

SMB UNITED LIMITED
(Company Registration Number: 199506364D)
(Incorporated in the Republic of Singapore)
(the "**Company**")

**VOLUNTARY CONDITIONAL CASH OFFER BY OSAKI ELECTRIC CO., LTD.
FOR SMB UNITED LIMITED – DESPATCH OF OSAKI OFFEREE CIRCULAR**

The Board of Directors of the Company (the "**Board**") refers to the announcement dated 16 January 2012 by Daiwa Capital Markets Singapore Limited ("**Daiwa**"), for and on behalf of Osaki Electric Co., Ltd. ("**Osaki**"), in respect of the despatch of the offer document dated 16 January 2012 (the "**Osaki Offer Document**") to shareholders of the Company ("**Shareholders**"), in relation to the voluntary conditional cash offer (the "**Osaki Offer**") by Daiwa, for and on behalf of Osaki, to acquire all the ordinary shares in the capital of the Company ("**Shares**").

Further to the above announcement, the Board wishes to inform Shareholders that the Company has today despatched to Shareholders a circular dated 27 January 2012 (the "**Osaki Offeree Circular**") containing, *inter alia*, the advice of Ernst & Young Corporate Finance Pte Ltd (the "**IFA**"), the independent financial adviser to the Directors of the Company who are considered independent for the purposes of the Osaki Offer (the "**Independent Directors**"), and the recommendations of the Independent Directors on the Osaki Offer.

Shareholders who have not received the Osaki Offeree Circular within two (2) business days from the date hereof may obtain a copy during normal business hours from the Company's share registrar:

Boardroom Corporate & Advisory Services Pte. Ltd.

50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

A soft copy of the Osaki Offeree Circular is available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com.

Shareholders should note that, as stated in the Osaki Offer Document, the Osaki Offer will remain open for acceptance until **5.30 p.m. on 13 February 2012** or such later date(s) as may be announced from time to time by or on behalf of Osaki.

Shareholders are advised to refrain from taking any action in respect of their Shares which may be prejudicial to their interests, and to exercise caution when dealing in the Shares, until they have considered the information, the advice of the IFA and the recommendations of the Independent Directors in the Osaki Offeree Circular.

The Directors of the Company (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated in this Announcement are fair and accurate and that no material facts have been omitted from this Announcement, and they jointly and severally accept responsibility accordingly. Where any information has been extracted from published or otherwise publicly available sources, the sole responsibility of the Directors of the Company has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Any enquiries relating to this Announcement or the Osaki Offer should be directed to the following:

Lazard Asia Limited
3 Church Street
#14-01 Samsung Hub
Singapore 049483
(65) 6534 2011

BY ORDER OF THE BOARD
SMB UNITED LIMITED

Lee Phuan Weng
Chairman
27 January 2012