

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 – OFFER DECLARED UNCONDITIONAL IN ALL RESPECTS**

1. INTRODUCTION

The Board of Directors of the Company (the “**Board**”) refers to:

- (a) the voluntary conditional cash offer by Daiwa Capital Markets Singapore Limited (“**Daiwa**”), for and on behalf of Osaki Electric Co., Ltd. (“**Osaki**”), to acquire all the ordinary shares in the capital of the Company (“**Shares**”) on the terms and conditions set out in the offer document dated 16 January 2012 (the “**Osaki Offer Document**”); and
- (b) the announcement dated 27 January 2012 by Daiwa, for and on behalf of Osaki, that the Osaki Offer has become unconditional in all respects (the “**Offer Unconditional Announcement**”).

Unless otherwise defined, all capitalised terms used herein shall bear the meanings ascribed to them in the Osaki Offer Document.

2. OSAKI OFFER DECLARED UNCONDITIONAL IN ALL RESPECTS

As stated in the Offer Unconditional Announcement, Osaki has received valid acceptances (which have not been withdrawn) of the Osaki Offer in respect of such number of Shares which, when taken together with the Shares owned, controlled, acquired or agreed to be acquired by Osaki and persons acting in concert with Osaki (whether before or during the Osaki Offer), results in Osaki and persons acting in concert with Osaki holding such number of Shares carrying more than 50 per cent. of the voting rights attributable to the maximum potential issued shares in the Company¹.

Accordingly, the Osaki Offer became and was thereby declared unconditional in all respects on 27 January 2012.

3. LEVEL OF ACCEPTANCES OF THE OSAKI OFFER

According to the Offer Unconditional Announcement, as at 5.00 p.m. on 27 January 2012, Osaki has received valid acceptances in respect of an aggregate of 261,900,946 Shares, representing approximately 53.54 per cent. of the total number of issued Shares as at 27 January 2012².

¹ The reference to the “**maximum potential issued shares in the Company**” means the total number of Shares, including any Shares which may be issued pursuant to the SMB Performance Share Plan. For the purposes of computation, the maximum potential issued shares in the Company is 513,101,999.

² The total number of issued Shares as at 27 January 2012 is 489,151,999.

4. LISTING STATUS AND COMPULSORY ACQUISITION

Further information relating to Osaki's position in respect of the listing status of the Company and the exercise of any right of compulsory acquisition which Osaki may have in connection with the Osaki Offer is set out in the Osaki Offer Document.

In the Osaki Offer Document, it was stated that Osaki intends to make the Company its wholly-owned subsidiary and does not intend to preserve the listing status of the Company. Accordingly, Osaki does not intend to take steps for any trading suspension of the Shares by the SGX-ST to be lifted in the event that, *inter alia*, less than 10 per cent. of the Shares (excluding treasury shares) are held in public hands.

Shareholders are urged to read the relevant sections in the Osaki Offer Document carefully.

5. CLOSING DATE

As stated in the Offer Unconditional Announcement, the Osaki Offer will remain open for acceptance until **5.30 p.m. on 27 February 2012**, being not less than 14 days after 13 February 2012 (the First Closing Date), or such later date(s) as may be announced from time to time by or on behalf of Osaki.

6. PROCEDURES FOR ACCEPTANCE OF THE OSAKI OFFER

Shareholders who wish to accept the Osaki Offer but have not done so should refer to the Offer Unconditional Announcement for the procedures for acceptance of the Osaki Offer.

7. OSAKI OFFEREE CIRCULAR

The Company has on 27 January 2012 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 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.

As stated in the Osaki Offeree Circular, Shareholders should note that the Company is expected to release its unaudited full year results for the financial year ended 31 December 2011 on 24 February 2012.

8. RESPONSIBILITY STATEMENT

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 (including, without limitation, the Offer Unconditional Announcement), 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
28 January 2012