



MEDIA RELEASE

OCBC BANK AND LION GLOBAL INVESTORS LAUNCH NEW UNIT TRUST IN RESPONSE TO INVESTORS' CONCERN OVER UNCERTAINTY IN EXPECTED RETURNS

The LionGlobal New Target Return Fund aims to provide positive returns over an investment timeframe of five years

Singapore, 27 October 2011 – Oversea-Chinese Banking Corporation Limited (“OCBC Bank”) and Lion Global Investors (“Lion Global”) announced today the launch of a new unit trust – the LionGlobal New Target Return Fund. Over the years, unit trust investors have expressed concerns over the returns on their investment, how the fund is managed, and the vulnerability of their investments in times of market volatility.

In a recent market research conducted by OCBC Bank on 300 respondents, unit trusts were part of the investment portfolio for most investors. However, research findings also showed that those who did not invest in unit trusts found it to be a complex and risky investment instrument. Those who invested in unit trusts indicated that the performance of their funds did not meet expectations.

The majority of respondents felt that while unit trusts remained a good investment instrument, a lot more could be done to make the fund simple to understand and transparent in how returns are achieved. Such transparency will help to manage investors’ expectations of returns, especially in uncertain times.

To address these concerns, OCBC Bank and its subsidiary, Lion Global Investors, collaborated to create the LionGlobal New Target Return Fund – a fund with enhanced features that allows investors to participate in the current volatile market.

Mr Lim Wyson, Head of Global Wealth Management at OCBC Bank, said: “In today’s environment of low interest rates and market volatility, we need a different approach to generating wealth and addressing market uncertainty. This is especially essential given the uncertainties of the market in the next two to three years at least. We want customers to know exactly what they are investing in and, at the end of the investment time frame, the potential returns that they can expect.”

Commenting on the current market condition, Mr Simon Flood, Chief Investment Officer of Lion Global Investors, said: “The macro environment has changed drastically in the past few years, characterised by the deleveraging of western economies, a slowdown in global growth and heightened level of risk and uncertainty. The new investment realities of the current environment undermine the ability of those who wish to generate a consistent level of returns from their savings.”

Additional Information on the LionGlobal New Target Return Fund

This Fund is suitable for investors with a moderate risk appetite, and is managed with two objectives. It aims to deliver potential positive returns, and it has an investment time frame of five years.

Key benefits of the Fund:

- **We sell when the time is right**

Although the fund is designed for a five-year investment timeframe, there is no lock-in period. The investor is able to sell the fund anytime, subject to a redemption charge.

At the fund manager’s discretion, if the cumulative net total return of 17.5% is met in less than five years, the fund manager may sell off the investments in the fund, and return the profits and principal sums to the investors.

- **The Fund invests:**

- 1) At least 65% into a stable core of carefully selected investment grade bonds. These bonds have maturities that match the investment timeframe of the fund. This helps to mitigate interest rate risks, potentially reducing the volatility in investment returns.
- 2) 20% in high yield bond funds
- 3) 15% in a dividend paying equity fund

- **Potential dividend payouts**

Investors may receive dividends of up to half of any net positive return every year.

The Fund is open for subscription from 27 October 2011 to 22 December 2011. The minimum investment amount required is SGD15,000.

For more information on the LionGlobal New Target Return Fund, please visit www.ocbc.com/newwealth.

About OCBC Bank

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. It is also ranked by Bloomberg Markets as the world's strongest bank.

OCBC Bank and its subsidiaries offer a broad array of specialist financial services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has a network of over 500 branches and representative offices in 15 countries and territories, including more than 400 branches and offices in Indonesia that are operated by its subsidiary, Bank OCBC NISP.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the largest insurance group in Singapore and Malaysia by assets. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia. Private banking services are provided by subsidiary Bank of Singapore, which has been ranked among the top five global private banks in Asia.

For more information, please visit www.ocbc.com

About Lion Global Investors

Lion Global Investors, a member of the Oversea-Chinese Banking Corporation Limited (OCBC) Group, is one of the largest asset management companies in the Asia Pacific region, with total assets under management of S\$28 billion as at 30 September 2011. Established as an Asian asset specialist since 1986, Lion Global Investors offers equities and fixed income funds to institutional and retail investors. Its commitment to investment excellence begins with a team-based and research-intensive investment approach, combining in-depth market insights with comprehensive sector knowledge.

Lion Global Investors is 70% owned by Great Eastern Holdings Limited and 30% owned by Orient Holdings Private Limited, a wholly-owned subsidiary of OCBC Bank.

For more information about Lion Global Investors, please visit www.lionglobalinvestors.com.
