

JOINT MEDIA RELEASE



Lion Capital Management Ltd

OCBC BANK & LION CAPITAL LAUNCH NEW DIVERSIFIED FUND THAT AIMS TO DELIVER REGULAR PAYOUTS FROM MULTIPLE INCOME SOURCES INCLUDING REITS

*An actively managed portfolio, the Lion Capital Multi Income Fund intends to offer investors 6.5 cents per unit per annum for the first two years**

Singapore, 9 January 2007 – OCBC Bank and Lion Capital Management Limited (“Lion Capital”) today announced the launch of the **Lion Capital Multi Income Fund** (the “Fund”), a total return fund that provides retail investors with diversification across multi asset classes, which includes equities, fixed income instruments and real estate investment trusts (“REITS”).

Distributed exclusively by OCBC Bank and managed by Lion Capital, the Fund intends to distribute sustainable payouts of 6.5 cents per unit per annum, on a semi-annual basis, for the first two years.

Accorded a four-star rating by Mercer Investment Consulting, the **Lion Capital Multi Income Fund** is the latest in OCBC Bank's offering of wealth management products, tailored for retail investors who want to invest in a wider range of asset classes under a single fund with lower market volatility.

“To earn higher risk-adjusted returns, retail investors today are increasingly recognising the need to diversify their investments. Typically, stocks and bonds are the major asset classes that investors would choose. However, reading and reacting to market conditions can pose quite a challenge for the average investor,” said Mr Nicholas Tan, Head of Group Wealth Management, OCBC Bank.

“With this new Fund, investors can leave vital investment decisions to the fund managers who have the expertise and resources to monitor and react to market movements. At the same time, investors can expect to receive regular payouts from multiple income sources. The Fund has also been packaged to include a diversified range of asset classes that have low correlations to reduce its volatility,” explained Mr Tan.

* For the first 2 years after inception of the Fund, the Managers intend to distribute 6.5 cents per unit (i.e., 6.5% p.a. computed based on the initial issue price of SGD1.00) per annum, payable semi-annually on the last Business Day of August 2007, February 2008, August 2008 and February 2009. Distributions will be paid to investors within 30 days from the relevant declaration date. Please refer to the prospectus (under “Distribution Policy”) for more details. The value of units and the income from them may fall as well as rise. Do note that the NAV of the Fund will be affected after the payouts.

Investment Strategy

The Fund is managed on a total return basis, with the fund manager strategically allocating assets through an actively managed portfolio of global equities (Asian bias), global REITS (Asian bias) and global fixed income instruments.

With the flexibility to adjust the asset allocation of the portfolio, the fund manager will be able to help investors take advantage of different market conditions to maximise the total returns from the Fund.

Diversification Across Asset Classes & Writing of Covered Call Options

Furthermore, through diversification, investors of the **Lion Capital Multi Income Fund** will potentially receive dividends derived from equities and REITs, coupon payouts from fixed income instruments and option premium income from writing covered call options.

“By diversifying the investments over equities, fixed income instruments, REITs and employing a derivatives strategy, our fund managers will be able to reduce the volatility of the portfolio, and deliver the regular and sustainable income distribution to investors,” said Ms Toh Lock Lan, Head of Business Development - Retail, Lion Capital Management Limited.

Added Ms Toh, “In addition, the low correlation between REITs and other major asset classes such as global bonds, Asian and global equities; and similarly, the low correlation between fixed income instruments and equities will serve to provide investors with a fund that comes with lower overall portfolio volatility and peace of mind with the stability in their investments.”

To enhance the potential returns for the investor, derivatives are employed. With the fund writing covered call options of equities, the volatility of the fund is further reduced while generating income from a steady flow of option premiums to the investor.

Lion Capital Multi Income Fund		
Equity Market Condition	Comparison with Direct Equity Investment	Total Fund Returns
Very Bullish Market	Underperform	Positive
Moderately Bullish Market	Neutral	Positive
Flat Market	Outperform^	Positive
Bearish Market	Outperform^	Depending on bond market performance and volatility of the equity market (including REITs)
Very Bearish Market	Outperform^	

^ Premium collected from writing covered call options can offset some of the decline in equity value.

With diversification and the strategic allocation of assets, the Fund aims to help investors maximise the total returns over a medium to long term period.

“It has always been a deliberate policy for us at OCBC Bank, to offer innovative and high quality funds for our retail investors. Over the years, we have gone to great lengths behind the scenes to select funds so that our customers get to choose from only the very best in the market. This new Lion Capital Multi Income Fund is no exception,” concluded Mr Tan.

Fund Details

Launch Date	18 December 2006
Inception Date	21 February 2007
Fund Currency	SGD
Initial Offer Price	SGD 1.00 (excluding sales charge)
Distribution*	6.5 cents per unit per annum on a semi-annual basis
Minimum Initial Investment	SGD 5,000
Regular Savings Plan	SGD 200
Initial Sales Charge	Up to 5%
Annual Management Fee	1.25%
Realisation Charge	Nil
Trustee Fee	Currently below 0.05% p.a.
Dealing Frequency	Daily subscription and redemption
Mode of Subscription	Cash and SRS
Dealing Deadline	By 3 p.m. on each business day
Benchmark	1 month SIBID + 2%

About Lion Capital Management Ltd

Lion Capital Management Limited (“Lion Capital”), one of the largest asset management companies in Southeast Asia, is a member of the OCBC Group, which is one of the leading financial services providers in Asia. With total assets under management of about S\$32 billion[†] and a staff strength of over 130[‡], Lion Capital offers a comprehensive suite of investment products covering all asset classes to statutory boards, educational institutions, public and private companies, charities, non-profit organisations and retail investors.

About OCBC Bank

Singapore's longest established local bank, OCBC Bank, currently has assets of S\$144 billion and a network of over 370 branches and representative offices in 15 countries and territories including Singapore, Malaysia, Indonesia, Vietnam, China, Hong Kong SAR, Brunei, Japan, Australia, UK and USA. This network includes more than 250 branches and offices in Indonesia operated by OCBC Bank's subsidiary, PT Bank NISP. OCBC Bank and its banking subsidiaries offer a wide range of specialist financial services, from consumer, corporate, investment, private and transaction banking to global treasury and stockbroking services to meet the needs of its customers across communities.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the largest insurance group in Singapore and Malaysia, in terms of assets and market share, and its asset management subsidiary, Lion Capital Management, is one of the largest asset management companies in Southeast Asia. Additional information may be found at www.ocbc.com.

[†] Source: Lion Capital Management Limited, as at 30 November 2006.

[‡] Source: Lion Capital Management Limited, as at 30 November 2006.

Lion Capital Multi Income Fund

REEL IN RETURNS FROM MULTIPLE INCOME SOURCES

Managed by:



Lion Capital Management Ltd

Distributed by:



OCBC Bank

Ask OCBC
www.ocbc.com

LION CAPITAL MULTI INCOME FUND

Capital markets have been on an almost unabated bullish uptrend spanning the past several years. However, recent times have been marred by periods of heightened volatility. Nevertheless, equity markets continue to be supported by decent valuations and a relatively benign global outlook. Under these circumstances, selective investments in bonds are beginning to look attractive, especially from a diversification standpoint. Another asset class that is gaining increasing importance at this point is that of Real Estate Investment Trusts (REITs). Demand for REITs remains strong in light of their typically high dividend yields and low correlation to other asset classes.

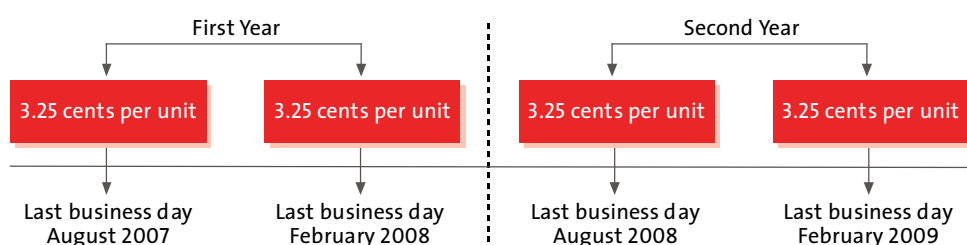
In order to generate higher risk-adjusted returns in today's market environment, diversification across multi asset classes is paramount. Presently, there are a number of regular payout funds in the market but few are diversified across asset classes and at the same time, adopt the strategy of writing covered call options.

Introducing the **Lion Capital Multi Income Fund** (the "Fund") – a total return fund that aims to deliver sustainable income payouts and provide diversification across the asset classes: equities, fixed income instruments and REITs. You can look forward to attractive payouts on a semi-annual basis, derived from the Fund's multiple sources of income.

Benefits of the Lion Capital Multi Income Fund

1. Attractive Sustainable Income Payout

The Fund intends to pay 6.5 cents per unit¹ per annum on a semi-annual basis for the first 2 years.



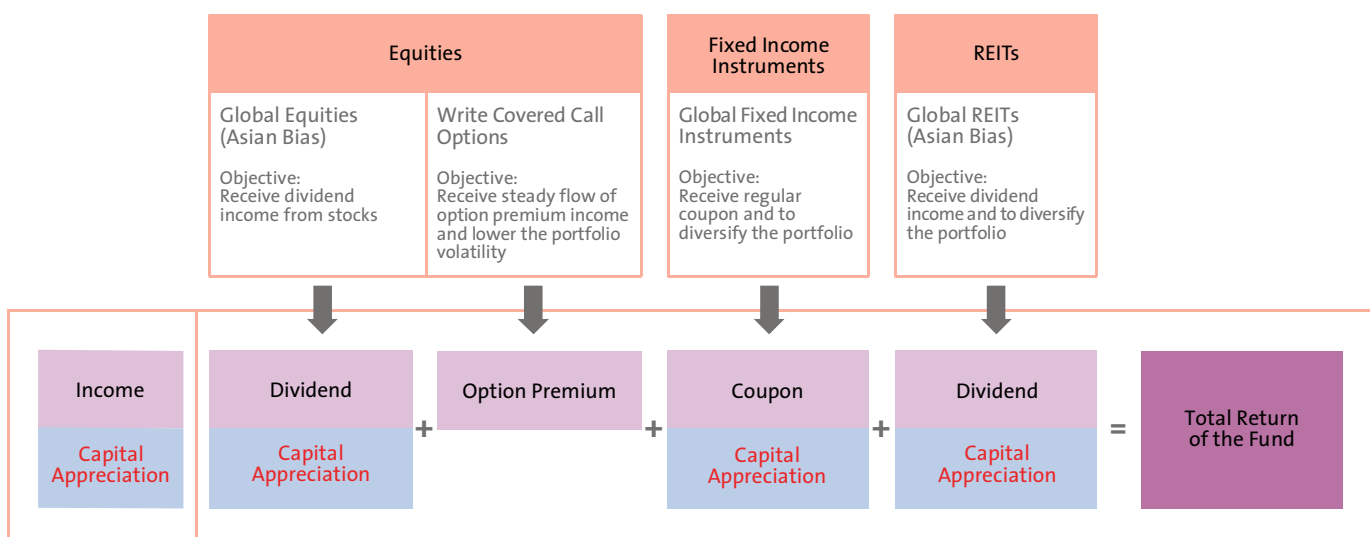
Illustration²:

Assuming an investment amount of S\$100,000 (net of sales charge) at inception, you may receive:

Distribution Date	Payout
Last business day – August 2007	S\$3,250
Last business day – February 2008	S\$3,250
Last business day – August 2008	S\$3,250
Last business day – February 2009	S\$3,250

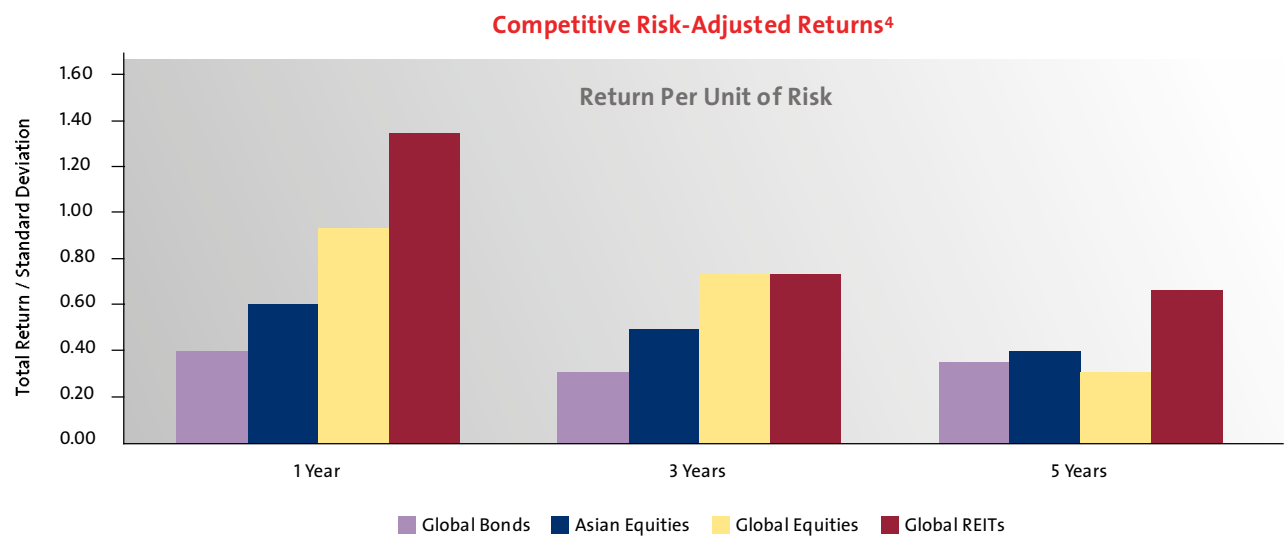
2. Diversification

Investor will stand to benefit from investments in different asset classes, receiving dividend yield derived from equities and REITs, coupon payouts from fixed income instruments, as well as option premium income from writing covered call options³.



Case For REITs And Fixed Income Instruments

REITs are able to provide better or equivalent returns per unit of risk compared to other asset classes, illustrated in the chart below, over a 1-year, 3-year and 5-year period.



REITs also have low correlation with these asset classes. Adding REITs to the portfolio will reduce the overall portfolio risk and volatility. Correlation is a statistical measure of how much the movement of two instruments or asset classes are related. The range of possible correlations is between -1 and +1. A result of -1 means that both assets move inversely, +1 means both assets move in tandem, and 0 means both assets have no correlation at all. The table⁵ below show that, over the last 10 years, correlation between the asset classes against global REITs fall in the low range of 0.23 to 0.41.

	Global Equities	Asian Equities	Global Bond	Global REITs
Global Equities		0.78	0.04	0.39
Asian Equities	0.78		0.06	0.41
Global Bond	0.04	0.06		0.23
Global REITs	0.39	0.41	0.23	

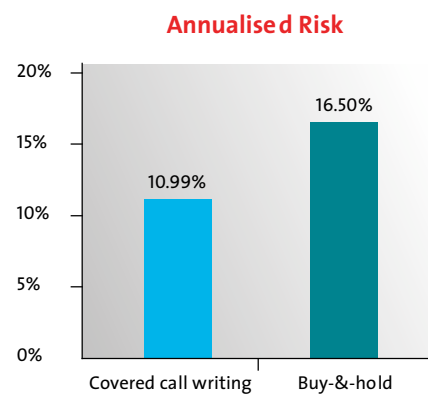
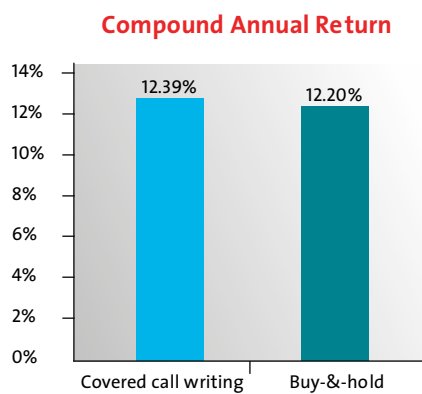
Due to the low correlation between equities and fixed income instruments of 0.04 to 0.06, fixed income instruments serve to diversify against risk, and reduce the volatility of the portfolio.

3. Lower Volatility

The Fund will be writing covered call options on equities to generate income from a steady flow of option premiums. This could potentially further reduce the volatility of the Fund.

- When equity prices rise, the Fund gives up some of the upside potential because it has written call options.
- When equity prices fall, the income collected from writing call options can offset some of the decline in equity value.

From the chart⁶ below, we can see that the strategy of writing covered call options on equities yielded a lower volatility than a buy-and-hold strategy of similar stocks over a period of about 15 years.



4. Provides Flexibility

As the Fund is managed on a total return basis, the Fund Manager has some flexibility to adjust the portfolio’s asset allocation to take advantage of different market conditions. For example, when the outlook for equity markets turns bearish, the Fund Manager may shift more allocation to fixed income instruments, unlike pure equity funds where it has to remain fully invested in the equity market.

Asset Class	Probable range of allocation for Fund (%)		Initial indicative allocation of Fund (%)
	Min	Max	
Equities	40	70	60
Fixed income	15	30	20
REITs	15	40	20

About the Lion Capital Multi Income Fund

a. Fund Objective

The Fund aims to maximise total returns over a medium to long term period and to provide sustainable income distributions.

b. Investment Strategy

The Fund is managed on a total return basis where the fund manager is able to strategically allocate the assets through an actively managed portfolio of global equities (Asian bias), global fixed income instruments and global REITs (Asian bias).

c. Performance of the Fund in Various Market Conditions⁷

Lion Capital Multi Income Fund		
Equity Market Condition	Comparison with Direct Equity Investment	Total Fund Returns
Very Bullish Market	Underperform	Positive
Moderately Bullish Market	Neutral	Positive
Flat Market	Outperform*	Positive
Bearish Market	Outperform*	Depending on bond market performance and volatility of the equity market (including REITs)
Very Bearish Market	Outperform*	

* Premium collected from writing call options can offset some of the decline in equity value

d. Who Should Invest

This Fund is suitable for investors who want to:

- Receive regular and sustainable income distribution
- Diversify their investments in terms of asset classes in a single fund
- Invest in a fund with lower volatility, providing stability to their investments

e. Fund Details

Launch date	18 December 2006
Inception date	21 February 2007
Fund currency	SGD
Initial offer price	SGD 1.00 (excluding sales charge)
Distribution ¹	6.5 cents per unit per annum on a semi-annual basis
Minimum initial investment	SGD 5,000
Regular savings plan	SGD 200
Initial sales charge	Up to 5%
Annual management fee	1.25%
Realisation charge	Nil
Trustee fee	Currently 0.025% p.a.
Dealing frequency	Daily subscription and redemption
Mode of subscription	Cash and SRS
Dealing deadline	By 3pm on each business day
Benchmark	1 month SIBID + 2%

About Lion Capital

Lion Capital Management Limited ("Lion Capital"), one of the largest asset management companies in Southeast Asia, is a member of the OCBC Group, which is one of the leading financial services providers in Asia. With total assets under management of about S\$30 billion⁸ and a staff strength of over 130⁸, Lion Capital offers a comprehensive suite of investment products covering all asset classes to statutory boards, educational institutions, public and private companies, charities, non-profit organisations and retail investors.

Notes

¹ For the first 2 years after inception of the Fund, the Managers intend to distribute 6.5 cents per unit (i.e., 6.5% p.a. computed based on the initial issue price of SGD 1.00) per annum, payable semi-annually on the last Business Day of August 2007, February 2008, August 2008 and February 2009. Distributions will be paid to investors within 30 days from the relevant declaration date. Please refer to the prospectus (under "Distribution Policy") for more details. The value of units and the income from them may fall as well as rise. Do note that the NAV of the Fund will be affected after the payouts.

² The payout table is for illustrative purposes only and is not necessarily a forecast or indication of the Fund's actual performance.

³ The writing of a covered call option is to sell a call option on an underlying share that is owned. By writing (selling) a call option, the option writer earns the option premium income upfront.

⁴ Source: Standard & Poor's Fund Services, 31 October 2006, in USD terms.

- Global Equities = MSCI Global Index
- Asian Equities = MSCI Asia Pacific (Ex Japan) Index
- Global Bond = Citigroup World Global Bond Index
- Global REITs = S&P/Citigroup BMI Global REIT Index

⁵ Source: Bloomberg, correlation is based on returns of the indices in USD terms over a 10 year period, as at 30 November 2006.

- Global Equities = MSCI AC World Index
- Asian Equities = MSCI Asia Pacific (Ex Japan) Index
- Global Bond = Citigroup World Global Bond Index
- Global REITs = S&P/Citigroup World REIT (Total Return) Index

⁶ The returns and risk of the call writing strategy and the buy-&-hold strategy are calculated based on Chicago Board Options Exchange S&P 500 BuyWrite Index (CBOE BXW) index and S&P 500 index respectively. Source: Ibbotson Associates, compound annual returns or annualised returns for all asset classes over the period from 1 June 1988 to 31 March 2004. Compound annual returns depend only on the beginning and ending values of the indices and the elapsed time period.

⁷ Please note that the scenario analysis shown in the table is a hypothetical illustration. Total Fund Returns might differ depending on the prevailing market conditions.

⁸ Source: Lion Capital Management Limited, as at 31 October 2006.

Important Notice

This publication is prepared by Lion Capital Management Limited ("Lion Capital") for your information only and does not have regard to your specific investment objectives, financial situation or particular needs. You should read the prospectus, available from Lion Capital and OCBC Bank before deciding whether to subscribe for or purchase units of the Fund. Investments in the Fund are not obligations of, deposits in, guaranteed or insured by Lion Capital or any of its affiliates and are subject to investment risks, including the possible loss of the principal amount invested. The value of units in the Fund and the income accruing to the units, if any, may fall or rise. Past performance of the Fund and the manager, and any economic or market predictions, projections or forecasts, are not necessarily indicative of future or likely performance. Any opinion or view presented is subject to change without notice. Lion Capital shall not be liable for any losses or damages of any kind howsoever arising from you acting on any information herein. You may wish to seek advice from a financial adviser before making a commitment to purchase the Fund. In the event that you choose not to seek advice from a financial adviser, you should consider whether the Fund is suitable for you.

Applications for units in the Fund must be made on application forms accompanying the prospectus. Investors should read the prospectus for details on the funds before deciding whether to subscribe for or purchase units in the Fund. Unit trusts and investment products, except for funds guaranteed by OCBC Bank, are not obligations of, deposits in, or guaranteed by OCBC Bank or any of its affiliates. An investment in unit trusts, and/or other investment products is subject to investment risks, including the possible loss of the principal amount invested.

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