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PRESS RELEASE

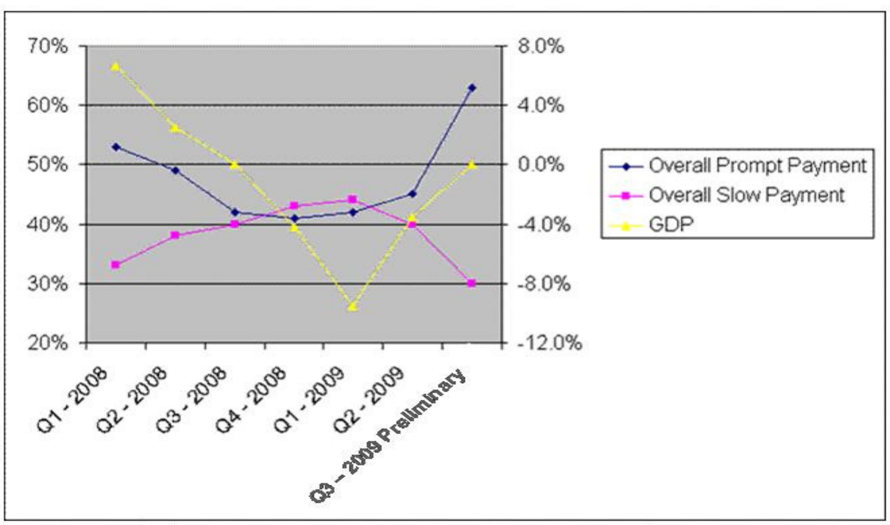
# Singapore Economy Recovery In Sight

Singapore, 8 October 2009 — Singapore's economy has shown prominent recovery and this performance has been reflected in the overall payment patterns of Singaporean businesses for the third quarter of 2009.

The following graph was based on data accumulated by D&B Singapore from more than 1.2 million tradelines collected from more than 1,000 local companies and businesses belonging to the Construction, Retail, Wholesale, Manufacturing and Service industries.

## Payment Trends

| | Q1 – 2008 | Q2 - 2008 | Q3 - 2008 | Q4 - 2008 | Q1 - 2009 | Q2 - 2009 | Q3 - 2009 Preliminary |
|---|---|---|---|---|---|---|---|
| Overall Prompt Payment | 53% | 49% | 42% | 41% | 42% | 45% | 63% |
| Overall Slow Payment | 33% | 38% | 40% | 43% | 44% | 40% | 30% |
| GDP | 6.7% | 2.5% | 0.0% | -4.2% | -9.5% | -3.5% | 0.5% |




From the graph above, we see the trend lines for "prompt" for payments that were within credit terms and "slow" for payments that did not meet their given credit terms. The terms offered to each entity would range from 7 days terms to 90 days or above.

As illustrated, in the 3rd quarter of 2009, overall prompt payments shot to record high of 63% from 45% in the previous quarter. This is the evidence of strong and growing liquidity in the market. All sectors of the economy showed significant improvement in prompt payment from the previous quarter. Breaking down the numbers: The Wholesale sector registered 68% in prompt payment followed by the Service sector at 61% and the Manufacturing sector at 56%. Both the Retail and the Construction sectors clocked in at 52%. In addition, the Wholesale sector showed the greatest improvement, from 50% registered in the previous quarter to the current 68%.

Reflecting stronger confidence in the market, slow payments also dropped to a record low of 30%. However, the uncertainty still looming in the market place, especially with the persistent high jobless rate in the US, is likely to put a brake on this upward momentum. Trend going forward is likely to remain flat.

Commenting on the payment patterns among Singapore-based companies and businesses, Mr. Yun Kok Siong, D&B Singapore Chief Executive Officer said, "Overall, Singapore companies appear to have received a strong dose of adrenalin. Companies and businesses, delaying payments to suppliers in the last few quarters due to the liquidity crisis, have renewed their confidence and believed that this economic recovery is for real and are now clearing their outstanding debts and making more prompt payments. However, this confidence and upward momentum will be limited by persistent high jobless rate and growing job losses in the US. Corporate profits are turning positive and beating analyst expectations. But how much of these profits are derived from layoffs/restructuring and how much are derived from real business growth will be crucial."

From the chart, we can also observe that there is a fine correlation between payment patterns and GDP growth. Based on this, we can project that GDP growth for Q3 2009 is likely to come in at a 0% to 1% compared to the same period last year.

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To reflect the business sentiments amongst Singapore businesses for Q4 2009, we would be releasing Business Optimism Index before end Oct.