current market conditions to take advantage of market opportunities. This strategy, we believe, will not only maximise returns but also enhance the value of each GrowthPath portfolio."
Investment and Promotional Details

Investors can invest in GrowthPath with a minimum initial investment of S$1,000 (either cash, CPF-Ordinary Account/Special Account or Supplementary Retirement Scheme). The minimum subsequent investment amount required is S$100.

Alternatively, investors can choose to invest via UOBAM's Regular Savings Plan that requires a minimum monthly investment of S$100 or a minimum quarterly investment of $500 after the minimum initial investment of S$1,000. Investors under the Regular Savings Plan enjoy a 2% discount on the sales charge.

In addition, investors who invest in GrowthPath between 22 October 2002 and 29 November 2002 will receive a free disposable camera as well as enjoy the following incentives:

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<th>Investment Amount</th>
<th>Incentive</th>
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<tbody>
<tr>
<td>S$1,000 to $14,999</td>
<td>0.50% discount*</td>
</tr>
<tr>
<td>S$15,000 to S$49,999</td>
<td>0.50% discount* + Coffee Maker with Thermo Jar and Electric Food Steamer**</td>
</tr>
<tr>
<td>S$50,000 and Above</td>
<td>1.00% discount* + Fuji Film Digital Camera**</td>
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* Discounts are given in the form of bonus units, based on the launch price of S$1.00 per unit. ** While stocks last.

In conjunction with the launch of GrowthPath, UOB will also be holding roadshows at Raffles Place from 31 October 2002 to 1 November 2002.

Investors who are interested in building a GrowthPath portfolio can visit the roadshows or any UOB Group Branch or InvestShop and speak with any of our Personal Financial Consultants. They can also call any of our Customer Service Officers at 1800 22 22 121 (24-hour) or click here for more information.

About UOB Asset Management

UOB Asset Management (UOBAM) is one of Singapore's leading fund managers, with more than 30 unit trusts under its management. It is also Singapore's most awarded fund management company. UOBAM's recent accolades included clinching six Best Fund Performance Awards at the Standard & Poor's Investment Funds Performance Awards 2001.
and five Top Performing Awards at the Investment Fund Awards. UOBAM currently manages about S$9.96 billion in clients' funds (retail and institutional).

UOBAM's management philosophy is the emphasis on securities selection using a bottom-up approach. This means making regular company visits and supplementing its fundamental investment approach with quantitative tools to control risks and aid in the portfolio construction process.

About Barclay Global Investors

Barclays Global Investors (BGI) is one of the world's largest asset managers and the world's largest provider of structured investment strategies including indexing, tactical asset allocation and risk-controlled active products. BGI manages US$761 billion in assets for over 2,200 clients in 39 countries around the world and runs more than 2,000 funds globally.

BGI created the first index strategy over 30 years ago and has continued to create performance through innovation by applying science and technology to the investment process. Today, its global focus on the three dimensions of performance - return, risk and cost - offers clients total performance management.

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UOB

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