

28 September 2012

**ANNOUNCEMENT OF FURTHER INFORMATION TO THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2012**

**UNITED SSE 50 CHINA ETF**

UOB Asset Management Ltd (“UOBAM”), as managers of the **UNITED SSE 50 CHINA ETF** (the “ETF”), a sub-fund of UETF, have been requested by SGX-ST to release further information on the annual report for the ETF for the financial year ended 30 June 2012 (the “full year results”) in response to queries from the SGX-ST.

In this connection the queries from SGX-ST (set out in bold) and our corresponding responses set out below:

- (a) **Referring to page 2 of the full year results, it is stated that the 3-month growth of the ETF is 0.87% as compared to the benchmark’s 0.05%. Given that the ETF is intended to track the performance of the SSE50 China Index via an issue of participatory notes, as closely as possible, before fees, costs and expenses, please clarify how the discrepancy arose.**

The difference in performance between the ETF and the benchmark for the 3-month period was primarily due to accrued dividends to the participatory notes held by the ETF.

- (b) **[SGX-ST] also note[s] the sudden increase in expense ratio, from 0.97% as of 30 June 2011 to 1.42% as of 30 June 2012 on page 8 of the full year results. Please provide reasons for the increase in expense ratios.**

This is due to the average NAV of the ETF having dropped by almost half compared to the previous year. Please refer to the figures below:

	<b>2012</b>	<b>2011</b>
Expenses	712,137.28	908,137.79
Average NAV	50,260,884.85	94,030,247.34
<b>Expense ratio</b>	1.42	0.97

- (c) **Based on the statement of total return on page 12 of the full year results, “Other expenses” has increased 64% from \$157,700 in 2011 to \$259,195 in 2012. Please provide a breakdown of these expenses and explain the substantial increase.**

The breakdown of the “Other expenses” for the financial year ended 30 June 2011 and 30 June 2012 is provided on the next page. The increase in “Other expenses” is due mainly to an increase in the Legal fees and Printing fees incurred by the ETF as at 30 June 2012 as compared to the preceding financial year. The increase in Legal fees was incurred due to the restructuring of the ETF for compliance with the revised Code on Collective Investment Schemes.

**As at 30 June 2011**

Other expenses 157,700

**As at 30 June 2012**

Other expenses 259,195

**Breakdown of "Other expenses":**

Accounting & Professional	55,770	Accounting & Professional	173,154
Printing	9,192	Printing	15,163
Administrator Fee	43,109	Administrator Fee	43,185
Communication	-	Communication	3
Goods & Services Tax	48,246	Goods & Services Tax	26,445
Bank Charges	1,372	Bank Charges	1,245
Out of Pocket Expenses	12	Out of Pocket Expenses	-
	<u>157,700</u>		<u>259,195</u>

For further information, investors can contact UOBAM at our 24 hour hotline number 1800 22 22 228 or email us at [uobam@uobgroup.com](mailto:uobam@uobgroup.com) or contact their stockbrokers.

**UOB Asset Management Ltd**

(Singapore Company Registration No. 198600120Z)

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**Important Notice and Disclaimers**

This announcement is for general information only. It does not constitute an offer or solicitation to deal in units in the ETF.

The ETF is not in any way endorsed, sold, sponsored or promoted by the Shanghai Stock Exchange or China Securities Index Co., Ltd.. The Shanghai Stock Exchange and China Securities Index Co., Ltd. make no warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the SSE 50 Index (the "SSE 50"), and/or the figure at which the said index stands at any particular time on any particular day or otherwise. The SSE 50 is calculated by China Securities Index Co., Ltd., and on behalf of Shanghai Stock Exchange which will adopt all necessary measures to ensure the accuracy of the SSE 50. However, the Shanghai Stock Exchange and China Securities Index Co., Ltd. shall not be liable (whether in negligence or otherwise) to any person for any error in the SSE 50 and shall not be under any obligation to advise any person of any error therein. The SSE 50 is owned by the Shanghai Stock Exchange.

**UOB Asset Management Ltd****Singapore Company Registration No. 198600120Z**

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