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UOB sets up first in-market dedicated foreign exchange advisory and trading service for small businesses in Southeast Asia

Launches new mobile application for small businesses providing real-time foreign exchange information

Singapore, 18 March 2014 – United Overseas Bank (UOB) today announced that it has set up a Foreign Exchange (FX) advisory and trading unit dedicated to help small businesses¹ across Southeast Asia manage their currency exposure and risk more effectively. UOB is the first bank in Southeast Asia to offer such a service to small business customers.

With more small businesses now doing more business overseas², the demand for FX hedging solutions has increased. Customers can use the new FX advisory and trading unit to reduce currency fluctuation risks and to maximise their revenue streams. In addition to providing foreign exchange solutions, a team of 40 dedicated FX specialists will help customers by conducting business cash flow analysis and providing insights into financial market trends to help them manage their businesses more efficiently.

Mr Victor Lee, UOB Group Head of Business Banking said, “The banking needs of our customers are changing as they conduct more business outside of their home market. For instance, a Singapore-based company could be procuring raw materials from China and then selling to consumers in Singapore and Indonesia. Our dedicated service will help such customers by providing foreign exchange solutions to hedge against the volatility of various currencies, thereby protecting the business from higher costs.”

UOB data shows that 14 per cent of small business customers currently use currency conversion or hedging solutions such as spot and forward contracts as part of managing their day-to-day operations. UOB expects this to double to at least 30 per cent in three years.

¹ UOB defines small businesses as companies with an annual turnover of less than S\$20 million in Singapore; less than RM40 million in Malaysia; less than THB400 million in Thailand; and less than Rp 100 billion in Indonesia.

² A UOB survey conducted in Q42012 with more than 800 SMEs in China, Indonesia, Malaysia, Singapore and Thailand showed that approximately one in two companies with an annual turnover of less than USD9.9 million places expanding into a new market as a top priority.

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According to Mr Lee, small businesses in the wholesale trading and manufacturing sectors stand to benefit the most from the new FX advisory and trading service as they are the most likely to have an overseas presence or a relationship with regional suppliers and buyers. Approximately 40 per cent of UOB's Business Banking customers are in the wholesale trading and manufacturing sectors.

UOB launches new mobile application specifically designed for small businesses

To complement the services offered by the new FX advisory and trading unit, UOB has launched a new mobile application (app) to provide real-time FX information, news and research reports to small businesses.

The mobile app, called UOB Business, was developed following a UOB survey³ which found that 70 per cent of small business owners work outside of their office. The survey also found that nine in 10 own a smart phone and a large majority use it to source for business information and market news.

Through the new app, users will receive live updates on FX rates and can set alerts for when the price of a currency reaches a specified level. Once the alert is triggered, they can use the app to connect with UOB's FX specialists who will be able to provide advice on FX solutions and to execute a trade.

The app will also provide convenient and direct access to reports from the UOB Economic-Treasury Research team to keep users updated on the latest economic and currency trends. Users will also be able to set alerts to receive news on the categories of their choice from various media sources so they do not miss out on important information when they are on the move.

Mr Lee said, "We are always looking for ways to help our customers grow and explore new opportunities. The new mobile app is one of the ways in which we are investing and innovating to meet their needs and to help them manage their businesses more efficiently. The new mobile service complements our network of more than 100 Business Banking centres across Southeast Asia dedicated to meeting the financial needs of small business."

³ The research was conducted in 2013 with approximately 200 Business Banking customers in Singapore to understand the behavior of small business owners pertaining to the usage of online and mobile platforms.

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UOB Business is available for free download in the Apple App Store.

About United Overseas Bank

United Overseas Bank Limited (UOB) is a leading bank in Asia with a global network of more than 500 offices in 19 countries and territories in Asia Pacific, Western Europe and North America. Since its incorporation in 1935, UOB has grown organically and through a series of strategic acquisitions. In Asia it operates through its branches and representative offices as well as banking subsidiaries in China, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

UOB plays an active role in the community, focusing on the arts, education and children. It has, over more than three decades, held the longest-running art competition in Singapore, the UOB Painting of the Year. In recognition of its contributions to the arts, UOB was conferred the National Arts Council's Distinguished Patron of the Arts Award for the ninth consecutive year in 2013. UOB also encourages its employees across the region to be involved in its regular volunteer activities. This includes the annual UOB Heartbeat Run which is held in Singapore, Malaysia, Indonesia, Thailand and mainland China.

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