
NEWS RELEASE

UOB Launches the UOB Visa Business Card Programme for SMEs

18 March 2002, Singapore - United Overseas Bank and Visa International today jointly announced the launch of the new UOB Visa Business Card Programme catering to the needs of Singapore's small and medium sized enterprises (SMEs). The programme will enable SMEs to achieve substantial operational efficiency and savings in day-to-day business costs.

The UOB Visa Business Card is an effective payment tool designed for the increasingly sophisticated needs of SMEs. It centralises all their business spending such as travel and entertainment, office equipment, computer software and utility bills in a single Card. By consolidating the different payment needs of the company, the UOB Visa Business Card can help SMEs save on their business and administration costs, and better manage and control their expenses. With a more focused approach to the management of its funds, the SME would be able to deploy its working capital more effectively.

SMEs are a key pillar of Singapore's economy. According to the Singapore Productivity and Standards Board, there are over 100,000 SMEs in the country representing 90% of all businesses. They employ half of Singapore's workforce and contribute to one third of the total added value to the economy. However, given the current challenging economic climate, SMEs need to stay competitive through efficiency and generating greater productivity.

Due to their relatively smaller size, SMEs traditionally have less leverage in negotiating good deals with suppliers on day-to-day business expenses. The new UOB Visa Business Card Programme offers Card members a suite of special privileges that help alleviate regular business costs. These include various offers on UOB bank services, rebates on Shell fuel, up to almost a thousand dollars savings on

SingTel's mobile and Internet services, and discounts on Singapore Airlines fares.

Said Francis Hsu, Senior Vice President of UOB Credit Card Centre, "UOB is pleased to be the first bank to bundle a Business Card with the commercial banking business. As the market leader in SME loans, with over 17,000 SMEs currently banking with us, UOB has always been attuned to the unique needs and demands of the SME market. We saw the need to develop a Business Card for the SMEs as their needs are different from those of the MNCs. Hence, we are excited to offer our SMEs a financial tool that is customised to their needs and that will greatly help them add value to their business. The UOB Business Card recognises the financial performance of the company and at the same time, allows the company the flexibility of setting its own credit limits."

Added Mr Hsu, "We are pleased that Shell and SingTel are partnering us in recognising the importance of the SME segment and their contribution to the Singapore economy." Companies can capitalise on the wide range of efficiencies and savings which the programme brings. The UOB Visa Credit Card allows up to 51 days interest-free repayment period. Cash flow management is therefore made easier and micro-management of cash flow on a daily basis is eliminated.

"As more and more SMEs grow in size and operations, it will become increasingly necessary for these businesses to streamline their accounts for more effective management of capital. Visa's case studies on small businesses have demonstrated that by using Visa Business Card, one company was able to realise SGD 8,150 in annual interest on its own working capital by simply taking advantage of the extended credit," said Dennis Ng, Singapore country manager, Visa International Asia Pacific.

"The UOB Visa Business Card combines the strength of a bank, which understands its customer's needs in every country where it has a presence, with the expertise and reach of the world's number one payment brand, to provide a complete financial solution package for SMEs. The UOB Visa Business Card with its whole suite of benefits and services is intended to give SMEs a competitive advantage in the increasingly cashless world of commerce," Dennis added.

Accepted at Visa's worldwide network of over 22 million merchants, the UOB Visa Business Card makes cross-border procurement simple and fast, without having to incur extra costs for funds transfer. All spending by Cardmembers is summarised in a

single monthly statement. Instead of a flood of invoices from suppliers, there is only one channel for consolidated expenses. Only one payment a month is needed no matter the number of suppliers the company has. This greatly simplifies accounting and administration procedures, and allows business managers to better analyse spending trends and review budgets. It also reduces the time needed for tax preparation. UOB Visa Business Cardmembers can also access their account information online.

"With Visa Business Card's established success in Asia and around the world and UOB's strengths in meeting the needs of the local SME market, we at Visa are confident that the new UOB Visa Business Card will be very well received by local companies," added Dennis.

Other Visa card products that UOB is offering to the business community in Singapore include the UOB Visa Corporate Card, the UOB Visa Purchasing Card and UOB Visa Distribution Card, which are targeted at the payment and electronic procurement needs of large businesses, multinational corporations and government sectors.

United Overseas Bank

United Overseas Bank (UOB) is focused on enhancing its leadership in the consumer market. To date, UOB is the largest card-issuing bank in Singapore with a card base of more than 730,000 and a market share of more than 30 per cent. In addition, UOB has the largest base of merchants in Singapore, both for consumer and commercial credit card acceptance. It is also both the largest Purchasing Card issuer and acquirer in Singapore.

Under the UOB Rewards Unlimited Programme, Cardmembers enjoy a wide range of exclusive rewards, including shopping and dining for free. With its collaboration with Singapore Airlines, Cardmembers can enrol in the KrisFlyer Programme and redeem free flights to destinations of their choice. UOB Credit Cardmembers can access their credit account information, and view and redeem rewards online at www.uobgroup.com.

Visa Asia Pacific

Visa is the world's leading payment brand and the largest payment system worldwide. There are currently more than one billion Visa cards on issue around the world. Visa-branded cards generate almost US\$2 trillion in annual volume worldwide and are accepted at 22 million merchant locations and 700,000 automated teller machines.

Visa is also a leader in electronic commerce, with more than 50 percent of electronic transactions being made with Visa.

In Asia Pacific, Visa has a market share of more than 56 percent in terms of retail sales volume, more than all other payment brands combined. By the end of 2001, the number of Visa cards on issue in Asia Pacific had risen to 330 million, including all Visa, Visa Electron, Interlink, and PLUS-branded cards. During 2001, a total of US\$480 billion was spent in Asia Pacific including China using Visa cards, a growth of 70 percent over the previous year.

Visa Asia Pacific's Internet address is www.visa-asia.com.

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