

VOLUNTARY CONDITIONAL CASH OFFER

by



Daiwa Capital Markets Singapore Limited

(Company Registration No.: 197200705R)
(Incorporated in the Republic of Singapore)

for and on behalf of



Osaki Electric Co., Ltd.

(Incorporated in Tokyo, Japan)

to acquire all the ordinary shares in the capital of



SMB United Limited

(Company Registration No.: 199506364D)
(Incorporated in the Republic of Singapore)

DESPATCH OF OFFER DOCUMENT

1. INTRODUCTION

1.1 Daiwa Capital Markets Singapore Limited ("**Daiwa**") refers to the announcement released on 28 December 2011, for and on behalf of Osaki Electric Co., Ltd. (the "**Offeror**"), in relation to the voluntary conditional cash offer (the "**Offer**") for all the ordinary shares ("**Shares**") in the capital of SMB United Limited (the "**Company**").

1.2 Daiwa wishes to announce, for and on behalf of the Offeror, that the formal document dated 16 January 2012 containing, *inter alia*, the terms and conditions of the Offer (the "**Offer Document**") has been despatched today to shareholders of the Company ("**Shareholders**").

Electronic copies of the Offer Document and the Relevant Acceptance Forms (as defined below) are available on the website of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") at www.sgx.com.

Unless otherwise defined, capitalised terms in this announcement ("**Announcement**") shall bear the same meaning as set out in the Offer Document.

2. OFFER DOCUMENT

2.1 The following documents are included with the Offer Document:

2.1.1 in the case of an Offer Document sent to a Shareholder whose Shares are deposited with The Central Depository (Pte) Limited (“**CDP**”), a Form of Acceptance and Authorisation for Shares (“**FAA**”); and

2.1.2 in the case of an Offer Document sent to a Shareholder who holds Shares in scrip form, a Form of Acceptance and Transfer for Shares (“**FAT**”, together with the FAA, the “**Relevant Acceptance Forms**”).

3. CLOSING DATE

Acceptances of the Offer must be received no later than **5.30 p.m. (Singapore time) on 13 February 2012** or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the “**Closing Date**”).

4. PROCEDURES FOR ACCEPTANCE

The procedures for acceptance of the Offer are set out in Appendix 2 to the Offer Document and in the Relevant Acceptance Forms. Shareholders who wish to accept the Offer may do so by completing and returning the Relevant Acceptance Forms.

5. REQUEST FOR OFFER DOCUMENT AND RELATED DOCUMENTS

5.1 **Non-receipt.** If you are a Shareholder and do not receive the Offer Document and/or the Relevant Acceptance Forms within a week from the date of this Announcement, please contact CDP (if you are a Depositor), Boardroom Corporate & Advisory Services Pte. Ltd. (“**Registrar**”) (if you are a scrip holder) or Daiwa immediately at the addresses and telephone numbers set out below:

The Central Depository (Pte) Limited 4 Shenton Way #02-01 SGX Centre 2 Singapore 068807 Tel: (65) 6535 7511	Boardroom Corporate & Advisory Services Pte. Ltd. 50 Raffles Place #32-01 Singapore Land Tower Singapore 048623 Tel: (65) 6536 5355
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Daiwa Capital Markets Singapore Limited
6 Shenton Way #26-08
DBS Building Tower Two
Singapore 068809

Tel: (65) 6499 6576

Electronic copies of the Offer Document and the Relevant Acceptance Forms may also be obtained from the website of the SGX-ST at www.sgx.com. In particular, please click on the “Company Disclosure” tab, then “Company Announcements”, then select “SMB UNITED LIMITED” to view the Company’s recent announcements. The FAA and the FAT are appended to this Announcement.

Alternatively, Shareholders may, subject to compliance with applicable laws, write to the Offeror at Osaki Electric Co., Ltd. c/o Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place #32-01, Singapore Land Tower, Singapore 048623, to request for the Offer

Document, the Relevant Acceptance Forms and any related document(s) to be sent to an address in Singapore by ordinary post at his own risk, up to five Market Days prior to the Closing Date.

- 5.2 Overseas Shareholders.** The availability of the Offer to Shareholders whose addresses are outside of Singapore as shown in the Register or, as the case may be, in the records of CDP (“**Overseas Shareholders**”) may be affected by the laws of the relevant overseas jurisdictions. For the avoidance of doubt, the Offer is made to all Shareholders including those to whom the Offer Document, the Relevant Acceptance Forms and any related document(s) have not been, or will not be, sent, provided that the Offer Document, the Relevant Acceptance Forms and any related document(s) do not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Offer is not being made into any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction. However, the Offeror may, in its sole and absolute discretion, take such action as it may deem necessary to extend the Offer to Shareholders in any such jurisdiction.

It is the responsibility of any Overseas Shareholder who wishes to (i) request for the Offer Document, the Relevant Acceptance Forms and any related document(s) or (ii) accept the Offer, to satisfy himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with all other necessary formalities or legal requirements, or the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on its behalf (including Daiwa, CDP and the Registrar) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or requisite payments that may be required to be paid. In accepting the Offer, the Overseas Shareholder represents and warrants to the Offeror and Daiwa that he is in full observance of the laws of the relevant jurisdiction in that connection, and that he is in full compliance with all necessary formalities or legal requirements. If any Shareholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.

Shareholders (including Overseas Shareholders) may, subject to compliance with applicable laws, obtain copies of the Offer Document, the Relevant Acceptance Forms and any related document(s), during normal business hours up to 5.30 p.m. (Singapore time) on the Closing Date from, as the case may be, (i) the Registrar, (ii) CDP or (iii) Daiwa at the relevant addresses in paragraph 5.1 above.

- 5.3 CPFIS Investors.** CPFIS Investors will receive further information on how to accept the Offer from their respective CPF Agent Banks. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice.

CPFIS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks. Subject to the Offer becoming or being declared to be unconditional in all respects in accordance with its terms, CPFIS Investors who accept the Offer will receive the payment for their Shares in their CPF investment accounts.

6. INDEPENDENT ADVICE

Daiwa is acting for and on behalf of the Offeror and does not purport to advise Shareholders or any other person. The Company will despatch a circular to Shareholders within 14 days after the date of despatch of the Offer Document setting out the views of the directors of the Company who are considered to be independent for the purposes of the Offer (the “**Independent Directors**”) and the opinion of the independent financial adviser to the Independent Directors on the Offer. Shareholders may wish to consider the information in the circular before taking any action in relation to the Offer.

7. RESPONSIBILITY STATEMENT

The directors of the Offeror (including any director who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed 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 or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to the Company and its subsidiaries), the sole responsibility of the directors of the Offeror 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, reflected or reproduced in this Announcement.

Issued by
Daiwa Capital Markets Singapore Limited

For and on behalf of
Osaki Electric Co., Ltd.
16 January 2012
Singapore

Any enquiries relating to this Announcement or the Offer should be directed during office hours to:

Lee Shao Ping
Managing Director
Head of Mergers & Acquisitions

Lin Yong Sin
Director
Mergers & Acquisitions

Hotline: +65 6499 6576